



PA State System of Higher Education Board of Governors

Effective: April 19, 1990

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Policy 1990-01-A: Facilities Resource Planning and Budgeting

See Also:

Adopted: April 19, 1990

Amended: April 9, 1998

A. Policy

The State System of Higher Education will pursue management of its facilities through a process of planning, budgeting, and expending allocated resources on a least cost life-cycle basis.

B. Purpose

In 1990, the buildings, which comprise only a portion of all the facilities of the State System, consisted of 692 structures and encompassed over 22.5 million square feet of floor space to conduct the State System's educational mission. Those buildings were valued at \$1.6 billion; they represent a significant investment of the Commonwealth and, most important, an investment in the education of its citizens. When the investment in utility systems and infrastructure is added to the building values, the total Commonwealth investment in State System facilities is significantly larger. It is imperative that the State System facilities be properly maintained and preserved for higher education purposes now and in the future.

The routine maintenance, repair, and renovation of the State System facilities determine the quality of service these assets will provide in support of the academic programs conducted by the State System. Inadequate maintenance, repair, and untimely renovation eventually result in excessive expenditures and inadequate support of academic programs.

Life-cycle maintenance profile modeling provides a method for determining the least cost facility management program for routine maintenance, component repair or replacement, and renovation and renewal for each facility. Life-cycle maintenance is based on the principles of constructing a quality facility initially, conducting an aggressive preventive maintenance program, replacing components at the end of their life expectancy, and renovating the facility at

the end of its useful life. The results of a properly conducted life-cycle facilities maintenance program most closely achieve objectives consistent with the desired quality and level of facility support for the academic programs of the State System. Such a program also best contributes to the mission of the State System of providing a "quality education at the lowest possible cost to the students." Further, such a program would preserve these valuable and essential assets for continued future use as Commonwealth institutions of higher education.

C. Definitions

Facility - any building, structure, infrastructure, utility or improvement placed or naturally occurring in or above the real estate (land) at a State System university, branch campus, or educational center.

Facilities Planning, Budgeting and Expending Allocated Resources - the process of determining the annual resources required to properly maintain the universities' facilities, and allocating or prioritizing expenditures of the funds allocated for the purpose of maintaining, repairing, or renovating those facilities.

Life-Cycle Maintenance Profile - the profile of costs that results when the total cost of performing routine maintenance, repair, or replacement of the facility components that wear out before the end of the useful life of the facility and complete renovation of the facility at the end of its useful life are annualized on a least cost basis.

Maintenance – the minor work performed routinely on a facility to prevent premature failure of the components used to construct the facility and/or the return of failed components to useful service without complete repair or replacement of the component or a major portion thereof.

Repair - restoration or replacement of major building systems or components used in construction of the entire facility that fail or wear out before the entire facility, such as roofing systems, heating, ventilation or air conditioning systems, etc.

Renovation - rehabilitation of the entire facility, or a major portion thereof when the original facility is no longer serviceable, or reaches the end of its useful life, or is no longer usable for the intended purpose due to deterioration or excessive wear.

D. Procedure

Prior to submission of the annual Education and General and Capital Appropriations requests, the State System shall review the life-cycle maintenance profiles for the universities' facilities. Appropriations requests will include appropriate amounts for life-cycle maintenance, repair, and renovations.

Facilities maintenance shall be conducted according to the life-cycle profile as best as can be accomplished within allocated funds. Unfunded requirements will be carried forward as deferred maintenance or backlogged work awaiting future funding. The universities shall make every attempt to fund facility maintenance and repair requirements within the funds received.

E. Effective Date

April 19, 1990