



December 5, 2016

Facilities

2018 Capital Budget Scoring Team Orientation

Greg Ewig, Director, Capital Development (Gregory.ewig@so.mnscu.edu)

WebEx Presentation

2018 Capital Budget

Scoring Orientation Web Ex

- Phones will be muted during presentation
- Open for Q&A at the end
- This presentation is being recorded
- PowerPoint slide will be available online at:
- <http://www.finance.mnscu.edu/facilities/capitalbudget/index.html>

Overview

1. Capital budget basics
2. Strategic Framework and Capital Guidelines
3. Recent results from 2016 Capital Budget
4. Future Impacts (2017 Capital Budget)
5. 2018 Capital Budget plans
6. “All the Things You Need to Know About Scoring Projects...”



The Basics

Capital Budget – Basics

Even
Number
Year
(traditional)

Funds
buildings
and land

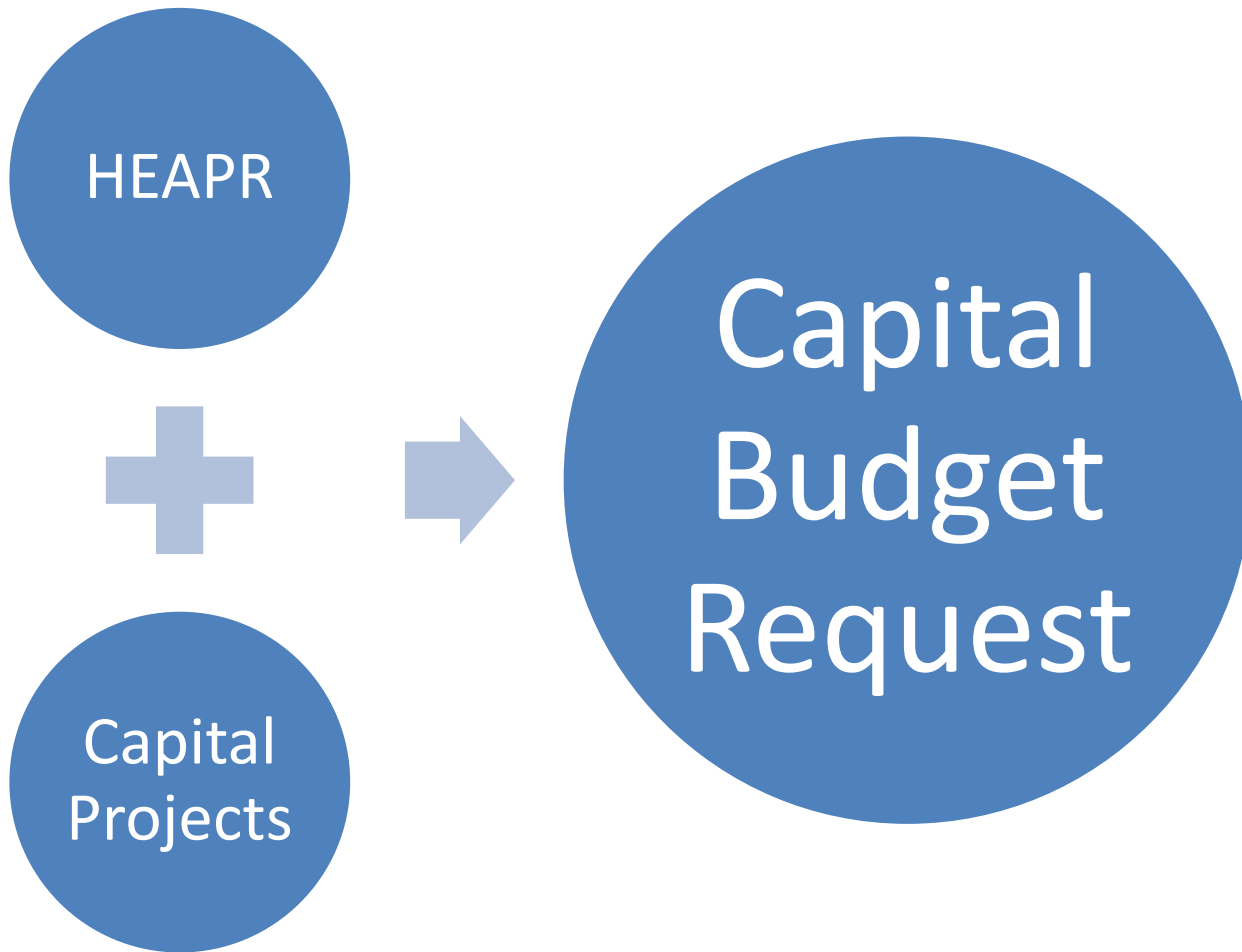
Targets
\$800M to
\$1B

Competitive

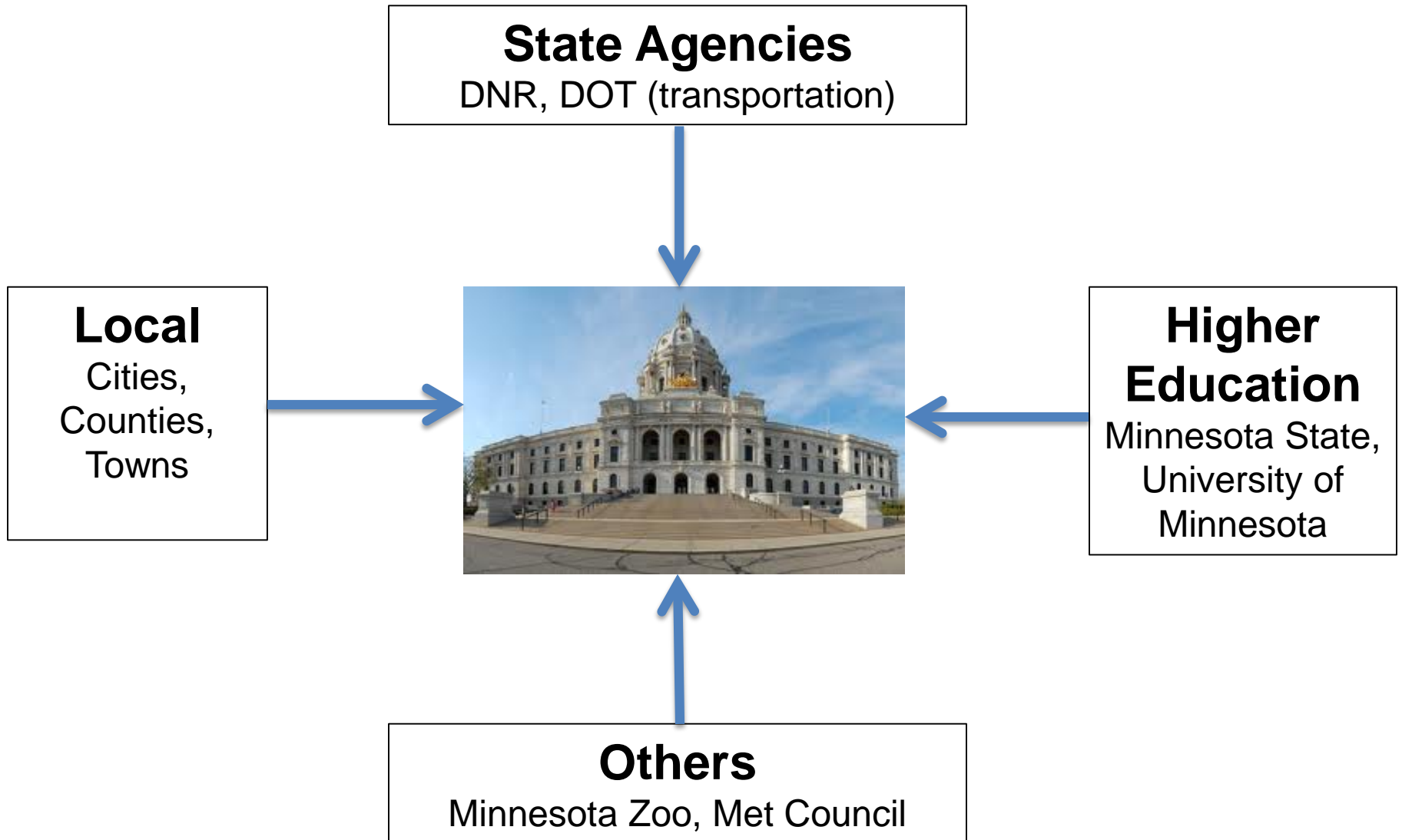
Tax Exempt
General
Obligation
bonds

Legislative process, aka
