

Beta Theta Pi Cornerstone Housing Summit



Capital Planning and Execution



176TH BETA THETA PI GENERAL CONVENTION | OTHERS BEFORE SELF



CAPEX- What We All Know

- **It's similar to retirement planning**
- **It requires immense discipline**
- **There are no magic pills**
- **Most of us stink at it**
- **Very few appreciate the urgency\need for saving**



What Must Happen First

- **Financial house in order**
 - **Positive cash flow\budget**
 - **Adequate reserves**
 - **Demonstrate good financial judgement**
- **Create and follow a plan**
 - **At least five years out, but no more than ten**
 - **Must be updated annually**
 - **Be prepared for “emergencies”, i.e. requires flexibility**
- **Continuously educate\inform all stakeholders**



Creating CAPEX Summary

- **Do an assessment**
 - **Document mechanical equipment**
 - **Learn the age, cost, and life expectancy of key assets**
 - **Identify preventive maintenance needs and costs**
 - **Hire third party if needed**
- **Prioritize, keeping in mind ROI and PM**
- **Apply dollar amounts**
- **Regularly review, update, and communicate**



Structural- To Be or Not To Be



Planning

- **Ask why**
- **Do your homework**
 - **Finance**
 - **Research**
 - **History**
- **Determine 3 Ws**
 - **Who**
 - **What**
 - **When**



Who Needs a Closet Door?



Always Start With Why

- **Why is this particular need or project important**
- **Why now and how urgent**
- **Why does the project or need make sense in relation to other CAPEX needs and how the house supports the mission of the organization**



Do Your Homework

- **Finance**
 - **Is sufficient capital available**
 - **How will outlay affect other needs**
 - **What is the ROI**
 - **Do you need to adjust fees**

- **Research**
 - **What are the trends in the market**
 - **What are other groups doing today**
 - **Who are the key players**

