

## NEW BUSINESS

### Report/Recommendations on Postsecondary Capital Projects

Dr. Aaron Thompson, President, Council on Postsecondary Education

As has been its practice previously, the Capital Planning Advisory Board asked the Council on Postsecondary Education to assist in the 2020-2026 capital planning process by reviewing projects proposed by the institutions. Each public university and KCTCS submitted its six-year capital plan to the Capital Planning Advisory Board April 15; shortly thereafter, the board's staff transmitted a copy of the plans to the council. For the current capital planning period, the universities and KCTCS submitted a total of 834 projects in their agency plans with a value of about \$17 billion. Postsecondary capital plans account for 81% of the value of all agency capital plans (\$22 billion).

With regard to funding postsecondary capital projects in the upcoming budget, the council recommends:

*" . . .that the Commonwealth fund a pool to fund asset preservation projects on the campuses for the upcoming 2020-22 biennium, requiring a 50% match by each institution. While campuses have very real needs for funding information technology projects and new and expanded space, preservation of existing facilities is a higher priority. The Council on Postsecondary Education plans to recommend a \$400 million pool for asset preservation as part of the 2020-22 biennial budget process, with the expectation that campuses would have a 50% match, providing a total of \$600 million in funding for asset preservation projects over the biennium."*

This recommendation is consistent with the council's 2018-20 recommendation to utilize a pool approach for funding postsecondary capital needs. The council and the institutions cite several factors to support this decision, including: a growing inventory of facilities and infrastructure in need of asset preservation and renovation; increasing construction costs; and minimal state investment in asset preservation since 2007. The 2007 VFA Study identified immediate asset preservation needs for the postsecondary education system of \$5.09 billion. According to study projections, the total need was expected to grow to \$6.30 billion by 2012-16 and to \$7.25 billion by 2017-2021. In 2013, VFA updated the 2007 study to account for expanding construction costs and identified a \$6.09 billion immediate need for asset preservation.

The council also evaluated 42 information technology projects submitted by the institutions, and identified 9 projects as "high in value." Projects identified as such include:

#### **KSU - Network Information Technology Upgrade ..... \$12,263,000 GF**

This project continues to upgrade the data infrastructure and network (wired and wireless) for data, voice and video. This project includes the purchase and installation of fiber, cabling inside the buildings, network and communications equipment and services, video systems and other items related to the maintenance, enhancement, redundancy and security of the KSU data infrastructure and systems. Due to advancements in technology, this project will be continuous.

#### **MoSU - Enhance Library Automation Resources ..... 1,573,000 GF**

The Library's automated system is reaching the end of its product life cycle and must soon be replaced. The system vendor has been sold twice since we purchased it in 1999, and we expect that the vendor will discontinue support of the system within the next several years. The current system no longer meets the needs and expectations of today's students and faculty. Additional specialized automation software is also needed to manage electronic resource and documents imaging. Modern technology is necessary to allow full participation in database access and resource sharing through the Kentucky Virtual Library.

#### **NKU - Scientific/Technology Equipment ..... 6,000,000 GF**

These items would be used for both instruction and research, and are critical, essential needs. The availability of modern, up-to-date scientific equipment and IT is fundamental to the university's mission of providing quality education in the STEM disciplines, to enrollment and retention of top students. This modest investment in equipment and technology to support research and teaching in STEM fields will pay multiple dividends over many years.

**NKU–Enhance / Upgrade Cyber Security System..... 1,950,000 GF**

This project will enhance the University’s cyber security systems to help prevent, detect and quickly resolve cyber-attacks and IT threats.

**UK - Campus Call Center System..... 5,000,000 RF**

The project will lease/purchase a campus call center system. A dedicated call center system will complement the University's campus voice over IP (VOIP) infrastructure. The current contact center system is aging and in need of replacement with a product that will support different call modalities, recording and workforce.

**UK Healthcare - Improve IT Systems ..... 130,000,000 RF**

This pool project will upgrade and improve IT systems within the UK HealthCare Enterprise. This pool of projects may finance projects that cost \$1,000,000 or more.

