TOPIC: **TWO-YEAR CASH FUNDED CAPITAL PROGRAM LIST
AMENDMENT– FRONT RANGE COMMUNITY COLLEGE**

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I. SUMMARY

This item requests approval of a Two-Year Cash Funded Capital Program list amendment for Front Range Community College (FRCC). The list of cash funded projects contains one additional project that FRCC will pursue. The comprehensive list is included as Attachment A.

II. BACKGROUND

Current law allows governing boards to amend their two-year capital construction lists at any point during the fiscal year, and such amendments are to be submitted to the Commission and the Capital Development Committee (CDC) for approval or re-approval.

Department and CDC policy and practice is that no Cash Funded project may commence until it has received approval from the Commission and the CDC on the Two-Year list for non-intercept projects. In addition to CDC and Commission Two-Year Cash Funded list approval, a program plan must be reviewed and approved for Intercept projects. Last December, the Commission approved all submitted Two-Year Cash Funded Capital Program lists. They were approved in January by the legislature's Capital Development Committee.

III. STAFF ANALYSIS

The FRCC list adds one new project at a cost of approximately $4.8 million. FRCC's total projection of cash needs is approximately $37 million. This cost is to be covered primarily from cash funds. Table 1 displays the new cash funded project as reported on the two-year list by funding type.

**Table 1:
Two-Year Cash Funded Capital Program
FY2012-2014**

CF	$4,815,456
FF	$0
TF	*$4,815,456*

For this project, Table 2 displays the breakdown between the academic and auxiliary nature of the project and whether or not the project will be financed under the Higher Education Revenue Bond Intercept Program (C.R.S. 23-5-139). The Intercept program permits schools to issue bonds for capital construction and use either the state's credit rating (opt in), or use their own credit rating (opt out). Academic facilities are those that are considered core to the role and mission of the institution

(e.g. classrooms, student services, libraries), while auxiliary facilities are those that are not considered core to the role and mission and exist for some other purpose (e.g. residence halls, recreation centers, parking facilities).

Table 2:
Cash Funded Project Types

	Academic	Auxiliary	*Total*
Intercept	0	0	*0*
Non-Intercept	0	1	*1*
Total	*0*	*1*	*1*

Senate Bill 09-290, allows academic facilities constructed to be eligible for state Controlled Maintenance Funds. Non-Intercept projects will only have their cost projections reviewed in the Two-Year list, while Intercept projects require approval in the Two-Year list as well as program review. In accordance with the two step approval process for cash funded projects, the Department will review all budget documents submitted for Intercept Act cash projects and submit all forms to the General Assembly's Capital Development Committee as they are approved.

The new addition to FRCC's Two-Year List is described briefly below:

> *"Westminster Campus Student Life Space Remodel"* would be a renovation and expansion the Westminster Campus Student Center. This would include adding additional space for burgeoning student clubs, additional group and quiet study space, more meeting areas, an improved gym with expanded hours, expanded open computer access, and improved and expanded student lounge and gathering space. It would be funded with an existing student fee that will go to the students for a referendum vote for expansion and repurpose. If approved, the project would commence in May 2013 and would be completed in January 2015.

IV.   STAFF RECOMMENDATION

Approval of the Two-Year Cash Funded Capital Program for Front Range Community College for submission to the Governor, the Office of State Planning and Budgeting, and the Capital Development Committee.

V.   STATUTORY AUTHORITY

C.R.S. 23-1-106 (7)

ATTACHMENT A: FRCC Two-Year Cash Funded Capital Program List