

Attachment 3:

**Budget Instructions for the
Capital Improvements Program**

Supplemental Year 2008-2009



May 29, 2007

MEMORANDUM

TO: Chancellor Konan
Chancellor Tseng
Chancellor Awakuni
Vice President Morton

FROM: David McClain
President

A handwritten signature of David McClain in black ink.

SUBJECT: Preparation of the University of Hawai'i Capital Improvements Program
Budget for Supplemental Year 2008-2009

The purpose of this memorandum is to initiate the preparation of the University of Hawai'i capital improvements program (CIP) budget for supplemental year 2008-2009.

CIP Budget in Relation to Board of Regents' Policies

CIP requests will be reviewed and analyzed to ensure that requested projects are consistent with the goals of individual campuses and comply with Board of Regents' Policy Section 4-4, which states that "only facilities appropriately designated on the approved [long range development] plan[s] may be constructed on campuses." All campuses have current long-range development plans or are in the process of updating the plans that shall serve as the foundation for orderly physical development.

Criteria for Projects Included in the CIP Budget

The University's CIP budget for supplemental year 2008-2009 will be restricted to the following project categories:

- projects included in the Board of Regents' CIP Budget for Fiscal Biennium 2007-2009 that were left unfunded by the 2007 Legislature;
- new health and safety projects arising since the biennium budget;
- projects necessary for accreditation; and,
- minor CIP projects for the improvement of existing classrooms.

A copy of the Board of Regents' CIP Budget for Fiscal Biennium 2007-2009 is attached for your information (Attachment A). Projects not meeting the aforementioned criteria will not be considered for the supplemental CIP budget.

Definition of CIP

CIP projects are defined as expenditures necessary to provide a tangible asset capable of accruing long-term physical benefits. Physical improvements with a short-term life expectancy should be budgeted in the operating budget. Please refer to guidelines in Attachment B for projects that qualify for CIP funding.

Submittal Requirements

Each major unit (i.e., Mānoa, Hilo, West O'ahu, Community Colleges) shall be responsible for the overall CIP consolidation and prioritization for programs under its administrative jurisdiction. In addition to a prioritized list, each project must be accompanied by a Capital Project Information and Justification Sheet (Table R) (Attachment C). In some instances, Table Rs have been previously prepared for projects that remain unfunded or require additional funds. In these cases, please update the existing Table Rs to facilitate the review process. Please ensure that all information, including future operating requirements, is provided. An electronic version of the Table R may be found at www.hawaii.edu/oci/reports.html.

Please submit all requests to the Office of Capital Improvements no later than Friday, July 13, 2007. The CIP budget calendar is enclosed for your review (Attachment D). Consultative meetings regarding the CIP budget will be arranged with appropriate campus administrators.

Thank you for your cooperation and assistance. Should you or your staff have any questions in this regard, please call Sam Callejo at 956-9922 or Ryan Kurashige at 956-7935.

Attachments

- c: Interim Executive Administrator and Secretary of the Board Pang
- Vice President Johnsrud
- Vice President Callejo
- Vice President/CFO Todo
- Vice President Lassner
- Interim Vice President Gaines
- Associate Vice President Unebasami
- Vice Chancellor Cutshaw
- Interim Vice Chancellor Chen
- Director Togo
- Ryan Kurashige

Attachment A:

