Capital Project Justification

|  |  |  |
| --- | --- | --- |
| **Agency:** PASSHE | **Current Revenue (State):**  Capital Bonds | **Capital Budget Category:**  PIP |
| **Project Title:**   | **Priority No.:**   | **APP Subcategory:**  Higher Education/PASSHE |
| **Facility:**    | **County:**   | **Municipality:**   |

|  |
| --- |
| **Project Description:** |

|  |  |
| --- | --- |
| **Project Classification** (check one) | Operating Costs |
|  | Original Facility |  | Rehab. |  | Addition |  | Replacement | Pos. | Personnel | Operating | Fixed Assets | Other | Total |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Project Authorization |  |  | OB Recommended(dollars in thousands) |
|  | Request(dollars in thousands) |
| BaseProject | Land | Design & Cont. | Total |  |  | BaseProject | Land | Design & Cont. | Total |
| Bond |  |  |  |  |  |  |  |  |  |  |
| Current |  |  |  |  |  |  |  |  |  |  |
| Federal |  |  |  |  |  |  |  |  |  |  |
| Local |  |  |  |  |  |  |  |  |  |  |
| Other |  |  |  |  |  |  |  |  |  |  |
| Total |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |

## Project Justification

**At a minimum, the following items should be addressed:**

1. **Academic program benefit: Why is the project needed and how will it benefit the academic mission**
2. **Space impact and deficiencies or excesses resolved**
3. **Safety, ADA, or other code deficiencies addressed**
4. **New revenue, matching fund, or return on investment potential**
5. **Cost savings potential … energy, operational, etc.**
6. **Deferred maintenance impact**

**Also identify:**

* **Identify alternatives considered**
* **Is the project interdependent on other capital improvements; if yes, identify projects**

## Capital Project Justification

Use this form to justify each requested capital project. Complete the form as follows:

**Enter Agency Name.**

**Enter a short working title for the project.** (Use the same title on the Departmental Summary of Requests.)

**Enter the facility. (The state institution, mental hospital, mental retardation center, veteran’s home, park, forest district, etc., where the project is located.)**

**Current Revenue (State)**

Enter the State Current Revenue funding source(s), that is, the name of the fund, restricted account, etc., that will finance the project.

**Enter the Priority Number** for this project (1 is highest priority).

**Enter the county and municipality** where the project is located.

**Enter the Capital Budget Category.** Refer to the instructions at the beginning of this section for a complete list of Capital Budget Categories. (Public Improvement Projects—Original Furniture and Equipment is treated as a separate category and these projects are to be prepared on a separate form.)

**Enter the Agency Program Plan (APP) Subcategory** to which this project relates. See the Program Funding Summary in the Governor’s Budget document for a complete list of subcategories.

**Project Description**

Briefly describe the project including its size, capacity (number of students it will hold, etc.). Project descriptions should be presented in the format used in the Governor’s budget.

**Project Classification**

Indicate whether the project is an original facility, rehabilitation to an existing facility, addition to an existing facility, or replacement of an existing facility.

**Operating Costs**

Enter an estimate of the additional annualized operating costs or savings that will be incurred as a result of the completion of this project. Base the estimates on a full year of costs. Provide the number of new positions required and estimated costs by major object of expenditure (personnel, operating, and fixed assets costs).

**Project Authorization Funding Information**

Enter the estimated cost of the project. Show the state bond fund amount, current revenues amount, federal funds and other funds supporting the project separately. Formulas in the cells of this form will automatically calculate the standard breakdown of total costs into the components for base project and design and contingency costs. If there are also land costs or some other distribution of the total costs is more accurate, overwrite the formulas and enter the correct amounts.

**Project Justification**

The importance of a well-reasoned and complete project justification cannot be overemphasized. The justification will, in large part, determine the acceptability of the project and its eventual implementation. At a minimum, the five areas outlined below must be discussed as part of the justification.

1. Describe the proposed project in terms of its size (square footage and capacity) and the use(s) to which it will be put.
2. List or discuss the need(s) for the project.
3. List the alternatives, and the approximate cost of each, which were considered before requesting the project. (If not alternatives were considered, state that.) Discuss any performance or engineering standards that were considered in the evaluation of the alternatives and how those were applied in selecting the requested project.
4. Indicate if the requested project is interdependent with any other capital improvement. If so, identify.
5. If the requested capital project is related to a Program Revision Request (PRR), identify the PRR.