OPPORTUNITY ASSESSMENT REPORT

CAPITAL ASSET REFERENCE GUIDE: TEMPLATE 1

Ministry of Advanced Education

Version 1.2

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EXECUTIVE SUMMARY

Provide a summary for each section of the Opportunity Assessment Report

PROJECT DESCRIPTION

BACKGROUND INFORMATION

STRATEGIC ALIGNMENT

OPTIONS IDENTIFICATION

CONCLUSIONS & RECOMMENDATIONS

# PROJECT DESCRIPTION

1.

## Project Objectives

* Category 1: New Priority Projects accommodate growth in response to labour market demand (e.g., projects related to new system capacity, IM/IT, skills training equipment, etc.) and Category 2: Whole Asset Replacement & Renewal Projects improve the physical asset condition and reduce deferred maintenance backlog. Please refer to Section 3.0 Categories of Projects of the CARG for more details. The following are examples of resources that speak to demand and supply:
	+ [BCStats Population Projections (P.E.O.P.L.E.)](http://www.bcstats.gov.bc.ca/data/pop/popstart.asp)
	+ [Provincial](http://www.gov.bc.ca/jti/) data on labour trends
* Identify and state the project objectives in the context of the strategic and business drivers as stated in the *Institutional Accountability Plan & Report.* Drivers can be related to demographics, program changes, technology, economic or business changes, environmental, social changes, or legislation.
	+ For example, accommodate 25% of the forecast demand of trades and technology workers in the region, in the next 5 years
	+ For example, the project will provide new access for a certain number of FTEs annually
	+ For example, reduce deferred maintenance backlog in the chemistry building
* Objectives must be clear and measurable within a specified timeframe

*Note that the project objectives identified in the Opportunity Assessment Report will be carried forward through the planning, approvals, and implementation process for review and assessment of the project’s success.*

## Project Scope

* The opportunity must fall under one of the following categories of projects:
	+ Category 1: New Priority Projects, driven by growth accommodation and labour market demand-driven capacity, resulting in new system capacity
		- Indicate the number of new FTEs the project will accommodate
	+ Category 2: Whole Asset Replacement & Renewal Projects which improve the physical asset condition and reduces deferred maintenance backlog. 50% or more of the asset is replaced[[1]](#footnote-1), resulting in increased system capacity from improved functional efficiency
		- Indicate the number of additional FTEs the project can accommodate due to functional improvements, if applicable
* Provide an initial estimate of the space requirements based on user needs (student surveys, interviews, workshops, etc.)
* Translate the user needs into space requirements using the Ministry’s budget model and space standards, and using a professional quantity surveyor as required:
	+ [Post-secondary Institutions Capital Budget Model](http://www.aved.gov.bc.ca/cppm/uucci/documents/budgetmodel.xls)
	+ [BC Universities Space Manual](http://www.aved.gov.bc.ca/cppm/documents/univ_space.pdf)
	+ [BC College, University College, and Institute System Space Standards Review](http://www.aved.gov.bc.ca/cppm/documents/space.pdf)

## Project Outcomes

* Describe the concrete results necessary to meet the project objectives
* For example, new academic programs are required to meet forecast demand for ## workers. As a result, an academic building of XX square meters must be completed by YYYY

|  |
| --- |
| **RESOURCES*** Institutional Accountability Plan & Report
* Institution’s Five Year Capital Plan
* BCStats Population Projections (P.E.O.P.L.E.)
* Provincial data on labour trends
* C:\Documents and Settings\elieu\Local Settings\Temporary Internet Files\Content.IE5\TUXEBEIZ\MC900431613[1].pngFTE utilization calculation
* C:\Documents and Settings\elieu\Local Settings\Temporary Internet Files\Content.IE5\TUXEBEIZ\MC900431613[1].pngMinistry Space Standards
* Ministry Budget Model
 |

# BACKGROUND INFORMATION

1.