the “Bonding Bill”

Minnesota State Request



Capital Budget – The Competition





Guiding Capital Budgets

Principles that inform capital budgets

State principles

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graph TD; A[State principles] --> B[Strategic Framework]; B --> C[Capital Budget Guidelines];
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Strategic Framework

Capital Budget Guidelines

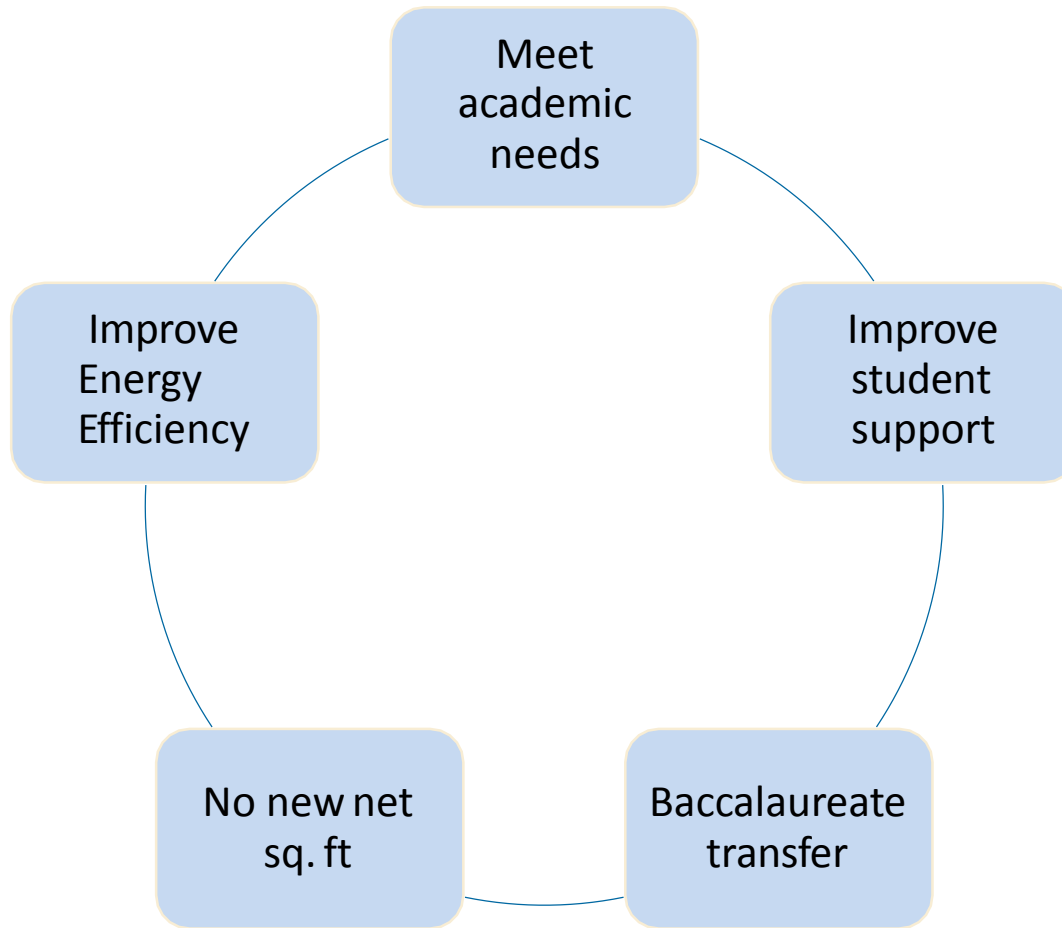
Capital Budget – State Principles

- **Maintenance and preservation** of existing facilities
- **Completion** of projects that have received funding
- **Updating** facilities to meet contemporary needs
- Providing **geographic distribution** of capital projects, and
- Maximizing the use of **non-state contributions**

Minnesota State Strategic Framework

- Ensure access to an extraordinary education
- Partner of choice to meet workforce and community needs
- Deliver best value, most affordable option

