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## Guidance for Prioritization of Higher Education Asset Preservation and Replacement (HEAPR) Projects

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### Eligible Projects

The State of Minnesota enacted a Higher Education Asset Preservation and Replacement statute (HEAPR) in 1994 to ensure that colleges and universities have a means to address deficiencies in campus facilities, focused on keeping colleges and universities safe, warm and dry. State statute outlines the types of projects that qualify for HEAPR funding, which include:

- Code compliance including health and safety
- Americans with Disabilities Act requirements
- Hazardous material abatement
- Access improvement, or air quality improvement
- Building energy efficiency improvements using current best practices
- Building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings, or
- Renewal to support the existing programmatic mission of the campuses

*From Minn. Stat. 135A.046, Subd. 2*

### Prioritization

The system has established the following criteria to develop priorities among HEAPR projects:

- Facilities Condition Index.** Minnesota State maintains a facilities condition index (FCI) that measures backlog and future renewal needs. The condition index is updated annually and serves as a framework for asset preservation requests and used as general guidance when evaluating the priority of campus HEAPR projects. The system's current FCI is 0.11 with a target of 0.10.
- Campus Priorities.** Minnesota State colleges and universities each evaluate and monitor their actual building conditions through a variety of means, such as roof surveys, engineering studies and through monitoring energy and water consumption. Prior to each capital budget cycle, the system solicits campus HEAPR priorities and asks the campus to rank order its priorities. The

system uses individual college and university rank ordering as part of its consideration of what system level priorities should be put forth on the HEAPR list.

- C. **Utility Master Planning.** Campuses are strongly encouraged to undertake utility master planning in coordination with their regular comprehensive facilities plan updates. The system has promulgated utility master plan guidelines to assist campuses in efforts to identify key areas for repair and replacement that meet a campus’s overall strategic objectives.

D. **Major Factors in Prioritization**

A HEAPR project is meant to address a major, capital project that is beyond ordinary repair and maintenance the campus is expected to complete. Minnesota State consider the following five factors when prioritizing overall system-wide HEAPR requests:

- 1. Safety and security. A building system (or lack thereof) or condition that poses an impending threat or harm to the safety of students, faculty, and staff if not corrected. **Campuses should not rely solely on receipt of HEAPR dollars to address conditions that pose an immediate and direct threat to life or property and may need to use campus funds to implement a temporary fix.** For example, securing loose bricks on the exterior of the building or replacing a boiler or piping system that is at risk of rupture or failure.

Priority Level	Condition
High	Injury has occurred or very likely to occur without corrective action
Medium	Constant monitoring required to manage the risk of injury
Low	Campus monitoring ongoing, conditions expected to worsen, but no immediate risk to health, life or safety

- 2. Code, compliance or identified obligation. Imminent enforcement actions or fines for failure to comply. Campus unable to accomplish a permanent fix solely with campus operating funds. For example, this may include upgrading restrooms to meet current codes or upgrading indoor air quality to meet more rigid standards.

Priority Level	Condition
High	Fines or enforcement has occurred or very likely to occur; corrective agreement with enforcing agency in place, or campus needs to make code updates as part of an internal renovation (the latter requires appropriate financial plans approved)
Medium	Code upgrades needed, but no immediate enforcement action
Low	Code or compliance solution can be managed by campus

- 3. Imminent facility system failure. Where there is no suitable back up option and failure will directly halt or severely impact space or operations. For example, a roof failure that causes water to flow into a classroom, library or lab, making the space unusable, or replacement parts that are no longer being manufactured for a boiler system heightens the risk that a failure could shut down a building on campus.

Priority Level	Condition
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High	Imminent failure; replacement is only viable option
Medium	Failure would halt instruction or create dangerous conditions
Low	Identified in backlog and on schedule for repair or replacement, but campus manages discomfort or unsightliness of condition

4. Integral part of state system needs and/or leverages other funds. A situation where the college or university may have other sources of funds and where leveraging HEAPR dollars is advantageous. For example, if the college or university uses performance contracts to improve energy efficiency, there may be advantage to leveraging HEAPR dollars at the same time.

<b>Priority Level</b>	<b>Condition</b>
High	Asset preservation funds are identified in advance as part of the construction project; campus has prepared a financial plan to fund the capital improvement approved by the system office in advance of the request
Medium	Without HEAPR funds, newly renovated space may be jeopardized by leaks or
Low	Failing to plan for total cost of project; need for funds comes after the project

5. Supporting existing academic programming. Where a companion renovation project requires additional building infrastructure needs, such as power or specialized air handling, to accomplish the program objectives. Examples include enhanced building systems to accommodate welding, automotive and chemistry programs or the need to establish a centralized plant to accommodate steam or other specialized needs.

<b>Priority Level</b>	<b>Condition</b>
High	Funding tied to support an academic program
Medium	Funding supports student support or faculty / staff office
Low	Funding does not support academic programming or has minimal impact