
NEBRASKA'S



COORDINATING COMMISSION
FOR POSTSECONDARY EDUCATION

Procedures Concerning Capital Construction

February 5, 2020
Revision

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APPENDIX A. CAPITAL CONSTR. PROJECT OR REVENUE BOND PROJECT EVALUATION FORM

APPENDIX B. UNMC HOSPITAL/CLINIC CAPITAL CONSTRUCTION PROJECT REVIEW CRITERIA

APPENDIX C. CAPITAL PROJECT PRIORITIZATION FORM

I. DEFINITIONS

- A. **Capital construction project** shall mean a project which utilizes *tax funds designated by the Legislature* and shall be: Any proposed new *capital structure*; any proposed addition to, renovation of, or remodeling of a *capital structure*; any proposed acquisition of a *capital structure* by gift, purchase, lease-purchase, or other means of construction or acquisition that 1) will be *directly financed* in whole or in part with *tax funds designated by the Legislature* totaling at least the *minimum capital expenditure* for purpose of the definition, or 2) is likely, as determined by the institution, to result in an *incremental increase* in appropriation or expenditure of *tax funds designated by the Legislature* of at least the *minimum capital expenditure* for the facility's operations and maintenance costs¹ in any one fiscal year within a period of ten years from the date of substantial completion or acquisition of the project. For purposes of this definition:
1. **Directly financed** shall mean funded by: 1) Appropriation of *tax funds designated by the Legislature* for the specific *capital construction project*, 2) property tax levies used to establish capital improvement and bond sinking funds pursuant to section 85-1515 of the Nebraska Revised Statutes (Supp. 2007), or 3) that portion of *tax funds designated by the Legislature* and appropriated by the Legislature for the general operation of the *public institution* and utilized to fund the *capital construction project*.²
 2. **Incremental increase** shall mean an increase in appropriation or expenditure of *tax funds designated by the Legislature* of at least the *minimum capital expenditure* for a facility's operations and maintenance costs, beyond any increase due to inflation, to pay for a *capital structure's* operations and maintenance costs that are a direct result of a *capital construction project*.
 3. **Minimum capital expenditure** shall mean: 1) for purposes of construction or acquisition pursuant to this definition of *capital construction project*, a base amount of two million dollars (\$2,000,000), and 2) for purposes of facility's operations and maintenance costs pursuant to this definition of *capital construction project*, a base amount of ninety-five thousand dollars (\$95,000) for any one fiscal year. The base amount for facility's operations and maintenance costs shall be subject to inflationary or market adjustments made by the *Commission* pursuant to this definition. The *Commission* shall adjust the base amount on a biennial basis beginning January 1, 2010. The adjustment shall be based on percentage changes in a construction cost index and any other published index relevant to operations and maintenance costs, as selected by the *Commission* in cooperation with the *public institutions*. The index or indices shall reflect inflationary or market trends for the applicable operation and maintenance or construction costs.
- B. **Capital project** shall mean, for the purpose of prioritizing the *Commission's* Statewide Capital Budget Recommendation, every proposed project included in a *governing board's* capital budget requests.

¹ Examples of facility's operations and maintenance costs include: Utilities, custodial service, building maintenance, landscape and grounds maintenance, physical plant administration, security and property insurance.

² Examples of funding excluded by this definition include, but are not limited to, tuition and student fees, federal grants, private gifts and endowments, hospital/clinic patient revenues, and independent auxiliary enterprise revenues.

- C. **Capital structure** shall mean anything constructed or erected, for occupancy, use or ornamentation, that requires permanent location on, below or above the ground, or an addition to an existing *capital structure* having a permanent location on or below the ground.
- D. **Change in scope** shall mean a significant change in a *capital construction project* including, but not limited to, the following:
1. An increase in the amount of *tax funds designated by the Legislature* used to construct, acquire or provide facilities' operations and maintenance for a *capital construction project* by 5 percent or more above inflationary increases (minimum of \$50,000 increase);
 2. A change in the use of a *project budget category* by 35 percent or more³ (minimum of \$50,000 reallocation);
 3. A change in the allocation of square footage for any *major room-use category* by 15 percent or more with the amount of this shift in space being at least 5 percent of the total net square feet of the proposed project (minimum of 1,000 net square feet change); or
 4. A programmatic change which involves a revision in the program and/or for what purpose the majority of a *major room-use category* serves.
- E. **Commission** shall mean the Coordinating Commission for Postsecondary Education
- F. **Governing board** shall mean the Board of Regents of the University of Nebraska, the Board of Trustees of the Nebraska State Colleges, the board of governors for each community college area, or a representative designated by the board.
- G. **Institutional Comprehensive Facilities Plan** shall mean a plan that identifies a *public institution's* existing facilities, the condition and utilization of those facilities, outlines the institution's short-term, mid-term and long-range program needs, and identifies proposed facilities solutions to meet those program needs.
- H. **Insufficient or extraordinary expenditures of resources** shall mean the following for *capital construction projects* or *revenue bond projects*:
1. A *total project cost* that is below or in excess of national estimating services average costs or an institution's historical expenditures for a project of similar size and type by more than 10 percent (minimum of \$50,000 difference),⁴ or
 2. Facilities operating and maintenance costs that are below or in excess of nationally recognized costs or an institution's historical expenditures for a project of similar size and type by more than 10 percent (minimum of \$50,000 difference).
- I. **Major capital deficit appropriation request** shall mean any individual *capital project* in excess of the *minimum capital expenditure* and included in a *governing board's* capital deficit appropriation request.

