



COLORADO DEPARTMENT OF
**HIGHER
EDUCATION**

ACCESS TO HIGH-QUALITY, AFFORDABLE EDUCATION FOR ALL COLORADANS

INSTRUCTION MANUAL FOR
HIGHER EDUCATION FACILITIES,
PROGRAM PLANNING AND BUDGETING
Fiscal Year 2009-10

ISSUED BY THE
COLORADO DEPARTMENT OF HIGHER EDUCATION
WITH THE APPROVAL OF THE
OFFICE OF STATE PLANNING AND BUDGETING
REVISED May 20, 2008

STATE OF COLORADO



DEPARTMENT OF HIGHER EDUCATION

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MEMORANDUM

TO: Higher Education Capital Construction Advisory Committee (CCAC) Members; Higher Education CFOs; Higher Education Facility Planners

FROM: Ryan Stubbs, Capital Construction Coordinator

DATE: May 20, 2008

SUBJECT: Capital Construction Budget Requests for Fiscal Year 2009-2010

Attached please find the Department of Higher Education (DHE) "Instruction Manual for Higher Education Facilities, Program Planning and Budgeting for FY 2009-2010." Please be sure to review the manual and the deadlines set forth in the schedule as all institutions will be held to them this year. We have revised this manual and the budget forms to comply with recent statutory changes.

Ryan Stubbs will be managing the capital construction review process and all submittals and questions should be directed to his attention. He can be reached at (303) 866-4034.

The 2008 legislative session created several significant new or amended state laws affecting higher education capital construction. The most notable included SB08-218 SB08-233 and HJR08-1042, a series of bills that will allow additional higher education projects to be funded through Certificates of Participation (COPs) using Federal Mineral Lease Revenues (FML). SB08-218 allows for a percentage of the growth occurring in FML revenues to be used to fund higher education capital construction, this new revenue source was desperately needed given the large capital needs at every institution as well as current state revenue forecasts which predict little to no accrual of state capital construction funds over the next four years. SB08-233 enabled the state to use the funds allowed for in SB08-218 and issue COPs to fund a number of additional capital construction projects. SB08-233 specifies COP payments for a period of 20 years that will fund approximately \$216 Million worth of projects. These projects have been identified and listed by the JBC within HJR08-1042. The final number of projects

that are funded within this first issuance of COPs will be partially determined based on market conditions which could affect the dollar amount of COPs issued. Depending on the accuracy of the FML revenue forecasts, it is possible that there will be an additional COP issuance within the next several years. The Treasurer's Office will monitor this revenue stream and report to OSPB and DHE to determine if another COP issuance is possible. In the time between COP issuances, FML revenues accrued in the funds created by SB08-218 for higher education capital construction above what is needed to fund COP payments will be used within the normal annual capital construction process. While this new revenue stream allows for a number of projects to receive funding immediately and will likely allow for additional projects in the future, funding scenarios for higher education capital for FY 2009-2010 remain bleak, and forecasts show minimal state funds available for FY 2009-2010. **Additionally, it is important to note that OSPB and DHE do not see a separate capital process emerging for FML/COP projects. Institutions should use the same planning process and timelines outlined within this budget manual for submitting all projects requesting state funds.**

Another significant piece of 2008 legislation for capital construction was SB08-1205. This bill raised the program planning requirement threshold for all projects to those exceeding \$2 Million dollars. This means that all types of projects (202, cash and state-funded) with a budget of \$2 Million or below will not require a program plan. 202 and cash-funded projects below this amount will be reported in the 209 report and institutions will still need to request a waiver for state-funded projects with budgets of \$2 Million or below. The bill will also allow for cash-funded projects to have the same approval process that previously existed only for 202 projects. This means that cash-funded projects can receive approval from DHE, CDC and JBC throughout the year without having to be included in the Long Bill. Additionally, cash-funded projects will not be subject to the six month encumbrance rule. This budget manual has been updated to reflect these legislative changes.

One additional change for capital was included in SB08-18 which no longer requires CCHE/DHE approval of leases. This legislation is still pending the Governor's signature, but if it is enacted, leases will no longer have to go through CCHE/DHE for approval and may be submitted directly through the Office of the State Architect. Once the legislation has been enacted we will notify institutions when the new lease approval process can be implemented.

Also, DHE is in the process of enabling on-line submittal for five-year capital construction plans. DHE plans to finish this online database in June and would allow for each institution to update their five-year plans online during the DHE capital review process, instead of resubmitting CC-P forms (which can often occur multiple times throughout the process). The database will contain essentially the same information shown on the current CC-P form and will have a similar format. Once the online database is operational, DHE will accept the submittal of 5-year plans either through CC-P forms or online. This year will serve as a trial period for this new process and institutions will not be required to submit 5-year plans on-line. DHE plans to release additional information on this in June.

DHE will accept all projects that meet the statutory guidelines and budget deadlines set forth in the attached Instruction Manual for consideration in FY09-10. However, in developing the higher education priority list, we will again rely heavily on the priorities of

governing boards with a focus on health and life safety projects, programmatic improvements, and continuation projects. Additionally, DHE has worked to develop a policy for the consideration of cash and other-funds to supplement state funded projects. This policy was considered in a Commission Study Session this May, and will be brought before the Commission for formal adoption in June. Given these circumstances it is likely that the consideration of cash and other funding sources in projects that would normally be eligible for state-funds will be part of the Commission's prioritization process.

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The following Budget Forms are not in this manual. They were sent via email:

- CC-C: Capital Construction Building Project Request FY 2009-2010
Project Costs and Approval Cover Sheet
Support Information Form
- CC-IT: Capital Construction Technology Project Request FY 2009-2010
Project Costs and Approval Cover Sheet
Support Information Form
- CC-P: Five-Year Capital Construction Plan FY 2009/10-FY 2013/14
- CC-B: Supplemental Capital Construction Request FY 09-10
- CM-03 SBREP Capital Renewal Building/Infrastructure Request

If you did not receive the above forms, please contact Ryan Stubbs at Ryan.stubbs@dhe.state.co.us or 303-866-4034. (Revised CC-B form will be sent at a later date) (LEED Checklists should have also been included in this email). All forms will be made available at the following web address:
<http://higherred.colorado.gov/Finance/Capital/>

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INTRODUCTION

The Department of Higher Education (DHE) is charged, by statute, to establish standards and procedures for higher education institutional submissions of capital construction program plans, to make budget recommendations on institutional capital construction requests, and to review and approve institutional capital construction program plans and facility master plans that are consistent with the role and mission of each institution (see Appendix A for statute). With the concurrent approval of the Office of State Planning and Budgeting (OSPB), and the staffs of the legislative Capital Development Committee (CDC) and the Joint Budget Committee (JBC), DHE, since 1981, has annually issued an instruction manual for higher education capital projects.

This manual discusses DHE budgeting and planning processes for capital and information technology projects for state-supported higher education institutions. It includes a list of deadlines for the FY09-10 budget year, the processes DHE follows in reviewing various budget documents and capital construction projects, the DHE prioritization policy for ranking state-funded projects, and instructions for completing the various applicable budget forms. These forms are available on the Department's website at <http://higher.colorado.gov/Finance/Capital/>. DHE Capital policies cited or referenced in this manual can be accessed from the DHE website. The policies, with their specific pathways, include:

- Section III, Part D - Guidelines for Long-Range Facilities/Infrastructure Master Planning:

<http://higher.colorado.gov/Finance/Capital/guidelines/fmpg.pdf>

- Section III, Part E - Guidelines for Facilities Program Planning:

<http://www.state.co.us/cche/policy/newpolicies/iii-parte.pdf>

- Section III, Part M - Capital Improvement Program Policies:

<http://higher.colorado.gov/Finance/Capital/guidelines/fppg.pdf>

- Section III, Part Q - Policies for Self-Funded Capital Construction:

<http://higher.colorado.gov/publications/policies/Current/iii-partq.pdf>

- Facility Program Planning Guidelines

<http://higher.colorado.gov/Finance/Capital/guidelines/fppg.pdf>

- Facilities Master Planning Guidelines

<http://highered.colorado.gov/Finance/Capital/guidelines/fmpg.pdf>

- Space Utilization Guidelines

<http://highered.colorado.gov/Finance/Capital/guidelines/sug.pdf>

CAPITAL CONSTRUCTION BUDGET AND PROGRAM PLAN
SCHEDULE FOR 2008-2009 REQUESTS

Governing Boards and Institutions:	Due Dates
Forward Five-Year Capital Construction Plan (FY09-10 through FY13-14) to DHE (Submit 1 electronic copy) <ul style="list-style-type: none"> • CC-P form Forward Governing Board Priorities for all major state-funded capital construction projects to DHE (Submit 1 electronic copy).	July 16, 2008
Forward FY09-10 FINAL Capital Construction Project Requests to DHE (Submit 1 electronic copy of budget documents; 1 paper copy of each facility program plan); CM-03 (Capital Renewal requests) submitted at same the same time to Office of the State Architect (OSA) and OSPB. These requests are not submitted to CDC or JBC at this time. <ul style="list-style-type: none"> • CC-C and CC-IT forms & Support Information • Facility Program Plans • OSA CM-03 (for capital renewal) 	July 16, 2008
Forward self-funded capital projects (cash funded, as well as SB92-202 projects, if possible) to DHE (Submit 1 electronic copy of budget documents, 1 paper copy of each facility program plan). <ul style="list-style-type: none"> • CC-C and CC-IT forms & Support Information • Facility Program Plans 	August 6, 2008
Governing Boards forward to DHE a Cash-Funded Projects Capital Construction Budget Addendum to disclose source and use of funds for each major cash-funded capital construction project; and an annual fiscal report on the cumulative impact of All major and minor cash-funded projects for FY09-10. (Major: more than \$2 million; minor: \$2 million or less.)	August 14, 2008
Forward list (on 209 forms) of cash-funded capital projects – SB01-209 projects – (\$2 million or less for SB92-202 projects (constructed, operated and maintained with cash and/or less for cash – constructed and operated & maintained with either cash or general fund or both) to DHE.	September 10, 2008
Forward Board-approved Five-Year Controlled Maintenance Plan and Status Reports on Controlled Maintenance and Capital Construction Projects to the Office of the State Architect.	September 4, 2008
Forward supplemental appropriation requests for FY 08-09 or prior years to DHE (Submit 1 electronic copy). <ul style="list-style-type: none"> • CC-B form 	September 19, 2008
DHE Schedule:	
Consult with institutions in preparation of FY09-10 requests and FY09-10 to FY13-14 Five-Year Capital Construction plans	Through mid-July
Coordinate state-level reviews of institution requests	July to September

Submit list of state funded capital construction budget requests to Office of State Planning and Budgeting (OSPB)	August 6, 2008
Forward list of capital construction budget requests to Capital Development Committee (CDC) staff. DHE Subcommittee on Capital Assets meets with CCAC members & others to finalize recommendations to Commission on the DHE priority list of state-funded capital projects.	September 2, 2008 Sept. 8-17, 2007
Prepare DHE capital budget priorities, 5-year capital construction program for October Commission agenda	September 18 2008
Coordinate state-wide prioritization list with OSPB	October
Submit supplemental requests to OSPB	November 3, 2008
Submit prioritized list and program plan reviews to CDC, JBC & OSPB.	November 3, 2008

DHE PRIORITIZATION OF STATE-FUNDED PROJECTS

The Department of Higher Education annually prioritizes **ALL** state-funded (Capital Construction Funds or CCF) capital construction project requests prior to submission to the General Assembly. Projects costing less than \$2 million CCF that are granted a waiver from the program planning requirements are prioritized alongside projects with costs exceeding \$2 million. The Department does not prioritize cash-funded projects or SB92-202 projects. Instead, it reviews cash-funded projects and recommends them for cash spending authority to the General Assembly. Cash-funded and SB92-202 projects that DHE staff recommends for disapproval or that DHE staff believe raise policy issues are referred to the Commission.

