

Agenda

- · About UNC Charlotte
- · Developing a Process
- · Needs Identification
- · Resource Identification
- Prioritization
- Gaining Buy-in "Changing the Culture"
- Execution
- · Thinking About the Next Five Years
- Questions

UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE | WHO WE ARE







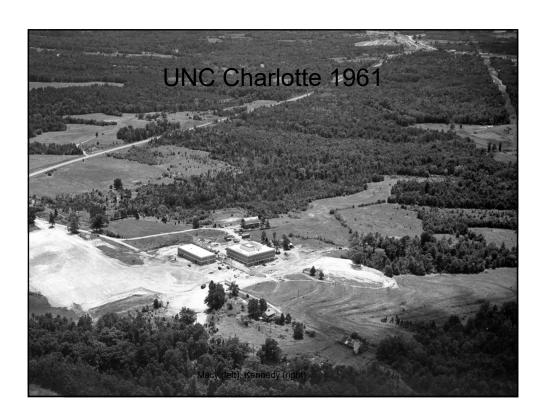
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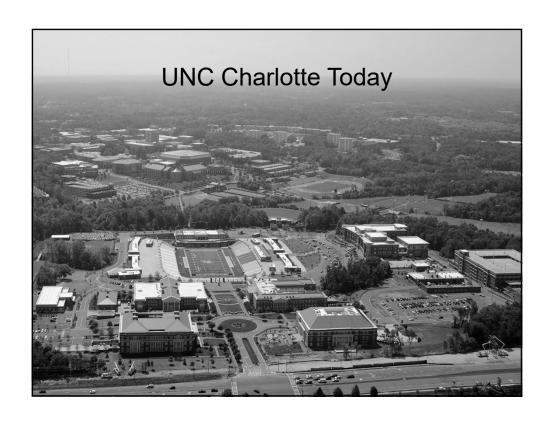
About UNC Charlotte

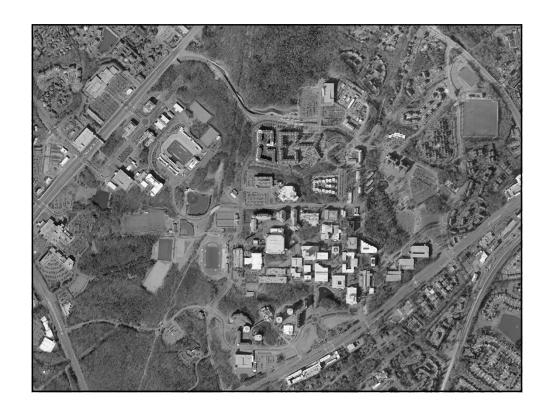
- Fourth largest of the 16 institutions within the University of North Carolina system.
- North Carolina's "Urban Research" University
 - special emphasis on Charlotte, the nation's 35th largest city,
 - the surrounding 13-county metropolitan region, which includes
 1.5 million people.
- Located on 1,000 Acres 10 miles north of City Center of Charlotte
- 7.2M square feet
- 28,721 students enrolled fall 2016
- 23,404 undergraduate enrollment; 5,317 graduate students
- Phenomenal growth 17,000 (2001) to 28,721 (2016)

About UNC Charlotte (continued)

- 92 Bachelors, 59 Masters, 23 Doctoral
- Colleges: Arts and Architecture, Liberal Arts and Science, Business,
 Computing and Informatics, Education, Engineering, Health and
 Human Services
- \$50M in research grants annually
- Top five nationally in new inventions per research dollar
- 18 NCAA Division 1 sports teams Conference USA
- Started Football 2013; FBS 2015
- \$1.2B in capital construction 2006-2016