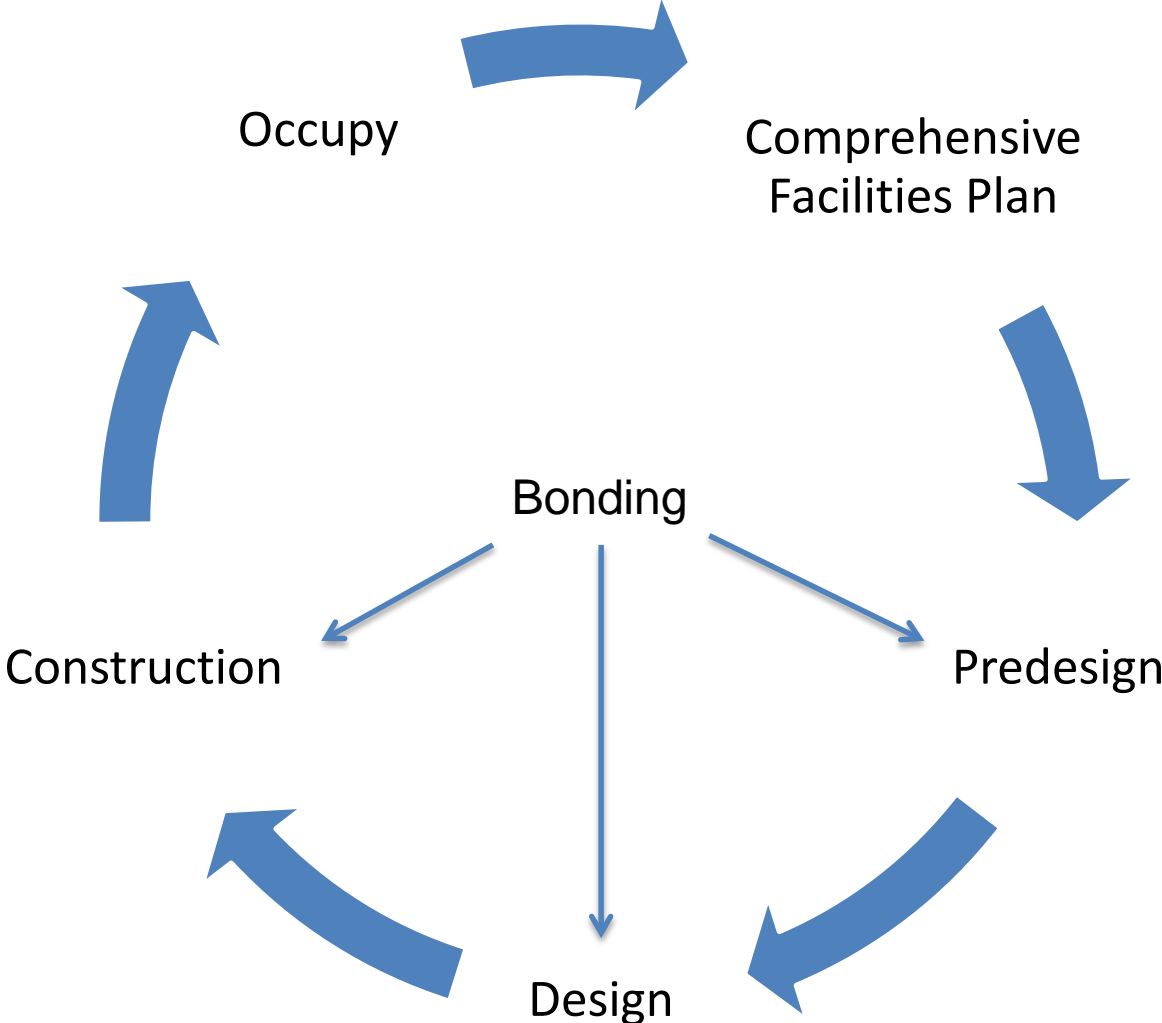
2018 Capital Budget Guidelines



A modern, brightly lit office lobby with a seating area, artwork, and large windows. The space features a large, open-plan layout with a high ceiling and recessed lighting. The seating area includes several sofas and armchairs arranged around a central table. The walls are decorated with large, framed abstract artworks. Large windows on the right side provide natural light and a view of the outdoors. A prominent white pillar is visible in the foreground on the right.

The Capital Budget Process

Capital Budget Lifecycle



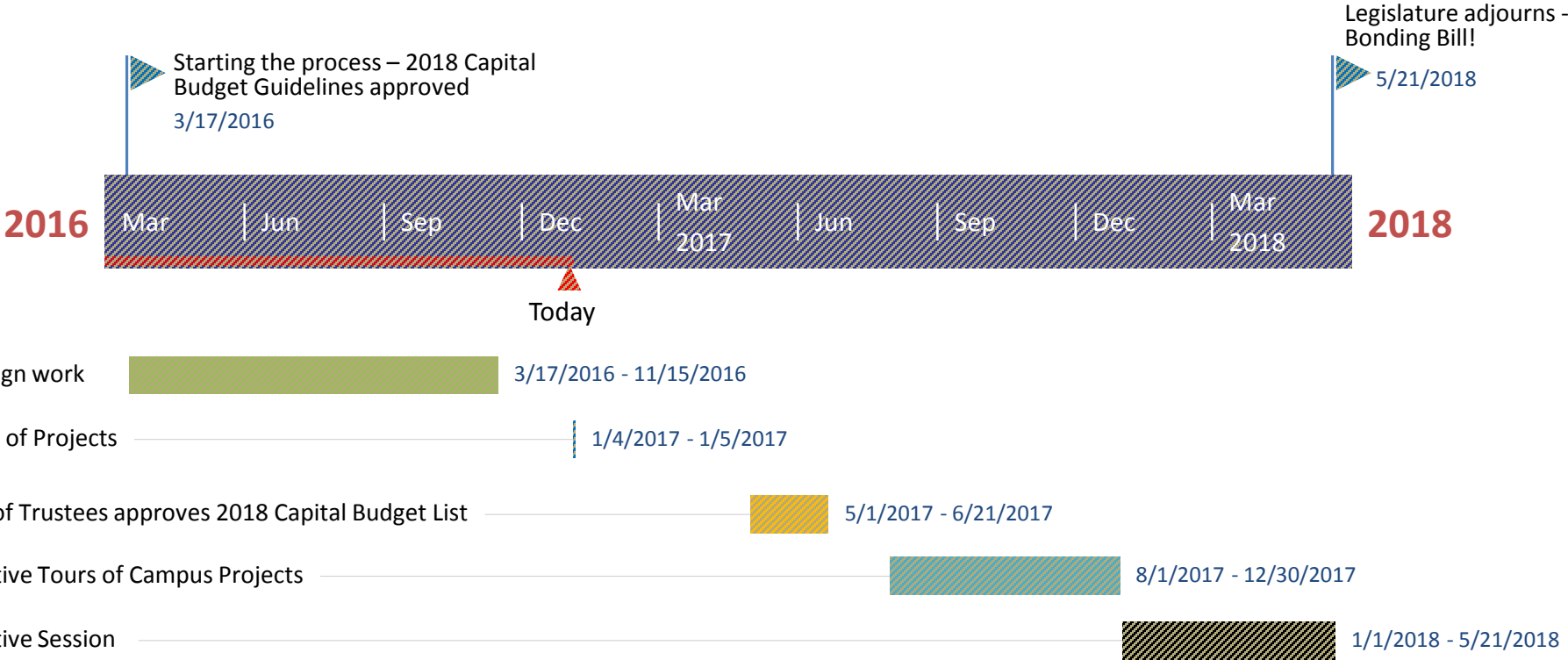
Roles in the Process

	Campuses	System Office	Board of Trustees	Governor/ Legislature
Actions	<ul style="list-style-type: none">• Identifies the need• Develops the project• Operates the facility after completion	<ul style="list-style-type: none">• Reviews requests• Assembles budget• Advocates for funding	<ul style="list-style-type: none">• Establishes strategy• Approves budget• Submits budget to legislature and governor	<ul style="list-style-type: none">• Identifies objectives• Debates bills to fund projects• Appropriates money to fund projects

