STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
September 2, 2026

SUBJECT: 2027-28 Fixed Capital Outlay Legislative Budget Request

PROPOSED COMMITTEE ACTION

Approve the 2027-28 State University System Fixed Capital Outlay Legislative Budget Request, as presented, and authorize the Chancellor to make technical changes as needed.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Sections 1001.706, 1010.86 and 1013.64, Florida Statutes.

BACKGROUND INFORMATION

The annual State University System (SUS) Fixed Capital Outlay Legislative Budget Request (FCO LBR) represents the Board's request for Legislatively appropriated funds to build, renovate, remodel, and maintain facilities that will further the mission and strategic goals of each university and the system overall.

Each year, in preparation of the FCO LBR, each university board of trustees submits a Capital Improvement Plan (CIP) to the Board office, reflecting its prioritized capital projects for the next five (5) years. This information provides the proverbial building blocks for the FCO LBR, prepared in accordance with statutory requirements and Board-adopted guidelines. This year's budget request is comprised of the following:

- Public Education Capital Outlay (**PECO**): **$565.3M** for 23 capital projects
- Capital Improvement Trust Fund (**CITF**): **$59.57M**
- Special Request – Statewide hardening of facilities' security for emergencies: **$20M**
- Legislative "Back of Bill" (**BOB**) project authorizations

Public Education Capital Outlay (PECO)

PECO funding is split into two components: Capital Projects and Repairs/Maintenance.

PECO - Capital Projects

Section 1001.706(12), F.S., requires the use of a points-based system for ranking university capital projects into a prioritized list (the "*Preliminary Selection Group*") consisting of:

1) Each university's top two priority projects, and
2) Any PECO project for which State funds were previously appropriated but have not been completed.

The Board-adopted, statutorily-driven scoring methodology results in a prioritized list of PECO projects deemed eligible for funding (**see attached chart "Preliminary Selection Group"**). This year's list includes 36 prioritized projects, 26 of which are already partially funded (i.e. received an appropriation in prior legislative session). The chart also includes a 3-year projection of PECO funding based on the State's latest PECO Revenue Estimating Conference, further promulgated as preliminary estimates by the Florida Department of Education. The FY27-28 projection provides approximately **$565.3M for 23 capital projects**.

For reference, the table below reflects a recent history of PECO requests versus amounts appropriated:

PECO Funding Comparison: Requested vs. Appropriated

		2023-24	2024-25	2025-26	2026-27	2027-28
Requested:	Projected PECO Funding for SUS	$279M	$367M	$335M	$418M	$565M
	# of capital projects to be funded	6	10	8	13	23
Appropriated:	Actual PECO Funding Appropriated	$616M	$573M	$427M	$464M	tbd
	# of capital projects funded	33	23	35	31	tbd

As reflected above, in recent years, annual appropriations (and projects funded) have exceeded Board requests.

PECO - Repairs/Maintenance

Section 1013.64(1)(a), F.S., legislatively prioritizes an annual allocation of PECO funding for repairs/maintenance, informally known as "Sum of Digits" based on the statutorily-driven calculation. It is a 'carve-out' from projected PECO funding for SUS capital projects. As per DOE estimates, this year's amount would be approximately $133.6M. However, given that the SUS has not received this component of PECO funding since FY18-19, this 'carve out' has not been included in the Preliminary Selection Group (described above), thereby providing increased funding for proposed capital projects.

Capital Improvement Trust Fund (CITF)

Section 1010.86, F.S. requires the Board to administer the CITF, which includes accumulated student Capital Improvement Fees as well as interest earnings thereon. All funds, except those required for annual debt service and funding of childcare centers (i.e., "*Educational Research Centers for Child Development*" per s. 1011.48, F.S.), are used to fund projects meeting various statutory requirements. Typical CITF-funded projects include student unions, student recreational amenities, and wellness centers. Appropriated funding is allocated to the universities pro-rata based on actual collection/remittances of fees.

This year's proposed request is **approximately $59.57M** (**see "*Capital Improvement Fee Allocation and Request*"**). If appropriated, each university will submit a list of proposed CITF projects for Board approval next year prior to funding.

Special Legislative Request – Statewide hardening of facilities' security for emergencies

Following the active shooter incident at FSU, the Board established specialized safety initiatives, including a dedicated Campus Safety and Student Success Committee, and directed all SUS university presidents to review building security, classroom locks, and lockdown capabilities. This year's FCO LBR includes a special budget request of **$20M**, non-recurring, from PECO or General Revenue, to fund hardening of facilities' security for such emergencies. If appropriated, the Board will allocate funds to universities based on the findings in security risk assessments conducted in accordance with and required by s. 1006.601(4)(c), F.S. (aka: ARMOR Act) (**see attached "Special Legislative Budget Request" for statutory reference**).

Legislative "Back of the Bill" project authorizations

Pursuant to ss. 1010.62 and 1013.171, F.S., certain debt-financed projects and public-private partnerships are preauthorized by the legislature, such as student housing, parking/transportation, and health care, whereas other projects, such as athletic facilities, hotels, conference centers, and grocery stores require specific legislative authorization. Said authorization is evidenced in the back sections of the General Appropriations Act; hence, "Back of the Bill". Legislative authorization does not supersede the Board's subsequent review and approval of such projects.

The proposed bill language and list of projects is attached (**see attached "Back of Bill project authorization"**).

Supporting Documentation Included:	1) PECO Preliminary Selection Group 2) CITF Request and Allocation 3) Special Legislative Budget Request 4) Legislative 'Back of Bill' Project Authorizations
Facilitators/Presenters:	Mr. Kevin Pichard