**UK Healthcare – Replace IT Systems 1 ..... 320,000,000 RF**

This project will improve, and upgrade/replace the UK HealthCare IT systems within the UK HealthCare Enterprise and may include administrative, clinical and electronic health records systems. This pool of projects may finance projects that cost \$1,000,000 or more.

**UK Healthcare - IT Systems 2 (Administrative) ..... 70,000,000 RF**

This project will improve, upgrade and replace the UK HealthCare administrative IT Systems which serves the UK HealthCare Enterprise. This pool of projects may finance projects that cost \$1,000,000 or more.

**UofL - Security and Firewall Infrastructure..... 3,000,000 RF**

This project equipment will enhance the security and firewall infrastructure to protect university data and systems from unauthorized access, intrusion and compromise.

**BOARD ACTION:** Information only. No action is required.

# **Council on Postsecondary Education**

## **2020-22 Statewide Capital Plan Priorities (from the 2020-2026 Capital Plan)**

### **General Fund Projects**

The Council on Postsecondary Education has reviewed the postsecondary institutions' capital project submissions and offers the following for the committee's consideration: that the Commonwealth fund a pool to fund asset preservation projects on the campuses for the upcoming 2020-22 biennium, requiring a 50% match by each institution. While campuses have very real needs for funding information technology projects and new and expanded space, preservation of existing facilities is a higher priority. The Council on Postsecondary Education plans to recommend a \$400 million pool for asset preservation as part of the 2020-22 biennial budget process, with the expectation that campuses would have a 50% match, providing a total of \$600 million in funding for asset preservation projects over the biennium.

#### **Background**

As part of 2016-18 biennial budget request, the Council on Postsecondary Education recommended that the Governor and General Assembly appropriate \$600 million for capital projects (not including information technology projects) at Kentucky's public colleges and universities. This request was characterized as the "second installment" of a three-biennia (six year) \$1.8 billion capital budget plan that would use a new pooled approach for allocating capital funding among institutions. CPE made a similar request in 2014-16, and the General Assembly, through HB 235 (2014) and HB 298 (2015), appropriated \$607.9 million in state funded capital projects for the postsecondary institutions, with 39% (\$240.1 million) of that total going to asset preservation and renovation projects and 61% (\$367.8 million) going to new and expanded space projects.

Both the 2014-16 and 2016-18 capital requests for the postsecondary institutions advocated for a pool of funding for each institution, and each institution would be required to use nearly half of those funds for asset preservation. Funds in the pool were allocated to each institution based on a formula that took into account various factors, including differences in deferred maintenance needs, FTE student enrollment, extramural research expenditures, and total public funds across campuses. This approach was adopted to achieve a fair distribution of capital funds to each institution. When each institution's top project is funded, fairness is difficult to maintain, and there's less flexibility to address multiple, smaller, but potentially more critical, capital projects.

For 2018-20 and for 2020-22, rather than requesting state funds for both asset preservation and new construction, the Council and postsecondary institutions have decided to focus on asset preservation. Several factors converged to support this position: a growing inventory of facilities and infrastructure in need of asset preservation and renovation; increasing construction costs; and minimal state investment in asset preservation since 2007. The 2007 VFA Study identified immediate asset preservation needs for the postsecondary education system of \$5.09 billion. According to study projections, the total need was expected to grow to \$6.30 billion by 2012-16 and to \$7.25 billion by 2017-2021. In 2013, VFA updated the 2007 study to account for expanding construction costs and identified a \$6.09 billion immediate need for asset preservation.