Also, the Department neither reviews nor prioritizes Controlled Maintenance requests. Institutions submit these requests to the Office of the State Architect within the Department of Personnel and Administration.

Prioritized state-funded projects must have approved program plans that are consistent with all statutory requirements, the statutory role and mission, the campus facilities master plan, and approved space and utilization standards, where applicable. In prioritizing a project, financial feasibility and conformance with established planning guidelines may be considered.

For FY09-10, the prioritization list will be reviewed and approved by the Commission's Sub-Committee on Capital Assets and the Commission as a whole prior to submission to the General Assembly in November 2008.

Capital Construction Projects

General

Program plans are required for most public higher education capital construction projects. Only three types of capital construction projects do **NOT** need program plans. These are:

- Capital construction projects costing less than \$2 million in state funds for which requests for exemptions from the requirements of program and physical planning must be submitted to DHE. (See the section on program plan waivers below.)
- Capital construction projects costing \$2 million or less and constructed, operated and maintained with cash or federal funds and capital projects costing \$2 million or less and constructed with cash funds but operated and maintained with either cash, general funds or a combination of both are called SB01-209 projects. These projects are simply reported to DHE by

September 1 of each year for the previous fiscal year. (See the section on SB01-209 projects below.)

- Capital Renewal projects for which the Office of the State Architect CM-03 form, and possibly a feasibility study, may be required in lieu of a formal program plan (See the section on Capital Renewal projects below).

All other new capital requests require program plans. Program plans must follow applicable policy in DHE Policy Section III, Part E – Facilities Program Planning <http://highered.colorado.gov/Publications/Policies/#ca> and the Facility Program Planning Guidelines for Higher Education Capital Construction Projects <http://highered.colorado.gov/Finance/Capital/guidelines/fppg.pdf>.

Program plans are reviewed for appropriateness, necessity, and sufficiency of the project with respect to institution programs, applicable state policies, plans and standards, and consideration of alternative actions and timetables. Each program plan should:

- Receive the approval of the institution's governing board within 30 days of submittal to DHE; the governing board should send to DHE a letter stating the date and vote of the approval. The governing boards should affirm that the program plan:
 - Conforms with the institution master plan as well as the academic and technology plans;
 - Benefits the educational program housed in the facility;
 - Includes operating and capital costs that are appropriate to the educational program and to the source and method of financing; and
 - Is consistent with the institutional five-year capital construction program schedule.
- Include a third-party independent review (one performed by an engineer, architect, or information technology expert who is not an employee of the institution) that covers:
 - Compliance with applicable codes;
 - Completeness and accuracy of the project cost estimate;
 - Appropriateness and thoroughness of the methodology used for cost estimating (Means or Dodge published cost data, historical costs from previous projects, cost estimating consultant, in-house cost estimating, etc.); and
 - Validity of the alternative chosen.

DHE reviews the program plans for:

- Consistency with the institution's role and mission, academic, facility, and technology master plans; and state higher education policy;
- Consistency of space utilization with DHE guidelines and campus physical master plan space allocations;
- Appropriateness of source of funds, cost estimate methods, financing implications, impact on operations and maintenance at projected enrollment increments.

Program plans submitted to DHE previously that were not funded for FY09-10 will not be considered for FY09-10 unless an executive summary is sent to DHE demonstrating that:

- The plan's space use assumptions have not changed, incorporating information on completed new construction and renovation since the original submission;
- The plan's education and enrollment assumptions remain valid, reflecting any changes from the previous year in enrollment and degree or program offerings;
- The capital costs remain valid and that any unusual construction issues resulting from the delay have been addressed; and
- Any new code requirements will be met and that cost estimates are appropriately adjusted to reflect any changes.

The governing board must indicate in its priority statements that such unimplemented program plans either retain their previous prioritization or have been reprioritized. For projects that remain unfunded for three years after original submission, the governing board will be asked to withdraw the plan and re-evaluate the project. (DHE – Capital Assets Policy III-E – 1.06).

In very rare instances, DHE may determine that an emergency proposal may need expeditious review. DHE staff will immediately notify the institution, governing board staff, and state administrative agencies of its intent to bypass certain procedures.

Funded, DHE-approved program plans for which state capital construction money has been appropriated or cash spending authority given must meet three state fiscal rules or risk having the money withdrawn, particularly in times when state revenues are insufficient to meet the state government budget:

- **The six month rule**, which states that all professional services (i.e. architect and engineering services) must be encumbered within six months of the time the Long Bill becomes Law. For those projects not requiring professional services, the entire amount of the project must be encumbered within six months. (See Appendix E for more information);
- **The one-year rule**, which states that all projects must be initiated within one year from the appropriation as demonstrated when expenses for the

- project have been incurred; and
- **The three-year rule**, which states that institutions have three years to complete their project. Funds that have not been encumbered at the end of three years will revert back to the State. The three-year time limit starts over each time the institution receives new appropriations for the same project.

More details on the types of capital construction projects follow, with information on how DHE reviews them:

Program Plan Waivers

Requests for exemptions from the statutory requirements of program and physical planning may be granted for projects costing **\$2 million or less in state money (CCF)** if sufficient information is presented. That information should include the name of the project; the program or department impacted by the project (campus wide if it benefits the entire campus); the assignable and gross square feet the project involves; the increase, if any, to operation and maintenance costs; and a project description, with site maps or other information included when applicable. The waiver request should include reference to the institutional master plan. The total scope of the project should be discussed if the waiver request is part of a phased project that will be completed in the future or if it complements or completes an earlier project. Institutions should not break a much larger capital construction program into smaller projects to avoid doing program plans. Program plan waivers for projects requiring capital construction funds money are prioritized with all other state-funded projects (CCF). Institutions are not required to request a waiver from the program planning requirements for cash funded projects under \$2 million and 202 projects under \$1 million. These projects are reported as 209 projects (see p. 10).

State Funded Projects

Projects for which capital construction funds (CCF or state-funds) funding is requested for all or part of the total cost are classified as state-funded, and are prioritized with all other state-funded projects. State-funded projects can be for anything defined as capital construction (see Appendix B). DHE reviews state funded requests according to the criteria listed above, and prioritizes them prior to forwarding them to the General Assembly. The types of state-funded projects listed below have special requirements.

Information Technology Projects

Information technology program plans should follow the format in Appendix F of this manual. Staff reviews the program plans with the assistance of the Office of Information and Technology (OIT). OIT reviews the budget documents and pertinent sections of the program plans, and comment on the plans. Information technology projects also may be submitted for cash spending authority.

Capital Renewal Projects

This category of projects began for the FY02-03 budget submission, and is intended for large controlled maintenance projects (that is, projects that are maintenance-, not program-driven) of \$2 million or more. Institutions should submit the OSA CM-03 form simultaneously to DHE, OSA, and OSPB. The OSA CM-03 form should be accompanied by an explanation of how the project is maintenance-driven, not program-driven. DHE determines whether the projects are truly maintenance driven and arise from deterioration of a facility's physical and functional condition and the inability to comply with current codes and energy conservation rather than from programmatic needs (If there is any question on whether a specific project qualifies as a capital renewal project or is driven by program, institutions should consult with DHE and OSA staff). OSA then completes the review of the projects. If approved by both DHE and OSA, the projects are included in the prioritized list of capital construction projects that DHE recommends to the General Assembly. Capital renewal projects may also be submitted for cash spending authority.

Cash Funded Projects

Projects that are to be undertaken solely with cash funds (CF) moneys, but operated and maintained out of state operational funds, cash funds or a combination of both, are considered cash funded. Program plans are required for projects costing more than \$2 million. Projects costing \$2 million or less are submitted on the SB01-209 list (see SB01-209 section below). Besides being reviewed for the items outlined above, the program plan is examined to ensure that governing board approvals contain the following statements of fact and that sufficient information is provided in the program plan to assure DHE that:

- Sufficient cash funds will be available to pay the capital project costs;
- The earmarked cash funds are appropriate sources considering the nature of the project; and
- The project will not adversely affect the projected operating funds.

Cash-funded projects are referred to the Capital Development Committee and Joint Budget Committee, but due to HB08-1205, are not required to be included in the Long Bill. These projects can now be submitted at anytime during the year, but should aim for the prior-year deadline of mid-August.

SB92-202 Projects

SB92-202 projects are those constructed, operated, and ***maintained*** from auxiliary enterprise funds, student fees, research building revolving funds, or wholly endowed gifts and bequests, or a combination of such sources. 202 projects are not eligible for future Controlled Maintenance funding. Program plans are required for those projects estimated to cost more than \$2 million. SB92-202 projects can be submitted at any time during the year, but, if possible, should be submitted by mid-August. If the mid-August deadline cannot be met, then the program plans should be submitted no later than

February 1st to ensure inclusion in the Long Bill for information purposes. The program plans are reviewed for the same items as discussed for the cash-funded projects, with the added requirement that DHE staff must be assured that funds will come from only allowable sources and that sufficient funds will be available to cover both construction and remodeling costs, as well as all operation and maintenance costs.

SB01-209 Projects

Capital projects costing \$2 MILLION OR LESS (SB92-202 Projects) OR \$2 million OR LESS (cash projects operated and maintained with cash, General Fund or a combination of both) that are above the limit for capital outlays are categorized as SB01-209 projects. These projects must be for repair and replacement, professional services, new facilities/additions, infrastructure improvements, site improvements, fixed equipment, demolition, leasehold improvements, and the purchase of instructional or scientific equipment. Funds to pay for these projects must be:

- Solely from cash funds held by an institution; or
- From auxiliary enterprises, student fees, research building revolving funds, wholly endowed gifts and bequests, or a combination of such sources.

