

Capital Project Approval Process

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Exhibits:

- A – Project Initiation Form, Part I (Part II still in development)
- B – Business Plan
- C – Debt Assessment
- D – Loan Application
- E – Private Funding Assessment
- F – Annual Renovation and Infrastructure Plan
- G – Decision Brief

Key Stakeholders:

- University Budget Office (UBO)
- Office of the Architect for the University (OAU)
- Facilities Management (FM)
- Treasury Operations
- Comptroller/Debt Accounting
- Development and Public Affairs

Process for Revision: Contact Assistant Vice President for Budget and Financial Planning, University Budget Office (msb2p@virginia.edu)

Capital Project Approval Process

This process applies to all University of Virginia capital projects in excess of \$1 million (construction, renovation, or acquisition), including the Academic Division, the Medical Center, and The University of Virginia's College at Wise, as well as those to be constructed or financed by the University on behalf of other entities (for example, the Judge Advocate General's School).

While capital projects can be proposed at any time, it is expected that the majority will be identified during the biennial updates of the University's Major Capital Projects Program.

The capital process includes 1) development of a project proposal, 2) project approval by the Board of Visitors, and the Commonwealth of Virginia when State funds are involved; and 3) post approval actions by the University Administration and the Board of Visitors.

The program is overseen by the University Administration through its Executive Review Committee (ERC). ERC membership includes the Executive Vice President and Chief Operating Officer (EVP/COO), the Executive Vice President and Provost (EVP/PRO), the Senior Vice President for Development and Public Affairs, the Vice President for Management and Budget (VPMB), the Vice President and Chief Financial Officer (VP/CFO), and the Architect for the University.

The departments responsible for its implementation are Facilities Management (FM), the Office of the Architect for the University (OAU), and the University Budget Office (UBO).

I. Preliminary Project Proposal (Part I, Project Initiation Form)

1. The project sponsor identifies a facilities need (i.e. building expansion, renovation or construction) that will exceed \$1 million. Sponsor works with its internal constituencies – department heads/directors, deans/vice presidents – to develop project concept.

During the biennial update of the Major Capital Projects Program, this cycle is initiated by a call letter from the VPMB.

2. Sponsor uses the web-based Project Initiation Form (Exhibit A, template available on the University's [Forms Directory](#) or at <http://www.virginia.edu/budget/Cap.html>) to develop Part I of the Project Initiation Form, including a description of the proposed project and a preliminary scope, budget range, and funding plan.

EXCEPTION: For Academic Division or Medical Center renovation or infrastructure projects, with a budget between \$1 million and \$5 million to be funded from non-general fund cash (no general funds and no debt), steps I through IV are replaced with the Annual Renovation and Infrastructure Plan Process. See Step V.

3. Sponsoring dean or vice president approves the preliminary proposal in Part I of the Project Initiation Form and forwards to his/her respective executive vice president.
4. The EVP/PRO or the EVP/COO provides approval of Part I of the Project Initiation Form. At this point, the responsible executive vice president is simply approving the sponsor's preliminary project and scope in concept and authorizing the project to move forward to the Part II review. The sponsor or the executive vice president will forward the Project Initiation Form, Part I to UBO to initiate the Part II review.

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During the biennial update of the Major Capital Projects Program, EVP/PRO and EVP/COO forward completed Part I of the Project Initiation Forms to the VPMB, who will provide them to the UBO.

5. UBO uploads Part I of the Project Initiation Form to the Capitalplan.org database. The project is flagged as a preliminary proposed project in the database. UBO notifies the OAU and FM of the new proposal and the need to convene a work group for the Part II review.

II. Final Project Proposal (Part II, Project Initiation Form (still in development))

1. A work group is established, led by the OAU and FM, and including representatives from the project sponsor, UBO, the Senior Academic Facility Planner from the Provost Office (for academic facilities), and the Medical Center Planning & Capital Development Office (for Health System projects). This workgroup will complete Part II of the Project Initiation Form, providing an official review of the site, scope, budget range, and funding plan. This review will include, but is not limited to, consideration of utilities and other site work; LEED certification, the parking impact, and the application of the Grounds Improvement Fee.
2. After Part II of the Project Initiation Form is completed, the work group leaders return the Project Initiation Form to the respective EVP for approval.
3. After EVP approval, UBO replaces the Part I, PIF in the Capitalplan.org database with the EVP-approved Part II, PIF. UBO will notify the OAU in order to place the project on the agenda of the next Executive Review Committee meeting.

