

Biennial Budget Request
Revised 11/05

Biennial Budget Request

Campus Physical Planning Schedule

Six Year Project Lists

Project Budget Worksheets

Project Request Documents

2-Year All-Agency Project List

All Agency Project Requests

Long Range Development Plans

► **Campus Physical Planning Schedule**

University of Wisconsin System physical campus planning is responsive to the state's biennial fiscal cycle. Biennial physical planning includes updating long range plans (6-10 years) and preparing a biennial capital budget recommendation. Long-range plans are required by state statute. Updating long range plans rolls the planning horizon forward two years, deleting resolved planning issues and projects, adding new ones, and continuing to pursue resolution of unresolved issues. Each cycle includes reordering planning issues to reflect priority adjustments.

To ensure a capital budget request will be ready for Board of Regent action, the following information briefly describes each primary planning period. There is overlap between activities and time periods because planning progresses at different rates for various issues. The accompanying chart should help visualize the schedule.

November 1, 2004 to March 1, 2005

Define Planning Issues

Each planning cycle begins with identification of planning issues. Unresolved issues from prior planning cycles frequently provide a good starting point. Refinement or re-definition of some issues may be necessary while adding current issues. The clustering of similar issues can often identify patterns or themes. Frequently several issues can be combined to identify a larger, more comprehensive issue. System staff will assist with the identification and assessment of issues.

March 1, 2005 to May 1, 2005

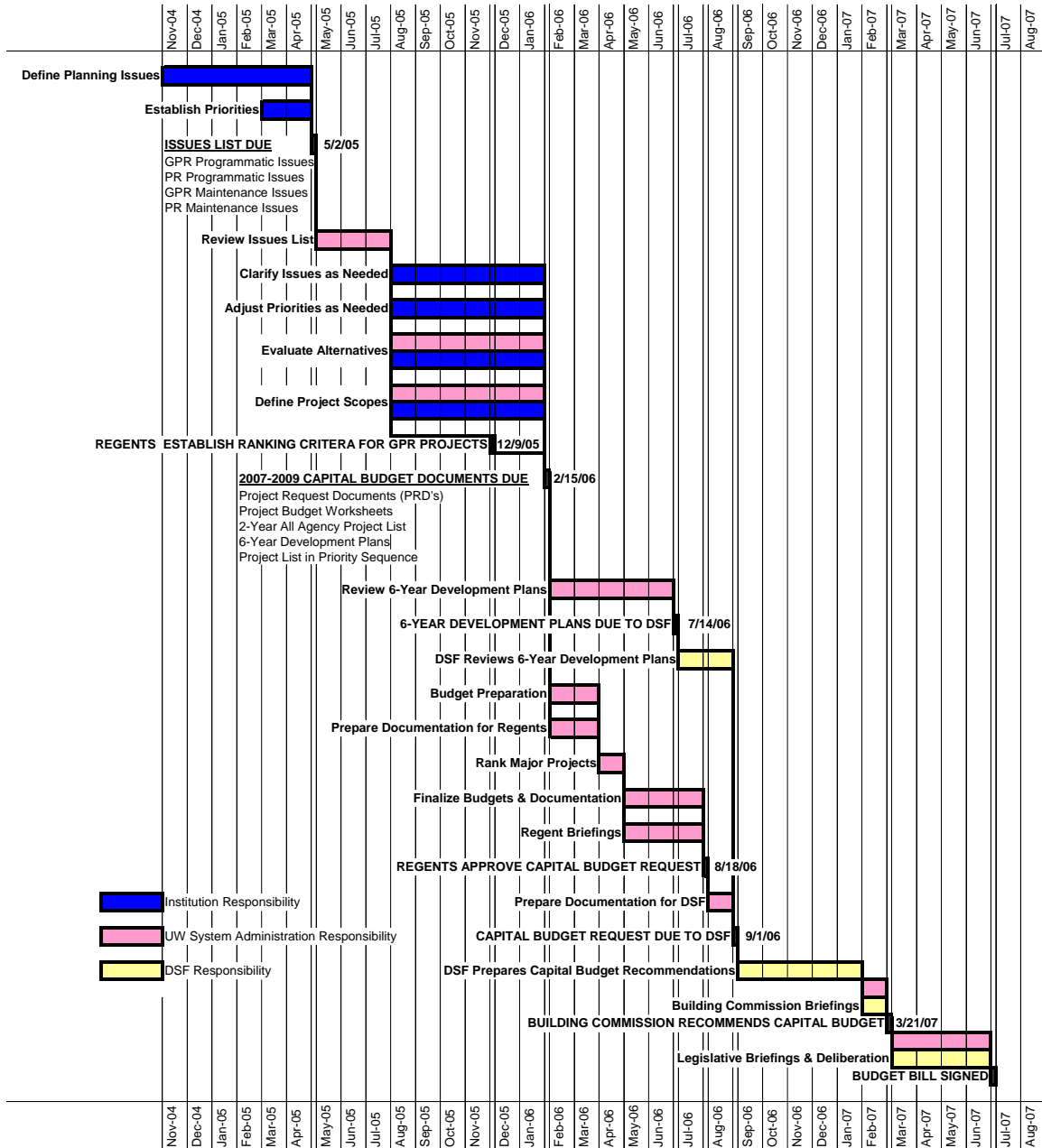
Establish Preliminary Planning Priorities

