State University System
Fixed Capital Outlay
Legislative Budget Request

Board of Governors
October 21, 2004
Fixed Capital Outlay (FCO) Budget Request

- Required annually:
  - 3-yr PECO Priority List
  - 5-yr Capital Improvement Plan List

- Required, if needed:
  - Challenge Grant
  - Capital Improvement TF
  - Special Items
  - Legislative Authorizations
  - PECO Remodeling/Renovation/Repair/Maintenance
  - Concurrency Trust Fund
FCO Budget Request Process

(See hand-out: FCO Legislative Budget Request Calendar)
Exhibit A
PECOC Allocation

- University system has a $128.9 million allocation for 2005-06, compared to the $215.8 million received for 2004-05.

- University system has a 3-year PECO allocation of $247.7 million.

- Universities submitted projects totaling $2 billion for the first 3 years of the Capital Improvement Plan.
Exhibits B, C, D
3-Year PECO Project Priority List

Within the three-year revenue limitations, we were able to:

- Complete the funding for all university projects that received previous appropriations and were recommended by the BOG

- Substantially fund all university utilities/infrastructure/capital renewal/roofs

- Complete the funding of Scripps
Exhibits B, C, D

3-Year PECO Project Priority List

- We were not able to:
  - Complete the funding for any university projects that received previous appropriations and were not recommended by the BOG
  - Fund any new projects

- Over the 3-year period, 78% of the funds are for projects that do not create new space for the universities; instead, they are for renovation & remodeling projects, and infrastructure needs, such as utilities, roofs, and roads.
Exhibits B, C, D
3-Year PECO Project Priority List

- Each university’s priorities were followed with two exceptions: FSU and UNF, as reflected in Exhibit B.

- The only four projects that will create new space are reflected in Exhibit D.
Exhibit E
5-Year Capital Improvement Plan

- Statutorily required, but not constrained by revenue

- First projects listed reflect those in the 3-year PECO Project Priority List in Exhibit B.

- Other projects identified in the university plans are included, provided they are consistent with university missions and are supportive of academics.
Exhibit F
Facilities Enhancement Challenge
Grant Program List

- Projects must support instruction or research, be included in the institution's 5-year Capital Improvement Plan, and the private cash matching must be on deposit.

- Initially, all potentially eligible projects are included on the project list.

- In January, project list is adjusted based on actual cash collections reported by universities.
Exhibit G
Capital Improvement Trust Fund
Project List

- Two student fees go into this trust fund: capital improvement fees and building fees.

- In accordance with the BOG’s guidelines, only student-related projects are funded, such as student unions and recreational facilities or improvements.
Exhibit H
Supplemental Special Request

- Traditionally used for projects that may not easily be funded from traditional sources
- Request is for $11 million for the Florida Institute of Oceanography (FIO) Coastal Research Vessel
- FIO provides the capital facilities for the state’s ocean training and research.
- FIO is using a 40-year-old drug boat that is obsolete with high maintenance and repair costs.
Exhibit I
Projects Which Require General Revenue for Operation

- Statutes require legislative approval for construction of projects from non-appropriated sources if GR will be requested for operations.

- These projects include academic and student support facilities as proposed by the universities.
Exhibit J
Authorization to Sell Revenue Bonds

- Constitution requires legislative approval of projects financed by revenue bonds.

- Projects include dormitories, parking garages, bookstores, etc. for which operating revenues are pledged to pay debt service.
Exhibit K
Facilities Financed or Acquired by Direct Support Organizations

- Statutes require legislative approval of facilities constructed or financed by DSOs.

- Recommended projects include dormitories, athletic and research facilities, and facilities for programs in others countries.
Exhibit L
PECO
Remodeling/Renovation/Repair/Maintenance Formula Funds

- Funds are allocated to each delivery system according to a statutory formula that considers the size, age, and replacement value of current facilities.

- Allocation for SUS is $20.7 million

- Funds used for minor projects
Exhibit M

Concurrency Trust Fund

- Trust Fund receives funds from the local option gas tax.

- Funds used to reimburse local governments for off-campus impacts resulting from on-campus development

- Request is for $5.4 million.
Fixed Capital Outlay
Budget Request

Committee Action