

FY24-28 Capital Budget Planning -- Goals and Process
January 2023 (rev 2)

Goals for long-term capital planning strategy:

- Support the mission of the University by: 1) focusing on the priorities identified in Brandeis' [*Framework for the Future*](#); 2) creating living and learning environments that can be easily renovated to meet changing needs; 3) increasing the shared use of campus spaces (both indoor and out) and reducing the amount of space dedicated for use by a single group.
- Create a sustainable campus by reducing: 1) the backlog of deferred maintenance; 2) carbon emissions; and 3) annual building operating costs; 4) barriers to accessibility across campus.
- Develop a needs-driven, prioritized, consolidated list of capital project requests. A capital project is generally greater than \$5,000 and is defined as new construction, additions or improvements that enhances the use of, or extends the life of an asset beyond its original estimated useful life. Repairs and routine maintenance are considered non-capital projects.

Annual process for creating and updating capital budgets:

August:

- The Provost and the EVP F&A review the current five-year capital budget in preparation for the onset of the Fall budget season, providing comments and direction regarding university priorities for capital investment.

September / October:

- Each school and central division updates its rolling five-year capital budget with guidance and support from F&A and the Provost's Office. A spreadsheet will be provided that includes the current approved capital budget which is organized with the following fields:
 1. capital projects anticipated to begin any time over the next five years
 2. prioritization of those projects (high, medium, low), distributed equally
 3. preferred timing (fiscal year target for start dates)
 4. total project cost estimate and cash flow across fiscal years
 5. anticipated funding source – e.g., fundraising, grants, debt, generated revenues, etc.
 6. brief project description and justification for high priority requests
- The school deans' offices and the central division VPs (or an assigned delegate) are expected to take the lead role in updating their 5-year capital budgets, due to Campus Planning by the end of October. Resources include: Campus Planning for help in developing project scope; Capital Programs for help in developing total project cost estimates; Finance for help in identifying funding sources; and the Provost's Office for help in identifying academic priorities.

November:

- Campus Planning aggregates the school and central division capital requests and updates the single 5-year, university-wide capital budget that includes sections for each of the schools, central divisions, equipment, deferred maintenance, and capital contingency.

December:

- A Capital Budget Committee (with membership including the Provost, EVP F&A, CFO, and VP for Campus Planning & Ops) meets to review the 5-year, university-wide capital budget and to reconcile the inevitable difference between the total anticipated capital that is available in future fiscal years and the total requested funding needed based on university and school priorities. The reconciliation will entail:
 - placing higher priority projects into earlier years, especially those linked to Brandeis' *Framework for the Future*

- combining some projects for efficient implementation (e.g., program-related, IT, or DM projects in the same building)
- conditioning project implementation on the identification of funding source(s) outside of the anticipated capital funding to be available in future fiscal years (e.g., project moves forward when donor funding is in place or a business model for revenue generation)
- allocating a consistent level of annual funding for DM
- Based on the reconciliation efforts, the Capital Budget Committee will update the university's 5-year capital budget for review and approval by the President.

January:

- Campus Planning meets with each of the schools and central divisions to present the relevant detailed 5-year capital budget and a summary of the university-wide capital budget. Final adjustments can be made if needed, subject to review and approval by the Capital Budget Committee.

February / March:

- The recommended 5-year, university-wide capital budget is presented to the Committee on Strategy & Planning (CSP), outlining the decision-making process based on the priorities identified by the schools and divisions and university strategic goals for long-term capital planning.
- Finance will finalize the capital budget for submission to the Resources Committee and the Board of Trustees.

April:

- Campus Planning and Finance will present a summary of the recommended university-wide, 5-year capital budget to the Resources Committee and the Board of Trustees (BoT) for approval.

May / June:

- The Capital Budget Committee will review all capital projects planned for the current fiscal year to determine whether the allocated funding will roll forward to the upcoming fiscal year or will be re-allocated for deferred maintenance.
- A summary of the approved 5-year capital budget and the status of the current-year capital budget will be distributed to each of the schools and central divisions along with the relevant (i.e., school- or division-specific) detail.
- Upon request from the relevant school or central division, Capital Programs can begin to submit CAFs for funding approval of capital projects targeted for the upcoming fiscal year, especially those scheduled for summer execution.

May – October, Process for Implementing Capital Projects:

Once the capital budget has been approved by the BoT, the schools and central divisions may begin to implement capital projects by taking the following steps:

1. Reach out to Capital Programs with an outline of the proposed project scope and a timeline.
2. Capital Projects will prioritize projects based on schedule and scope considerations such as design time required, long lead items to be ordered, and permitting. Requestors will be kept regularly updated throughout the process, with meetings scheduled as needed.
3. A project manager will be assigned to develop an Initial Project Assessment (IPA), which will include a rough scope, budget, and schedule definition.
 - a. Depending on scope, there may be funding required for early conceptual design and engineering in order to produce an appropriate budget
 - b. If required, Capital Projects will lead any programming activities required to define project scope. Campus Planning will often be involved in these activities.
4. The IPA is reviewed by the Capital Budget Committee for confirmation of funding availability.

- a. Any scope or budget developments since the initial project request will be reviewed at this time.
 - b. Review will include impact on campus community and any required enabling activities (such as moving or swing space allocation)
5. If approved, the project moves to a Final Project Assessment (FPA), which will include a refined scope, budget, and schedule.
 - a. If required, funding will be requested to advance the design as necessary to obtain accurate pricing.
 - b. If required, Capital Projects will lead any programming activities required to define project scope. Campus Planning will often be involved in these activities.
6. The FPA is reviewed by the Capital Budget Committee for confirmation of funding availability.
 - a. Any scope or budget developments since the IPA will be reviewed at this time.
 - b. Review will include impact on campus community and any required enabling activities (such as moving or swing space allocation)
7. If approved, the project proceeds into design completion and procurement.
 - a. Funding will be requested as needed for design completion and any early project activities such as preorder of long lead items and field conditions investigation and testing.
 - b. Capital projects will work with Procurement to obtain designer and contractor pricing as needed to complete the project. This will include a mix of competitive bidding and sole sourcing processes, depending on the project.
8. Once contractor and design costs are fully understood, the project will be submitted for full funding.
9. With funding in place, Capital Projects will proceed into the execution phase:
 - a. Capital Projects will complete procurement of necessary contractors and vendors and work will proceed.
 - b. Capital projects will lead any enabling activities such as moving.
 - c. Capital projects
 - d. Requestor will be invited to attend regular project update meetings, usually organized and led by the contractor.
 - e. Capital Projects will produce monthly reports updating project schedule and budget status.