**Position**

New programs and expansion to existing programs often result in the need for new facilities or expansion to existing facilities. A Business Plan, as further defined, is required before listing the needs on the UA Capital Request. The Business Plan will develop and progress in detail as the project is scoped and designed. The UA need for a business plan is unique in the requirements and specific to the budgeting process of higher education.

**Purpose**

Document academic, research, student life and/or community support needs

Describe the program and how it meets requirements of the academic master plan

Document impact of alternative delivery methods for academic programs (eLearning)

Document collaboration with other campuses and/or community/business partners

Detail alternatives explored and efficiency measures taken regarding use of existing space

Describe the construction project including new, remodel, repurpose requirements, and infrastructure requirements

Document approaches to energy efficiency and life cycle cost evaluation

Document reallocation and repurposing impacts and planning for mitigation of disruption

Demonstrate the financial and managerial ability to provide the program

Identify funding sources / for cost of facility ownership and operation of programs and services

Provide information that can be used to attain operating and capital funding

**Audience**

This is intended as an internal planning and decision-making document to be developed by academic and administrative leadership and provided to the President and to the ASA and FLMC Board of Regents committees. Facilities staff may be asked to provide elements of information.

**Business Plan Requirements for each stage of project development**

1. **Preliminary Administrative Approval** (or earlier in process)
   1. Executive Summary
   2. Alignment with UA SDI themes and Academic Master Plan
   3. Alignment with MAU strategic, academic and campus master planning documents
   4. Situation Analysis, benefits to mission
   5. Academic, Research or Administrative Program Statement
   6. Academic, Research or Administrative Program Operational Plan, including collaboration efforts between campuses as applicable
   7. Facilities Operational plan
   8. Preliminary Project Agreement
   9. Description of alternatives explored /efficiency of space
   10. Document financial planning including:
       1. Preliminary estimate of increased faculty /staff (number / budget)
       2. Preliminary estimate of Total Project Cost
       3. Estimate of M/R costs (Y1,3,5,7) – formula based
       4. Estimate of R/R costs – formula based

g. Preliminary estimate of increased program operational costs

h. Preliminary reallocation and repurposing plan

i. Preliminary funding plan for operating and capital requests

1. **Formal Project Approval**

Further development of contents listed for PAA with an emphasis on updating:

1. Academic, Research or Administrative Program Operational Plan
2. Facilities Operational plan
3. Completed, detailed and signed Project Agreement
4. Description of alternatives explored /efficiency of space utilization/energy efficiency
5. Detailed Financial Plan addressing:
6. Estimate of Academic, Research or Administrative Program Operational cost increases including increased faculty /staff (number and budget) (Y 1,5,10) and funding plan
7. Project budget including estimate of construction cost and Total Project Cost
8. Estimate of M/R costs (Y1,3,5,7) – formula based
9. Estimate of R/R Costs (beginning in year 5) - formula based
10. Estimate of increased facility operational costs (Including: Custodial, fuel, maintenance workers, police, materials/supplies)
11. Reallocation and repurposing funding plan
12. Other financial impacts, second order impacts, such as personnel consolidation opportunities, R&R opportunity costs
13. **Schematic Design Approval**

Further development of contents with an emphasis on updating:

1. Academic, Research or Administrative Program Operational Plan
2. Facilities Operational Plan
3. Final Financial Plan
4. Estimate of increased program operational costs and funding plan
5. Detailed budget for increased faculty /staff (number and budget) (Y1,5,10) and funding plan
6. Detailed estimate of Total Project Cost (including equipment and move-in costs)
7. Estimate of M/R costs (Y1,3,5,7) and funding plan
8. Estimate of R/R/ costs and funding plan
9. Projected cost of reallocation and repurposing plan and funding plan
10. Back-fill space plan

**Example of Table of Contents**

Executive Summary

Alignment with UA Strategic and Academic master plans including Vision/Mission / Purpose

Program Statement

Program Operational Plan

Facility Needs – New construction/Remodel/back-fill

Facility Operation Plan

Implementation Schedule

Financial Plan: cost planning for program and facilities operation, and construction project

Communication/Marketing Plan

Key Personnel involved / roles and responsibilities

Challenges to success and mitigation planning

Historically, Facilities Project Managers have been the authors of the majority of the content that is written in support of capital projects. Developing a UA Business plan shifts the work load that the Facilities staff have carried, to the Administration, as they must first clearly define the program and how an expansion or a new program meets the UA and MAU Strategic and Academic Plans, and the campus master plan. These documents are not particularly suited to being developed solely by a consultant.

The Program Statement and Operation Plan, Project Agreement, vision/mission and purpose summary in addition to the estimates of increased faculty and staff is expected to be the work product of the Administration – perhaps collaborative efforts between the Vice Chancellors and Provost.