



THE UNIVERSITY OF
CHICAGO
MEDICINE

May 11, 2018

AT THE FOREFRONT OF MEDICINE®

Capital Budget and Control

Ms. Courtney Avery

Administrator

Illinois Health Facilities and Services Review Board

525 West Jefferson Street

Springfield, Il. 62761

RECEIVED

MAY 14 2018

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

In Re: Project 16-008 Center for Cancer Care/ED-Trauma Annual Status Report

Dear Ms. Avery:

The permit date for Project 16-008 Center for Cancer Care/ED-Trauma is May 10, 2016. The newly constructed Adult Emergency Department (ED) was opened December 29, 2017. The commencement of Level 1 Trauma services began May 1, 2018 shortly after approval was granted by IDPH. This part of the project will likely finish approximately \$4.6 million below the estimate.

Detailed planning progresses for the conversion of Mitchell Hospital to the Center for Cancer Care. Design Development plans have been completed and are being reviewed. Some minor enabling work has been done in advance of the main construction. The challenges of modernizing a 35 year-old hospital have become increasingly apparent and considerable effort is being expended to control costs and square footage.

Attached are tables that present the costs incurred and compare current estimated costs to the permit Project Costs and Sources of Funds. Through April, commitments total \$91.8 million. Last week a letter of notification was filed that the financial commitment level (33 percent) was met. Expenses incurred are \$48.5 million. Please let us know if you need further information.

Sincerely,

John R. Beberman

Executive Director, Capital Budget & Control

Project Costs and Sources of Funds		
USE OF FUNDS		TOTAL
	Permit Amount	Exp. Through 4/2018
Preplaning Costs	\$770,328	\$46,204
Site Survey and Soil Investigation	22,145	0
Site Preparation	816,038	0
Off Site Work		
New Construction Contracts	149,483,229	26,342,701
Modernization Contracts		
Contingencies	14,948,323	0
Architectural/Engineering Fees	8,846,418	6,491,170
Consulting and Other Fees	4,620,600	2,230,714
Movable or Other Equipment (not in construction contracts)	48,895,610	9,903,398
Bond Issuance Expense (project related)	3,000,000	0
Net Interest Expense During Construction (project related)	25,576,257	0
Fair Market Value of Leased Space or Equipment		
Other Costs To Be Capitalized	11,863,200	3,482,111
Acquisition of Building or Other Property (excluding land)		
TOTAL USES OF FUNDS	\$268,842,148	\$48,496,298
SOURCE OF FUNDS		TOTAL
	Permit Amount	Current Estimate
Cash and Securities	\$68,842,148	\$39,647,198
Pledges		
Gifts and Bequests		
Bond Issues (project related)	200,000,000	8,849,100
Mortgages		
Leases (fair market value)		
Governmental Appropriations		
Grants		
Other Funds and Sources		
TOTAL SOURCES OF FUNDS	\$268,842,148	\$48,496,298

Project Costs and Sources of Funds		
USE OF FUNDS		TOTAL
	Permit Amount	Current Estimate
Preplanning Costs	\$770,328	\$770,328
Site Survey and Soil Investigation	22,145	22,145
Site Preparation	816,038	816,038
Off Site Work		
New Construction Contracts	149,483,229	149,483,229
Modernization Contracts		
Contingencies	14,948,323	14,948,323
Architectural/Engineering Fees	8,846,418	8,846,418
Consulting and Other Fees	4,620,600	4,620,600
Movable or Other Equipment (not in construction contracts)	48,895,610	48,895,610
Bond Issuance Expense (project related)	3,000,000	3,000,000
Net Interest Expense During Construction (project related)	25,576,257	25,576,257
Fair Market Value of Leased Space or Equipment		
Other Costs To Be Capitalized	11,863,200	11,863,200
Acquisition of Building or Other Property (excluding land)		
TOTAL USES OF FUNDS	\$268,842,148	\$268,842,148
SOURCE OF FUNDS		TOTAL
	Permit Amount	Current Estimate
Cash and Securities	\$68,842,148	\$68,842,148
Pledges		
Gifts and Bequests		
Bond Issues (project related)	200,000,000	200,000,000
Mortgages		
Leases (fair market value)		
Governmental Appropriations		
Grants		
Other Funds and Sources		
TOTAL SOURCES OF FUNDS	\$268,842,148	\$268,842,148