



**NEW MEXICO HIGHER EDUCATION
DEPARTMENT**

**INSTRUCTION MANUAL
FOR ANNUAL CAPITAL OUTLAY FUNDING
REQUESTS**

FISCAL YEAR 2021

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SECTION I: GENERAL INFORMATION

All sections of these instructions apply to public postsecondary institutions of Higher Education, special schools, and tribal schools in New Mexico.

1.1 INTRODUCTION

The primary purpose of these instructions is to outline the process for requesting State funds for higher education capital construction and capital renewal projects. The New Mexico Higher Education Department is responsible for establishing a process by which the higher education department will evaluate and prioritize each capital construction/capital renewal project request developed by institutions and to make funding recommendations to the New Mexico Department of Finance and Legislature annually.

The duties and powers of the NMHED with respect to capital planning and funding recommendations are outlined in NMSA 1978, Chapter 21-1-26.10 Higher Education Department; plan for funding significant postsecondary educational infrastructure needs. Along with assessment of capital planning and funding recommendations, the NMHED must review and approve capital expenditures as outlined in NMSA 1978, Chapter 21-1-21 Capital Expenditures. This manual will focus on the review forms institutions are required to submit as it relates to capital planning and funding recommendations only.

1.2 STATUTORY AUTHORITY

21-1-21 Capital Expenditures.

No expenditure shall be made by any state educational institution confirmed by Article 12, Section 11 of the state constitution for the purchase of real property or the construction of buildings or other major structures or for major remodeling projects without prior approval of the proposed purchase or construction or remodeling by the board of educational finance and the state board of finance.

TITLE 5 POSTSECONDARY EDUCATION

CHAPTER 3 POSTSECONDARY EDUCATION INSTITUTION FINANCES

PART 10 CAPITAL PROJECTS APPROVAL BY THE NEW MEXICO HIGHER EDUCATION DEPARTMENT

21-1-26.10 Higher education department; plan for funding significant postsecondary educational infrastructure needs.

The higher education department, in conjunction with the governing bodies of the postsecondary educational institutions and other state educational institutions confirmed in Article 12, Section 11 of the constitution of New Mexico, shall develop and approve a five-year plan for funding the infrastructure renovation and expansion projects designated by the department as the highest priority of significant needs. The department shall determine the projects and amounts to be funded, with a timetable for the projects and amounts to be funded each year over the five-year period, subject to review and comment by the educational institutions and subject to appropriations.

TITLE 5 POSTSECONDARY EDUCATION
CHAPTER 3 POSTSECONDARY EDUCATION INSTITUTION FINANCES
PART 9 CAPITAL BUDGETS - PLANNING AND FUNDING RECOMMENDATIONS

1.3 **FUNDING SOURCE**

Much of the state's capital outlay is funded through three sources: general obligation bonds, severance tax bonds, and nonrecurring general fund revenue. Amounts vary from year to year depending on the economy.

- A. General Fund – nonrecurring general fund revenue, the primary repository of state revenue, is typically the money left over after the Legislature has funded state government and public-school operations and set money aside for reserves.
- B. Severance Tax Bond – generally are repaid with revenue from taxes on oil, gas, coal and other natural resources “severed” from the land. The amount available through severance tax bonds is largely dependent on the health of the oil and gas industry
- C. General Obligation Bond – are repaid through property taxes and must be approved through a general election. As a result, that money is only available in even-numbered years. General obligation bonds typically support projects for higher education, senior citizens, public schools, and libraries.

(Legislative Finance Committee, Finance Facts, May 2018.)

1.4 **SUBMISSION PROCESS**

A. NMHED Responsibilities:

The NMHED annually reviews and prioritizes all state-funded capital outlay requests received directly from higher education institutions. These requests are due to the NMHED on July 1 of each year. Requests not received by the established deadline at NMHED may not be approved.

The NMHED utilizes the criteria outlined in these instructions to score project requests. A prioritized list of projects is sent to the New Mexico Department of Finance and Administration by the October 15 deadline. These funding requests are prioritized based on financial feasibility and conformance with established planning guidelines. To be considered, requests must be well defended and have all the completed forms and requirements as listed in Section 1.5 of this manual.

Prior to the submission due date to DFA, the NMHED holds capital outlay hearings. During these hearings, higher education institutions (HEI) are given an opportunity to present their projects. NMHED staff may conduct site visits to review the status of facilities that may be considered for State funding.

For the FY2021 budget cycle, institutions must submit project proposals by July 1, 2020.

