CAPITAL BUDGET

Introduction

Capital expenditures are expenditures that create assets with a multi-year life (i.e., assets that will last for more than one budget period). Capital projects are budgeted separately from the operating budget since the source of funding for capital projects is generally different from the source of funding for operating expenditures. For selected projects, there is a link between the operating budget and the capital budget. For example, the State or WKU may choose to finance capital projects, which results in a debt service or lease/purchase payment obligation in the operating budget. WKU cannot initiate any capital construction project in an amount that exceeds $600,000 without prior approval of the Kentucky General Assembly. An exception is made for projects whereby greater than 50 percent of the cost is funded by private gifts or federal funds. However, these projects must be submitted to an interim committee of the General Assembly and the Council on Postsecondary Education for approval.

The Capital Budget includes legislatively-authorized capital projects that will be under way next year or are currently under way including the source of funding, estimated cost, and the status of each respective project. The 2010-12 Budget includes authorization for the Downing University Center Renovation Project and institutional bonds will be issued in 2011.

Most of the following projects reflect scopes equal to legislative authorization; projects started at an amount less than the authorized amount are displayed at the intended scope.

Project Name	Estimated Cost	Status
2010-12 Authorized Projects		
University Funds		
Purchase Property for Campus Expansion	$ 3,000,000	As Needed
Repair Parking Structure I, Phase I	1,750,000	Summer 2011
Capital Renewal Pool	10,000,000	Small Projects
Construct Fit-out of Leased Space	4,175,000	
Agency Bonds/University Funds		
Renovate Downing University Center, Phase III		
Agency Bonds	33,500,000	
University Funds	4,000,000	
Total	37,500,000	Design
Federal Funds		
Center for Research and Development Infrastructure And Renovations		
Bowling Green Data Center	1,100,000	Design
Construct Ag Research Services Greenhouse/Headhouse	1,745,000	Construction
Private Funds		
Construct Alumni Center	2,000,000	Design

- Purchase Property for Campus Expansion – This project will allow the University to purchase property surrounding the campus, as it becomes available, to accommodate growth and increased parking needs.

- Repair Parking Structure I, Phase I – As funding becomes available, this phased project will address expansion joints, drainage systems, lighting and other components in order to extend the life of this 37-year-old structure which houses 1,000 vehicles. Two phases out of three have been completed and the third phase will be completed summer 2011.

- Capital Renewal Pool – This project will renovate and maintain elements of the campus infrastructure. Currently planned elements include, but are not limited to, Kentucky Building HVAC upgrades, renovation of Grise Hall common areas, water line replacements, Colonnade repairs, parking lot maintenance, Helm Library windows, and ductwork cleaning in Cravens Library and Kentucky Building. As funds are available, other projects such as boiler repairs, retaining walls, roofing, pedestrian paving and roadway maintenance will be completed. The authorization exceeds anticipated expenditures. To date, nearly $2,000,000 has been spent on needed infrastructure repairs.

- Construct Fit-out of Leased Space – This project will finish space in Block 12 to house Alumni Center, police, bookstore/coffee shop, and parking garage office in order to serve students, faculty, staff, and visitors at the north end of campus.

- Renovate Downing University Center – Work of this phase will be undertaken in order to address immediate pressing needs of infrastructure components, including ADA and life/safety compliance requirements and architectural renovations necessary to maintain viable facility use. Design work will be included to ensure proper identification of Phase V and Phase IV. Specific items of work may include electrical service upgrades, HVAC air handling unit replacement, ADA accessible building entrances, and re-purposing renovations of spaces not currently in use. These projects are necessary to allow the continued and more efficient use of the space and to meet enrollment growth pressures. It will allow for replacement of failing and insufficient engineering systems. It will meet current life/safety and ADA requirements and will achieve enhanced levels of energy efficiency.

- Center for Research and Development Infrastructure and Renovations – This project is multi-faceted and will be implemented as funds are available. The first phase is the build out for the Bowling Green Data Center with the funding coming from federal funds.

