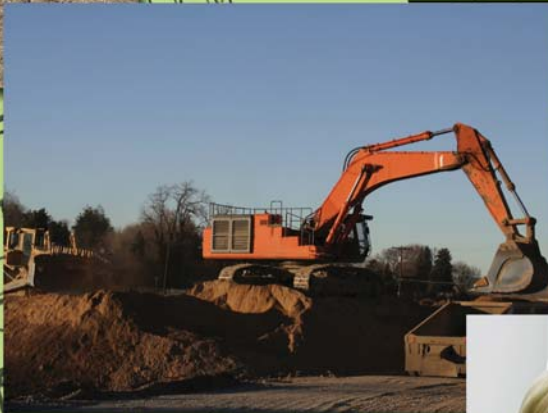


# Capital Project Work Plan

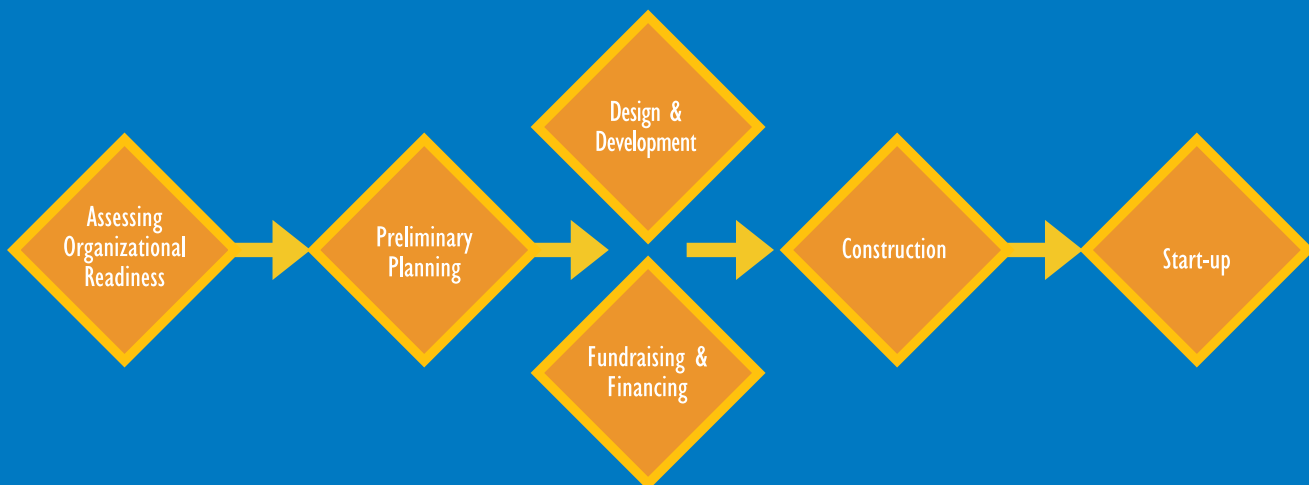


## HEALTH CENTER, INC. PATIENT VOLUME

Actual Results		Projected Results	
FY06		FY07	
Visits/ User	Visits	Users	Vi U
3.92	23,196	5,917	3
3.90	7,122	1,826	3
2.74	2,149	784	2
	3,698	829	4
	36,165	9,357	0
	1,112	224	4
	1,112	224	4
	37,277	9,581	3



PREPARED BY **CAPITAL LINK**



# Capital Project Work Plan

*PREPARED BY* **CAPITAL LINK**

## **Capital Link**

40 Court Street, 10th Floor

Boston, MA 02108

617-422-0350 | fax 617-542-0191

[www.caplink.org](http://www.caplink.org)



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## Preface

Capital Link is pleased to provide this work planning document offering technical assistance to health centers that are developing capital projects. The development of this document was paid for in part through a grant from the the Community Clinics Initiative<sup>1</sup>, a joint project of Tides and The California Endowment. Capital Link is grateful for their support and for the significant expert input and assistance from Capital Incubator<sup>2</sup> in the development of this work.

The goal of this tool is for health centers to identify necessary steps in the capital development process that specifically address their individual capital projects. With help from Capital Link, the health center will be able to design a tailored work plan to assist it in proceeding through the various stages associated with a capital project. This document keeps management, the project team and the board of directors informed about the project through a comprehensive written document.

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Boston, MA 02108

Telephone: 617-422-0350

Fax: 617-542-0191

Website: [www.caplink.org](http://www.caplink.org)

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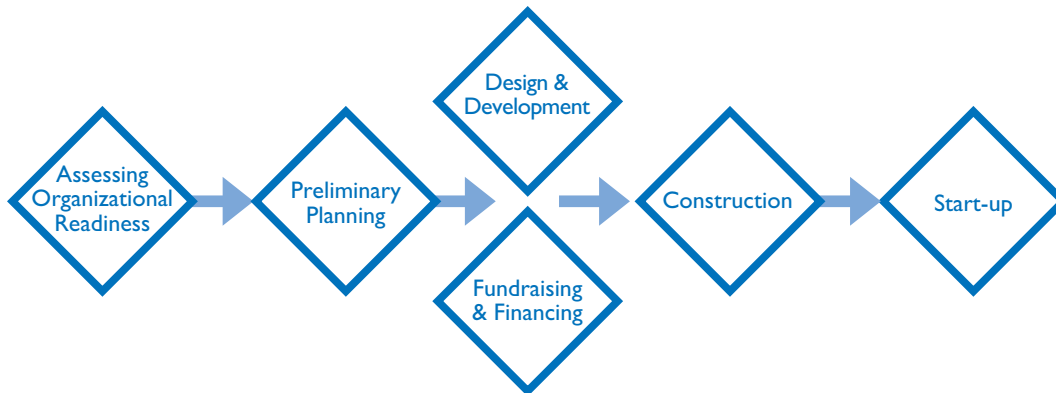
<sup>1</sup> [www.communityclinics.org](http://www.communityclinics.org)

<sup>2</sup> [www.capitalincubator.org](http://www.capitalincubator.org)

# The Capital Project Development Process

There are six main stages of a capital development process, including:

- Assessing Organizational Readiness
- Preliminary Planning
- Design & Development
- Fundraising & Financing
- Construction
- Start-Up



Each stage encompasses a number of activities, most of which build off of information from prior stages. As you can see in [Attachment 1](#), most of the activities that take place during the Assessing Organizational Readiness and Preliminary Planning Stage occur sequentially, with each activity building off of the prior activity. The goal of the Assessing Organizational Readiness Stage is not only to determine if you are ready to proceed, but also to identify the strengths and weaknesses you will call upon and address in the Fundraising and Financing Stage. The overriding goal of the Preliminary Planning Stage is to determine the adequate size, services provided and location of the facility to ensure success of the overall project. You will note that all of the planning activities ideally occur before the major and more costly activities of the Design & Development and Fundraising & Financing Stages. Activities in these two phases commonly occur simultaneously. Because many of these activities are occurring simultaneously, failure to engage in comprehensive assessment and planning prior to beginning these stages often leads to a chaotic process that wastes both time and money. We strongly urge you to invest time, effort and resources into the Preliminary Planning Stage! Architects often speak of “The Rule of 10s,” which generally states that a change that costs \$1 during the planning phase of a project can cost \$1000s during construction. Good planning pays for itself many times over!

You will also note the intensity and duration of the activities that constitute the stages before actual construction begins. While the time frame of each project varies based on the size and complexity of the project, most health centers vastly underestimate the time it takes to design and fund a capital project. It is not at all uncommon for a health center to spend two or more years planning for, designing and obtaining funding for a project and that’s before construction even begins! It is critical that health center managers and boards develop realistic time lines for projects and then work diligently on the tasks associated with each stage of the process.