SECTION II: CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST REQUIREMENTS

This section provides instructions on the completion of the forms required for project submittal.

2.1 INSTRUCTIONS FOR THE CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST

Prioritized State-funded projects must be approved by the institutions' Board of Regents/Trustees and be consistent with all statutory and administrative code requirements of the department.

After submission to NMHED, institutions will receive written comments or questions from Department staff. The responses to the questions are expected to be integrated into the revised form, re-signed by the Institution leadership, and resubmitted (not simply answered via email).

2.2 CAPITAL OUTLAY EVALUATION CRITERIA AND OBJECTIVES

The NMHED is committed to ensuring that the funding process for capital outlay for higher education institutions in New Mexico is equitable and cost-effective. As stewards of taxpayer dollars, we must ensure that all funds will be used in a manner that will support students now and in the future. For that reason, the NMHED continues to evolve the evaluation criteria to address the immediate needs of the institutions and the state. In general, the higher education department will give preference to the following types of projects that:

- (1) are strongly related to instructional programs and which support an institutions mission and particular role;
- (2) provide high-quality educational settings which represent up-to-date technologies;
- (3) are necessary to accommodate enrollment growth;
- (4) address major health and safety problems and eliminate physical barriers to disabled persons;
- (5) result from unforeseen conditions that if uncorrected would result in major property deterioration;
- (6) renovate facilities or to make wise use of other existing resources whenever feasible and economical;
- (7) improve utility systems or building energy efficiency that will result in the rapid capitalization of initial costs and long-term reduction of energy costs;
- (8) for which there is no other available or more appropriate funding source, such as building renewal and replacement funds, local bonds, revenue bonds, auxiliary revenues, or research revenues.

Additionally, the NMHED will be concentrating on projects which address other key factors that are facing New Mexico today. These include the following.

1. Capital projects linked to the following state goals:
 - a. Increasing degree production, particularly at the undergraduate level
 - b. Enhancing research or workforce development
 - c. Identifying and addressing education and workforce needs of local and regional economies

2. Capital projects which enhance campus mission and distinction, and which are envisioned in the institution's current Master Plan.
3. Project proposals that include academic planning and programs.
4. Institutional facility needs and conditions, as analyzed by the NMHED Space Planning Guidelines, are a factor in determining institutional priorities.
5. External funding should be a factor in project priority but should not inappropriately determine institutional or system priorities. Non-state funds raised above the minimum percentage will garner additional points in the scoring process.

The review criteria above will be applied to all capital construction and capital renewal requests. Each capital project request will be evaluated by the NMHED Capital Outlay Committee per the criteria below as to the level of applicability and ranked accordingly on NMHED's funding recommendation list to the NMDFA.

Scoring per Measures

		Scoring Criteria	Maximum Points
A.		Project Rationale and Need	Up to 100
	A1	Promotion of enrollment growth, retention, and degree production	30
	A2	Impact on education and workforce needs in local and regional economies	20
	A3	Alignment with institutional mission and advancement of the institution's strategic plan	20
	A4	Facilities assessment for determining project need	20
	A5	Supports online education	10
B.		Energy and Sustainability	Up to 45
	B1	Energy Assessment or Audit	15
	B2	Operational Cost Reduction	15
	B3	Support of Executive Order 2019-003	15
C.		Stewardship	Up to 80
	C1	Preparation of Project Estimates	15
	C2	FCI or NAV reduction	15
	C3	Use of Building Repair and Renewal (BRR)	15
	C4	Maintenance Costs Reduction	15
	C5	Health, safety, and security issues (including ADA)	20
		Total Possible Points	225

2.3 FORMS

A. Checklist

- a. The checklist provides a quick reference of the required documentation for the evaluation of projects for capital funding.

B. Certification

- a. The certification establishes that the institutional leadership and Governing Board has approved the submitted five-year plan which it is considered to represent the institutions greatest need, that the project cost is fully developed, and that five percent (5%) of the appropriation will be incurred within six months of the bond issuance date.

C. Project Evaluation Form

- a. This form contains the demographic data for the project, general description of facility, GSF, age, date of last improvement, funds used for last improvement, types of space within facility, instructional programs served, and description of work to be performed.

D. Five Year Plan for Capital Project Funding

- a. This spreadsheet documents all anticipated capital projects, regardless of funding source, which the institution has prioritized for the next five years. The information on this spreadsheet can be used to populate the Infrastructure Capital Improvement Plan (ICIP) for the New Mexico Department of Finance.

