



## BOARD OF REGENTS

### Summary of Item for Action, Information or Discussion

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**TOPIC:** FY 2012 System Funded Construction Program Request

**COMMITTEE:** Finance

**DATE OF COMMITTEE MEETING:** June 14, 2011

**SUMMARY:** This is a request for approval of the FY 2012 System Funded Construction Program in the amount of \$104,350,000 that is the first year of the proposed FY 2012-2016 System Funded Construction Program of \$464,613,000, as indicated in the attachment. The USM Auxiliary Bond portion of the total is \$87,545,000 for FY 2012 and a five year total of \$416,455,000. Given the state of the economy and the difficulty in securing developer interest, there are no requests recommended for private financing this cycle, though that decision will be revisited if circumstances change.

The request includes projects proposed for planning, construction and/or equipment funding in FY 2012. As noted above, most are recommended for funding through external borrowing in whole or in part. Approval is being requested concurrently and/or at a later date for borrowing authority for those specific projects. There may be changes at that time as a result of timing, cost, fee change implications, or other considerations. Each project is a part of an institutional program that will produce the revenue required for repaying the debt.

**ALTERNATIVE(S):** Each project can be reviewed separately and accepted, modified, or rejected. The institutional requirement and financial viability for each project were evaluated separately.

**FISCAL IMPACT:** The impact of the program focuses on the effect of each project on the institution's operating budget and varies with the plan for setting the charges required to repay the debt.

**CHANCELLOR'S RECOMMENDATION:** That the Committee on Finance recommend that the Board of Regents approve the FY 2012 System Funded Construction Program and authorize the Chancellor to make appropriate changes consistent with existing Board policies and guidelines. Any such changes will be reported to the Committee on Finance.

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COMMITTEE RECOMMENDATION:

DATE:

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BOARD ACTION:

DATE:

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SUBMITTED BY: Joseph F. Vivona 301.445.1923

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**POST-WORKSHOP DRAFT SYSTEM-FUNDED BUDGET**

**BOARD OF REGENTS FIVE YEAR SFCP SUMMARY BASED ON ANTICIPATED DEBT LIMIT OF \$115M PER YEAR (INCLUDING ACAD REV BONDS)**

**FY2012-2016 SYSTEM FUNDED CONSTRUCTION PROGRAM (SFCP) -- \$'000'S**

Rev 6/1/11 Changes made since Workshop (in red)

INST'N	PROJECTS	FUNDING CALENDAR					
		Prior	FY2012	FY2013	FY2014	FY2015	FY2016
<b>USM Auxiliary Bonds</b>							
UMB	Pratt Street Garage Renovation		7,000 PCE				
UMB	Replace Elevators in the Baltimore Grand Garage			2,000 PCE			
UMCP	High Rise Residence Hall A/C: Phased	8,990 PCE	16,395 CE		9,400 CE	3,680 P	21,310 CE
UMCP	CSS and Residence Halls SCUB Expansion	2,550 PCE	4,000 C				
UMCP	Replace Carroll, Caroline, Wicomico & Ph1, SCUB II Expansion		15,000 PC	51,080 CE			
UMCP	South Campus Dining Hall Renovation				20,900 PC	35,400 CE	
UMCP	High Rise Residence Hall SCUB: Phased	16,900 PCE				500 P	9,500 CE
BSU	New Student Center	22,280 PC	17,940 CE				
TU	Residence Halls Renov'n (Newell, Richmond)	15,400 PCE	3,400 PC				
TU	Burdick Renovation, Ph 3		1,500 P	13,500 CE			
TU	Residence Tower Renovation			2,370 P	23,700 CE		
TU	Recreation Bldg. (100,000 GSF) (Add'n to Burdick Hall)				3,100 P	30,000 CE	
TU	Union Addition/Renovation (80,000 GSF)				6,000 P	17,000 C	38,000 CE
UMES	Nuttle Hall Residence Renovation					800 P	9,200 C
SU	Dormitory Renovations, Campus-wide, Phased	36,425 PCE	9,000 PCE	7,500 CE	5,000 CE		
UMBC	Residence Hall Renovations/Additions	14,400 P	11,750 PC	10,350 PC	6,900 C		
UMBC	Replacement of Communication Tower		1,560 PC				
UMBC	Parking System Improvements	2,800 PC		710 PC	1,010 PC		
<b>Subtotal: USM Bonds/Direct Debt APPROVED</b>			<b>87,545</b>	<b>87,510</b>	<b>76,010</b>	<b>87,380</b>	<b>78,010</b>
<b>Cash or Institutional Funding</b>							
UMCP	Replace Carroll, Caroline, Wicomico & Ph1, SCUB II Expansion		700 PC				
UMCP	Pocomoke Bldg. Renov/Add'n		8,880 PC				
UMCP	Central MD Rsch & Educ Ctr. Office Bldg.			1,750 P	18,800 C	1,850 E	
UMCP	New Animal Sciences Consolidated Activities Pavilion				540 P	5,150 CE	
TU	Ward & West Hall Renov'n (Health & Counseling Ctr.)	6,600	3,900 PCE				
TU	Soccer Field Improvements					270 P	2,060 C
SU	Renovation of University Fitness Club		1,500 CE				
SU	Upgrade Water Loop		1,700 PC				
UB	Streetscape Project (Cash portion only)	1,028 PC	125 P	250 C	300 P		383 C
<b>Subtotal: USM Cash/Institutional Funds APPROVED</b>			<b>16,805</b>	<b>2,000</b>	<b>19,640</b>	<b>7,270</b>	<b>2,443</b>
<b>Subtotal USM Bonds and Cash APPROVED</b>			<b>104,350</b>	<b>89,510</b>	<b>95,650</b>	<b>94,650</b>	<b>80,453</b>

