To: Ithaca Campus College Officers and Division Finance Officers  
From: Mary-Lynn Cummings, Director of Capital & Space Planning  
Date: August 24, 2016  
Subject: Call for FY2018 Submissions for the Five-Year Capital Plan and Annual Capital Budget  

This annual call for capital plan submissions has, in the past, been sent to deans, vice presidents, and vice provosts. Because of the level of detail in this year’s call, and because Paul Streeter, Jim Kazda and I have met with many of you over the last several months, I’ve decided to direct this year’s call directly to the unit business leads. Please ensure your submission is complete and supported by your dean, vice president or vice provost.

The Longview Capital Planning Tool (CPT) is now open and available for units to submit capital needs and projects that will inform development of the FY2018-FY2022 five-year capital plan and FY2018 one-year capital budget with associated five-year spending. As discussed in the recent unit meetings, our intent is to move beyond the current emphasis on the one-year capital budget to develop a true five-year capital plan. We discussed our objectives, to:

- Improve planning for capital needs earlier in the process;
- Establish a prioritized list of needs that can shape the plan and planning decisions in future years, and
- Improve alignment of funding resources with priority needs.

The process to achieve these objectives will review needs against funding resources and university priorities and determine those needs that will be advanced for further planning and development.

In the unit meetings, we also shared a draft capital planning framework (a matrix) that identified proposed needs/projects greater than $5M in the rows and funding sources in the columns. As we explained in the meetings, the needs included in the draft were derived from the known list of buildings with the largest deferred maintenance backlogs (in total dollars, with 36 buildings included in the draft list that constituted half of the current estimated backlog of $1B) as well as projects known to be in development. Through the unit meetings, we identified several additional needs and projects in development that we have added to the list, now shown in Appendix 1. We have proposed an organization for the projects by category of activity (e.g., Substantial Renewal/Full Renewal, Substantial Renewal/Strategic Investments), although this is still draft and will be vetted through ongoing discussions between the units, Jim Kazda, and me.
Each one of these needs/projects should have at least one entry in Longview that substantiates the scope of work required to address the need.

For the FY2018 submission, units are expected to 1) review and modify those items already in the tool, 2) submit any newly identified needs and projects, and 3) prioritize the full list of unit needs and projects. In particular, I would like to emphasize the importance of identifying needs/projects greater than $3-5M that are not on the proposed priority list in Appendix 1; these should be entered into Longview with appropriate explanation of the need and scope in the project description field.

Any needs/projects submitted into the Longview CPT in 2014 or 2015 remain in the system and don’t need to be re-entered, although some may require updated descriptions, schedules, or budgets.

The FY2018 five-year plan will focus on strategic renewal and will be guided by the following principles and criteria:

- Program needs should be met through the re-use and redevelopment of existing space without the addition of net new space.
- Plans and projects should consider synergies and coordination between needs and resources, including addressing maintenance and renewal needs.
- Needs and projects may be submitted with funding plans for capital, operating, and renewal costs that are uncertain.

Other criteria of importance are health, life safety, risk reduction, compliance, asset protection, critical maintenance, cost savings/avoidance, and select “mission critical” programmatic and infrastructure improvements.

The capital planning process is changing with the focus on thoughtful and engaged development of a five-year plan, while also working at an appropriate level of detail to create a one-year capital budget. In recognition of the changing process and the understanding that many of you may have questions, I will be scheduling calls with each of you over the next several weeks. In the meantime, please don’t hesitate to contact me should you have an urgent question or issue that has the potential to delay your unit planning process.

**Specific Instructions for Capital Plan Submissions**

All capital needs and projects with an estimated budget of $250,000 or greater and all plans to enter into new lease arrangements or extend existing leases with a net present value of $250,000 or greater should be entered into Longview CPT.

All anticipated capital spending activity for FY2018 that will be funded by the operating budget will need to be clearly identified and funded in the FY2018 operating plan.
Almost all fields in Longview CPT are currently set as mandatory, requiring a response, although many default to 0 (zero) and/or 0 (zero) some other null value can be entered to satisfy the mandatory requirement. I am working with several “super-users” to reduce the number of required fields in the system, but we have not yet implemented any changes. In the meantime, please focus on the short and long descriptions and the short and long justifications, as the information units submit in these fields is most helpful in supporting ongoing discussions.

All projects should be included with a total project budget, even if the budget is an order of magnitude estimate or guess. If the funding source is not yet identified or only partially identified, then the amount of the uncertain budget amount should be entered under “Third Party Developer” as the source and a note should be added to the long description field that indicates that some or all of the funding sources are TBD.

Debt is not available as a funding source in FY2018. Future availability of debt remains uncertain, so debt should not be entered as a funding source for any future year. In such cases where a project may need to rely on debt for some or all of the total project budget, that amount the unit wants to apply to debt should be entered under “Third Party Developer” as noted above.

Units should contact me to discuss questions regarding project descriptions, timing, budgets, etc.

Technical Resources:

- The current access list is attached as Appendix 2.
- Changes to the access list and all other questions about Longview CPT functionality, including any technical problems, should be sent to cp-help@cornell.edu.
- Information about Longview CPT, including the user guide, upcoming training and workshop sessions, and links to FY2017 reports can be found at http://dbp.cornell.edu/home/offices/capital-budget-integrated-planning/capital-planning/longview-for-capital-planning/. Please note that the call letter posted on the main Capital Planning Resources page (http://dbp.cornell.edu/home/offices/capital-budget-integrated-planning/capital-planning/) is from last year and will be updated as soon as IT resources become available the week of August 29th.
- Also note that the Project Funding Guidelines have been revised this summer; the changes are being brought to CF&PC on August 25th, and if approved, the new guidance will be posted the week of August 29th.

Units should submit planned capital activity into Longview CPT no later than October 14, 2016.

cc: Mike Kotlikoff  Jim Kazda
     Davina Desnoes  Paul Streeter