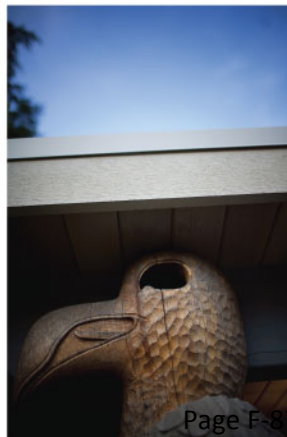


# “Capital Planning 102”

## Long-range Capital Plan Development Process

Finance and Administration Committee – January 15, 2015



# Plan Objectives

**Oregon State University 's Capital Plan integrates major and minor academic program and infrastructure needs /solutions and creates a capital investment portfolio framework. The framework will serve as the foundation for future development of the annual capital budget and annual update of our long-range plan.**

- **Integration:** OSU's Capital Plan will identify all capital projects, programs, potential fund sources and timelines as a current-to-date summary of potential future capital investment opportunities.
- **Investment Prioritization:** Investment/Benefit criteria which directly support OSU's Strategic Plan 3.0, provide positive impact to operating budget efficiencies, and leverage funding opportunities.
- **State Capital Resources:** OSU's capital needs will continue to require much more than the State of Oregon can likely support - particularly infrastructure and the burgeoning deferred maintenance recapitalization requirements necessary to support our core teaching and research missions.
- **Resource Partnerships:** OSU will actively explore potential public-private partnerships critical in fulfilling the capital investment approaches and priorities in our Long-range Capital Plan. In addition, program planning activities with OSU colleges/schools/campuses will continue to clarify high-priority philanthropic opportunities for pursuit by the OSU Foundation.

# Projected Board of Trustees Deliverables

## **Annual and 10-Year-Rolling Capital Plan Update**

- Consolidated University-wide and school/college/unit capital and space requests reports
- Projected capital costs from benchmarks database
- Projected square foot and infrastructure capacity impacts and associated projected costs
- Projected schedule – Cash flow analytics
- Available funding – Including requests for central funds/debt capacity and all other potential fund sources
- Annual operating and maintenance costs

## **Annual Capital Funding Opportunities Update**

- Philanthropy – Feasibility confirmed by the OSU Foundation
- Debt – Capacity and affordability analytics
- Reserves – Colleges/schools/units
- Public-private partnership opportunities

## **Semi-Annual Report on “Approved Projects” in Planning, Design, and Construction**

- Budget/expenditure, program, and schedule updates
- Constraints and opportunities summaries

