

Project Management Bootcamp Webinars

# Capital Improvement Budgets (CIBs) - Day 2

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# Agenda – Day 2

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- a. Quick review of Day 1
- b. Sources and Uses: Budget Actions
- c. Special Cases: Budget Changes (example of an augmentation)
- d. Questions



# Review: Cost Classification

- Sub 0: Site Clearance
- Sub 1: Building
- Sub 2: Exterior Utilities
- Sub 3: Group 2 & 3 Equipment
- Sub 4: Site Development
- Sub 5: Consultant Fees
- Sub 6: Internal Fees
- Sub 7: Surveys, Tests, Plans
- Sub 8: Special Items
- Sub 9: Contingency
  
- **Total Construction (hard) = Subs 0, 1, 2, 4**
- **Total P-W-C = 0–2 & 4-9 and excludes 3**
- **Guidelines: [https://www.ucop.edu/capital-planning/files/documents/GFF Guidelines CIB-SectionC-Costs.pdf](https://www.ucop.edu/capital-planning/files/documents/GFF_Guidelines_CIB-SectionC-Costs.pdf)**

# Action Item: CIB and Sources and Uses

D FINANCING				
<b>Fund Source</b>		[insert fund source(s)]	\$	
Auxiliary Resources		[insert fund source(s)]		
Campus Funds		[insert fund source(s)]		
External Financing		[insert fund source(s)]		
Federal Grant		[insert fund source(s)]		
Gift Funds		[insert fund source(s)]		
Hospital Reserves		[insert fund source(s)]		
Other Grants				
Other University Systemwide Funds				
State Grant				
State General Funds (includes Pay-As-You-Go)				
State General Funds Financed (a form of external financing)				
State General Obligation Bond				
University Fee Reserves				
		<b>TOTAL</b>	\$ -	

<b>PROJECT SOURCES AND USES</b>		
<b>FOLSOM MEDICAL OFFICE BUILDING SURGERY CENTER</b>		
<b><u>Sources</u></b>	<b><u>Total</u></b>	<b><u>% of Total</u></b>
Hospital Reserves	\$70,890,000	40.3%
External Financing	\$100,800,000	59.7%
<b>Total Sources</b>	<b>\$171,690,000</b>	<b>100%</b>

# Action Item: CIB and Sources and Uses

## PROJECT SOURCES AND USES

### FOLSOM MEDICAL OFFICE BUILDING SURGERY CENTER

#### USES

<u>Cost Category</u>	<u>Total</u>	<u>% of Total<sup>(1)</sup></u>
Site Clearance Building	\$92,712,000	63.5%
Exterior Utilities		
Site Development	\$24,427,000	16.7%
A&E Fees <sup>(2)</sup>	\$14,045,000	9.6%
Campus Administration <sup>(3)</sup>	\$2,768,000	1.9%
Surveys, Test, and Plans <sup>(4)</sup>	\$2,158,000	1.5%
Special Items <sup>(5)</sup>	\$3,239,000	2.2%
Project Contingency	\$6,623,000	4.5%
<b>Subtotal (P-W-C Cost)</b>	<b>\$145,972,000</b>	<b>100%</b>
Group 2 & 3 Equipment	\$25,718,000	
Project Total	\$171,690,000	
<b>GRAND TOTAL</b>	<b>\$171,690,000</b>	

- (1) Because of rounding, some totals may not correspond with the sum of the separate parts.  
(2) A&E Fees include architect, professional design consultants, and external project/construction management.  
(3) Campus Administration includes project management, planning, engineering, and design review.  
(4) Surveys, Tests, and Plans include geotechnical soil borings, site surveying, and other design-phase testing.  
(5) Special Items include programming, CEQA documentation, peer reviews, specialty consultants, and agency fees.