³ Example: Reallocating 50 percent of the funds previously allotted for movable equipment to construction.

⁴ Construction costs for *capital construction projects* are generally determined on a cost per square foot basis during the programming phase.

- J. **Major room-use categories** shall mean the major room uses outlined in Chapter 2 of the Postsecondary Education Facilities Inventory and Classification Manual, 1992.⁵
- K. **Need statement** shall mean a document that provides a preliminary description of a proposed *capital construction project* or *revenue bond project*. The *need statement* is an optional document that may be submitted to the *Commission*. The *Commission* will provide a preliminary evaluation of a project with the review criteria established in these rules and regulations. The content to be provided in a *need statement* shall be in such format as provided by the *Commission*.⁶
- L. **Program statement** shall mean a document that describes and supports the development of a proposed *capital construction project* or *revenue bond project*. A *program statement* provides more detailed information than a *need statement*. The content to be provided in a *program statement* shall be in such format as provided by the *Commission*.⁶
- M. **Project budget category** shall mean the following categories which comprise the *total project cost*: construction costs, professional fees, moveable/technical equipment costs, land acquisition costs, artwork, and other costs.
- N. **Project statement** shall mean an abbreviated *program statement* used to support the development of a proposed *capital construction project* or *revenue bond project* of lesser scale or certain type as determined by the *Commission*. The content to be provided in a *project statement* shall be in such format as provided by the *Commission*.⁶ *Governing boards* may submit a *project statement* for projects of the following types and/or scale:
1. A *capital construction project* or *revenue bond project* with a *total project cost* of less than one million dollars, or
 2. A *capital construction project* or *revenue bond project* that involves any type of project with the exception of the construction, addition to, or *renovation or remodeling* of a building.
- O. **Public institution** shall mean any of the following: University of Nebraska-Lincoln, University of Nebraska Medical Center, University of Nebraska at Omaha, University of Nebraska at Kearney, Nebraska College of Technical Agriculture, Chadron State College, Peru State College, Wayne State College, Central Community College, Metropolitan Community College, Mid-Plains Community College, Northeast Community College, Southeast Community College, Western Nebraska Community College, including any other campus administered as a separate unit by a *governing board*, or any other public postsecondary educational institution which may be established by the Legislature after January 1, 1992.

⁵ These categories include: Classrooms, laboratories, offices, study facilities, special-use facilities, general-use facilities, support facilities, health-care facilities, residential facilities and unclassified facilities.

⁶ *Need, Program and Project Statement* Outlines provided by the *Commission* shall coordinate with existing State formats and the *public institutional* requirements for use of such documents.

- P. **Renovation or remodeling** shall mean work associated with an existing *capital structure* which may include, but shall not be limited to, modifying or upgrading a *capital structure's* building systems. Such work may include upgrading mechanical or electrical systems, or modifying interiors through changes in room layouts or relocation of openings. This work shall not increase the size of the building foot print or building envelope. Replacement of existing wall, floor or ceiling treatments due to age or damage, or other similar work shall not be considered *renovation or remodeling*. Separate deferred maintenance projects, fire and life safety projects, Americans with Disabilities Act projects, or energy conservation projects, as defined by the LB 309 Task Force for Building Renewal, shall not constitute *renovation or remodeling*.
- Q. **Revenue bond project** shall mean all proposed projects, to be financed by revenue bond issues or surplus or replacement funds, approved by the Board of Regents of the University of Nebraska or the Board of Trustees of the Nebraska State Colleges, pursuant to sections 85-404 and 85-408, Nebraska Revised Statutes (Supp. 2007). A single expenditure of surplus or replacement funds shall be in excess of five hundred thousand dollars (\$500,000) per purchase order or contract.
- R. **Tax funds designated by the Legislature** shall mean all State tax revenue and all property tax revenue.
- S. **Total project cost** shall mean all costs required to complete a specific *capital construction project* or *revenue bond project*. At a minimum this may include: demolition costs, utility extension costs, utility infrastructure improvement costs, site development costs, construction costs, professional fees, fixed/moveable/technical equipment costs, land or right-of-way acquisition costs, artwork costs, and other costs such as moving costs, soil testing and surveys, construction observation fees, builders risk insurance, communications equipment costs, and administrative and legal fees.
- T. **Unnecessary duplication** shall mean any *capital structure*, or portion of a *capital structure*, that does not substantially increase access and/or serve valid needs considering the existence of other available and suitable facilities.⁷

II. CAPITAL CONSTRUCTION DOCUMENTATION

SUBMITTAL PROCEDURES

A copy of any documentation regarding capital construction presented to a *governing board* for action shall also be provided to the Executive Director of the *Commission* or his/her designated representative within ten days after the *governing board* meeting.