E. I&G Spreadsheet

- a. This spreadsheet is used to document the change in Instruction and General Square Footage as well as full-time equivalent enrolled student at institutions year over year. This information is used to determine the square footage per full-time equivalent enrolled student.

F. Status of all Active Projects

- a. This spreadsheet is used to document all active projects regardless of funding source. The information is used to determine the capacity and utilization of already appropriated funding for capital projects.

G. Status of all Closed Projects

- a. This spreadsheet is used to document all closed projects regardless of funding source. The information is used to determine the number of projects that have been completed and the multiple funding sources used to complete these projects.

H. I&G Campus-Wide Space Verification

- a. This spreadsheet is used to document the specific I&G square footage by building as well as any changes year over year that occur as a result of demolition and new construction.

2.4 PROJECT INFORMATION

Provide a detailed overview of the project. In addition to the location and title, must include the project priority, details about funding being requested and match funding available. In addition, history of the facility (original construction, renovation, and addition dates), condition of the facility and surrounding infrastructure, and if multiple projects, specific information for each project is being sought. Provide a detailed scope of work and what deficiencies are being addressed.

- A. Name of Institution:
 - a. List the name of the institution. If a branch community college also list the name of the branch campus
- B. Location of Project: (Attach Aerial Map):
 - a. Provide the street address of the project and attach an aerial map/view of the project location
- C. Project Title:
 - a. Provide a unique descriptive title for the project, keeping in mind that bonds may ultimately be sold to fund the project
- D. FY22 Priority #:
 - a. List the institutional priority rank
- E. Master Plan Priority #:
 - a. Provide the institutional rank in the current Master Plan
- F. Total Project Cost: \$
 - a. Provide the total cost of the project
- G. State Funding Request: \$
 - a. Provide that portion of the funding that is being requested from the State
- H. Committed Match Funding: \$
 - a. Provide that portion of the funding to be provided by the HEI
- I. Specify Source of Committed Match funding, how funding was generated, and when it will be budgeted:
 - a. Provide details as to the match funding, sources and when it will be budgeted and available.
- J. If funding was requested in the past for this project, provide a brief summary to include when it was presented, amount of funding received and any changes from original request(s) (Cost, Scope, etc.):
 - a. Provide details if this project has previously been submitted

A. Project Description:

- K. Age of Facility:
 - a. Provide the age of the facility

- L. GSF of Facility:
 - a. Provide the GSF of the facility

- M. Provide a brief history and general description of the facility:
 - a. Give details as to the history of the facility as well as a brief description of the facility

- N. What is the current condition of the facility and supporting infrastructure?
 - a. Provide the facilities condition index if it has been developed as well as a verbal description of the facility and supporting infrastructure

- O. What was the last major renovation completed? When was the renovation completed? What funding sources were used?
 - a. Furnish details of the last previous renovation including sources

- P. Provide a detailed scope of work to be completed if the project is funded. Make sure to specify any deficiencies being remedied:
 - a. Provide a detailed scope of work detailing the deficiencies that are addressed by the project. This ties to the Project Rationale.

- Q. Complete the table if this project request contains multiple projects or if the project can be phased. List the phase and project number, the phase and project description, and the amount.
 - a. Complete this table if the request contains multiple projects or if the project can be phased