It is necessary to establish the importance of resolving each planning issue relative to all others, defining a course of action that will provide the greatest benefit to the institution as a whole. Unfortunately there are never enough financial resources to resolve all facility problems. Choices must be made to invest limited staff and capital improvement resources in a manner that will maximize benefits to the mission of the institution.

PHYSICAL PLANNING SCHEDULE

2007-2013 Development Plan

2007-2009 Capital Budget



May 1, 2005

Planning Issue Lists Due Date (All documents are to be transmitted as e-mail attachments in MSWord or Excel to Judy Knoll at: **jknoll@uwsa.edu**)

Each university must provide four preliminary planning issue lists to the Director or Facilities Planning, System Administration Capital Planning and Budget, reflecting the relative priority for resolving the planning issues. **Formats are in the appendix.**

- one list of issues related to GPR supported functions,
- one addressing PR supported operations,
- one addressing GPR maintenance planning issues, and
- one addressing PR maintenance planning issues.

Each list is to be further divided into two parts as much as practical:

- issues related to program delivery problems, and
- maintenance/infrastructure related problems.

These lists will serve as agendas for institution and System staff to begin working together, providing a starting point for discussion. Issue statements should be succinct phrases, no longer than 1-2 sentences each. A statement should "identify" not define or describe the problem.

May 1, 2005 to February 1, 2006

Clarify Issues and Adjust Priorities

The priority for resolving major planning issues may need adjustment as planning proceeds. The accompanying chart illustrates overlap between establishing priorities and evaluating alternatives to solve problems. Timing of implementing solutions (construction projects) frequently influences priorities. Optimal program delivery may suggest certain priorities, but the timing factors related to implementing construction projects may dictate adjustments in priorities. Other factors affecting priorities may include the ability of the institution to manage disruption created by construction projects, timing of the movement of people and equipment resulting from the management and reallocation of space, construction costs, and the availability and sources of funding. Timing considerations are frequently identified during the evaluation of alternatives.

Evaluate Alternatives

This period is also devoted to identifying and researching alternative solutions to the issues. Institution staffs provide primary leadership during this period, with system staff providing system and state policy and procedure clarification, and technical support.

The cost of alternatives is often a significant factor in determining a course of action to solve any particular problem. System staff will help identify alternatives and their costs, and the most probably method of funding any given solution or project. Engaging system staff early in this process should help develop project scopes and budgets that are understood and acceptable to both the institution and System Administration. State Division of Facilities Development (DSF) staff will be consulted as appropriate to engage their assistance and to help ensure agreement on solutions and budgets.

February 1, 2006

2007-09 Biennial Budget Materials Due Date (All documents are to be transmitted as e-mail attachments in MSWord or Excel to Judy Knoll at: jknoll@uwsa.edu)

1. 6-Year Enumerated Project Lists

Provide two (2) lists of projects with budgets of \$500,000 or greater requested to be funded in the 2007-09, 2009-11, and 2011-13 biennia in priority order. List each biennium under a separate heading to identify the biennium.

- one list for GPR funded projects, and
- one list for non-GPR funded projects.

