

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: FY 2006 Capital Request Planned Distribution
Date: January 19, 2005

Recommended Actions:

1. Reaffirm the Board's support for the Board's FY 2006 capital request of \$15 million.
 2. Support the planned distribution of the requested FY 2006 capital funding.
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Executive Summary:

The Board approved the FY 2006 – FY 2010 Five-Year State-Funded Capital Plan in September 2004, which proposes funding from capital appropriations or academic building revenue bonds. The approved plan focuses on stewardship of existing resources through correction of deferred maintenance and fire safety deficiencies, and renovations and infrastructure improvements needed to meet the priorities of the Board's 2004-2009 Strategic Plan.

Each year of the multi-year year plan, FY 2006 – FY 2010, includes \$15 million to correct deferred maintenance and fire safety deficiencies for a total of \$75 million over the five years. The Regents also included a proposal for a matching program for this portion of the capital request. For every \$2 of new capital appropriations to correct deficiencies up to \$15 million each year, the Regent institutions would provide at least \$1 in general fund, operating building repair funds.

During the 2004 legislative session, the Regents were authorized to issue at least \$120 million in bonds for academic buildings over several years. Therefore, each of the first two years (FY 2006 and FY 2007) of the capital plan only include the \$15 million funding request to correct deferred maintenance and fire safety deficiencies.

The distribution of the request among the institutions was to be brought to the Board at a later date.

The proposed distribution on the following table is based upon the replacement value of the general education facilities as of July 1, 2004, as reported by the Regent institutions.

The proposed distribution of the FY 2006 \$15 million appropriations request would be as follows:

<u>Institution</u>	<u>Amount</u>
SUI	\$ 5,579,298
ISU	6,144,465
UNI	2,700,165
ISD	351,277
IBSSS	186,556
Lakeside Laboratory	<u>38,239</u>
Total	\$15,000,000

Additional state capital funding would encourage the institutions to further increase building repair budgets to correct these deficiencies.


Joan Racki

Approved: 
Gregory S. Nichols

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