

Section 10

PHYSICAL FACILITIES

10.0 PLANNING AND CONSTRUCTION

10.0.0 Introduction and Purpose (C)

The purpose of this section is to outline policies which guide VCCS personnel in planning and developing capital outlay projects.

- a. This Policy describes the responsibilities of the State Board for Community Colleges, the Chancellor, Community College Presidents, and System Office staff for the planning, development, and maintenance of college facilities.
- b. This Policy shall govern the planning and budget development for the System's capital projects, capital project authorization, and the implementation of capital projects, whether funded by a general fund appropriation, proceeds from State Tax Supported Debt, or funding from other sources, and shall govern:
 - 1) the process for developing one or more capital project programs for the System
 - 2) authorization of new capital projects
 - 3) procurement of Capital Professional Services and construction services
 - 4) design reviews and code approvals for capital projects
 - 5) environmental impact requirements
 - 6) building demolitions
 - 7) building and land acquisitions
 - 8) building and land dispositions
 - 9) project management systems and
 - 10) reporting requirements
- c. This Policy shall set forth the post-legislative authorization system of reviews, approvals, policies and procedures governing capital projects at all Community Colleges within the Commonwealth, and also the traditional preauthorization approval process for projects funded entirely with nongeneral funds and without any proceeds from State Tax Supported Debt.

10.0.0.1 Definitions

As used in this Policy, the following terms shall have the following meanings, unless the context requires otherwise:

- a. "Capital Professional Services" means professional engineering, architecture, land surveying and landscape architecture services related to capital projects.
- b. "Capital project" means the acquisition of any interest in land, including improvements on the acquired land at the time of acquisition, new construction, and improvements or renovations. The term shall not include any capital lease.
- c. "Enabling legislation" means those chapters, other than Chapter 4.10 (§ 2338.88 et seq.), of the Code of Virginia, as amended, creating, continuing, or otherwise setting forth the powers, purposes, and missions of the individual public institutions of higher education of the Commonwealth.
- d. "Major Capital Project" means the acquisition of any interest in land, including improvements on the acquired land at the time of acquisition, new construction of 5,000 square feet or greater or costing \$1 million or more, and improvements or renovations of \$1 million or more. The term shall not include any capital lease.
- e. "Restructuring Act" means the Restructured Higher Education Financial and Administrative Operations Act, Chapter 4.10 (§ 2338.88 et seq.) of Title 23 of the Code of Virginia.
- f. "State Tax Supported Debt" means bonds, notes, or other obligations issued under Article X, Section 9(a), 9(b), 9(c), or 9(d), if the debt service payments are made or ultimately are to be made from general government funds, as defined in the December 20, 2004, Report to the Governor and General Assembly of the Debt Capacity Advisory Committee or as that definition is amended from time to time.

10.0.0.2 General Codes and Standards

All construction, alterations, or renovations of community college facilities must meet applicable Federal and State codes and standards, and follow, where required, the guidelines and procedures established by the State Council for Higher Education (SCHEV), the Department of Planning and Budget (DPB), the Department of General Services (DGS), and other regulatory authorities as applicable. Where appropriate, the Attorney General's Office will be consulted.

10.0.0.3 Responsibilities

- a. The Chancellor shall at all times be fully and ultimately accountable to the State Board for Community Colleges for the proper fulfillment of the duties and responsibilities set forth in, and for the appropriate implementation of this Policy.

- b. Subsequent to the approval of the State Board, the responsibility for planning the expansion of existing colleges and the addition of new campuses is delegated to the Chancellor by the State Board. This responsibility is implemented jointly by personnel from colleges and the System Office.
- c. VCCS Facilities Management Services, in close liaison with the local community college designee, is responsible for coordinating reviews and approvals of master site plans and capital outlay projects.

10.0.0.4 Actions Requiring State Board Approval (SB)

It is the expressed direction that the State Board for Community Colleges will be informed in advance of any other agency, board, or body on matters that pertain to construction of any nature on a community college campus. Such matters will be heard before the State Board and consent must be granted by the Board prior to any contacts with other agencies, boards or bodies.