III. Project Proposal – Executive Review Committee

1. The Architect for the University will present new projects which have been through the Part II review to the ERC. The ERC will consider whether to allow the project to proceed to the Business Plan review. This action does not signify approval of the project.

During the biennial update of the Major Capital Projects Program, this ERC review will occur at one time for all proposed projects.

2. If ERC suggests modifications, UBO will make the changes to the project record in the Capitalplan.org database. The respective VP will communicate modifications to the Sponsor.
3. Following ERC review, UBO will initiate the Business Plan review.

During the biennial update of the Major Capital Projects Program, only projects that will be considered in the first two years of the plan will require a Business Plan.

IV. Business Plan

1. UBO begins work with the Sponsor to develop the Business Plan (Exhibit B, template available on the University's Forms Directory or at <http://www.virginia.edu/budget/Cap.html>). The Business Plan will be developed based on the high end of the budget range.

Capital Project Approval Process

2. If the Sponsor and UBO identify University debt as a potential fund source (including bridge financing for pledges), UBO will request a Debt Assessment (Exhibit C) from the Director of Treasury Operations to evaluate the impact of issuing University debt for the project. Completion of a Debt Assessment does not mean that debt has been requested. To request debt, the sponsor needs to complete a Loan Application (Exhibit D, template available on the University's [Forms Directory](#) or at <http://www.virginia.edu/budget/Cap.html>).

During the biennial update of the Major Capital Projects Program, Treasury Operations will consider the projects singularly and also in total in order to develop an overall Debt Assessment on the impact of all proposed debt over the ten year period.

3. If the Sponsor and UBO identify philanthropy as a planned fund source, UBO will request a Private Funding Assessment (Exhibit E) from the Senior Associate VP for Principal Relationship Development to evaluate the private funding prospects for the proposed project.
4. UBO will incorporate the Debt Assessment and the Private Funding Assessment into the Business Plan and will seek approval of the Business Plan from the Sponsor and VP.
5. The UBO will upload the Business Plan into the [Capitalplan.org](#) database and will forward the Business Plan to the OAU for presentation to the ERC as a part of final project approval.

V. Annual Renovation and Infrastructure Plan

1. Internal, ERC, and BOV review and approvals are simplified and shortened for projects on the Annual Renovation and Infrastructure Plan (ARIP). Annually, each area develops a list (Exhibit F) of major maintenance, interior renovation, fit-out of shell space, and infrastructure projects with budgets between \$1 million and \$5 million to be funded from non-general fund cash. Debt or state general funded projects cannot be approved through this expedited process. The respective VP reviews the ARIP in conjunction with the annual operating budget review and submits to UBO by April 1st of each year.

Annually, the ERC will review and approve the full ARIP for recommendation to the Board.

VI. Project Approval – Executive Review Committee

1. The ERC will review each project's Business Plan and will consider whether to approve the project proposal for submittal to the Board of Visitors.

During the biennial update of the Major Capital Projects Program, the ERC will consider the Program in full for recommendation to the Board.

2. If ERC suggests modifications, UBO will make the changes to the project in the [Capitalplan.org](#) database. The respective VP will communicate modifications to the sponsor.
3. Following approval, UBO will add the project approval to the respective Board committee agendas.

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VII. Board of Visitors Approval

1. Programmatic endorsements are sought from the Education Policy Committee for academic buildings; College at Wise Committee for College buildings; Medical Center Operating Board for Health System buildings; Student Affairs and Athletics Committee for student, athletic, or housing projects; and Buildings & Grounds Committee for infrastructure projects. The endorsements can be obtained from the Committee, the Committee Chair, or the Chair's designee. The Sponsor will develop any needed materials, including write-ups, resolutions, and presentations, for this review. The OAU will assist as needed.
2. The Finance Committee will review the Business Plans, Debt Assessments, and Intent-to-Issue Debt items. UBO and the Treasury Office will develop any needed materials, including write-ups, resolutions, and presentations, for this review.

During the biennial update of the Major Capital Projects Program, the Finance Committee will consider the Program, including overall Debt Assessment, in full.