The Work Plan describes the activities that occur during each of these key phases. Not all of the work plan elements or activities are necessarily relevant to your project. To the extent the activities are relevant, we have indicated whether or not Capital Link can provide particular services and if not, to whom else you can turn for assistance. This document is a preliminary tool to create a work plan that is tailored to your individual clinic's needs. Once it has been customized to your particular needs, it can be used as an ongoing working document to help you plan and manage the many activities associated with your project. If you choose to work with Capital Link on an ongoing basis, we will work with you to update and revise this work plan as your facility project evolves.

**The following narrative describes each stage in the process, why it's important to undertake the activity and who generally takes the lead in accomplishing the specified task.**

## ◆ Assessing Organizational Readiness

There is usually a healthy tension between vision and organizational readiness when considering a capital project. When should you go with the momentum? When should you stop, pull back and reassess your capacity and your choices? On the one hand, a capital project is capacity building — you will gain skills, infrastructure and readiness as you move ahead. On the other hand, if you leap before you're ready, not only might you lose money, time and credibility, your infrastructure won't sustain the tremendous drain that a capital project demands. A major capital project is the tail that wags the dog. Make certain you plan appropriately and that your programs and operations are strong before you begin. The following elements of an organization's internal strengths are indicators of readiness to undertake and successfully complete a major capital project.

- **Mission, Vision and Planning: Preliminary Facilities Plan**
- **Financial Systems and Position**
- **Community Engagement and Collaboration**
- **Organizational Leadership**
- **Board of Directors**
- **Fund Development History and Infrastructure**

### MISSION, VISION AND PLANNING

<b>What is it?</b>	Your organization's mission and how you plan strategically to achieve your vision and goals. A facilities development plan with specific goals to meet your facilities needs should be part of your strategic plan. The overall plan should include input from Management, Board and community stakeholders.
<b>Why is it important?</b>	A strong clinic has a clear mission, vision and values driven by a commitment to improved health outcomes and a contribution to a healthy community. Active planning and implementation of a comprehensive strategic plan, including facilities planning, that is informed by ongoing community input, ensures relevance of your programs to current community needs and the buy-in of all stakeholders. A clear definition of your capital project can be best attained within the context of a comprehensive facilities development plan.
<b>Who does it?</b>	Health Center Board and Management can conduct the strategic plan internally. It can be useful and efficient, however, to have an external consultant facilitate the process, allowing all internal participants to participate fully and bringing an objective viewpoint to planning activities.
<b>Monitoring?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No



## FINANCIAL SYSTEMS AND POSITION

<b>What is it?</b>	Sound and effective financial systems, diversified income streams and a strong financial position as evidenced by a ratio analysis using accepted benchmarks for community health centers. Strong clinics collect and use financial and operations data on an ongoing basis. They have a strong bottom line and cash flow.
<b>Why is it important?</b>	In order to obtain a loan for your capital project your program and operations will be underwritten by lenders to determine your creditworthiness and eligibility for debt financing. Your financial performance over the past three years, your financial ratios and your capacity for debt will all be analyzed. Foundations and major donors will also want to be assured that your financial position is strong before they will make a donation to your capital campaign. Without a strong financial position, you may not be able to sustain the financial demands and drains that a major capital project makes on an organization.
<b>Who does it?</b>	Health Center Board and Management should analyze their financial ratios on an ongoing basis. Capital Link can also provide a Financial Trends Analysis (FTA) and/or a Preliminary Financial Feasibility Analysis (PFA) to assist you in analyzing your financial position and in analyzing your capacity to take on debt.
<b>Monitoring?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## COMMUNITY ENGAGEMENT AND COLLABORATION

<b>What is it?</b>	Relationships and/or strategic collaborations with neighbors, small businesses, the health and human services community including hospitals, other health centers and consortia, and community-based organizations, corporations and philanthropic individuals
<b>Why is it important?</b>	A strong clinic has mutually beneficial relationships with the community in which the organization operates, including its community-governed Board of Directors. Extensive linkages and collaborations with other providers and community organizations successfully address the institutional needs of the clinic and the health needs of its patients and community. The extent to which a health center has connections and relationships or can make connections in the community-at-large is a critical determinant of its capacity to launch a successful capital campaign.
<b>Who does it?</b>	Health Center Board and Management.
<b>Ongoing?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## ORGANIZATIONAL LEADERSHIP

<b>What is it?</b>	The management team of your health center including planning and fund development staff.
<b>Why is it important?</b>	A strong clinic has sound and effective leadership through an interdisciplinary management team. Prospective donors and lenders will want to see that your management has the experience, dedication and skills to keep your health center strong and prosperous and that you will be able to develop a capital project. Capital campaign donors will want to see that you have the commitment and involvement of experienced fund development staff and systems before they will make a donation to your campaign.
<b>Who does it?</b>	Health Center Board and Management.

## BOARD OF DIRECTORS

<b>What is it?</b>	The Board of Directors individually and as a whole. A strong clinic has sound and effective volunteer leadership through the Board of Directors and its committees. A strong Board of Directors is committed to fundraising as well as to policy making.
<b>Why is it important?</b>	Prospective donors and lenders will want to see that your volunteer leadership has the experience, dedication and skills to keep your health center strong and to develop a capital project. Capital campaign donors will want to see that you have the involvement of experienced and committed volunteers before they will make a donation to your campaign. The Board of Directors should play an important role in your capital campaign, both in designing the campaign plan and in asking for donations.
<b>Who does it?</b>	Health Center Board and Management.

## FUND DEVELOPMENT HISTORY AND INFRASTRUCTURE

<b>What is it?</b>	A history of and capacity for fundraising from private sources including foundations, corporations and individuals. A strong clinic fundraises for general operating, unrestricted support as well as for specific programs. A strong fund development program, staff and volunteers (including board members) are proactive in soliciting private donations on an ongoing basis and have fundraising programs that cultivate new donors as well as thank current donors.
<b>Why is it important?</b>	The capacity to raise funds from private sources is critical to plan and implement a successful capital campaign. Traditionally it is assumed that a capital campaign should be built from an organization's ongoing history of fundraising from foundations, corporations and individuals for program and unrestricted support. Many community health centers, however, don't have separate fundraising staff or a history of private fundraising and in those cases there is an opportunity for the capital campaign to become a capacity building tool to build the health center's ongoing fundraising resources and infrastructure.
<b>Who does it?</b>	Health Center Board and Management. A fund development consultant can be hired to assist in creating a Development Plan that addresses staffing needs as well as outlines fundraising activities.
<b>Ongoing?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## ◆ Preliminary Planning Stage

The tasks of the Preliminary Planning Stage include a series of activities that contribute to the facilities component of the organization’s strategic decision-making process. Most health centers periodically develop and review the organization’s strategic plan at three-to-five year intervals. One component of this organizational strategic plan generally focuses on facility needs. The following activities can provide a Board and Senior Management with concrete information for decision making and crafting its strategic facilities project plan and ultimately help to determine the overall feasibility of the capital project.

