

DATE: June 3, 2025

TO: Vice Presidents and Divisional Budget Officers
Auxiliary Enterprises and Auxiliary Organizations

VIA: Michelle Cardona *Michelle Cardona*
Interim VP for Administration and Finance and CFO

FROM: Carol L. Lee **Carol L. Lee** Digitally signed by Carol L. Lee
Date: 2025.06.03 09:26:21
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SUBJECT: FY 2025-26 Annual Capital Call (Limited)

Given projected budget constraints for FY25-26, we are planning for a **limited capital call** focused on critical health, safety, and ADA priorities, utilizing only **self-supported funding sources** so that we can prioritize the General Fund for operating needs.

To ensure our annual budget provides a holistic view of all operating and capital needs and effectively plan and manage our resources within FP&M, all *minor* capital, furniture, fixture, and equipment installation, and *major* capital (feasibility studies) requests must be submitted as part of the annual budget planning process.

Self-Supported Funding Sources

Self-supported capital projects are restricted to the following funding sources:

- Auxiliary Enterprise funds (Housing, Parking, CPGE)
- Auxiliary Organization funds (Enterprise Foundation, Philanthropic Foundation, ASI)
- Designated funding such as donor funds, grants, or fees (Student Success Fee funded SPICE program) that must be used for capital only

Annual Capital Call

Capital projects should be ranked in the order of priority for the division or entity from the highest to the lowest priority, with "1" being the highest. Implementation of capital projects is subject to FP&M's capacity, so follow-up conversations may be necessary to determine the full scope of each project. Capital requests for academic instructional and instructional support programs must first be coordinated through the Academic Resources in Academic Affairs.

Minor Capital Project: Projects that help extend the life of an asset by maintaining or improving the interior or exterior of a building or support system such as mechanical, electrical, plumbing, roads, or other physical infrastructure. They are generally smaller in scale and costs (less than \$1,103,000), less complex, and require less funding. Examples include: Paint walls and install

new flooring; remove a wall or cut a new doorway; remodel classroom, lab, or office; convert a storage room to office space.

Furniture, Fixtures, and Equipment (FF&E): Refers to movable furniture, fixtures, or other equipment that have no permanent connection to the structure of a building. These items include desks, chairs, computers, electronic equipment, tables, bookcases, and partitions. FF&E specific to academic programs are the responsibility of the academic college/department. Moreover, FF&E changes require a submitted FP&M [Service Request Form](#) as all building equipment and systems must comply with applicable building codes and regulations such as maintenance recording keeping (see [FP&M Operations Detail #11-01](#)).

Major Capital Project (feasibility study): Projects that typically involve CSU BOT approval of large-scale construction or renovation efforts that have significant costs (above \$1,103,000) and impact on the campus infrastructure. Submit a feasibility study request to initiate a major capital project.

Capital requests that receive funding approval as part of the Annual Capital Request process are considered to have preliminary approval. Projects with IT audio/visual work will need to be coordinated with IT, and departments will require a formal IT Consult, while specialized lab equipment will require consultation with Environmental Health & Safety (EH&S). FP&M will notify departments when projects have preliminary approval.

Divisions should utilize the Excel Capital Request template to submit their capital requests.

Major Capital Planning—Feasibility Study

The university major capital planning process is a crucial framework that sets the course for future development and growth within our institution. Major capital refers to projects that typically involve CSU Board of Trustee (BOT) approval of large-scale construction or renovation efforts that have significant costs (above \$1,103,000) and impact on the campus infrastructure. The major capital planning process begins with comprehensive discussions surrounding project visions and ideas, ensuring alignment with the institution's strategic priorities, mission, and vision. Early engagement with key stakeholders, particularly the Facility, Planning & Management (FP&M) team, during initial project scoping is necessary to ensure that proposed projects are not only feasible but also strategically aligned with the university's long-term objectives.

While proposed initiatives may still undergo further refinement to meet institutional needs effectively, the first step to initiate a major capital project is to complete a feasibility study to analyze the viability of proposed capital projects. A feasibility study will give focus to the project and identify key issues; analyze and narrow alternatives to a preferred solution; identify new opportunities through the investigative process; identify reasons to proceed or not proceed; and provide documentation that all options were thoroughly investigated. Finally, the study will analyze and recommend the type of [construction delivery method](#) most appropriate for the proposed project.

Early discussions are critical also because by CSU policy, the University is required to report to the Chancellor's Office (CO) its existing and anticipated facilities necessary to accommodate a specified enrollment in the Physical Master Plan. Additionally, a Five-Year Plan, indicating a proposed

timeline for projects that supports the Physical Master Plan, is required by the CO. Project funding (self-support or financed with Systemwide Revenue Bond), as well as ongoing funding for operational support, must be carefully evaluated by preparing a proforma to ensure the long-term financial viability of the proposed initiatives.

Given the various reporting requirements and assessments necessary to obtain project approval and required funding, discussions with FP&M need to begin early. By fostering collaboration between various departments and stakeholders, the University can streamline decision-making processes and ensure that capital investments contribute to the enhancement of academic excellence and overall campus vitality.

Divisions should utilize the Excel Capital Request template to submit their requests for feasibility study. Select “Major Capital—feasibility study” as the type.

Budget Planning Resources and Timeline

All capital requests must be recorded in the Excel Capital Request template. Capital request submissions, for all funds, **must be reviewed and approved by the divisional VP** and are due to Budget Planning & Analysis (BPA) at Budget@cpp.edu by **July 27, 2025**.

For questions pertaining to the preparation of materials, please email Carol Lee, AVP for Budget Planning & Analysis, at cllee@cpp.edu.