#### **Recommendations**

Recognizing the critical asset preservation needs at each campus, CPE recommends that the state and institutions adopt a more aggressive approach to address asset preservation that envisions a



**Capital Projects Recommendations**

**Asset Preservation and Major Renovation (eligible for General Fund support)**

**2020-2022**

Institution/ Project Title	Project Scope	General Fund	Restricted/ Institution Funds	Agency Bonds & Other Funds
<b>Eastern Kentucky University</b>				
1 EKU-Capital Asset Renewal Match Pool	\$ 35,000,000	\$ 35,000,000		
2 EKU-Renovate & Upgrade Heat Plant	14,000,000	7,000,000	7,000,000	
3 EKU-Renovate Mechanical Systems Pool 2020-2022	20,000,000	10,000,000	10,000,000	
4 EKU-Renovate Moore Building	40,000,000	40,000,000		
5 EKU-Revovate Whalen Complex	24,500,000	22,500,000		2,000,000
Total - EKU	\$ 133,500,000	\$ 114,500,000	\$ 17,000,000	\$ 2,000,000
<b>Kentucky State University</b>				
1 KSU-Renovation & Renewal E&G Projects Pool 2018	5,967,000	5,950,000	17,000	
Total - KSU	\$ 5,967,000	\$ 5,950,000	\$ 17,000	\$ -
<b>Morehead State University</b>				
1 MoSU-Renovate Combs Classroom Building	\$ 30,733,000	\$ 30,733,000		
2 MoSU-Renovate Third Street Eats	2,982,000	2,982,000		
3 MoSU Replace Electrical Switchgear B	1,891,000	1,891,000		
4 MoSU-Capital Renewal & Maintenance Pool - E&G	7,600,000	7,600,000		
5 MoSU-Water Plant Sediment Basin	1,921,000	1,921,000		
6 MoSU-Upgrade Campus Fire & Security Systems	2,729,000	2,729,000		
7 MoSU-Repair Camden-Carroll Library Façade	10,000,000	10,000,000		
8 MoSU-Capital Renewal & Maintenance Pool - Univ. Farm	1,235,000	1,235,000		
9 MoSU-Comply with ADA -E&G	3,921,000	3,921,000		
10 MoSU-Renovate Button Auditorium	18,129,000	18,129,000		
11 MoSU-Renovate Howell-McDowell Building	4,139,000	4,139,000		
12 MoSU-Renovate Jayne Stadium	39,761,000	39,761,000		
13 MoSU-Renovate Lappin Hall	7,975,000	7,975,000		
Total - MoSU	\$ 133,016,000	\$ 133,016,000	\$ -	\$ -
<b>Murray State University</b>				
1 MuSU-Facilities Renewal & Modernization	\$ 32,000,000	\$ 32,000,000		
2 MuSU-Renovate/Preserve Historic E&G Buildings	40,000,000	40,000,000		
3 MuSU-Complete Capital Renewal: E&G Pool	12,527,000	12,527,000		
4 MuSU-Complete Life Safety: E&G Pool	3,888,000	3,888,000		
5 MuSU-Complete ADA Compliance - E&G Pool	7,274,000	7,274,000		
6 MuSU-Replace Campus Comm Infrastructure (fiber ring)	4,640,000	4,640,000		
7 MuSU-Capital Renewal & Building Modernization	78,000,000	78,000,000		
Subtotal - MuSU	\$ 178,329,000	\$ 178,329,000	\$ -	\$ -
<b>Northern Kentucky University</b>				
1 NKU-Renew/Renovate Fine Arts Center, Phase II	\$ 50,000,000	\$ 45,000,000		\$ 5,000,000
2 NKU-Renovate/Expand Business Academic Building	41,000,000	41,000,000		
3 NKU-Renew/Renovate Nunn Hall	30,000,000	30,000,000		
4 NKU-Replace Underground Utility Infrastructure	6,700,000	6,700,000		
5 NKU-Renew/Renovate Steely Library	41,000,000	41,000,000		
6 NKU-Renew E&G Building Systems Projects Pool	20,000,000	20,000,000		
7 NKU-Renovate Campbell Hall	18,000,000	9,000,000		9,000,000
Subtotal - NKU	\$ 206,700,000	\$ 192,700,000	\$ -	\$ 14,000,000