# Budget Action: P Funding Approval

## PRELIMINARY PLANS BUDGET

### CENTRAL UTILITY PLANT EXPANSION, UC DAVIS HEALTH CAMPUS

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
A&E Fees <sup>(1)</sup>	\$12,462,000	83.0%
Campus Administration <sup>(2)</sup>	\$260,000	2.0%
Surveys, Test, and Plans <sup>(3)</sup>	\$1,583,000	11.0%
Special Items <sup>(4)</sup>	\$695,000	4.0%
<b>TOTAL PRELIMINARY PLANS BUDGET</b>	<b>\$15,000,000</b>	<b>100%</b>

#### Notes:

- (1) A&E Fees include Architect and design professional consultants, and external project/construction management.
- (2) Campus Administration includes project management, planning, engineering, and design review through design development.
- (3) Surveys, Tests, and Plans include geotechnical soil borings, site surveying, and other design-phase testing as necessary.
- (4) Special Items include programming, CEQA documentation, peer reviews, specialty consultants, and agency fees.

# Special Cases: CIB for an Augmentation

<u>Project Source</u>	Approved Budget August <u>2018</u>	Proposed <u>Change</u>	Proposed Budget March <u>2020</u>	% of <u>Total</u>
Hospital Reserves	\$22,880,000	\$13,420,000	\$36,300,000	100%
<b>Total Sources</b>	<b>\$22,880,000</b>	<b>\$13,420,000</b>	<b>\$36,300,000</b>	<b>100%</b>

<u>Project Uses</u>	Approved Budget August <u>2018</u>	Proposed <u>Change</u>	Proposed Budget <u>March 2020</u>	% of <u>Total</u>
Site Clearance Building	\$16,000,000	\$10,900,000	\$26,900,000	74.1%
Exterior Utilities Site Development				
A/E Fees	\$3,750,000	\$550,000	\$4,300,000	11.9%
Campus Administration	\$1,350,000	\$300,000	\$1,650,000	4.5%
Surveys, Tests, Plans	\$540,000	\$300,000	\$840,000	2.3%
Special Items	\$240,000	\$220,000	\$460,000	1.3%
Contingency	\$1,000,000	\$1,150,000	\$2,150,000	5.9%
<b>Total P-W-C</b>	<b>\$22,880,000</b>	<b>\$13,420,000</b>	<b>\$36,300,000</b>	<b>100%</b>
Group 2 & 3 Equipment				
<b>Total Project</b>	<b>\$22,880,000</b>	<b>\$13,420,000</b>	<b>\$36,300,000</b>	<b>100%</b>



# Finishing the CIB Form and Reminder on Post-Construction and Closeout CIBs

- Add additional notes to the Status of Project (section D) and Notes (section H) as needed.
- Funding References (Section B) is used to include account information. The section is rarely used.
- Construction Cost Analysis (Section G). Not used.
- A .pdf of the signed CIB can be loaded into the Oracle Capital Projects Database.

## Status of Project

- Approval to Start Construction Phase
- Budget Augmentation
- Budget Reduction
- **Closeout**
- Construction Phase
- Equipment Phase
- Original Budget Approval
- **Post Construction**
- Pre-Qualification Questionnaire
- Preliminary Plans Funding Approval
- Preliminary Plans Phase
- RFQ for Design Professional
- Request for Cost Proposal
- Scope Change
- Study Phase
- Working Drawing Funding Approval
- Working Drawings Phase
- Other (add notes)

Applies to projects over \$10 million:

- A **Post Construction CIB** is completed approximately 60 days after the filing of the Notice of Completion. This data will be reflected in the “Major Capital Projects Report.”
- A **Closeout CIB** is completed after a project has been closed out.

# Resources

## **Guidelines For Preparing Section C: Costs of the Project Capital Improvement Budget (CIB)**

[https://www.ucop.edu/capital-planning/\\_files/documents/GFF\\_Guidelines\\_CIB-SectionC-Costs.pdf](https://www.ucop.edu/capital-planning/_files/documents/GFF_Guidelines_CIB-SectionC-Costs.pdf)

## **Facilities Manual, Volume 2 (Planning), Chapter 7 (Capital Planning and Real Estate Approvals)**

<https://www.ucop.edu/construction-services/facilities-manual/volume-2/index.html>

- Include links to:
  - Relevant Regents Policies and
  - Delegation of Authority 2629 (documents authority delegated to the Chancellors)



Questions?