Consultants and Contractors

- Design and build the improvements

2018 Capital Budget Process

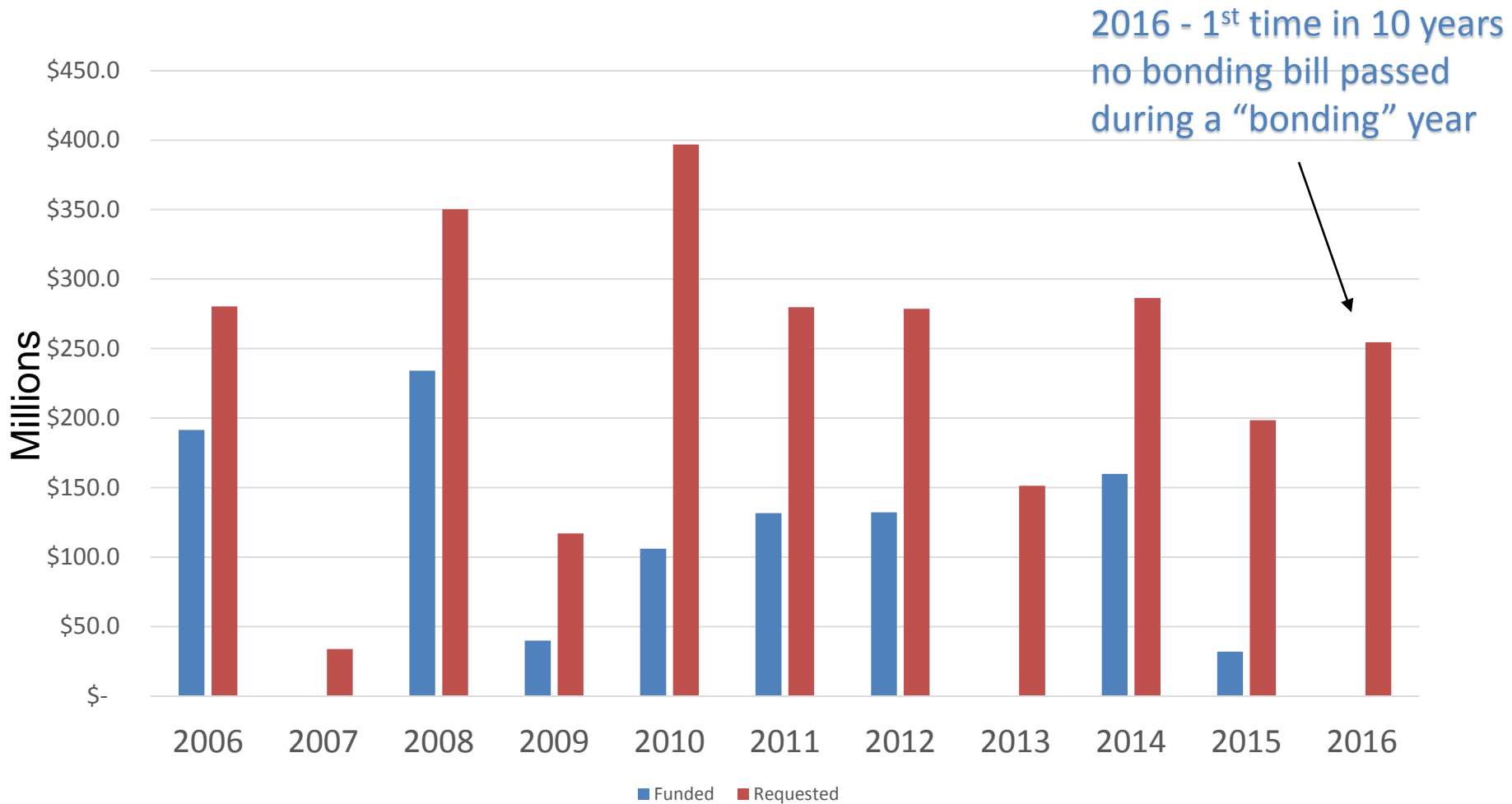


Recap of Recent Capital Requests

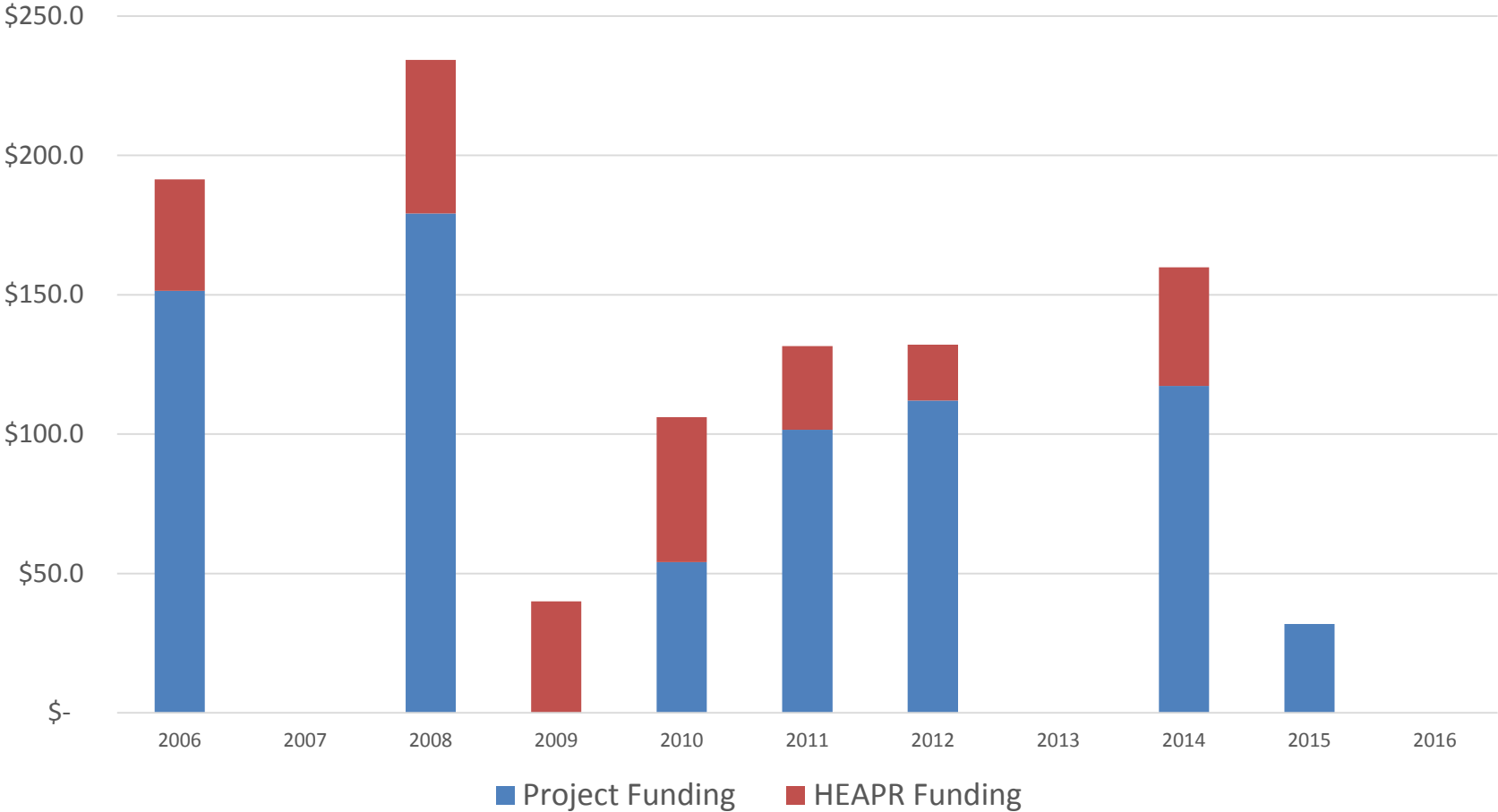
2016 Capital Budget did not pass

- **Minnesota State asked for:**
 - **\$254.5 million total**
 - \$110 million (HEAPR)
 - \$154 million (projects)
- **Minnesota State got:**
 - **\$0**