For these projects, no DHE review is required. Instead, institutions should report to DHE all such expenditures for small capital projects for the preceding fiscal year. The next report is due to DHE on September 10, 2008, and will cover FY 07-08 (July 1, 2007 through June 30, 2008). DHE will send the updated report forms to institutions by June 30, 2008; contact DHE at (303) 866-2723 for a copy of the updated form if you do not receive it. DHE compiles the SB 01-209 data into a report which is sent to the CDC by December 1 each year.

DHE BUDGET DOCUMENT REVIEW

The following outlines what DHE staff examines in its review of budget documents as well as information on how the forms should be completed. Budget documents should be as complete as possible when submitted to DHE to avoid further inquiries from DHE, CDC and OSPB. Incomplete forms can cause delays in the review process and hinder the ability of DHE and CDC to approve project requests.

Budget Documents

General

The capital construction budget requests (CC-C and CC-IT forms) are the primary project request forms for all higher education individual projects, while the five-year capital construction plan (CC-P form) shows the relationship of the individual projects to past, current, and projected projects from the same institution and governing board. **DHE must review all budget documents from state-supported higher education institutions before referral to CDC, OSPB and the JBC. All additions, deletions, or changes must be submitted to DHE who then reviews and, upon approval, submits these changes to the CDC, OSPB and the JBC.**

An individual project is one that can stand alone and may not necessarily require additional appropriations to complete. An individual project may also be a stand alone project that will require phased appropriations for professional services, construction and equipment. For example, a new state-funded building may require enough time in the design phase that it would be appropriate to request professional services appropriations in year one of the project and construction and equipment funding in subsequent years. In this case CC-C forms should be submitted in each year the project requests an appropriation. Also, a four-phase addition to a building could be submitted as four individual projects if each addition could be completed separately as a stand alone project. In this case, a CC-C form and program plan could be completed for each phase. For 202 and Cash Funded projects, institutions should request total project funding in year one if they are confident of meeting the, one-year and three-year accounting requirements.

For capital renewal projects, no CC-C forms are necessary. Instead, the CM-03 forms (obtained from the Office of the State Architect) and required accompanying documentation double as both budget forms and program plans.

Capital Construction Budget Requests (CC-C, CC-IT)

The CC-C forms are for new buildings, building expansions or renovations, or related capital projects; the CC-IT forms are for information technology projects that meet the criteria for capital construction set out in Appendix B. DHE checks the forms for conformance with the program plans (program plans either submitted for FY09-10, if new, or with approved program plans if continuation projects). DHE staff ensures budget documents are submitted for each year that an appropriation is sought.

In some cases, both a CC-C and a CC-IT form should be submitted for a project that involves both construction of new spaces or renovations and the purchase of information technology (IT) equipment. If a construction project also includes information technology upgrades with a total cost of \$2 million or more, the total project cost should be included on the CC-C, but the CC-IT should delineate the types of required IT equipment. The CC-IT in this case would be the detail to the CC-C. If the total cost of information technology equipment is more than \$2 million and the accompanying building renovations and additions are only a small portion of the total cost, just the CC-IT should be submitted.

The budget documents for continuation projects--those that have received at least one previous appropriation--are checked for conformance with the allowable inflation factor as determined by (1) OSPB and (2) previous DHE actions. (1) For FY09-10 OSPB will provide the inflationary adjustment factor in its published instructions. (2) If DHE approved a project for architectural and engineering funds only, for example, funding beyond the architectural and engineering stage should be footnoted on the budget request forms as requiring additional DHE approval. If an institution's cost estimate for a continuation project has changed since the previous year, the institution should update the CC-C and support information forms to reflect the new numbers and submit a memo detailing the reasons for the increase in cost.

DHE will review all budget estimates for appropriateness with industry standards and trends. If a project contains particularly high costs in a given area such as equipment

costs, those costs should be listed and justified in a program plan.

Five-Year Capital Construction Program (CC-P)/ Governing Board Priority Statements

Each institution must submit a CC-P form if it anticipates beginning *any* capital construction project, regardless of funding source, through FY13-14. The form is to alert DHE and other state agencies about possible future projects planned within a five-year period and to help ensure continuity among project requests. The accuracy of the prior-year appropriations is checked. Project titles, funding amounts and phasing, and funding sources on the CC-P form should match those on CC-C forms for individual projects. All projects with any portion of funding shown as state capital construction funds must indicate a governing board priority number on the CC-P.

Along with the CC-P form, each governing board should submit to DHE a statement about the relative order of importance of projects proposed for FY09-10, and how those projects relate to those planned for the next five years. The statement should also indicate how projects included in the five-year plan relate to current facility master plans.

Supplemental Appropriations (CC-B)

Institutions submit CC-B forms to adjust previous year(s) appropriations or to use funds realized in a prior fiscal year. In rare cases, supplemental appropriations can be used to make funds available when the General Assembly is not in session. The CC-B forms are checked to determine their necessity. A requested increase in state funds must come out of other state-funded projects an institution has in progress. If an institution intends to use cash funds, it must indicate on the form that the additional funds are on hand. Requesting a time extension for spending or encumbering state funds (CCF) or cash spending authority is also considered a supplemental appropriation and requires that the institution complete a CC-B form along with a written explanation of: 1) Why the extension is needed; 2) What dollar amount the project has already encumbered; 3) What dollar amount has been expended on the project; 4) How long will an extension be required for; 5) What elements of the project have been completed; and 6) What needs to be done in order to complete the project.

Every form submitted for the supplemental packet should be dated. It should be clear which forms are for the adjusted project and which a complementary and show the original project. The new CC-B form will be provided by DHE and OSPB during the summer of 2008.

Supplemental forms are submitted to DHE by September 19, 2008. OSPB submits supplemental requests to the CDC on December 10, 2008 and copies the Joint Budget Committee staff.

Governing Board Annual Fiscal Reports on Cash-Funded Projects

The governing boards of institutions that have cash-funded minor (those costing \$15,000-\$2,000,000) and major (those costing more than \$2 million) projects **should annually submit to DHE a Cash-Funded Projects Capital Construction Budget Addendum that discloses the source and use of funds for each major cash-funded capital construction project.** The governing board also should submit to DHE

a report that indicates the cumulative impact of all cash-funded minor and major capital projects for the fiscal years affected. DHE reviews these reports to determine if the cash-funded projects proposed for FY08-09 are fiscally prudent, will not endanger cash reserves, and will not – by themselves – lead to higher General Fund support or student tuition increases.

CAPITAL CONSTRUCTION BUDGET FORM INSTRUCTIONS

CC-C and CC-IT: Capital Construction Project Requests FY 2008-2009

The CC-C forms are for new construction, building renovations and additions, and related capital projects; the CC-IT forms are intended for largely information technology projects that may have a small portion for renovations or additions related to information technology. Both the CC-C and CC-IT forms consist of two parts: a project cost and approval sheet, and support information. The project cost and approval sheet is a spreadsheet showing the project phasing, source of funds, and the amounts that will be spent in each major category. The support information gives institutions a way to describe the project and project costs in a more concise format than the program plans. The CC-C and CC-IT forms are the primary documents that OSPB and the General Assembly use for evaluating projects.

The forms should be submitted via email to; ryan.stubbs@dhe.state.co.us, the required one printed copy should be sent by mail to DHE Capital Assets, 1560 Broadway, Suite 1600, Denver, Colorado 80202 Attn: Ryan Stubbs. The CC-C and CC-IT project cost and approval sheets differ; instructions for completing both follow. Because the support information for both the CC-C and CC-IT forms is the same, instructions for completing the support information forms are combined for both.

CC-C: Project Costs and Approval Cover Sheet Instructions

- **General:** The boxes at the top of the sheet should be completed where applicable.
- **Project Title** is the name of the project that must be used throughout on all documents submitted to CCHE and the Office of the State Architect.
- **Project Year** should describe the year of the project in terms of how long it is seeking funding. For example, if the project is seeking its first appropriation, this should indicate year 1. If the project received funding in a prior year and is seeking a second round of funding, this should indicate year 2.
- For **Institution**, Write in the name of the institution seeking funding.
- **Program** is the department(s) or function(s) primarily benefiting from the project (i.e., Student Housing, Science Department, Campus Wide).
- **Priority Number** is the institution's ranking of a state-funded project, and should be written to indicate how many projects the institution is prioritizing (i.e., 2 of 5).

- **State Controller Project No.** is the number assigned by the State Controller's office if the project has already received at least one appropriation.
- **Purpose Code** is the purpose code from Appendix C of this manual that best describes the project in the judgment of the institution.
- **Strategic Plan Objective(s)** is an objective that the project will help meet, if applicable.
- **Department Approval By** is for the name and date of approval of the institution's president.
- **CCHE Approval** is for the date CCHE approved a continuation project.
- **Risk Mgt. I.D.** is the building risk management number the state has assigned if the project involves an existing building; contact DHE for the number if you don't have it.
- **Name of Preparer** is the name of the person preparing the form; include the email address.

The rest of the form should be completed as described below.

This cover sheet shall include all costs associated with all phases of the capital construction project. If the project will require additional funds to complete in subsequent years, list those funds required for the following five years.

- A. Land Acquisition.** If this project will include a cost to acquire land, enter the amount here.
- B. Professional Services.** Enter the total requested, all prior appropriations, and amount requested for each applicable year for all items. Do not include an amount under "Prior Appropriation" unless it appeared in a previous Long Bill or separate appropriation bill.
 - B-1. Master Plan/PP.** Circle or boldface either "master" or "PP" (for program plan) to indicate the correct plan. Include total cost requested to complete plan.
 - B-2. Site Surveys, Investigations, Reports.** Identify other engineering design fees, not related to the physical structure, such as civil engineering for site grading, sewage treatment, water treatment, traffic, etc. Include the estimated costs for site topographic information, utility surveys, soil tests and reports, and other tests required by the specifications (e.g., concrete strength, weld tests, etc.) Testing for the existence of asbestos and air monitoring during remediation also should be included here.
 - B-3. Architectural/Engineering/Basic Services.** Identify all fees for the design of the building. These include architectural design, structural engineering, mechanical engineering, and all special consultants such as fire protection, acoustics, information technology, etc.

- B-4. **Code Review/Inspection.** Include the cost for an independent third-party review for compliance with the building codes as required by the Department of Personnel/GSS per Section 24-30-1303(1)(r), C.R.S.
- B-5. **Construction Management.** If applicable, include the construction manager fee. Note that only paid, outside consultants are allowed. No departmental FTE can be paid through capital construction.
- B-6. **Advertisements.** Include advertisement costs.
- B-7. **Other (Specify).** Include all additional anticipated professional fees for the project. Specify fees associated with the new High Performance Certification Program. Specify the type of fee or fees. Please note that tap fees are not professional service fees.
- B-8. **Total Professional Services.** Enter total of items B-1 through B-7. If this amount exceeds 10 percent of line C-4, "Total Construction Cost," for a new facility or 15 percent for a renovated facility, attach a written explanation to justify higher costs than generally allowed.