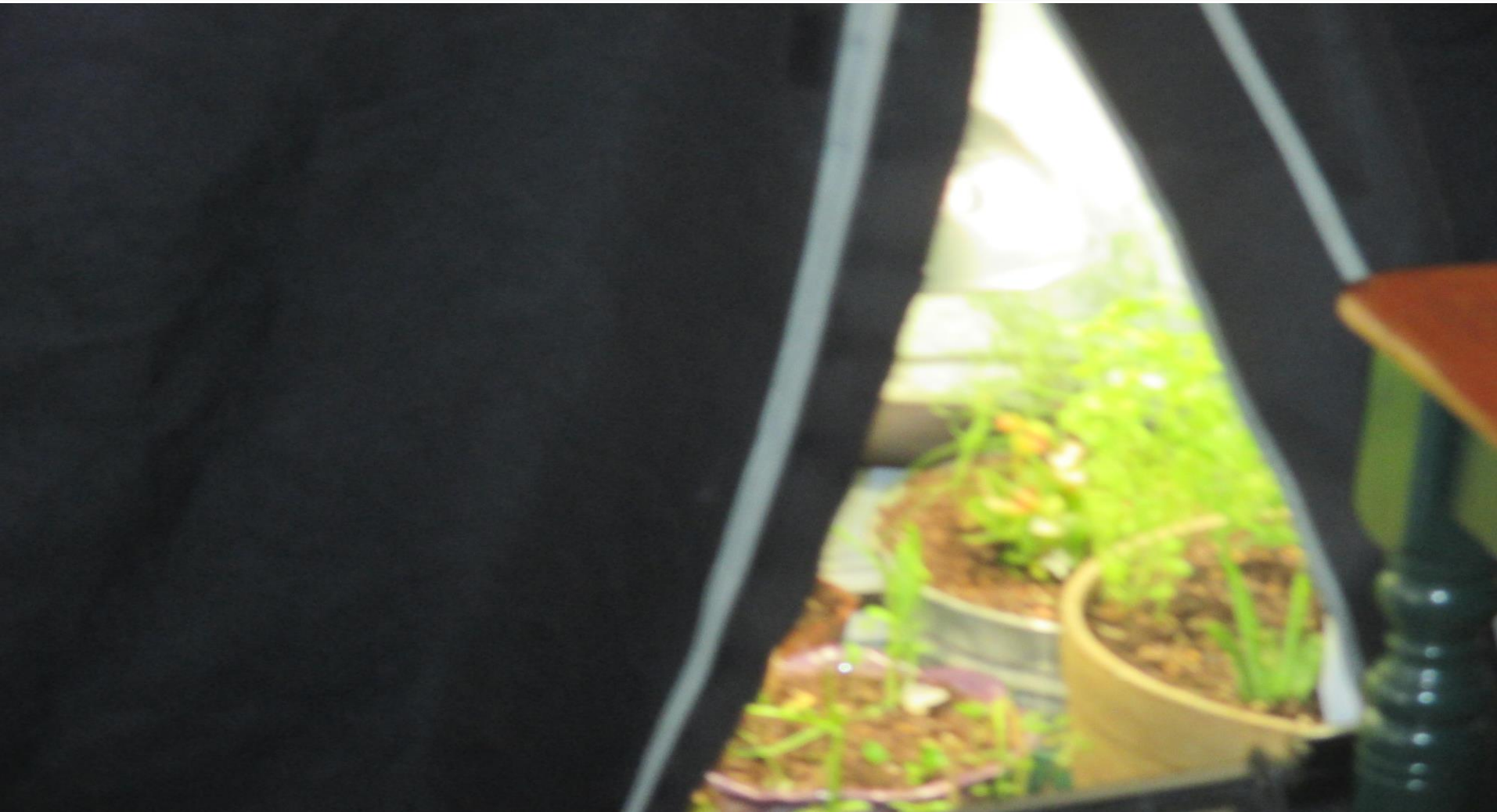


Do Your Homework Continued

- **History**
 - **What has been learned in the past**
 - **Required resources**
 - **Previous mistakes**
 - **How has the chapter responded**
 - **Been good stewards**
 - **Strong recruitment**
 - **Quality men**
 - **Previous ROI results**
 - **Financial**
 - **Improving quality of the experience**
 - **Support of the mission**



We Like Fresh Herbs



176TH BETA THETA PI GENERAL CONVENTION | OTHERS BEFORE SELF



What Every Parent Hopes



Determine 3 Ws

- **Who**
 - Will lead\oversee the work
 - Is the primary contact
 - Will be doing the work
 - Will be holding everyone accountable
 - Will communicate
- **What**
 - Is the scope of work
 - Are logistical concerns\needs
 - Are the budget and permitting requirements
 - Are the expectations of everyone



Determine 3 Ws Continued



- **What Continued**
 - Zoning or permitting issues exist
 - Approvals are required from university
 - Environmental concerns might be present
- **When**
 - Do you start formal project planning
 - Do you start communicating with stakeholders
 - Does the work begin and need to end
 - Do you begin addressing financing or fundraising initiatives



Puzzle Maker



176TH BETA THETA PI GENERAL CONVENTION | OTHERS BEFORE SELF



Spray Foam The New Duct Tape



176TH BETA THETA PI GENERAL CONVENTION | OTHERS BEFORE SELF



Executing

- Kick-off meeting
- If large project, process for tracking change orders and RFIs (requests for information)
- Must have regular progress meetings
- Final walk\punch lists
- Close-out\warranty

“Action is the foundational key to all success.”
- Pablo Picasso



Beware The Port-a-Potty



176TH BETA THETA PI GENERAL CONVENTION | OTHERS BEFORE SELF



Beware The Port-a-Potty- Continued



Continuous Planning

- **Routinely identify repair and maintenance needs**
- **Maintain reserve funding discipline**
- **Annual assessment of facility, recommend professional assessment every 3 to 5 years**
- **Update CAPEX plan yearly, outlining 12, 36, and 60 month needs**



Attics Shall Not Be Ignored- Amen?



176TH BETA THETA PI GENERAL CONVENTION | OTHERS BEFORE SELF



QUESTIONS