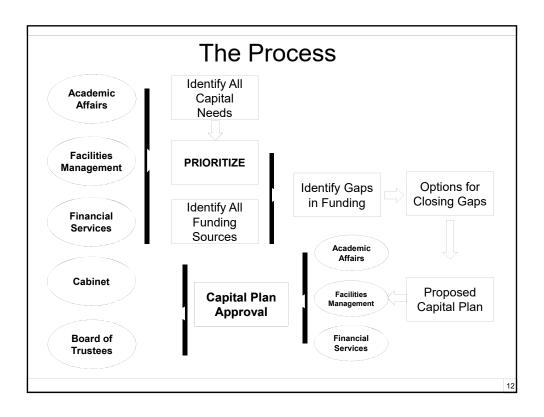
Where we Started

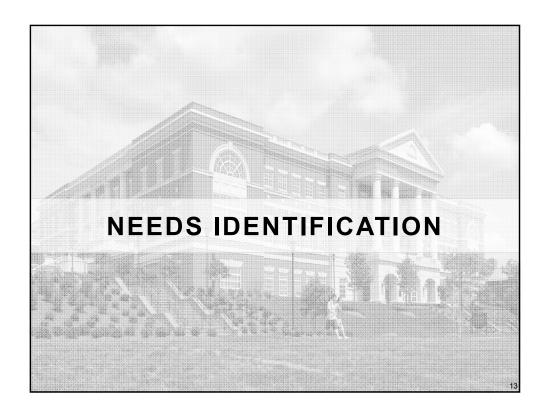
"One Year at a Time"

- Annual budget submittals
- · Multiple project lists
- Chancellor decides based on competing, often conflicting needs
- Lack of formal decision making process
- Lack of prioritization
- Little input from stakeholders
- Early attempts at improving the process

"Begin with the end in mind"

- The Question: What capital investments do we need in the next 10 years to accommodate campus growth?
- The Goal: Develop a 10-year capital and funding plan to accommodate the University's current growth projections, infrastructure, compliance, and new initiatives
- The How: Multi-divisional collaboration facilitated by Facilities Management and Financial Services





Developing the List

- Master Plan
- Sector Plans and other studies
- Six-year Appropriated and Non-appropriated lists
- Meetings with stakeholders to clarify needs
- Facilities Condition Assessments
- Capital Renewal/Deferred Maintenance (CRDM)

Master Plan 2010 Building North Carolina's Urban Research University



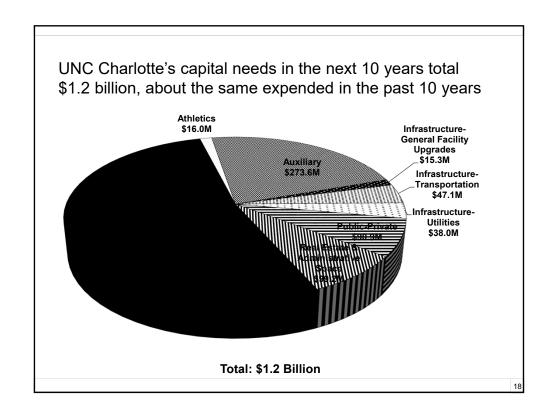
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Master Plan Highlights

- Planning principles
 - Strengthen our collegiate experience
 - Create memorable places
 - Engage with our larger community
- Build out to 35,000 students by 2020
- · Design standards
- · Decks verses surface parking lots
- Twenty to twenty-four percent student population living on campus
- · Infrastructure for growth
- Dense core pedestrian friendly campus
- · Retain natural areas
- · Role model in sustainability

Capital Renewal/Deferred Maintenance



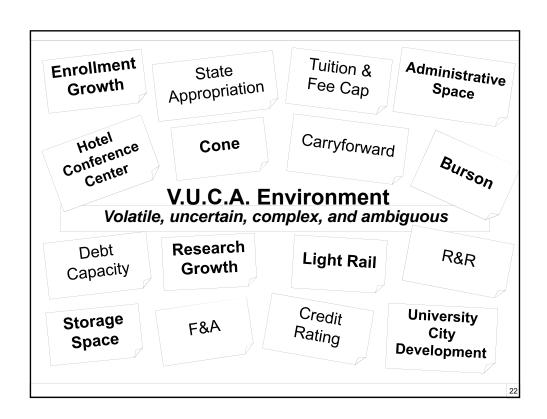


Initial Step: Focus on First Five Years 2016-2020



Capital Funding Availability

- · Self-sustaining revenues and fees (Housing, Parking, Dining, Athletics)
- · Capital funding from all other resources:
 - State Appropriations
 - Carryover of unexpended General Funds (Carryforward)
 - · Repair and Renovations (R&R) funding
 - State Appropriated Projects Science Building ("Connect NC" Bond)
 - Debt financing supported by student fees
 - Bond proceeds Campus Infrastructure Development (Phases I & II)
 - Institutional Funds
 - · Facilities and Administrative (F&A) receipts
 - · Student fee receipts
 - · Creative funding swaps and gifts
 - · University Endowment