Projects funded from both GPR and non-GPR funding sources must be included in both lists. Gift funding must be identified separately from PR funding in budget summaries. Please indicate whether planning or construction is being requested. Projects qualifying for all-agency funding should not be included in the 6-year list. System Administration staff will provide counsel on appropriate project funding sources as questions arise. **Formats are included in the appendix.**

2. Project Request Documents (2007-09 projects only)

Provide a Major Project Request document for each project included in the 2007-09 project lists. **The format is included in the appendix.**

3. Project Budget Worksheets (2007-09 projects only)

Provide a budget worksheet for each project included on the 6-year project lists in the **2007-09** biennium. The Project Budget Worksheet form is maintained as an Excel document by System Administration and is included in the appendix of this guide. Budgets for projects eligible for typical "all-agency" funding should be documented on an All-Agency Project Request (AAPR) form. **The format is included in the appendix.**

4. 2-Year All-Agency Funded Project List
Provide a list of projects requested for funding from All-Agency Funds during the 2007-09 biennium. System Administration staff will provide counsel on appropriate project funding sources as questions arise. **The format and examples are included in the appendix.**
5. All-Agency Project Requests (AAPR)
Provide a completed All-Agency Request Form (AAPR) for each project included in the 2-Year All-Agency List. The AAPR form is maintained as an MSWord document by System Administration and is included in the appendix of this guide. **The format is included in the appendix.**
6. Long Range Campus Development Plan
Provide a Long range Campus Physical Development Plan. The Plan will provide the context and support for individual projects as well as meeting state statutory obligations. **A suggested format is in the appendix.**

February 1, 2006 to August 1, 2006

University System Budget Preparation

System Administration will prepare a recommended 2007-09 Capital Budget Request for the University System based on Board of Regent criteria, institution project priority lists, and updated development plans. A decision to recommend a project for funding will not be made for any project until planning has progressed through an exhaustive evaluation of alternatives for the top priority issues resulting in the project.

Document Preparation

System Administration will complete final preparation of budget and planning documents during this period.

Regent Briefing

System Administration will discuss capital funding recommendations with the Regents in preparation for Regent consideration of the biennial capital budget request.

August, 2006

Regent Meeting to Consider Budget Recommendation

- ▶ **6-Year Project Lists**
- ▶ **Major Project Request**
- ▶ **Project Budget Worksheets**
- ▶ **2-Year All Agency Project List**
- ▶ **All-Agency Project List**
- ▶ **Long Range Development Plan**

Each of the above items is part of an institution's biennial budget request "package" transmitted to the Office of Capital Planning and Budget (CPB) every two years as indicated in the biennial budget schedule. **Formats for all the documents are included in the appendix.** More specific assistance for completing a Major Project Request document is included below.

It is important all items be complete and transmitted at the same time to help facilitate orderly handling of the large volume of materials received by CPB. After initial review of materials and making staff assignments within CPB, CPB staff will contact institution staff to further clarify the information in preparation for creating a system-wide biennial budget. In the process, CPB staff will establish system-wide project priorities according to Regent policy.

The findings of the long range planning process must be documented to communicate them within the university community and beyond. Documentation must enable an uninformed person to understand the comprehensiveness of the planning process, the planning issues, the alternatives considered, and the recommended solutions and supporting reasoning. A suggested format for an institutions long range development plan is included in the appendix.

Major Project Request (biennial budget document, NOT monthly requests)

What is a Major Project Request?

Why is a Major Project Request Required?

When is a Major Project Request Required?

Who Writes a Major Project Request?

What is the Deadline for Major Project Requests?

Major Project Request Format and Content

► **What is a Major Project Request?**

A Major Project Request is a document that requests enumeration of a major project as part of the biennial capital budget. The audience for the request includes UW System Administration office of Capital Planning and Budget, the Board of Regents (BOR), the Department of State Facilities (DSF) within the Department of Administration and the State Building Commission (SBC). The request may be either for planning or for construction. An Major Project Request typically includes in addition to the header:

- The BIENNIUM for which enumeration is being requested
- The PROJECT NAME
- The INSTITUTION where the project is proposed
- The ESTIMATED COST of the project and fund sources
- A PROJECT DESCRIPTION AND SCOPE
- BACKGROUND of the project
- An ANALYSIS OF NEED for the request
- ALTERNATIVES that were investigated
- A proposed SCHEDULE for the project
- The PROJECT DELIVERY method
- ESTIMATED COSTS for the project that include a Project Budget, Impacts on Operating Budget, and Fee Impact.
- A list of PREVIOUS ACTIONS that have been taken on this project by the BOR and the SBC.

A well-written Major Project Request is a succinct document that contains enough information for uniformed readers to understand scope of, need for, and costs of the project being proposed. The information contained within the request should be both accurate and internally consistent. It should anticipate obvious questions, while not provoking confusion by including extraneous information.

