



TOPIC: FY 2011 System Funded Construction Program Request

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 15, 2010

SUMMARY: This is a request for approval of the FY 2011 System Funded Construction Program in the amount of \$101,520,000 that is the first year of the proposed FY 2011-2015 System Funded Construction Program of \$446,320,000, as indicated in the attachment. The USM Auxiliary Bond portion of the total is \$88,540,000 for FY 2011 and a five year total of \$402,455,000. Given the state of the economy and the difficulty in securing developer interest, there are no requests recommended for private financing this cycle.

The request includes projects proposed for planning, construction and/or equipment funding in FY2011. 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.

Some recommendations in the SFCP may be conditional upon satisfactory completion of other projects or activities. These are noted in the attachment or will be part of concurrent discussion with the Board.

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 2011 System Funded Construction Program request with the conditions listed herein (and within the attached materials) 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.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923

SFCP

BOARD OF REGENTS FIVE YEAR PLAN FY2011-2015 SYSTEM FUNDED CONSTRUCTION PROGRAM (SFCP) -- \$'000'S

Revised 6/7/10

	FY2011	FY2012	FY2013	FY2014	FY2015	Five Year
INSTITUTIONAL REQUESTS						
Requested Debt (for bonds) <i>(Does not include Housing Projects. See "External Funding Option" below for details,</i>	\$ 99,527	\$ 91,014	\$ 187,858	\$ 94,426	\$ 179,315	\$ 652,140
Institutional Internal Funds	\$ 12,980	\$ 4,060	\$ 20,025	\$ 6,800	\$ -	\$ 43,865
Total Requests	\$ 112,507	\$ 95,074	\$ 207,883	\$ 101,226	\$ 179,315	\$ 696,005

	FY2011	FY2012	FY2013	FY2014	FY2015	Five Year
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RESOURCE ALLOCATION

Chancellor's Recommendation

USM Auxiliary Bonds (Direct Debt)	\$ 88,540	\$ 66,795	\$ 81,550	\$ 48,060	\$ 117,510	\$ 402,455
Cash or Institutional Funding	\$ 12,980	\$ 4,060	\$ 20,025	\$ 6,800	\$ -	\$ 43,865
Total Chancellor's Recommendation	\$ 101,520	\$ 70,855	\$ 101,575	\$ 54,860	\$ 117,510	\$ 446,320

External Funding Option (New Housing)	\$ 68,750	\$ 91,860	\$ 3,325	\$ 75,360	\$ 3,600	\$ 242,895
Under Review	\$ 79,737	\$ 116,079	\$ 109,633	\$ 121,726	\$ 65,405	\$ 492,580