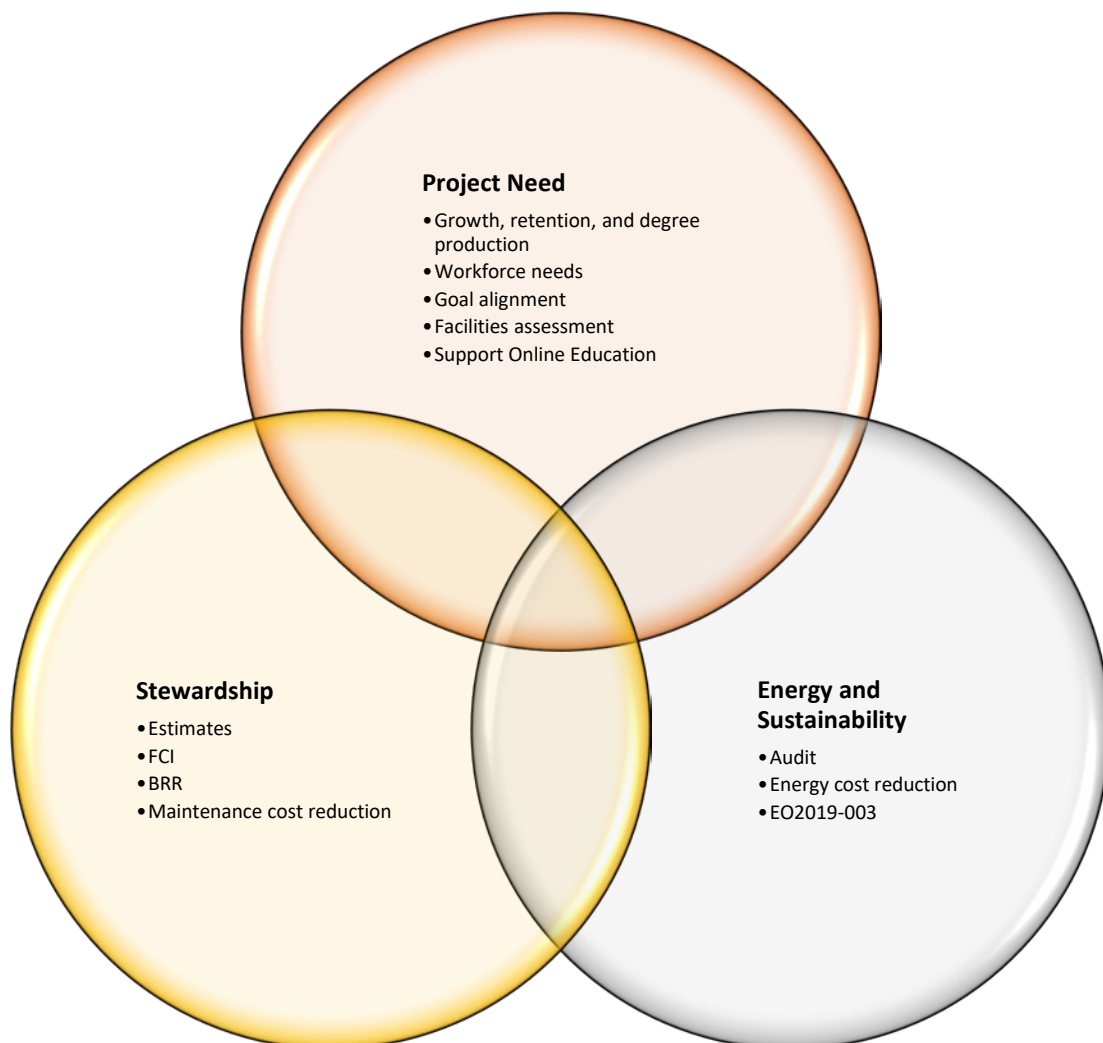
- R. Complete the table if this project may be phased
 - a. Complete this table with key milestone dates and project sequence

- S. Complete the table, Full Time Enrollment Trends
 - a. Provide the instructional program majors being served by this project

- T. Complete the Fall Semester enrollment data table
 - a. Complete this table with 2012-2019 enrollment data

2.5 PROJECT EVALUATION MEASURES

The following measures are being implemented to assist the NMHED in reviewing and analyzing project funding requests for all HEI's in the state. Project need, stewardship, and energy and sustainability will all be key components in the NMHED's evaluation process when determining a statewide capital outlay funding plan for HEI's. The information provided by each HEI for each measure is crucial in how the project will be scored and ranked in the statewide capital request. For that reason each HEI needs to review these measures in detail prior to preparing their five year capital outlay plan and their annual capital project evaluation forms.



B. Project Rationale and Need

Be thorough in explaining the needs that are being met by this project. Include how the project will: 1) promote enrollment growth, retention, and degree production and 2) address education and workforce needs in local and regional economies. HEI must also 3) demonstrate alignment with institutional mission and how the project advances the institution's strategic plan and 4) provide a current facilities assessment or similar methodology used for determining project need.

For all projects, through conceptual architectural drawings, diagrams and photographs, sufficiently describe in detail and illustrate clearly what work is planned in the current year and out-years. Include a description of any unique aspects or circumstances that lead to the creation or structuring of the project. If a project requires phasing, the Narrative should first begin with an overall description of the problem followed by a more detailed description of the work by phase, starting with the current budget year request. The narrative description should relate directly to the Cost Summary (CC_CR-C) and the breakdown and subtotals by phase in the detailed cost estimate.