**Board of Regents' CIP Budget
Fiscal Biennium 2007-2009
and
Appropriations from the 2007 Legislature**

**UNIVERSITY OF HAWAII
CAPITAL IMPROVEMENTS PROGRAM
FISCAL BIENNIUM 2007-2009**

Board of Regents' CIP Budget and Appropriations from the 2007 Legislature

Priority	Project	Program ID	Prior Appropriation	BOR Budget		Act XXX, SLH 2007		
				2007-2008	2008-2009	2007-2008	2008-2009	
<u>Health, Safety, and Code Requirements</u>								
1	Health, Safety, and Code Requirements University of Hawaii–Systemwide	UOH 900						
	Plans		153	1 C	–	1 C	–	
	Design		4,806	1,490 C	145 C	1,490 C	–	
	Construction		51,126	16,442 C	965 C	16,442 C	–	
	Equipment		68	–	–	–	–	
	Biennium Request			56,153	17,933	1,110	17,933	0
<u>Capital Renewal and Deferred Maintenance</u>								
2	Capital Renewal and Deferred Maintenance University of Hawaii–Systemwide	UOH 900						
	Plans		2,950	1,000 C	1,000 C	500 C	–	
	Design		19,501	5,520 C	5,520 C	2,250 C	–	
	Construction		195,042	49,680 C	49,680 C	29,316 C	–	
	Equipment		126	–	–	1 C	–	
	Biennium Request			217,619	56,200	56,200	32,067	0
<u>Projects Addressing Critically Underserved Regions and Populations</u>								
3	Campus Development University of Hawaii–West Oahu	UOH 700						
	Plans		3,000	–	–	–	–	
	Design		6,000	7,558 C	–	7,558 C	–	
	Construction		–	99,999 B	–	99,999 B	–	
	Construction		–	27,441 C	–	27,441 C	–	
	Equipment		–	1 B	–	1 B	–	
	Equipment		–	1 C	–	1 C	–	
	Biennium Request			9,000	135,000	0	135,000	0
4	Waianae Education Center Leeward Community College	UOH 800						
	Plans		–	–	–	–	–	
	Land		–	3,000 C	–	–	–	
	Design		–	100 C	–	–	–	
	Construction		–	500 C	1,250 C	–	–	
	Equipment		–	–	–	–	–	
	Biennium Request			0	3,600	1,250	0	0

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				2007-2008	2008-2009	2007-2008	2008-2009
5	Native Hawaiian Success Centers	UOH 900					
	University of Hawaii-Systemwide						
	Plans		-	500 C	-	-	-
	Design		-	-	-	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		0	500	0	0	0
<u>Infrastructure Projects</u>							
6	Infrastructure Improvements	UOH 900					
	University of Hawaii-Systemwide						
	Plans		106	202 C	-	-	-
	Design		2,490	2,154 C	514 C	-	-
	Construction		34,914	3,300 C	51 C	-	-
	Equipment		205	-	-	-	-
	Biennium Request		37,715	5,656	565	0	0
<u>Major CIP Planning</u>							
7	Major CIP Planning	UOH 900					
	University of Hawaii-Systemwide						
	Plans		5,700	12,800 C	-	-	-
	Design		-	-	-	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		5,700	12,800	0	0	0
<u>Project Addressing Critical Systemwide Infrastructure</u>							
8	Information Technology Center	UOH 900					
	University of Hawaii-Systemwide						
	Plans		200	-	-	-	-
	Design		1,000	3,792 C	-	-	-
	Construction		-	-	50,637 C	-	-
	Equipment		-	-	-	-	-
	Biennium Request		1,200	3,792	50,637	0	0