Capital Budget – Request vs. Funded



Project + HEAPR total funding (2006-2016)



2018 capital request covers same programs as the 2016 capital projects



Allied health labs and clinical space

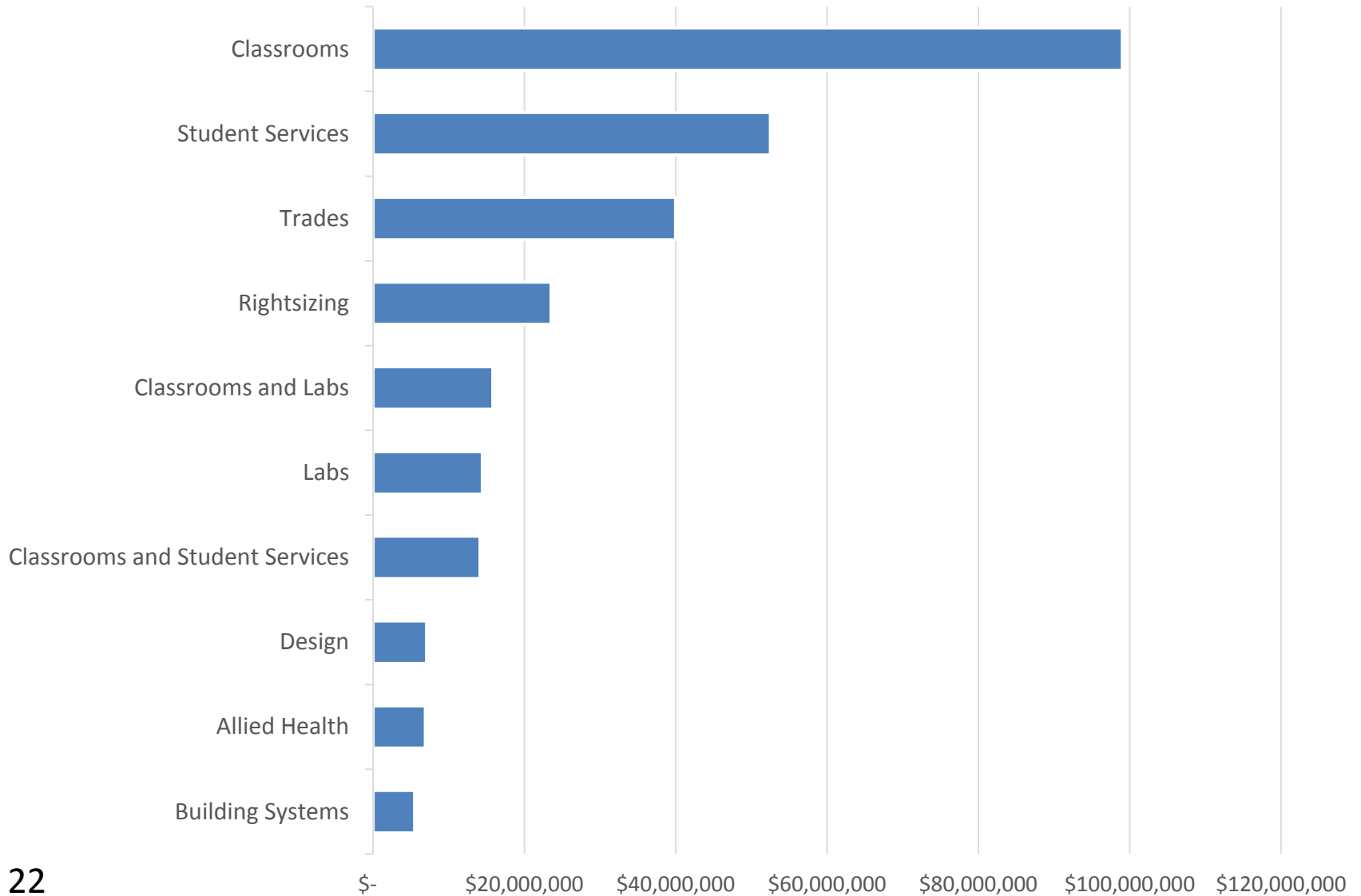
STEM (Science labs – biology, chemistry, physics, earth science)

Trade Labs (Transportation and automotive, aviation, welding, manufacturing, fabrication, solar)

