

## 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.

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.

<u>Project Name</u>	<u>Estimated Cost</u>	<u>Status</u>
<b><i>2012-14 Authorized Projects (HB265)</i></b>		
<b>University Funds</b>		
Miscellaneous Maintenance Pool, 2012-14	10,000,000	In progress
Parking and Street Improvements, 2012-14	3,000,000	
Acquire Furniture and Equipment, DUC Project	8,000,000	In progress
Replace Underground Infrastructure, Steam/Electric	2,400,000	Summer 2013
Purchase Property for Campus Expansion, 2012-14	3,000,000	
Renovate Dollar General Space, CRD	2,000,000	In progress
Renovate Former President's Home	1,700,000	Design
Construct New Lighted Tennis Courts		Design
University Funds	1,000,000	
Private Funds	2,600,000	
<b>Agency Bonds, FY 2012 Authorization</b>		
Renovate Downing University Center – Phase III		
Scope Increase	16,500,000	In progress
Honors College Facility	22,000,000	Design

- Miscellaneous Maintenance Pool, 2012-14 – The most critical maintenance projects are identified annually. Approximately \$971,000 is being used to make repairs to the Raymond Cravens Library/Helm Library Building envelope. As funds are available, these projects will be completed.
- Parking and Street Improvements, 2012-14 – As needed, this project is intended to improve pedestrian, vehicular and bus traffic flow.
- Acquire Furniture and Equipment, DUC Project – This project is in support of an ongoing sequence of projects to comprehensively renovate the Downing University Center. It may include information technology requirements, fixtures, furnishings, and equipment for all spaces.
- Replace Underground Infrastructure, Steam/Electric – Underground electrical upgrades are slowly being phased as funding allows. Summer 2013 projects will include upgrade from 4160K to 12470K volt electrical distribution system on the upper part of campus allowing Potter Hall, Garrett Conference Center and Cherry Hall to be added to the system. Chillers will be replaced at Potter Hall and Garrett Conference Center.
- Purchase Property for Campus Expansion, 2012-14 – This project will allow the University to purchase property surrounding the campus, as it becomes available, to accommodate growth and increased parking needs.
- Renovate Dollar General Space, CRD – The space will be renovated to accommodate a growing demand for research lab space and leasable start-up company space in the WKU Small Business Accelerator. WKU's Food and Water Lab will be moving into the CRD.
- Renovate Former President's Home – Craig Alumni Center is being restored to preserve the former President's home, a valued historic home located on WKU's campus. The name will be changed to the Craig Administration Center.
- Construct New Lighted Tennis Courts – The Department of Athletics will fund the construction of tennis courts for intercollegiate program activities with self-generated revenue and gifts to the program. The lighted tennis courts will expand hours of use and will be available for students and summer camps and workshops when not utilized by the Tennis Program.

<u>Project Name</u>	<u>Estimated Cost</u>	<u>Status</u>
<i>2010-12 Authorized Projects (HBI)</i>		
<b>University Funds</b>		
Construct Honors College Facility	2,000,000	Design

**Agency Bonds/University Funds**

Renovate Downing University Center, Phase III

Agency Bonds	33,500,000	
University Funds	4,000,000	
Total	37,500,000	In progress

- Construct Honors College Facility – The current Honors College building was built in 1962 to serve as the Baptist Student Union and is no longer adequate to accommodate the needs of the College. A proposed 75,000 square foot building will accommodate the Honors College and space for five affiliated university programs – Office of Scholar Development, Office of Undergraduate Research, Navitas, Chinese Flagship and International Program. A site selection has been completed and design is proceeding in anticipation of agency bonds being authorized in 2013.
- 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 is included to ensure proper identification of future phased projects. Specific items of work 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.

<u><b>Project Name</b></u>	<u><b>Estimated Cost</b></u>	<u><b>Status</b></u>
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*2008-10 Authorized Projects (HB406)*

**Federal Funds/University Funds**

Install Bike Paths, Federal Funds		
Federal Funds	889,200	
University Match	111,150	
City of Bowling Green Match	111,150	
Total	1,111,500	Design

- Install Bike Paths – Develop a network of bicycle and pedestrian facilities that connects area schools, parks and shopping areas to low/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 \$112,811,500**

***Capital Leases Paid from Operating Budget***

<u>Lease</u>	<u>Final Pymt</u>	<u>2013-14 Pymt</u>	<u>Balance</u>
1. SLF – Food Bldg by PFT	07/28	\$ 194,149	\$1,830,143
2. TV Production Truck	10/17	278,898	1,047,869
3. Video Conferencing Equipment	03/15	62,348	175,650
4. IT CISCO Network Equipment	01/18	183,332	874,389
5. IT Storage System	11/16	104,328	303,342
6. IT Data Storage System	1/17	26,682	77,591
7. FFE MSN/DPT Program (estimated)	6/19	212,931	1,039,176
8. Alumni Square, Police Station*		107,750	
9. Alumni Square, Bookstore/Market*		64,000	
10. Alumni Square, Conference Center*		165,840	
11. Alumni Square, Garage*		250,000	
12. Nursing/DPT Lease with Medical Center		560,579	
<b>Total</b>		<b>\$2,210,837</b>	<b>\$5,348,160</b>

\*Subject to revision once permanent financing is secured by the Special Purpose Entity (SPE) II.

***Projects Authorized but Not Scheduled for FY 2014 until Funds are Identified:***

Renovate Science Campus, Phase IV  
 Renovate Radcliff Regional Center  
 Construct International Center  
 Renovate Tate Page Hall  
 Add Club Seating at Diddle Arena  
 Renovate Art Lab/Museum  
 Design Agriculture Exposition Center Renovation  
 Acquire Land and Construct Head Start Facility  
 Academic Complex Renovation  
 Design Environmental Science and Technology Hall Renovation  
 Construct Fit-Out of Leased Space  
 Develop Alumni Lawn  
 Construct Center for Dairy Education and Innovation  
 Construct Scale-Up Compost Heat Greenhouse  
 Interior Renovation Jones Jagers  
 Design Gordon Wilson Hall Renovation  
 Construct Mesonet Computer Center  
 Construct Nanotechnology Laboratory  
 Construct Baseball Grandstands  
 Construct Football Pressbox  
 Construct South Lawn Plaza  
 Renovate Big Lots Retail Space, CRD  
 Renovate Kentucky Building  
 Renovate Movie Theater Space, CRD  
 Equipment Pool, 2012-14