

**NCCU Board of Trustees
Committee Reporting
“Charting A New Landscape for Student-Centered Success”**

Report from: Finance and Facilities Committee Board Meeting: June 28th

Agenda Item (s): Please list your agenda item and whether it is informational or actionable.

Agenda Item No. 1: Board Approval of project budget increase for the New School of Business.

Action or Information (A or I): A

Executive Summary: Please summarize your agenda item. **Note:** If submitting PowerPoint, it will not be included in the packet of materials but will be uploaded for the committee meeting.

This agenda item relates to the Board of Trustees approval of project budget increase for New School of Business building construction project.

Project Description: This project started construction in April 2021 and will provide a new 76,608 square feet facility that will accommodate the expanding needs for increased classroom, teaching labs, collaboration and administrative space for NCCU's School of Business. With a focus on experiential learning, technology integration, business partnering and community service, the School of Business, through its undergraduate and MBA programs and other Executive Education Programs will benefit from an updated academic facility that provides the latest advances in distance learning, audio-visual and smart classroom technology. The experiential education opportunities for students in the Hospitality and Tourism Program have unlimited potential for heightening their exposure in a setting that provides for both the educational and practical aspects of the industry, close at hand.

In May of 2022 the authorization increase of \$671,964 was approved to cover overages in the FF&E (\$101,637) and AV Bid Package (\$525,125).

Due to changes in the market, product obsolescence and changes in project schedule, additional costs were incurred across the project. As the project is nearing completion additional funding is required to complete the project to a point where Final Inspection will be passed. Additional funding to the amount of \$501,516.17 is requested to reach this critical point. See attached documentation as to the allocation of funding and support. The new project authorization will be \$39,773,480.

SA	NC Connect Bond		\$	30,000,000	75.4%	
SA	Appropriations		\$	8,600,000	21.6%	
HR & OTF	Trust Funds		\$	671,964	1.7%	
CF	Carry Forward		\$	501,516	1.3%	
	Total		\$	39,773,480	100%	

Description	
RFI Upper Terrace Rail	\$ 6,257.19
RFI 259 Floor Opening at Monumental Stair	\$ 10,752.06
Shim Plate at Second Floor	\$ 11,594.70
Silicone Extrusion	\$ 33,780.57
Elevator Coordination	\$ 8,518.17
RFI Trash Receptacles	\$ 2,989.17
Epoxy Flooring in Kitchen	\$ 3,704.00
Basement Shaft Capping (Estimated)	\$ 53,981.71
Field Order #2: Soffit Framing & Lighting (Weather barrier from CMC)	\$ 33,556.17
AV Package Overage at Order (\$162,994.38 - \$125,487)	\$ 37,507.38
FF&E Overage at Order	\$ 6,020.03
Field Order #3: Spandrel Replacement Costs (Estimated add Cont. for potential damages during installation)	\$ 275,855.02
FF&E Storage Fees for Feb. to June (June 1st delivery incur more cost)	\$ 17,000.00
	Total
	\$ 501,516.17

A detailed packet of support documents totals 140 pages and is available upon request for review.

**The University of North Carolina System
Request for Advance Planning, New, or Increase in Capital Improvement Project**

Institution: NC Central University

Project Title: School of Business

Advance Planning Request

New Capital Project

Increased Authorization: **Code:** 46635 **Item:** 301

From: \$39,271,964 **To:** \$501,516 **Total:** \$39,773,480

Project Cost: \$ 39,773,480 **Source of Funds:** Multiple

Fund Type Category:

Fund Category	Appropriated	R&R	Carry Forward	Student Fees	Trust Funds (incl. donations/gifts)	Debt Service Fees	TOTAL
Fund Source Code	SA		CF		HR & OTF		
\$ Amount	\$38,600,000	\$0	\$501,516	\$0	\$671,964	\$0	\$39,773,480
Percent	97.0%	0.0%	1.3%	0.0%	1.7%	0.0%	100.0%

(If multiple funding sources are used, identify source and distribution across sources. Refer to list of fund sources attached. Sum of all sources should equal 100%.)

SA	NC Connect Bond	\$	30,000,000	75.4%
SA	Appropriations	\$	8,600,000	21.6%
HR & OTF	Trust Funds	\$	671,964	1.7%
CF	Carry Forward	\$	501,516	1.3%
Total		\$	39,773,480	100%

For each advance planning project or capital construction project, please provide the following:

1. A detailed project description and justification:

This project started construction in April 2021 and will provide a new 76,608 square feet facility that will accommodate the expanding needs for increased classroom, teaching labs, collaboration and administrative space for NCCU's School of Business. With a focus on experiential learning, technology integration, business partnering and community service, the School of Business, through its undergraduate and MBA programs and other Executive Education Programs will benefit from an updated academic facility that provides the latest advances in distance learning, audio-visual and smart classroom technology. The experiential education opportunities for students in the Hospitality and Tourism Program have unlimited potential for heightening their exposure in a setting that provides for both the educational and practical aspects of the industry, close at hand.

In May of 2022 the authorization increase of \$671,964 was approved to cover overages in the FF&E (\$101,637) and AV Bid Package (\$525,125).

Due to changes in the market, product obsolescence and changes in project schedule, additional costs were incurred across the project. As the project is nearing completion additional funding is required to complete the project to a point where Final Inspection will be passed. Additional funding to the amount of \$500,562.16 is requested to reach this critical point. See attached

2. An estimate of acquisition, planning, design, site development, construction, contingency and other related costs (attach a completed OC-25 form).
3. An estimated schedule for the completion of the project (enter dates mm/dd/yr).