## Current Situation

* Describe the events leading up to the opportunity presented Section 1.1 Opportunity Description
* Describe the risks of maintaining status quo
	+ For example, unable to meet regional demand for trades and technology graduates

## Similar Initiatives

* List initiatives in other jurisdictions, including post-secondary institutions in other provinces, in the U.S. or globally

**Table 2‑1.** Similar Initiatives in Other Jurisdictions

|  |  |  |  |
| --- | --- | --- | --- |
| Post-secondary Institution | Location | Type of Project (New Build, Expansion, Maintenance, etc.) | Description |
| Institution #1 |  |  |  |
| Institution #2 |  |  |  |
| Institution #3 |  |  |  |
| Institution #4 |  |  |  |
| Institution #5 |  |  |  |

# STRATEGIC ALIGNMENT

## Stakeholder Identification

* List stakeholders (both internal and external) and provide a description of why they are/should be invested in this opportunity
* Include other ministries with similar goals and objectives

**Table 3‑1.** Stakeholder Identification

|  |  |
| --- | --- |
| Stakeholder | Why? |
| The Ministry |  |
| Stakeholder #2 |  |
| Stakeholder #3 |  |

## Stakeholder Alignment

* Refer to each stakeholder’s strategic initiatives and business plan to identify how the proposed project supports their goals
* Impact refers to the degree to which the proposed project facilitates the stakeholder’s goals

**Table 3‑2.** Stakeholder Alignment

|  |  |
| --- | --- |
| The Ministry  |  |
|  | Goal | How the Institution’s Opportunity and Project Objectives Support the Stakeholder’s Goals | Impact(High, Medium, Low) |
| 1. |  |  |  |
| 2. |  |  |  |
| 3. |  |  |  |
|  |  |  |  |
| STAKEHOLDER #2 |
|  | Goal | How the Institution’s Opportunity and Project Objectives Support the Stakeholder’s Goals | Impact(High, Medium, Low) |
| 1. |  |  |  |
| 2. |  |  |  |
| 3. |  |  |  |
|  |  |  |  |
| STAKEHOLDER #3 |
|  | Goal | How the Institution’s Opportunity and Project Objectives Support the Stakeholder’s Goals | Impact(High, Medium, Low) |
| 1. |  |  |  |
| 2. |  |  |  |
| 3. |  |  |  |

|  |
| --- |
| **C:\Documents and Settings\elieu\Local Settings\Temporary Internet Files\Content.IE5\TUXEBEIZ\MC900431613[1].pngRESOURCES*** Ministry Service Plans
* Cross-ministry initiatives
 |

# OPTIONS IDENTIFICATION

This section includes options identification, initial capital/operating budget estimates, and risk identification

## Options Identification

* Identify both capital and non-capital options that may address the opportunity
	+ Identify possible options
		- Category 1: New Priority Project
		- Category 2: Whole Asset Replacement & Renewal Project (FCI>0.5)[[2]](#footnote-2)

### Capital Options

* Describe how capital options may meet the demand/opportunity
* Refer to Section 3.1-3.2 of the CARG for more descriptions of Category 1: New Priority Projects and Category 2: Whole Asset Replacement & Renewal Projects

*Note that an Opportunity Assessment Report is completed only for Category 1 and 2 projects. For other categories of projects, please refer the CARG: Section 5.2: Deliverables for Innovation Projects and Section 5.3 Deliverables for Routine Capital Projects*

* Projects greater than $50 M must be evaluated by Partnerships BC for public private partnership (P3) viability during the Concept Plan Report activity. Institutions are instructed to coordinate with the Ministry for any services provided by Partnerships BC. While it is not mandatory to use PBC’s services to plan, deliver and oversee project delivery, they do offer those services. For more details, refer to Section 13.0 Governance of the CARG and [http://www.partnershipsbc.ca](http://www.partnershipsbc.ca/).

**Table 4‑1.** Capital Options

|  |
| --- |
| CAPITAL OPTIONS |
| Option | Description |
| 1. Category 1: New Priority Project
 |  |
| 1. Category 2: Whole Asset Replacement/Renewal Project
 |  |

### Non-Capital Options

* Identify non-capital options that may address the opportunity, including but not limited to the following:
	+ Outsourcing and distance learning solutions
	+ Increase utilization of existing space
	+ Lease

**Table 4‑2.** Non-Capital Options

|  |
| --- |
| NON-CAPITAL OPTIONS |
| Option | Description |
| 1. Non-Capital Option
 |  |
| 1. Non-Capital Option
 |  |
| 1. Non-Capital Option
 |  |

## Initial Capital/Operating Budget

### Assumptions

* List assumptions used to arrive at the estimate in Section 4.2.2 Initial Cost Estimate