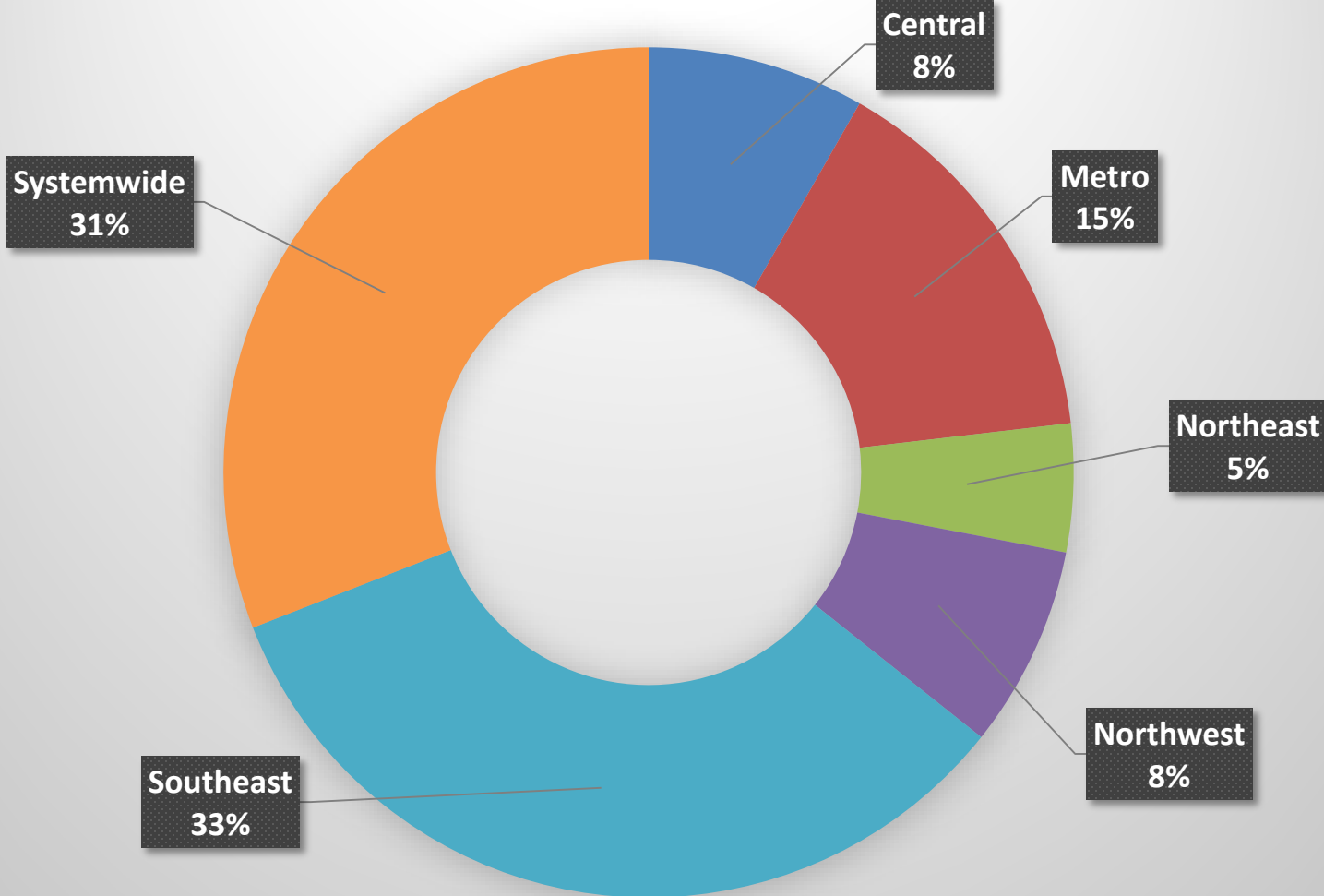
Education

Student support

Classroom improvements continue to lead the 2018 capital request list



Southwest region represents the largest regional share of projects



2017 Capital Requests (Planned)

2017 Capital Budget Request is 2016's priorities



2nd Try

2017 Capital Budget Request is less than 2016 due to dropped projects

- \$251 million
- 2 projects dropped:
 - # 14, Hennepin Tech (campus opted out)
 - #19, St. Cloud Tech (campus funded)
- \$110 million HEAPR request



2017 Capital Budget:

Completing some major requests

- **Bemidji State University (\$18.9M)** – removing and replacing major classroom building and relocation of office space (Hagg Sauer)
- **Rochester Community and Technical College (\$21.7M)** – removing outdated faculty offices and classrooms (Memorial and Plaza Halls) and renovating
- **Hibbing Community College (\$11.7M)**– rightsizing buildings and rebuilding student services and front door of campus to strengthen the core
- **Winona State University (\$25.3M)** – renovating classroom/teacher training space (Education Village)
- **St. Cloud State University (\$18.6M)**– renovating mothballed building

2018 Capital Budget Process

Campus with Project Requests - 2018

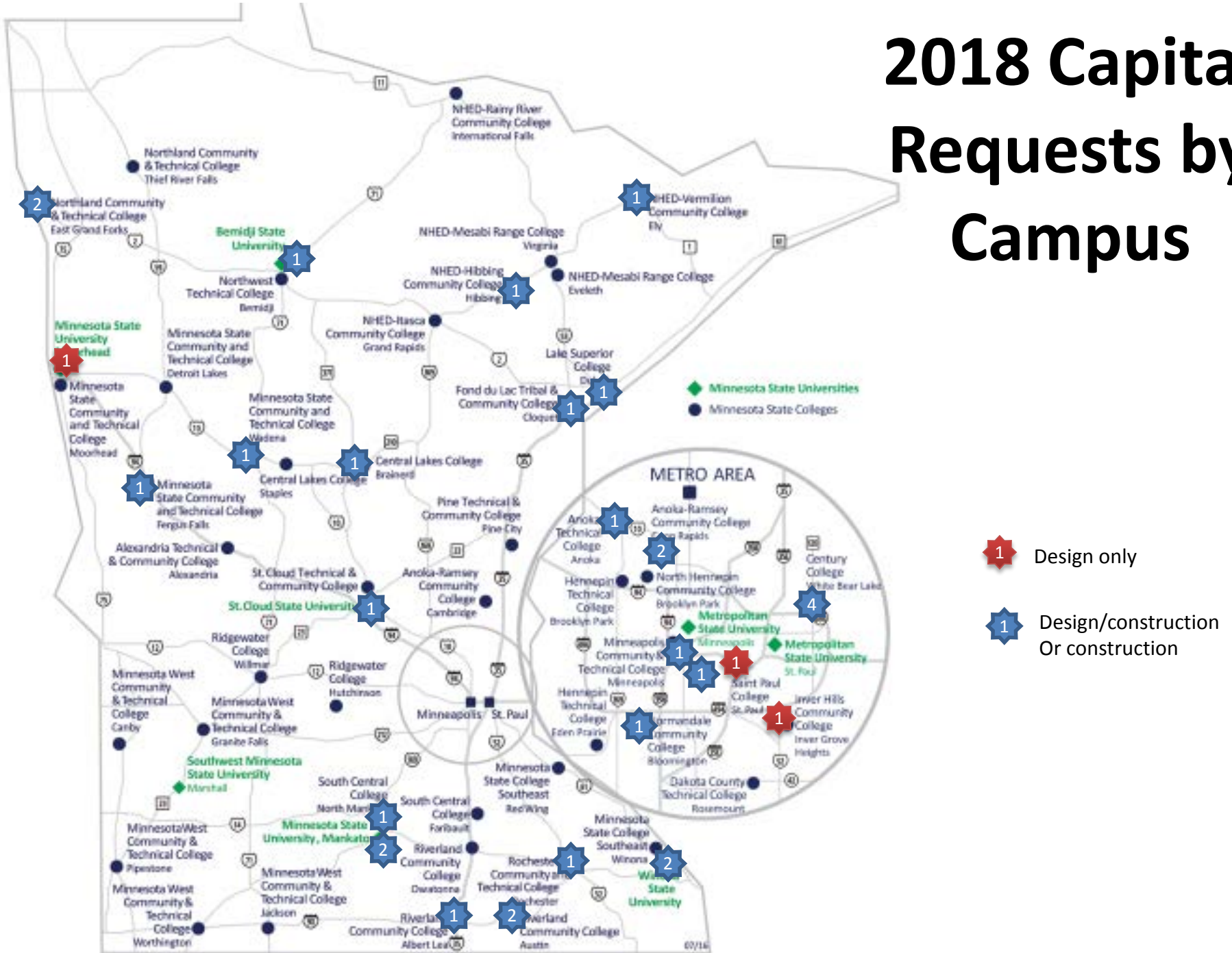
(number of projects requested in parentheses)

