CAPITAL BUDGET INSTRUCTIONS

INTRODUCTION

Agency requests for capital funding are **due August 31, 2012**. When using the capital budget software module, all fields in the application must be completed to be considered by the Office of Policy and Management. Please return an original summary report with a copy of all forms to the Office of Policy and Management/Economics, Capital and Revenue Forecasting Section. Requests for capital equipment funding should be submitted using the operating budget module; do not use the capital budget software for such requests.

Biennial Budget

Section 4-78 of the Connecticut General Statutes requires that the Governor present to the General Assembly estimated authorizations for FY 2014 and FY 2015. In addition, anticipated authorizations for three additional fiscal years – FY 2016, FY 2017 and FY 2018 – must be submitted to OPM for out-year planning purposes.

Capital budget requests must include:

1. The agency summary report, signed by the Agency Head, and the project report of each program/project requested. A signed original must be received by OPM in order for the request to be considered. Any additional supporting documentation should be submitted with the original reports.

2. Other requirements – PLEASE NOTE: Capital Development Impact Statements (CDIS) and a map in accordance with Section 4-66b C.G.S., and Co-Location Statements in accordance with Section 4b-31 C.G.S are not required to be included with biennial capital budget requests unless requested by the Secretary of the Office of Policy and Management. However, if, in your opinion, the filing of a CDIS or Co-Location Statement would further support the proposed project, please feel free to submit this additional justification. CEPA: Certain types of state actions which may significantly affect the environment are subject to an evaluation in conjunction with requirements set forth in the Connecticut Environmental Policy Act. At the appropriate stage, agencies should check their Environmental Classification Document to determine the type of environmental analysis, if any, that is applicable to the project. Agencies submitting requests for capital projects on the capital request form must indicate whether or not it is an action covered by CEPA.

SCREEN 1: DESCRIPTION

Program/Project Title: Choose "new program" from the drop down list provided.

Contact Name/Phone: Agency person responsible for the project or program.

Agency Priority: All requests must be ranked in priority sequence. THIS MUST BE FILLED IN.

Bond Type: Choose one of the following prospective financing codes from the list provided.

> STO – Special Tax Obligation Bonds (DOT only)
> GO – General Obligation Bonds
> REV – Revenue Bonds

Authorization Language:
Provide suggested language for inclusion in the Governor's Recommended Capital Budget for each year that funding is requested.

Description:
Provide a detailed description of the program/project including any pertinent statistics. For lump sum amounts, i.e. alterations/improvements, a list of projects to be completed must be provided.

Justification:
Provide a complete statement of the need for the project/program, including all relevant statistics and a statement of approved policies to justify the request. An explanation of the current level request should detail what the funds requested in Year 1 (FY 2014) and/or Year 2 (FY 2015) will be specifically used for, e.g. phase of development, project overruns, etc. Also, please indicate what steps the agency has taken to ensure the preservation of the state's capital assets (regular and on-going maintenance, adequate revenue stream or plant reserves for replacement and refurbishment). Identify how completion of this project will impact your ability to maintain facilities if additional operating funds are not made available. If this request is for new construction, explain in full all alternatives that were considered including the rationale for rejecting them.

Funds Requested

This represents the amount the agency is requesting for either or both fiscal years of the biennium. If applicable, the agency should also indicate the estimated requests for this project/program for the three out-years.

SCREEN 2: SUMMARY

Statutory Reference: If applicable.

Project Type: Grant-in-Aid or State Project

Town: The town in which the project will be located.

Agency Budget Program: Reference by program title the major operating program under which this project will fall.

Total Estimated Cost: Total Project Cost- all funds.

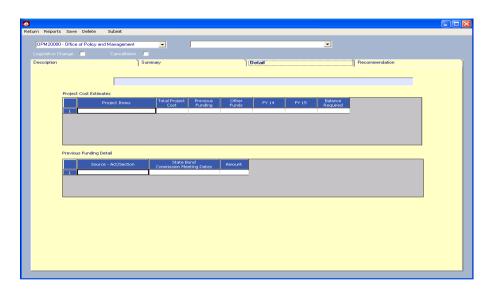Total Estimated State Funds: Total estimated state funds required.

