

SAM - BUDGETING

FIVE-YEAR CAPITALIZED ASSET PLAN

6820

(Revised 5/1998)

The five-year capitalized asset plan is a planning tool to help DOF and the Legislature review capital outlay projects and capitalized leases proposed for the budget year within the context of a multi-year program. Any department submitting a COBCP must also submit a five-year plan. The plan relates the department's capital outlay program to its strategic plan, identifies needs by project (and by phase), and establishes priorities.

At a minimum, the five-year plan must include the following elements:

1. **A narrative overview of the five-year plan** addressing both:
 - a. **Program factors:** What has created the need for capital outlay (from a program perspective), and what are the future trends? Discuss program population, enrollment, caseload, or other growth trends, including changing methods or locations of service delivery and new service requirements. *Relate program needs to the department's strategic plan.* Discuss those needs in at least as much detail as presented in the *Governor's Budget* (i.e., at the program, element, or component level, whichever is appropriate.) Cite DOF or other DOF-approved organization statistics and projections, and changes in statute driving program needs.
 - b. **Infrastructure management factors:** What structural corrections are required, and why? Discuss facility aging, code compliance, and structural deficiencies unrelated to program factors. As appropriate, cite changes in codes or statutes.

If the department produces a real asset management plan, facilities management plan, or master facilities plan which provides the preceding information, a copy of that plan may be substituted for the narrative overview.

2. **An overview of real estate** used/owned by department which shows the total of acres/square feet (both gross and usable/assigned) for state-owned versus leased space. Categorize leased space by:
 - a. Leased space under lease-purchase agreement;
 - b. Leased space with purchase options; and
 - c. Pure (straight) leases.

Use the format provided in 6820 Illustration 1 of this section. Separate instructions apply for the higher education segments; contact the DOF Capital Outlay Unit.

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3. Leasing information:

- a. A list of leases due to expire in the next five years by location, facility type, square footage, annual lease payment, and year of expiration. Note which of these leases has a purchase option and the amount of that option. Use the format in 6820 Illustration 2 Chart A of this section.
- b. A list of any proposed new purchase options or lease-purchase agreements within the next five-year period, by location, facility type, and square footage. Use the format in 6820 Illustration 2 Chart B and 2 Chart C of this section.

DGS has a data base called the State Property Inventory (SPI) which departments may find helpful in developing information on leases. This data base is accessible through the Stephen P. Teale Data Center. For further information, contact the Business Operations Policy and Planning Branch in DGS' Real Estate Services Division.

Separate instructions apply for the higher education segments; contact the DOF Capital Outlay unit.

4. **A map** showing the location of the department's statewide operations (major facilities and land holdings).
5. **A listing, by project, showing basic project background information.** Use the format in 6820 Illustration 3 (Cont. 1) Chart C of this section. An explanation of the headings is provided in the following:
 - a. Rank means priority order of projects for the entire department, with no more than one project per ranking.
 - b. Location of Project: Name of county, city, etc.
 - c. Type of Facility/Lands: Office space, warehouse, laboratory, academic building, park, wetlands, etc.
 - d. Project Name: If this is an ongoing project, use the same project name as in previous phases of the project.
 - e. Project Identification Code: This code is assigned by the department according to rules established in Section 6839. If this is an ongoing project, be sure to use the same project identification code as in previous phases of the project. All COBCPs for the budget year must have a project identification code; project codes are optional for new projects proposed to begin after the budget year.

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f. Proposed Action Codes:

CN	Construct new
CR	Construct replacement
R	Renovate
A	Acquire
D	Demolish
E	Equipment
O	Other

g. Project category: These codes indicate project function as defined in Section 6839.

6. **TWO listings of all proposed capital outlay appropriations** for the next five years. The first listing is by project priority ranking. The second listing is by project location. Use the format in 6820 Illustrations 3 Chart A and 3 Chart B of this section. An explanation of the headings is provided in the following:

- a. Rank means priority order, department-wide, and must be the same ranking as on the project background table.
- b. Location of project: name of county, city, etc. Use the same location names as on the project background table.
- c. Funding history and projections: by year, list project dollars by amount and phase. Some columns also require fund source information. Use additional lines, (as many required per project) for reporting multiple phases in a single year.
 - (1) Round project dollars to the nearest thousand.
 - (2) List amounts for each project phase separately, and indicate the phase using the coding rules in Section 6839.
 - (3) For proposed funding sources, use the appropriate fund code. Contact the departmental budget officer for fund code listings.

Be sure to include in the project listing any existing purchase options which the department plans to exercise within the five-year period.

7. Estimating costs for the five-year plan. **When estimating costs for COBCPs and five-year plans, departments must use the current California Construction Cost Index. Use of other indices requires prior DOF approval. See "Technical Notes" in Section 6818.**

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OVERVIEW OF REAL ESTATE INVENTORY FOR FIVE-YEAR CAPITALIZED ASSETS PLAN

Department: Department of ABC

Contact Person and Phone Number: John Doe, (916) 445-9694

Date of data: February 1, 1997

Identify the total current space under the department's control. Include both owned and leased space managed either by the department directly, or on behalf of the department by the Department of General Services. Use the applicable unit of space (i.e. acres, gross square feet, net/usable/assignable square feet or other categories). Adaptations of this format to meet special department needs must be approved by the DOF Capital Outlay Unit.