As a part of the annual operating budget review, the Finance Committee will review and approve the University's ARIP.

3. The External Affairs Committee will review the Private Funding Assessments.
4. The Buildings and Grounds Committee will review each project, its scope and budget range and consider approval. UBO will develop any needed materials, including write-ups, resolutions, and presentations, for this review.

During the biennial update of the Major Capital Projects Program, the B&G Committee will consider the Program in full.

5. At any time there are two or more items to be considered by both the Finance and B&G Committees, a joint meeting of the two committees should be considered.
6. UBO will update BOV approval information in the Capitalplan.org database.

VIII. Project Formulation Study

1. A Project Formulation Study sets the project's program, scope, and siting. The studies are initiated with Board approval of a capital project and are to be completed prior to the initiation of a project's design phase. Studies are not to be completed for projects proposed for the outer biennia of the Major Capital Projects Program.

During the biennial update of the Major Capital Projects Program, only projects that will be considered in the first two years of the plan will require a Project Formulation Study.

2. While the scope of a Project Formulation Study will vary depending on the project scope, studies address two major elements not yet addressed in the project proposal process.

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- a. *Program Development:* The unit is to demonstrate how the project supports its goals by addressing 1) programmatic needs, 2) qualitative/quantitative space needs, 3) space metrics, and 4) peer institution analysis. The product of this effort is a building program.
- b. *Physical Planning:* Siting studies using the initial building program are conducted by the OAU. If the project involves renovations, FM completes a thorough building assessment, and the OAU assesses historic fabric impacts.
3. Studies for most projects are led by OAU and involve FM, Utilities, and the Sponsor. FM takes the lead on studies for Infrastructure projects.
4. With the exception of programmers, project formulation studies typically do not require consultants. There will be situations where architectural or engineering services are needed.
5. Project sponsors are responsible for the costs associated with a Project Formulation Study.
6. Results or pending decisions from the Project Formulation Study will be presented by the OAU to the ERC.

IX. Post-Approval Administrative Actions

1. ERC reviews BOV-approved projects and determines priority based on consideration of state funding requests, debt capacity, etc.
2. Under Restructuring, only projects requesting state general funds are required to be submitted through the formal state processes. For these projects, UBO will develop necessary requests, with assistance from OAU and FM.

During the state's Six Year Plan cycle, the University will include courtesy submission of Form H-1s for all projects approved as part of the first six years of the University's Major Capital Projects Program.

3. UBO reviews actions by the Governor and General Assembly Reports to note when authorization is provided for general-fund projects.
4. For Non-General Fund projects (including ARIP projects) exceeding \$2 million, the University will notify the Governor and the Senate Finance and House Appropriations Committee chairs 60 days in advance of the start of construction. UBO will draft such correspondence upon approval by the Board of Visitors and forward to the VPMB to review and obtain the signature of the President before forwarding to the state officials.

During the state's Six Year Plan cycle, the letter to the Governor and money committee chairs will include those non-general fund projects approved as in the first two years of the University's Major Capital Projects Program.

5. UBO coordinates the update of the Capitalplan.org database for authorization information and provides information to FM to update PIMS.

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6. For projects approved by the Board of Visitors (including ARIP projects), FM prepares HECO-2s; the UBO approves HECO-2s; and FM provides notification to Department of General Services.
7. UBO coordinates GF allotment requests to the Department of Planning and Budget.
8. UBO coordinates the creation of projects and awards in the Integrated System as needed for new authorized projects.
9. The Comptroller's Office (Senior Technology Advisor) coordinates update of the Capitalplan.org database for revised draw schedules and project expenditures by automatic upload from Oracle Grants Management actual data and FM draw schedules on a regular basis or upon request by Treasury Operations.
10. FM will develop a Decision Brief (Exhibit G) outlining any project budget increases, scope reductions in excess of 10%, or other significant modifications (including ARIP projects). UBO will review each Decision Brief developed by FM to determine the impact on the existing Business Plan and will coordinate with Treasury Operations and Development as needed. Routing for approval of each Decision Brief is outlined on the Decision Brief. See section XI 3 and 4 below for guidance as to when budget or scope changes must be approved by the Board of Visitors.
11. The Director of Treasury Operations coordinates the lending of funds as outlined on the approved Business Plan for each respective project from the University's internal bank to sponsoring units. The sponsor will execute a loan application (Exhibit D, template available at <http://www.virginia.edu/budget/Cap.html>) to initiate the loan process. The loan agreement will be signed by the VP/CFO and the dean or Vice President of the sponsoring area.