A **STRATEGIC FACILITIES PROJECT PLAN** includes the following components:

- **Preliminary Project Concept**
- **Work Plan Development**
- **Market Assessment**
- **Program & Staff Planning**
- **Space Planning**
- **Capital Campaign Planning & Feasibility Study**
- **Education and Preliminary Planning for Debt Financing**
- **Plan of Finance & Preliminary Sources & Uses of Funds**
- **Preliminary Financial Forecast**

### PRELIMINARY PROJECT CONCEPT

<b>What is it?</b>	The Preliminary Project Concept provides a written description of your capital project. The information should detail whether the construction will be a renovation and/or expansion of the existing facility, purchase and renovation of another facility, or new facility construction. The Project Concept will also provide explanation of which services will be expanded and how.
<b>Why is it important?</b>	A cohesive project concept outlines the center’s plans for the specific capital project and identifies the critical components of the project. All clinic stakeholders (staff, Board, community leaders, consumers) should agree on the project concept before proceeding further. Having a detailed and concise project description is essential for determining the cost of the project and for outlining the critical next steps in the Preliminary Planning Stage.
<b>Who does it?</b>	Health Center Board and Management. Capital Link can assist in this activity.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## WORK PLAN DEVELOPMENT

<b>What is it?</b>	Work Plan Development (this document) is the process of delineating and mapping the steps necessary for your health center to navigate through the “capital development process” from strategic planning to opening the doors to your new or newly-renovated health center. It begins with a generic overarching document and is then tailored to meet the specific needs of your health center. This document is typically a follow up to the Preliminary Financial Feasibility Analysis and a precursor to the Market Assessment and Space Programming and Planning.
<b>Why is it important?</b>	The Work Plan Document - once tailored to fit your project - provides Management, Board members and the project team guidelines to follow to successfully complete your capital project. The document includes a standard timeline to give your health center a general idea about when a particular step should be initiated and provides a checklist for determining the specific tasks that have already been completed, those tasks that must come next and who is available to assist the health center with a particular step.
<b>Who does it?</b>	Capital Link is available to tailor this document in collaboration with health center management.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## MARKET ASSESSMENT

<b>What is it?</b>	A Market Assessment helps the health center evaluate its current and future markets to determine the potential for expansion. The Market Assessment describes the center’s market in geographic and demographic terms, identifies opportunities for growth, evaluates competition in the marketplace and estimates projected market share or potential demand for health center services.
<b>Why is it important?</b>	The Market Assessment documents and justifies the health center’s growth plan and provides the basis for projecting patient visits. The Market Assessment allows the health center to quantify its opportunities for growth, which forms the basis for Program & Staff Planning, Space Planning and Financial Forecasting.
<b>Who does it?</b>	Capital Link can work in collaboration with health center Board and Management. Other consultants can also prepare a Market Assessment, however, Capital Link’s market assessment process has been designed specifically for health centers and is the adopted or suggested format of a number of funding sources.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## PROGRAM & STAFF PLANNING

<b>What is it?</b>	Based on the health center’s decision with respect to the market it expects to serve, the Program and Staffing Plan delineates the specific services that will be offered by the center and estimates the number and types of staff that will be needed to provide the services.
<b>Why is it important?</b>	The Program and Staffing Plan provides the basis on which to plan for the physical space necessary to house the proposed programs and staff. The architectural plan is derived from assumptions made in the Program & Staffing Plan.
<b>Who does it?</b>	The health center, in consultation with Capital Link. The Program & Staffing Plan is often completed as part of the Space Plan (see below). Many architects can also work with a health center to develop a program and staff plan however, completing this planning <i>BEFORE</i> contracting with an architect allows the center to consider its options before making the final decision of whether to proceed with a project and spend considerable funds.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## SPACE PLANNING

<b>What is it?</b>	Space Planning translates the health center’s expectations regarding patient visits, programs & services and staffing into an estimate of the numbers and types of rooms it will need in its new facility. It also provides a preliminary estimate of the total square footage of space required to meet the health center’s needs.
<b>Why is it important?</b>	Space Planning is a necessary precursor to developing the design for a facility. The process of space planning helps the center’s staff develop consensus around the amounts and types of spaces that will be needed for an efficient and effective practice. It also provides the basis for preliminary budget estimates for the proposed project, which are critical to the health center’s understanding of whether it can afford to undertake the project. A well-developed space plan can greatly accelerate the process for developing the architectural design for the project.
<b>Who does it?</b>	Capital Link is available to work in close collaboration with the health center’s staff to complete this function. Many architects can also produce a space plan for a health center however, completing the space plan <i>BEFORE</i> contracting with an architect allows the center to consider its options before making the final decision of whether to proceed with a project.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

CAPITAL CAMPAIGN PLANNING & FEASIBILITY STUDY

<p><b>What is it?</b></p>	<p>The Preliminary Financial Feasibility Analysis may indicate a need for significant fundraising for the project. If so, you will need to begin planning for a possible capital campaign. A capital campaign plan outlines the steps you will take to raise donations from foundations, corporations and individuals. Your plan should be unique to your health center and to your particular history of raising donations from the private sector. It should also identify fundraising infrastructure needed and staffing for the campaign. A capital campaign feasibility study is a planning tool for your capital campaign. It identifies potential donors, estimates how much you can raise, and identifies volunteer leadership.</p>
<p><b>Why is it important?</b></p>	<p>A capital campaign includes several stages, and each stage requires extensive planning. Many foundations and some individual donors will want to see your campaign plan to be assured that your campaign goals and projections are realistic. If you don't have a depth or breadth of contacts in the private sector, then the campaign plan should include steps for building those connections. A capital campaign feasibility study is one of the tools you will use to create your capital campaign plan. The study is not only important in determining what you can raise, it is critical in identifying potential volunteer leadership. It is commonly held that you need an identified site before you can do a campaign feasibility study, but for community health centers without site control, this problem can sometimes be creatively addressed.</p>
<p><b>Who does it?</b></p>	<p>A capital campaign consultant (an objective third party) should be hired to conduct the feasibility study. While the campaign plan can be developed by staff, we recommend that you hire an experienced fundraising professional to work with staff on the plan. Health centers should be careful to hire fundraising consultants who have prior community health center experience and/or experience with organizations that have consumer boards and/or no history of fundraising from individual donors. Capital Link can assist with identifying possible fundraising consultants if you need assistance finding one. Capital Link can also provide a capital campaign readiness self-assessment for you to use internally prior to hiring a fundraising consultant.</p>
<p><b>Completed?</b></p>	<p><input type="checkbox"/> Yes      <input type="checkbox"/> No      <input type="checkbox"/> N/A</p>

## EDUCATION AND PRELIMINARY PLANNING FOR DEBT FINANCING

<b>What is it?</b>	Introduction to the idea of raising funds for your project through obtaining debt. Educating your Board and management about the concept of debt financing, when it's a good idea and when it's not, and the general parameters of different financing options.
<b>Why is it important?</b>	While you will undergo an in-depth planning and underwriting process further along in the work plan process, if you chose to obtain debt for your project, it is critical at this early stage for your key leadership to understand the elements that determine creditworthiness, the benefits and risks involved in taking on debt, and a broad understanding of the multiple options for debt financing. During this early educational process, and taking into account the information you have gathered from the earlier Financial Feasibility Analysis, you can make a general determination about your ability to obtain debt financing. You will need this information, along with the capital campaign preliminary feasibility and planning information, to proceed to establish your preliminary plan of finance.
<b>Who does it?</b>	Health center management and Board, including your Finance Committee, can oversee the research and education, but it is a good idea to also attain the services of a financial advisor who is familiar with the many options for debt that you may not be aware of. Capital Link provides these services.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## PLAN OF FINANCE & PRELIMINARY SOURCES & USES OF FUNDS

