

## BACKGROUND

In 1999, the California Community Colleges Board of Governors had adopted both priority-criteria and -funding categories scoring system to assist community college districts with local capital planning efforts so that their project proposals reflect the state's priorities. The Board of Governors priority-funding categories give preference to projects that best meet the following priorities: life and safety, growth of instructional space, modernization of instructional space, complete campus concept, growth of institutional support space, and modernization institutional support space. The BOARD OF GOVERNORS's priority-criteria metrics primarily evaluate how a capital outlay project proposal meets the campus's instructional need, its use of space, and the condition of its existing facilities.

With the adoption of the Vision for Success and at the direction of the Board of Governors, the Chancellor's Office with the help of the Association of Chief Business Officers' Facilities Task Force has proposed improvements to the capital outlay program to align with effort to improve student success. These improvements include simplifying capital outlay project categories and aligning the project scoring metrics with the student-centered goals that are identified in the Vision for Success.

## INTRODUCTION

Community college districts have the responsibility to maintain, modernize, and expand the facilities at their institutions on behalf of the students they serve. To accomplish these objectives, community college districts are authorized to seek local and state financing for their facilities.

In addition to local efforts, the state's capital outlay program provides voter-approved statewide general obligation bonds through grants to fund capital outlay projects on community college campuses. These grants are developed pursuant to the annual state capital outlay grant application process and approved by the Board of Governors of the California Community Colleges. Districts often leverage these grants with local funds; however, for some districts with minimal local resources for facilities, funds provided from the state capital outlay grant application process are the only source of funds available to modernize facilities and/or construct new buildings.

The Board has adopted priority funding categories to assist districts in their capital planning efforts so that the capital outlay proposals submitted for consideration of state funding reflect the state's priorities. The Board priority funding categories give preference to projects that best meet the following priorities:

- Expand campuses appropriately to meet enrollment demands,
- Modernize aging facilities,
- Meet the space utilization standards referenced in California Code of Regulations, and,
- Leverage state funds with local funds to provide facilities at the least cost to the state.

The Chancellor's Office facilities planning and utilization unit administers the state capital outlay grant application process for the community college system on behalf of the Board of Governors. Under the policy guidance and direction of the Board of Governors, the Facilities Planning and Utilization unit assists districts in meeting guidelines, regulations, and other requirements to receive state funding for capital construction projects.

The capital outlay grant application process is based on the Board priority funding categories and has three district inputs that culminate in the annual capital outlay spending plan:

1. District five-year capital outlay plans,
2. Initial Project Proposals, and
3. Final Project Proposals.

## INITIAL PROJECT PROPOSALS

An Initial Project Proposal (IPP) is submitted by districts requesting state funding for projects included in the district five-year capital outlay plan. The IPP provides a general project description including space, cost and funding schedule. Projects are to be submitted to the facilities planning and utilization unit by July 1 using the three-page IPP form.

The description of the intent and purpose of each project enables facilities planning and utilization unit staff to determine the appropriate board priority funding category to assign for the project. The IPP step in the screening process also allows the facilities planning and utilization unit to more accurately assess a district's capital outlay needs before there is a significant investment of time and money in projects by the district. After evaluating the IPPs, the facilities planning and utilization unit notifies the districts of those IPPs to be developed into Final Project Proposals which are due the following year for possible submission to the Board for project scope approval.

## FINAL PROJECT PROPOSALS

A Final Project Proposal (FPP) describes the scope, cost, schedule, and financing array of a project and includes conceptual drawings of the project. The description of the project in the FPP includes an assessment of the problems of the existing facilities, as well as an analysis of alternatives considered prior to proposing the recommended solution. The proposal includes a detailed space array, detailed cost estimate and summary calculation of the state fundable equipment allowance.

The facilities planning and utilization unit staff performs an in-depth analysis of each FPP. This analysis determines the following for each project:

- Accurate cost and scope,
- Board priority funding category for each project,
- Feasible calendar and timing of state funds, and
- Comparison of a project's merits with other projects in the same category.

## SCOPE APPROVAL

An FPP is eligible for inclusion in the annual capital outlay spending plan if it is consistent with the requirements, standards, and guidelines outlined in the Education Code, California Code of Regulations, title 5, and the State Administrative Manual/Capitalized Assets section 6800. The facilities planning and utilization unit staff determine whether or not a proposal satisfies the required governmental rules and regulations and works with districts to refine project proposals.

## ANNUAL CAPITAL OUTLAY PLAN

The facilities planning and utilization unit develops an annual capital outlay spending plan that will be proposed for approval by the Board. The development of the spending plan draws upon a project's priority funding category, ranking among other projects within the same category, and total need for state funds versus the availability of state funds to determine which projects may be included in the plan. Following Board approval, the annual capital outlay spending plan is submitted to the Department of Finance for consideration of funding in the next budget cycle.

## PROJECT PHASING

The annual capital outlay spending plan includes projects seeking state financing to complete preliminary plans, working drawings, construction, and equipment phases. Brand new projects are known as "new start projects," and projects seeking to obtain state funding for their remaining project phases are known as "continuing projects."