C. Construction. This section displays the total amount of money requested for the project. Do not include an amount under the column "Prior Appropriation" unless funds were appropriated in a previous Long Bill or other separate appropriation. Estimates should be based on the anticipated cost of construction for July of the year for which the appropriation is requested. Inflation, if needed, is applied in the request year and subsequent years per the inflation factor set by the OSPB.

C-1. Infrastructure

- (a) *Services/Utilities.* The building construction cost (C-1) will include utilities to a point five feet outside the building. The utilities cost should include all other costs associated with getting power, water, gas, telephone lines, sewer, etc., extended from the nearest source to within five feet of the building(s). Include water or tap fees paid to other governmental entities, in this line. Do not include funds for other infrastructure reserves. Other infrastructure projects resulting from the impact of the requested project should be submitted as a separate capital construction project request(s).
- (b) *Site Improvements.* Include all the excavation and backfill costs to prepare the site and all other work such as clearing, leveling, asphalt paving, curb and gutter, walks, site lighting, drainage structures, etc. All work related to landscaping should be included here. Examples include: sod, trees and bushes, and irrigation systems.

C-2. Structure/Systems/Components. Include the estimated cost for the construction of the building(s). The cost should include utilities to a point five feet outside the building line. Provide the gross square footage of the new facility or the gross square footage to be renovated next to "GSF" in

the first column on the left. The cost of temporary power, water, etc., during construction provided by the state cannot be included. Include basic pricing in the following categories as they pertain to the specific project:

(a) *New* (\$_____/GSF)

(b) *Renovate* (\$_____/GSF)

- C-3. **Other (Specify).** Include any asbestos remediation and any demolition as line item costs here; specify those and other construction costs.
- C-4 **High Performance Certification Program.** Include all anticipated construction, materials, and equipment costs associated with complying with the High Performance Certification Program. These additional costs must comply with statute, if not, a waiver is required from the Capital Development Committee.
- C-5. **Total Construction Costs.** Add C(1) through C(3) and enter the total here.

D. **Equipment and Furnishings.**

- D-1. **Equipment.** Enter the cost of the equipment required for the project. This item should include equipment that can be moved and reused even if it is a built-in and would not be included in the general construction contract. Examples include equipment for kitchens, laboratories, laundries, shops, medical facilities, stages, communication, etc. Computer and Network Equipment includes workstations, file servers, routers, hubs or switches, printers, scanners, and other required hardware. Include in this line movable partitions, work surfaces, etc., which are part of the offices and workstations. If the total cost of all computer and information technology (IT) equipment and wiring included in D-3 exceeds \$2 million, a CC-IT form must be completed in addition to including the costs in lines D-1 through D-3. All scientific or instructional equipment costing \$50,000 and having a life expectancy of five years or greater is considered capital construction. **What is Not Acceptable as capital construction? See Capital Construction Definitions listed in Appendix B.**
- D-2. **Furnishings.** The cost of the furniture and other items necessary to complete the project for occupancy should be included here. These items would not normally be a part of the general construction contract. Examples are window coverings, cabinets, wardrobe, desks, chairs, tables, seating, etc.
- D-3 **Communications.** Include the costs associated with telephones and other communications here, such as the purchase and/or installation of fiber optic cable or other wiring for voice, Internet, intranet, local area network, and/or audio conferencing capabilities. Do not include cost of equipment for programs related to communication, computers, or other devices for audio or video equipment. They are part of equipment, included in D-1.

D-4. **Total Equipment and Furnishings Cost.** Add D-1, D-2, and D-3 and enter the total here. If the "Total Equipment and Furnishings Cost" exceeds 10 percent of Total Construction Cost, attach an itemized list for both "Equipment" and "Furnishings."

E. Miscellaneous

E-1. **Art in Public Places.** Section 24-80.5-101, C.R.S., requires that "not less than one percent of the capital construction cost" shall be used for the acquisition of works of art when appropriate. This requirement applies to all new construction projects, and all renovation projects of more than \$2 million. **The one-percent requirement does not apply to telecommunications, information technology, or controlled maintenance projects or to projects that are exclusively cash-funded.** Apply the applicable percentage to line C-5 of the project cost sheet. Specify the amount dedicated for this program.

E-2. **Relocation Costs.** For some projects it will be necessary to temporarily move some or all of the occupants and equipment to another facility. Those moving costs should be shown here. The cost of renting or leasing temporary space should NOT be included here. Lease costs are operating expenses.

E-3. **Other (Specify).** Enter all other costs here.

E-4. **Total Miscellaneous Costs.** Add E-1, E-2, E-3 and E-4 and enter the total here.

Total Project Costs. This is the total estimated cost of the project. Add A-1, B-8, C-4, D-4, and E-5 and enter the total here for each year that appropriations are requested.

F. Project Contingency. These lines provide the contingency for the entire project. Each institution should plan for these funds to be reverted upon completion of the project. Contingencies are established for unanticipated project costs. Add B-8, C-4, D-4, and E-5 and multiply the appropriate percentages. Project contingencies for all new construction, equipment purchases, or facility-related planning studies will be 5 percent of the total project cost, excluding land acquisition costs. Contingencies for project renovations will be 10 percent of total project costs, also excluding land acquisition costs. Projects involving both renovation and new construction must indicate how the contingency was calculated. Institutions deviating from these percentages must justify the request in writing to the OSPB and DHE before submitting for funding consideration. Appropriate use of project contingency funds is outlined in the Office of the State Architect's Procedures Project Cost and Management Guidelines. All contingency costs must be reported on the Capital Construction Project Application Form (SC 4.1) after project completion. Remaining balances are to revert to the Capital Construction Fund.

G. Total Budget Request. Add items A-1, B-8, C-4, D-4, E-5, and F-1 and enter the total here.

H. Source of Funds.

- **"CCF" is Capital Construction Funds.** These monies would include funds transferred into the Capital Construction Fund, which is designated as a reserve fund in Section 24-75-302 (1) (a). Expenditures from the Capital Construction Fund are outside the spending limits of Article X, Section 20 of the Colorado Constitution (the TABOR amendment).
- **"CF" is Cash Funds.** Cash Funds are those funds derived from fees, tuition, other earmarked funds, grants, donations, damage awards, transfers of funds from other state departments, revenues from designated enterprise functions (student housing and dining, bookstore, student union, etc.), and from sales of university-owned property (where specific provisions exist to not require the funds to revert to the General Fund).
- **"RF" is Reappropriated** Include funds appropriated more than once in the same fiscal year and typically have been transferred from one agency to another.
- **"FF" is Federal Funds.** Any funds received directly from the federal government; includes categorical or block grants not necessarily available for uses outside of those specified in the grant award.

CC-IT: Project Costs and Approval Cover Sheet Instructions

- **General:** The boxes at the top of the sheet should be completed where applicable.
- **Project Title** is the name of the project that must be used throughout on all documents submitted to DHE and the Office of the State Architect.
- **Phase** is used to describe which appropriation is being sought, and should be written in this manner, for example: "1 of 3."
- For **Institution**, use the pull-down box to get the name of your institution.
- **Program** is the department(s) or function(s) primarily benefiting from the project (i.e., Student Housing, Science Department, Campus Wide).
- **Priority Number** is the institution's ranking of a state-funded project, and should be written to indicate how many projects the institution is prioritizing (i.e., 2 of 5).
- **State Controller Project No.** is the number assigned by the State Controller's office if the project has already received at least one appropriation.
- **Purpose Code** is the purpose code from Appendix D of this manual that best describes the project in the judgment of the institution.

- **Strategic Plan Objective(s)** is an objective that the project will help meet, if applicable.
- **Department Approval By** is for the date of approval of the project and name of the institution's president.
- **CCHE Approval** is for the date CCHE approved a continuation project.
- **Risk Mgt. I.D.** is the building risk management number the state has assigned if the project involves an existing building; contact DHE for the number if you don't have it.
- **Name of Preparer** is the name of the person preparing the form; include the email address.

The rest of the form is completed as described below.

This cover sheet shall include all costs associated with all phases of the information technology project. If the project will require additional funds to complete in subsequent years, list those funds required for the following five years. The following rows of this section are explained in more detail as follows:

- A. Land Acquisition.** If this project will include a cost to acquire or lease land, enter the amount here.
- B. Contract Professional Services.** Enter the total requested, all prior-year appropriations, and amount requested for each applicable year for all items. Do not include an amount under "Prior Appropriation" unless it appeared in a previous Long Bill.
 - B-1. Consultants/Contractors.** Enter consultant and/or contractor costs for project development (i.e., consultant/contractor costs not included in other professional service categories).
 - B-2. Quality Assurance.** Identify all consultant fees for the quality assurance portion of this project.
 - B-3. Independent Verification and Validation.** This is intended as a third-party review performed by the Governor's Office of Information and Technology. **IT DOES NOT APPLY TO HIGHER EDUCATION.**
 - B-4. Training.** Include all training costs associated with initial roll-out of the project. This includes first-time training costs only. Ongoing or periodic training is an operating fund expense. Training cannot pay for state FTE.
 - B-5. Leased Space (Temporary).** If applicable, include costs associated with leasing space for consultants working on the project.
 - B-6. Feasibility Study.** This is for preparing a feasibility study per the Office of Information and Technology criteria. **IT DOES NOT APPLY TO HIGHER**

EDUCATION.

B-7. **Other Services/Costs.** List and describe any other cost related to this project.

B-8. **Total Professional Services Cost.** Enter the sum of items B-1 through B-7.

C. **Associated Building Construction.** This section displays the total amount of money requested for building construction needed to support the information technology request. Estimates should be based on the anticipated cost of construction for July 1 of the year for which the appropriation is requested.

C-1. **New (GSF).** Include the estimated cost for the construction of the building. The cost should include utilities to a point five feet outside the building line. Provide the gross square footage of the new facility in the far left column. Include any hazardous substance remediation or any demolition costs here. The cost of temporary power, water, etc., during construction provided by the state cannot be included. Include the basic pricing on the next line in the far left column.

(a). New (\$ /GSF)

C-2. **Renovate/Connection Costs (GSF).** Include the estimated cost for renovation of an existing building. The cost should include infrastructure connections. Provide the gross square footage to be renovated with this item. Include any asbestos remediation and/or any demolition costs here. The cost of temporary power, water, etc., during construction provided by the state cannot be included. Include the basic pricing on the next line in the far left column.

