



**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 Major Capital Outlay Proposals due August 1, 2021

---

Districts must submit their 2023-27 Five-Year Construction Plans and capital outlay project proposals to the Chancellor's Office by August 1, 2021. Districts are limited to submitting one Final Project Proposal (FPP), per site, per year.

#### **2022-23 Recap**

The Chancellor's Office will submit the 2022-23 draft spending plan to the Board of Governors (Board) for approval. Placement on the draft 2022-23 spending plan does **not** guarantee that the project will receive state funding. The district's Specialist can provide assistance in clarifying which projects are on the draft spending plan.

#### **2023-24 Spending Plan**

To allow as many districts as possible to compete for state bond funds, the Chancellor's Office will develop the 2023-24 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 (2023-24 FPPs) compete each year for available state funding. The FPPs, which are not included in the Governor's Budget, do not have special status in subsequent budget years; FPPs must be re-submitted for future funding consideration.

Continuing with the 2023-24 spending plan, all project proposals must be submitted in FUSION as either a Category A – Life and Safety, Category G – Growth, or Category M – Modernization project. Please review the section below "Looking Toward the Future" for more information.

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

March 19, 2021

### **FPPs**

Districts may submit a 2023-24 FPP from the attached list of “Initial Project Proposal-approved” projects. This list reflects those proposals that may be eligible to compete for 2023-24 state capital outlay funding. The FPP forms are located in Appendix B 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. For Category A – Life and Safety proposals, please include any third-party independent studies and/or reports, which identifies the critical life-safety issues.

### **Replacement costs**

Please be aware that the Division of State Architects (DSA) will be releasing an updated Interpretation of Regulations (IR) in the near future to better define the 50% replacement costs threshold requiring seismic retrofit replacements. At the time of this guidance, the IR is not yet released and DSA will be working with members of a new state subcommittee to standardize methods for calculating these costs in FUSION. If you have questions or concerns, please speak to your Specialist.

### **Department of Finance**

The Department of Finance (Finance) has requested that the narrative responses to the SAM include information about how each project addresses needs and reflects the district’s highest priority. The abstract section of the narrative shall include full state and local costs of the project. Further, Finance has requested that districts must include a local contribution, minimum 25%, for all submitted project proposals (FPPs and IPPs) and that 100 percent of the equipment phase for all projects be funded locally. Include the cost of the equipment phase in the state-supportable district cost section of the Junior College Accounting Form (JCAF) 32 in FUSION. If districts are unable to contribute the minimum 25 percent, please see attached 2020 Revision BOG Policy on Capital Outlay Program Priorities and SAM Narrative Guidance on how to demonstrate hardship.

### **CCCI/EPI**

Project proposals (2023-24 FPPs) must be developed using the current California Construction Cost Index (CCCI) 7120, Equipment Price Index (EPI) 3843, and inspection allowance of \$14,493 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 Finance.

**IPPs**

Districts may submit new 2024-25 Initial Project Proposals (IPPs). In addition, districts must resubmit any previously approved IPPs not developed into FPPs for state funding consideration in 2023-24, if the district wants the project considered for state funding in fiscal year 2024-25 (i.e., a 2024-25 IPP).

**Action/Date Requested**

Please provide the documents listed below to your Chancellor's Office Facilities Planning Specialist by August 1, 2021. District 2023-27 Five-Year Construction Plans, 2023-24 FPPs and 2024-25 IPPs must be developed in FUSION.

DOCUMENT	ACTION REQUESTED
2023-27 District Five-Year Construction Plan	“Submit” electronically in FUSION and mail 1 hard copy with original signature.
2023-24 Final Project Proposals	“Submit” electronically in FUSION and mail 2 hard copies (1 with original signatures).
2024-25 Initial Project Proposals*	“Submit” electronically in FUSION and mail 1 hard copy with original signature.

\*All 2023-24 IPPs not developed into FPPs must be resubmitted as 2024-25 IPPs to be eligible to compete for state funding consideration.

**Looking Toward the Future**

With the adoption of the [\*Vision for Success\*](#) and at the direction of the Board, the Chancellor’s Office and the Association of Chief Business Officials Facilities Advisory Committee has evaluated the capital outlay program to align with statewide efforts towards improving student success. The former project categories (i.e. categories A-F) have been collapsed into three categories: Category A –Life and Safety, Category G – Growth, and Category M. Continuing with the 2023-24 spending plan, all FPPs submitted for funding consideration will be evaluated using the new scoring metrics. Additional information on the scoring system is attached – 2020 Revision BOG Policy on Capital Outlay Program Priorities.

Another important component of aligning the priority criteria and funding categories scoring system with the Vision for Success entails updating the Board of Governors Policy on Utilization and Space Standards, which was last adopted in 2010. The new policy increases Office Room Type standards by 25 percent and increases Lecture Room Type standards by 33 percent. In addition,

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

March 19, 2021

5,000 FTES will now be used to signify districts as a small community college district for the office space standards. Additional information on Utilization and Space Standards is attached – 2020 Revision BOG Policy on Utilization and Space Standards.

There are currently plans for a new statewide general obligation bond measure in FY 2023-24 for 2 billion dollars in state supported capital outlay projects. If passed, it will provide the necessary funding for the Chancellor's Office to approve an array of new FPPs over the coming years. The Chancellor's Office will issue an updated memorandum as more information is known.

### **FUSION**

The Foundation for California Community Colleges, with input and testing from both districts and the Chancellor's Office, plans to start releasing updates to FUSION beginning on March 19, 2021. These changes are intended to improve the user experience by making it easier to navigate, improve workflow, track changes, and improve calculations made in FUSION. As these changes roll out over the coming months, improvements will continue to be made. Links to training videos are available as you first login to FUSION in the download section on the right-hand of the page and further opportunities for training on FUSION changes will be upcoming. Please be on the lookout for future training announcements.

**FUSION will be offline for maintenance and updates starting March 19<sup>th</sup> at 5:00pm. FUSION will be back online on March 24<sup>th</sup> at 8:00 am.** Please contact Shirley Asher at [sasher@foundationccc.org](mailto:sasher@foundationccc.org) if you have any questions.

### **Contact**

If a district intends to submit a Category A – Life and Safety FPP, districts are strongly advised to contact their Specialist early in the development/planning process. Attached is our directory of district assignments and staff contact information.

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

### ***Attachments***

2020 Revision BOG Policy on Capital Outlay Program Priorities

2020 Revision BOG Policy on Utilization and Space Standards

SAM Narrative Guidance

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

March 19, 2021

Facilities Planning Manual

FPU District Assignments

List of IPPs