Occupied space:

Facilities (both owned and leased):

1. State-owned space (facilities): 500,000 usable square feet (usf)
2. Facility space in the process of being acquired under lease-purchase arrangements: 200,000 usf
3. Space under a lease with a purchase-option: 400,000 usf
4. Space under pure operating leases: 30,000 usf

Property (owned only):

1. Acreage in use, other than open space: 13.2 acres
2. Acreage programmed as open space: 25.7 acres

Vacant/unutilized space

Facilities:

1. All facility space owned/leased but not occupying, if any: none

Property:

1. Vacant property (not programmed as open space): 2.3 acres.

Total space:

Facility: 1,230,000 usf

Acreage: 30.3 acres

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A. Existing Leases Due to Explore in the Next Five Years

Location	Facility Type	Size (Specify Units)	Annual Lease Payment	Fiscal Year Expires	Include Purchase Option? (Y/N)	Amount of Option, if Any
Sacramento	General Office	20,000 (<i>usf</i>)	\$480,000	2000-01	Y	\$3,500,000
San Diego	Lab	10,000 (<i>usf</i>)	\$240,000	2001-02	N	N/A

B. Planned New Lease-With-Purchase-Option Arrangements in the Next Five Years:

Location	Facility Type	Size	Annual Lease Payment	FY In Which Option Can Be Exercised	Option Amount
Riverside	General Office	10,000 (<i>usf</i>)	\$240,000	2002-03	\$3,000,000

C. Planned New-Lease-Purchase Arrangements in the Next Five Years:

Location	Facility Type	Size	Length of Time	Annual Lease-Purchase Payment
Los Angeles	Warehouse	50,000 (<i>usf</i>)	20 years	\$275,000

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PLANNED CAPITAL OUTLAY PROJECTS FOR THE NEXT FIVE YEARS

A. Project Appropriations By Ranking:

A	B	C	D	E	F	G	H	I	J	K
Rank	Project Name	Previous Funding \$/Phase/ Fund Code	\$ Next 5 Years					Total 5 Years/ Fund Code	Costs to Complete	Cum Total
			BY \$/Phase	BY+1 \$/Phase	BY+2 \$/Phase	BY+3 \$/Phase	BY+4 \$/Phase	(Sum D thru H)	(Beyond BY+4)	(C+I+J)
1	Project A	1,300/A/0001	100/P	200/W	1,000/E					
				9,000/C						
	Subtotal I, Project A	1,300	100	9,200	1,000			10,300/0001		11,600
2	Project B			50/P	100W	3,000/C		3,150/0001		3,150
3	Project C						2,500/A	2,500/0001	15,250	17,750
4	Project D						1,275/P	1,275/0001	6,750	8,025
	TOTAL	1,300	100	9,250	1,100	3,000	3,775	17,225	22,000	40,025

(Dollars in Thousands)

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PLANNED CAPITAL OUTLAY PROJECTS FOR THE NEXT FIVE YEARS

B. Project Appropriations by Location:

A	B	C	D	E	F	G	H	I	J	K
Location	Project Name	Previous Funding \$/Phase/ Fund Code	\$ Next 5 Years					Total 5 Years/Fund Code	Costs to Complete	Cum Total
			BY \$/Phase	BY+1 \$/Phase	BY+2 \$/Phase	BY+3 \$/Phase	BY+4 \$/Phase	(Sum D thru H)	(Beyond BY+4)	(C+I+J)
Los Angeles	Project B			50/P	100W	3,000/C		3,150/0001		3,150
San Diego	Project A	1,300/A/0001	100/P	200/W	1,000/E					
				9,000/C						
	Subtotal I, Project A	1,300	100	9,200	1,000			10,300/0001		11,600
	Project D						1,275/P	1,275/0001	6,750	8,025
San Francisco	Project C						2,500/A	2,500/0001	15,250	17,750
	TOTAL	1,300	100	9,250	1,100	3,000	3,775	17,225	22,000	40,025

(Dollars in Thousands)

Phase Codes:

Fund Codes: check with departmental budget officer or Uniform Codes Manual (available in Accounting Office)

S=Studies
A=Acquisitions

P=Preliminary Plans
W=Working Drawings
C=Construction

E=Equipment
(i.e., group 2 equipment)
O=Other

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PLANNED CAPITAL OUTLAY PROJECTS FOR THE NEXT FIVE YEARS

C. Project Background Information:

Rank	Location	Type of Facility/Lands	Project Name	Project ID Code	Action Code	Project Category
1	San Diego	General Office	Project A	XX.XX.XXX	CN	
2	Los Angeles	Laboratory	Project B	NA	R	
3	San Francisco	Field Office	Project C	NA	A	
4	San Diego	Wetlands	Project D	NA	A	

Project ID Codes: For continuing phases of existing projects, use same code as prior phases. See [SAM](#) Section 6839 for instructions.

Action Codes		Project Category Codes: (See SAM 6839 for additional descriptions of categories.)	
C N	Construct, new program	FLS	Fire/life safety (imminent threat)
C R	Construct replacement facility	CRI	Critical infrastructure deficiencies impairing delivery of services.
R	Renovate	CD	Code deficiency
A	Acquire	SC	Security
D	Demolish	SM	Seismic
E	Equip	ADA1	Americans with Disabilities Act compliance for 24-hour care facilities and institutions only.
O	Other	ADA2	All other ADA compliance
		PS	Public safety
		ECP	Enrollment/caseload/population (but report correctional ECP projects as public safety).
		WRK	Workload-driven projects, relating to existing programs
		POL	Program change of a policy nature (generally new programs)
		ECON	Projects justified primarily by economic impacts such as savings, cost avoidance or revenue generation.
		O	Other