⁷ Examples of *unnecessary duplication* include, but shall not be limited to unnecessarily duplicating facilities within an institution, sector, state or region.

III. INSTITUTIONAL COMPREHENSIVE FACILITIES PLANNING

A. REVIEW PROCEDURES

The following applies to all *Institutional Comprehensive Facilities Plans*, or amendments to such plans, approved by a *public institution's governing board* and defined in Section I. of these procedures:

1. Submittal of Plans. *Governing boards* shall provide written notification to the Executive Director of the *Commission* or his/her designated representative requesting review of an *Institutional Comprehensive Facilities Plan*, or amendment to such plan, following its approval by the *governing board*. Fifteen copies of the completed plan, or one copy of the plan and fifteen copies of the executive summary of the plan, shall be included with the request. *Public institutions* may choose at their discretion to submit a draft of the plan to *Commission* staff for comment prior to the submittal of the final plan for review.
2. Completeness of the Plan. *Commission* staff shall review the plan (or amendment) and notify the *governing board* in writing that a complete plan has been received in accordance with *Commission* guidelines or identify the information that is absent. Upon notification of an incomplete plan, the *governing board* shall inform the Executive Director of the *Commission* or his/her designated representative that the plan will either be modified or that the *Commission* should proceed with review of the plan.
3. Review and Questions Regarding the Plan. Following receipt of a plan (or amendment) *Commission* staff may submit a list of questions and/or comments regarding the plan. A reasonable effort will be made to coordinate *Commission* staff's questions and/or comments with those of the Department of Administrative Services (DAS)/Budget Division, DAS/Building Division, and the Legislative Fiscal Office (LFO).
4. Evaluation of the Plan. After a response to *Commission* staff's questions is received, a written evaluation of the *Institutional Comprehensive Facilities Plan* (or amendment to such plan) will be prepared by the *Commission*.
5. Commission Comment. The *Commission* shall provide comment to the *governing board* on the *Institutional Comprehensive Facilities Plan's* compliance and consistency with the review criteria in the *Commission's* rules and regulations. The *Commission* may recommend modification to the *Institutional Comprehensive Facilities Plan* based on its review.

B. SCHEDULES AND DEADLINES

Periodic Updates of *Institutional Comprehensive Facilities Plans*. The *Commission* may require periodic updates of *Institutional Comprehensive Facilities Plans* as necessary. The *Commission* shall coordinate any required updates with institutional review and update cycles whenever possible.

IV. CAPITAL CONSTRUCTION PROJECTS

A. REVIEW PROCEDURES

The following applies to all *capital construction projects* proposed by a *governing board* as defined in Section I. of these procedures:

1. Submittal of Proposals. *Governing boards* shall submit a written proposal to the Executive Director of the *Commission* or his/her designated representative for review of a *capital construction project* following its approval by the *governing board*. Fifteen copies of the completed *program statement* (or *project statement* as applicable), or one copy of the *program statement* and fifteen copies of the executive summary of the *program statement*, shall be included with the submittal. Public institutions wishing to expedite *Commission* staff's review may submit a *program statement* or *project statement* prior to the *governing board's* approval of the project. The *Commission* however, will not act on a project until the *governing board* has approved the project and a proposal has been submitted to the *Commission*. *Governing boards* may choose at their discretion to submit a *need statement* to the *Commission* for comment prior to the submittal of a *program statement*.
2. Completeness of the Proposal. *Commission* staff shall review the proposal and notify the *governing board* in writing that a complete proposal has been received or identify the information that is required before review of the proposal will proceed. For review of *capital construction projects* a complete proposal shall consist of the following: 1) A written request to review and act on a specific project; 2) written confirmation of the *governing board's* approval of the project; and 3) sufficient copies of a completed *program statement* or *project statement* as applicable, consisting of the format and content required in the *Commission's program statement* or *project statement* outlines.
3. Review and Questions Regarding the Proposal. Following receipt of a complete proposal, *Commission* staff may submit a list of questions and/or comments regarding the project. A reasonable effort will be made to coordinate *Commission* staff's questions and/or comments with those of DAS/Budget Division, DAS/Building Division, and LFO to eliminate a duplication of time and effort by both State and *public institution* personnel.
4. Evaluation of the Proposal. After a satisfactory response to *Commission* staff's questions is received, a Project Evaluation Form (see example at Appendix A) will be completed by the *Commission*.
5. Commission Action. Action by the *Commission* regarding approval or disapproval of a *capital construction project* shall consist of one of the following:
 - (1) Approval of the project as the basis for further development; or
 - (2) Disapproval of the project based on inconsistency of the project with one or more review criteria in the *Commission's* rules and regulations, with reasons explicitly stated.
6. Resubmitting Disapproved Proposals. *Capital construction projects* previously disapproved by the *Commission* may be resubmitted by a *governing board* with

changes that address the *Commission's* reasons for the original disapproval. The *Commission* shall then review, and approve or disapprove the resubmitted project.

