



**TO:** Chief Executive Officers  
Chief Business Officers  
Facilities Directors  
Other Interested Parties

**FROM:** Hoang Nguyen, Director  
Facilities Planning and Utilization Unit  
College Finance and Facilities Planning Division

**RE:** Five-Year Construction Plans and Capital Outlay Proposals due July 1, 2026

---

Districts must submit the 2028-32 Five-Year Construction Plans and capital outlay project proposals to the Chancellor's Office by July 1, 2026. Districts are limited to one new start project, Final Project Proposal (FPP), per state approved site, every other fiscal year (FY) beginning with FY 2028-29. If a site received approval for a potential new project beginning in 2027-28, the district may not submit an FPP for a new project at the same site for state funding for FY 2028-29.

The Chancellor's Office is working closely with the Department of Finance to allocate Proposition 2 and other remaining bond funds.

### **2027-28 Recap**

The Chancellor's Office will submit the 2027-28 draft spending plan to the Board of Governors (Board) for approval. Placement on the draft 2027-28 spending plan does not guarantee that the project will receive state funding and will be contingent upon final Department of Finance approval. The Chancellor's Office is budgeting to be able to escalate construction costs of these projects, however there may or may not be support for a second escalation if the construction appropriation is delayed. The district's specialist can provide clarification regarding the list of 2027-28 FPP approved projects proposed in our 2027-28 draft spending plan.

### **2028-29 Spending Plan**

To allow as many districts as possible to compete for state bond funds, the Chancellor's Office will develop the 2028-29 spending plan using a "zero-based" budgeting method. The "zero-based" budgeting method ensures that the highest priority projects are included in the state's annual capital outlay plan. All eligible "new start" proposals (2028-29 FPPs) compete each year for available state funding. The FPPs which do not receive an appropriation or are not included in any budget year have no special status in subsequent budget years; the FPPs must be resubmitted to

## **Five-Year Construction Plans and Capital Outlay Proposals**

March 9, 2026

compete for future state funding consideration. When deciding whether to resubmit a FPP or develop an Initial Project Proposal (IPP) into an FPP, please consider that state funding is dependent on the availability of unallocated state general obligation bond funds.

FUSION incorporates the standardized cost model that districts are required to use when preparing, developing, and submitting IPPs and FPPs for state funding consideration. All IPP and FPP submissions must be developed and submitted through FUSION. Submissions that rely on external workbooks or alternative cost-modeling tools will be considered ineligible.

### **FPPs**

Districts may develop and submit a 2028-29 FPP from the attached list of “Initial Project Proposal-Approved” projects. This list reflects those proposals that may be eligible for 2028-29 state capital outlay bond funding. The FPP forms are in Appendix E of the Facilities Planning Manual (see attachments for manual). Additionally, sample floor plans can be found in Appendix F and the FPP Completion Checklist can be found in Appendix H. A State Administrative Manual (SAM) narrative guidance document, which includes sample text and instructions, is attached with this memorandum. In addition, please provide the economic analysis matrix as an attachment to the FPP.

Please take into consideration that state funding and approval of FPPs are dependent on the availability of remaining bond funds and whether the 2028-29 FPP is eligible to compete for state bond funds. Please ensure the district has allocated local funds to meet their financial commitment articulated in the FPP, specifically the Junior College Accounting Form (JCAF) 32, and the funding commitment is not dependent on a future local bond measure.

Beginning with this new plan year, if your district has a campus that received an FPP approved project in the prior plan year, you may not submit a new FPP for the same campus. Going forward, campuses may only be awarded a new state project every other year. This change is intended to help spread state funding around to more campuses. If the FPP approved project is determined to no longer be moving forward, please contact your Facilities Planning analyst if you wish to submit a new FPP in the current year, at your own risk. Please contact and consult with your specialist if the district has identified a Category A FPP. Please see the “Contact” section below for additional guidance.

To support the Chancellor’s Office in evaluating the scoring metrics associated with Career Technical Education (CTE) points in your physical education or gymnasium FPP submissions,

districts should identify on the JCAF 31 which spaces are proposed to qualify for CTE points. Please note that non-state-supportable (NSS) CTE spaces are not eligible. This requirement is expected to be temporary, as the system transitions from using Taxonomy of Programs (TOP) codes to Classification of Instructional Programs (CIP) codes. Additional details are provided in the section below.

### **Non-State Supportable Costs**

Districts are strongly encouraged to disclose all NSS costs exceeding the maximum building guideline allowance in the project proposal and the reasoning for the costs in the 12.1 *Justification for Additional Costs Exceeding Guidelines* of the FPP. The Chancellor's Office and Department of Finance have concerns about the potential for project costs to increase substantially at future milestones and the ability of the district to continue funding the local commitment at FPP. This has potential to cause a delay in approval of preliminary plans, working drawings, and/or construction release due to increased costs requiring additional approvals by the Department of Finance, State Public Works Board (PWB), and Joint Legislative Budget Committee (JLBC). Districts must allow additional time to obtain Department of Finance, PWB, and JLBC approval. The mandatory approval process may delay approval of your request package. Districts must articulate the following:

1. What percentage of the project cost is due to anticipated regional construction cost overage or other cost drivers?
2. What specific local fund(s) is the district proposing to fund the anticipated overage, i.e., additional costs exceeding state guidelines.
3. Are any district funds being shifted from other projects?
4. What impact will the NSS costs have on the district's ability to complete other capital improvements as part of their local capital outlay program?