Approval of the State Board must also be gained for the following projects:

- a.** The Six Year Capital Outlay Plan for the Community Colleges;
- b.** Approval of the establishment and acquisition of new campuses, including the naming of new campuses as detailed in Section 2A.IX.D.7.c of the VCCS Policy Manual;
- c.** Acquisition or conveyance of title to community college real property including exchanges;
- d.** Capital leases, subject to further approval of the General Assembly and appropriate state agencies;
- e.** Master site plans;
- f.** Requests for college specific line item appropriations, maintenance reserve funds, and all other blanket/umbrella appropriations;
- g.** Proposed construction of new building space which is not covered under capital outlay;
- h.** Entering into any arrangement including proposed debt to support any capital project;
- i.** Preplanning Studies or Schematic Plans when Preplanning Studies are not required;

- j.** Contract awards for any construction projects which meet the following criteria:
 - Contract price exceeding the authorized construction estimate by the greater of 10 percent or \$100,000, or where a minimum of two (2) bids were not received;
- k.** Any activity which would substantially affect the appearance of a campus, including demolition of any building, renovation of the exterior of any building, the construction of any site improvements including, but not limited to, parking lots, walls, fences, entrance signs, tennis courts, gazebos, moveable buildings, and other outdoor physical education areas;
- l.** Any other commitment which would have substantial impact on the real property of the VCCS;
- m.** Any litigation proposed on behalf of the VCCS or initiated against the VCCS relative to construction or real estate; and
- n.** Any project requiring an increase in student fees. Guidelines for making such a submission will be available through the office of the Vice Chancellor for Administrative Services.

10.0.1 Capital Outlay Planning

10.0.1.0 Basic Policy

- a. The Chancellor, acting through his designee, shall be responsible for the overall capital outlay planning for the Virginia Community College System. The Associate Vice Chancellor or his designee or designees shall have obtained a Virginia Construction Contracting Officer designation from the Bureau of Capital Outlay Management of the Department of General Services and at least one designee shall be an architect or engineer licensed to practice in the Commonwealth.
- b. The Board shall approve the Six Year Capital Outlay Plan for the Community Colleges including Major Capital Projects. Major Capital Projects that are to be funded entirely or in part by a general fund appropriation or proceeds from State Tax Supported Debt shall follow the Commonwealth's requirements for capital plans.

- c. The Board may approve amendments to the program for Major Capital Projects annually or more often if circumstances warrant. Each capital project program shall meet the System's mission and institutional objectives, and shall be appropriately authorized by the System, be of a size and scope to provide for the defined program needs, be designed in accordance with all applicable building codes and handicapped accessibility standards as well as the System's design guidelines and standards, and be costed to reflect current costs and escalated to the midpoint of anticipated construction.

10.0.1.1 Guides and Standards

Basic guides for planning and developing capital outlay projects are outlined in the manuals and procedures issued by the Department of Planning and Budget, the Department of General Services, and other agencies as needed.

10.0.1.2 Master Site Planning

- a. A master site plan (MSP) is required for each community college campus and must be approved by the State Board. Once a master site plan has been approved, any changes in location, size, or use of buildings or other facilities shall be similarly approved.
- b. Significant changes recommended in locations of buildings, other constructed facilities or land use must be incorporated as revisions to the MSP and resubmitted for approval by the college board and the State Board.

10.0.1.3 General Policies for Funding, Construction, and Maintenance of Site Development and Parking and Other Nongeneral Fund Projects (SB)

- a. The political subdivision(s) sponsoring and being served by the community college shall provide sufficient land for the initial establishment of the college, additional campuses and future expansion, acceptable to the State Board. Expenditures for site preparation beyond five feet from a building, and the construction of additional outdoor lighting, sidewalks, outdoor athletic and recreational facilities, and parking lots shall be made only from appropriated Trust and Agency funds, including local government allocations or appropriations, or the proceeds of indebtedness

authorized by the General Assembly. These include surveys, borings for parking areas and roads, grading, utilities to within five feet of the building, storm drainage, roads, parking facilities, sidewalks, landscaping, seeding, and outdoor facilities for physical education and recreation. (Excavation costs for basements, footings, and trenches for utility lines within or under the building extending five feet outside the building are part of the building costs.)

