To: Ithaca Campus Deans, Vice Presidents, Vice Provosts,  
Weill Cornell Medical College Provost

From: Mina Amundsen, Director of Capital Budget & Integrated Planning

Date: September 30, 2014

Re: Call for FY2016 Capital Plan submissions

We are beginning the process to develop the FY2016 one-year capital budget and five-year capital plan. The plan for capital activity should be guided by the unit’s and the university’s strategic priorities for the next five years. It should be informed and influenced by existing conditions, and opportunities for space, facility, infrastructure, and site redevelopment or replacement.

Principles and Criteria

The FY2016 planning process will focus on strategic renewal of the physical plant for the next five year period. The Capital Planning Group (CPG) and Capital Funding & Priorities Committee (CF&PC) will discuss institutional priorities, parameters, and the criteria that will be applied to develop the capital plan. Projects addressing critical and urgent health, life safety, compliance and asset protections risks will be given higher priority, but most projects will be considered and prioritized based on the following major criteria:

I. Meet program needs through reuse and redevelopment without the addition of net new physical resources

We are seeking to optimize the use of existing space, facilities and infrastructure, or propose demolition and redevelopment, if necessary. Synergies and coordination between projects and resources will be given extra consideration.

All requests for net new space or infrastructure that anticipate a project budget equal to or greater than $5 million must be approved by the Capital Planning Group (CPG) and Capital Funding and Priorities Committee (CF&PC) prior to conducting feasibility study or initiating any design process. CF&PC will expect any such project request to be thoroughly examined for potential reuse of existing space.

II. Address campus maintenance needs.

Proposed capital activity (i.e. project not yet approved in the FY2015 or prior capital plans) must address significant refurbishment and/or replacement of facilities and/or infrastructure. As part of the FY2016 capital planning process, CF&PC will be developing specific thresholds and guidelines. These will be applied to individual project PARs during review and authorization for project execution beginning in FY2016. Units should anticipate that these guidelines may include a minimum threshold (e.g. xx% of the project budget) for deferred or other maintenance as a percentage of the total project budget.

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III. Provide Full Funding of Project Costs, Ongoing Operating Costs and a Reasonable Plan for Long-term Renewal Costs

All capital project submissions must have a feasible funding plan for the full project costs, including any necessary enabling projects, plus all on-going operating and maintenance costs.

Although a specific funding plan typically cannot be defined at this time for future long-term capital renewal costs, units should identify the expected life of the asset and/or fit for intended purpose, anticipated major renewal needs and costs, and the likely funding source for long-term renewal or replacement.

IV. Achieve Effective Integration with Unit and Campus Plans

Individual capital project plans and projected needs should integrate and be coordinated effectively with broader unit and campus planning considerations such as:

- Unit facilities and campus master plans
- Unit space plans and campus space guidelines
- Campus-wide infrastructure and open space plans
- Campus maintenance and sustainability strategies

Specific Instructions for Capital Plan Submissions

Please prepare your FY2016 capital plan submission with four broad categories of capital activity – (i) major projects already under construction; (ii) major projects approved and in design; (iii) projects to be approved with funding in hand; and (iv) projects and/or anticipated space, facility, and infrastructure needs projected to cost greater than $5 million for which feasibility, design or construction are expected during the next five years. The last category is intended to capture what you anticipate your major facility needs to be that may not yet be developed into a specific project. We request this information so we can better anticipate future capital requirements and reduce the potential for new projects arising that have not been previously discussed at least conceptually as a priority need. The updated Capital Project Funding Guidelines are attached. The minimum budget threshold for individual projects or project groupings for inclusion in the capital plan is $250,000.

In addition to capital projects, we would also like to be informed about any planned future commitments on space leases. If you have plans to enter into a new lease or extend an existing lease with a net present value of $250,000 or greater during the next five fiscal years, please provide the information on the attached “Capital Plan Lease Data” document.

All anticipated capital spending activity for FY2016 that will be funded by the operating budget will need to be clearly identified and funded in the FY2016 operating plan. We will work with you and your staff to define how the funding of capital activity should be reflected in the operating budget later this year as part of the operating budget process.

We are asking that you provide your submission of planned capital activity by October 31, 2014. This will allow review during November and December, resulting in the development of a draft capital budget and plan by January. Modifications can be made to submitted projects or needs during November and December. Submissions into the new system for capital planning in Longview will align with the operating budget and the Kuali financial system. Secure access has or will be provided during and after training to those engaged in capital planning within their units. Instructions for access to the Longview system, a

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training guide, relevant attachments and links are available at: http://dbp.cornell.edu/offices/capital-budget/capital-planning-2.

Please submit your capital plan and capital lease requests and notify me (mina.amundsen@cornell.edu) by 5 pm on October 31, 2014.

If you have any questions about the process or the specific information needed for your capital plan submission, please contact me. Thank you very much for your assistance with this important effort.

cc: Capital Planning Group Members

Geraldine Amera     Himani Mewar
Steve Cohen        Pat Musa
Ezra Delaney       Kellie Page
Sunny Donenfeld   Scott Puccino
Tim Durnford      Rich Robinson
Marge Ferguson    Scott Sheavly
Joe Grasso        Betsy Shrier
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Craig Higgins     David Taylor
David Howe        Peter Turner
Jim Kazda         Joanne Williams
Kyle Kubick       Robin Yager
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