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				2007-2008	2008-2009	2007-2008	2008-2009
	<u>Projects Addressing Workforce Development</u>						
9	Temporary Facilities for Nursing Programs Community College System	UOH 800					
	Plans		-	-	-	-	-
	Design		-	665 C	-	665 C	-
	Construction		-	6,172 C	-	6,171 C	-
	Equipment		-	-	-	1 C	-
	Biennium Request		0	6,837	0	6,837	0
10	Social Sciences/Teacher Education Facility Leeward Community College	UOH 800					
	Plans		367	-	-	-	-
	Design		944	1 C	-	-	-
	Construction		-	20,863 C	-	-	-
	Equipment		-	2,315 C	-	-	-
	Biennium Request		1,311	23,179	0	0	0
11	Advanced Technology Training Center Honolulu Community College	UOH 800					
	Plans		-	-	-	-	-
	Design		-	3,494 C	-	3,494 C	-
	Construction		-	-	32,757 C	-	-
	Equipment		-	-	3,635 C	-	-
	Biennium Request		0	3,494	36,392	3,494	0
	<u>Projects Increasing the Educational Capital of the State</u>						
12	New Classroom Building University of Hawaii at Manoa	UOH 100					
	Plans		1	1 C	-	-	-
	Design		379	7,517 C	-	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		380	7,518	0	0	0
13	Student Services Building, Addition and Renovation University of Hawaii at Hilo	UOH 210					
	Plans		201	-	-	-	-
	Design		799	1,331 C	-	1,331 C	-
	Construction		-	24,811 C	-	24,811 C	-
	Equipment		-	-	1,640 C	-	1,640 C
	Biennium Request		1,000	26,142	1,640	26,142	1,640

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				2007-2008	2008-2009	2007-2008	2008-2009
14	Hawaiian Language Building University of Hawaii at Hilo	UOH 210					
	Plans		200	-	-	-	-
	Design		1,800	100 C	-	-	-
	Construction		-	18,014 C	-	-	-
	Equipment		-	-	1,779 C	-	-
	Biennium Request		2,000	18,114	1,779	0	0
15	Library and Learning Resources Center Windward Community College	UOH 800					
	Plans		26	-	-	-	-
	Design		2,614	1 C	-	1 C	-
	Construction		300	40,168 C	-	41,577 C	-
	Equipment		-	2,988 C	-	1 C	-
	Biennium Request		2,940	43,157	0	41,579	0
16	Science Building Maui Community College	UOH 800					
	Plans		300	-	-	-	-
	Design		3,448	-	1 C	-	-
	Construction		-	-	33,430 C	-	-
	Equipment		-	-	3,710 C	-	-
	Biennium Request		3,748	0	37,141	0	0
17	College of Education, New Building University of Hawaii at Manoa	UOH 100					
	Plans		-	1 C	-	-	-
	Design		-	4,109 C	-	-	-
	Construction		-	-	45,404 C	-	-
	Equipment		-	-	1 C	-	-
	Biennium Request		0	4,110	45,405	0	0
18	Campus Center, Addition and Renovation University of Hawaii at Hilo	UOH 210					
	Plans		-	-	-	-	-
	Design		400 W	-	-	-	-
	Construction		2,500 W	-	2,400 C	-	-
	Equipment		-	-	500 C	-	-
	Biennium Request		2,900	0	2,900	0	0

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				2007-2008	2008-2009	2007-2008	2008-2009
19	Pacific Aerospace Training Center, Reroof Hangar 111	UOH 800					
	Honolulu Community College						
	Plans		-	-	-	-	-
	Design		-	-	320 C	320 C	-
	Construction		-	-	2,968 C	2,968 C	-
	Equipment		-	-	-	-	-
	Biennium Request		0	0	3,288	3,288	0
20	Gartley Hall Renovation	UOH 100					
	University of Hawaii at Manoa						
	Plans		200	-	-	-	-
	Design		951	-	1 C	-	-
	Construction		-	-	10,167 C	-	-
	Equipment		-	-	750 C	-	-
	Biennium Request		1,151	0	10,918	0	0
21	Law School Expansion and Renovation	UOH 100					
	University of Hawaii at Manoa						
	Plans		500	-	-	-	-
	Design		-	-	7,241 C	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		500	0	7,241	0	0
22	Performing Arts Facility and Parking Structure	UOH 100					
	University of Hawaii at Manoa						
	Plans		999	-	1 C	-	-
	Design		2,001	-	3,598 C	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		3,000	0	3,599	0	0