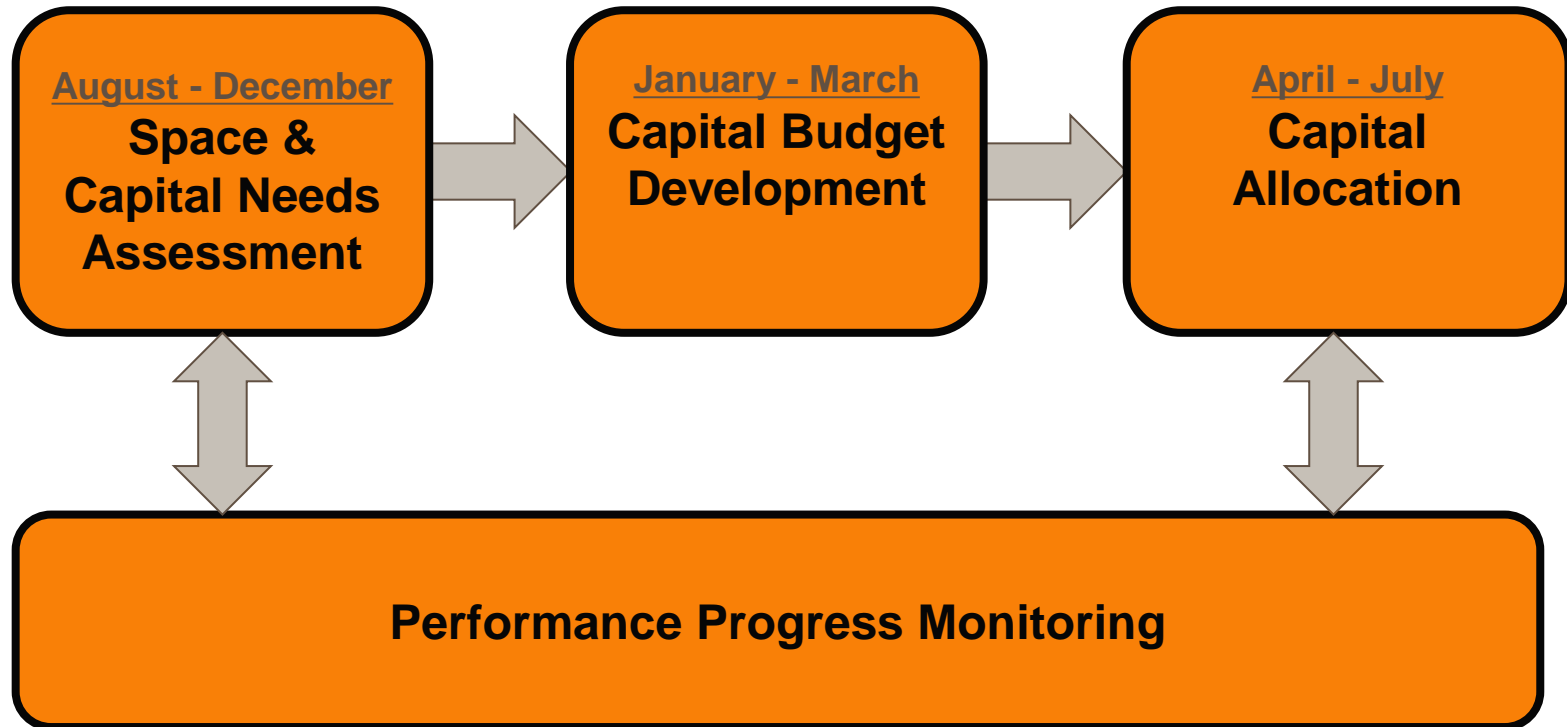
# Key Recent Actions

## 1. Capital Investment Request Solicitation: July-September 2014

- Vice President for Finance & Administration solicited requests for **major (>\$5M) and minor (<\$5M) capital investments** from all OSU colleges, schools and major administrative units, IT and infrastructure work groups, Hatfield Marine Science Center, and OSU-Cascades
- Requests solicited for **space assets** from all OSU colleges and schools, IT and infrastructure work groups, Hatfield Marine Science Center, and OSU-Cascades
- Requested prioritization of capital and space needs in three timeframes:
  - Short Term: 1-2 Years
  - Mid Term: 3-5 Years
  - Long Term: 5-10 years
- Major requests > \$5M
  - New buildings, renovations, and major infrastructure investments
- Minor requests < \$5M
  - Program renewal/renovation needs including instructional space improvements
  - Capital-related planning/feasibility assessments
  - Building systems renewal
  - Campus-wide infrastructure systems

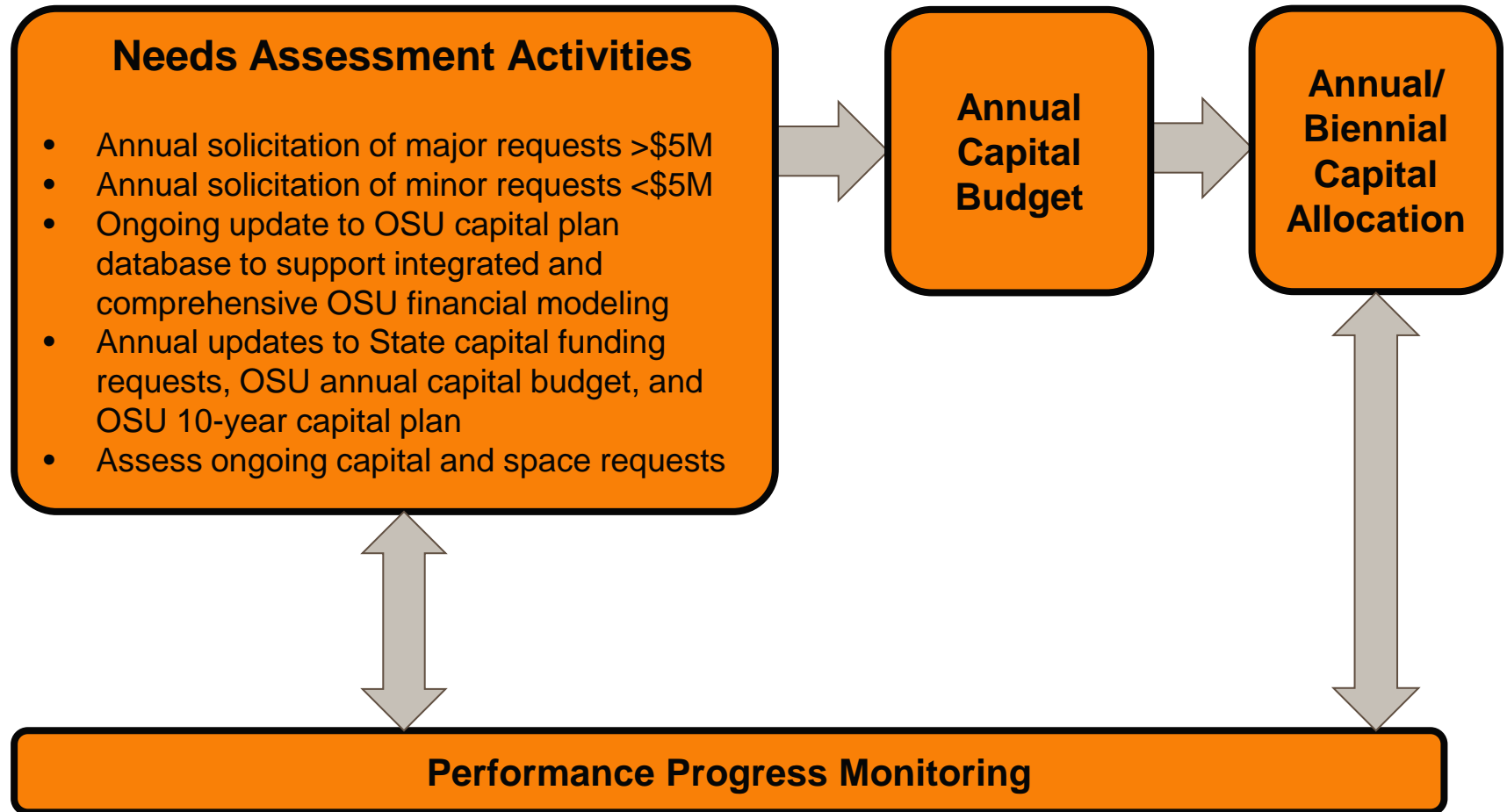
## 2. OSU Capital Planning Database Development: August-December 2014

