Capital Project Financial Guidelines – Summary

v. February 2025 *(reference the document for full details)*

Principles and Expectations

- Plan and budget for the full cost of ownership
- Optimize the use of existing facilities and infrastructure
- Explore project synergies
- Programmatic projects need to consider systems replacements/renewals
- Capital budget inclusion requires attention to these considerations
- Policy 4,2, Transactional Authority and Payment Approval, defines authorization thresholds

Financial Viability

- Demonstrated availability of full project funding and incremental operating & maintenance
- Submitted & approved funding strategy for ”full cost of ownership”
- Financial plan with operating surplus within 5 years for net new space
- Inclusion in the capital budget

Funding Requirements by Phase

Feasibility or Concept Study

- Full cost in hand
- Must be approved by the Provost or EVP/CFO for projects > $2M

Design

- 30% of total project budget committed
- Full funding plan (project, future costs) approved by EVP/CFO & VP DBP
- Funds for phase in hand and available

Construction

- All funds committed
- Gift sources 75% in hand, binding commitments for 100%
- Any source not in hand must have backstop source approved
- NYS funds must include assessment of certainty
- Rate recovery projects - additional financial requirements
- > $10M, Finance Comm of BoT must approve funding plan

Major Funding Source Considerations

FFE

- Use > $1M approved by EVP/CFP & Provost
- Use per FFE Guidelines

Philanthropy

- 75% in hand before construction authorized
- Remaining gifts collected within 5 years of construction start
- Fundraising complete or approved backstop plan
- Gifts used before other sources
- Annual review

SUCF

- College contribution is required for college-specific projects

Debt

- Use of debt is prioritized by a debt committee and decided by CF&PC
- Use of debt will comply with Appendix B

Space Fee

- Guidelines published in Appendix C