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				2007-2008	2008-2009	2007-2008	2008-2009
23	Campus Center Complex, Renovation and Addition University of Hawaii at Manoa	UOH 100					
	Plans		1	-	1 C	-	-
	Plans		-	-	1 E	-	2 E
	Plans		-	1 W	-	1 W	-
	Design		1	-	1 C	-	-
	Design		-	-	1 E	-	2 E
	Design		-	1,499 W	-	1,499 W	-
	Construction		998	-	12,881 C	7,000 C	-
	Construction		-	-	12,881 E	-	11,379 E
	Equipment		-	-	1,500 C	-	-
	Equipment		-	-	1,500 E	-	3,000 E
	Biennium Request		1,000	1,500	28,766	8,500	14,383
<u>Funding Authorization</u>							
24	College of Pharmacy Building University of Hawaii at Hilo	UOH 210					
	Plans		-	-	-	-	-
	Plans		-	800 R	-	800 R	-
	Design		-	-	-	-	-
	Design		-	1,700 R	-	1,700 R	-
	Construction		-	-	-	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		0	2,500	0	2,500	0
25	Enclosure of Courtyards for Research Laboratories University of Hawaii at Manoa	UOH 100					
	Plans		-	500 W	-	500 W	-
	Design		-	-	-	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		0	500	0	500	0
26	Waahila Faculty Housing University of Hawaii at Manoa	UOH 100					
	Plans		-	300 W	-	300 W	-
	Design		-	-	-	-	-
	Construction		-	-	-	-	-
	Equipment		-	-	-	-	-
	Biennium Request		0	300	0	300	0

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FISCAL BIENNIUM 2007-2009**

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				2007-2008	2008-2009	2007-2008	2008-2009
27	US Geological Survey Building University of Hawaii at Hilo	UOH 210					
	Plans		—	300 N	—	300 N	—
	Design		—	3,000 N	—	3,000 N	—
	Construction		—	—	30,000 N	—	30,000 N
	Equipment		—	—	3,000 N	—	3,000 N
	Biennium Request		0	3,300	33,000	3,300	33,000
<u>Legislative Initiatives</u>							
—	Komohana Agricultural Complex University of Hawaii at Manoa	UOH 100					
	Plans		—	—	—	1 C	—
	Design		3,071	—	—	763 C	—
	Construction		11,927	—	—	—	—
	Equipment		2	—	—	—	—
	Biennium Request		15,000	0	0	764	0
—	North Hawaii Educational Resource Center, Phase IIB University of Hawaii at Hilo	UOH 210					
	Plans		51	—	—	—	—
	Design		630	—	—	—	—
	Construction		4,768	—	—	2,932 C	—
	Equipment		1	—	—	—	—
	Biennium Request		5,450	0	0	2,932	0
—	College of Pharmacy Building University of Hawaii at Hilo	UOH 210					
	Plans		—	—	—	1 C	—
	Design		—	—	—	1,000 C	—
	Construction		—	—	—	4,999 C	—
	Equipment		—	—	—	—	—
	Biennium Request		0	0	0	6,000	0
University of Hawaii – Totals			367,767	376,132	321,831	291,136	49,023
Biennium Total				697,963		340,159	
<u>Means of Finance</u>							
B	Special Funds			100,000 B	0 B	100,000 B	0 B
C	General Obligation Bond Fund			268,032 C	274,448 C	183,036 C	1,640 C
E	Revenue Bonds			0 E	14,383 E	0 E	14,383 E
N	Federal Funds			3,300 N	33,000 N	3,300 N	33,000 N
R	Private Contributions			2,500 R	0 R	2,500 R	0 R
W	Revolving Funds			2,300 W	0 W	2,300 W	0 W

Attachment B:

CIP Guidelines

University of Hawai'i Capital Improvements Program Guidelines

Capital improvements are non-recurring in nature. CIP projects are generally intended for long-term use or possession and are relatively permanent in nature. CIP projects may include land acquisition, planning, design, construction, and certain equipment costs related to a project.