<b>What is it?</b>	This is the preliminary, first pass of the overall project budget including both the sources of funds you will use (i.e. debt, capital campaign, your own organizational equity, government grants) and the costs of the project (hard and soft costs as well as related expenses for fundraising and financing.)
<b>Why is it important?</b>	This first budget provides a working document for your project until you can finalize the budget in a later stage, following the Design and Development Stage. It evolves from the preliminary education and planning for your capital campaign and for debt financing that you have just completed. Your Sources and Uses of Funds is a critical tool to use in managing your capital project and it will continue to change and evolve as you proceed. All lenders and donors will insist on seeing it and will want to know that the numbers have integrity at any given point in time.
<b>Who does it?</b>	Capital Link can provide these services.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A



## PRELIMINARY FINANCIAL FORECAST

<p><b>What is it?</b></p>	<p>The Forecast estimates the center’s Revenues and Expenses, based on estimated patient visits, projected payor mix, assumed staffing levels and estimated project costs. The Financial Forecasting Stage is also the stage at which you are able to begin thinking strategically about the balance between debt financing and fundraising (equity) for the project. Though the Forecast may be revised and updated as the project progresses, it gives a first look at the overall financial feasibility of the project <i>BEFORE</i> significant funds have been spent on the design of the facility. It builds upon data collected in the Market Assessment, projections from the Program &amp; Staffing Plan, estimated project costs generated from the Space Plan, estimated debt service the health center can afford from the Preliminary Financial Feasibility Analysis, and estimated fundraising needs.</p>
<p><b>Why is it important?</b></p>	<p>The Financial Forecast can be used to trigger a “go” or “no go” decision by the Board to proceed with the project. If the Board chooses to proceed, the Forecast becomes a major component of the Business Plan, which will be used to obtain debt and grant funding for the project. If the Board chooses not to proceed based on the financial risks of the project, it will have made this decision without incurring major architectural design costs or site acquisition costs in the process.</p>
<p><b>Who does it?</b></p>	<p>Capital Link and other auditing firms or consultants can prepare financial forecasts, however, Capital Link’s Forecast™ template has been designed specifically for health centers and is the format adopted or suggested by a number of funding sources.</p>
<p><b>Completed?</b></p>	<p><input type="checkbox"/> Yes      <input type="checkbox"/> No      <input type="checkbox"/> N/A</p>

Taken together, the activities included as part of the Preliminary Project Concept, Work Plan Development, Market Assessment, Program & Staff Planning, Space Planning, Capital Campaign Planning & Feasibility Study, and Preliminary Financial Forecast should allow the health center’s Board to complete its Strategic Facilities Plan and make a “go/no go” decision on the project. A positive decision to move ahead signals the beginning of the Design & Development Stage and the Fundraising & Financing Stage two interrelated parts of the capital development process that have activities that occur in overlapping time frames, as further described below.

## ◆ Design & Development Stage

Once the health center has determined to move ahead with its project, it's time to begin the process of designing and developing the proposed facility. At this point in the project process, the health center will begin making major commitments of funds for the project: hiring the architect to design the facility, acquiring or obtaining the rights to a suitable site and obtaining permits and approvals. Most of the decisions made in this phase must also take into account the eventual sources of funding for the project. The following activities must generally be coordinated with activities included in the Fundraising & Financing Stage:

- **Assemble a Project Team**
- **Develop and Refine the Project Budget**
- **Obtain Site Control**
- **Architectural Design**
- **Furnishings & Equipment Planning**
- **Land Use, Permits & Third-Party Approvals**

The tables below outline each activity in detail.

### ASSEMBLE A PROJECT TEAM

<b>What is it?</b>	Now that the project is beginning to take shape, the health center will assemble a team that includes its own designated staff as well as professionals to manage the project. While the CEO could act as the internal project coordinator, it is generally better if this labor-intensive task is handled by one or two designated staff members, often the development director and/or CFO. The designated internal staff person will act as the point person to coordinate with the professional project team. Complex projects will require larger project teams however, at a minimum, most projects require: an Architect, a Builder and, of course, the Owner (the health center!). The Architect will generally hire any engineers required for the job and may hire other professionals as well; the Builder can take the form of a General Contractor, a Construction Manager, a Design/Build Firm or a Turnkey Developer. The Owner generally hires a variety of professionals, including a Project Manager or Owner's Representative, an Attorney, an Environmental Review Firm, equipment and IT planners and a Financial Advisor. Eventually, a Lender and its Attorney may be added to the Team as well. Ideally, the health center hires a Project Manager who reports directly to the designated in-house project coordinator and who has ready access to the CEO. The Project Manager is responsible for managing the design and construction project on the health center's behalf and for keeping the entire project team working well together.
<b>Why is it important?</b>	A good Project Team can make or break a project!

## ASSEMBLE A PROJECT TEAM (CONTINUED)

<b>Who does it?</b>	The Health Center. Capital Link can provide advice and assistance with assembling a project team by referring architects and other professionals to the health center, working with the health center to conduct an RFP for an architect, providing job descriptions for Project Managers, acting as the health center's Financial Advisor and general sounding board for advice throughout the project.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## DEVELOP & REFINE PROJECT BUDGET

<b>What is it?</b>	The Project Budget includes all of the costs related to the project, including real estate or site acquisition costs, hard costs, equipment costs, costs related to financing and/or fundraising and other "soft" costs. Beginning with rough estimates obtained during the Preliminary Planning Stage, the Project Budget becomes increasingly refined and detailed as the Design & Development Phase proceeds. See Capital Link's Project Budget Template for an indication of the types of project costs typical for health center projects.
<b>Why is it important?</b>	The health center and all its advisors must maintain a clear understanding of the Project Budget throughout the process. The architect must consider the health center's budget limitations in designing the facility and the Plan of Finance must be developed based on a clear understanding of the project's cost, so that equity (including fundraising and the organization's funds) and debt financing together will be sufficient to allow the center to complete the project.
<b>Who does it?</b>	The health center and its Project Manager, the architect, cost estimators, equipment planners, the financial advisor and contractor will all play roles in developing and continuing to refine the project budget. Ideally, the Project Manager hired by the health center will have the responsibility for making sure that all parties understand the design and construction budget parameters and how (for example) changes to the design parameters will impact fundraising and financing considerations. The internal project coordinator will need to play a key role in the budget planning process as well.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## OBTAIN SITE CONTROL

<b>What is it?</b>	Prior to designing the facility, it is important for the health center to identify the proposed site and ideally obtain site control, either through an outright purchase, an option to purchase or through a long-term lease. If the center is considering a purchase or lease of an existing building or vacant land, evaluation of multiple sites may be necessary, including conducting structural, environmental and zoning due diligence to determine whether the proposed site can meet the center’s needs.
<b>Why is it important?</b>	A well-located facility is critical to the health center’s ability to provide access to care to the community it intends to serve. Proximity to transportation routes and other ancillary services such as specialty care or pharmacy, the expansion potential offered by the site, and the funding opportunities available to certain sites (e.g. City funds, Enterprise Zone funding, New Markets Tax Credit and/or Historic Tax Credit eligibility). You need to obtain site control before most donors feel comfortable making a funding commitment to your project.
<b>Who does it?</b>	The health center, usually with assistance from a commercial real estate broker, a developer and/or an architect to assist with site evaluation. Capital Link can also provide the health center with a Lease vs Buy analysis to determine whether the best option is to purchase property and build, purchase an existing facility or to obtain a facility through a long-term lease.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## ARCHITECTURAL DESIGN

<b>What is it?</b>	Architectural design is a multi-phased process that translates your program, space needs, budget and timeframe constraints into the plans for the facility you intend to develop. The design process generally proceeds through pre-schematic, schematic, design development and construction document phases, with each step adding a progressive level of detail to the plans and specifications for your project. At each step of the design process, you will need to carefully review the architect’s plans to make sure that the planned facility will meet your needs. You may wish to establish an internal design review committee (includes your project manager) to review progress on the design as it takes shape.
<b>Why is it important?</b>	A well-designed facility enhances your ability to operate efficiently while providing high-quality services to your patients and a positive work environment for your staff. It also contributes to the “image” of the health center in the community and can transmit a message of “quality services” (whether warranted or not!). A good Project Manager can assist in the early design phase to prevent “over designing” the building and to be certain the design meets the health center’s needs. This effort can avert costly redesign fees after the design process has reached a more advanced stage. Architectural renderings and schematic drawings are also useful tools to be used in the capital campaign.