► **Why is a Major Project Required?**

By state statute, all new construction and remodeling projects over \$500,000 must be enumerated, that is, specifically listed in budget legislation, to permit implementation. For projects that are funded with General Fund Supported Borrowing, planning normally cannot occur until the project has been enumerated, and no project may proceed to bidding until it has been enumerated.

► **When is a Major Project Request Required?**

Any project that involves new construction and/or functional remodeling that has a project cost over \$500,000 must be enumerated. Projects that are substantially maintenance and repair work, or primarily involve infrastructure renovation normally do not need to be individually enumerated, even if they are over \$500,000. Such projects would be included in the list of all-agency projects funded from all-agency funds. However, since all-agency funding is limited, maintenance and repair projects of a substantial size may have to be enumerated. Institutions should consult with Capital Planning and Budget staff for advice on seeking enumeration of projects

► **Who Writes a Major Project Request?**

Institution staffs are responsible for writing Major Project Requests. The requests are then forwarded to System Administration Capital Planning and Budget (CPB) as part of the biennial budget package for review, editing and consideration for inclusion in the biennial budget.

► **What is the deadline for Major Project Requests?**

The deadline for receipt of Major Project Requests in CPB is identified in the Campus Physical Planning Schedule. Since major projects are the end result of the physical development planning process, major projects must be included in the *Campus Physical Development Plan*.

► **Major Project Request Format and Content**

The format for and an annotated version of a Major Project Request are included in the appendix.

BIENNIUM: Identify the biennium for which enumeration is being requested. If planning, but not construction, is being requested in this biennium, list the biennium in which planning is being requested and the following biennium in which construction will be requested.

PROJECT: State the project name. The building name should always be first, with qualifiers (remodeling, addition, etc.) following. If there has already been action taken on this project in a previous biennium, for instance planning, care should be taken to assure that the project name is **identical** as that in the previous biennium.

INSTITUTION: The name of the institution.

ESTIMATED COST: Indicate the total project cost by fund source, typically General Fund Supported Borrowing first, then Program Revenue Supported Borrowing , then Program Revenue cash, then Gifts/Grants. Provide a grand total.

PROJECT DESCRIPTION AND SCOPE: Briefly describe the project. Typical information includes:

- Size: ASF/GSF, whether new construction or remodeling
- Number of beds if a residence hall
- Number of stalls if a parking facility
- Functions being accommodated. In a building with multiple functions, it may be helpful to include a table listing the functions/ departments being accommodated and the ASF of each.
- Location of project, if on a specific campus site or if not on the main campus
- Brief statement of the purpose or general intent of the project.
- Any unique features (e.g. sustainable design, environmental mitigation, historical building, etc.)
- The estimated amount of backlogged maintenance that will be addressed by this project.

The project description should NOT include justification or background/ history of the project. The information should focus on the physical and tangible intent of the project. Since typically the projects have not yet been designed, it is better to be somewhat general. For example, avoid too much detail in square footages, or anticipated construction phasing, or assumptions on what the design will look like. For requests involving enumeration of a budget increase to a previously enumerated project, the project description should include only a brief description of the project, and should instead focus on the fact that a budget increase is being requested, and for what purpose.

Abbreviations or acronyms should be written in full the first time the reference appears in the document, with the abbreviation or acronym in parentheses following the full reference. Thereafter, the abbreviation/ acronym may be used.

BACKGROUND: This section puts the project request in a context. For example, the project may be the first step in a resolving an overall campus space shortage, or realigning departments. If this project is part of sequence of projects, indicate how this project fits into the sequence of what has occurred and what will follow. For remodeling and/or addition projects, the background information should include the ASF/GSF of the existing building, year of construction, what remodeling projects may have occurred in the past and when, and current occupants. If there is a primary user such as a department or college, provide general information on the department such as number of students enrolled, or number of majors. If this request is for a budget increase, an explanation of previous actions should be included. If this project was

previously enumerated for planning, and planning efforts have proceeded to a design, that should be mentioned here.

While this section should include enough information to provide a context for the project, it should NOT be a description of the project, which should have been covered in the previous section. Similarly, it should NOT contain information on why this project is needed, or what the benefits will be; that information should be part of the next section. Background information should be factual, pertinent to the project, and contextual. Usually, discussions of faculty reputation, history of the department, or merit of the academic programs housed in the building are not relevant to the purpose of the project. The organization of this section should follow the organization of the Project Description and Scope section, paralleling the description and scope. For instance, if the project description is organized by project components such as remodeled space, addition, suite work, etc., then the background should follow this same order.