### Initial Cost Estimate

* Capital Options
	+ Provide a conceptual cost estimate for each option identified in Section 4.1 Options Identification
		- For Category 1: New Priority Projects, use the [Post-secondary Institutions Capital Budget Model](http://www.aved.gov.bc.ca/cppm/uucci/documents/budgetmodel.xls) (Also shown in Table 4.3)
		- For Category 2: Whole Asset Replacement & Renewal Projects, use historical data and/or contractor estimates
* Non-Capital Options
	+ Provide cost estimates based on market research and data
* Operating budgets (e.g., academic program delivery, facility operating and maintenance) should differentiate between Category 1 projects where additional capacity is provided and Category 2 projects where the primary driver is asset condition/deferred maintenance, which may or may not impact the operating budget for the delivery of academic programs
	+ Refer to base operating grant and historical data for facility operating and maintenance costs

**Table 4‑3.** Post-secondary Institutions Capital Budget Model ****

1

1

|  |
| --- |
| **C:\Documents and Settings\elieu\Local Settings\Temporary Internet Files\Content.IE5\TUXEBEIZ\MC900431613[1].pngRESOURCES*** Ministry Budget Model
* Partnerships BC
 |

1This refers to loose furniture & equipment, as opposed to fixed furniture & equipment (e.g., lecture theatre seating, lab cabinets, etc.) included in the construction budget estimate. Loose furniture & equipment refers to audiovisual or IT/IM equipment required for distance learning. This may include equipment required for teleconferencing or telecasts, such as projectors, projector screens, other A/V equipment, related lab equipment, etc.

### Financing

* For each option, identify possible sources of capital funding. For example:
	+ Direct capital funding
	+ Institutional resources (capital reserves)
	+ Alternative financing such as lease, debt financing, and private financing
	+ Public-Private Partnerships
* For each option, identify possible sources of operating funding. For example:
	+ Base operating grant
	+ Operating lease

**Table 4‑4.** Sources of Funding

|  |  |  |
| --- | --- | --- |
| Option | Sources of Capital Funding | Sources of Operating Funding |
| 1. Option 1: NAME
 |  |  |
| 1. Option 2: NAME
 |  |  |

## Risk Identification

* For each option identified, identify potential risks using the table below
* Refer to the Ministry’s [Risk Management Guide](http://www.aved.gov.bc.ca/cppm/documents/Risk_Management_Guide.pdf) and the Ministry’s [Risk Register](http://www.aved.gov.bc.ca/cppm/documents/Risk_Management_Guide.pdf) for further details and examples of risk identification
* Note that the subsequent phases of risk evaluation (inherent), response, monitor & control and risk evaluation (with response) are completed in subsequent phases of the project

**Table 4‑5.** Risk Register – Risk Identification

**RISK IDENTIFICATION**

**(Inherent) **

**RISK RESPONSE**

**Risk Identification Details**

**Risk Response Details**

**Risk Monitor & Control**

**Risk Evaluation**

**(With Response)**

**Risk Evaluation (Inherent)**

|  |
| --- |
| **C:\Documents and Settings\elieu\Local Settings\Temporary Internet Files\Content.IE5\TUXEBEIZ\MC900431613[1].pngRESOURCES*** Section 4.3 of the Ministry’s Risk Management Guide
 |

# CONCLUSIONS & RECOMMENDATIONS

## Conclusions

* List major conclusions

## Recommendations

* List recommended next steps, including a corresponding budget to prepare a Concept Plan Report that includes the following supporting information:
* Master Plan
* Concept Drawings
* BC Budget Model Output / Quantity Surveyor Cost Estimate
* Engineering Pre-feasibility Studies

# RESOURCES FOR THE OPPORTUNITY ASSESSMENT REPORT

* Institutional Accountability Plan & Report
* Five Year Capital Plan
* BCStats Population Projections (P.E.O.P.L.E.)
* Provincial data on labour trends
* FTE utilization calculation
* Ministry’s Space Standards
* Ministry Business Plans
* Cross-ministry initiatives
* Partnerships BC
* Ministry’s Risk Management Guide: Section 4.3
* CARG: Section 2.0 Capital Planning Cycle
* CARG: Section 4.2 Project Definition & Budget Accuracy

# APPENDICES FOR THE OPPORTUNITY ASSESSMENT REPORT

The following should be appended to the Opportunity Assessment:

* BC Budget Model Output (Category 1: New Priority Projects)
* Quantity Surveyor Cost Estimates (Category 2: Whole Asset Replacement & Renewal Projects)
1.
2.
3.
4.
5.
6.
1. This threshold is provided as a guideline, not as a rule. In some instances, the Ministry may determine that it is prudent to undertake projects that do not meet the threshold. [↑](#footnote-ref-1)
2. This threshold is provided as a guideline, not as a rule. In some instances, the Ministry may determine that it is prudent to undertake projects that do not meet the threshold. [↑](#footnote-ref-2)