

WESTERN WASHINGTON UNIVERSITY ITEM SUBMITTED TO THE BOARD OF TRUSTEES

TO: Members of the Board of Trustees

FROM: President Sabah Randhawa by Richard Van Den Hul, Vice President,
Business and Financial Affairs

DATE: August 18, 2017

SUBJECT: **2018 SUPPLEMENTAL CAPITAL BUDGET REQUEST**

PURPOSE: Action Item

Executive Summary

The Office of Financial Management is requiring all Supplemental Capital Budget Requests be submitted no later than October 9, 2017. As of this writing, the Legislature has not passed a 2017-19 capital budget with new appropriations, despite the House of Representatives and Senate each introducing new 2017-19 capital budget proposals since July 1. The most recent House proposal (EHB 1075) and Senate proposal (SB 5981) include funding for many of Western's capital budget priorities, including:

- \$6.65 million for Classroom and Lab Upgrades;
- \$6.179 million for Minor Works Preservation Projects;
- \$6 million in partial design funding for the Sciences Building Addition and Renovation;
- \$1.5 million for Access Control Security Upgrades;
- \$3.188 million for Elevator Preservation Safety and ADA Upgrades; and
- \$3.614 million for Preventative Facility Maintenance and Repairs.

It is unclear if or when the Legislature will pass the final compromise 2017-19 capital budget. With this uncertainty, the Office of Financial Management has recommended that all State agencies submit their Supplemental Capital Budget Request assuming that a capital budget (with new appropriations) will not pass. With that, Western is proposing to submit the same projects that were submitted in the 2017-2019 Capital Budget Request. Information pertaining to those projects is attached.

Also, it is recommended that the Board delegate the approval authority to modify the Supplemental Capital Budget Request to the President, or the President's designee, should a capital budget with new appropriations pass or additional information concerning the request is received.

Lastly, the lack of a capital budget causes a problem in the operating budget as the Legislature uses \$3.6 million of capital funds to fund maintenance activities in the operating budget. The maintenance operations are critical to keeping the campus open and operational. The revenue will continue to generate and be held in a local building account but cannot be accessed without a final capital budget. While nothing is completely certain until the Legislature acts, the Legislature has always funded this item and there is confidence the funds will be available once the capital budget is approved. Until then University reserves will be serve as a backup until the capital budget is passed.

Proposed Motion

MOVED, that the Board of Trustees of Western Washington University, upon the recommendation of the President, approves a 2018 Supplemental Capital Budget Request for \$130,830,000 from State-appropriated funding sources (\$127,216,000 in capital projects and \$3,614,000 in preventative facility maintenance and repairs). The Board of Trustees of Western Washington University shall also delegate authority to the President, or President's designee, to modify the 2018 Supplemental Capital Budget Request.