Institution/ Project Title	Project Scope	General Fund	Restricted/ Agency Bonds &	
			Institution Funds	Other Funds
<b>Western Kentucky University</b>				
1 WKU-Renovate Grise Hall	\$ 32,200,000	\$ 32,200,000		
2 WKU-Demolish Tate Page Hall/Improve Site	6,000,000	6,000,000		
3 WKU-Replace Underground Infrastructure	25,000,000	25,000,000		
4 WKU-Deemolish Garrett Conference Center/Improve Site	7,000,000	7,000,000		
5 WKU-Renovate Raymond Cravens Library	40,300,000	40,300,000		
6 WKU-Renovate Ogden College of Science & Engineering Fa	75,800,000	75,800,000		
7 WKU-Renovate Potter College Arts & Letters Facilities	96,400,000	96,400,000		
8 WKU-Renovate Academic Complex	27,500,000	27,500,000		
9 WKU-Improve Life Safety Pool/Academic Buildings	27,500,000	27,500,000		
10 WKU-Repair/Replace Roof at Ctr Research & Development	5,100,000	5,100,000		
11 WKU-Capital Renewal Pool 2020-2022	10,000,000	10,000,000		
12 WKU-Renovate Kentucky Building	17,500,000	17,500,000		
13 WKU-Renovate Central Heat Plant	5,100,000	5,100,000		
14 WKU-Renovate Jones Jagggers Interior	1,000,000	1,000,000		
Subtotal - WKU	\$ 376,400,000	\$ 376,400,000	\$ -	\$ -
<b>University of Kentucky</b>				
1 UK-Facilities Renewal and Modernization	\$ 250,000,000	\$ 125,000,000		\$ 125,000,000
2 UK-Improve Funkhouser Building	60,000,000	60,000,000		
3 UK-Renovate Taylor Education Building	40,000,000	40,000,000		
Subtotal - UK	\$ 350,000,000	\$ 225,000,000	\$ -	\$ 125,000,000
<b>University of Louisville</b>				
1 UL-Upgrade STEM Instruction Building	\$ 50,000,000	\$ 50,000,000		
2 UL-Capital Renewal Replace & Upgrade Pool	100,000,000	50,000,000		50,000,000
Subtotal - UofL	\$ 150,000,000	\$ 100,000,000	\$ -	\$ 50,000,000
<b>Kentucky Community and Technical College System</b>				
1 KCTCS-College Safety & Security Pool	\$ 16,000,000	\$ 16,000,000		
2 KCTCS-Capital Renewal & Deferred Maintenance Pool	30,000,000	30,000,000		
3 KCTCS-Renovate Occupational Tech Bldg - Etown CTC	24,800,000	24,800,000		
4 KCTCS-Renovate Main Campus Bldgs - Southcentral (Add'l)	5,000,000	5,000,000		
5 KCTCS-Renovate Hartford Building - Jefferson CTC	31,100,000	31,100,000		
6 KCTCS-Renovate Pineville Campus - Southeast KY CTC	3,000,000	3,000,000		
7 KCTCS-Renovate/Construct Admin Bldg - Maysville CTC	15,500,000	15,500,000		
8 KCTCS-Renovate Main Bldg Phase II - Ashland CTC	34,000,000	34,000,000		
9 KCTCS-Renovate Collegewide Facilities - Big Sandy CTC	10,000,000	10,000,000		
10 KCTCS-Renovate Auditorium Building - Hopkinsville CC	3,700,000	3,700,000		
11 KCTCS-Renovate Tech Campus - Madisonville CC	3,400,000	3,400,000		
12 KCTCS-Relocate Student Center - Henderson CC	3,900,000	3,900,000		
13 KCTCS-Renovate/Construct Classroom Ctr - Gateway CTC	13,400,000	6,400,000	7,000,000	
14 KCTCS-Renovate Main Campus - West KY CTC	7,000,000	7,000,000		
15 KCTCS-Replace HVAC System Phase 1 - Owensboro CTC	4,100,000	4,100,000		
16 KCTCS-Upgrade HVAC Equip & Controls - Hazard CTC	3,600,000	3,600,000		
17 KCTCS-Renovate Academic Building - Hopkinsville CC	14,300,000	14,300,000		
18 KCTCS-Renovate Science Labs - Jefferson CTC	7,300,000	7,300,000		
19 KCTCS-Renovate/Purchase Allied Health - Hazard CTC	15,800,000	13,450,000	2,350,000	
20 KCTCS-Procure Postsecondary Ed Cntr Ph 2 - Maysville CTC	6,900,000	6,900,000		
21 KCTCS-Renovate Learning Resource Center - Ashland CTC	6,700,000	6,700,000		
Subtotal - KCTCS	\$ 259,500,000	\$ 250,150,000	\$ 9,350,000	\$ -
<b>System Total</b>	<b>\$ 1,793,412,000</b>	<b>\$ 1,576,045,000</b>	<b>\$ 26,367,000</b>	<b>\$ 191,000,000</b>