# OSU Annual and 10-Year Capital Plan Process



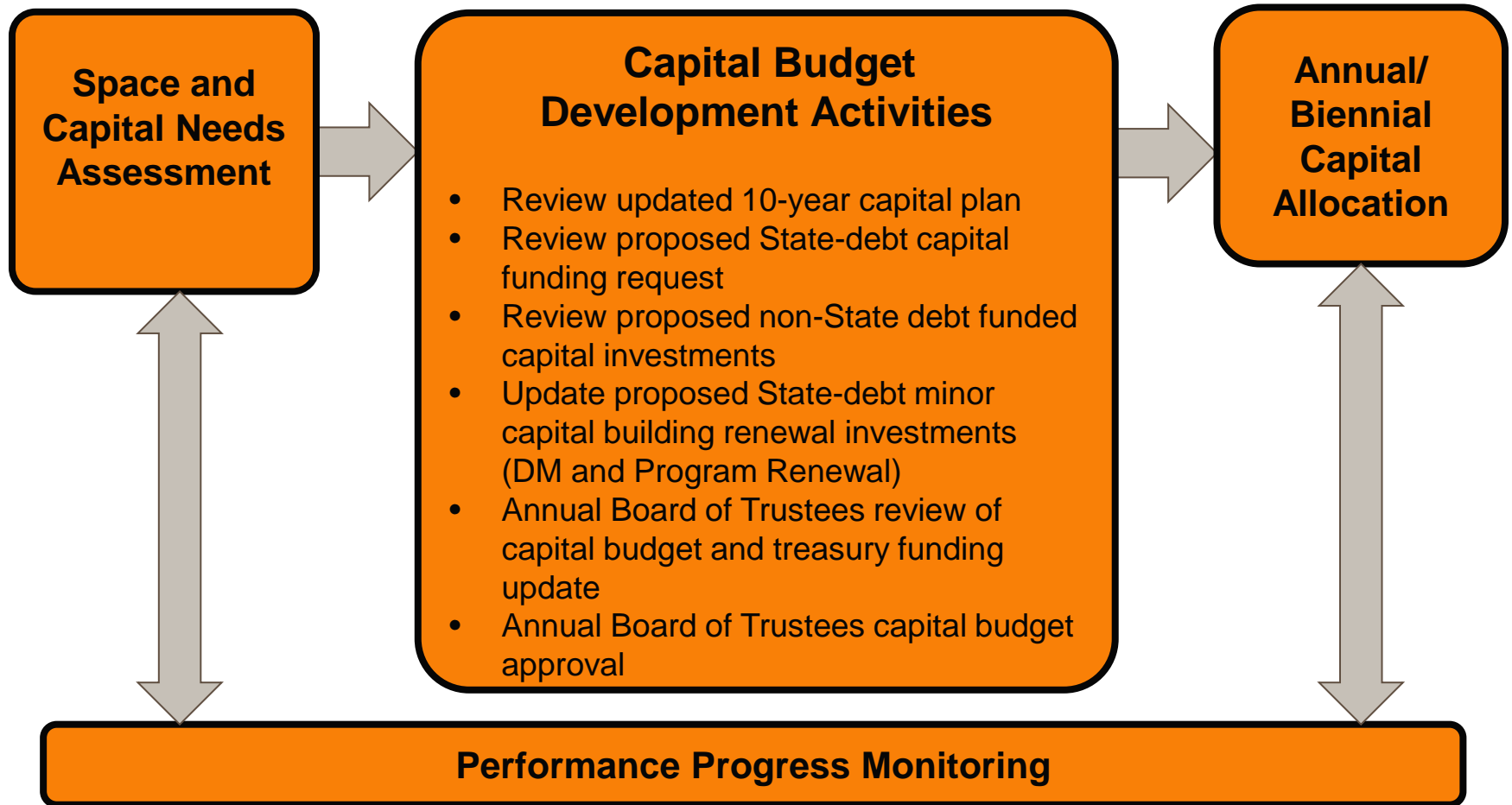
# OSU Annual and 10-Year Capital Plan Process