- b. Funding for the construction of a new workforce center shall include at least \$1,000,000 in additional non-general funds for the construction of this building. Funding requirements for site costs identified in the section above apply to workforce centers as well.
- c. Auxiliary Enterprise projects under state policy must be constructed, operated, and maintained using non-state funds. This includes projects for dining, parking and bookstore facilities.
- d. Parking is to be operated as an auxiliary enterprise by all colleges. Colleges should develop sufficient reserves for ongoing maintenance and replacement of parking facilities. Colleges shall establish a capital outlay plan for parking and a reserve fund from auxiliary enterprise revenues and/or contributions from local government jurisdictions to provide for the construction, repair, and maintenance of college parking facilities approved by the college board which shall be submitted to the Chancellor by July 1 of each new biennium (Section 4.3.1.5 of the VCCS Policy Manual).
- e. Expenditures for maintenance, replacement, and repair of outdoor lighting, sidewalks, and other infrastructure facilities may be made from any appropriated funds. Auxiliary enterprise funds may be used for site improvements other than for construction and maintenance of parking facilities when approved by the college board and the State Board for Community Colleges (see Section 4.3.1.5 of the VCCS Policy Manual).
- f. Expenditures for operations, maintenance, and repair of athletic, recreational, public service facilities, both indoor and outdoor, **and auxiliary enterprise space including bookstores, dining, and student activity facilities** should be from nongeneral funds. However, this condition shall not apply to any indoor recreational facility existing as of July 1, 1988.

- g. Prior to the awarding of a contract, or modifications to an existing contract, that is funded in whole or in part from non-general funds (trust & agency/ local/private gifts) pursuant to the requirements of this section, such non-general funds, inclusive of all related cost (i.e., construction, inspection, project contingency, and other cost), must be on deposit either in the State Treasury or in local college accounts under the control of the local college board as authorized by the State Board for Community Colleges. The college president and the chairman of the college board shall certify in writing that this requirement has been met. Subsequently, the college must maintain all non-general funds held locally in dedicated general ledger accounts by project in the VCCS automated accounting system. The VCCS will not process expenditure invoices requiring non-general funds until the college demonstrates sufficient cash is on hand per the requirements above.

An exception to these requirements may be made for non-general funds committed to the college under written contract with a college foundation, local and federal governments, or other private donor if the balance of the funds is held in a legally escrowed, separately identified, account for the named project. The arrangement must be pre-approved by the Chancellor and appropriate documentation provided to validate the availability of funds. Funds held under escrow must still be transferred to the college and reflected in accordance with the requirements above prior to having a related invoice processed. In case of funding from localities with regard to site development, exceptions to this policy may be granted by the Chancellor.

- h. On-site campus roads should be designed to meet requirements of the Virginia Department of Transportation (VDOT). Approval of plans should be secured in writing from the Resident Engineer to allow acceptance of the road into the State highway system for maintenance purposes. When on-site campus roads do not connect with State maintained highways, but into city streets, the VDOT remains responsible for the on-site road maintenance. The VDOT may arrange to have such maintenance performed by the city.

10.0.1.4 Development of Capital Outlay Plan and Capital Projects (C)

10.0.1.4.0 Basic Policy

Reviews of requests for capital outlay projects to meet space needs are the joint responsibility of a number of agencies: individual colleges, the VCCS, the State Board, SCHEV, the Department of General Services' Division of Engineering and Buildings (DEB), the Department of Planning and Budget, the Governor's Office, and the Legislature. The sequence for developing capital outlay plans and project requests is outlined in the subsection which follows.

10.0.1.4.1 Sequence for Capital Outlay Requests (C)

- a. Based upon guidance from central agencies, the System Office issues to each institution a complete package of documents.
- b. The System Office thoroughly reviews all completed space guides and capital outlay requests submitted by each college. The review includes checking to ensure that space needs and requests have been prepared in conformity with established guides. Discrepancies are called to the attention of appropriate college personnel and corrected.
- c. Following correct completion of all capital outlay requests, the State Board establishes priorities for VCCS capital outlay projects and approves a Six Year Plan.
- d. Any projects to be funded with non-general funds should have the sources of funds clearly identified in the submission along with preliminary information regarding any student fee increases that may be needed. Approval of financial feasibility studies and approval of the student fees by the State Board will be required before a project approved by the General Assembly may proceed.
- e. The capital outlay requests with priorities are then submitted by the Chancellor to the Governor for consideration for the State Six Year Plan according to instructions issued by the Department of Planning and Budget.

10.0.1.4.2 Priorities for Types of Facilities (SB)

- a. For new construction projects, the State Council of Higher Education has standard formulas that guide the analysis of whether additional space is needed at a college. The formulas are basically enrollment driven, with the exception of library and public service space.