Unallocated Balance: Unallocated balance of state funds available for the project.

Total Estimated Other Funds: Total estimated other funds (not state).

Estimated Federal Funds: Projected Federal Match or Federal Funds available for the project.

Prior State Authorizations: Include: Fund, Act, Section, Authorized Amount, and Unallocated Balance of each authorization for the program/project. If the project/program is new, leave this section blank.

SCREEN 3: DETAIL

Cost Estimates: Drop down list of project cost types is available. Choose as many cost types as necessary to provide the detailed project budget.

Est. Design Cost: Enter the estimated design cost associated with the construction/renovation of this project. Please consider the following items as part of the estimated design cost and include the appropriate item:

1. Planning
2. Architect and Engineering Fee
3. Survey Costs
4. Geotechnical/Borings Costs
5. Permits
6. Peer Review

Est. Equipment Cost: Enter the estimated equipment costs associated with this project. Please include the following items in your estimate:

1. Movable Equipment
2. Telecommunications

Est. Construction Cost: Enter the estimated construction cost associated with this project. Please include the following items as part of the estimated construction cost:

1. Special Inspections
2. Relocation
3. Construction Manager Fee

Acquisition Cost: Enter the estimated cost of acquisition if applicable.

Contingency Fee: Enter an estimated contingency fee. The fee should be calculated as not more than 10% of the Est. Construction Cost for renovations and improvements, and not more that 5% of the Est. Construction Cost for new construction.

Estimated Arts Cost: Enter amount if applicable (usually 1% of the Estimated Construction Cost).

DCS Fee: Projects which, by statute, must be administered by the DCS will be charged a fee for time actually spent on the project. The DCS fee will cover the costs of the Design and Review, Equipment and Construction Inspection sections of the department. Percentages may vary dependent on the type and complexity of projects, renovation projects in particular.

Previous Funding: List all previously allocated funds for the project by bond commission date.

SCREEN 4: LEGISLATIVE CHANGE

A legislative change may be requested as follows: On the first screen of the application check the box underneath the agency name labeled "legislative change?" In the drop down menu choose "add new program." A new screen pops up:

Complete the four required fields:

Statutory Reference: If applicable.
Legislative Change Title: Enter a brief identifying title. Once saved, this title will be added to the pull-down menu of existing programs.
Old Language: Current authorization language.
Proposed New Language: Proposed new authorization language. Also, please state why the change is necessary.

SCREEN 5: CANCELLATION

A cancellation of an existing authorization may be proposed as follows: On the first screen of the application check the box underneath the agency name labeled "cancellation." In the drop down menu choose "add new program." A new screen pops up:

Complete the required fields:
Title: Enter a brief identifying title. Once saved, this title will be added to the pull-down menu of existing programs.
Act Type: PA (Public Act) or SA (Special Act).
Act #: Number of the Public Act or Special Act authorizing the funds.
Section: Section number of the Act authorizing the funds.
Amount to be Cancelled: The amount of the funds to be cancelled.
Description:

This section must be completed to document and justify any reductions or cancellations in amounts currently authorized under existing bond acts for a project/program. Agencies should identify why cancellations are proposed, including but not limited to:

A.   Completed Projects
        Agencies must verify with existing agency records or with the Department of Public Works that a particular project is "closed-out" and that all outstanding payments for that project have been completed. After this review, amounts remaining should be listed on the form for cancellation. (Projects that are partially completed and for which final payments have not been made should not be listed for cancellation.)

B.   Projects Not Completed - No Longer Required
        Projects that have not proceeded to the construction stage and are no longer being requested should be listed for cancellation provided that all outstanding architectural or other pre-construction activities have been paid in total. Amounts that are no longer required should be listed on the form for reduction.

GETTING HELP

Direct technical questions to:

- Jamie Gamble   860 418-6276   jamie.gamble@ct.gov

Direct Capital Budget Questions to:

- Steve Kitowicz   860 418-6409   steven.kitowicz@ct.gov

- Brian Tassinari   860 418-6303   brian.tassinari@ct.gov