Designer Start: 8/15/28 Constr. Start: 4/12/21 Constr. Complete: 9/13/23

4. An estimated schedule of cash flow requirements over the life of the project by FY quarters (omit for advance planning requests).

FY/Qtr	FY20-FY21-Q4	FY21-FY22-Q1	FY21-FY22-Q2	FY21-FY22-Q3	FY21-FY22-Q4	FY22-FY23-Q1	FY22-FY23-Q2
\$ Amount	\$2,518,262	\$2,935,012	\$6,793,237	\$259,065	\$6,922,129	\$7,422,129	\$6,421,289
FY/Qtr	FY22-FY23-Q3	FY22-FY23-Q4	FY23-FY24-Q1	FY23-FY24-Q2	FY23-FY24-Q3		
\$ Amount	\$1,950,421	\$1,625,351	\$1,300,281	\$975,210	\$651,094		

5. An estimate of maintenance and operating costs and source of funding to support these costs, including personnel, covering the first five years of operation (omit for advance planning and non-general fund requests, required for general fund requests).

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Source							
\$ Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0

6. An estimate of revenues, if any, likely to be derived from the project, covering the first five years of operation (omit for advance planning and non-general fund requests, required for general fund requests).

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Source							
\$ Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0

7. An explanation of the means of financing (i.e. cash reserves using the fund sources identified above, campus debt financing to be retired with the identified fund source, etc.).

SA	NC Connect Bond	\$	30,000,000	75.4%
SA	Appropriations	\$	8,600,000	21.6%
HR & OTF	Trust Funds	\$	671,964	1.7%
CF	Carry Forward	\$	501,516	1.3%
Total		\$	39,773,480	100%

8. This is to certify that this capital improvement request was duly authorized on:

(Date)

(Signature)

(Printed name/title)

STATE OF NORTH CAROLINA - DEPARTMENT OF ADMINISTRATION
 STATE CONSTRUCTION OFFICE
 PROPOSED REPAIR & RENOVATION OR CAPITAL IMPROVEMENT PROJECT
 BIENNIUM 2023-2025

Form OC-25
 (Rev 8/2020)

DEPARTMENT and DIVISION: Planning, Design & Construction DATE: 06/20/23
 PROJECT IDENTIFICATION: School of Business
 PROJECT CITY or LOCATION: North Carolina Central University / Durham, NC
 PROJECT DESCRIPTION & JUSTIFICATION: (Attach add'l data as necessary to indicate need, size, function of improvements as well as a master plan.)

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(Definitions/explanations are provided on pg 2 to assist in completion of this form. Lump sums are not to be used as a unit of cost unless further substantiating breakdown is provided.)

CURRENT ESTIMATED CONSTRUCTION COST

	QTY	UNIT	COST PER UNIT	TOTAL
A. Land Requirement	0	Parcels		\$0
B. Site Preparation				
1. Demolition	1	lump sum	\$ 290,000.00	\$290,000
2. Site Work	199500	SF	\$ 12.30	\$2,453,653
C. Construction				
1. Utility Services (describe)	71660	SF	\$ 23.49	\$1,683,200
2. Building Construction (new space)	71660	SF	\$ 228.64	\$16,384,529
3. Building Construction (existing)				\$0
4. Plumbing (new space)	71660	SF	\$ 20.00	\$1,433,320
5. HVAC (new space)	71660	SF	\$ 48.99	\$3,510,451
6. Electrical	71660	SF	\$ 66.05	\$4,732,922
7. Fire Supression and Alarm Systems	71660	SF	\$ 8.63	\$618,198
8. Telephone, Data, Video	71660	SF	\$ 9.49	\$679,960
9. Associated Construction Costs (describe)				\$0
10. Other (describe and insert additional lines as needed)				\$0
D. Equipment				
AV Package	1	Lump Sum	\$ 1,515,569.38	\$1,515,569
2. Moveable (describe)				\$0
Total Cost of Work			\$	33,301,802

Items below may be calculated by percentage or lump sum. If using lump sum, make entry in \$ field and explain.

FF&E	Cost at order		\$ 1,124,657
Ancillary Costs			\$ 53,078
Environmental			\$ 82,365
Geotechnical			\$ 28,000
Surveying			\$ 48,650
DESIGN FEE	0 %	(% of Estimated Construction Costs)	\$ 3,180,780
PRECONSTRUCTION COSTS	0 %	(% of Estimated Construction Costs [1% for CM@Risk])	\$ 216,899
COMMISSIONING	0 %	(0.5% simple; 1.0% moderate; 1.5% complex)	\$ 313,000
SPECIAL INSPECTIONS/MATERIALS	0 %	(1.25% estimated)	\$ 289,550
SUSTAINABILITY	0 %	(3% LEED Gold, 2% LEED Silver)	\$ -
ADVANCE PLANNING	0 %	Includes programming, feasibility, analysis (% of Estimated Construction Costs)	\$ 150,000
CONTINGENCIES	0 %	(% of Estimated Construction Costs [3% New or 5% R&R])	\$ 984,699
ESTIMATED COSTS	(% of Estimated Construction Costs + Contingencies + Design Fee)		\$ 39,773,480
Escalation = percent per month multiplied by number of months			
(From Estimate Date as entered above on this form to mid-point of construction)			
=	0	months	5.0
			% annually beginning on month 1
ESCALATION COST INCREASE (Total of Estimated Construction Costs x Escalation %)			\$0
TOTAL ESTIMATED PROJECT COSTS (Estimated Construction Costs + Escalation Cost Increase)			\$ 39,773,480

APPROVED BY: _____ TITLE: _____ DATE: _____
 (Governing Board or Agency Head)