(a). Renovate (\$ /GSF)

C-3. **Site Work/Landscaping.** Include all the excavation and backfill costs to prepare the site and all other work such as clearing and grubbing, asphalt paving, curb and gutter, walks, site lighting, drainage structures, etc. All work related to landscaping should be included here. Examples include, sod, trees and bushes, and irrigation systems.

C-4. **Total Construction Costs.** Add C-1 through C-3 and enter the total here.

D. **Software Acquisition.**

D-1. **Software COTS.** Include the cost of commercial off-the-shelf software needed to implement the project.

D-2. **Software Built.** Include the costs associated with developing new custom software. This should be separate from general professional service fees.

D-3. **Total Software Cost.** Add D-1 and D-2 and enter the total here.

E. **Equipment**

- E-1. **Servers.** Enter the cost of all servers.
- E-2. **PCs, Laptops, Terminals, PDAs.** The cost of new personal computers, laptops, terminals, and personal digital assistants (PDAs) should be included here. Identify the costs of those items that are required for the implementation of the new technology system.
- E-3. **Printers, Scanners, Peripherals.** Include the costs associated with printers, scanners, and peripherals related to the implementation of the new technology system.
- E-4. **Network Equipment/Cabling.** Include costs associated with network equipment.
- E-5. **Other (Specify).** Specify costs associated with other equipment.
- E-6. **Total Equipment Cost.** Add E-1 through E-5 and enter the total here.

F. Miscellaneous

- F-1. **Total Miscellaneous Costs.** Specify other costs not included elsewhere and enter the total here.

Total Project Cost. This is the total estimated cost of the project. Add A-1, B-8, C-4, D-3, E-6 and F-1 and enter total here.

- G. Project Contingency.** These lines provide the contingency for the entire project. Each institution should plan for these funds to be reverted upon completion of the project. The project contingencies are for *unexpected* costs that occur during project implementation, and therefore property acquisitions are not considered in the contingency calculation. Add B-8, C-4, D-3, E-6, and F-1 and multiply the appropriate percentages explained below. Project contingencies for all *new* construction, equipment purchases, or information technology-related planning studies will be 5 percent of the total project cost. Contingencies for project *renovations* will be 10 percent of total project costs. Institutions deviating from these percentages must justify the request in writing to the OSPB and DHE before submittal for funding consideration.

- H. Total Budget Request.** Add items A-1, B-8, C-4, D-3, E-6, F-1, and G-3 and enter the total here.

I. Source of Funds.

- **"CCF" is Capital Construction Funds.** These monies are funds transferred into the Capital Construction Fund, designated as a reserve fund in Section 24-75-302 (1) (a). Expenditures from the Capital Construction Fund are outside the spending limits of Article X, Section 20 of the Colorado Constitution (the TABOR amendment).

- **“RF” is Reappropriated** Include funds appropriated more than once in the same fiscal year and typically have been transferred from one agency to another.
- **“CF” is Cash Funds.** Cash Funds Exempt are those funds derived from fees, tuition, other earmarked funds, grants, donations, damage awards, transfers of funds from other state departments, revenues from designated enterprise functions (student housing and dining, bookstore, student union, etc.), and from sales of university-owned property (where specific provisions exist to not require the funds to revert to the General Fund).
- **“FF” is Federal Funds.** Any funds received directly from the federal government; includes categorical grants or block grants not necessarily available for uses outside of those specified in the grant award.

CC-C and CC-IT: Support Information Instructions

Both the CC-C and CC-IT Support Information forms are the same.

- **General Information.** All applicable items should be filled out.

Agency Name. Include the name of the institution submitting the project.

Date. Institution should fill out the date submitted to DHE.

- **Project Name** should be the same as the project title on the CC-C project cost and approval sheet.
- **Phase** is the phase of appropriation, with an indication of how many more to complete the project (i.e., 1 of 3).
- **State Controller Project No. P** is the number assigned by the State Controller’s Office for a project that has already received at least one appropriation.
- Type of Request. (check all that apply)
 1. **Project Description/History.** Explain in brief, the project for which funding is being requested. Include pertinent project background or history.
 2. **Is this a Continuation Project?** Mark yes if the project has received state capital construction funds in a prior fiscal year. If yes, fill out the project’s prior phase expenditures in the provided table.
 3. **List key objectives of proposed project:** The objectives should relate to programmatic needs. At project completion the institution will confirm attainment of the objectives with the submittal of the final SC 4.1 form.
 4. **Estimated Project Timetable.** Self-explanatory.
 5. **Key components of proposed FY2009-10 project:** : If there is any unusual phasing, such as completing several phases in one year, explain here.

6. **Estimated timetable for FY 2009-10 request:** Include timeline for discrete portion of construction work (phasing).
7. **Project/Program Justification.** *Justification Related to Programs and Classifications served by Request.* Explain in detail the deficiencies inherent in the current facility. Be sure to include how the facility deficiencies affect current operations and how future operations will be improved as a result of the new facility. This section should answer why there is a need for a new or renovated facility. Indicate the program(s) housed in the facility for which funding is being requested using the program service population table provided. Use the table to indicate the service population related to this specific facility. The service population could pertain to numbers of students in the institution or department(s), the numbers of faculty and staff, or other populations that necessitate the need for, or will be affected by, expanded or renovated facilities and equipment. Be sure to explain in detail how the service population relates to the specific programs housed in this facility. The justification must correspond to the assigned purpose code.
8. **Describe calculations leading to total request. Described further on the form.**
9. **Provide specific justification related to Programs and Classifications served by the request.** Describe, enumerate, and complete the provided table using FTE.
10. **Purpose Code Justification.** Explain the way in which the purpose code applies to the project. If the project has been labeled as a deficiency, describe the deficiency and its requirement. If other codes apply, please explain. See Appendix C for a complete list of codes.
11. **Current CRV.** Include latest reported replacement value of the property to either the State Division of Risk Management or the school's own Risk Management office.
12. **Project Alternatives.** Describe the construction and/or non-construction options considered that could alleviate the problem that prompted this request. It is important that all alternatives be considered. Describe, where possible, the costs in terms of facility, equipment, or staff, for each alternative not chosen. This description should reflect the input of the operating budget staff. Explain the impact of not funding this request.
13. **How will this project address future maintenance costs?** Please explain how the project plans to fund future controlled maintenance costs, whether these are planned to come from state capital construction funds or otherwise.
14. **Will this project affect operating expenditures?**

Operating Budget Balance Sheet. The purpose of this table is to identify the impact of this project on the operating budget. Show the operating costs by category as delineated on the form. In addition, all revenues and their sources (specify the name of cash and cash exempt sources) available to cover these costs should be shown as delineated on the form. The costs must total the revenues. Since the start of operation may not coincide with a fiscal year, the cost of the first year may be a partial year. Provide the estimated costs and revenues for the next five fiscal years in the same fashion.

15. **Does this project involve cash funding or lease purchase? If yes, complete the Cash Funds Impacts table and describe the fund sources in detail including dollars, by fiscal year.** For each cash-funded source describe how the revenues accrue to the fund. Demonstrate that sufficient funding is available from this source. Include the dollars financed, the duration of the agreement, the interest rate, and the revenue source.
16. **Does this project tie into the agency's five-year controlled maintenance plan?** The five year Controlled Maintenance Plan should be the one most recently approved by the Office of the State Architect (OSA). Mark the appropriate responses and fill in the appropriate explanations.
17. **Is this project subject to the requirements of the High Performance Buildings Program (SB07-051) as implemented in OSA policy OSA-HPCP 9/1/2007?** Indicate whether or not the project is exempt from state High Performance Buildings Program. Also, each project will need to verify what level of LEED certification will be pursued by submitting the appropriate LEED checklist.
18. **Does this project involve building renovations?** List previous capital construction and controlled maintenance projects associated with this facility within the last five years. Indicate the year, the project, and the cost to complete the controlled maintenance projects. Indicate the projected five-year expected cost of controlled maintenance after completion of the capital construction project. Indicate the project name, number and cost of all capital construction projects associated with this facility in the last five-year period. The estimated current value can be obtained from the Department of General Support Services, Office of the State Architect.
19. **Space Requirements Table.** This table applies to building construction and renovation. Information technology projects with a building construction component must provide this information. The purpose of this table is to compare the current assignable square footage (ASF) per client or FTE, versus the ASF needed by the facility master plan.
 - *Type of Space.* Indicate the type of space to be eliminated and constructed or renovated. Include all space types to be affected by construction (e.g., library, office, computer pool, etc.).

- *Existing Assignable Square Footage (ASF).* Indicate the applicable ASF for the existing facility. Assignable square footage is space occupied by program operations. It does not include corridors, restrooms, atrium space, etc.
- *ASF needed per Master Plan.* Indicate the ASF assumed by the facility master plan. This should correlate with number of clients and/or FTE currently served by the existing space and the number of clients and/or FTE to be served. Assume the maximum limit for the proposed facility.
- *Surplus/(Deficit).* Subtract the existing ASF from the ASF needed per the Master Plan. This figure should provide an indication of the extent of the space deficiency currently existing.
- *Impact of this Project.* Indicate the ASF that is proposed by the requested project.
- *Revised Surplus/(Deficit).* Add the existing ASF and the ASF requested by the project and subtract this total from the ASF needed under the master plan.
- *% Surplus Deficit.* Divide the revised surplus/(deficit) by the ASF needed under the master plan.
- *Project Gross Square Footage (GSF).* Indicate the square footage as measured from the interior surface of the exterior walls.

20. **Governing Board Approval.** . Indicate whether or not and when the appropriate governing board approved the program plan. .

21. **Facility Master Plan Conformance.** Indicate whether or not the program plan is in conformance with the most recently approved facilities master plan and when CCHE approved the master plan.

22. **Department Strategic Plan Conformance.** Indicate whether or not the program plan is in conformance with the most recently approved Department Strategic Plan. For higher education projects, this should indicate whether or not the plan is in conformance with any institutional academic strategic plans, and when those plans have been approved by governing boards.

23. **What is the amount and percentage that will be encumbered within six months?**

24. **Does the amount encumbered incorporate the anticipated costs for professional architectural and engineering services?**

Six-Month Rule Compliance. The capital construction six-month rule applies to the amount of time that a department has to encumber money for a project. If a project contains contracts for professional services, only the amount of the professional service contracts need be encumbered by

the end of six months. If the project does not include contracts for professional services, the entire project amount should be encumbered within the six-month period. If compliance with the rule is not feasible, the State Controller's Office and the CDC have approved a Memorandum of Understanding by which the department or institution may propose an amount less than the full appropriation. The department or institution must provide a written narrative justifying the percentage amount to be encumbered. On the CC-C or CC-IT forms, enter the amount and percentage encumbered within the six-month period and provide justification as necessary.