## ARCHITECTURAL DESIGN (CONTINUED)

<b>Who does it?</b>	The Architect, in close consultation with the health center and its Project Manager or developer.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## FURNISHINGS & EQUIPMENT PLANNING

<b>What is it?</b>	Furnishings & Equipment planning is the process of inventorying existing furnishings and equipment (if any), determining what items should move to the new facility, and specifying needed furnishings and equipment for every space within the health center. Visit other health centers to see what works for them and sign up for free mailers and trade magazines for more information (make sure not to give them your forwarding address!). Furnishings & Equipment planning typically occurs during the design & development phase. It's usually identified as FF&E (Furniture, Fixtures & Equipment) on the project budget. The information is utilized by the Project Manager to create a Purchasing Plan as outlined in the Start-Up Stage within this work plan document.
<b>Why is it important?</b>	Furnishings & Equipment planning is critical to making sure that the physical space is thoughtfully designed to allow for the types of furniture and equipment you will need to run your health center and for accurately judging the FF&E budget for the project. The planner should work with the architect to coordinate placement of furniture and equipment with design drawings and coordinate mechanical, electrical and plumbing needs. Prepare a sample layout for each type of room with the number of each type of room in the facility, room spaces and what you need for each room type. It is tempting for organizations to look at the FF&E line item as an easy place to cut expenses when the cost of construction starts to rise. You should think twice about cutting this number, which is relatively small compared to total hard costs. It's not the best idea to build a beautiful new facility that allows you to introduce yourself to your community in a new light - and then fill the building with old worn out furnishings.
<b>Who does it?</b>	Ideally an equipment planner and/or an interior designer hired by the health center. Some vendors may also provide assistance in equipment planning. (A common misconception is that equipment planning is the architect's job. Though some architects can provide this service for a fee, many do not.)
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## LAND USE, PERMITS & THIRD-PARTY APPROVALS

<b>What is it?</b>	Depending on the requirements in your area or state, you will need approvals from a variety of third parties during the process of developing your facility. Third-party approvals can include complying with a range of local, state, federal governmental or regulatory requirements such as: health department regulations, environmental or historic preservation laws, zoning and land use laws, building permit applications, Certificate of Need (CON) and Use Permit processes, water and sewer applications, etc.
<b>Why is it important?</b>	You can't build your facility without them! Don't underestimate the role neighbors can play as supporters or detractors of your project plans. Be sure to do your homework before applying for permits and approvals - make sure your neighbors support your work and are on board with your expansion plans.
<b>Who does it?</b>	Your architect will be responsible for obtaining or coordinating many of these approvals; your attorney will also likely be involved, as will the health center itself.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## ◆ Fundraising & Financing Stage

Activities in the Fundraising & Financing Stage coincide with a number of the activities that occur in the Design & Development Stage. The Fundraising & Financing Stage activities, many of which occur simultaneously, include:

- **Develop & Refine the Plan of Finance**
- **Develop Written Business Plan**
- **Obtain Funding from Government Sources**
- **Complete Capital Campaign Plan and Conduct Campaign**
- **Obtain Debt Financing**

**Each activity is described in detail below:**

### DEVELOP & REFINER THE PLAN OF FINANCE

<b>What is it?</b>	The Plan of Finance identifies and quantifies the “Sources of Funds” for your project and, as such, it represents the “funding game plan.” The Plan of Finance must always be considered in the context of your Project Budget, which constitutes your “Uses of Funds.”
<b>Why is it important?</b>	Health centers typically fund their projects with a combination of organizational equity, fundraising from the private sector, grants from government sources and debt financing. In order for you and outside funders to feel confident of the feasibility of the project, you need to understand at the outset the amount of debt your health center can likely afford and the amount of grants and donations you can reasonably raise for the project. As planning for the project progresses, it is critical that you revisit your Plan of Finance to make sure that “Sources of Funds” equals “Uses of Funds”!
<b>Who does it?</b>	Capital Link, as well as other financial advisors, can assist you in developing and refining the Plan of Finance and in refining it as the project progresses.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## DEVELOP WRITTEN BUSINESS PLAN

<b>What is it?</b>	A business plan for a capital project is a document that succinctly introduces your health center and its leaders to those who may not know you; it should clearly demonstrate the need for the capital investment; and it should describe your project, its rationale and its financial implications for your health center. Financial projections (3-5 years) are a critical component of a business plan and should demonstrate the overall financial feasibility of the project. If you have completed the Preliminary Financial Forecast in the planning phase, you can often use these projections updated to reflect the current time period and any changes to the project.
<b>Why is it important?</b>	Most lenders and many grant funders require a business plan as part of the information they need to understand a project and determine whether they can provide funding for it. The process of developing a business plan is also critical for the health center itself as it seeks to understand whether the project is feasible and to plan for its financial and operational implications.
<b>Who does it?</b>	Capital Link can work with you to develop a business plan. You can also develop a Business Plan on your own if you have the time and expertise (see Capital Link’s <i>Creating a Business Plan for a Community Health Center Capital Project: A “How-To” Manual</i> ). Keep in mind, however, that some funding sources prefer that an outside consultant prepare the Business Plan.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## OBTAIN FUNDING FROM GOVERNMENT SOURCES

<b>What is it?</b>	There are many sources of capital funding from federal, state and local governments such as Community Development Block Grant (CDBG) funds, special capital allocations that are distributed through states, and federal appropriations. Government funding can take the form of grants, loans or loan guarantees. Other funds are available at the municipal level through land use, entitlements and fee waivers.
<b>Why is it important?</b>	Government funds are an excellent source of capital for community health centers because they are already receiving ongoing funding from public sources. Capital allocations from these sources are usually substantial, and access to them can sometimes make or break a health center’s ability to meet the large costs of a capital project.
<b>Who does it?</b>	Health Center staff can raise funds from government sources by taking advantage of the excellent ties that management and Board usually have to elected officials and government staff. In the case of federal appropriations and certain other federal grants, Capital Link can assist centers with obtaining this type of funding.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A