ANALYSIS OF NEED: Provide a succinct analysis of why this project is needed. If this request is for a project that has previously been enumerated, the analysis can be very brief, with a statement that a full analysis of need was provided when the project was originally enumerated. If there are existing deficiencies, they should be described. Examples include building code and life safety deficiencies, failure to meet accreditation standards, overcrowding, classrooms that cannot accommodate modern learning methods and technologies, and spaces that are not functional for current uses. If there are infrastructure problems they should be described. For example, are the mechanical or electrical systems failing at an increasing rate, are they no longer maintainable. Do they operate inefficiently?

If this project would result in the demolition of existing space, there should be a discussion of why the existing space cannot accommodate current needs. In addition to discussing deficiencies, there should be a discussion of why existing space cannot be renovated or remodeled to serve anticipated needs. Examples include basic configuration problems that inhibit functional use of the space, prohibitive costs for remodeling, or the location of the building that conflicts with a better use for that site.

There should also be a discussion of how this proposed project will remedy the deficiencies noted and what benefits the project will bring. If this project is part of a sequence of projects it should have been noted in the background section, not here. This section provides detail on why this project is important in a sequence of projects, and the need to implement this project at this time. If this request is for an increase in the budget of a previously enumerated project, there should be a discussion of why the increase is needed.

Although hard data can be useful in this section, too much detail can be confusing, can give the misleading impression that planning has advanced further than it has, or can provoke an analysis of the data by readers that could lead to mistaken conclusions. Exaggeration and superlatives should be avoided, and the tone should be factual rather

than editorial. For example, usually discussion of the array, quality, and reputation of academic programs will not in itself be a statement of need. However, if the deficiencies identified would compromise academic programs, it should be stated. If there are several project components, the components should be discussed in the same order as in the Project Description and Scope, and Background sections.

ALTERNATIVES CONSIDERED: If there were viable alternatives that were investigated before choosing the actions of this project, those could briefly be mentioned, along with reasons these alternatives were not selected. The option to do nothing does not need to be discussed, since the Analysis of Need should make it clear why the status quo is not acceptable.

SCHEDULE: Provide a schedule with the milestones indicated in the example request document in the appendix. The schedule and the budget worksheet should be coordinated so that both assume the same bid date. The *Capital Budget Cost Estimating Guidelines* published each biennium by DSF should be used to determine realistic schedule intervals. For projects for which planning is being requested in this biennium, the bid date will need to occur in the following biennium. Institutions should consult with Capital Planning and Budget staff for assistance in determining schedules.

PROJECT DELIVERY: The intent of this section is to identify to the SBC any projects for which a bid waiver may be requested. However, since it is better to preserve flexibility for identifying use of appropriate delivery methods as the project develops, the wording should be as shown in the sample.

ESTIMATED COSTS:

Project Budget Summary: Provide a budget with the cost breakdown indicated in the example. Normally, this information will come from the budget worksheet, to coordinate with the worksheet. However, for a project that has proceeded into planning, the budget may be one that the consultant has developed.

Impact on Operating Budget: Indicate the impact this project will have on operating costs such as debt service, utility, maintenance, and custodial costs. Usually this will be an increase, but if there is an offset in costs as a result of demolition or improved energy efficiency it should be noted. For program revenue funded projects, the increase in fees necessary to support the operating costs should be included under Fee Impact. There should also be a sentence that indicates that funding for an operating cost increase will be sought as part of the operating budget.

Fee Impact: Normally, there will only be a fee impact for those facilities that are program revenue supported. Fee impacts for capital costs including debt service and operating cost impact on fees should also be included. For a parking facility there should be discussion of existing and proposed parking rates per year. For residential facilities, there should be an indication of existing rates, proposed rates, and any differential rates that will be charged for this facility. For student unions, student

centers or other facilities funded from segregated fees, there should be information on existing fees and proposed fees per year. There should also be documentation that student approval of any segregated fee increases has occurred. For food service facilities there should be information on existing and proposed board dining rates. If fees increases are to be phased in over several years, the schedule of increase should be indicated. If there are any revenue streams that will offset fees it should be mentioned.

PREVIOUS ACTIONS: Most often this will say "None." However, if a project previously was enumerated, indicate that action. If a project previously was included by the Board of Regents in a biennial capital budget request, but was not recommended for enumeration by the Department of Administration or the building commission, indicate that action as well.