- Anoka Ramsey Community College (2)
- Anoka Technical College (1)
- Bemidji State University (1)
- Century College (4)
- Fond du Lac Tribal and Community College (1)
- Hibbing Community College (1)
- Inver Hills Community College (1)
- Lake Superior College (1)
- Minneapolis Community and Technical College (1)
- Minnesota State Community and Technical College (2)
- Minnesota State University Moorhead (1)
- Minnesota State University, Mankato (2)
- Normandale Community College (1)
- Northland Community and Technical College (2)
- Riverland Community College (3)
- Rochester Community and Technical College (1)
- Saint Paul College (1)
- South Central College (1)
- St. Cloud State University (1)
- Vermilion Community College (1)
- Winona State University (2)

32 projects requested for 2018

- Estimated at \$279 million
 - 19 resubmitted from 2016
 - 16 made the list in 2016
 - 13 are new
- Most – 21 of 32 – are for both design and construction funding

2018 Capital Requests by Campus



Possible 2017 Impact on 2018 Capital Requests



- 1** Potential to be funded in a 2017 bonding bill
- 2** At least one project may be impacted by a 2017 bonding bill
- 1** 2018 Design only request
- 1** 2018 Design/construction or construction request



2018 Capital Budget

Everything You Need To Know About Capital Project SCORING

Scoring Teams

- 14 teams
- Teams named after former Minnesota governors
- 87 representatives from 28 colleges/universities

- Austin
- Clough
- Davis
- Hubbard
- Lind
- Marshall
- McGill
- Merriam
- Miller
- Nelson
- Pillsbury
- Ramsey
- Sibley
- Swift

Capital budget scoring teams created to represent diverse perspectives



- Broad participation
- Mix of disciplines
- Diverse campuses, regions
- Mix of first timers
- No team member will score their own campus project
- Each project is scored 3 times by 3 different teams

Expectations before scoring

- Review project materials
- Use the scoring form to prepare notes
- Be prepared for discussion with team
- May contact team members before scoring event



Expectations during scoring event

- Vigorous and respectful discussions
- All team members are expected to contribute
- Evaluate projects in a consistent manner
- May wish to revisit the first project you scored
- Provide written feedback on the form
 - Many campuses that resubmit projects look at the forms to improve their future project request

Scoring Event Summary

- North Hennepin Community College
- Wednesday and Thursday, January 4-5, 2017, Center for Liberal Arts
 - Let Kathy Kirchoff Kathy.Kirchoff@so.mnscu.edu know if you need lodging for Tuesday/Wednesday nights
- Bring your notes
- “Paperless”, except for scoring form
- One group score per project
- Plan to spend about 45 – 60 min per major project (longer at the start)
- Bring a laptop or Ipad



Materials to review

Submittal Documents

2018 Capital Budget Request - Fiscal Year 2018-2023
 Name of institution (do not indicate which campus, if applicable)
Project Narrative

Basic Information: 2018 State Appropriation Request

Project title: Please use the Basic Format Location/Function Action (Example: Healthcare Design and Renovation: Fine Arts Building Construction, etc.)

Project address: Street, City, ZIP

Institution's project priority: Was project on the 2018 Board of Trustees' list of projects? Yes No

Project phase: # of phases: 1 2 3 4 5 6 7 8 9 10

Project request start (Y): 2018 2019 2020 2021 2022

Previous appropriations: (Year, \$, purpose/scope)

Project at a Glance (project scope)

new construction (NCF): **renovation area (RCA):** **demolition area (DA):** **miscellaneous area (MCA):**

Number of classrooms/labs impacted:

One sentence summary of project's scope:

One sentence summary of project's impact on students:

One sentence summary of project's impact on the community:

Project Narrative

Project Summary: Summarize the major highlights of the project's scope and rationale. 3-4 sentences maximum.

Project Description: Briefly describe the scope of work and the programs supported by this project. 300 words maximum.

Project Rationale: Briefly describe the rationale and justification of need for this project. 500 words maximum.

Other Considerations: If this project's funding is delayed or not obtained, how will your campus, its students, and its programs be affected? 200 words maximum.

Institution Comprehensive Plan and Regional Collaborations: Describe how project takes into account and supports institutional or regional planning & workforce plans, and collaboration within the Minnesota State Colleges and Universities system.

Alternatives and Partnerships for Funding and/or Equipment: Describe how your institution has explored, and possibly utilized, alternative funding sources, matching funds, or partnerships with businesses or other agencies/institutions for equipment, technology, or related capital.

Space Utilization Improvements:

Space Util. of project area: Proposed utilization:

Describe utilization improvements: Describe specific right-sizing work and how project will improve space utilization. Priority will be given to colleges that are maximizing utilization of existing spaces.

Facility Condition and Sustainability

ICC of project area: Proposed ICC:

Page 1 - Form updated 08/24/16

Project Narrative Template

Normandale Community College
College Services Building

Classroom & Student Services Renovation Predesign

Prepared by
292DesignGroup

October 17, 2014

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 Partner - 292 Design Group
 panderson@292designgroup.com
 612.767.3773

292 Design Group, Inc.
 3833 East Lake Street
 Minneapolis, Minnesota

Predesign Document

2018 CAPITAL BUDGET REQUEST
 Fiscal Year 2018-2023

PROJECT COST

TOTAL PROJECT COSTS (Enter in thousands)	FUNDING SOURCES			PROJECT COST		
	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21
1. Project Acquisition						
1a Land and Improvements						
1b Building and Lease						
1c Furniture, Fixtures, and Equipment						
2. Construction						
2a New Construction						
2b Renovation						
2c Demolition						
2d Miscellaneous						
3. Equipment						
3a Information Technology						
3b Furniture, Fixtures, and Equipment						
3c Other						
4. Other						
TOTAL PROJECT COSTS						
FUNDING SOURCES						
5. State						
6. Federal						
7. Local						
8. Other						
TOTAL FUNDING SOURCES						

Template - 2018 Capital Budget Workbook - Update.xlsx
 Page 1 of 1

Project Workbook Template

Logging in to the Capital Scoring SharePoint Site

Sharepoint – Login Procedure

New site this year

- Use Star ID for login and password
<https://mnsu.sharepoint.com/sites/cbs/SitePages/Home.aspx>
- If getting access denied error
Gregory.ewig@so.mnsu.edu
- For technical assistance with Star ID
<http://starid.mnsu.edu/>
- Accessible with any web browser that supports the site, including Ipad (through Safari or Chrome browser)

Sample Login Screen

CFFO Conference Hub - x SharePoint x Sign in to your account x MNSCU | B3 Benchmark x

Microsoft Corporation [US] | https://login.microsoftonline.com/login.srf?wa=wsignin1%2E0&rpsnv=4&ct=1479313743&rver=6%2E1%2E6206%2E0&wp=MBI&wreply=

Apps Bookmarks MnSCU Finance - Faci E-timesheet https://connect.mnsu Job Search | one search Minnesota State Colle Employee-facing regi MinnPost - High-qual Other bookmarks

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连接 Ligue

Connect تواصل

Verbinden つなぐ

Yhdista povezati لتواصل

Office 365

Work or school, or personal Microsoft account

yg9743pa@mnsu.edu
yg9743pa@mnsu.edu

.....

