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CAPITAL IMPROVEMENTS SUPPORTING DATA

NOTE: The Treasure Coast Campus currently addresses long-term needs due to a surplus of space created by the recent completion of new construction projects on the Treasure Coast Campus.

The purpose of the Capital Improvements element is to evaluate 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 improvements; 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.

1. Inventory and Analysis of Existing Conditions

1.a. Facility Needs

1.b. Existing and Anticipated Revenue Sources and Funding Mechanisms

As a general rule, Florida Atlantic University receives funding from the State of Florida for capital improvements in various appropriation types including Public Education Capital Outlay (PECO), Capital Improvement Trust Fund (CITF), PECO Challenge Grant, and direct PECO and non-PECO appropriations. The University also utilizes grant funding for various types of improvements.

Auxiliary University organizations, such as the Business Services Department, Intercollegiate Athletics, and the University Housing Department, utilize revenues collected from their operations to complete capital improvements or use those revenues to bond the necessary funding for these purposes.

Another source of revenue for accomplishing capital improvements is derived from private donations, though this source of funding is usually a component of the PECO Challenge Grant program in which private funds are matched on an equal basis with state funds.

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It is expected that the State's Concurrency Trust Fund will be another source of revenue for capital improvements though it is expected that these funds will only be utilized to meet the concurrency and mitigation costs of university development.

1.c. **Operations and Maintenance Costs for Existing Facilities**

In large part, the State of Florida provides Plant Operation and Maintenance (PO&M) funding for university facilities that are categorized as having Educational and General (E&G) space. In some cases, PO&M funding is provided for in a grant award. The costs of operating and maintaining auxiliary space is derived from auxiliary revenues.

1.d. **Current University Practices that Guide the Timing and Funding of Construction**

The timing and funding of state funded projects is ultimately determined by the Legislature through its annual appropriation process. At the Florida Atlantic University level, the timing and funding of new construction/remodeling/renovation projects and other capital improvements is realized primarily through the preparation of the University's annual Fixed Capital Outlay Budget Request. The preparation of this request involves several steps that culminate in the development of a prioritized list of capital improvements (this list is commonly referred to as the Five Year PECO List). A draft list of priorities based in large part upon the previous year's list is recommended to the University Architect for review prior to submittal to the President of the University and finally to the Board of Regents Budget Office. The Fixed Capital Outlay Budget Request is prepared by the Facilities Planning Section and the Space Utilization Department of the Administration and Finance Area.

Because the timing of projects funded by Capital Improvement Trust Funds is less certain, the Division of Student Affairs and the Student Government Association maintains a less specific list of capital improvements. Recently, however, the Division of Student Affairs has instituted a CITF Planning Committee to coordinate the development of the future CITF funded projects. It is expected that recommendations concerning the prioritization of CITF funded projects will be considered in the annual preparation of the University's fixed capital outlay budget.

The timing of projects funded by auxiliary funds is dependent primarily on financial opportunities. Grant funded projects are dependent on the successful awarding of grant applications; subsequently, the timing of these types of projects are more than likely the most difficult to determine.

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2. Future Needs/Requirements

2.a. Analysis of Current University Practices that Guide the Timing and Location of Increases in the Capacity of University Facilities.

The small existing building and the leased facilities are operating at full capacity; space within these facilities such as classrooms, and offices, function with more people than they were originally designed to accommodate. Accordingly, the University is continually seeking methods of alleviating space pressures in these facilities both now and in the future.

Improvements on the Treasure Coast Campus are limited due to a surplus of space created by recently completed construction projects on the Treasure Coast Campus.

2.b. Estimate of the Cost of Future Capital Improvements Off-Campus to Support the Future Utility and Traffic Functions

There are no planned off-campus capital improvements at the Treasure Coast Campus for the foreseeable future.

2.c. Basis of the Cost Estimates

Cost estimates for on-campus capital improvements are based upon recent recommendations for construction and project costs per square foot for various space types provided by the BOR Budget Office and reflect historical construction data from FAU and other institutions in the State University System. Because of vagaries in the construction industry in the State of Florida, these recommendations are adjusted to meet local and regional conditions. Other types of improvements are based upon other historical sources, such as previous on-campus construction, industry standard, and direct material take-offs.

2.d. Assessment of the University's Ability to Finance Capital Improvements

2.d.2. Projection of Operating Costs

As a general rule, projects funded from PECO appropriations are accepted by the Legislature and operations and maintenance costs are subsequently funded. The University is required to report in annual submission form, the expected occupancy dates for projects expected to be substantially completed within a 24-month period. If the University wishes to seek state revenue for the operations and maintenance of projects that

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are funded from sources other than PECO, then it is required to petition the Board of Regents as part of the Fixed Capital Outlay Budget Request process.

2.d.3. Projections of Other Tax Bases and Revenue Sources

At the present time, it is not possible to accurately determine projects of other tax bases and revenue sources, such as impact and user fees. Such projections will be included in future campus master plan updates should accurate tax base and revenue source information become available.

2.d.4. Analysis Comparing the Host Community's and the University's Cost Estimates for Future Improvements Generated by University Infrastructure Impacts

The University will be working closely with the St. Lucie West Planning and Zoning Department, the Water Department, the Solid Waste Authority, SFWMD on its water retention, and other departments as needed to assure cost projections are as accurate as possible.