## Annual Needs Assessment



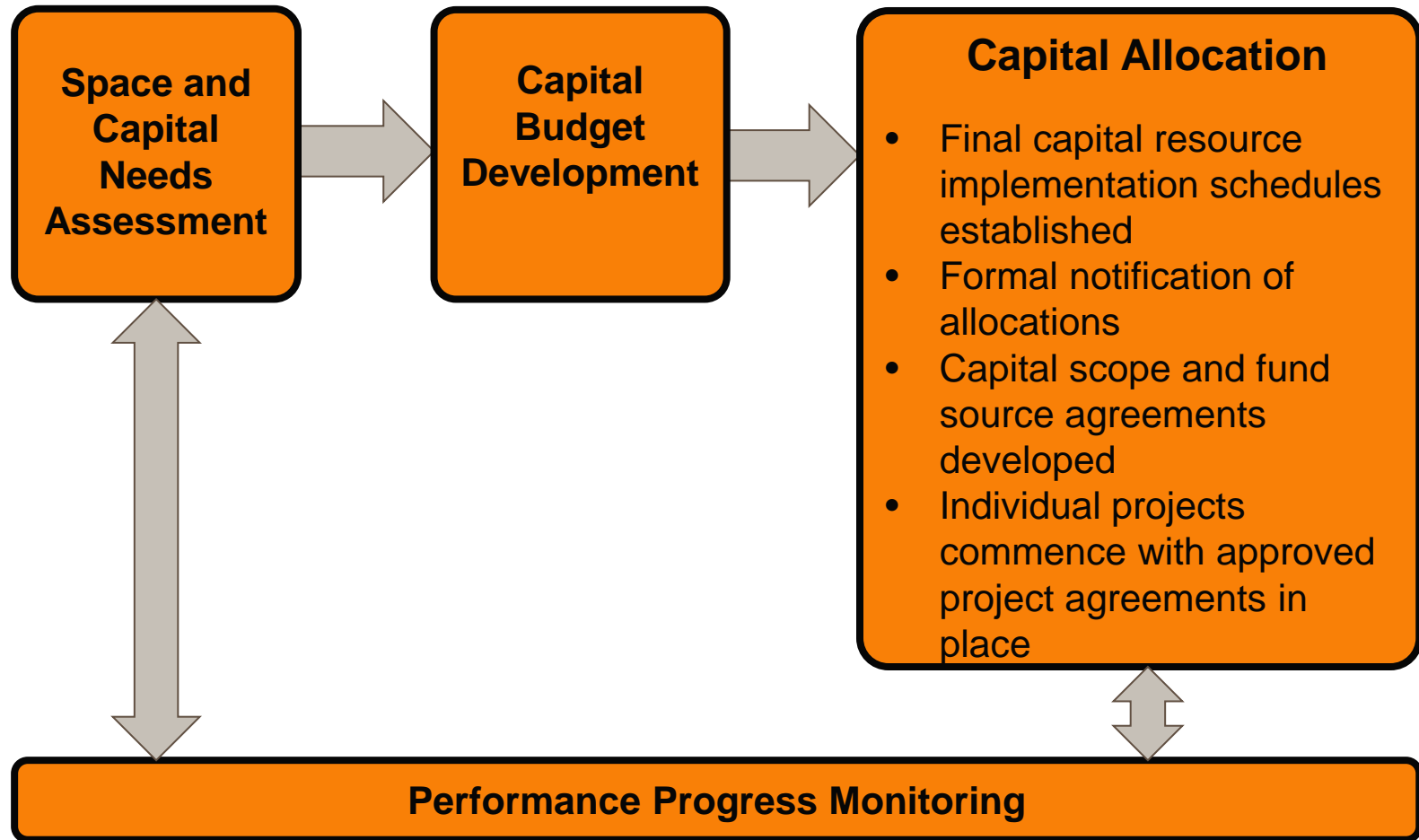
# OSU Annual and 10-Year Capital Plan Process

## Annual Capital Budget Development



# OSU Annual and 10-Year Capital Plan Process

## Annual Capital Allocation





# Questions?



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