A. Projects that qualify for CIP funds include:

1. Acquisition of land (included related fees and costs)
2. Construction and other improvements (including architectural and other technical fees, installation of built-in equipment and fixtures)
 - a. Site improvements
 - b. Construction of buildings and other major new permanent improvements
 - c. Major renovations including additions, improvements to, or conversion of existing facilities
 - d. Landscaping and beautification
3. Capital Renewal and Deferred Maintenance
 - a. Reroofing – the simultaneous change-out of a roof's major components and includes but is not limited to the removal of the surface covering
 - b. Air conditioning equipment – the complete change-out of chiller units, air ducts, or cooling fans
 - c. Interior and ancillary building space renovation – the complete refurbishment and upgrade of interior building space to modernize the facility
 - d. Building infrastructure – replacement of building infrastructure such as major water/sewer lines, grease traps, and electrical upgrades for an entire building
 - e. Resurfacing – complete rehabilitation of large paved areas due to deterioration
 - f. Repainting – complete external repainting/waterproofing of a building

B. Projects that do not qualify for CIP funds include:

1. Items that are recurring in nature
2. Items normally included in the operating budget (i.e., personnel related furniture and equipment)
3. Service maintenance contracts with private vendors
4. Minor maintenance and repair projects
 - a. Minor alterations or renovations that can be accomplished as maintenance work
 - b. Interior repainting not involving a work detailed in Item A.3.c., which is listed above
5. Operating costs as defined under Chapter 37, Hawai'i Revised Statutes, as recurring costs of operating, supporting and maintaining authorized programs, including expenses of consumable nature such as materials and supplies, travel expenses, utilities, stamps, and building and equipment rentals.

Attachment C:

Capital Project Information and Justification Sheet (Table R)

TABLE R (5/97)

Expendng Agency	
Program ID	
Project Number	

CAPITAL PROJECT INFORMATION AND JUSTIFICATION SHEET

Island	Sen. District	Rep. District	Priority No.	Prev. Priority No.	Project Scope	Scope Codes	Date
						N - New I - Renovation A - Addition R - Replacement O - Ongoing	

PROJECT TITLE:

PROJECT DESCRIPTION:

TOTAL ESTIMATED PROJECT COST (In Thousands of Dollars)

	PRIOR APPROPRIATIONS (Including MOF)						BUDGET REQUEST (Including MOF)		FUTURE YEARS	TOTAL PROJECT COST
	ACT	YR	ITEM	ACT	YR	ITEM	ACT	YR	ITEM	
COST ELEMENT										
PLANS										
LAND										
DESIGN										
CONSTRUCTION										
EQUIPMENT										
TOTALS										

PROJECT INFORMATION AND JUSTIFICATION:

- a. Total scope of project.
- b. Identification of need and evaluation of existing situation.
- c. Alternatives considered and impact if project is deferred.
- d. Discuss what improvements will take place when project is completed (including benefits to be derived and/or deficiencies this project intends to correct).
- e. Impact upon future operating requirements (show initial and ongoing funding requirements by cost element, including position count, means of financing, fiscal year.
- f. Additional information.

Attachment D:

CIP Budget Calendar

**CAPITAL IMPROVEMENTS PROGRAM
BUDGET CALENDAR
SUPPLEMENTAL YEAR 2008-2009**

May 29, 2007	Transmittal of CIP budget instructions to major units
May 29, 2007 to July 12, 2007	Major units disseminate CIP budget instructions to respective programs and prepare budget
July 13, 2007	Major units submit consolidated and prioritized CIP request to the Office of Capital Improvements
July 13, 2007 to August 1, 2007	Administrative review of CIP budget requests; consultative meetings with campus administrators
August 3, 2007 (estimated)	President's deadline for Board of Regents' review on informational items; transmit proposed CIP budget to the Board of Regents
August 24, 2007	Board of Regents' Budget Workshop
September 27-28, 2007	Board of Regents' Meeting – adopt CIP Budget for Supplemental Year 2008-2009