

May 7, 2014

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Capital Development Prioritization (CDP) Cycle – Adoption of Priority Guidelines

Issue

Regents policy, R741, Capital Development Prioritization – CDP, requires the Regents to establish priority guidelines to be used in each Capital Facilities Evaluation Cycle. The materials that follow are prepared for that purpose.

Background

The purpose of this agenda item is to establish the priority guidelines stipulated in the policy that are designed to help institutions focus on the most pressing and critical needs of the system and to guide the subsequent use of the Regents' Priority Points in the final prioritization of the requested projects.

The attached guidelines are based on the provision of the policy that a portion of the points should be structured to apply to predetermined goals and objectives (Guideline Based Points) and that a portion be reserved for Regents' application after careful and deliberate evaluation of the most urgent needs and most significant opportunities for moving the higher education system forward as a whole (Discretionary Points). The relevant section of the policy is as follows:

**3.4.1. Regents' Priority Points** – *In addition to the "Scoring Points" of the projects, the Regents may award up to 25 additional points per institution. These points are designed to position institutions to further develop and enhance their assigned missions and roles, including projects to: improve existing facilities and restore building life, update existing space to meet current and emerging program requirements, changes in role and mission, emerging needs in branch and satellite campuses, projects for which a prior year commitment has been made, projects to resolve major infrastructure problems, etc.*

*These points, ranging from 0-25, are to be assigned discretionarily by the Regents in the context of the approved capital facilities priority guidelines, and after careful consideration of the relative importance and/or seriousness of the need for the affected projects as determined by the Regents. These points should be used in a consistent manner that enables USHE institutions to pursue strategic and long-term capital development planning while also providing the means to respond to external time-sensitive factors such as: the existing*

*funding climate; environmental, political, demographic, and economic development considerations; technological needs; et al.*

The attached [proposed] guidelines are unchanged from those used last year and that contributed to successful consideration by the Legislature. They provide for assignment of up to 10 “guideline points” based on the manner in which the proposed projects meet predetermined critical programmatic and infrastructure needs and how they address other high priority issues. The remaining 15 points are then awarded on a discretionary basis after careful evaluation of each project and conscientious consideration of those representing the most pressing and critical USHE needs. The stated goal of the use of these “discretionary points” is “to position institutions to further develop and enhance their assigned missions and roles” and “to give appropriate consideration to projects that respond straightforwardly in helping to achieve the goals and recommendations of the *HigherEdUtah 2020 Plan*.”

The use of these points is purposefully intended to provide flexibility in responding to:

- Enrollment pressures
- Serious major non-building infrastructure deficiencies
- Condition of facilities (including life safety as well as physical and functional obsolescence)
- Innovative and cost effective approaches to the delivery of instruction
- Enhancement and changes in role and mission of institutions
- Other evolving needs and opportunities

The practice of the Regents’ Capital Facilities Committee’s visits to each institution continues to be an important element in the process of evaluating the circumstances of each project requested to enable the Regents to become more familiar with the pressing needs and become focused on those that are the most critical. After this careful evaluation, the Committee will make a recommendation to the full board for application of the Regents’ Priority Points.

#### Commissioner’s Recommendation

The Commissioner recommends that the proposed guidelines and procedures be carefully considered by the Board, amended if deemed to be appropriate, and adopted for use in the upcoming CDP cycle.

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David L. Buhler  
Commissioner of Higher Education

DLB/GLS/WRH  
Attachment

USHE CDP PROJECT EVALUATION GUIDELINES FOR FY 2016 FUNDING CONSIDERATION  
Application of Regents Priority Points

**Step 3 - Analysis and Scoring of Needs** - The “Analysis and Scoring of Needs” component of the CDP process using space standards and driven primarily by growth in enrollment and staffing remains in force as do consideration for serious facility condition and functional obsolescence needs, donated and/or other non-state provided funds, and/or critical infrastructure defects.

**Step 4 – Prioritization of Projects for Funding Consideration** - After these issues have been dealt with in the scoring process, the Regents have a category of **Regents Priority Points** that they may use on a discretionary basis to address what are determined to be the most pressing and critical USHE needs. The proposed guidelines for prioritization of projects for FY 2016 funding consideration are as follows:

Guideline Based Points

**0-10 Points**

<p>Critical Programmatic and Infrastructure Needs</p> <ul style="list-style-type: none"> <li>• Imminent threats to daily operations and program delivery</li> <li>• Extraordinary economic development/competitive opportunities</li> <li>• Enhancement of critical programs (science, engineering, technology, etc.)</li> <li>• Facilities needs to achieve 2020 Plan goals</li> </ul>	10 Points
<p>High Priority Issues</p> <ul style="list-style-type: none"> <li>• Strategic Planning &amp; Time-sensitive Issues Branch and satellite campus development Significant changes in role and mission Mergers and Partnerships Emerging time-sensitive opportunities</li> <li>• Operational and Programmatic Efficiency Sustainability (energy conservation and efficiency) Operational Efficiency (optimization of O&amp;M costs) Innovative and cost effective delivery of academic programs Improved space utilization Eliminate functional obsolescence of equipment and space</li> </ul>	5-8 Points
<p>Fulfills a Non-Critical Need</p> <ul style="list-style-type: none"> <li>Core programmatic enhancement</li> <li>Strengthen program deficiencies</li> </ul>	3 Points
<p>Project Does Not Qualify for Regents’ Priority Points</p>	0 Points

Discretionary Points

**0-15 Points**

These points are designed to position institutions to further develop and enhance their assigned missions and roles (see R741.3.4.1). It also is the intent of the Regents to give appropriate consideration to projects that respond straightforwardly in helping to achieve the goals and recommendations of the *HigherEdUtah 2020 Plan*. Appropriate consideration will also be given to projects with prior approved Legislative planning funding.

**Total Regents Discretionary Points**

**25 Points**