1. Requests for new space are generally required to be 100% space guideline justified in the biennium in which they were recommended although the State Board may make exceptions when justified on the basis of a programmatic or other compelling need.
 2. For the purposes of determining whether new construction is needed, estimated enrollment growth factors are used in the analysis. The growth factors are based on a combination of system-wide growth rates, actual college specific growth rates, and in a few instances, future demographic information that colleges were allowed to provide for requests such as new campuses. The decision rule is to use the annualized growth rate for the specific colleges, and where warranted, a higher rate for colleges that demonstrate reliable data supporting increased demographic trend data.
 3. In addition to the use of state space need guidelines, VCCS strategic plan priorities are to be used as a component of the review and recommendation of priorities. New construction requests with high space justification are prioritized ahead of renovation projects (in order to provide access). Instructional space needs are prioritized ahead of administrative support space needs (focus on instruction and learning). Workforce development facilities, when justified, place high in the priorities as well.
- b. For renovation projects, the Facilities Condition Index should be a primary but not the sole component of setting renovation project priorities. Projects with significant components related to continued operation of the facility, such as heating and cooling systems, electrical systems, and plumbing systems, are placed in higher priorities than requests for cosmetic purposes. Projects tied to updating laboratories and other instructional facilities, particularly those with large space deficits, are also recommended as higher priorities over projects related to administrative space improvements.
 - c. Renovation project requests are generally considered to have merit and are typically included on the recommended projects list as long as the building is entered into the Facility Inventory Condition and Assessment System (FICAS) with the appropriate Facility Condition Assessment. Non-general fund projects may be included on the list pending further review of fund source information, particularly for debt related projects to be funded by student fees.

- d. Requests for new campuses will be predicated on receipt and approval by the State Board of feasibility studies from the requesting college.

10.0.1.5 General Design Criteria for Capital Projects

The following general design criteria are to be considered:

- a. Economy of maintenance and operation;
- b. Functional and economic siting and building interior configuration;
- c. Unit costs for similar projects;
- d. Efficiency of design, with regard to common-use areas, such as hallways and lobbies, and in placement of plumbing, heating, ventilating, and cooling systems (ratio of assignable area to gross area of a building);
- e. Relationship between the number of floors in a building and the availability of land;
- f. Generally accepted architectural/ engineering standards;
- g. Harmonious integration of the new facility with the architectural environment; and
- h. Energy efficiency.

10.0.2. Project Management

10.0.2.0 Basic Policy

The State Board shall authorize the initiation of each Major Capital Project by approving its size, scope, budget, and funding. Major Capital Projects that are to be funded entirely or in part by a general fund appropriation or proceeds from State Tax Supported Debt, shall require both State Board approval and those pre-appropriation approvals of the State's governmental agencies when applicable, and shall follow the State's process for capital budget requests.

Accordingly, the budget, size, and scope of a capital project shall not be materially changed beyond the plans and justifications that were the basis for the capital project's approval, either before or during construction, unless approved in advance as described above. Minor changes shall be permissible if they are determined by the Chancellor or his designee to be justified. Major Capital Projects may be submitted for State Board authorization at any time but must include a statement of urgency if not part of the approved Major Capital Project program.

10.0.2.1 Architects and Engineers

10.0.2.1.0 Basic Policy (SB)

The policy of the State Board is to select an architectural/engineering firm based upon the recommendation of the college building committee, college board, college staff, and the staff of the System Office.

10.0.2.1.1 Selection of Architects (C)

Architects and engineers shall be selected in accordance with Procedures contained in the DGS/DEB Construction and Professional Services Manual (CPSM).

The Building Committee (A/E Selection Panel) shall include at least one member from the System Office and others appointed by the college president including: a college business representative; the head of the department which will be the principal occupant; the Head of the Buildings and Grounds Department; and local board members as considered appropriate.

The Building Committee shall fulfill the roles contained in the CPSM and shall appoint a member to act as coordinator for the committee.

10.0.2.1.2 Owner - Architect Relationship (C)

The architect may communicate directly with the Building Committee and the college president or the president's designee. However, only the System Office is authorized to communicate all approvals, rejections, change of requirements and other similar information to the architect or engineer.

Orders to contractors shall flow only through the System Office program manager and the architect/engineer.

10.0.2.1.3 Responsibilities

The Associate Vice Chancellor for Facilities Management Services (AVCFMS) shall serve as Contracting Officer for all capital outlay design and construction. Assistance shall be provided by the college Building Committee in the functional design. During the bidding, contract award and construction phases, the AVCFMS or his designee shall act on behalf of the owner.