7. Grandfather Projects. Any *capital construction project* authorized prior to January 1, 1992, by action of the Legislature (including receipt of appropriations) or action of a *governing board* (previously approved *need or program statements*), shall be deemed approved by the *Commission* unless there is a *change in scope* to the project. Those *capital construction projects* previously authorized by the Legislature or a *governing board* which have a *change in scope* will require *Commission* review according to these procedures.
8. UNMC Hospital/Clinic Capital Construction Projects. *Commission* review of University of Nebraska Medical Center (UNMC) Hospital/Clinic *capital construction projects* will take into consideration the Department of Health's Certificate of Need (CON) review process. The *Commission* will only review UNMC Hospital/Clinic *capital construction projects* as defined in Section I. of these procedures. In order to eliminate a duplication of reviews by state agencies, the *Commission* will limit its review criteria to those items excluded from the CON review process. An outline of UNMC Hospital/Clinic *capital construction project* review criteria is included at Appendix B.

B. SCHEDULES AND DEADLINES

1. Inflationary Adjustments for Capital Construction Projects - January 1st Even Years. The *Commission* shall make inflationary adjustments to the *minimum capital expenditure* as defined in Section I. of these procedures by January 1st of each even numbered year.
2. Proposals for Capital Construction Projects in CCBR & OBR - June 15th Even Years. Each *capital construction project* proposal to be included in the University of Nebraska's or Nebraska State Colleges' biennial Capital Construction Budget Request (CCBR) or Operating Budget Request (OBR) that is: a) A new proposal for a *capital construction project*, b) a grandfather project with a *change in scope*, or c) a *capital construction project* previously approved by the *Commission* with a *change in scope*, is due to the Executive Director of the *Commission* or his/her designated representative by June 15th of each even numbered year. This deadline only applies to *capital construction projects* requesting state appropriations during the two years of the biennial CCBR or OBR. The *Commission* shall not review a *capital construction project* that fails to meet this deadline unless the project is of an emergency nature as determined by the *Commission*. Such review is also subject to the adequacy of a proposal and sufficient time being allowed for *Commission* review.

C. MONITORING PROCEDURES

1. Design and Bid Phases. Upon approval of a *capital construction project* by the *Commission*, *public institutions* shall provide the Executive Director of the *Commission* or his/her designated representative with a copy of all subsequent information provided to the *governing board* for monitoring of a project (schematic design documents, design development documents, bid tabulations, etc.). This information shall be received by the *Commission* no later than ten days after the *governing board* meeting.
2. Construction Phase. During the construction phase of all *capital construction projects* approved by the *Commission*, *governing boards* shall provide to the Executive Director

of the *Commission* or his/her designated representative a copy of the completed Capital Construction Quarterly Status Reports in such format as provided in the DAS/Building Division's most recent edition of the ***Procedural Manual for Capital Construction Projects***. Community Colleges shall submit any other information provided to a *governing board* for monitoring *capital construction projects* during the construction phase. This information shall be received by the *Commission* no later than ten days after the *governing board* meeting.

3. *Change in Scope*. *Governing boards* are responsible for informing the *Commission* of any *change in scope* to a *capital construction project* previously approved by the *Commission*. Such projects shall be resubmitted to the Executive Director of the *Commission* or his/her designated representative for review, and approval or disapproval. *Changes in scope* apply to all subsequent phases of a project through construction. Information submitted to the *Commission* shall include a description of the *change in scope*, as defined in Section I. of these procedures, and justification for the *change in scope*.

V. REVENUE BOND PROJECTS

A. REVIEW PROCEDURES

The following applies to all *revenue bond projects* proposed by the Board of Regents of the University of Nebraska or Board of Trustees of the Nebraska State Colleges as defined in Section I. of these procedures:

1. *Submittal of Proposals*. *Governing boards* shall submit a written proposal to the Executive Director of the *Commission* or his/her designated representative requesting review of a proposed *revenue bond project* following its approval by the *governing board*. Fifteen copies of the completed *program statement* (or *project statement* as applicable) or one copy of the *program statement* and fifteen copies of the executive summary of the *program statement* shall be included with the submittal. *Public institutions* wishing to expedite *Commission* staff's review may submit a *program statement* or *project statement* prior to the *governing board's* approval of the project. The *Commission* however, will not act on a project until the *governing board* has approved the project and submitted a proposal to the *Commission*. *Governing boards* may choose at their discretion to submit a *need statement* to the *Commission* for comment prior to the submittal of a *program statement*.
2. *Completeness of the Proposal*. *Commission* staff shall review the proposal and notify the *governing board* in writing that a complete proposal has been received or identify the information that is required. For review of *revenue bond projects* a complete proposal shall consist of the following: 1) A written request to review and act on a specific project; 2) written confirmation of the *governing board's* approval of the project; and 3) sufficient copies of a *program statement* or *project statement* as applicable, consisting of the format and content required in the *Commission's program statement* or *project statement* outlines. Upon notification of an incomplete *program statement* (or *project statement* as applicable) the *governing board* shall inform the Executive Director of the *Commission* or his/her designated representative that the *program statement* (or *project statement* as applicable) will either be modified or that the *Commission* should proceed with review of the proposal.