- For capital construction projects, provide a description of the amount of program space required, the types of spaces such as classrooms, faculty offices, and laboratory, overall square footage of the building(s) impacted by the project as well as the total square footage of the scoped project (identify renovated and new space square footage separately). Also include equipment and other relevant information necessary to describe the project fully.
- For capital renewal projects, identify upgraded space or area proposed, systems involved in the renewal project, and other relevant information necessary to describe the project fully as per the facility management plans. This narrative description should expand upon the project title to describe in detail the maintenance problem(s) and the specific work required in terms of materials, equipment, repair, or replacing the problem(s). Describe the justification leading to the necessity of this capital request related to the Institution's Facility Master Plan (FMP). This justification includes a detailed description of why current conditions of buildings or systems have become inadequate for programmatic use and a description of the funding necessary through conceptual architectural drawings, diagrams and photographs for the improvements. If this is an existing facility and a "Facility Condition Index Score (FCI)" has been determined, (not applicable for an infrastructure request), include a description of that score from the most recent Facilities Condition Audit, how this request will impact that score, and the targeted FCI that this project completion would achieve. Provide the date of the last facility renovation used to justify this request as well as any additional information to support the justification for this project. Explain the construction project delivery method selected for this project request.

Measure B1: Promotion of enrollment growth, retention, and degree production

Scoring:

- 30 - Substantially – specifically targets programs that are constrained by the quantity or the quality of the space, and where programs have demonstrated expansion and growth
- 20 - Somewhat – improves space for expanding programs to a lesser extent
- 10 - Very little – improves or adds space for elective programs that add to or enhance other programs
- 0 - Not at all

Institution proposed score
(if an affiliated community college) _____

Up to thirty points will be awarded for projects that clearly demonstrate the promotion of enrollment growth, retention, and degree production. To achieve the maximum allowable score, the project must significantly improve facilities in a program that has demonstrated enrollment growth as a recruiting tool or must improve space that is constricted as demonstrated by the presentation of utilization data. This discussion will require background data as opposed to anecdotal information.

Twenty points shall be awarded for a project that may demonstrate this to a lesser extent with new initiatives and anecdotal information. A new degree program may also meet these criteria.

Ten points shall be awarded for projects that improve programs that are primarily elective programs.

The intent of this measure is to focus on projects that can demonstrate support of this primary goal with data. For example, a project that remodels a science facility that has had lagging enrollment could still receive maximum points if it is demonstrated with data that new facilities have the opportunity to be a recruiting tool. A project that renovates an engineering facility where utilization data illustrates a need would also receive maximum points. Fewer points may be awarded for renovations in targeted educational areas with less detailed utilization data.

Measure B2: Education and workforce needs in local and regional economies

Scoring:

- 20 - Substantially – specifically and demonstrably improves facilities for programs that target state workforce goals
- 13 - Somewhat – improves space for programs that advance workforce goals
- 06 - Very little – improves space for elective programs
- 0 - Not at all

Institution proposed score
(if an affiliated community college) _____

Up to twenty points will be awarded for projects that create a direct effect on the learning environment that targets state workforce goals:

- Significant Community Impact and Support;
 - Proposal aligns with long-term local, regional, and/or statewide strategic plan for economic development
 - Proposal identifies geographic area(s) in which program completers are likely to work and those areas are primarily in New Mexico
 - Proposal is supported by statements of need from employers and other partners in the area to be served that express real need and commitment
- Rural and Underserved Areas of New Mexico;
 - Points for institutions that serve more than 50% minority students OR that provide a plan to recruit more minority students into the funded program
 - Points for institutions at which at least 36.9% of the student body is comprised of students from rural New Mexico counties OR that provide a credible plan to recruit more students from those counties into the funded program
- Increased Wages and Job Creation;
 - Proposal provides evidence of a current and future labor market demand that is validated by New Mexico Department of Workforce Solutions data
 - Proposal provides a credible plan for substantially addressing the current and future labor market demand
- Significant New Capital Investment; and
- Environmentally Sustainable Outcomes.

The scoring recognizes that facilities usually house multiple programs, and the score will be based on the amount of space devoted to programs that advance goals. For example, a renovation to a dedicated engineering facility could achieve twenty points while a project that improves space in a multi-use facility could receive ten points.

Measure B3: Support of HEI Strategic Plan or Facility Master Plan

Demonstrate alignment with institutional mission and how this project advances the institution's strategic or facility master plan.

Scoring:

- 20 - Substantially – this project is specifically listed in the institutional strategic plan or Facility Master Plan
- 13 - Somewhat – project goals are symmetrical with (mentioned as a vague goal) initiatives expressly stated in the institutional strategic plan or Facility Master Plan
- 06 - Very little – project goals are broadly described in institutional plans with comments such as “improve retention”
- 0 - Not at all

Institution proposed score
(if an affiliated community college) _____

Note to scorers: All HEI have been directed over the years to have a current facility master plan. Please provide the URL and date of the current master plan. Five additional points shall be awarded for each institution that has a current facility master plan. If this project is specifically listed in the Master Plan, the maximum total for the measure would thus be twenty-five.