Information Technology Capital Projects  
Submitted by Public Postsecondary Institutions  
2020-2026 Capital Plan  
CPE IT Evaluation Committee

	High Value Designation	Funding Suggested by Institution		
		General Fund	Restricted Funds	Other
University of Kentucky				
Lease/Purchase Voice Infrastructure			3,000,000	
Repair/Replace Campus Infrastructure			4,000,000	
Acquire IT Systems				2,000,000
Improve Enterprise Networking 1			3,000,000	
Improve Enterprise Networking 2			5,000,000	
Lease/Purchase Campus Call-Center System	Yes		5,000,000	
Lease/Purchase Campus Infrastructure			10,000,000	
Lease/Purchase Campus IT Systems			10,000,000	
Lease/Purchase High Performance Computer			7,000,000	
Lease/Purchase Network Security			5,000,000	
University of Kentucky - Healthcare				
Acquire Data Center Hardware			15,000,000	
Acquire Telemedicine/Virtual ICU			10,000,000	
Acquire/Upgrade IT System			10,000,000	
Implement Patient Communication System			10,000,000	
Improve IT Systems	Yes		130,000,000	
Replace UKHC IT Systems 1	Yes		320,000,000	
Replace UKHC IT Systems 2 (Administrative)	Yes		70,000,000	
University of Louisville				
Purchase - Computer Processing System & Storage			2,000,000	
Purchase - Content Management System			4,000,000	
Purchase - Fiber Infrastructure			3,500,000	
Purchase - Identity Management			2,000,000	
Purchase - Networking System			8,000,000	
Purchase - Research Computing Infrastructure			7,000,000	
Purchase - Security and Firewall Infrastructure	Yes		3,000,000	
Eastern Kentucky University				
Academic Computing Pool			8,000,000	
Administrative Computing Pool			6,500,000	
Campus Data Network Pool			13,000,000	
Kentucky State University				
Upgrade IT Infrastructure	Yes	12,263,000		
Replace ERP System		5,000,000		

	High Value Designation	Funding Suggested by Institution		
		General Fund	Restricted Funds	Other
<b>Morehead State University</b>				
Enhance Network/Infrastructure Resources		3,150,000		
Enhance Library Automation Resources	Yes	1,573,000		
Upgrade Instruct. PCs/LANS/Peripherals		4,088,000		
<b>Murray State University</b>				
Agriculture Instructional Lab & Tech. Equip				800,000
Broadcasting Education Lab Equip.				225,000
College of Science Instructional/Research Equip				3,500,000
<b>Northern Kentucky University</b>				
Enhance/Upgrade Cyber Security System	Yes	1,950,000		
Upgrade Admin. System		3,900,000		
Upgrade Instructional Technology		4,700,000		
Next Generation Digital Campus		3,300,000		
Scientific/Technology Equip Pool	Yes	6,000,000		
<b>Western Kentucky University</b>				
Upgrade IT Infrastructure		6,000,000		
<b>Kentucky Community and Technical College System</b>				
Information Technology Pool		9,500,000		
System Total - \$741,949,000		<b>61,424,000</b>	<b>674,000,000</b>	<b>6,525,000</b>
UK Healthcare (\$565,000,000)				
<b>IT less UK Healthcare - \$176,949,000</b>				

\*Does not include \$30,000,000 equipment

\*\*Does not include equipment of \$8,625,000



## **Council on Postsecondary Education Information Technology Capital Project Review**

### **Purpose**

To define and apply an objective, disciplined, and justifiable methodology for reviewing and determining the value of information technology capital projects from the public postsecondary institutions.