3. Review and Questions Regarding the Proposal. Following receipt of a complete proposal, *Commission* staff may submit a list of questions and/or comments regarding the project. A reasonable effort will be made to coordinate *Commission* staff's questions and/or comments with those of DAS/Budget Division, DAS/Building Division, and LFO.
4. Evaluation of the Proposal. After a response to *Commission* staff's questions is received a Project Evaluation Form (see example at Appendix A) will be completed by the *Commission*.
5. Commission Action. Action by the *Commission* regarding a recommendation to the Legislature or the Executive Board of the Legislative Council for a *revenue bond project* shall consist of one of the following:
 - (1) Recommendation for approval of the project as the basis for further development; or
 - (2) Recommendation for disapproval of the project based on inconsistency of the project with one or more review criteria in the *Commission's* rules and regulations, with reasons explicitly stated.

B. SCHEDULES AND DEADLINES

Revenue Bond Projects - 60 Days. The *Commission* shall review and act on all proposed *revenue bond projects* within 60 days of the receipt of a complete proposal.

VI. CAPITAL BUDGET REQUESTS AND RECOMMENDATIONS

A. CAPITAL BUDGET REQUEST REVIEW PROCEDURES

The following applies to any *capital project* included in the University of Nebraska's and Nebraska State Colleges' biennial Capital Construction Budget Request (CCBR) or *major capital deficit appropriation request* as defined in Section I. of these procedures:

1. Identification of Capital Construction Projects in University and State College CCBR. As a preliminary step in preparation of the CCBR, the Board of Regents of the University of Nebraska and the Board of Trustees of the Nebraska State Colleges shall submit to the Executive Director of the *Commission* or his/her designated representative an approved list of those *capital construction projects* chosen to be in the CCBR. A prioritization of the projects on this list is not necessary at this time.
2. Programming Document Submittal. Based on the list of identified *capital construction projects*, the Board of Regents of the University of Nebraska and Board of Trustees of the Nebraska State Colleges shall then submit to the Executive Director of the *Commission* or his/her designated representative a complete proposal for each new *capital construction project* or *changes in scope* to each existing *capital construction project* to be included in the CCBR. These two governing boards shall also have on file with *Commission* staff the most recent update to existing *program statements* or *project statements* for each project to be included in the CCBR.

3. Preliminary Information for Major Capital Deficit Appropriation Requests. Preliminary information submitted to the Executive Director of the *Commission* or his/her designated representative in support of a *governing board's major capital deficit appropriation request* shall consist of one copy of DAS/Budget Division's Forms 500, 510 and 520 for each project.
4. Campus Site Visits. Campus site visits may be conducted by *Commission* staff and/or *Commissioners* prior to the University of Nebraska's and Nebraska State Colleges' submittal of their CCBR or *major capital deficit appropriation request*. The *Commission* shall coordinate, when possible, its site visits with those of DAS and LFO to eliminate a duplication of tours and meetings by the *public institutions*. The *Commission* may acquire the services of a licensed architect(s) and/or engineer(s) in the field(s) of study applicable to the requested project(s) to assist in the review and prioritization of these projects.
5. Evaluation of the University & State Colleges CCBR & Major Capital Deficit Requests. Following completion of campus site visits and review of information submitted in the University of Nebraska's and Nebraska State Colleges' CCBR or preliminary information for *major capital deficit appropriation requests*, the *Commission* shall prepare a written recommendation on each of these governing board's CCBR or *major capital deficit appropriation request*.
6. Commission Action. Action by the *Commission* regarding a recommendation on the University of Nebraska's and Nebraska State Colleges' biennial CCBR or *major capital deficit appropriation request* shall consist of one of the following:
 - (1) Recommendation for approval of the request as the basis for requesting funding;
 - (2) Recommendation for disapproval of the request based on inconsistency of the request with one or more review criteria in the *Commission's* rules and regulations, with reasons explicitly stated; or
 - (3) Recommendation to modify the request with reasons explicitly stated.

The *Commission's* action shall become a part of the *Commission's* Statewide Capital Budget Recommendation submitted to the Governor and Legislature. The *Commission* may make minor modifications to its recommendation periodically based on receipt of additional information. The *Commission* shall not recommend funding for any *capital construction project* or *major capital deficit appropriation request* that fails to meet the deadlines established in these procedures unless the project is of an emergency nature as determined by the *Commission*. Such review is also subject to the adequacy of a proposal and sufficient time being allowed for *Commission* review.