### **Seismic Surveys**

A seismic survey will be required for 2028-29 FPP renovation projects. Due to the Division of the State Architect's (DSA) seismic Interpretation of Regulations (IR), the Department of Finance is requesting that districts submit a seismic survey with their Preliminary Plans submission for Category M (Modernization) projects.

### **Department of Finance**

The Department of Finance has requested that the SAM narrative responses include information about how each project addresses programmatic and infrastructure deficiencies and needs and

## Five-Year Construction Plans and Capital Outlay Proposals

March 9, 2026

reflects the district's highest priority. The abstract section of the narrative shall include full state and local costs of the project. Further, the Department of Finance has requested that all project proposals provide a local commitment for all submitted project proposals (FPPs) and that 100 percent of the equipment phase for all state-funded projects is funded locally. Include the cost of the equipment phase in the state-supportable district cost section of the JCAF 32 in FUSION.

### CCCI/EPI

Project proposals (2028-29 FPPs and 2029-30 IPPs) must be developed using the current California Construction Cost Index (CCCI) 10258, Equipment Price Index (EPI) 5860, and inspection allowance of \$20,880 per month. Please do not escalate costs to the mid-point of construction. The Chancellor's Office will escalate costs using the methodology approved by the Department of Finance.

### IPPs

Districts may submit new 2029-30 Initial Project Proposals (IPPs). In addition, districts must resubmit any previously approved IPPs not developed into FPPs for state funding consideration in 2028-29, if the district wants the project considered for state funding in fiscal year 2029-30 (i.e., a 2029-30 IPP). Please submit no more than two (2) IPPs per state-approved site. It is incumbent on the districts to provide well-developed projects, consistent with state priorities, with the appropriate justification, so the Chancellor's Office can set clear priorities and successfully advocate on behalf of the district for a project throughout the capital outlay and state budget process.

### Action/Date Requested

Please provide the documents listed below to your Chancellor's Office, Facilities Planning analyst by July 1, 2026. District 2028-32 Five-Year Construction Plans, 2028-29 FPPs and 2029-30 IPPs must be developed in FUSION.

| DOCUMENT                                     | ACTION REQUESTED   |
|--|--|
| 2028-32 District Five-Year Construction Plan | "Submit" electronically in FUSION and email a signed copy to your analyst. |
| 2028-29 Final Project Proposals              | "Submit" electronically in FUSION and email a signed copy to your analyst. |
| 2029-30 Initial Project Proposals*           | "Submit" electronically in FUSION and email a signed copy to your analyst. |

## **Five-Year Construction Plans and Capital Outlay Proposals**

March 9, 2026

\*All 2028-29 IPPs not developed into FPPs must be resubmitted as 2029-30 IPPs to be eligible for state funding consideration.

### **FUSION**

In the year ahead, FUSION is working on interface enhancements designed to create a more streamlined, consistent, and user-friendly experience across the platform. Work is being done on implementing Appcues across modules, which is an in-platform guidance tool that provides definitions and step-by-step support to help users better navigate features and functionality.

New training materials will be launched through the Vision Resource Center to further support FUSION users. The [Vision Resource Center](#) offers all employees in the California Community Colleges equitable access to professional development opportunities while supporting our efforts to achieve the goals outlined in Vision 2030. You must be logged into the platform before accessing these resources.

For assistance, please take a look at the [FUSION help desk](#) which offers a variety of training videos and articles. Users can also submit questions or requests directly through the support center.

**FUSION will be offline starting March 13, 2026, at 5:00 PM and will be back online on March 16, 2026, at 8:00 AM.** Districts will be able to start the new 5 Year Plans at that time.

### **Affordable Student Housing**

The [Chancellor's Office Student Housing Unit](#) is requesting proposals to be submitted, please look to the Student Housing memo for further information.

### **TOP to CIP Code Transition**

As part of statewide curriculum modernization and [Common Course Numbering](#) implementation, the California Community Colleges will replace TOP codes with CIP codes for all programs and courses. This transition ensures stronger data integrity, streamlined reporting, and improved coordination across systems. Please visit the [TOP to CIP Code Transition Project](#) website for more information. FUSION will eventually replace TOP codes with CIP codes as part of its planned system updates as part of this transition. The Chancellor's Office will communicate the update to the system and offer corresponding training.

### **Contact**

Districts that intend to submit a Category A FPP are strongly advised to contact their Chancellor's Office Facilities Planning analyst as soon as possible and encouraged to consult Appendix B

## **Five-Year Construction Plans and Capital Outlay Proposals**

March 9, 2026

(Category A Projects) located in the Facilities Planning Manual. For Category A FPPs, districts must include any third-party independent studies and/or reports which identifies the critical issues. Our directory of district assignments and staff contact information is attached with this memorandum.

Thank you for your support of the California Community Colleges capital outlay bond program. Please do not hesitate to call or email your analyst if you need additional information or assistance.

### ***Attachments***

Facilities Planning Manual

2020 Revision BOG Policy on Capital Outlay Program Priorities

2020 Revision BOG Policy on Utilization and Space Standards

SAM Narrative Guidance

FPU District Assignments

List of IPPs