

2.14 CAPITAL IMPROVEMENTS ELEMENT

Data and Analysis

The Capital Improvements Element evaluates the need for public facilities as identified in other Campus Master Plan elements; to estimate the cost of improvements for which the University has fiscal responsibility; to analyze the fiscal capability of the University to finance and construct improvements; to adopt financial policies to guide the funding of improvement; and to schedule the funding and construction of improvements in a manner necessary to ensure that capital improvements are provided when required based on needs identified in the other Campus Master Plan elements. All development is contingent upon the availability of funding.

Current and Future Facility Needs

The University uses the best available data to determine the needs, estimated costs, and priorities for renovation and construction of facilities. A Critical Needs Assessment will be completed yearly, and input will be solicited from faculty, staff, and students.

Proposed academic space needs and changes will be coordinated with Space Planning, Analysis, and Administration (SPAA), and projects which will impact energy consumption, operations and maintenance costs, security, environmental health and safety, and natural resources will be coordinated with Facilities and Safety.

Capital Improvements prioritization will be reviewed yearly by the Board of Trustees prior to submission to the Board of Governors.

Existing and Anticipated Revenue Sources and Funding Mechanisms

The University of Central Florida, receives funding from the State of Florida for capital improvements in various appropriation types.

The primary source available to the University is Public Education Capital Outlay (PECO). These funds are appropriated to the State University System (SUS) pursuant to Section 1013.64(4), Florida Statutes, which provides that a list of projects is submitted to the Commissioner of Education for inclusion within the Commissioner's Fixed Capital Outlay Legislative Budget request. In addition, a lump sum appropriation is provided for remodeling, renovation, maintenance, repair, and site improvements for existing satisfactory facilities. This lump sum appropriation is then allocated to the universities. The projects funded from PECO are normally for institutional, academic support, or institutional support purposes.

Another source for capital projects is the Capital Improvement Trust Fund (CITF). This fund receives money from University students who pay Building Fees and Capital Improvement Fees as part of their tuition. This revenue source is used to finance university capital projects or debt services on bonds issued by the SUS. Projects financed from this revenue source are primarily student-related facilities, such as student unions, outdoor recreation, and athletic facilities.

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Private donations and grants are another source of revenue authorized by Section 1013.74, Florida Statutes. Authority is provided within this section to finance facilities to support auxiliary enterprises from the issuance of bonds supported by University auxiliary revenue. Legislative approval of the proposed projects is required.

The Facilities Enhancement Challenge Grant, “Courtelis Program”, established pursuant to Section 1013.79, Florida Statutes, provides for the matching of private donations for facilities projects that support instruction or research. Under this program, each private donation for a project is matched by state funds. Currently, no funding exists for the Facilities Enhancement Challenge Grant program.

Auxiliary University Organizations, such as the Business Services Department, Intercollegiate Athletics, Housing and Resident Life, and Parking Services, use revenues collected from their operations to complete capital improvements or use those revenues to bond the necessary funding for these purposes. The Libra Parking Garage and Greek Housing Life Center are examples of recently completed bonded projects.

University Practices that Guide the Timing and Funding of Construction

At UCF, the timing and funding of capital improvement projects is determined through the preparation of the University’s annual Fixed Capital Outlay Budget Request, which is prepared by the Facilities Planning and Construction Department. The preparation of this request leads to a Five Year PECO List, which is a prioritized list of capital improvements. At UCF, this list is developed jointly by the Associate Vice President of Facilities and Safety, the Vice President of Finance and Administration and the University Provost. They prepare and recommend a draft list of priorities based primarily on the previous year’s list. The list is sent to the University President for his review and approval prior to submittal to the University’s Board of Trustees (BOT). Once approved by the BOT, the list is submitted to the Board of Governors.

Projects funded by CITF are determined by Student Development and Enrollment Services and the Student Government Association. They develop and recommend a list of capital improvements using CITF funds. This list is considered in the annual preparation of the Fixed Capital Outlay Budget.

The timing of projects funded by grants and auxiliary funds is the most difficult to determine. They are primarily dependent of the successful awarding of grant applications and on financial opportunities.

Operations and Maintenance Costs for Existing Facilities

The State of Florida provides Plant Operations and Maintenance (PO&M) funding for university facilities that contain Educational and General (E&G) space. In some cases, PO&M funding is provided for in a grant award. The cost of operating and maintaining auxiliary space is derived from auxiliary revenues.

Cost of Future Capital Improvements

The Capital Improvements List (Figure 14-1), provides an estimate of the cost of future capital improvements. This list is based on the Five Year Capital Improvements Plan, a component of the University Fixed Capital Outlay Budget Request. The priorities listed in the first five (5) years of this ten year list are based upon the University's Five Year PECO list. These projects, along with those listed in years six through ten, are prioritized based on needs currently identified throughout the other Campus Master Plan Elements. Due to uncertainties in funding, these priorities may change. However, they are updated yearly in the Capital Improvement Plan sent to the Board of Governors and will be reported every five (5) years in the Campus Master Plan Update.