Funding-related Uncertainties

- Enrollment
 - Impact on all operating budgets and infrastructure debt fee
- · Legislative Unpredictability (State/Federal)
 - State Appropriations
 - Repairs & Renovations (R&R) funding and varying allocation methodologies
 - Carryover of unexpended general funds (2.5% or 5.0%)
 - F&A receipts
 - Impact(s) of White House's proposed FY18 budget cuts regarding research funding
- · Debt rating and capacity
- · Gifts
- · Internally-restricted funds
 - · Portion of proceeds generated by sale of property (gifts) earmarked
 - · Chancellor earmarks

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Campus Infrastructure Development: A Funding Innovation

Funded by a student fee of \$250

• High Voltage & HVAC Modernizations

Approved in \$50 increments in

AY12, 13, 14, 15

Additional \$50 fee added in AY17

CID - Phase 2 - \$49,257,160

- · Roads & Utilities
- Modernize Eight Academic Building (Originally built 1962-1980)

Two Project Phases

CID - Phase 1 - \$52,756,373

- Regional Utility Plant, Roads & Utilities, Pedestrian Bridge
- · Campus-wide Wi-Fi Improvements
- Gymnasium Modernization



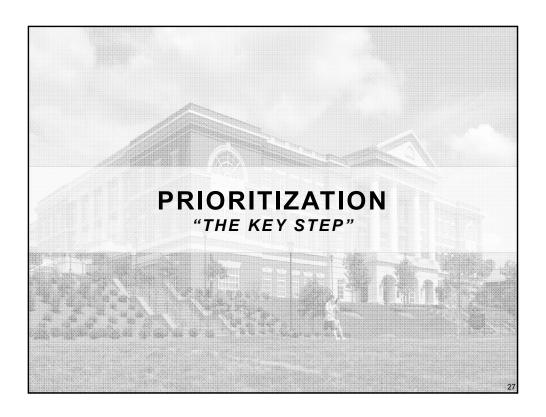
Development of Five-year Funding Plan

- Funding model developed by Budget Office with projected funding resources over the five-year period
- Budget Office and Facilities Planning (with Academic Affairs) coordinated annual project costs, priorities, and timelines
- Projects were entered into the model and funding allocated accordingly using conservative estimates
- Funds were assigned to projects by year using the projects' projected cash flows and considering any statutory and/or donor fund restrictions
- Type and availability of funds matched to type and timing of projects:
 - F&A receipts support research
 - General Fund carryforward supports academics and central administration
 - infrastructure fees support various types of infrastructure
- · Allocated a central contingency reserve

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Lessons Learned

- The plan must remain flexible in order to adjust to the changing environment (e.g. funding availability, unplanned projects, construction costs, etc.)
- Budget Office, Capital Accounting, Customers, and Facilities Management must collaborate closely, remain flexible and be prepared to make adjustments as necessary
 - Unplanned projects/unforeseen cost escalations
 - Shifting priorities
 - State approval of fund source changes/authorization increases
- Open and rapid communication of changes, delays, cost overruns, problems a must



Major Themes

- Renew the academic core
- Infrastructure improvements
- Administrative space
 - -Real Estate acquisitions
- Science/Research
- Student Housing and Recreation

42 Major Projects: ~\$480M



"Changing the Culture"

- · Involvement of stakeholders
 - -Academic Affairs key
- Involvement of Cabinet and Chancellor
 - -Early in process
 - -Prioritization
 - -"Giving up control"
- Board of Trustees and UNC System
- Final (formal) approval



Challenges for the Campus Community

- · Construction, congestion, and disruptions
- Construction will take place in the center of campus
- Pedestrian and ADA access will be changed
- Renovations in occupied buildings will cause disruptions
- Multiple projects will occur simultaneously
- Moves and swing space