## COMPLETE CAPITAL CAMPAIGN PLAN AND CONDUCT CAMPAIGN

<p><b>What is it?</b></p>	<p>If your Sources of Funds will include significant fundraising for the project, you will already have begun planning for a capital campaign in the earliest stages. Capital campaign donations come from foundations, corporations and individual donors. During the Fundraising &amp; Financing Stage you will revise the capital campaign plan developed during the Planning Stage to reflect any issues identified in your business plan as well as changes in your project budget. The campaign usually kicks off quietly in a leadership phase when you will ask those closest to your organization to give their early support. The public phase (when you raise funds from the community at large) usually doesn't occur until you have reached at least two-thirds of your goal. The entire campaign can take three years or longer, and it is critical for each phase of the campaign to be integrated with design, construction and debt financing activities.</p>
<p><b>Why is it important?</b></p>	<p>Grants and donations from the private sector are “free” money in that you receive the money outright without any long-term cost to the organization. The more you raise, the less you have to borrow. A successful fundraising/capital campaign demonstrates community support for your project, raises the health center's visibility and serves as a symbol of a community's ability to come together for a common purpose. Finally, a capital campaign is capacity building. Both institutional and individual donors to the campaign can be converted to donors for the health center's programs and for unrestricted general support. Staff hired to manage the capital campaign can transition to fundraising staff. Ongoing fundraising from the private sector deepens a health center's human and financial resources, diversifies its funding streams and builds a base of support in the community.</p>
<p><b>Who does it?</b></p>	<p>A capital campaign is generally managed internally by fundraising staff who write proposals and campaign materials, track grants and organize the individual donor campaign. Health centers that don't have fundraising staff can consider hiring someone who might later become permanent development staff. This strategy can sometimes be accomplished through the assistance of a grant from a foundation for fundraising capacity building. The Board, the Board development committee, a capital campaign committee (generally comprised of community leaders) and senior management will all play a critical role in the campaign, both as donors and as fundraisers. We recommend that you hire a professional campaign consultant to assist with campaign planning and implementation, though it should be clear that consultants don't raise the money for you, they help you to identify your own potential sources and they facilitate your asking for donations.</p>
<p><b>Completed?</b></p>	<p><input type="checkbox"/> Yes      <input type="checkbox"/> No      <input type="checkbox"/> N/A</p>

## OBTAIN DEBT FINANCING

<b>What is it?</b>	If your Plan of Finance requires that you borrow money to complete your project, you will need to plan for obtaining debt financing. Debt financing is a tool that allows the health center to pay for the cost of the project over time, ideally tied to the useful life of the assets being financed. Debt financing is available through a variety of sources including banks, Community Development Financial Institutions, tax-exempt bond issuers and other conventional and non-conventional sources. The process of obtaining debt financing generally includes an assessment of the financing sources available, a determination of which source can best meet the center's needs, seeking and obtaining a commitment letter from one or more lenders, negotiating loan terms and conditions, preparing the legal documentation and closing the loan. You may also require short term bridge financing to bridge the gap between the start of construction and the close of your capital campaign.
<b>Why is it important?</b>	Many capital projects cannot proceed without obtaining long term debt financing and/or short term bridge loans. Obtaining the lowest cost and most flexible source of debt financing can greatly ease the financial burden that capital projects impose on health center operations. Debt financing can greatly accelerate a health center's ability to accomplish its goals of providing increased access to patient care.
<b>Who does it?</b>	Many health centers require or desire assistance in the relatively unfamiliar, fairly complex process of obtaining debt financing. Capital Link can provide extensive assistance in this area from planning and education about different types of financing, debt source identification, debt options analysis, conducting lender RFPs and negotiations, to advising on non-legal matters related to loan closings. An attorney or attorneys familiar with real estate transactions and specialized transactional experience (for certain types of financings such as tax-exempt bonds) will also be necessary to represent the health center's interests in the loan closing and to complete the closing process smoothly.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## ◆ Construction Stage

Activities in the Construction Stage must be timed carefully with the project’s fundraising and financing activities. Generally, if debt financing will be used to fund some or all of the construction costs, a lender will require a signed contract with a qualified contractor. The lender may also require that all funds be raised and accounted for at the time of the loan closing and before construction begins. This requirement may result in the need for short term bridge financing from ground breaking until the completion of the capital campaign. The best time to raise money from the community-at-large is from ground breaking to the completion of construction when potential donors can see activity at the site and watch the building’s progress. Donor solicitations should be closely coordinated with the construction timetable. The following activities occur during this phase:

- **Construction Documents**
- **General Contractor Bids and Contractor Selection**
- **Construction Process**

**Each of these activities is described in detail below:**

### CONSTRUCTION DOCUMENTS

<b>What is it?</b>	Construction Documents or “Bid Documents” constitute the last stage of the architectural design process. At this stage the health center should have final and complete drawings together with final specifications, suitable for use in bidding out the job to contractors.
<b>Why is it important?</b>	Fully-specified construction documents will allow contractors and/or sub-contractors to bid on the work with a full understanding of what is required, thereby allowing the health center to obtain fair and accurate bids/pricing for the work.
<b>Who does it?</b>	The Architect develops the Construction Documents.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## GENERAL CONTRACTOR BIDS AND CONTRACTOR SELECTION

<b>What is it?</b>	Unless the health center is using a Design/Build or “turnkey” developer method of project delivery, the center will need to obtain bids from qualified general contractors to build the facility. The health center will want to have a GMP (Guaranteed Maximum Price) contract executed with the contractor selected.
<b>Why is it important?</b>	Choosing a qualified and reputable contractor with whom you have a good rapport is critical to the success of your project. You want to choose someone who has the right level of experience to build your project on time and within budget. In addition, many banks will require a GMP.
<b>Who does it?</b>	The Architect generally coordinates the contractor bid process and assists the center with contractor selection. A Project Manager and/or a developer who represents the health center can also assist in this process.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## CONSTRUCTION PROCESS

<b>What is it?</b>	Once construction begins, the focus of work shifts to the builder. Ideally, the builder builds the project; the architect observes the work, reports, and clarifies; the construction lender verifies the progress and adequacy of the work; and the owner manages the players and the process.
<b>Why is it important?</b>	A well-coordinated construction process will hopefully result in delivery of your new facility on time and within budget.
<b>Who does it?</b>	While all of the parties listed above are key players in this process, ideally the health center should employ a Project Manager to manage the project on its behalf (at least during construction, if not also during the design phases).
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## ◆ Start-up Stage

Prior to the completion of construction, you must begin planning for the start-up transition. This phase may be more or less complex, based on the scope of the project. However, for most projects, the following activities should occur:

- **Move-Out — Logistics**
- **Move-In — Logistics & Staff Transition**
- **Punch List & Construction Completion Documents**
- **Marketing/Outreach Plan**
- **Purchasing Plan**
- **Billing & Financing Transition**
- **Licensing**

Prior to start-up you may need to recruit new providers and other staff; develop new protocols for operating in the new facility; adjust affiliation agreements and other contracts with hospitals, managed care organizations, laboratory, pharmacy and other institutions; manage regulatory requirements; arrange for telephone, MIS and security systems; coordinate equipment installation; plan the move; develop a new marketing or outreach campaign and plan for the ribbon-cutting! Almost all of these activities will need to be coordinated and managed by health center staff and the Project Manager. The contractor will be responsible for completion of all punch list items. As soon as you finish celebrating, you can begin the transition of your capital campaign donors to permanent donors by turning your capital campaign operations into ongoing fundraising for the organization's programs.

**A description of each item in the Start-Up Stage is included on the following pages:**

### MOVE-OUT — LOGISTICS

#### What is it?

Well before moving day, there are many factors associated with preparing the old facility as well as your furniture, fixtures and equipment for the transition to the new facility. Start early with a checklist for what to do with the old facility (rental vs. owned) and the equipment (rental vs. owned) that will not be moved to the new facility. If possible, prepare a staging area in the old facility for those items that are not crucial for operations to be moved to the new facility or to be sold or returned to a rental vendor. Keep your rental facility (if applicable) for at least 3–4 weeks past the final move date and your equipment rentals for an extra week or more.