### **Scope**

Information technology projects that the public postsecondary institutions included for the 2020-22 biennium.

### **Approach**

1. Institutions will submit Capital IT Projects within the CPAB system.
2. The Review Team comprised of CPE Staff and outside representatives will evaluate and score capital projects for 2018-20 that request General Fund.
3. Any questions for the institutions will be funneled through Doyle Friskney.
4. Team members can score criteria with any whole number between the set values of 0 to 5 if they feel the project information justifies the score.
5. Review Team members will consolidate scores and rank projects based upon scoring against Business Value and Risk Factor criteria.

### **Criteria**

Each proposed information technology capital project will be evaluated against two sets of criteria: Business Value and Risk Factors. Project ranking will be assessed against each component on a scale of 0 to 5, with each assigned ranking being explicitly defined. An objective score will be derived based upon an evaluation of the project as submitted to the Capital Planning Advisory Board.

### **Business Value**

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#### **Business Case**

Has a business case been prepared and submitted to include such items as Business Need/Benefits, High-level Requirements and/or Features, Expected Risks, Critical Success Factors, Assumptions, Return on Investment (quantitative or qualitative), and Mean Time to Pay Back? Does the business case show a large and rapid justification for the investment?

#### **Efficiency**

Does the project outline demonstrable and quantifiable savings, revenue generation, or cost avoidance? Does the project provide additional transparency or accountability? Are efficiency gains SMART (Specific, Measurable, Achievable, Realistic and Relevant, Time-limited)?

#### **Executive Sponsorship**

How important is the technology project considered among the entire cabinet's capital project priorities?

#### **Service Improvement**

Does the proposed project automate existing processes, or are processes being redefined prior to automation? Does the proposed project provide new online services to citizens or business? Does

the proposed project support or directly enable the success of other project(s) either within the agency or across agencies?

### **Improved Quality of Life for Citizens**

Will the project directly affect an improved quality of life for a majority of Kentucky citizens through improved public health, education, safety, infrastructure, environmental issues, economic development, or similar enterprise initiatives?

### **Risk Factors**

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#### **Total Cost of Ownership**

What is the TCO of the project (includes hardware, software, state staffing, vendors/contractors, support and maintenance for the life of the initiative, etc)?

#### **Data Classification**

Will the system contain personally identifiable data (PID) defined as ‘sensitive’ or above within Enterprise Architectural Standards subdomain 4080 (<https://gotsource.ky.gov/docushare/dsweb/Get/Document-301107/>)? If so, how will this information be safeguarded within the system to deter identity theft?

#### **Solution Definition**

What is the anticipated level of effort to customize, develop, invent, or create the proposed solution?

#### **Implementation Timeline**

How quickly will the project be implemented, and how quickly will the Commonwealth see a Return on Investment? Will the implementation be all at once (‘big bang’) or will the functionality be implemented in multiple, smaller phases or deliverables?

#### **Level of Complexity**

What is the level of effort and technical complexity required to make the project successful? Is the expertise to implement fully in-house or will contract staff be needed for some period of time? Are there skill sets currently available in-house to be used to manage the Vendor(s) that provide the solution? Has the Agency undergone a major system implementation in the last five (5) years? What business process re-engineering and change management efforts will be implemented as part of the project?