X. Post Approval ERC Actions

1. A project's design phase may begin only after 1) the project has been approved by the Board of Visitors and/or the State and 2) funding is available. If a project is not fully funded, the ERC may approve the initiation of the design phase upon verification by the respective EVP that sufficient revenues exist for this phase. For gift funded projects, the Development Office will prepare a quarterly review of the status of fundraising versus the Private Funding Assessment. If fundraising is not on schedule, or if it appears that the chances of closing the funding gap are not promising, a decision will be made to 1) stop the project, 2) continue the project as planned, or 3) reduce its scope. Projects are to be fully funded in accordance with Board of Visitors policy prior to the initiation of the construction procurement phase.
2. Post Schematic Design. FM, OAU, and sponsor will provide to the ERC a firm project budget at the completion of schematic design for recommendation to the Board of Visitors.
3. Preceding Construction. Construction phase begins only if (1) 100% of philanthropy identified on the approved Business Plan, valued on a present value basis, is received or committed via written enforceable pledges and (2) 100 % of the written enforceable pledges will be collected prior to construction completion. Exceptions can be made if the project sponsor demonstrates

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funding to cover short-term financing costs as pledges are collected or the EVP/COO and the Finance Committee chair approves the beginning of construction.

XI. Post Approval BOV Actions

1. The Finance Committee will review and approve any Acquisition Requests. Space and Real Estate Management will develop any needed BOV materials, including write-ups, resolutions, and presentations, for this review.
2. The Finance Committee will review and approve debt actions, including Intent to Issue Bonds and Bond Issuances. Treasury Operations will develop any needed BOV materials, including write-ups, resolutions, and presentations, for this review.
3. The Buildings & Grounds Committee, at the appropriate points, will review and approve Concept, Site, and Design Guidelines, Architect/Engineer Selection, Schematic Designs, Easements, Demolitions, and Deed Restrictions. At the time of the Schematic Design consideration, the Committee will also approve the firm project budget. FM, OAU, and UBO will develop any needed BOV materials, including write-ups, resolutions, and presentations, for this review.
4. The Finance and Buildings & Grounds Committees, or their respective chairs, will review and approve any project budget increase in excess of 10 percent, after the internal review outlined in IX.9. If approved by the Committee Chairs, the full Committee is later notified of these actions. UBO will develop any needed BOV materials, including write-ups, resolutions, and presentations, for this review.
5. The Buildings & Grounds Committee, or its respective chair, will review and approve any scope reductions in excess of 10%. If approved by the Committee Chair, the full Committee is later notified of these actions. UBO and/or OAU will develop any needed BOV materials, including write-ups, resolutions, and presentations, for this review.



Project Initiation Form -- Part I

Project_Title*:

Agency*:

School/Unit*:

Request_Type*:

Project_Location:

Proj_Start_Year*:

Proj_Build_By_Year:

Contact_Name:

Phone:

Email:

Project Program

Project Justification

Project Description

Notes

Parking Impact

Preliminary Funding and Cost Information

Facility Type	Unit of Measure	Total Units of Measure	Estimated Avg Compnt Cost (exclusive of debt svc)	Estimated High Compnt Cost (exclusive of debt svc)
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Component Total

- Lost Parking Spaces(Car Space)
- Additional Parking Demand(Car Space)
- Ground Impvmt Fund Assessmt
- Unique Site/Utilities Issues(TBD by Workgroup)

Estimated Project Cost

Project Fund Sources (Indicate the \$AMOUNT to be funded from each source category)

Source1	Source2	Source3	Source4	Source5	Source6
---------	---------	---------	---------	---------	---------

Annual Debt Services =

Annual Debt Svc Sources(indicate the \$AMOUNT to be funded from each source)(SKIP if not Applicable)

Annual principal and interest amount is an estimate based on 20 years maturity at an annual rate of 4.75% paid monthly.
Contact Treasury Operations at 3-0069 for a formal request of debt