Set a standard for the items to be moved into your new facility and if you have multiple sites, determine whether or not another facility can use the item. After you determine the items that will not be moved, make a separate list of items to be moved to the new facility and have a plan for where they will be placed in the new facility. Make sure that people move only what they need to the new facility. Plan to move departments and items closest to the door in the old facility first. Make certain to code and tag all items so everyone knows where it goes and prepare for relocating vaccines that need refrigeration!

## MOVE-OUT — LOGISTICS (CONTINUED)

<b>Why is it important?</b>	<p>Planning for the move-out is as important as the move into the new facility. By making lists of what you want to keep and what you will sell, return or move allows you to avoid the cost of moving items that may not be needed in the new facility and will allow you to transition smoothly. This is a good opportunity for everyone on your staff to throw out old files and worn out equipment and furniture. Reducing clutter will only improve the functionality of your new facility.</p> <p>Moving departments and items closest to the door at the old facility first creates a good flow through the facility for the move, though you will want to coordinate on the other end as well to make certain you move things in furthest from the door first!</p> <p>Keeping your rental facility (if applicable) an extra 3-4 weeks allows you extra time after the move to coordinate preparing the facility for turning it back over to the owner and for potential storage of the equipment rentals that you are not certain you will need in the new facility.</p>
<b>Who does it?</b>	<p>The Project Manager typically coordinates with help from staff from each department providing feedback on their own areas.</p>
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## MOVE-IN - LOGISTICS & STAFF TRANSITION

<b>What is it?</b>	<p>As with the move-out of your old facility, there are many factors associated with preparing for the transition into the new facility. Allow time in both the old facility and the new one for staff training. Prior to move-in (typically after the equipment order and prior to the consumables order), talk with staff regarding the outfitting and layout of the new facility so that they can determine their functional needs to be productive in the new facility. Do staff training for fire drills and emergencies before opening the doors to your patients.</p> <p>Review standards for the items to be moved into your “new” facility. Plan to move departments and items that are furthest from the door into the new facility first. Have outside parties hired to move you begin the move during the week. Then set up the new facility on Friday and check systems and equipment through the weekend. For furniture and equipment, have them moved and installed by the vendor or a professional. Make certain to place coded and tagged items into the rooms assigned to make unpacking more efficient!</p>
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## MOVE-IN - LOGISTICS & STAFF TRANSITION (CONTINUED)

<b>Why is it important?</b>	Providing staff training allows staff to learn to utilize new equipment, design models and potentially new medical records systems. The constraints of a space include more than its physical properties, however, the new facility (with some ramp up time) should allow staff to avoid the frustration of constantly improvising, adapting and overcoming a lack of space to actually focus on the patients. By beginning the move during the week, it provides an extra day for the furniture and equipment move and staff transition and to have access to utility companies during the week. Use the weekend to give yourself time to correct any issues and to give time for IT personnel and others to perform necessary systems checks. By Monday, you should be ready to see patients.
<b>Who does it?</b>	The Project Manager typically coordinates with help from vendors, moving company and staff.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## PUNCH LIST & CONSTRUCTION COMPLETION DOCUMENTS

<b>What is it?</b>	<p>As construction nears completion, you should make sure that specific documents are processed. The Punchlist is the place to note in detail and include a date for completion of any unfinished, inadequate, broken or otherwise unacceptable work.</p> <p>A certificate issued by the architect that becomes the date of Substantial Completion typically transfers beneficial occupancy to the owner and shifts the responsibilities of occupancy from the builder to the owner.</p> <p>The Final Completion date is the date the construction is finished. It occurs after the the punchlist work is complete, and after you, the builder, the architect, and often the lender make a final inspection of the site.</p> <p>Close-Out Documents from the builder include: an affidavit that all costs incurred by the builder have been paid in full; general releases or lien waivers from all subcontractors; the final certificate of occupancy; all operating manuals, warranties, and guarantees for work furnished or installed by the builder; a set of “as built” drawings and specifications, reflecting how the building was actually constructed; all spare parts and materials.</p>
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## PUNCH LIST & CONSTRUCTION COMPLETION DOCUMENTS (CONTINUED)

<b>Why is it important?</b>	<p>The Punchlist records any difference between your opinion of how the work should look and the builder's and for you to be certain the work is complete and conforms to the contract documents.</p> <p>Substantial Completion allows the owner to begin move-in and to outfit the space, though it does not allow the legal right to occupy and operate the space.</p> <p>After the final inspection is successfully completed, this allows the architect to issue a certificate for final payment. This certificate allows the builder to collect any final payment still due.</p> <p>Close-Out Documents are necessary for you to have full control of your facility. The Certificate of Occupancy is especially important and requires sign-off from the fire marshall and the building inspector, so make sure your construction manager does not drag his/her feet on this one.</p>
<b>Who does it?</b>	<p>The Project Manager, Architect and Builder.</p>
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## MARKETING/OUTREACH PLAN

<b>What is it?</b>	<p>During the construction phase, many people will probably be aware that you have a project ongoing, though many may be unaware of how it will affect them. A plan should be developed to provide notification to patients when any move or transition will take place, what the new address will be (if applicable) and how it will affect them. Posters, flyers, newsletter, newspapers, grand opening and other events or celebrations are frequently used to provide this information. It may also be appropriate to have an open house. Select a committee of 2 to 3 people that report to the project manager to coordinate and plan these events.</p>
<b>Why is it important?</b>	<p>Patients that have not visited your health center in a while may not be aware of the project and you will certainly want your patients and supporters to know what's going on with their health center. A committee should be selected as this is a very time-consuming portion of the project that would otherwise drain a lot of crucial time from a project manager.</p>
<b>Who does it?</b>	<p>An internal committee that reports directly to the Project Manager.</p>
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No



## PURCHASING PLAN

<b>What is it?</b>	<p>With a new or expanded facility comes the need for additional and/or new furniture, fixtures, equipment (FF&amp;E) and supplies (consumables). Your purchasing plan should begin about 6 months prior to opening the doors using the research from the Furnishings &amp; Equipment Planning (see Design &amp; Development Stage) to determine what furniture and/or equipment is available and what currently works best for your providers (which may not be the same for each). Use as much of your consumables stock as possible prior to the move and exceed your regular order for the new facility.</p> <p>Early in the process, invite other vendors and suppliers to bid on your orders for FF&amp;E and supplies, which may include purchasing programs through PCAs and other group purchasing plans. Provide one-page requests for proposals with a brief introduction including number of employees and patients. For FF&amp;E, use the sample layout for each type of room with the number of each type of room in the facility, room spaces and what you need for each room type that should have been created in the Furnishings &amp; Equipment section (see Design &amp; Development Stage). Suggest the vendors give you levels/grades of furniture and upholstery for pricing and <i>don't give them your budget!</i> Expect it will take 4-6 weeks to get responses with the items sketched in a sample room for each type.</p> <p>Lead times for delivery are generally 6-8 weeks for furniture &amp; equipment, though you should order 3 months prior as some items may be on back order. When the items arrive, let the vendors install them!</p>
<b>Why is it important?</b>	<p>You want your staff to be productive, which may mean purchasing different styles of equipment while still trying to get discounts. Regardless of the equipment styles, the rooms may have similar layouts.</p> <p>If you work down your consumables stock, you will have less to move from the old facility. In addition, by purchasing larger amounts of consumables for the new facility, you may generate interest from multiple suppliers in addition to your current supplier. As a result, many suppliers will give higher discounts for bulk purchases. Starting early on your plan and giving only basic information to vendors and suppliers allows you to make the choices and determine for yourself your budget. Also, let the vendors install their own equipment as they know how to do it quickly and if something breaks, they replace it, not you.</p>
<b>Who does it?</b>	<p>The Project Manager typically coordinates with help from staff from each department providing feedback on their own areas.</p>
<b>Completed?</b>	<p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>