10.0.2.2 Procurement of Capital Professional Services and Construction Services

- a. With regard to the procurement of Capital Professional Services, Capital Projects, and Major Capital Projects, the System elects to have all such procurements be governed by the Virginia Public Procurement Act (§ 2.2-4300 et seq.) of the Code of Virginia.
- b. The System shall utilize procedures for the procurement of Capital Professional Services and Construction Services set forth in the Construction and Professional Services Manual (CPSM) including revisions issued. The procedures provide for:
 - 1. Competitive negotiation for Capital Professional Services, including a procedure for expedited procurement of Capital Professional Services under \$50,000, pursuant to current rules and Acts;
 - 2. A prequalification procedure for contractors or products;
 - 3. Procedures for special construction contracting methods, including but not limited to design build and construction management contracts (Also, see VCCS Alternative Methods of Procurement for Construction Policy Manual); and
 - 4. A prompt payment procedure.
- c. The System also may enter into cooperative arrangements with other private or public health or educational institutions, healthcare provider alliances, purchasing organizations, or state agencies where, in the judgment of the System, the purposes of this Policy will be furthered.
- d. In accordance with its Small, Women, and Minority (SWaM) plan, the System will proactively promote the eligibility and inclusion of SWaM vendors in its procurement opportunities.

10.0.2.3 Design Reviews and Code Approvals

- a. The State Board shall review the design of all capital projects and shall provide final capital project authorization based on the size, scope, and cost estimate provided with the design. Unless stipulated by the State Board at the design review, no further design reviews shall be required. All capital projects shall be designed and constructed in accordance with applicable Virginia Uniform Statewide Building Code (VUSBC) standards and the applicable accessibility code.

- b. For purposes of building code compliance, the System will continue to use the services of the Department of General Services, Division of Engineering and Buildings.

10.0.2.4 Environmental Impact Reports

The System shall assess the environmental, historic preservation and conservation impacts of all capital projects and minimize and otherwise mitigate all adverse impacts to the extent practicable. The System shall develop and maintain procedures for the preparation and approval of environmental impact reports for capital projects, in accordance with State environmental, historic preservation, and conservation requirements generally applicable to capital projects otherwise meeting the definition of Major Capital Projects but with a cost of \$500,000 or more.

10.0.2.5. Building Demolitions

The System shall consider the environmental and historical aspects of any proposed demolitions. The State Board shall approve all demolition requests. The System shall develop and maintain procedures for the preparation and review of demolition requests, including any necessary reviews by the Department of Historic Resources and the Art and Architectural Review Board in accordance with State historic preservation requirements generally applicable to capital projects in the Commonwealth. Provided, however, that general laws applicable to State owned property shall apply to any property that was acquired or constructed with funding from a general fund appropriation or proceeds from State Tax Supported Debt.

10.0.2.6 Renovations (Gov.)

Major permanent repairs, replacements and improvements to existing buildings and installations which are estimated to have a total aggregate cost of \$1,000,000 or more must be classified as capital outlay expenditures. Renovation, replacement and improvement requests less than \$1,000,000 must be included if general fund support is requested. Such anticipated expenditures should be included within capital outlay budget proposals.

10.0.2.7 Equipment

10.0.2.7.0 Basic Policy (Code of Virginia)

Capital outlay projects for Educational and General Major Capital Projects as approved by the Legislature may include State funding to equip new buildings.

10.0.2.7.1 Movable Furnishings and Equipment (C)

The college president is responsible for specifying movable furnishings and equipment within the approved budget. These needs must be coordinated by local college personnel with specialists in the System Office, as well as other applicable State agencies. Movable furnishings and equipment shall be bid competitively under established State bidding standards.

10.0.2.7.2 Auxiliary Enterprise Equipment (SB)

10.0.2.7.2.0 Food Service Equipment

Food service programs in a college normally fall into one of the following categories:

- a. Educational purposes only - It is permissible for kitchen and food service equipment to be provided from State funds.
- b. Self-supporting auxiliary operation - Kitchen and food service equipment should be provided from non-State funds.
- c. A combination of (a) and (b) - The cost of kitchen equipment should be prorated between the educational and auxiliary enterprise categories.

10.0.2.7.2.1 Other Auxiliary Enterprise Equipment

Any other auxiliary enterprise equipment such as for bookstore operations should be provided from non-State funds.

10.0.2.8 Project Inspector (C)

The college president must recommend an experienced, competent full-time building construction inspector to assure that the project is built in accordance with plans, specifications, and contract documents. Employment of the inspector is subject to approval of the System Office. When construction is of a minor nature, in that it is below the dollar threshold to qualify as a Major Capital Project, the requirement for a project inspector may be waived and a qualified member of the college **or** System staff may be appointed with the approval of the Associate Vice Chancellor for Facilities Management Services to serve as a part-time inspector.

