

Proposal for Making Institutions Responsible for
Maintenance and Renovation of Facilities

Summary

The Master Plan commits the Commission to work toward bringing all facilities up to at least a satisfactory level.

During 1981 the Commission contracted with the J. E. Surrine Company, Greenville, to conduct an evaluation (Building Quality Survey) of most of the facilities of public colleges and universities.* The contract specified that Surrine would use the procedures developed by the Commission and published as the Building Quality Evaluation Manual. This manual suggests that any facility receiving 90 or more points be rated Satisfactory - suitable for continued use with normal maintenance.

Of the 262 non-residential buildings included in this survey, 173 (66.0%) were not rated as Satisfactory under this criterion; of the 71 residential facilities included, 59 (83.1%) were not rated Satisfactory. The estimated cost of renovating these 173 non-residential buildings and 59 residential buildings are \$20.8 million and \$20.9 million, respectively.

During July 1982, institutions submitted 24 renovation projects estimated to cost more than \$33 million, for consideration for funding in 1983. Because of the urgency of the need to bring campus facilities up to a Satisfactory standard, the Commission, at the request of the Facilities Committee, recommended that these 24 renovation projects be given top priority for funding in 1983.

* The Building Quality Survey excluded all facilities constructed or completely renovated since January 1, 1975 and certain other facilities.

However, the current condition of existing facilities demonstrates that in addition to this action there exists a need for procedures to address this problem on a continuing basis. In view of this, the Facilities Committee established as a goal to "recommend procedures which will enable institutions to bring all campus facilities up to a Satisfactory standard and then to assure that this standard is maintained." The first draft of the Committee's proposal was submitted to the presidents of the public senior colleges and universities for comment on December 1, 1982, and a response has been received from each president. A copy of the draft proposal and of each president's response were included in the agenda materials for the February 3, 1983, meeting (Agenda Item 5), mailed to you on January 26, 1983.

The Committee carefully reviewed the responses received in light of commitments in the Master Plan and the Committee's goal (referenced above), and as a result offers the following recommendations for consideration by the Commission.

Recommendations

1. That the Commission not recommend at this time that the State assume the annual debt service obligation on Institution Bonds already issued or authorized; and that the Commission make no recommendation regarding the repeal of the Institution Bond Authority.
2. That the Commission recommend that each institution which does not have a "renovation reserve account" create such an account to be in place by the beginning of the 1983 Fall Term.
3. That the Commission recommend that the "renovation reserve account" at each institution be used in conjunction with appropriate bonding authority to bring all campus facilities up to the "Satisfactory" standard; that once

all facilities meet the Satisfactory standard, renovation reserve funds be used to supplement the CHE formula allocation for physical plant maintenance in order to assure that facilities are kept in satisfactory condition; and that any funds in the "renovation reserve account" determined to be surplus remain on the campus on which they were generated to be used in the manner specified by that institution's governing board.

4. That the Commission recommend that the "Surplus Proviso" in the 1981 Bond Act be rescinded; if this is not possible, that the Commission recommend that a one-time contribution to designated projects from the named institutions be negotiated; and that no "Surplus Proviso" be included in future Bond Acts.
5. That the Commission recommend that each institution (including SBTCE institutions) submit to CHE each year an "Annual Preventive Maintenance Plan"; and that this plan provide the basis for each institution's annual preventive maintenance program. (Procedures for submission of the plan and evaluation of the preventive maintenance program will be submitted by the CHE Committee on Facilities to the Commission for consideration and adoption at its April 7, 1983 meeting.)
6. That all excess debt service funds be made available to the respective institutions for implementation of the annual preventive maintenance program. (The funding of major permanent improvement projects will remain a State responsibility.)
7. That the Commission, in cooperation with all affected institutions, the Budget and Control Board, and the Joint Bond Review Committee, develop definitions for key facilities Terms, e.g., deferred/preventive maintenance, minor/major renovation project, equipment, repairs, and major permanent improvement project.