## BILLING & FINANCING TRANSITION

<b>What is it?</b>	The billing and financing transition is a plan for transferring your accounts from the old facility to the new one. For some health centers, the transition may include updating or changing your billing systems which will include the task of training staff prior to the move. Health centers moving to a new or different facility by changing their address entirely require a plan to alert third-party payors of the move and transition the accounts. It is typically a good idea not to inform these payors until 3-4 weeks prior to your move so that payments are not being directed too early to the new facility. For the transition to go more smoothly, it may make sense to change your billing address to a P.O. Box. If you choose not to use a P.O. Box, be aware that the timeline will depend on the payor, but it may require a 6-month window for some payments (Medicare may take longer) to straighten out and begin mailing directly to your new address.
<b>Why is it important?</b>	In order to keep your accounting systems on track or to implement a new system, it is important to prepare well in advance of the move so all affected staff are prepared for the transition and for any issues that may arise. On the other hand, informing third-party payors too early in the process may cause issues with receiving correspondence as they may begin sending mail to the new facility before it is completed, which is a good reason to have a P.O. Box for your billing address in some cases.
<b>Who does it?</b>	The Project Manager typically coordinates with help from staff from each department providing feedback on their own areas.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## LICENSING

<b>What is it?</b>	Health centers apply to their State Department of Health for facility licensing. This agency verifies compliance with state and federal health and safety standards in supervised health care facilities as mandated by law. Check with the State to determine if there is a waiting list for licensing and be sure to calibrate refrigeration units, scales and other items to meet licensing requirements one week prior to inspection.
<b>Why is it important?</b>	You can't operate without one! Because of potential waiting lists, it is important to get on the list as soon as possible.
<b>Who does it?</b>	The Project Manager typically coordinates with help from appropriate department staff.
<b>Completed?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

This Work Plan is intended to give you information on the various stages of a capital project and assist you in determining what tasks you can handle internally and what tasks will need to be carried out by others under your direction. Attachment 2 provides a budget template to assist you in quantifying the costs of your project by phase.

We hope that this Work Plan document and checklist will be useful to you as you continue to plan for your facility needs. We look forward to working with you to help you accomplish these goals.



Project Process Stage	Time Line																																								
	Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36				
Develop & Refine the Plan of Finance									X	X	X	X	X	X	X	X	X	X	X																						
Develop Written Business Plan											X	X	X																												
Obtain Funding from Government Sources									X	X	X	X	X	X	X	X	X	X	X	X																					
Capital Campaign Plan/Conduct Fundraising									X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Obtain Debt Financing														X	X	X	X	X	X																						
<b>Construction Phase</b>																																									
Construction Documents																	X	X																							
General Contractor Bids/Contractor Selection																			X	X																					
Construction Process																					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		
<b>Start-Up Phase</b>																																									
Move-Out - Logistics																																									
Move-In - Logistics & Staff Transition																																									
Punch List & Construction Completion Documents																																									
Marketing/Outreach Campaign																																									
Purchasing Plan																																									
Billing & Financing Transition																																									
Licensing																																									

\*Note: Timeline does not represent a specific health center project; rather, it is a guide for determining approximately when and in what sequence certain steps should occur.

**ATTACHMENT 2**

**PRELIMINARY PROJECT BUDGET TEMPLATE**

<b>Phase</b>	<b>Activity</b>	<b>Firm</b>	<b>Soft Costs</b>	<b>Equipment Costs</b>	<b>Hard Costs</b>	<b>Total Project Costs</b>	
<b>Assessing Organizational Readiness</b>	Mission, Vision and Planning		X				
	Financial Systems and Position	Capital Link	X				
	Community Engagement and Collaboration						
	Organizational Leadership						
	Board of Directors						
	Fund Development History and Infrastructure						
	<b>Total Budget Assessing Organizational Readiness Stage</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>Preliminary Planning Stage</b>	Preliminary Project Concept	Capital Link/Capital Incubator	X			
		Work Plan Development	Capital Link/Capital Incubator	X			
		Market Assessment	Capital Link	X			
Program & Staff Planning		Capital Link	X				
Space Planning		Capital Link	X				
Capital Campaign Planning & Feasibility Study							
Education & Preliminary Planning for Debt Financing							
Plan of Finance & Preliminary Sources & Uses of Funds							
Preliminary Financial Forecast		Capital Link	X				
<b>Total Budget Preliminary Planning Stage</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Design &amp; Development Stage</b>	Commercial RE Broker		X				
	Architectural & Engineering Review & Design		X				
	Environmental Review		X				
	Legal Review		X				
	Project Manager		X				
	Land/Building Purchase				X		
	Equipment Planning		X				
	Interior Designer		X				
	Signage/Graphic Designer		X				
	Telecommunications Consultant		X				
MIS Consultant		X					
Security Consultant		X					
Cost Estimator		X					
<b>Total Budget Design &amp; Development Stage</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		

Phase	Activity	Firm	Soft Costs	Equipment Costs	Hard Costs	Total Project Costs
Financing Stage	Financial Advisor	Capital Link	X			
	Fundraising Consultant		X			
	Grant Writer		X			
	Federal Appropriations Assistance	Capital Link	X			
	Legal		X			
	Environmental Assessment		X			
	Surveys		X			
	Title Reports & Title Insurance		X			
	Appraisal		X			
	Permits and Fees:					
	Building		X			
	Filing		X			
	Regulatory		X			
	Other		X			
	Financing Costs:					
	Commitment/Issuance Fee		X			
	Development Fee		X			
	Lender's Attorney		X			
	Bond Counsel		X			
	Closing Costs:					
Mortgage Recording Tax		X				
Other		X				
<b>Total Budget Financing Stage</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Phase	Activity	Firm	Soft Costs	Equipment Costs	Hard Costs	Total Project Costs
Construction Stage	Architectural & Engineering Fees		X			
	Project Manager		X			
	Lender's Representative		X			
	Construction-Related Costs:					
	Site Preparation				X	
	Asbestos Abatement				X	
	Environmental Remediation				X	
	Construction of New Building				X	
	Rehab of Existing Building				X	
	Construction of Addition to Existing Building				X	
	Owner "Not in Contract" Items				X	
	Construction Contingency				X	
	Furniture, Fixtures & Equipment (FF&E) Costs:					
	Furniture				X	
	Medical Equipment				X	
	Dental Equipment				X	
	Computers				X	
	Telephone/Data				X	
	Security Systems				X	
	Signage				X	
Artwork/Plants				X		
Installation Costs				X		
Equipment Contingency				X		
Owner's Insurance (Builder's Risk, Liability, Property, Other)			X			
Interest Costs during Construction			X			
Payment and Performance Bonds			X			
Temporary Utilities			X			
Working Capital/Initial Operating Expenses			X			
Moving			X			
Rent			X			
Soft Costs Contingency			X			
	<b>Total Budget Construction Stage</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



Phase	Activity	Firm	Soft Costs	Equipment Costs	Hard Costs	Total Project Costs
Start-Up Stage	Move-Out - Logistics					
	Move-In - Logistics & Staff Transition					
	Punch List & Construction Completion Documents					
	Marketing/Outreach Plan		X			
	Purchasing Plan					
	Billing & Financing Transition					
	Licensing					
	<b>Total Budget Start-Up Stage</b>		0	0	0	0
	<b>Total</b>		0	0	0	0