10.1 REAL ESTATE

10.1.0 Basic Policy (SB)

The college board is responsible for providing sufficient land acceptable to the State Board for the initial establishment of the college and for future expansion. Normally, 100 acres is the minimum area for a campus site, except in certain urban areas.

10.1.1 Ownership (*Code of Virginia*)

- a. Ownership is vested in the Commonwealth of Virginia, State Board for Community Colleges. No deed to land may be accepted without the approval of the State Board and the Governor as provided by State law. Deeds must be secured, recorded in the local court, and the original recorded deed and title insurance covering the land submitted to the System Office. All deeds must be approved by the Attorney General's Office.
- b. The State Board shall approve the sale or any other disposition of any building or land. Disposition of land or buildings, the acquisition or construction of which was funded entirely or in part by a general fund appropriation or proceeds from State Tax Supported Debt, shall require both State Board approval and other approvals in accordance with general law applicable to State-owned property and with the System's enabling legislation.
- c. Unless otherwise directed by the Governor or the General Assembly, proceeds from the sale of State Board for Community Colleges owned real property accrue to the local funds of the community college represented by the sale of the real property. The local college board shall develop a plan, to be approved by the State Board for Community Colleges, for use of the proceeds from the sale of real property owned by the State Board for Community Colleges. Investment and management of the proceeds shall be the responsibility of the local college board and the college administration. Investment and management of the funds shall be governed by existing policies of the Commonwealth of Virginia and the State Board for Community Colleges addressing the management and investment of local funds. The local college board and the college administration are encouraged to utilize the proceeds from the sale of real property and the earnings on the funds for future capital or site improvements and/or to benefit the general student population. The local college board and the college administration are encouraged to invest the funds so that proceeds from such an investment may continue to benefit students and the college in the future.

10.1.2 Building or land acquisitions

Capital projects involving building or land or other significant real estate interest acquisition (e.g., air rights, condominium units, and the like) shall be subjected to thorough inquiry and due diligence prior to closing on the acquisition of such real property. The System shall ensure that a review and analysis of all pertinent matters relating to the acquisition of buildings and land will be provided as any prudent purchaser would perform to the end that any building or land acquired by the System shall be suitable for its intended purpose, that the acquisition can be made without substantial risk of liability to the System or the Commonwealth and that the cost of the real property to be acquired, together with any contemplated development thereof, shall be such that compliance with the State Board capital outlay project authorization process is achieved. The System also shall ensure that, where applicable to do so, the following specific policies pertaining to the acquisition of buildings, land, or other significant real estate interests for capital projects are carried out.

- a. The System shall reasonably cooperate with each locality affected by the acquisition. Such cooperation shall include but not be limited to furnishing any information that the locality may reasonably request and reviewing any requests by the locality with regard to any such acquisition. The System shall consider the zoning and comprehensive plan designation by the locality of the building or land and surrounding parcels, as well as any designation by State or federal agencies of historically or archeologically significant areas on the land. Nothing herein shall be construed as requiring the System to comply with local zoning laws and ordinances.
- b. The System shall ensure that, in the case of capital projects involving the acquisition of buildings or land, VCCS procedures will provide for a review of the following matters prior to acquisition of the building or land: that any land can be developed for its intended purpose without extraordinary cost; that an environmental engineer has been engaged by the System to provide an assessment of any environmental conditions in the building or on the land; that there is adequate vehicular ingress and egress to serve the contemplated use of the building or land; that utilities and other services to the land are adequate or can reasonably be provided or have been provided in the case of building acquisitions; that the condition and grade of the soils have been examined to determine if any conditions exist that would require extraordinary site work or foundation systems; and that the purchase cost is reasonable in relationship to the value of the property.
- c. An ALTA/ASCM land survey shall be prepared for any real property acquired, and an examination of title to the real property shall be conducted by a licensed attorney or, in the alternative, a commitment for title insurance shall be procured from a title insurance company

authorized to do business in the Commonwealth. Based upon the survey and title examination or report, the System shall conclude, prior to acquisition of the real property, that title thereto will be conveyed to the System in fee simple, free and clear of all liens, encumbrances, covenants, restrictions, easements, or other matters that may have a significant adverse effect upon the System's ability to own, occupy, convey, or develop the real property.

