

Pennsylvania State System of Higher Education Facilities Manual

Volume III Facilities Maintenance Projects

Facilities maintenance and lifecycle renewal projects for educational facilities are funded from annual appropriations, university revenue, or restricted funding provided by [Act 50 of 1993](#) (Vol. III, Appendix I), also known as the Keystone Recreation, Park and Conservation Fund Act of 1993 or Key'93. Facilities maintenance projects for auxiliary facilities are funded from the auxiliary operations revenue or the auxiliary reserves established by each university. Maintenance projects funded from the sources above are planned, programmed, and accomplished according to the internal procedures established by each university and this manual.

Maintenance work for educational facilities that has been deferred on a planned or unplanned basis to a future budget cycle or postponed until funds, manpower, equipment or facilities access is made available may be funded from the monies provided pursuant to the Key '93 Act. In accordance with [BOG Policy 1994-01](#), the Key '93 funding will be distributed per a plant allocation formula.

The plant allocation formula will be updated annually by June 30, and calculated as follows:

- Building and infrastructure inventories and replacement values will be maintained and calculated per Volume VI-A of this manual.
- The building replacement values will include the value of all E&G, owned, not-leased, and on-line facilities.
- The infrastructure replacement value will include the estimated value of all infrastructure except telecommunication network systems or land values.
- The total lifecycle need for each campus will be calculated as 2.5 percent of E&G facilities replacement value plus 1.5 percent of the infrastructure replacement value.
- The plant allocation formula will be a ratio of each university lifecycle need to the total System lifecycle need.
- Funding distributions will apply the ratio against the Key 93 funding allotment to arrive at the total allocation each university will receive.

Deferred maintenance projects are determined and prioritized by each university for expenditure of the Key '93 funding received. Key '93 funds expended or encumbered each year must be reported to the Office of the Chancellor by December 31 of the following fiscal year.

For auxiliary facilities, universities are responsible for establishing user fees such that all life cycle maintenance, repair, and renovation requirements are fully funded; see [BOG Policy 1996-03-A: Defining Auxiliary Enterprises and Associated Cost Allocation](#).

Accomplishment of E&G and auxiliary project work by contract procurement must follow the statutory requirements of Section 20-2003-A.1, project contracts, and implementing rules, regulations, and policies, as described in Volume VIII of this manual and [BOG Policy 1998-04-A, Procurement of Goods, Services, Supplies and Construction](#), which implements the provisions of Act 57 of 1998.

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