25. Is a waiver of the 6-month encumbrance rule required?

26. Describe how this specific project fits into the space information, population information, and operating impact of the campus. Provide an overview of the status of the entire campus, including all recently completed, in-process, and approved projects.

27. Provide an overview by fiscal year of cumulative operating impact of all capital requests. Some projects impact the operating budget the following year, while other projects do not impact operating for several years. Please indicate in the table what fiscal year is estimated to be the first year of operating impact and then all subsequent years.

28. Additional Information

CC-P: Five-Year Capital Construction Program FY 2009/10-FY 2013/14

CC-P forms should be filled out electronically for new projects for the Request Year and later. It is not possible to include the construction appropriation phase (PP—physical planning, C-construction, E-equipment) or other non-numbered material on the electronic form. Copy the electronic version of the form and enter the requested information by hand for the four paper copies. Also, state statute requires institutions to estimate the expected completion date if funding is available for each project. For the paper and electronic copies, include the anticipated completion date after the project title. If more project sections are needed, simply copy the number of required additional ones and paste them in.

1. General. Across the top of the form, include the name, telephone number, and E-Mail address of the person who prepared the CC-P. Use the pull-down box on the electronic form to select the name of the institution. Use the pull-down box on the lower left corner to indicate "yes" or "no" about whether a project is a capital building/infrastructure renewal project.
2. PRELIMINARY submissions should project the institution's schedule of capital construction projects for the five years beyond the Budget Request year. Governing board amendments to the institution's preliminary schedule should be identified in the FINAL submission. Projected costs are in current dollars. List

each project in sequential order of importance.

3. Project. Use the same project name reported on the CC-C or CC-IT forms. Identify the facility and the institutional program that will occupy the facility upon completion of the project. If it's a project that benefits the entire campus, write "Campus Wide." Estimate the amount of Gross Square Feet (GSF) of space involved in the future project.

4. Total Project Cost: Enter the total project cost by summing up the prior appropriations and all future costs by funding source thus:

Capital Construction Funds	CCF	\$000
Cash Funds	CF	\$000
Reappropriated Funds	RF	\$000
Federal Funds	FF	<u>\$000</u>
TOTAL FUNDS	TF	\$000

5. Prior Appropriation. Enter all previous appropriations in the same format as on the CC-C and CC-IT forms.

6. Fiscal Year Request. Enter anticipated future requests in the same format as in CC-C Form.

7. Capital Construction Appropriation Phase. Designate the appropriation phases in each year's estimated project cost.

PP = Physical Planning, which includes architectural and engineering design;

C = Construction, which funds actual construction;

E = Movable Equipment, which equips the completed project for occupancy and use.

8. Append a Five-Year Capital Improvement Program Priority Statement. The priority statement should explain, in relation to the Institutional Master Plan, the institution's or governing board's judgment of the relative programmatic importance among the facilities projected for the ensuing five-year period. The statement should also explain the multi-year scheduling of any Phased Construction Projects.

CC-B: Supplemental Capital Construction Request FY 07-08

The purpose of a supplemental capital construction request is to provide a method for adjusting previous year(s) appropriations or to use funds realized in a prior fiscal year. In rare cases, supplemental requests can be used to make funds available earlier when the General Assembly is not in session. These supplemental capital construction requests, regardless of funding source, are limited to emergency situations. Include a map showing the location and building name or number related to this supplemental request. Agencies shall forward one electronic copy to DHE and one copy to OSPB of

CC-B, Supplemental Capital Construction Request for each project.

Criteria:

In addition to checking the appropriate box, provide an explanation of why you believe the request meets one or more of the following criteria:

- An emergency (includes SB92-202 projects ready to go in the interim between legislative sessions);
- A technical error which has a substantive effect on the operation of the program;
- New data resulting in substantial changes in funding needs; and
- An unforeseen contingency such as an underestimated bid package.

Justification of Changes from Approved Funding. Explain in detail the history of events that led to this request. Include a justification of the revised request.

Why is it Necessary to have the Appropriation Prior to Long Bill Appropriation?

Explain the situation that requires an appropriation before the approval of the Long Bill. Long Bill appropriations are usually available the first few weeks of May, at the end of the 120-day session. Supplemental appropriations are available upon the Governor's signature.

Does this Request Require Revising a Prior Appropriation? Any adjustment to a previous appropriation requires a supplemental request unless it is the next phase of a project that has been previously appropriated. A supplemental request for capital construction funds from a previous year requires taking funds available for the budget year and must therefore be of higher priority than any other project. Any adjustments to the total project cost will also require an adjustment to the Art in Public Places calculation.

Explain Why and How the Revision is Made. Copy the line item requiring revision in the Long Bill in its original form and then show how it should be revised. Be certain to include the Long Bill page number and any other pertinent information.

Attach a Copy of Form CC-C or/and Form CC-IT of the Original Request. Include the entire original CC-C or CC-IT forms. Be sure to specify "Original" at the top in bold letters with the original date submitted to the CDC.

Attach a New Completed Form CC-C or/and CC-IT, Page 1, "Project Cost and Approval Sheet" ONLY. Include a "Project Cost and Approval Sheet" from Form CC-C or Form CC-IT, which reflects the requested supplemental changes. Be sure to specify "Supplemental" with the current date at the top in bold letters.

Executive Director Signature. Form CC-B requires the approval of the institution's president or chancellor. Forms submitted without a signature will be returned to the institutions.

Emergency Requests. Emergency requests when the General Assembly is not in

session are allowed under the provisions of HB98-1331. The HB98-1331 process has been used to address both emergency issues as well as to correct technical errors. This process should be used to address those issues that cannot wait to be addressed through the standard supplemental process.

For any other expenditure allowed by the provisions of HB98-1331, the controller shall restrict, in an amount equal to said over expenditure, an item or items of appropriation for the fiscal year following the fiscal year for which the over expenditure is allowed. Specify the appropriation to be restricted including: Long Bill number and page, the amount of the original appropriation, and the expenditures to date.

An emergency supplemental request requires the same documentation as a regular supplemental request (i.e., a CC-B form with addenda). Emergency supplemental requests should not be prioritized when submitted through the H.B. 98-1331 process. However, emergency supplemental requests should be included in priority order as part of the regular supplemental submission. If the amount of the emergency supplemental has changed for the regular supplemental submission, a revised supplemental should be submitted, rather than a new incremental supplemental.

To allow for adequate review, emergency supplemental requests should be submitted at the earliest opportunity; four weeks before the CDC meeting to vote on the requests is preferred.

Appendix A:

CCHE Statutory Authority for Capital Construction

Most of DHE's statutory authority for review of capital construction projects comes from the Colorado Revised Statutes (C.R.S.) 23-1-106- *Duties and powers of the commission with respect to capital construction and long-range planning*. In italics in parentheses following each subsection is information about where to find information about it in this manual, DHE policies, or elsewhere. The statute states:

(1) It is declared to be the policy of the general assembly not to authorize or to acquire sites or initiate any program or activity requiring capital construction for state-supported institutions of higher education unless approved by the commission. (*See sections in this manual on capital project reviews.*)

(2) The commission shall, after consultation with the appropriate governing boards of the state-supported institutions of higher education and the appropriate state administrative agencies, have authority to prescribe uniform policies, procedures, and standards of space utilization for the development and approval of capital construction programs by institutions. (*See DHE Policy Section III, Part F – Space Utilization Guidelines*).

(3) The commission shall review and approve master planning and program planning for all capital construction projects of institutions of higher education on state-owned or state-controlled land, regardless of the source of funds, and no capital construction shall commence except in accordance with an approved master plan, program plan, and physical plan. (*See sections in this manual on capital construction project reviews; also DHE Policy III, Part D - Guidelines for Long- Range Facilities/Infrastructure Planning Guidelines.*)

(4) The commission shall ensure conformity of facilities master planning with approved educational master plans and facility program plans with approved facilities master plans. (*See sections in this manual on capital construction project reviews.*)

(5)(a) The commission shall approve plans for any capital construction project at any institution, including a community college, regardless of the source of funds; except that the commission need not approve plans for any capital construction project at a local district college or area vocational school or for any capital construction project described in subsection (9) or (10) of this section. (***See sections in this manual on capital construction project reviews and on SB 01-209 projects.***)

(b) The commission may except from the requirements for program and physical planning any project that shall require less than two million dollars of state moneys. (*See section in this manual on program plan waivers.*)

(6) The commission shall request, annually, from the governing board a five-year projection of capital development projects. Such projection shall include the estimated

cost, the method of funding, a schedule for project completion, and the governing board-approved priority for each project. The commission shall determine whether a proposed project is consistent with role and mission and master planning of the institution and conforms to standards recommended by the commission. (See *instructions for the Five-Year Capital Construction Plan in this manual.*)

(7)(a) The commission annually shall establish a unified five-year capital improvements program coordinated with education plans and shall transmit to the office of state planning and budgeting, the governor, and the general assembly, consistent with the executive budget timetable, a recommended priority of funding of capital construction projects for the system of public higher education. The commission shall annually transmit the recommended priority of funding of capital construction projects to the capital development committee no later than November 1 of each year. (See *section in this manual on DHE prioritization of state-funded projects.*)

(b) Except as provided in subsection (5) of this section, it is the policy of the general assembly to appropriate funds only for projects approved by the commission.

(8) Any acquisition or utilization of real property by a state-supported institution of higher education which is conditional upon or requires expenditures of state-controlled funds or federal funds shall be subject to the approval of the commission, whether acquisition is by lease, lease-purchase, purchase, gift, or otherwise. (See *capital construction definition section in this manual. If contemplating submitting a new or renewed lease, contact Priscilla Gonzales of the DHE staff, Margot.Plotz@dhe.state.co.us, for an electronic copy of the latest lease application form or get a copy of the most current lease application form from the DHE website:*

<http://www.state.co.us/cche/policies/capitalassets/index.html>.

