

LONG-RANGE CAPITAL PLANNING COMMISSION
PROJECT REQUEST RATING SHEET
DESCRIPTION OF RATING CRITERIA AND SCALES
FISCAL YEARS 2011-2015

CRITERIA A --OVERALL FISCAL IMPACT

Weight: 4

Rationale: Limited resources for competing projects require that each project's full impact on the State's budget be considered in rating and evaluating projects. Projects that are self-funded or have a large proportion of external funding will receive higher ratings than those which do not.

Considerations: Ratings for this factor will consider these major points:

- a. Capital cost of the project relative to all other project requests.
- b. Impact of project on State operating costs and personnel levels.
- c. Whether project requires State appropriations or is funded from agency, grant funds, matching funds or generated revenue.
- d. Impact on State tax revenue or fee revenue.
- e. Will external funding be lost should project be delayed?

Illustrative Ratings:

- 5--Project requires no State funding.
- 4--Project requires less than 50% of State funding.
- 3--Project requires more than 50% of State funding, decreases operating costs and increases state revenues.
- 2--Project requires more than 50% of State funding, increases operating costs and increases state revenues.
- 1--Project requires more than 50% of State funding, decreases operating costs and decreases state revenues.
- 0--Project requires more than 50% of State funding, increases operating costs and decreases state revenues.

Documentation: Agencies should provide the following documentation, if applicable:

1. Self-funded by revenues of the agency.
2. Notification of grant or intent to award grant.
3. Studies documenting operating cost savings or revenue generating capability.

Item(s) Addressing this Criterion: See ?Electronic Screen? Table between Pages 3 & 4; Page 4; Table between Pages 4 & 5; and Page 5

CRITERIA B--LEGAL OBLIGATION AND MANDATES.

Weight: 4

Rationale: Some projects are virtually unavoidable due to court orders, federal mandates, or state laws that require their completion. This criterion evaluates the severity of the mandate and whether the project is possible under existing statutes.

Considerations: Ratings for this factor will consider these major points:

- a. Whether existing federal and state legislation makes this a viable project.
- b. Whether an agency is under direct court order to complete the project.
- c. Whether the project is needed to meet requirements of federal or state legislation.

Illustrative Ratings:

- 5--Agency currently under court order to take action.
- 4--Project is necessary to meet existing state requirement.
- 3--Project is necessary to meet existing federal requirement.
- 2--Prior State legislation implies need for project.
- 1--Legislation under discussion could require project in future.
- 0--No legal impact or requirements.
- 1--Project requires change in state law to proceed.
- 2--Project requires change in federal law to proceed.

Documentation: Agency should supply a court order or statutory citations if applicable.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 3.

CRITERIA C--IMPACT ON SERVICE TO THE PUBLIC

Weight: 3

Rationale: Consideration will be given to capital projects that address health, safety, accreditation or maintenance issues as well as improved service of an agency. Service is broadly defined as the state's objective to meet the health, safety or accreditation needs of the population and/or improved operations of an existing department.

Considerations: Ratings for this factor will consider these major points:

- a. Whether the service is already being provided by existing agencies.
- b. Whether the project has immediate impact on service, health, safety, accreditation or maintenance needs.
- c. Whether the project focuses on a service that is currently a "high priority" public need.

Illustrative Ratings:

- 5--Service addresses an immediate public health, safety, accreditation, or maintenance need.
- 4--Service is improved and addresses a public health, safety, accreditation or maintenance need.
- 3--Service is greatly improved.
- 2--Service is improved.
- 1--Service is minimally improved and addresses a public health, safety, accreditation or maintenance need.
- 0--Service minimally improved.

Documentation: Agencies should provide the following documentation, if applicable:

1. Health, safety, accreditation or maintenance issues need to be discussed.
2. Documentation, estimates or forecasts on how the project will improve services.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 2.

CRITERIA D--ECONOMIC IMPACT/JOB CREATION

Weight: 3

Rationale: Projects that promote full-time, private sector jobs are critical to the State of Oklahoma. Projects of this nature vitalize and contribute to the prosperity of the communities in which they are located. Projects that require additional state employees should be discouraged since they commit larger amounts of future state budgets to personnel costs.

Considerations: Ratings for this factor will consider these major points:

- a. Whether high quality jobs are created or promoted by the project (e.g., minimum wage vs. skilled labor, technical or managerial).
- b. Whether project provides employment for available, unemployed workforce.
- c. Whether project promotes manufacturing or production type activities.
- d. Whether the project increases state employment.

Illustrative Ratings:

- 5--Meets needs of unemployed.
- 4--Full-time, high expertise, technological, skilled labor or manufacturing employment.
- 3--Full-time, technical or managerial employment.
- 2--Full-time, minimum wage employment.
- 1--Part-time state employment created.
- 0--No new jobs are created.
- 1--Part-time state employment created.
- 2--Full-time state employment created.