- d. An appraisal conforming to the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Foundation shall be conducted of the real property to be acquired to determine its fair market value and the consistency of the fair market value with the price agreed upon by the System. For properties with an estimated value of \$1 million or more, the appraisal conducted shall be reviewed by a qualified appraiser in accordance with the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Foundation.

10.2 MAINTENANCE AND OPERATIONS (GOV & SB)

10.2.0 The purpose of this section is to outline policies which guide VCCS personnel in maintaining facilities.

10.2.0.0 General Codes and Standards

- a. Work on buildings or structures must conform to the requirements of the Virginia Uniform Statewide Building Code (VUSBC). The Code of Virginia, §36-98.1, designates the Department of General Services, acting through its Division of Engineering and Buildings (DEB), as the Building Official for state owned buildings and structures and makes DEB responsible for enforcement of the VUSBC. DEB has a Building Permit Policy for Construction of State Owned Buildings & Structures which sets forth the rules and guidelines for determining when a permit is required for work on state property. The only work that does not require a building permit is ordinary repairs and maintenance which are not regulated by the VUSBC and which would replace in kind materials and equipment with that of similar characteristics in the same location.
- b. The DEB Building Permit Policy includes the ability to obtain an Annual Permit on certain types of work as follows:
 - 1. For projects limited to the addition, removal, alteration, or relocation of all, or part, of a Means of Egress, Exit Requirements, or Fire Rated Assembly, DEB requires construction documents that are signed and sealed by a registered architect or engineer and review and approval of the Regional Fire Marshal is required.

2. For projects limited to the addition, removal, alteration, or relocation of any wall or partition, site improvements limited to parking lots and roads, fences, and other work regulated by the VUSBC, roof replacement projects where the scope of work is limited to the replacement of more than 25 percent of an existing roof covering, DEB requires construction documents that are prepared under the supervision of and signed by a registered architect or engineer.
 3. For projects limited to alteration or relocation of HVAC, electrical, plumbing, gas piping, fire sprinkler, fire suppression and fire alarm systems, DEB requires construction documents. For asbestos abatement, construction documents must be prepared and signed by a licensed asbestos designer.
- c. The State Board for Community Colleges grants authorization to its community colleges to request Annual Permits. College requests must include all documentation required by DEB. The request must be submitted by the College President to the Chancellor for approval, and for subsequent submission to DEB for approval. The college representative responsible to the State Building Official must be a registered architect or engineer on the college staff.
 - d. An Annual Permit Activity Report, as of June 30, listing work initiated under the Annual Permit is required to be submitted each year to the Virginia Community College System Facilities Management Services office. This report will be presented to the State Board for Community Colleges at its July meeting for approval and subsequent submission to the State Building Official by July 31 of each year. If appropriate documentation is not maintained and/or appropriate enforcement of VUSBC and State Board standards are not maintained by a college, its Annual Permit authority will be withdrawn.

10.2.0.1 Responsibilities

Each college president is responsible for maintenance of college facilities including allocation of adequate resources for maintaining and safeguarding buildings and grounds in accordance with State and VCCS policies.

10.2.0.2 Reporting and Auditing the Condition of Facilities

- a. All required reports regarding facilities shall be submitted by the colleges to the Facilities Management Services Office for review, consolidation, appropriate internal action, and forwarding to the issuing authorities.

- b. A full Facility Condition Assessment should be completed for all college facilities in accordance with the Commonwealth of Virginia Facility Inventory Condition and Assessment System (FICAS Manual), as revised. An evaluation short of a full condition assessment is allowed if a facility is less than 10 years old, less than 2,500 gross square feet, the facility is small or specialized in nature, or any facility with a temporary occupancy permit or any structure which does not require a building permit.
- c. While a full facility condition assessment is the preferred method for collecting facility data, the VFA Auditor tool may be used to conduct a condition assessment on any building that needs to be recorded in FICAS. Use of the Auditor tool is the minimum requirement for a condition assessment.
- d. Information on required facilities must be maintained on the Facility Inventory Condition and Assessment System (FICAS) since that is the tool used by the Department of Planning and Budget to evaluate maintenance and capital outlay funding requests.
- e. On a schedule developed by the System Office, colleges will report with their maintenance requirements in the level of detail required to initiate designs for contracts. These reports are to provide the principal support for seeking maintenance reserve funding and for the annual Facilities Report to the State Board. The reports must include all identified deficiencies such as safety, fire, and health problems which have been noted by outside inspection agencies, including the Fire Marshal, OSHA and Department of Health.
- f. The annual self-appraisal (semi-annual for roofs) shall be conducted by persons qualified to assess the condition and the remaining useful life of roof systems. This activity may be performed by outside experts.