URL: _____.

This criterion is fairly self-explanatory, but the intent is to provide additional incentive to have a current, detailed, Facility Master Plan and to foster alignment in programs across the affiliated community college systems. It is possible to garner an additional five points if the project is specifically listed in a current facility Master Plan. Alignment with the institutional strategic plan is also desirable.

Some plans are more specific than others. For example, a few plans actually list projects while others will state lofty goals such as, “increase retention.” While a new program may improve retention, the score will be based on how specific the plan is relating to the project.

*

Measure B4: Facilities Assessment

Provide the facility's most recent condition score and summarize the major structural and systems conditions that resulted in that score. Provide selected supporting documentation in appendices and reference them in the body of the proposal.

Scoring:

- 20 - Substantially – HEI has an updated detailed facility assessment of every facility on campus or system showing the needs
- 15 - Somewhat – the HEI has detailed component assessments but not for all facilities and not possibly all components
- 10 - Some – has some detailed assessments for elevators, chillers, and boilers
- 0 - None at all

Institution proposed score
(if an affiliated community college) _____

This criterion seeks to encourage every campus or system to have an assessment but recognizes that perhaps not all facilities must be evaluated at a detailed level to determine which facilities have the greatest needs. In other words, on most campuses, there is substantial granularity between facilities. An assessment of a new facility may have marginal value, at least at first.

The scoring does want to provide reward for the HEIs that have invested time and effort in full studies. NMHED knows that approximately one-half of the institutions have done this.

Several HEIs systems have completed full facility assessments and would thus be awarded the maximum twenty points. An HEI that has a current detailed assessment of all facilities would receive twenty points.

Some schools have had a company like Trane complete detailed assessments of HVAC systems, or an elevator firm deliver a detailed elevator assessment of all elevators, and these universities would earn up to fifteen points.

Some schools may have detailed assessments on several facilities on campus to assist with determining the project, and these would also receive up to fifteen points. If the HEI has detailed assessments for some components and some facilities, ten points would be awarded.

Measure B5: On-campus and Off-campus Instruction

Provide information on how this project request will support both on-campus and off-campus instruction.

Scoring:

- 10 - Substantially – This project will support both on-campus and off-campus instruction
- 05 - Somewhat – This project will support only on-campus or off-campus instruction
- 03 – Very Little – This project will indirectly support on-campus or off-campus instruction
- 00 - None at all – This project has no impact on instruction

Institution proposed score
(if an affiliated community college) _____

This criterion is a measure of how well the project supports both the on-campus and off-campus instruction at the HEI. The NMHED is committed to ensuring that capital outlay dollars are used to support student instruction and it is important to understand how HEIs are balancing on-campus vs off-campus instruction needs.

Support of on-campus and off-campus instruction including indirect support must be demonstrated in the project submittal using specific examples. Indirect support includes related infrastructure such as HVAC, Lighting, Parking Lots, etc. which supports facilities that offer instruction.

Important note: This measure is for instructional space and related infrastructure only. Projects that do not have a direct impact on instruction will receive no points.

C. *Green Screen for Buildings

Describe the Energy Efficiency measures that will be incorporated into the design and construction of this project. Also include information on specific measures to meet State Green Building Standards as well as information on how the project supports the State's Climate Strategy. Measures are B1, Energy Audit; B2, Operations (Energy) Cost Reduction; and, B3, Executive Order 2019-003.

Measure C1: Energy Audit

If the HEI has conducted a formal energy audit, provide details. Document project benefits associated with improvements in energy and resource conservation and the use of renewable energy sources. Examples of "Renewable" energy systems include, but are not limited to, hydroelectric power, active or passive solar space, heating or cooling, domestic solar water heating, windmills, waste heat, biomass or refuse derived fuels, photovoltaic devices, and geothermal energy.

Scoring:

- 10 - Substantially – The HEI has completed an assessment by an energy services company for the facility
- 05 - Somewhat – An audit has been conducted by a vendor or supplier for parts of the campus
- 03 - Very little – HEI staff have self-performed an energy audit and have a staff PE or licensed architect on the team
- 0 - Not at all

Institution proposed score
(if an affiliated community college) _____

There are several ways to accomplish an Energy Audit, and the scoring recognizes this while providing for higher scores for the methods that generally have the most accuracy and detail.