**END OF APPROVALS**

FUNDING CALENDAR

INST'N	PROJECTS		Prior	FY2012	FY2013	FY2014	FY2015	FY2016	
<b>UNDER REVIEW</b>									
<b>Housing Requests NOT FUNDED</b>									
UMCP	Graduate Student Housing (cash to be used for equip)	Bond				43,100 PC	1,600 E		
TU	Greek Village Housing (370 beds, Frat/Sorority)	PPP			25,000 PCE				
TU	West Village Housing, Ph 3 (600+ beds)	PPP			50,000 PCE				
TU	West Village Housing, Ph 4 (600+ beds)	PPP					55,000 PCE		
CSU	New Residence Hall (400-500 beds)	Bonds			39,525 PCE				
UMES	New Residence Hall, Ph 2 (400 beds)	Bonds		2,500 P	21,500 C	1,000 E			
UMES	New Residence Hall, Ph 3 (400 beds)	Bonds						3,000 P	
FSU	New Residence Hall (435 beds) cost TBD	Bonds							
BSU	New Residence Hall #1 (300 beds)	Bonds		1,725 P	20,360 C	600 E			
BSU	New Residence Hall #2 (300 beds)	Bonds						1,725 P	
SU	Housing, Ph II	Bonds						3,200 P	
<b>Subtotal: Requests for Housing Projects</b>					4,225	156,385	44,700	56,600	7,925

Note re: Housing -- Given a continued lack of private capital in the market and the limited availability of USM auxiliary debt capacity this year, all housing projects will be postponed for a year pending resolution of these issues. **We will reevaluate the situation during the FY2013 cycle or earlier, if circumstances change.** Please remember that PPP or Public/Private Partnerships have impact on the debt of the System and are considered on a case-by-case basis. Institutions must consult with the USM Office of the COO/VCAF prior to issuing any RFP for privatized funding to ensure Board of Regents' compliance.

<b>Other Auxiliary Requests NOT FUNDED</b>									
UMB	Parking Access/Revenue Control System	Bonds				3,000 PCE			
UMCP	Golf Course Improvements	Bonds	3,400					2,300 PC	
BSU	Goodloe Apartments Renovation	Bonds					1,487 PCE		
BSU	Surface Parking	Bonds				900 PC			
UMCP	Residence Hall Renovation, Ph 10: Cecil Hall	Bonds					8,750 PCE		
TU	New Campus Parking Structure (1,500 spaces)	Bonds					2,500 P	26,250 CE	
TU	Prettyman and Scarborough Halls Renovation	Bonds					1,600 P	16,100 CE	
TU	Newell Dining Hall Renov'n (formerly part of Newell/Richmond Renov'n, See bor	Bonds				800 P	8,000 CE		
TU	Softball Field Improvements (deferred 3 yrs.)	Cash					110 P	1,000 C	
TU	Glen Dining Hall Renovation	Bonds						800 P	
TU	Glen Towers Renovation	Bonds						5,000 P	
CSU	New Student Center	Bonds				7,224 P	70,500 CE		
CSU	New Parking Garage (1600 spaces)	Bonds						25,000 CE	
SU	New Recreation Center	Bonds		2,750 P	18,000 C	2,000 E			
SU	Relocation of Tennis Courts	Cash					3,250 PCE		
SU	Bateman Bldg. Renovation, Ph III	Cash					1,750 CE		
SU	GUC Renovations	Bonds						2,500 P	
UB	Recreation Center	Bonds				1,610 P	9,328 C	13,613 CE	
UB	Streetscape Project	Bonds			1,000 PC		1,000 C	2,000 C	
UMBC	Energy Performance Contract (funding via the State Treasurer's office with impact on USM debt)			22,200 PCE					
<b>Subtotal: Other Requests Not Funded</b>					24,950	19,000	15,534	108,275	94,563

KEY: A = Acquisition; P = Planning; C = Construction; CS = Construction Supplemental; E = Equipment