(9)(a) The commission shall review and approve any plan for a capital construction project that is estimated to require total expenditures exceeding **two million dollars** and that is to be constructed, operated, and maintained solely from student fees, auxiliary facility funds, wholly endowed gifts and bequests, research building revolving funds, or a combination of such sources, as provided in sections 23-5-102, 23-5-103, 23-5-112, 23-20-124, 23-31-129, and 23-41-117 and section 24-75-303 (3), C.R.S. Any such plan for a capital construction project that is estimated to require total expenditures of two million dollars or less shall not be subject to review or approval by the commission. (***See sections in this manual on SB 01-209 projects and review of SB92-202 projects.***)

(b) Upon approval of a plan for a capital construction project pursuant to paragraph (a) of this subsection (9), the commission shall submit such plan to the capital development committee. The capital development committee shall make a recommendation regarding the project to the joint budget committee. Following receipt of the recommendation, the joint budget committee shall refer its recommendation regarding the project, with written comments, to the commission. (See *section in this manual on SB92-202 reviews.*)

(c) The commission, the capital development committee, and the joint budget committee shall by agreement adopt procedures governing the capital development committee and joint budget committee review of projects subject to this subsection (9) and subsection (10) of this section, which agreement shall provide that, whenever possible, the capital

development committee shall submit recommendations to the joint budget committee and the joint budget committee shall submit recommendations to the commission within thirty days after each committee receives the information prescribed in the agreement as necessary for its review. *(See section in this manual on SB92-202 reviews.)*

(10) (a) The commission shall review and approve any plan for a capital construction project that is estimated to require total expenditures exceeding **two million dollars** and that is to be constructed solely from cash funds held by the institution other than those funds specified in paragraph (a) of subsection (9) of this section and operated and maintained from such cash funds or from state moneys appropriated for such purpose, or both. Any plan for any such capital construction project that is estimated to require total expenditures of two million dollars or less shall not be subject to review or approval by the commission. ***(See sections in this manual on cash-funded and SB92-202 project reviews and SB01-209 projects.)***

(b) Upon approval of a plan for a capital construction project pursuant to paragraph (a) of this subsection (10), the commission shall submit such plan to the capital development committee. The capital development committee shall make a recommendation regarding the project to the joint budget committee. Following receipt of the recommendation, the joint budget committee shall refer its recommendation regarding the project, with written comments, to the commission.

(11) Each institution shall submit to the commission on or before September 1 of each year a list and description of each project for which an expenditure was made during the immediately preceding fiscal year that was not subject to review by the commission pursuant to subsections (9) and (10) of this section. The commission shall submit a compilation of such projects to the capital development committee on or before December 1 of each year. *(See section in this manual on SB01-209 projects.)*

Appendix B:

Capital Construction and Controlled Maintenance Definitions

A project qualifies for DHE capital construction review and inclusion in the capital construction budget if it meets the criteria set out below as set forth in C.R.S. 24-30-1301. Also below are definitions of capital outlays (operating budget) or controlled maintenance (Office of the State Architect).

Capital construction includes:

- Purchase of land, *regardless of value.*
- Purchase, construction, or demolition of buildings or other physical facilities, including utilities, or remodeling or renovation of existing buildings or other physical facilities to make physical changes necessitated by changes in the program. Changes in the program may also incorporate the need to meet standards required by applicable codes; to improve energy conservation; to save costs for facility staffing, operations, or maintenance; or to improve appearance.
- Site improvements or development (landscaping, upgraded utilities, signage etc.)
- Purchase or installation of the fixed and moveable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, renovation or remodeling.
- Purchase of services from architects, engineers and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses and other studies associated with any capital construction project and to supervise construction or execution of such capital construction projects.
- Any item of instructional or scientific equipment if the cost exceeds \$50,000.
- Information technology if the cost exceeds \$2 million. (See section on information technology on the next page for a list of institutions that may request state funding for information technology projects that total less than \$2 million.)
- Preliminary planning including initial review of proposed projects for the following:
 - Conformity with long-range development plans;
 - Technical and economic feasibility of the project;
 - Preparation of outline plans and specifications;
 - Preparation of preliminary cost estimates.

Capital construction projects are classified as **major** (total cost is more than \$2 million) or **minor** (total project cost is above capital outlay limits but \$2 million or less).

The following expenses **CANNOT** be included in capital construction budget

requests; specific questions about what is acceptable as capital construction should be directed to the OSPB for clarification:

- Printing, publishing, photocopying, and other similar costs related to project administration;
- Postage, certified mailings, long-distance telephone charges, etc.
- Employee compensation or reimbursement for time performing project-related work regardless of the work performed;
- Reimbursement of “in-town” expenses such as food, fuel, etc.
- Travel and lodging expenses directly related to project management;
- Renting or leasing temporary space for people and equipment to accommodate construction projects; these costs must be paid from operating funds.

Information technology projects CAN be funded as capital construction projects if they meet the following criteria:

- They total \$500,000 or more in the request year and the majority of the components has a useful life of at least five years.
- Personal computer replacement or maintenance is not included in the information technology request (unless as a component of a much larger institutional computer systems upgrade).
- Contract personal services and other non-capital items requested as capital construction are integral components of a request.

Based on a Memorandum of Understanding among the legislative JBC, CDC, and the OSPB, information technology projects costing LESS THAN \$500,000 may be applied for and funded as capital construction for the following institutions and entities:

- Community College of Aurora
- Lamar Community College
- Morgan Community College
- Northeastern Junior College
- Pueblo Community College
- Otero Community College
- Trinidad State Junior College
- Adams State College

- Western State College
- Colorado Historical Society
- Division of Private Occupational Schools

Public higher education institutions may request a waiver from the capital construction criteria for the information technology request minimums through a written request to CCHE. If the waiver is granted, a program plan must be submitted to CCHE. These requests should be made only for projects of \$50,000 or more.

Capital Outlay - Items regarded as Operating Expenses

Capital outlay includes:

- Equipment, meaning motor trucks designated over three-quarters of one ton, tractors, trailers, snowmobiles, boats, machinery, reference books, office furniture, file cabinets, typewriters, adding and calculating machines, and other business machines, having a useful lifetime of one year or more, or other items, including, but not limited to, tools, implements, and instruments, which may be used continuously without material change in physical condition, costing more than \$100 and less than \$50,000.
- Alterations and replacements, meaning major and extensive repair, remodeling, or alteration of buildings, the replacement thereof, or the replacement and renewal of the plumbing, wiring, heating, and air conditioning systems therein, costing less than \$15,000.
- New structures, meaning the construction of new buildings where the cost will be less than \$15,000, including the value of materials and labor, either state-supplied or supplied by contract.
- Non-structural improvements to land, meaning the grading, leveling, drainage, and landscaping thereof and the construction of roadways, fences, ditches, and sanitary and storm sewers, where the cost will be less than fifteen thousand dollars.
- "Capital Outlay" does not include those things defined as capital construction by section C.R.S. 24-75-301.

Controlled Maintenance

Controlled maintenance includes:

- Projects more than \$15,000, corrective repairs, code compliance, energy conservation, or replacement used for existing state-owned, general-funded buildings.
- Other physical facilities, including, but not limited to, utilities and site improvements, which are suitable for the retention and use for at least five years.
- Replacement and repair of the fixed equipment necessary for the

operation of such utilities, when such work is not funded in an agency's operating budget to be accomplished by the agency's physical plant staff.

Controlled maintenance does not include:

- Corrective repairs, or replacement when such work is funded in an agency's operating budget to be accomplished by the agency's physical plant staff.
- Repair and replacement of fixed and movable equipment necessary for the conduct of programs (such repairs are funded as capital outlay).
- Repairs for rented or leased facilities, or facilities maintained by a self-liquidating property fund.
- Minor maintenance projects may not be accumulated to create a controlled maintenance project.

Care should be given to consider the ratio of repairs and/or replacement costs to the overall building value. In general, if the ratio of repair costs to the building's replacement value is less than 75 percent, and the useful life of the system involved can be reasonably extended, then consideration should be given to repair or replace the systems involved. Furthermore, if the ratio involved approaches or exceeds 75 percent, then serious consideration should be given to demolition and/or new construction.

Basically, Controlled Maintenance projects arise out of the deterioration of a facility's physical and functional condition and the inability to comply with current codes. These are referred to as "maintenance-driven" requests, as opposed to "program-driven" requests, which would constitute a capital construction project.

Capital construction projects arise out of an agency's need to create, expand, relocate, or alter a program due to growth, advances in technology or changes in methods or program delivery.

Requests addressing physical space requirements needed to accommodate particular functions, such as those traditionally included in facility programs would constitute a "program-driven" request, and therefore, be considered a capital construction request.

Controlled maintenance funding requests should be referred to the State Buildings by September 1. OSPB will review these requests with State Buildings to ensure no duplication of effort has occurred between capital construction and controlled maintenance projects.

Department and Agency Codes

<u>DEPARTMENT</u>	<u>DEPARTMENT CODE</u>	<u>AGENCY CODE</u>
Administration	ADM	ADM
Agriculture	AGR	AGR
Corrections	COR	COR
Education	EDU	EDU
Health	HLT	HLT
Higher Education	HED	HED
CU-Boulder	HED	CUB
CU-Colorado Springs	HED	CUS
CU-Denver	HED	CUD
Health Sciences Center	HED	HSC
Colorado State University	HED	CSU
Fort Lewis College	HED	FLC
University of Southern Colorado	HED	USC
Experiment Station	HED	EXP
Cooperative Extension	HED	CEX
Forest Service	HED	SFS
Veterinary Medicine	HED	VTM
Colorado School of Mines	HED	CSM
University of Northern Colorado	HED	UNC
Adams State College	HED	ASC
Mesa State College	HED	MSC
Western State College	HED	WSC
Arapahoe Community College	HED	ACC
Colorado Northwestern Community College	HED	CNC
Aurora Community College	HED	AUR
Front Range Community College	HED	FRC
Red Rocks Community College	HED	RRC
Lamar Community College	HED	LCC
Morgan Community College	HED	MCC
Northeastern Junior College	HED	NJC
Otero Junior College	HED	OJC
Pikes Peak Community College	HED	PPC
Pueblo Community College	HED	PCC
Trinidad State Junior College	HED	TJC
Auraria Higher Education Center	HED	AHC
Historical Society	HED	HST
Human Services	DHS	DHS
Judicial	JUD	JUD
Labor and Employment	LAB	LAB
Local Affairs	LOC	LOC
Military Affairs	MIL	MIL
Natural Resources	NAT	NAT
Public Safety	DPS	DPS
Regulatory Agencies	REG	REG

Appendix D

Capital Assets Purpose Codes

Preference will be given to those projects which provide the most efficient use of state resources including but not limited to: innovative solutions to space needs, co-location of programs resulting in space and program efficiencies, and operating cost reductions.