- Construct Agriculture Research Services Greenhouse/Headhouse – This project will construct a federally-funded Agriculture Research Services Greenhouse/Headhouse in collaboration with WKU. The construction will include a 2,400 square foot greenhouse and connected 1,200 square foot headhouse located adjacent to the existing USDA ARS facilities at the WKU Farm.

- Construct Alumni Center – The WKU Alumni Association is contributing $2,000,000 toward the construction of the alumni/conference center in Block 12. The balance of the cost of the project will be included in an annual lease agreement with SPE II.

Project Name	Estimated Cost	Status
2008-10 Authorized Projects		
CPE Capital Renewal, Replacement and Maintenance		
Underground Electrical Distribution Improvements		
State Matching Funds	1,003,700	
University Funds	2,197,000	
Total	3,200,700	Construction
Agency Bonds/University Funds		
Renovate Ivan Wilson Center Phase I		
Agency Bonds	8,198,000	
University Funds	955,000	
Total	9,153,000	Construction
Federal Funds/University Funds		
Install Bike Paths, Federal Funds		
Federal Funds	831,250	
University Match	59,375	
City of Bowling Green Match	59,375	
Total	950,000	Planning

- Underground Electrical Distribution Improvements – WKU is required to match state funds with $702,600. A request for the entire amount of $1,706,300 has been approved to continue Underground Electrical Distribution upgrades. The project is to upgrade the electrical distribution system and upgrade exterior lighting to meet current and future needs. This project has been phased for years and will continue to be phased based on available funds.

- Ivan Wilson Fine Arts Center Renovation – This project will construct a new Music Hall facility with 25,000 square feet. The addition will include an instrumental rehearsal hall, choral rehearsal hall, music library, commons space, and Potter College administrative faculty offices and associated storage and support space. The project also will include the renovation of the existing rehearsal hall into reconfigured practice and rehearsal space, focusing on the acoustical isolation between this space and the adjacent recital hall. Construction is anticipated to be completed by December 2011.

- Install Bike Paths – Develop a network of bicycle and pedestrian facilities that connects area schools, parks and shopping areas to low- and medium-density residential neighborhoods and dormitories. This project is funded by an equally shared federal grant with the City of Bowling Green.

Total Capital Budget	**$74,573,700**

Capital Leases Paid from Operating Budget

Lease	Final Pymt	2011-12 Pymt	Balance
1. 2007 Chevy Silverado 2500HD	04/12	$ 3,958	$ 0
2. SLF – Food Bldg by PFT	07/28	194,149	1,987,984
Total		**$198,107**	**$1,987,984**

Projects Authorized but Not Scheduled for FY 2012

University Funds	
Underground Infrastructure Repair and Replacement	35,000,000
Renovate Tate Page Hall	6,000,000
Environmental Science and Technology Hall, Design	2,500,000
Upgrade IT Infrastructure	2,300,000
Central Region Postsecondary Education Center Design	1,200,000
Interior Renovation of Jones Jaggers	1,000,000
Construct Track Facilities	2,500,000
Convert WKYU-NPR and WKYU-PBS to Digital/HD	2,000,000
Renovate Underground Electrical, Phased	2,000,000
University Funds/Private Funds	
Construct Honors College Facility	
University Funds	2,000,000
Other Funds	12,000,000
Total	14,000,000
University Funds/Federal Funds	
Construct Mesonet Computer Center	
University Funds	800,000
Federal Funds	5,000,000
Total	5,800,000
Improve University Drive Intersection	
University Funds	240,000
Federal Funds	960,000
Total	1,200,000
Federal Funds	
Construct Agriculture Research Services Lab	22,825,000
Construct Next Generation UI-LO Emission Coal-Fired Plant	20,000,000
Renovate Elizabethtown Research Center	10,000,000
Construct Center for Dairy Education and Innovation	5,000,000
Construct SKyTeach Program Facility	5,000,000
Renovate Radcliff Business Incubator	2,000,000
Construct Scale-up Compost Heat Greenhouse	1,500,000
Purchase Shuttle Buses	2,000,000