The HEI would receive ten points if an audit has been performed on this facility by an external energy services company, and the project is moving forward or is being incorporated into this renovation.

Five points shall be given if a supplier had completed a similar audit. Some suppliers also deliver energy services contracts, and, in such a case, ten points may be awarded.

An example would be energy conservation measures incorporated into a new project with items from the audit being used to program and augment the renovations.

Measure C2: Energy / Utility Cost Reduction

Explain the impact of this project to the net energy and utility costs. Describe in detail how this project will affect operating appropriations in the department for the current year and all out-years. This detail should include a discussion of any appropriation increases or decreases necessary to provide for building or system maintenance, increases or decreases in FTE, and the anticipated timeline for operating impacts. Provide a justification if no operating budget impact is anticipated.

Scoring:

- 15 - Substantially – Project will drive a significant net energy and utility cost reduction
- 07 - Somewhat – Project will drive a nominal energy and utility cost reduction
- 0 - Not at all – Utilities will remain unchanged

Institution proposed score
(if an affiliated community college) _____

The intent of this criteria is to establish that there is a goal towards reducing utility and operations costs that dovetails with the reduction in GHG emissions. Nearly every state rubric that NMHED looked at for comparisons provides for something similar to facilitate the reduction in costs. The scoring recognizes that there are several cost analysis software programs like Target Finder that can be employed later in the design process, but operating cost tools can be employed much earlier if a little more error is accepted. For that reason, NMHED is somewhat open as to methodology at this time but does want to see calculations if points are sought in this category.

The NMHED recognizes that in many cases, the older equipment in campus buildings may be designed to older standards that require less outside ventilation and may be operating inefficiently, thus using less energy than designed. In some cases, new equipment may cost more to operate even though it is new and efficient.

The NMHED also acknowledges that “significant” is broadly defined. This is a new evaluation measure that will certainly narrow going forward, for this year an example of a significant reduction would be to employ a system that generates some electrical or thermal energy or the adoption of a system that reduces consumption as a measure in energy units or dollars exceeding 10% of the previous facility costs. An upgrade to a service building could be eligible for these points with an energy efficiency roof, for example.

If the facility does generate electric or thermal power, points could be awarded both in this measure as well as the next category.

Measure C3: Executive Order (EO) 2019-003

Explain how this project will address the goals of integrating climate change mitigation and adaptation practices into the project.

Scoring:

- 15 - Substantially – Integrates verifiable actions to achieve the EO goals
- 07 - Somewhat – Integrates unverifiable actions to achieve the EO goals
- 0 - Not at all – No actions taken to achieve the EO goals

Institution proposed score
(if an affiliated community college) _____

This criterion seeks to capture how the HEI, through this project, will integrate climate change mitigation and adaptation practices into the project as called out for in the EO. Examples of climate change mitigation and adaptation practices:

- Clean Electricity and Grid Modernization
- Sustainable Infrastructure and Planning
- Decarbonization
- Energy Efficiency Technologies

D. Stewardship

Detail how the HEI provides stewardship for its assets. Measures are D1, Project Estimates; D2, Deferred Maintenance Reduction; D3, Asset Stewardship; D4, Impact to Operation and Maintenance Budget; and D5, Health, Safety, and Security.

Measure D1: Project Estimates

Accurate project estimates are critical to the overall success of the project. Describe how the project estimates were prepared. Provide total dollars attributed to inflation. Percentage increases MUST be defended in the narrative portion of the document, or 0% inflation will be assumed. Provide detail on the methodology used for preparing estimates.

Scoring:

- 15 - Substantially – Estimates were professionally prepared by an external firm or by in-house staff when the HEI has a PE or licensed architect on staff
- 07 - Somewhat – Estimates were prepared by non-licensed in-house staff using RS Means or other construction estimating database/program
- 05 - Very little – Estimates were calculated based on past project costs
- 0 - Not at all – Estimates are not supported

Institution proposed score
(if an affiliated community college) _____

The NMHED continues to be cognizant of the ever-changing construction and funding landscape in New Mexico. Availability of funding along with costs for materials and construction of facilities has fluctuated year-over-year. The NMHED is committed to providing funding for either a functional phase or a complete project. The information provided by the HEI to support the estimate must include how the estimate was developed, percentage of inflation included in the estimate, along with a breakdown of the costs associated with implementing any Green Screen/Energy initiatives.

