SUNY Office for Capital Facilities

Facilities (Capital) Committee Presentation

Community College Business Officers Association
June 2013
Topics

- Capital Budget Overview
- Funding Options outside of Capital Budget
- Local Funding Sources
- Program Financing
- CC and SUNY Actions/Upcoming Program Initiatives
Capital Budget Request: History

Community College Capital Funding ($M)

- 2003/04: 210
- 2004/05: 0
- 2005/06: 86
- 2006/07: 82
- 2007/08: 0
- 2008/09: 390
- 2009/10: 46
- 2010/11: 22
- 2011/12: 32
- 2012/13: 87
- 2013/14: 38.5

June 2013
Last Year’s Capital Budget Request – FY 13/14

- Data Requests
  - NY Division of the Budget developed a Statewide Capital project Database for 12/13 & 13/14
  - SUNY requested 5 year of projects for the first time using green/yellow/red for probability
  - NY Works Task Force requested a 10 year capital plan including projected commitments
Last Year’s Capital Budget Request – FY 13/14 (cont.)

- Grant Opportunities
  - Regional Economic Councils were in play
    - Jamestown, Monroe, Broome, Mohawk Valley, Ulster and Herkimer for total of $4.26 Million
  - SUNY 2020 Round II opened up to CCs
    - Alfred, Broome Corning Jamestown – Retooling the Southern Tier
    - ESF, Upstate, Oswego, Onondaga – Institute of Environmental Health and Environmental Medicine
Capital Budget 13/14 Results

- SUNY Capital budget was disappointing
- Community Colleges - only critical maintenance projects were provided State Appropriation
- Ed program was provided with minimal additional appropriation
- Hospitals received no appropriation
- Res Halls received no appropriation but were removed from the overall State budget cap
Capital Budget 14/15 Request

- What will be required for this year’s request?
  - Division of the Budget Database will need to be updated.
  - New York Works Taskforce will be looking for update information
  - SUNY will need project level data to develop the formal request

- Together we will use the data to tell the story, but we will need your help
Capital Budget Request Schedule

- **Initial Request: July**
  - Update 5-year spreadsheet
  - Last year’s will be sent for updating
  - Completed Project Initiation Form for each project for the next two years

- **Formal Request: September**
  - Accompanying Sponsor Resolutions or anticipated date of passage (must be before 12/15 for DOB to consider inclusion)
State Capital Outside of Annual Request

Regional Economic Development Council (REDC)

- Funding: **$150M in capital** for 2013 competition
- 5 regions ID as “top performers” $25M each
- Remaining will compete for $25M balance

**Top Performers required to demonstrate:**

- Implementation of the Strategic Plans
- Encouraging econ. growth through jobs/ investment
- ID transformative projects supporting collaboration (e.g. leveraging computing assets to est. research partnerships)
State Capital Outside of Annual Request
REDC (cont.)

For Transformational Projects (not CM/Rehab):
http://regionalcouncils.ny.gov/

Timeline:

- Application (CFA) materials available June 3
- CFA will open to applicants on June 17
- CFA due date/closing **August 12 4 PM**
State Capital Outside of Annual Request

REDC (cont.)

Currently available on website:

- **REDC Round III May 15, 2013 Presentation:**
  - General overview, Regional Focus and Initiatives
  - Past Project Approvals in Rounds I and II by Region

- **2013 Regional Council Guidebook:**
  - REDC Regions, Leadership
  - 2012 Awards, REDC and State Priorities in 2013, Plans for 2014

- **2013 Consolidated Funding Application (CFA) Manual:**
  - Registering-Grant Application Process, REDC Review Process
  - Frequently Asked Questions

June 2013
State Capital Outside of Annual Request

REDC (cont.)

Special Emphasis to Themes Below:

- Creates/Retains/Fills Jobs
- Ready for Implementation
- Foster a Culture of Entrepreneurship
- Inclusive
- Oriented to Young Adults
- Regional Impact
- Maximizes ROI
- Prepare our Workforce
- Implement Smart Growth
- Promotes Smart Growth
- Builds upon Strengths
- Improves Region’s Image

June 2013
State Capital Outside of Annual Request REDC (cont.)

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Timeline:
- Application materials available as of June 3
- CFA will open to applicants on June 17
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Sources of Local Funding

- No SUNY BoT Action Needed:
  - Appropriations from Sponsor’s general revenues
  - Special tax levies implemented by the local Sponsor
  - Grants from private foundations
  - Capital chargebacks
  - General fundraising and other monetary gifts
  - NYSERDA grants determined to be acceptable to serve as local share
Sources of Local Funding (cont.)