<b>CPE IT Project Review Criteria - July 2019</b>				
<b>Adapted from COT's capital project review process</b>				
<b>Business Value</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>5</b>
<b>Business Case &amp; Justification</b>	None Provided	Minimal information or justification	Some detail provided but not clear/logical	Detailed, complete explanations with TCO, RIO, etc.
<b>Efficiency - Cost Savings or Avoidance and/or Additional Revenue or Accountability</b>	None Identified	Negligible or minimal opportunity	Significant opportunity expected; not quantified	Quantified, significant opportunity
<b>Executive Sponsorship</b>	Bottom 10% organization priority	Lower 50% priority	Upper 50% priority	Top 10% organization priority
<b>Service Improvement</b>	Update to existing system with no business process re-engineering analysis	Update to existing system through some business process re-engineering analysis	Replace existing system through business process re-engineering analysis	Automate existing manual processes including BPR analysis and/or offer new online service/s for citizens
<b>Improved Quality of Life for Kentuckians</b>	Does not relate	Indirectly supports	Directly affects a small percentage of Kentuckians	Directly affects a large percentage of Kentuckians
<b>Risk Factors</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>5</b>
<b>Change in Total Cost of Ownership</b>	\$200 million or more	\$100 to \$150 million	\$25 to \$50 million	Less than \$15 million
<b>System will contain "sensitive" data (KITS 4080, FIPS 200, etc.)</b>	No determination of data content	No explanation of how sensitive data will be safeguarded	Partial explanation of how sensitive data will be safeguarded	Detailed explanation of how sensitive data will be safeguarded or no sensitive data
<b>Solution Definition</b>	Solution must be developed from scratch or customized > 50%	Solution must be customized 25-50%	Solution is readily available with minor customization expected (<10%)	Solution is "OTS" or "Cloud" to be configured, not customized.
<b>Implementation Timeline</b>	Phases > 2 years or "Big Bang"	Phases between 1 and 2 years	Phases between 6 months & 1 year	Phases less than 6 months
<b>Complexity</b>	Extremely Difficult	Difficult	High	Medium to Low
High Value Projects: Score greater than 3 in either Business Value or Risk Factor, and score at a an acceptably high level in both categories.				

Capital Planning Advisory Board staff asked the Council on Postsecondary Education (CPE) to evaluate information technology (IT) projects submitted by the institutions as part of the 2020-26 six-year capital planning process. CPE's evaluation committee, consisting of a representative of the Commonwealth Office of Technology (COT), the City of Lexington's Chief Information Officer, and CPE's Senior Fellow for Technology and Innovation, met on August 1 and evaluated all 42 IT projects submitted by the institutions using criteria similar to those used by COT to assess both business value and risk for IT projects submitted by state agencies. The approach used by CPE this biennium is the same as the one used over the past several biennia. The committee discussed the importance of funding technology infrastructure to ensure the safety and security of student and postsecondary institution academic and financial records and to maintain network services and computing hardware needed to support instruction, research, public service, and institutional operations. The committee recommends the following:

1. That CPE consider including a request for state General Funds for 2020-22, similar to the request made in 2016-18, for a pool of funding for information technology projects. The committee recommends a funding allocation that provides a base amount to each institution with any remaining funds distributed using a rational method and that includes appropriations for CPE's two proposed IT projects.
2. That any new facilities study include an assessment of the postsecondary system's and each institution's IT infrastructure to inform the allocation of state funds for such projects.
3. That campuses place a higher priority on projects related to cyber-security and healthcare technology. Below is a list of projects which were considered high value and low risk by the evaluators:
  - Kentucky State University - Network Information Technology Upgrade
  - Morehead State University - Enhance Library Automation Resources
  - Northern Kentucky University - Scientific/Technology Equipment
  - Northern Kentucky University - Cyber Security System
  - University of Kentucky - Campus Call Center System
  - UK Healthcare - Improve IT Systems
  - UK Healthcare - IT Systems 1
  - UK Healthcare - IT Systems 2 (Administrative)
  - University of Louisville - Security and Firewall Infrastructure

All of the projects submitted were deemed to be reasonable and necessary, with most projects focusing on upgrades to academic and administrative computing systems, infrastructure, classroom equipment, and campus networks. Attached is a listing of all projects reviewed by the committee.

State-of-the-art network infrastructure and cyber security are necessary to support the instruction, public service, and research missions of our postsecondary institutions and to ensure the safety of academic and administrative records.