SFCP

BOARD OF REGENTS FIVE YEAR PLAN BY INSTITUTION FY2011-2015 SYSTEM FUNDED CONSTRUCTION PROGRAM (SFCP) -- \$'000'S

Revised 6/7/10

INST'N	PROJECTS	FUNDING CALENDAR**					
		Prior (FY2010)	FY2011	FY2012	FY2013	FY2014	FY2015
USM Auxiliary Bonds							
UMCP	Fraternity/Sorority Houses Renovation, Ph 9	2,060 P	11,670 CE				
UMCP	High Rise Residence Hall SCUB: Phased						500 P
UMCP	High Rise Residence Hall A/C: Phased (see also cash)	1,305 P	7,685 PCE	16,395 CE		9,560 CE	3,810 P
UMCP	Golf Course Improvements					2,150 PC	
UMCP	CSS and Residence Halls SCUB Expansion (funding split betw. FY11 & 12)	300 P	2,250 PCE	4,000 C			
UMCP	Residence Hall Renov/Ph 9: Carroll, Caroline, Wicomico			6,060 P	34,150 CE		
UMCP	SCUB 2 Expansion (see also cash)			1,300 P	8,500 CE		
UMCP	South Campus Dining Hall Renovation					5900 P	50400 CE
BSU	New Student Center	1,445 P	20,835 C	17,940 CE			
TU	Union Addition/Renovation (80,000 GSF)					6,000 P	17000 C1
TU	Burdick, Ph 2 Air Conditioning (advanced to FY11)		5,000 PC				
TU	Residence Halls Renovation (Newell, Newell Dining, Richmond)	1,400 P	14,000 CE				
TU	Recreation Bldg. (100,000 GSF)					3,100 P	30,000 CE
TU	Residence Tower Renovation			2,300 P	23,000 CE		
TU	Prettyman and Scarborough Halls Renovation					700 P	7,000 CE
TU	Glen Dining Hall Renovation					800 P	8,000 CE
UMES	Nuttle Hall Residence Renovation (deferred one yr. into FY13)				800 P	9,200 C	800 E
SU	Dormitory Renovations, Campus-wide, Phased (increased \$5M)	6,991 PCE	12,800 PCE	9,000 PCE	5,500 CE	4,150 CE	
UMBC	Parking System Improvements	1,300 PC	1,500 PC	700 PC	1,000 PC		
UMBC	Residence Hall Renovations/Additions (increased \$16m)	1,600 P	12,800 PC	9,100 PC	8,600 PC	6,500 C	
Subtotal: USM Bonds/Direct Debt			88,540	66,795	81,550	48,060	117,510
Cash or Institutional Funding							
UMCP	High Rise Residence Hall A/C: Phased (see also bonds)	7,130 CE	5,980 CE				
UMCP	SCUB II Expansion (see also bonds)			110 P	1,200 CE		
UMCP	New Animal Sciences Consolidated Activities Pavilion				525 P	5,000 CE	
UMCP	Central MD Rsch & Educ Ctr. Office Bldg.			1,700 P	18,300 C	1,800 E	
FSU	Lane Center Renovation/Addition	2,980 C	2,000 E				
TU	Burkshire Improvements	10,000 PC	5,000 PC				
TU	Soccer Field Improvements			2,250 PCE			
Subtotal: USM Cash/Institutional Funds			12,980	4,060	20,025	6,800	0

END OF SFCP APPROVALS

FUNDING CALENDAR**

INST'N PROJECTS

Prior (FY2010)	FY2011	FY2012	FY2013	FY2014	FY2015
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FOR INFORMATION ONLY

Housing Requests: Moratorium for FY2011 (see note* below)

TU	West Village Housing, Ph 3 (600+ beds)	PPP			50000 PCE				
TU	West Village Housing, Ph 4 (600+ beds)	PPP						55000 PCE	
TU	Greek Village Housing (370 beds, Frat/Sorority)	PPP		25,000 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
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	20360 C	600 E
Subtotal: External Funding Option for Housing Projects*				68,750	91,860		3,325	75,360	3,600

FOR INFORMATION ONLY

Under Review (Requests requiring further evaluation)

UMB	Pratt Street Garage Renovation	Bonds			7,000 PCE				
UMB	Replace Elevators in the Baltimore Grand Garage	Bonds					2,000 PCE		
UMB	Parking Revenue Control System	Bonds						3,000 PCE	
UMCP	Residence Hall Renovation, Ph 10: Cecil Hall	Bonds							10,980 PCE
TU	Burdick Renovation, Ph 3	Bonds			1,500 P		13,500 CE		
TU	New Campus Parking Structure (1,500 spaces)	Bonds						2,500 P	26250 CE
TU	New Public Safety Building (Police Dept.)	Cash		8,000 PCE					
TU	Softball Field Improvements	Cash			100 P		900 C		
CSU	New Student Center	Bonds			7,224 P		63,500 C	7,000 E	
CSU	New Parking Garage (2000 spaces)	Bonds					2,508 P	31,866 CE	
SU	New Recreation Center	Bonds			2,750 P		18,000 C	2,000 E	
SU	Relocation of Tennis Courts	Cash							3,250 CE
SU	Renovation of Holloway Hall	Cash							4,825 PCE
UB	Streetscape Project	Cash	202 P	1,377 C	233 P		178 P		
		Bonds				1,912 C	2,222 C		
UB	Acquisition of USPS Property	Cash		50 A					
		Bonds			3,500 A		3,500 A		
UMBC	Replacement of Communication Tower	Bonds		1,560 PCE					
UMUC	Largo Parking Garage (1500 spaces)	Bonds							16,500 PC1
Subtotal: Under Review				10,987	24,219	106,308	46,366	61,805	

* This list is for reference only and indicates the projects requested by the institutions and their preferred fund source. Given a continued lack of private capital in the market and the limited availability of USM Auxiliary debt capacity this year, all housing requests will be postponed for a year pending resolution of these issues. We will reevaluate the situation during the FY2012 cycle. 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/CAF prior to issuing any RFP for privatized funding to ensure Board of Regents' compliance.

** A = Acquisition; P = Planning; C = Construction; CS = Construction Supplemental; E = Equipme