7. Capital Construction Project Approval Requirements. The *Commission* shall recommend to the Governor and Legislature only those *capital construction projects* approved by the *Commission*. The *Commission* shall not recommend *capital construction projects* which it has disapproved unless such projects are resubmitted and approved by the *Commission*.

B. PRIORITIZATION PROCESS TO SEQUENCE APPROPRIATIONS FOR APPROVED CAPITAL CONSTRUCTION PROJECTS

The following applies to any *capital project* included in the University of Nebraska's and Nebraska State Colleges' biennial Capital Construction Budget Request (CCBR), any LB 309 Task Force for Building Renewal Request and any capital deficit appropriation request as defined in Section I. of these procedures:

1. Review of the Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects. Prior to preparation of a unified statewide prioritization of projects in the University of Nebraska's and Nebraska State Colleges' capital budget requests, the *Commission* may review and confirm or modify the Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects previously approved by the *Commission*. *Commission* staff will then develop a Project Prioritization Form (see example at Appendix C) for use in prioritizing individual projects.
2. Governing Board Designations for "Sector Initiatives". The Board of Regents of the University of Nebraska and the Board of Trustees of the Nebraska State Colleges shall each submit to the Executive Director of the *Commission* or his/her designated representative its designations for "sector initiatives" as prescribed by the *Commission's* Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects.
3. Prioritization of Capital Projects. Upon confirmation or revision of the Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects by the *Commission* and receipt of the governing board's "sector initiatives", the *Commission* shall complete a Project Prioritization Form for each project included in the University of Nebraska's and Nebraska State Colleges' capital budget requests or capital deficit appropriation request that has been approved and/or recommended funding by the *Commission*.
4. Commission Action. The *Commission* shall adopt a unified statewide prioritized list based on the *Commission's* Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects. Such prioritized list shall be included as part of the *Commission's* Statewide Capital Budget Recommendation submitted to the Governor and Legislature. The *Commission* may update its recommendation periodically based on receipt of additional information. The *Commission* shall not prioritize any *capital construction project* or *major capital deficit appropriation request* that fails to meet the deadlines established in these procedures unless the project is of an emergency nature as determined by the *Commission*. Such review is also subject to the adequacy of a proposal and sufficient time being allowed for *Commission* review.

C. SCHEDULES AND DEADLINES

1. Review of the Commission's Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects - September 15th Odd Years. The *Commission* shall confirm or modify its Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects for the next biennial budget request by September 15th of each odd numbered year.

2. Identification of *Capital Construction Projects* in CCBR - April 1st Even Years. The University of Nebraska's and Nebraska State Colleges' approved list of *capital construction projects* to be in their respective Capital Construction Budget Request (CCBR) shall be submitted to the Executive Director of the *Commission* or his/her designated representative no later than April 1st of each even numbered year.
3. Proposals for *Capital Construction Projects* in CCBR & OBR - June 15th Even Years. The University of Nebraska and Nebraska State Colleges shall submit a complete proposal to the Executive Director of the *Commission* or his/her designated representative for each *capital construction project* to be included in their CCBR or Operating Budget Request (OBR) that is: a) A new proposal for a *capital construction project*, b) a grandfather project with a *change in scope*, or c) a *capital construction project* previously approved by the *Commission* with a *change in scope* by June 15th of each even numbered year.
4. Updates to Existing *Program and Project Statements* - July 31st Even Years. Updates to existing *program statements and project statements* shall be submitted to the Executive Director of the *Commission* or his/her designated representative by July 31st of each even numbered year. Any revisions to these updates shall be submitted to the Executive Director of the *Commission* or his/her designated representative immediately.
5. *Governing Board Designations* for "Sector Initiatives" - September 15th Even Years. The Board of Regents of the University of Nebraska and the Board of Trustees of the Nebraska State Colleges shall submit their designated "sector initiatives" as a part of their CCBR to the Executive Director of the *Commission* or his/her designated representative by September 15th of each even numbered year. "Sector initiatives" are defined in the *Commission's* Prioritization Process to Sequence Appropriations for Approved Capital Construction Projects.
6. University and State College CCBR - September 15th Even Years. The Board of Regents of the University of Nebraska and the Board of Trustees of the Nebraska State Colleges shall submit one copy of the CCBR to the Executive Director of the *Commission* or his/her designated representative by September 15th of each even numbered year. Any amendments to the CCBR shall also be submitted to the Executive Director of the *Commission* or his/her designated representative at the same time they are submitted to the Governor and Legislature.
7. *Commission Action* on CCBR Projects - September 15th Even Years. The *Commission* shall submit a list of actions taken for each project included in the Board of Regents' of the University of Nebraska and Board of Trustees' of the Nebraska State Colleges CCBR to the Governor and Legislature by September 15th of each even numbered year. These actions shall consist of one of the following: approval, disapproval, insufficient time provided for review, grandfather project, or project not requiring *Commission* action.
8. *Commission's* Statewide Capital Budget Recommendation - October 15th Even Years. The *Commission* shall submit to the Governor and Legislature its recommendation for modification, approval or disapproval of the Board of Regents' of the University of Nebraska and the Board of Trustees' of the Nebraska State Colleges CCBR by October 15th of each even numbered year. This recommendation shall include a

unified prioritization of each *capital project* that the *Commission* has approved and/or recommended funding.