- Requires SUNY BoT Action:
  - Donations of or the sale proceeds from real and personal property, goods, services in-kind
  - Revenue Naming rights
  - Revenue from cell towers
  - Facilities rental income
Guidance Document (CCP-4) developed to assist in sourcing out and providing a mechanism for accepting donations to serve as local share of project costs:

- Real Property
- Services
- Materials
Sponsor Resolutions - Content

- Types: Stand-Alone Resolution/Part of a County Capital Budget
  - Project Name (SUNY may broaden name in appropriation in order to gain flexibility)
  - Approval of Project
  - Recognition of Project Budget
  - Source of Funding for Local Share of Project Costs:
    Ideal but not mandatory for appropriation request but must be included for project approval
Capital Project Funding Access

1 - SUNY 14/15 Capital Request: projects must have sponsor resolutions
   ➢ Existing Appropriations can be used at any time

**NY Budget Passage:** Access new appropriations: April 1?

2 - SUNY Project Approval: AFTER NYS BUDGET PASSES: New Project Initiation Form (PIF) must be submitted
   ➢ Previous PIF with appropriation request is NOT sufficient
   ➢ SEQR required for large project construction approvals

3 - Financing: DASNY/Bond Counsel Approval
   ➢ Application complements annual private use survey
Program Financing

- Bond proceeds after 2003 determined to be fungible/used for any eligible project
- Existing Bond proceeds will be exhausted in July
- Assuring sufficient cash on-hand is OCF’s responsibility
- OCF uses project information BUDGETS AND SCHEDULES to estimate bonding levels
- SUNY must manage to the State Financial Plan
Program Bonding: Current Activity

- **Program Balance (at 5/31/2013):**
  - $16.4M: 2003-2012 (Tax Exempt PIT)
- **2013 Sale:** $112.6M calculated using project budgets and planned construction schedules
  - July: $44M; October: $68.6M
- **Figure calculated by SUNY; Division of Budget included in full in State financial plan**
Program Bonding: Ongoing Actions

Review Active Projects and Schedules:

- Provides basis for cash flow models/projections
- Factors in DASNY’s ability to reimburse claims
- Closed projects allow for lower annual re-appropriation request which factors in overall Capital Budget Requests
Program Bonding:
Continually-Needed Actions (cont.)

Submit Timely Reimbursement Requests:

DASNY: Bonded, SUNY: Hard Dollar

- Assists SUNY in refining cash flow models given program specific process:
  - Work conducted
  - Bills paid in full
  - Reimbursement for State 50% share requested

- Ensures continued cash on hand and advance notice of need for new program bonding
- You get paid!!!
Program Financing:
Reimbursement Forms/Process

- **Advance/Bonded**: Send to DASNY Program Manager
  - Cover Letter*
  - Certification Form: *Newly Revised*
  - *Copies should be sent to SUNY (Rebecca)*
  - Excel Detail Sheet*: *Newly Revised*
  - Invoice Copies

- **Hard Dollar**: Send to SUNY (Rebecca)
  - Cover Letter
  - Claim Form (ensure municipality code/federal ID included): *Newly Revised*
  - Excel Detail Sheet

Available Online: [www.suny.edu/capitalfacilities/CC_Tools.cfm](http://www.suny.edu/capitalfacilities/CC_Tools.cfm)
Actions/Upcoming Program Initiatives

- **Capital Project Report**: CC Action, July
- **Capital Budget Request**: CC Action, Summer start, Continues through Fall
- **Private Use Webinars**: CC Action, Late July/Early August
- **Guidance Documents**: Process, Content-based: SUNY Action, Continuing
- **Site visits**: SUNY Action, Continuing in Summer and Fall
Program Private Use Surveys

- Bond Counsel uses survey information as part of due diligence when:
  - Determining if new capital projects can be funded using PIT or taxable bond proceeds and
  - Information is needed relative to bond refunding

- Colleges will be provided with the survey to update with any new private use information
  - Surveys will be improved and instructions clarified
Guidance Documents

PENDING DOCUMENTS:

- **Process:**
  - Requesting a State Capital Appropriation (CCP-1)
  - Capital Project Initiation (CCP-2)
  - Capital Projects Financing & Reimbursement (CCP-3)

- **Content:**
  - In-Kind Donations as Local Funding Share (CCP-4)
  - Real Property Acquisition and Divestiture (CCP-5)

*Suggestions for topics are welcome!*
SUNY is here to help!!

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www.suny.edu/capitalfacilities