Total Debt Related Interest=

Total Project Cost = (Includes Total Est High Compnt Cost + Total Debt Related Interest)

Facility Usage(Indicate the use of the facility as a % PERCENT)

E&G Instruction	Research	Other(Aux, Medical)
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Estimated Annual O & M =

Annual Op Sources(indicate the \$AMOUNT to be funded from each source (Central Share is Automatically calculated)

Gift Funding	Total Expected	Pledged	Received/In Hand	Pct. Pledged	Pct.Rec'd
--------------	----------------	---------	------------------	--------------	-----------

Please enter Expected Total

Part I Approvals -- Signatures below signify approval of the preliminary project and scope in concept and authorization to move the project forward to the Part II review.

Name	Reviewed By (Optional)	Date
------	------------------------	------

Department Head/Director

Dean / Vice President

Executive Vice President

Questions & Comments: PIF Contact
Last Modified: 5/2/2008 9:04:37 AM
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University of Virginia
Project Business Plan Approvals

Project Sponsor Approval:

_____:
Date:

Sponsor VP Approval:

_____:
Date:

EVP Approval:

_____.:
Date:

Executive Review Committee Review:

Date of Committee Meeting:

Board of Visitors Approval:

Committee Which Reviewed:
Date of Approval:

Current Scope and Description:

TOTAL		FY 2010	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY 2016
PROJECT								
INFLOWS/SOURCES								
General Funds								
0100 - State General Funds - Cash or Debt Request	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non General Funds								
0300 - Higher Ed Operating Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0302 - Gifts and Grants - written pledges or receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0302 - Gifts and Grants - to be raised	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0303 - F&A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0306 - Auxiliary Enterprise Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0309 - Hospital Operating Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0815 - Internal Bank Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Inflows	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OUTFLOWS								
Project Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payment to Parking Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payment to Grounds Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Outflows	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cummulative Project Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Comments:

Current Scope and Description:

OPERATIONS									
INFLOWS/SOURCES									
General Funds									
0100 - State General Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non General Funds									
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gifts / Endowment Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
F&A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auxiliary Enterprise Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hospital Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Inflows		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OUTFLOWS									
Debt Service - University Obligation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Costs:									
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Custodial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance (Property)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landscaping	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Routine and Major Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expansion Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Outflows		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Surplus/(Deficit)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cummulative Operating Surplus/(Deficit)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TOTAL									
Total Project Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cummulative Project Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Comments:

O&M Calculation

Project Costs

Project Square Footage	Cost Per Square Foot	Total Project Cost
0	#DIV/0!	\$0

Annual Operations & Maintenance Cost Estimates (from 7.13.07 FM memo)

	Estimate	Basis	Total, Current Dollars	Total, Inflated Dollars
1	\$3.25	per square foot	\$0	\$0
	\$1.60	per square foot	\$0	\$0
	\$0.05	per \$100 project value	\$0	\$0
	\$5,000.00	per acre	\$5,000	\$6,000
	\$0.90	per square foot	\$0	\$0
	2.0%	of building value, set aside annually	\$0	\$0
			\$5,000	\$6,000

Total O&M, Year 1

Utility Estimates FY05

1	\$ 3.25	Classroom	
2	\$ 6.25	Light Research	(ex. IT, no fume hoods)
3	\$ 8.75	Heavy Research	(ex. fume hoods, special air handling)

O&M Funding Estimate

Assumptions:

Total O&M

\$ 6,000
0.0%
0.0%
100.0%

Percentage E&G

Percentage Research

Percentage Other (auxiliary, medical, etc.)

Inflation Factor

3.0%	per year
------	----------

Current Year	Year 1	Acres
2008	2013	1.00

	E&G	Research	Other	Total	
Total O&M	-	-	6,000	6,000	
State supports 100% E&G; 50% research	100%	50%	0%		(assumes research recoveries will cover 50% of the cost)
	-	-	-	-	
Institution's % of In-state Students	62%	62%	62%		(assumes out-of-state students pay 100% of the cost associated with their attendance.)
In-state students' share of O&M	-	-	-	-	
State's share of in-state costs	67%	67%	67%		(assumes in-state students pay 33% of the cost associated with their attendance.)
O&M from General Funds	-	-	-	-	
O&M from Tuition	-	-	-	-	
subtotal Central Share of O&M				-	
O&M from F&A	-	-	-	-	
O&M from other NGF	-	-	6,000	6,000	
subtotal Sponsor Share of O&M				6,000	
Total O&M				\$ 6,000	