Keep me signed in

Sign in Back

Can't access your account?

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Microsoft

Capital Budget Sharepoint Home

The screenshot shows a SharePoint home page for the Capital Budget Scoring team. The page is titled "Home" and includes a search bar. The main content area is divided into several sections:

- Announcements:** A section titled "Capital Scoring Orientation is now online" with a sub-heading "Missed the Capital Budget Orientation?". Below this, it states "The Capital Budget Orientation WebEx will be posted after the live session on December 5." and provides a link "To All Capital Project Advisory Team members".
- Project material consists of the following:** A list of three items:
 1. Predesign documents (pdf. Original or updated)
 2. Narrative and cost workbook (Excel)
 3. Supplemental materials such as images, letters of support or other reports
- Resource Links:** A section titled "Resource Links" with a sub-heading "new link or edit this list". It contains a list of links with descriptions:
 - ✓ Edit URL Notes
 - Google Search ...
 - Capital Budget - Facilities Webpage ... Capital Budget information
 - Capital Budget - 2018 Capital Budget Guidelines (Starts on Page 60) ... Approved by the Board March 2016
 - Capital Budget - MnSCU Predesign Guidelines ... System predesign guidelines and review process. Includes information about predesign presentations and what to include in a predesign document
 - Energy - Campus Energy Snapshots (B3) ... MnSCU specific summaries in real time of Energy Use Intensity, \$/psf, currency of data, and comparisons to the 2009 baselines.
 - Energy - B3 Benchmarking Site ... Full B3 Energy Benchmarking Site

Red annotations highlight specific areas:

- Key updates:** Points to the "Announcements" section.
- Links to Facilities data:** Points to the "Capital Budget - Facilities Webpage" link in the Resource Links section.
- Team Pages:** Points to the "Teams" sidebar on the left, which lists team members: Austin, Clough, Davis, Hubbard, Lind, Marshall, McGill, Merriam, Miller, Nelson, Pillsbury, Ramsey, Sibley, Swift, and Van Sant.
- Key Facilities Documents:** Points to the "Documents" sidebar on the left, which includes "Add Document", "Collaboration", "Announcements", and "Calendar".

Key Facilities Documents

Every team member will have access to this main page.

Team Site Example

Only your team members will be able to access this site

The screenshot shows a SharePoint team site for 'Austin'. The left navigation pane includes 'Documents', 'Collaboration', 'Contacts', 'Discussions', 'Resource Links', 'Projects', 'Manage Access', and 'Recycle Bin'. The main content area is divided into two sections: 'Documents' and 'Contacts'. The 'Documents' section has a table with columns for Name, Institutions, Project, and Topic. The 'Contacts' section has a table with columns for Last Name, First Name, Organization, Business Phone, and E-mail Address. Red annotations with arrows point to specific elements: 'Link back to "Home" page' points to the 'CBS Home' link; 'Documents – are all in pdf for ease of viewing' points to the PDF icons in the document list; 'Team members and contacts' points to the 'Contacts' section header.

Link back to "Home" page

Documents – are all in pdf for ease of viewing

Team members and contacts

Documents			
Name	Institutions	Project	Topic
Allied Health, Science and Child Care Addition - Letter of Support from PC ECCE	Pine Technical and Community College	Allied Health, Science and Child Care Addition, Pine Technical and Community College	General
Allied Health, Science and Child Care Addition Original 2014 Pre Design	Pine Technical and Community College	Allied Health, Science and Child Care Addition, Pine Technical and Community College	Pre Designs
Allied Health, Science and Child Care Addition Update	Pine Technical and Community College	Allied Health, Science and Child Care Addition, Pine Technical and Community College	Pre Designs
Allied Health, Science and Child Care Addition	Pine Technical and Community College	Allied Health, Science and Child Care Addition, Pine Technical and Community College	Narrative, Project Spreadsheets
Armstrong Hall Renovation and Addition (2) - Photos	Minnesota State University, Mankato	Armstrong Hall Renovation and Addition (2), Minnesota State	General

Contacts				
Last Name	First Name	Organization	Business Phone	E-mail Address
Buttke	Anne	St. Cloud State University		abuttk@stcloudstate.edu
Dummer	Marguerite	Hennepin Technical College		marguerite.dummer@hennepin.edu
Hambrock	Dan	Metropolitan State University		daniel.hambrock@metrostate.edu
Kedrowski	Karen	Northeast Higher Education District		kkedrowski@nhed.edu
Nahrgang	Rick	Minnesota State College - Southeast Technical		mahnrgang@southeastmn.edu
Otkin	Jackie	Minnesota West Community and Technical College		jackie.otkin@mnwest.edu



Project Scoring Sheet

Project Score sheet

- Preliminary Considerations (30 points)
- Ensuring Access (65 points)
- Partner of Choice (48 points)
- Highest Value (74 points)
- For projects adding new square footage (35 points) – **none this year**
- Possible max of 217 points

Preliminary Considerations

- **Priority considerations**
- Add points if project -
 - Reduces square footage
 - Was previously funded
 - Or project reduces energy consumption by at least 20%
over current building profile
- Potential for up to 30 points

Ensure Access to an extraordinary education for all Minnesotans

- Maximum of 65 points
- Each segment has guidance on low, ave. and high score
- Integrated Planning
- New Student Demographics
- Flexibility in Learning Spaces
- Improve baccalaureate opportunities

Be the partner of choice to meet Minnesota's workforce and community needs

- 8 questions
- 48 points max
- Applied learning includes partners with other colleges, universities, and private industry (workplace solutions)
- Address workforce, community needs
- Address continuing or emerging demand fields
- Produces space for applied learning on campus
- Tackles regional needs

Deliver to students, employers, communities and taxpayers the highest value/most affordable option

- 15 items
- 75 points max
- Focused heavily on costs and repurposed space
- Reduces campus backlog
- Increases space utilization
- Direct connection to enrollment strategies
- Balances facilities with financial sustainability

FOR PROJECTS ADDING NEW SQUARE FOOTAGE ONLY

- 7 items
- 35 points total
- Only use if new net square footage being proposed is material
- For purposes of scoring, “material” means in excess of 5,000 sq. ft.
- **No 2018 request triggered this requirement**
- **Not needed this time**



Supplemental Resources for Scoring

Key Resource Links

- Capital Budget Scoring Sharepoint:
<https://connect.mnscu.edu/sites/cbs/SitePages/Home.aspx>
- Minnesota State Capital Budget page:
<http://www.finance.mnscu.edu/facilities/capitalbudget/>
- Capital Budget Instructions
- <http://www.finance.mnscu.edu/facilities/capitalbudget/2016%20%20Instructions%20to%20Campuses%20for%202016%20Capital%20Budget.pdf>

Contact Information

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651.201.1531/
michelle.gerner@so.mnscu.edu



Questions and Answers