Measure D2: Addresses deferred maintenance

Reduce deferred maintenance

Describe in detail how this project reduces the HEIs deferred maintenance backlog. The scoring has been assigned to the categories listed within the Facilities Inventory Classification Manual (FICM). If the institution does not have replacement cost data, the NMHED is requesting that the HEI use \$325 per GSF.

Scoring:

Check the box that best describes how this project impacts or reduces the campus Facility Condition Index (FCI) (reduces deferred maintenance).

- The approximate restoration cost is 46– 60 percent of building replacement cost.
(20 - points)
- The approximate restoration cost is 31–45 percent of building replacement cost. The physical conditions currently adversely affect building operations.
(15 - points)
- The approximate restoration cost is 16–30 percent of building replacement cost. The physical conditions may affect building operations.
(12 - points)
- The approximate cost of restoration is 5–15 percent of building replacement cost.
(7 - points)
- Renewal or replacement project cost is less than 5 percent of building replacement cost.
(0 points)

Institution proposed score
(if an affiliated community college) _____

The intent of this criterion is to assess the impact capital appropriations have on addressing deferred maintenance needs. The scoring is specific to renovation of a facility however it is important that HEIs document how funding of any project request will impact their current deferred maintenance backlog.

*

Measure D3: Asset Stewardship

Describe in detail how the HEI uses and plans for Building Repair and Renewal (BRR).

Scoring:

- | | |
|--------------------------|--|
| 15 - Substantially | - There is an annual BRR maintenance plan |
| 07- Somewhat | - There are the beginnings of an annual BRR plan |
| 05 - Very little planned | - Maintenance funds are used for emergency maintenance |
| 0 - Not at all | - No BRR maintenance plan in place |

Institution proposed score
(if an affiliated community college) _____

A plan for supporting the ongoing operational and maintenance needs of current and proposed capital assets, including deferred maintenance and building renewal, is critical. The NMHED understands that Building Repair and Renewal funding is not a separate appropriation and for that reason is interested in understanding how HEIs determine the percentage of I&G that will be used for BRR.

The intent of this criterion is to assess the planning of BRR at HEIs. Specific detail on how the HEI separates BRR projects from capital outlay projects must also be documented.

Measure D4: Impact to Operation and Maintenance Budget

Describe in detail how this project will affect net operating appropriations for the current year and all out-years. This detail should include a discussion of any appropriation increases or decreases necessary to provide for building or system maintenance, increases or decreases in FTE, and the anticipated timeline for operating impacts. Provide a justification if no operating budget impact is anticipated.

Scoring:

- 15 - Substantially – Detailed impact and plan provided for addressing O&M costs
- 0 - Not at all – No information provided

Institution proposed score
(if an affiliated community college) _____

The intent of this criterion is to assess the impact the project will have on the overall operations and maintenance (BRR) budget of an institution. The initial cost for construction or renovation of a facility or associated infrastructure is important when requesting funding however the recurring costs to operate and maintain the asset are equally as important.

It is important that HEIs include as much detail as possible when providing the information. Some examples of items that can be included are as follows:

- Less staff for cleaning because of a different floor material being installed,
- Fewer employees changing light bulbs due to LED retrofit,
- More staff needed due to added square footage

Measure D5: Health, safety, and security

Describe how this project will address major health and safety issues/concerns on campus, including how it will improve physical safety and cybersecurity affecting students and staff. Include information about any plans or studies, and any efforts towards Crime Prevention Through Environmental Design (CPTED). Identify whether the project is needed to bring the facility to current life safety or energy code requirements. Clearly identify the applicable standard or code and describe how the project will address these issues. Cite examples of existing conditions that do not comply with current codes that the project will correct. Provide selected supporting documentation and reference them in the body of the proposal.

Scoring:

- 20 – Two + plans – HEI has two or more formal plans and is following (such as for Cameras, Door Locks, or Fire Alarm upgrades)
- 15 – A single plan – HEI has a plan in place for one initiative and is following
- 10 – This project – HEI plans whole building upgrades as part of this project (no points for a new facility unless the old facility is demolished)
- 0 - Not at all – the project makes minor improvements

Institution proposed score
(if an affiliated community college) _____

This criterion is designed to improve planning, and an example would be that the HEI that has a formal plan for external card readers or cameras. Twenty points would be awarded to the HEI that has two or more such plans in place, and these plans might include other items like Cameras, Door Locks, ADA, Gun Shot detection, or Fire Alarms. An institution that has such a plan for one aspect would receive fifteen points. The university that plans to completely upgrade one or more systems in the facility as part of this project will receive ten points.