University of Virginia
Capital Project Debt Assessment

Supporting Information Required for Debt Assessment:

- I. Project Initiation Form
- II. Project Business Plan
- III. Schedule of Cash Flows for Debt Service Payments

Background Information

Project Title	
Borrower	
Amount of Debt Requested	\$ -
Term Requested	
Estimated Funding Date	

Debt Impact Assessment

Impact on Outstanding Debt	
Impact on Debt Capacity	
Impact on Debt Policy Ratios	
Repayment Exposure/Collateral Requirements	
Tax-Exempt Qualification	
Optimization of Debt	
Ability to Access Capital Markets	

Observations and recommendations:

--

Completed by: _____

Date: _____

**University of Virginia
Philanthropic Assessment**

Background Information	
Project Title	
Amount of Gift Funding Projected	\$ -
Estimated Funding Date	

Philanthropic Assessment	
Number of Prospects	
Quality of Prospects	
Will 100% of required cash and written enforceable pledges on a present value basis are in hand at the expected construction date?	
Will 100% percent of the cash is projected to be in hand prior to completion of the construction? If not, short-term financing costs must be included in the business plan.	

Observations and recommendations:
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Completed by: _____	Date: _____
----------------------------	--------------------

2008-09 Annual Renovation and Infrastructure Projects Plan

Unit: _____

																	Have the following costs been applied? (Yes or No)		
Project Description	Scope	Reason for Project	Justify any O&M Impact													Total Project Budget	LEED cert.	Parking Impact	
				Tuition	E&G Reserves	BOV Maintenance Reserve	Utility Reserves	F&A Recoveries	Gifts/Endowment Income	Auxiliary Operations	Auxiliary Reserve	Medical Center Operating	Other Description						
(for example: "planned laboratory renovations for Professor Smith, a new science faculty" or "renovation of the nurse's station on 4 West to add beds")	(in sq ft or other measure)	(deferred maintenance, lab renovation for new hire, etc.)	(assume none, describe if otherwise)		(also reflect on E&G NGF Reserve)	(Fac Mgmt only)	(Fac. Mgmt only)					(also reflect on Auxiliary Reserve Schedule)	(also reflect on Medical Center Operating Plan)		(See notes below)				
																\$ -			
																-			
																-			
																-			
																-			
																-			
																-			
(add lines as needed)																-			
Total					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			

Scope Guidelines:

- Available only to Academic Division and Medical Center; no College at Wise projects.
- Eligible project types include: major maintenance, interior renovation, fit-out of shell space, and infrastructure projects. No exterior impact allowed.
- Fund sources are limited to: non-general fund cash. No general funds; no debt.

Budget Guidelines:

- Total budget is limited to \$5 million.
- Facilities Management (George Southwell for Health System; Earl Ward for all other) should be consulted to determine the estimated budget, using established cost benchmarks.
- Grounds Improvement Fund, LEED Certification, and Parking Impact Assessment policies will applied to the projects meeting the established guidelines for those particular policies.

Procedural Guidelines:

- Upon approval by the BOV, a HECO-2 will initiate the project.
- Budget increase or scope decreases shall follow procedures for all major capital projects.
- Emergency projects arising outside this annual budgeting process, which meet the thresholds of this proposal, can be proposed as amendments to the Annual Renovation and Infrastructure Projects Plan.
- Approval will still be needed by the ERC and the BOV at their periodic meetings, so every effort should be made to include in the annual plan.

TO: Colette Sheehy

FROM: Melody Bianchetto
Assistant Vice President for Budget and Financial Planning

DATE: [Insert Date]

SUBJECT: Capital Project Decision Brief Transmittal –[Project Name]

A capital decision brief is attached for your approval and the continued routing for the remainder of the below required approvals.