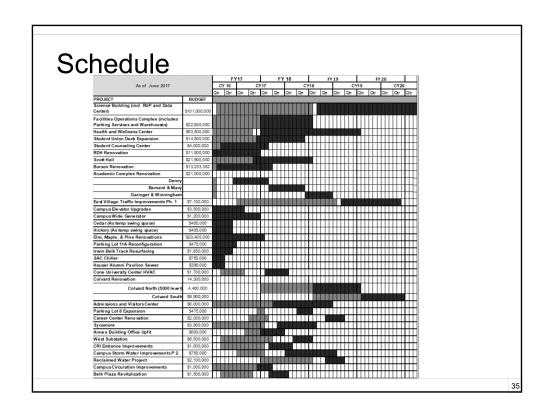
Campus Communication

- Five-year Planning Meetings
 - o Internal All Facilities Management directors and supervisors
 - o External Leaders from all divisions of the University
- · Working Group Meetings
 - o Current operations
 - o Future operations/transportation
 - o Communications
 - o Moves and swing space
- Five-year Capital Construction Plan Website
 - o Customer Service Line
 - o Project map
 - o Project schedules

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Project Execution Plan

- Project Initiation Advanced Planning
- Project Design and Estimating
- Project Approvals State Construction Office
- Bid and Procurement
- Construction
- Final Acceptance
- Closeout

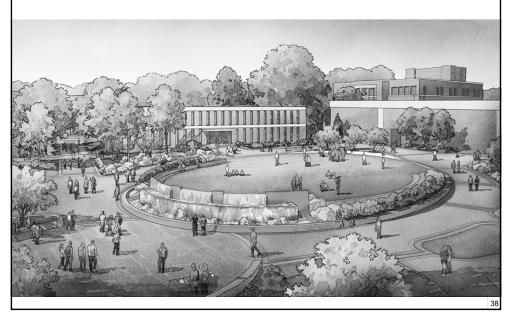




Admissions and Visitors Center

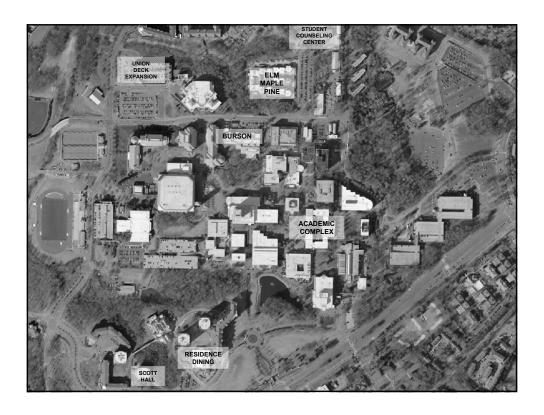


Belk Plaza Revitalization



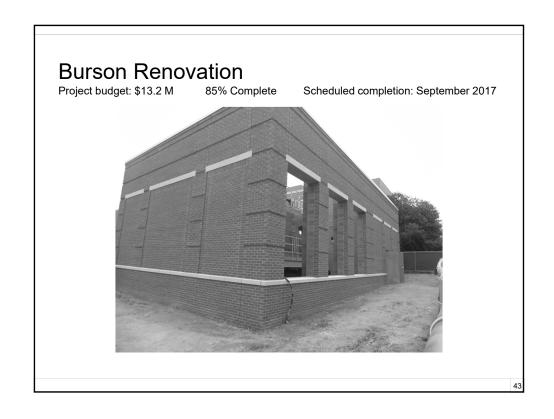
Projects in Construction

- Elm, Maple, Pine Residence Halls Renovation
- Burson Renovation
- Residence Dining Hall (RDH) Renovation
- Student Counseling Center
- Academic Complex
- Union Deck Expansion
- Scott Residence Hall Renovation













Student Counseling Center Project budget: \$4.4 M 85% Complete Scho

Scheduled completion: August 2017



Student Counseling Center



Sycamore Hall Renovation Project budget: \$4.2 M Construction start: October 2017 Scheduled completion: September 2018



