



# CAPITAL BUDGETING SOLUTION

## Get more value from your facilities capital spending

How does your organization determine which capital projects to fund? Does your current approach ensure that funding decisions maximize your organization's financial, operational and mission-related goals? Or does the "squeaky wheel" too often get the grease?

While capital projects represent a significant investment for an organization, the process used to determine which projects to fund is often highly subjective. This may not be surprising given the many overlapping and competing considerations and priorities involved, as well as the many stakeholders—each with their unique perspective—in the decision-making process.

## VFA'S FACILITY ASSESSMENT SOLUTIONS

The VFA capital budgeting solution helps organizations utilize facilities capital planning to reduce risk, lower cost, improve operational efficiency and enhance customer satisfaction. We do this by helping you ensure that:



Capital spending aligns with business priorities.



Facility investments are optimized to support long-term goals and objectives.



You can demonstrate a clear, consistent rationale for investment decisions.



Key stakeholders understand how varying priorities impact capital funding decisions.



Designed with input from facilities managers and institutional planners, VFA's solution unites the art of collaboration and consensus building with the science of hierarchical decision-making to deliver a best-practice approach to capital budgeting.

## LEVERAGE VFA'S EXPERIENCE AND LEADING-EDGE SOFTWARE TO OPTIMIZE YOUR FACILITIES CAPITAL BUDGETING



Align spending with long-term organizational objectives.



Reflect stakeholder consensus about organizational priorities.



Employ a consistent rationale for prioritizing capital needs.



Focus investments where they will have the greatest business value.

## CREATE A BETTER CAPITAL BUDGET THAT:



Reduces risk: business, financial, safety, legal and reputational.



Improves customer satisfaction.



Lowers costs.



Gets you recognized for facilities excellence.



Increases operational efficiencies.



## FIVE STEPS TO A BETTER BUDGET

### 1. ESTABLISH THE TEAM

We begin by working with your organization to define the team responsible for establishing key goals, objectives and responsibilities, including:

- Finance.
- Operations.
- Facilities.
- Executive Management.

### 2. CREATE A COMMON UNDERSTANDING

Accruent provides the team with an overview of facility assessment and capital planning processes, including:

- Assessment terminology.
- Cost estimation.
- Categorization methods.
- Funding strategies.

### 3. DEFINE PRIORITIZATION CRITERIA

Using proven processes for articulating business drivers and priorities, Accruent consultants work with your team to build consensus about strategic goals and values and how they will be applied to prioritize capital needs. The group then determines the criteria that will be used to prioritize facility requirements, and ranks these factors using pairwise comparisons in the Capital Budgets Ranking module in VFA Facility. Factors can include:

- Building use.
- Current facility condition.
- Type of building system.
- Impact of remediation on condition.





## 4. PRIORITIZE REQUIREMENTS

By applying a defined ranking strategy to a single facility or an entire portfolio within VFA Facility, users can see what requirements will be addressed at a given funding level. An organization may define multiple ranking strategies for various scenarios, including:

- Different types of assets.
- Different organizational priorities.
- Different funding sources.
- Short vs. long-term needs and clients.

## 5. CREATE THE BUDGET

Based on the ranking strategy selected, VFA Facility produces a multi-year capital budget, with a ranked list of funded requirements, and enables modeling of funding alternatives that will achieve the organization's facility and business objectives. The end result is a capital budget that:

- Reflects accurate condition and cost data.
- Delivers the greatest business value.
- Aligns spending with organizational goals.
- Provides flexibility when budgets change.

## THE VFA ADVANTAGE

Accruent's consultants have provided capital planning and management solutions to government, education, healthcare, banking and other corporate organizations since 1998. With the resulting capital budget ranking strategy, clients can easily create defensible multi-year capital plans and budgets. Using VFA, you can easily understand the impact of business priorities on capital plans, make adjustments as your business needs evolve, and readily create capital budgets and projects that reflect current priorities.

## LEARN MORE

Contact Accruent to learn how VFA solutions can help your organization obtain objective data for strategic facilities capital planning and management. To schedule a demo, visit [www.accruent.com](http://www.accruent.com).

**CONTACT FOR A DEMO**

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