A. State Financial Obligations	(1) Certificates of Participation	(2)Other		
B. Continuation Projects Final Phase	(1) Continuation Projects Final Phase			
C. State Wide Priorities	(1) Statewide High Priorities (determined by OSPB/CCHE)			
D. Controlled Maintenance	(1) Level 1 Life Safety	(2) Level 2 Program Disruptions	(3) Level 3 Deterioration	
E. Continuation Projects	(1) Continuation Projects Not Final Phase	(2) Continuation Projects A&E funding only		
F. New Projects Current Program Needs Solutions to Existing Deficiencies	(1) Statutory Requirements Mandates those projects, which are directed by court order or reduce the state's legal liability.	(2) Renovation/ Replacement of Existing Space/Equipment a. significant cost-savings or cost avoidance b. increased level of service	(3) Facility Infrastructure Improvements (4) Technology Infrastructure Improvements	(5) Construction of New Building or Expanded Space a. significant cost-savings or cost avoidance b. increased level of service
G Immediate Future Program Needs — Solutions to Growing Deficiencies	(1) Mandates those projects, which are directed by court order or reduce the state's legal liability.	(2) Renovation / Replacement of Existing Space / Equipment	(3) Construction of New Building or Expanded Space to Consolidate Programs from Obsolete and Congested Space	(4) Facility Infrastructure Improvements (5) Technology Infrastructure Improvements

Appendix E

COFRS Higher Education Financial Reporting System Program And Fund Codes

HIGHER EDUCATION FEEDER AGENCY COFRS CHART OF ACCOUNTS 11/2002			
AGENCY CODES		FUND CODES	
Department of Higher Education	G	GOVERNMENTAL FUNDS	
Colorado Commission on Higher Education (CCHE)	GAA	General Fund-Unrestricted	100
Colorado Council on the Arts	GBA	Regular Capital Construction	461
Colorado Student Loan Program (CSLP)	GDA	HIGHER EDUCATION FUNDS**	
Private Occupational School Division	GPA	Current Unrestricted – Nonexempt	310
Colorado Student Obligation Bond Authority	GRA	Current Unrestricted - Exempt	311
UNIVERSITY OF COLORADO		Auxiliary Self-Funded Enterprises – Exempt	320
University of Colorado Board of Regents	GFA	Other Auxiliary Fund – Exempt (Optional)	321
University of Colorado – Boulder	GFB	Other Auxiliary Fund – Exempt (Optional)	322
University of Colorado - Colorado Springs	GFC	Other Auxiliary Fund - Exempt	323
University of Colorado – Denver	GFD	Research Building Revolving Fund	324
University of Colorado - Health Sciences Center	GFE	23-31-129 (CSU only)	
COLORADO STATE UNIVERSITY SYSTEM		Other Auxiliary Fund – Exempt	325
CSU System Board of Governors	GGA	Auxiliary Self-Funded Nonenterprise – Exempt (began 7/1/01)	326
Colorado State University	GGB	CPPS Revolving Fund - Exempt	327
University of Southern Colorado	GGJ	Internal Service Funds – Exempt (began 7/1/01)	328
		Auxiliary Self-Funded - Nonexempt	329
STATE COLLEGES IN COLORADO		Current Restricted - Exempt	330
		Current Restricted - Nonexempt	331
Adams State College	GYA*	Children’s Health Plan 26-17-108 (UCHSC only)	332
Mesa State College	GZA*	Fitzsimons Trust Fund (UCHSC only)	333
Western State College	GWA*	Wildlife Emergency Fund (CSU only)	334
		Loan Fund – Exempt	340

HIGHER EDUCATION FEEDER AGENCY COFRS CHART OF ACCOUNTS 11/2002

AGENCY CODES		FUND CODES	
COLORADO COMMUNITY COLLEGES SYSTEM (CCCS)	GJA	Endowment Fund – Exempt	350
Arapahoe Community College	GJB	Plant Fund – Exempt	371
Community College of Aurora	GJC	Plant Fund – Nonexempt	375
Community College of Denver	GJD	HE Agency Fund – Exempt	380
Front Range Community College	GJE	Financial Presentation – Exempt (began 7/1/01)	399
Lamar Community College	GJF		
Lowry HEAT Center	GJP		
Morgan Community College	GJG		
Northeastern Junior College	GJR		
Colorado Northwestern Community College	GJT		
Otero Junior College	GJH		
Pikes Peak Community College	GJJ		
Pueblo Community College	GJK		
Red Rocks Community College	GJL		
Trinidad State Junior College	GJM		
UNIVERSITY OF NORTHERN COLORADO	GKA		
COLORADO SCHOOL OF MINES	GLA		
AURARIA HIGHER EDUCATION CENTER	GMA		
FORT LEWIS COLLEGE	GSA		
METROPOLITAN STATE COLLEGE OF DENVER	GTA		
*Effective 7/01/2004		** The following funds are no longer in use as of 7/1/01: 372, 373, 374, 376, 377	

Appendix F:

Memorandum of Understanding between State Controller's Office and Capital Development Committee Six-Month Rule

Enforcement of CRS 24-30-1404, as revised April 2001

CRS 24-30-1404(7) requires agencies to execute a contract and encumber funds for any professional services, as defined by CRS 24-30-1404(6), related to a capital construction or controlled maintenance project within six months of the date the appropriation becomes law. For projects when no professional service contract is required, a contract for the project must be entered into within this same six-month time frame. This Memorandum of Understanding (MOU) between the State Controller's Office (SCO) and the Capital Development Committee (CDC) defines the process to be used by departments or institutions to comply with the requirements of the statute.

Construction Projects with professional service contracts

These are typically large building projects that require significant up-front design work.

- Compliance with the six-month rule requires all architecture/engineering services contracts or any other significant professional services contracts related to the design of the project, identified in the project plan, be executed and encumbered within the six-month date. The department controller or institution chief financial officer (CFO) and project manager will certify compliance to the SCO.
- or-
- The project plan may contain an amount for professional services, proposed by the department or institution and agreed to by the CDC, to be encumbered by the six-month date that is less than the architectural/engineering services contracts or other significant professional services contracts related to the design of the project, identified in the project plan. The project plan must also include justification for the proposed amount. The CDC will communicate the approved encumbrance amount to the SCO as a waiver recommendation under CRS 24-30-1404(7). The SCO will issue the waiver letter to the department or institution. If the department or institution cannot encumber the CDC-approved amount by the six-month date, it must submit a new waiver request or revert the project funds.

Alternatively, the department or institution that cannot encumber all of the professional services may follow the normal waiver request process when the problem is identified.

Construction Projects without professional services contracts

These are typically maintenance or repair projects, which may be at one location or spread over many locations. However, no professional service contracts are required to be obtained for the project to commence, or professional services are provided from non-capital construction sources.

Compliance with the six-month rule will be met with an encumbrance, by the six-month date, for the total amount of the project, identified in the project plan. The department controller or institution CFO and project manager will certify compliance to the SCO.

-or-

The project plan may contain a project amount, proposed by the department or institution and agreed to by the CDC, to be encumbered by the six-month date that is less than the full amount of the project identified in the project plan. The CDC will communicate the approved encumbrance amount to the SCO as a waiver recommendation under CRS 24-30-1404(7). The SCO will issue the waiver letter to the department or institution. If the department or institution cannot encumber this amount by the six-month date, it must submit a new waiver request or revert the project funds.

Non-Construction Projects – IT or Equipment Purchases:

Compliance with the six-month rule will be met with an encumbrance, by the six-month date, for the full amount of the project identified in the project plan. The department controller or institution CFO and project manager will certify compliance to the SCO.

-or-

The project plan may contain a project amount, proposed by the department or institution and agreed to by the CDC, to be encumbered by the six-month date that is less than the full amount of the project as identified in the project plan. The CDC will communicate the approved encumbrance amount to the SCO as a waiver recommendation under C.R.S. 24-30-1404(7). The SCO will issue the waiver letter to the department or institution. If the department or institution cannot encumber this amount by the six-month date, it must submit a new waiver request or revert the project funds.

Other Issues

➤ Projects with multiple phases.

The six-month rule requirement is generally monitored for compliance in the first phase of a project. If subsequent phases of a project are dependent on the first phase, once compliance is met in the first phase of the project, additional phases do not have a six-month rule requirement. If multiple phases of a project are designed as stand-alone projects, each phase or the project will be required to meet the six-month rule.

➤ Project Plans

The Office of State Planning and Budgeting (OSPB), Colorado Commission on Higher Education (CCHE), and State Buildings Programs are responsible for monitoring spending on capital construction or controlled maintenance projects to determine the department or institution has complied with the intent of the project plan.

Appendix G:

Special Instructions for Higher Education Information Technology Program Plans

The technology program plans should follow the outline below.

Planning Linkages

1. Master Plan Linkage – Identify systems, objectives, measures, linked to institutional master plan.
2. Technology Master Plan – If no plan has been developed, include earliest date that a plan might be produced, then establish:
 - The title, date, and approval authority for the plan.
 - Context and phasing of proposed project (i.e., prior projects that provide the necessary infrastructure for this project, and what subsequent projects will in turn rely on this project as infrastructure and how this is documented.

Project Details

1. Problem
 - Describe the problem or opportunity to be addressed.
 - Who are the beneficiaries of the project? What is the need that must be met? What usage levels are anticipated?
2. Requirements, Mission and Technical. Describe the requirements for the proposed project from both the mission critical and technical perspective.
3. Alternatives. Identify alternatives examined to solve problem. Explain why chosen alternative was selected.
4. Outcomes, Expected Results
 - Describe the expected, visible outcome, change, or result and quantify its value in specific terms.
 - Justify the project in terms of practical, quantifiable, major benefits to accrue.
5. Project Description. Describe the “what, who, when, why, and how.”

6. **Technical Feasibility and Sound Technology.** Describe and defend the technological feasibility of the project, how it uses existing, current, proven technology creatively and indicate the foreseeable life-span of the technology.

Project Management. Management personnel, accountability, timeline, milestones, resources, and contingencies in completing the proposed project. Describe project management systems to be used in monitoring progress and planning for contingencies.

Alignment with State and DHE Initiatives. Describe and document how the project is aligned with each State and DHE initiative: (provide description for those that apply, otherwise indicate, "Not Applicable"):

1. DHE

- a) Provides full access to campus networks
- b) Provides access to modern computers and software
- c) Ensures minimum Internet access to faculty, students, and administration
- d) Provides network support to accommodate demand
- e) Provides for technology-enhanced classrooms and labs
- f) Provides for training and development to ensure proficient use of information technology
- g) Provides for electronic student services
- h) Supports efficient use of information for administrative workflow processing, decision-making, and reporting both within the institution and with DHE
- i) Provides digital library resources
- j) Provides systems to support outreach
- k) Supports distance learning to increase student access to instruction
- l) Promotes the coordination of distance learning development within governing board system and within institution
- m) Supports the workforce needs of Colorado employers
- n) Other

2. STATE

- a) Makes use of the Multi-use Network
- b) Makes use of the Beanpole Fund
- c) Streamlines service to the beneficiaries
- d) Implements cutting-edge technologies
- e) Transforms the institution by implementing uses of the Internet for e-commerce and new management efficiencies
- f) Replaces costly, cumbersome procedures with paperless, on-line methods
- g) Builds on Colorado's world-recognized leadership in the development of telecommunications technology
- h) Other