9. Information for Major Capital Deficit Requests - 30 Days Prior to DAS. *Governing board's* requesting a *major capital deficit appropriation request* shall submit preliminary information to the Executive Director of the *Commission* or his/her designated representative 30 days prior to the DAS deadline for submittal.
10. Recommendation for Major Capital Deficit Requests - December 1st. The *Commission* shall recommend modification, approval or disapproval and priority ranking to the Governor and Legislature of any *major capital deficit appropriation requests* it has received by December 1st of each year.

VII. PLANNING GUIDELINES AND DATA BASE

A. STATEWIDE FACILITIES INVENTORY

Governing boards shall submit biennially to the Executive Director of the *Commission* or his/her designated representative updated building, room use and land inventory information as outlined by the *Commission* beginning on July 1, 1997. Updates to the Facilities Inventory shall be submitted to the Executive Director of the *Commission* or his/her designated representative by July 1st of each odd numbered year thereafter.

B. SPACE AND LAND GUIDELINES

Governing boards shall submit to the Executive Director of the *Commission* or his/her designated representative those national or institutional space and land guidelines used to plan and justify the amount of space required by room-use category and the amount of land required for a campus beginning on July 1, 1996. Modifications to these guidelines shall be submitted to the Executive Director of the *Commission* as they are approved by the *governing board*.

C. STATEWIDE FACILITIES UTILIZATION REPORTS

Governing boards shall submit biennially to the Executive Director of the *Commission* or his/her designated representative utilization data on its classrooms, class laboratories, conference centers and any other facilities category that may be suitable for measure. The report shall include information as outlined by the *Commission* and be submitted beginning on July 1, 1997, and by July 1st of each odd numbered year thereafter.

D. STATEWIDE FACILITIES AUDIT REPORT

Governing boards shall submit to the Executive Director of the *Commission* or his/her designated representative a facilities audit report for each *capital structure* owned and operated by the institution. The survey shall include information as outlined by the *Commission* and shall be submitted at least every ten years beginning on July 1, 1999. Updates to the Facilities Audit Reports shall be submitted to the Executive Director of the *Commission* or his/her designated representative as requested by the *Commission* after consultation with the *governing boards*.

E. INDEPENDENT & PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTIONS

Consenting independent and private postsecondary educational institutions are encouraged to provide any available facilities information which would assist the *Commission* in the review of proposed *capital construction projects* at the State's *public institutions* in the context of reviewing facilities from a statewide perspective.

APPENDIX A.

CAPITAL CONSTRUCTION PROJECT OR REVENUE BOND PROJECT EVALUATION FORM

Coordinating Commission for Postsecondary Education
Capital Construction Project Evaluation Form

Staff Draft
February 6, 2020

Institution/Campus: [Institution and Campus]
Project Name: [Proposal Name]
Date of Governing Board Approval: [Date of Gvg Board Approval]
Date Complete Proposal Received: [Date Complete Propsl. Received]
Date of Commission Evaluation: [Date of Commission Meeting]

Project Description:

1. **The proposed project demonstrates compliance and consistency with the *Comprehensive Statewide Plan*, including the institutional role and mission assignment.** Yes No

Comments:

2. **The proposed project demonstrates compliance and consistency with the *Statewide Facilities Plan*.** Yes No

Comments:

2.A **The proposed project includes only new or existing academic programs approved by the Commission.** Yes No

Comments:

2.B **Degree that the project demonstrates compliance with the governing-board-approved institutional comprehensive facilities plan.** High Low

Comments:

2.C **Degree that the project addresses existing facility rehabilitation needs as represented in a facilities audit report or program statement.** High Low

Comments:

2.D Degree that project justification is due to inadequate quality of the existing facility because of functional deficiencies and is supported through externally documented reports (accreditation reports, program statements, etc.).

High Low

Comments:

2.E Degree that the amount of space required to meet programmatic needs is justified by application of space/land guidelines and utilization reports.

High Low

Comments:

2.F Degree that the amount of space required to meet specialized programmatic needs is justified by professional planners and/or externally documented reports.

High Low

Comments:

2.G Ability of the project to fulfill currently established needs and projected enrollment and/or program growth requirements.

High Low

Comments:

2.H The need for future projects and/or operating and maintenance costs are within the State's ability to fund them, or evidence is presented that the institution has a sound plan to address these needs and/or costs.

High Low

Comments:

2.I Evidence is provided that this project is the best of all known and reasonable alternatives.

