

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 16
DATE: December 6, 2012

RECOMMENDATION
FISCAL YEAR 2012-2013 AMENDED CAPITAL BUDGET

ACTION REQUESTED

It is recommended that the Board of Regents approve an amended fiscal year 2012-2013 University Capital budget of \$28.6 million.

STAFF SUMMARY

On June 19, 2012, the Board approved a University capital expenditure budget of \$21.7 million for the 2012-13 fiscal year.

On October 30, 2012, the Board approved a direct placement loan with JPM Chase Bank primarily for the purpose of refinancing existing debt at lower cost to the University, but also to provide additional funding for high priority campus capital projects.

It is recommended that the Board increase the fiscal year 2012-13 capital expenditure budget by \$6.9 million to \$28.6 million. The majority of the increase reflects two new academic capital projects (1) \$3.0 million for interior renovations at Rackham to support the Physicians Assistant program and enrollment growth in the School of Health and Human Services and (2) \$1.7 million to fund necessary improvements at Halle Library. The balance of the increase reflects a number of smaller, high priority capital investments campus-wide including academic advising at the Student Center, residence hall capacity and enhancements, and improvements at the Convocation Center, McKenny, Warner, Snow Health Clinic and for club sports.

A summary of 2012-13 capital spending by major project is included in the Attachment. The \$28.6 million included \$8.5 million to complete Eastern's Science Complex project. The remaining \$20.1 million reflects a balance of investments in academic buildings and advising, technology (wireless capability, classroom technology, IT infrastructure), student housing and athletic facilities, as well as parking, safety and security, energy savings and critical asset preservation projects.

FISCAL IMPLICATIONS

Approval of the amended capital budget establishes the University's authorization for 2012-13 capital spending.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Date

**Eastern Michigan University
Capital Expenditure Budget
Fiscal Year 2012-2013**

(In Millions)	Recommended Amended 2012-13 <u>Capital Budget</u>
<u>Major Academic Facility Projects</u>	
Complete Science Complex Project	\$ 8.5
<u>Other Major Projects</u>	
Rackham Renovation	\$ 3.0
Best Hall Renovation	2.2
Technology - IT Infrastructure and VOIP	1.9
Technology - Wireless and Classroom Technology	1.7
Halle Library	1.7
Convocation Center	1.7
Parking-Related	0.9
McKenny Renovations	0.8
Athletics Facility-Related/Club Sports	0.7
Apartments and Residence Hall Capacity	0.4
Energy Savings	0.4
Safety and Security	0.3
Snow Renovations	0.3
COB Renovations	0.3
Advising Center/Student Center	0.2
Warner Renovations	0.2
High Priority Asset Preservation & Infrastructure	3.0
Contingency / Other	<u>0.4</u>
Total	\$ 20.1
Total 2012-13 Capital Expenditures	<u>\$ 28.6</u>
Memo: Original BOR-Approved Budget	\$ 21.7