

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.



Notwithstanding KRS 45.760, the governing board may authorize a capital construction project or a major item of equipment even though it is not specifically listed in any branch budget bill, subject to the following conditions and procedures:

- a) The full cost shall be funded solely by non-general fund appropriations;
- b) Moneys specifically budgeted and appropriated by the General Assembly for another purpose shall not be allotted or reallocated for expenditure on the project or major item of equipment. Moneys utilized shall not jeopardize any existing program and shall not require the use of any current general funds specifically dedicated to existing programs; and
- c) The institution's president, or designee, shall submit the project or major item of equipment to the Capital Projects and Bond Oversight Committee for review as provided by KRS 45.800.

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 may be started at an amount less than the authorized amount based on funds availability.

Capital Budget Summary

2021 Operating Budget



2020-21 Authorized Projects (HB 352)

| <i>Project Name</i> | <i>Estimated Cost</i> | <i>Status</i> |
|--|-----------------------|---------------|
| Nursing Classrooms at Med. Center Health | 1,500,000 | Construction |
| Renovate WKU Police Department | 1,440,523 | Construction |

2018-20 Authorized Projects (HB 200)

University and Other Funds

| <i>Project Name</i> | <i>Estimated Cost</i> | <i>Status</i> |
|---|-----------------------|---------------|
| Renovate Helm/Cravens Library (WKU Commons) | 38,500,000 | Construction |
| Capital Renewal Pool | 10,000,000 | As needed |
| Upgrade Underground Infrastructure | 1,000,000 | Planning |

- Renovate Helm/Cravens Library – This project, WKU Commons, will renovate Helm Library and replace Garrett Conference Center. This multi-phase, multi-year renovation and replacement project will address our state asset by upgrading the interior, exterior and infrastructure for this building. This project supports the WKU Strategic Plan by improving student success and experience.



- Renovate WKU Police Department – This project is a multi-phase renovation to the WKU Police Department Headquarters and Annex areas located in Parking Structure #1 built in 1964. It consists of modernizing the facilities and upgrading HVAC, electrical, IT, and plumbing infrastructure to support the 7770 square feet of departmental space.
- MCHC Nursing Classroom Renovation - The Medical Center/WKU Health Sciences Complex (MCHC) School of Nursing and Allied Health will be reconfigured into two

(2) larger classrooms with a minimum of 140 seats. The Nursing program has continued to expand and currently is filling up one of the current classrooms spaces with the additional students participating in the adjoining room watching the lectures/classroom instruction via electronic media. This has created an unwanted learning environment and requires additional staffing to meet accreditation requirements.

- Capital Renewal Pool – This project is a multi-phased, multi-year pool listing including: exterior windows, boiler repairs, HVAC, roofing, pedestrian paving, roadways, life/safety/controls, and elevators. Other infrastructure and major maintenance over \$1,000,000 as needed.
- Upgrade Underground Infrastructure - This project continues the multi-year, multi-phased replacement of the existing 5kv underground electrical distribution infrastructure; replacement of campus underground steam lines; and replacement of underground domestic water, sanitary sewer and storm lines.

Total Capital Budget: \$52,440,523

Capital Leases Paid from Operating Budget

| Lease | Final Payment | 2020-21 Payment | Balance |
|----------------------------------|---------------|-----------------|-------------|
| SLF - Food Bldg by PFT | 07/28 | \$194,149 | \$1,226,402 |
| Alumni Square, Conference Center | 11/41 | \$204,530 | |
| Alumni Square, Garage | 11/41 | \$525,932 | |
| Total | | | \$1,226,402 |

Projects Authorized but not Scheduled for FY 2020-21 Until Funds are Identified:

- Renovate and Expand Innovation Campus
- Construct Parking Structure IV
- Renovate Grise Hall
- Renovate and Expand Clinical Education Complex
- Demolish Tate Page Hall/Improve Site
- Renovate Center for Research and Development Phase 1
- Replace Underground Infrastructure
- Renovate South Campus
- Demolish Garrett Conference Center/Improve Site
- Construct South Plaza
- Renovate Raymond Cravens Library
- Acquire Fixtures, Furnishings, and Equipment Pool
- Renovate Ogden College of Science & Engineering Facility
- Renovate Potter College Arts & Letters Facilities
- Renovate Academic Complex
- Demolish Foundation Building/Improve Site
- Purchase Property for Campus Expansion
- Improve Life Safety Pool/Academic Buildings
- Purchase Property/Parking and Street Improvements
- Repair/Replace Roof at Center for Research and Development
- Remove and Replace Student Housing at Farm
- Renovate Kentucky Building
- Renovate State and Normal Street Properties
- Renovate Tate Page Hall
- Renovate Central Heat Plant
- Renovate Jones Jagers Interior
- Guaranteed Energy Savings Performance Contracts
- Construct, Renovate and Improve Athletic Facilities
- Capital Renewal Pool