Documentation: Agencies should provide the following documentation, if applicable:

1. Firm commitments by companies that plan to locate on or near proposed project.
2. Estimates of number of new, private sector jobs created on or near project.
3. Estimates of number of new, public sector jobs created on or near project.
4. Evidence of authority to add public sector jobs.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 5.

CRITERIA E--URGENCY OF MAINTENANCE NEEDS

Weight: 3

Rationale: The State's most immediate goal in both capital and operating finance is to maintain current services expected by citizens, businesses, and visitors. Capital projects that are essential to maintain service, protect investment, or restore service that has been interrupted due to failure of capital assets will receive the highest rating in this criterion.

Considerations: Ratings for this factor will consider these major points:

- a. Whether service is currently interrupted.
- b. Whether the project as requested will result in full restoration of service.
- c. Whether the project is the most cost-effective method of providing or maintaining service.
- d. Where service is not currently interrupted, the likelihood that it will be in the next five years if the project is not funded.
- e. Whether costs of the project will increase (beyond inflation) if the project is delayed.
- f. Whether the agency has prepared a comprehensive maintenance/rehabilitation/replacement schedule and the project is due under that schedule.

Illustrative Ratings:

- 5-- Service is currently interrupted and the project will restore service in the most cost-effective manner possible.
- 4-- Service is likely to be disrupted in the five-year horizon if project is not funded.
- 3-- Cost of project will increase in future (beyond inflation) if it is delayed at this time.
- 2-- Project is necessary to maintain orderly schedule for maintenance and replacement.
- 1-- Minor risk that cost will rise or service will be interrupted if project is not funded.
- 0-- There is no financial or service risk of delaying or not funding the project (e.g., the project is new and has no impact on current service).

Documentation: Agencies should provide the following documentation, if applicable :

1. Comprehensive replacement policy/schedule showing the requested project's status.
2. Documentation that service is currently interrupted.
3. Report by agency personnel or independent contractor assessing service risk of failing to fund project.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 3.

CRITERIA F--PRIOR PHASES

Weight 2

Rationale: Some projects need to be developed in phases due to their complexity or size. In such cases, the need has already been established by prior commitment of funds to existing projects. Therefore, continuation of the project will be given higher consideration.

Considerations: Ratings for this factor will consider these major points:

- a. Whether the project has received prior funds.
- b. Whether the project requires additional funding to be operational.

Illustrative Ratings:

- 5-- All but the final stage have been fully funded.
- 4-- Multiple stages have been fully funded.
- 3-- Multiple stages have been partially funded.
- 2-- Single stage has been fully funded.
- 1-- Single stage has been partially funded.
- 0-- No prior phases have been funded or partially funded.

Documentation: Listing of total costs per phase along with total funding per phase by source.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 3.

CRITERIA G--DEPARTMENTAL PRIORITY

Weight: 2

Rationale: Departments are expected to provide an indication of which projects are most important to their mission.

Considerations: Ratings for this factor will consider these major points:

- a. Departmental ranking of each individual project.
- b. The total number of project requests that are turned in by entities.

Illustrative Ratings:

- 5-- Top 20% of highest departmentally ranked project requests
- 4-- 20% of next highest departmentally ranked project requests.
- 3-- 20% of next highest departmentally ranked project requests.
- 2-- 20% of next highest departmentally ranked project requests.
- 1-- Bottom 20% of all project requests.

Documentation: Agencies should provide the following documentation, if applicable:

- a. Statement of commitment to project from governing board.
- b. Resolutions or other documents, especially agency purpose, mission or goal statements.
- c. Agency's five year strategic plan.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 2.

CRITERIA H--IMPACT ON USE OF TECHNOLOGY

Weight: 2

Rationale: Future economic development and educational attainment depends to some extent on Oklahoma's ability to be a leader in inventing and applying new technologies. Projects that support this effort should be funded before similar projects that use outdated technology.

Considerations: Ratings for this criterion will consider these factors:

- a. Whether the project promotes use of advanced technology in the private sector.
- b. Whether the project increases Oklahomans' understanding of and ability to use advanced technology.
- c. Whether State agencies are making decisive and coordinated steps to increase the State government's use of advanced technologies.

Illustrative Ratings:

- 5-- Project directly promotes private-sector development and sale of advanced technologies.
- 4-- Project indirectly promotes private-sector development and sale of advanced technologies.
- 3-- Project increases technological capabilities of State Government and is able to network with other State
- 2-- Project increases technological capabilities and provides future additional growth potential of technological capabilities of State government.
- 1-- Project increases technological capabilities of State government.
- 0-- Project maintains technological capabilities of State government.
- 1-- Project appears to be incompatible or competitive with other technological advances by State government.
- 2-- Project uses outdated technologies.

Documentation: None needed.

Item(s) Addressing this Criterion: See ?Electronic Screen? Page 3.