10.2.0.3 Facilities Report

As part of the submittal of the Six Year Capital Plan, the State Board shall be provided a consolidated report on condition of facilities under the control of the State Board. The report shall include a plan to accomplish the identified needs.

10.2.0.4 Maintenance Standards

Minimum acceptable standards for facilities maintenance management are outlined below.

10.2.0.4.0 Organization

Each college must develop an organization structure clearly defining responsibility/authority for the maintenance of all permanent facilities under its control. Individuals responsible should be technically competent through experience, education, certification, and the like to discharge their assignments. Colleges without technically qualified facility maintenance managers may choose to retain such experts under contract.

10.2.0.4.1 College Policy

A clearly defined written Facility Maintenance Program stating maintenance policy best suited to obtaining the goals and objectives of the Capital Outlay Manual is required. The program's intent should be aimed at extending asset life expectancy and reducing cost while assuring a functionally safe and well-maintained facility plant.

Maintenance programs may be formal or informal and performed by employees or provided by service contracts. Facility maintenance programs can be manual or computerized but every college must have a maintenance program.

10.3 OFF-CAMPUS SITE OFFERINGS

10.3.0 Introduction and Purpose

The purpose of this section is to outline policies which guide VCCS personnel in establishing off-campus sites. Activities governed by this requirement are those at locations not contiguous to the main campus of the institution where credit or non-credit offerings are provided and for which full-time, part-time, or resident staff are employed unless specific appropriations identifying the additional activities have been made.

If the off-campus site is an employee's primary work location and the employee provides administrative or student services support such as counseling and financial aid at the off-campus site, the employee is considered resident staff.

10.3.1 General Codes and Standards

Occupancy and control of the use of space is considered an acquisition of real property and as such is governed by the guidelines promulgated by the Department of General Services for leases and by the State Board for Community Colleges policy for off-campus site offerings, as delegated to the State Board by the Appropriation Act.

10.3.2 Authority

Unless otherwise stated below, authority is delegated to the college presidents to establish off-campus sites in accordance with leasing guidelines promulgated by the Department of General Services.

State Board approval is required when a college establishes an off-campus site of 10,000 square feet or more at which classes are offered and support service staff are resident.

The Chancellor's approval is required when a college establishes an off-campus site of 10,000 square feet or more at which classes are offered but support service staff are not resident.

The Chancellor's approval is required when a college establishes an off-campus site in excess of 2,500 but less than 10,000 square feet at which classes are offered and support service staff are resident.

The Chancellor's approval is required when a college establishes any off-campus site involving a Foundation.

The Chancellor or State Board's approval is required when a previously established off-campus site expands and such expansion would cause the 2,500 or 10,000 square foot threshold to be exceeded, or if support service staff become resident and the requisite approvals cited above have not been received.

10.4 LEASEHOLD INTEREST IN REAL PROPERTY

10.4.0 Introduction and Purpose

The purpose of this section is to outline policies which guide VCCS personnel in leasing interest in real property.

10.4.0.0 General Codes and Standards

All leasing of real property must follow approval procedures set forth by the VCCS Operating and Income Lease Policy Manual.

10.4.0.1 Responsibilities

Once appropriate approvals have been received relative to the establishment of an off-campus site, the responsibility for leasing real property is delegated to the Presidents by the State Board.

10.4.0.2 Leases Requiring State Board Approval

Colleges may not enter into any capital lease, as defined by the Department of Planning and Budget, without prior approval of the State Board for Community Colleges.

10.5. REPORTING REQUIREMENTS

In addition to complying with any internal reporting systems contained in the System's project management systems, the System shall comply with State reporting requirements for those Major Capital Projects funded entirely or in part by a general fund appropriation or proceeds from State Tax Supported Debt. Additionally, if any capital project constructs improvements on land, or renovates property, that originally was acquired or constructed in whole or in part with a general fund appropriation for that purpose or proceeds from State Tax Supported Debt, and such improvements or renovations are undertaken entirely with funds not appropriated by the General Assembly and, if the cost of such improvements or renovations is reasonably expected to exceed \$2 million dollars, the decision to undertake such improvements or renovations shall be communicated as required by §23-38.109C.3 of the Restructuring Act. As a matter of routine, the System shall report to the Department of General Services on the status of such capital projects at the initiation of the project, prior to the commencement of construction, and at the time of acceptance of any such capital project.