

Definitions

Major Expenditure

Any capital, non-capital, major equipment, or special project expenditure greater than \$250,000 including software implementation, but excluding faculty recruitment packages. Expenditures of \$250,000 or less will be approved through the normal budget process and assumes the department or management center has the internal funds to pay for the project.

NOTE: Major expenditures \$3 million and above must be approved by the Board of Trustees in advance.

Project Owner(s)

The individual(s) accountable for cost, expected benefits, and time schedule.

Executive Sponsor(s)

Executive Sponsors must be a Vice President, Dean, or higher. The Executive Sponsor's signature is required on the project request form confirming recognition and support of the expenditure and its alignment with the strategic direction of the management center and the University.

Total Amount Requested

The total amount requested must include a contingency between 5 – 15% for possible cost overruns or time delays.

Funding Source

Identify the source of funds; fundraising, debt financing, government/foundation grants, operating funds from abandoned programs, endowment funds and internal operating surpluses or reserves (e.g. major maintenance). Debt financing must identify how the debt service will be funded in the Use of Funds section.

Use of Funds

A detailed budget identifying the annual direct and indirect costs to be incurred must be included.

The use of funds includes, but is not limited to acquisition, site work, surveys, architectural, engineering, consultants (including travel & other expenses), abatement/hazardous material removal, decommissioning, demolition, construction, safety inspections, CWRU labor & fringe including backfill, ITS network electronics, maintenance agreements, license agreements, storage costs, travel for training, supplies, furniture/furnishings, equipment (including computer hardware & software), shutdowns, insurance, relocations, moving, debt service, ongoing additional staffing (include fringe benefits), contingency, etc.

Construction/Implementation phase

Includes acquisition, site work, surveys, architectural, engineering, etc.

Post Construction/Implementation phase

Includes ongoing/recurring annual costs. Buildings should include \$15 per gross square foot for maintenance and utilities in addition to other ongoing, unfunded costs.

Assumptions

Cost per year, savings/revenue per year, discount rate, market potential, demographics, trends, growth potential, competitors etc. Ongoing/recurring new costs must be factored into these assumptions. Contact the University Office of Budget and Financial Planning for assistance.

Additional Benefits

Any additional measurements applicable to the success of the project. Examples include additional publicity/exposure, improved customer service/satisfaction, and/or improved community relations.