Requested Approvals:

Yoke San Reynolds
VP & Chief Financial Officer

Date _____

Robert D. Sweeney
Sr VP for Development and Public Affairs

Colette Sheehy
VP Management & Budget

Arthur Garson, Jr
EVP & Provost

Leonard W. Sandridge, Jr
EVP & Chief Operating Officer

Date

Capital Project Decision Brief

1. Project Name: _____

2. Project Sponsor: _____

3. Required Approval Date and Why:

A. Required Approval Date _____

B. Explain factors driving the approval date:

4A. Proposed Budget _____

4B. Proposed Scope _____

5. Describe the Request:

This is a request for approval to increase the _____ project budget authority from \$_____ to \$_____ and to increase/decrease the scope from _____ GSF to _____ GSF. Suggested source(s) of requested funds is/are _____.

[Insert further explanation as needed.]

6. Answer Yes/No to describe nature of request:

A. Debt Proposed to Fund Increase? _____

B. Additional Gift Funding Proposed? _____

C. Additional State Funding Requested? _____

D. Proposing Change in Scope? _____

7. Background – Include here:

- *Brief history of the authorization and budget.*
- *Basis on which existing budget was constructed (metrics, estimated fund raising, etc)*
- *General description of the original scope and cost.*
- *Description/facts concerning where the project currently is in the process.*

8. Discussion

- *Describe what has happened to require the requested increase in budget or increase/decrease in the scope*
- *Describe what is requested including any options. Options listed should include at least one option to deliver the project within the original cost authority. Option may need to include scope cuts.*
- *Refer the current budget situation to the approved FP&C metric costs, i.e., the current and requested cost/scope is what in comparison to the metric costs..*
- *Describe the basis used for cost estimates and provide comparison to approved metrics.*

9. Recommendation – include:

- *A description of the preferred option. More than one option may be discussed in rank order.*

10. FOR BUDGET OFFICE USE ONLY --To Determine Required Approvals (Excel Template):

	<u>Enter Data</u>	<u>Calculated Field</u>	
	<u>Amount</u>	<u>Scope</u>	<u>Date</u>
A. Proposed Budget and Scope:			n/a
B. Current BOV Approval			
C. Current State Authorization			
D. Original Authorization:			

	<u>Enter Yes/No</u>	<u>Require BOV and/or State Approval?</u>
(1) Debt Proposed to Fund Increase?		
(2) Additional Gift Funding Proposed?		
(3) Additional State Funding Requested?		
(4) Does Project have any state funding?		

	<u>Change</u>	<u>Pctg Change</u>	<u>Require BOV and/or State Approval?</u>
Increase from BOV Approval > 10% ?	-	-	-
Increase from State Approval > 10% ?	-	-	-
Scope Change from Current BOV Approval	-	-	-
Scope Change from Current State Approval	-	-	-

11. Upon approval routing to Budget Office, review for:

- A. Impact to prior business plans? If yes, attach update. _____
- B. Impact to unit's/institution's ability to fund operating costs and/or debt service (coordinate with Treasury). _____
- C. Determination of need for General Assembly approval. (State funding and/or E&G O&M implications?). If yes, requires BOV approval. _____
- D. If debt funding modified, consider implications to student fees and any required update to SCHEV Financial Feasibility Studies. _____
- E. Based on the latest BOV and/or state approval, is the cumulative increase > 10% or scope reduced by more than 10% or debt funding being increased? If yes to any, requires BOV approval. _____

Submitted:

Project Manager
Date

Academic or HS Division Director
Date

Recommended:

David J. Neuman Date
 Architect for the University

Donald E. Sundgren
Chief Facilities Officer

Date

Project Sponsor	Date
Title	

Thomas A. Harkins
Director, HS Facilities Planning and Capital
Development

Melody S. Bianchetto
AVP for Budget and Financial Planning



Internal Bank – Internal Loan Program Loan Application

Supporting Information Required with Loan Application:

- I. Project Initiation Form
- II. Project Business Plan/Draw Schedule
- III. Schedule of Cash Flows for Debt Service Payments
- IV. Source and Schedule for Collateral (if required)

General Information

Project Title	
Borrower	
Project Description (including use and benefit derived by the University)	
Contact (name,phone,email)	
Submitted by	

Loan Information

Loan Amount Requested	
Loan Term Requested	
Estimated Loan Start Date	
Other Desired Terms Regarding the Treatment of Principal, Interest, or Term	
GL Account string for Principal	
GL Account string for Interest	
Contingency Account for loan deficits	

Supporting Information

If any of the supporting information requested above is not being provided, please explain why and provide similar info to the extent possible.	
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