High Low

Comments:

2.J Degree that the project would enhance institutional effectiveness/efficiencies with respect to programs and/or costs.

High Low

Comments:

2.K Degree that the amount of requested funds is justified for the project and does not represent an insufficient or extraordinary expenditure of resources.

High Low

Comments:

2.L Source(s) of funds requested are appropriate for the project.

High Low

Comments:

3. The proposed project demonstrates that it is not an unnecessary duplication of facilities.

Yes No

Comments:

3.A Degree that the project increases access and/or serves valid needs considering the existence of other available and suitable facilities.

High Low

Comments:

COMMISSION ACTION AND COMMENTS:

Action: Pursuant to the Nebraska Revised Statutes (Supp. 2007), Section 85-1414, the **staff** of the Coordinating Commission for Postsecondary Education recommends

Approve Disapprove

Comments:

APPENDIX B.

UNMC HOSPITAL/CLINIC CAPITAL CONSTRUCTION PROJECT REVIEW CRITERIA

Coordinating Commission for Postsecondary Education

UNMC Hospital/Clinic *Capital Construction Project* Review Criteria

Project Type and Size	Review Agency	Review Criteria
UNMC Hospital/Clinic <i>Capital Construction Project</i>		
Primarily Supports Public Service Role & Mission (under CON limit ⁸)	<i>Commission</i>	Appropriateness of state funds
Primarily Supports Public Service Role & Mission (over CON limit ¹)	Joint CON/ <i>Commission</i> Review	CON: Per Statute, State Health Plan, & Dept. of Health Regulations ⁹ Commission: Appropriateness of state funds
Includes Additional Space and/or Equipment to Support Instructional and/or Res. Missions (under CON limit ¹)	<i>Commission</i>	Per Statute, Statewide Facilities Plan, & <i>Commission</i> Rules & Procedures ¹⁰
Includes Additional Space and/or Equipment to Support Instructional and/or Research Missions (over CON limit ¹)	Joint CON/ <i>Commission</i> Review	CON: Per Statute, State Health Plan, & Dept. of Health Regulations ² Commission: Per Statute, Statewd. Facilities Plan, & <i>Com.</i> Rules/Proc. ³
UNMC Hospital/Clinic Construction Project Not Defined as a <i>Capital Construction Project</i>		
Project Size is Under CON limit. ¹	None	Not Applicable
Project Size is Over CON limit. ¹	CON	Per Statute, State Health Plan, and Department of Health Regulations ²

¹ Current CON limits are \$1,416,151 for capital expenditures, \$1,062,113 for clinical equipment purchases, and \$885,093 for new services or changes in services with a capital expenditure, or new services or changes in services with an annual operating expenditure over \$649,068.

² Major Certificate of Need (CON) Review Criteria Includes:

- Demonstrated need for health care services/facilities;
- No unnecessary duplication of services/facilities exists;
- Financial feasibility of proposal and effectiveness of proposal in holding down health care costs; and
- Provision of access and contribution to meeting the needs of under served groups.

³ Primary *Commission* Review Criteria for UNMC Hospital/Clinic *Capital Construction Projects* to Include:

- Demonstrated need for additional space/equipment to support instruction or research role and mission of UNMC (includes enlarged or additional rooms and/or additional equipment needs based on lower utilization from instruction/research);
- No unnecessary duplication of instructional/research space/equipment exists;
- Demonstrated need for additional Hospital/Clinic personnel; and
- Appropriateness of state funds for the proposal.

APPENDIX C.

CAPITAL PROJECT PRIORITIZATION FORM

Coordinating Commission for Postsecondary Education
Capital Project Prioritization Form for the 1997-99 Biennium

Example

Institution/Campus & Project Name:
Date of *Governing Board* Approval:
Date of *Commission* Approval:
Phasing Considerations:

Prioritization Criterion Number and Description	Awarded Points	Possible Points
1. Ranking of the project's facilities category according to the Statewide Facilities Plan. <i>Comments:</i>		30
2. Project contains a <i>governing board</i> "sector initiative." <i>Comments:</i>		10
3. Degree that the project complies with institutional long-range planning. <i>Comments:</i>		10
4. The immediacy of the need for the project. <i>Comments:</i>		10
5. The physical condition of the facilities and the ability of the space to function for the program. <i>Comments:</i>		10
6. Degree that the project demonstrates it is not an <i>unnecessary duplication of facilities</i>. <i>Comments:</i>		10
7. Degree that the amount of space requested demonstrates that it meets a program's needs. <i>Comments:</i>		5
8. Types of space associated with the project compared to statewide role and mission priorities. <i>Comments:</i>		5
9. Degree that the institution maintains its existing state facilities. <i>Comments:</i>		5
10. The potential long-term costs (or savings) associated with the project. <i>Comments:</i>		5
TOTAL POINTS		100
PERCENTAGE OF AWARDED POINTS/POSSIBLE POINTS		