

Facilities Construction Commission

Role and Overview

The Ohio Facilities Construction Commission (OFCC) provides funding to public school districts as authorized by the General Assembly and oversees the construction and renovation of state agency, university and school facilities. House Bill 487 of the 129th General Assembly created the OFCC in June 2012 and combined the Ohio School Facilities Commission (OSFC) with the Department of Administrative Services, State Architect's Office. The commission consists of three members: the Director of the Office of Budget and Management, the Director of the Department of Administrative Services, and a member appointed by the Governor. The state's construction authority and resources are now aligned within a single entity that will guide capital projects for state agencies, state-supported universities and community colleges, and most of Ohio's public K-12 schools. A major reason for creating the new Ohio Facilities Construction Commission was to bring consistency to construction on public facilities and to the implementation of construction reforms that were put in place by House Bill 153. The new commission sets uniform rules, procedures, and standardized documents for vertical construction. It is responsible for construction delivery methods, construction documents, and process and procedures. The Ohio School Facilities Commission continues to exist within the new consolidated agency and will focus on programmatic issues related to funding K-12 construction projects. This commission consists of seven members, three of whom are voting members. The voting members are the Director of the Department of Administrative Services, the Superintendent of Public Instruction, and the Director of the Office of Budget and Management. The four non-voting members include two members from both the House and the Senate. The OFCC has 98 full-time employees.

More information regarding the Facilities Construction Commission is available at <http://ofcc.ohio.gov>.

Agency Priorities

- Administer and oversee the construction and renovation of school buildings, as funded in the capital budget, to provide an appropriate learning environment for Ohio's school children.
- Administer and oversee the construction and renovation of state agency, college and university buildings, as funded in the capital budget, to provide for efficient operations of these state entities.

Funding Recommendation for 2014 and 2015

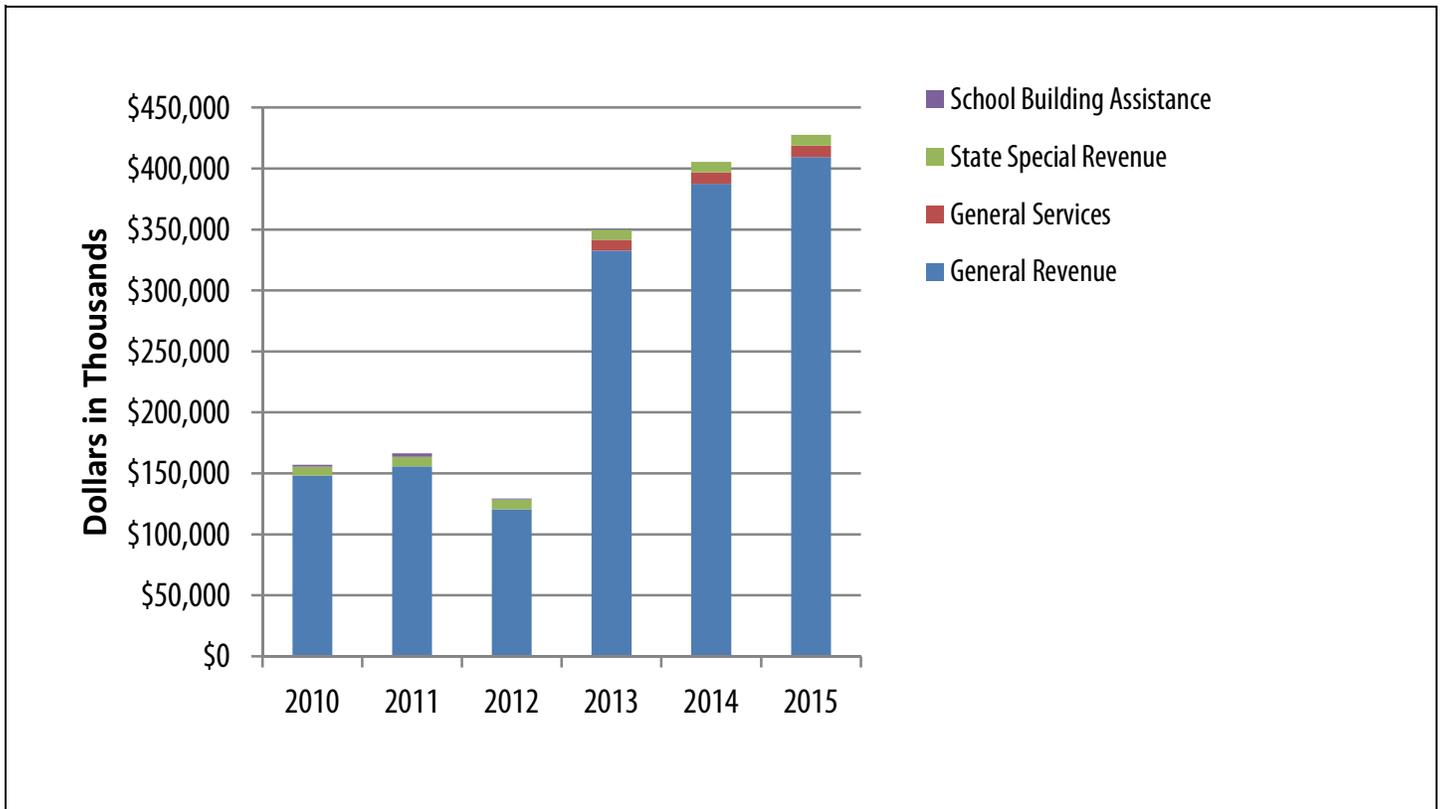
- GRF: Funding for fiscal year 2014 is \$387.4 million (or a 16.5% increase from fiscal year 2013). Funding for fiscal year 2015 is \$409.5 million (or a 5.7% increase from fiscal year 2014).
- All Funds: Funding for fiscal year 2014 is \$405.6 million (or a 15.7% increase from fiscal year 2013). Funding for fiscal year 2015 is \$427.7 million (or a 5.4% increase from fiscal year 2014).

The Executive Recommendation will fund the following objectives:

- Pay interest and principal for bonds issued to finance the K-12 public school construction projects.
- Support 98 positions to provide management and oversight required to ensure accountability for the various capital improvements projects for the K-12 public school construction services, the state agency construction services and the statewide construction services, including universities.
- Maintain purchased personal services, primarily for information technology, architects and other non-staff professionals.
- Replace computer equipment for aging technology systems, and maintain and upgrade equipment as necessary to support both on-going and future construction projects.

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Budget Fund Group Information

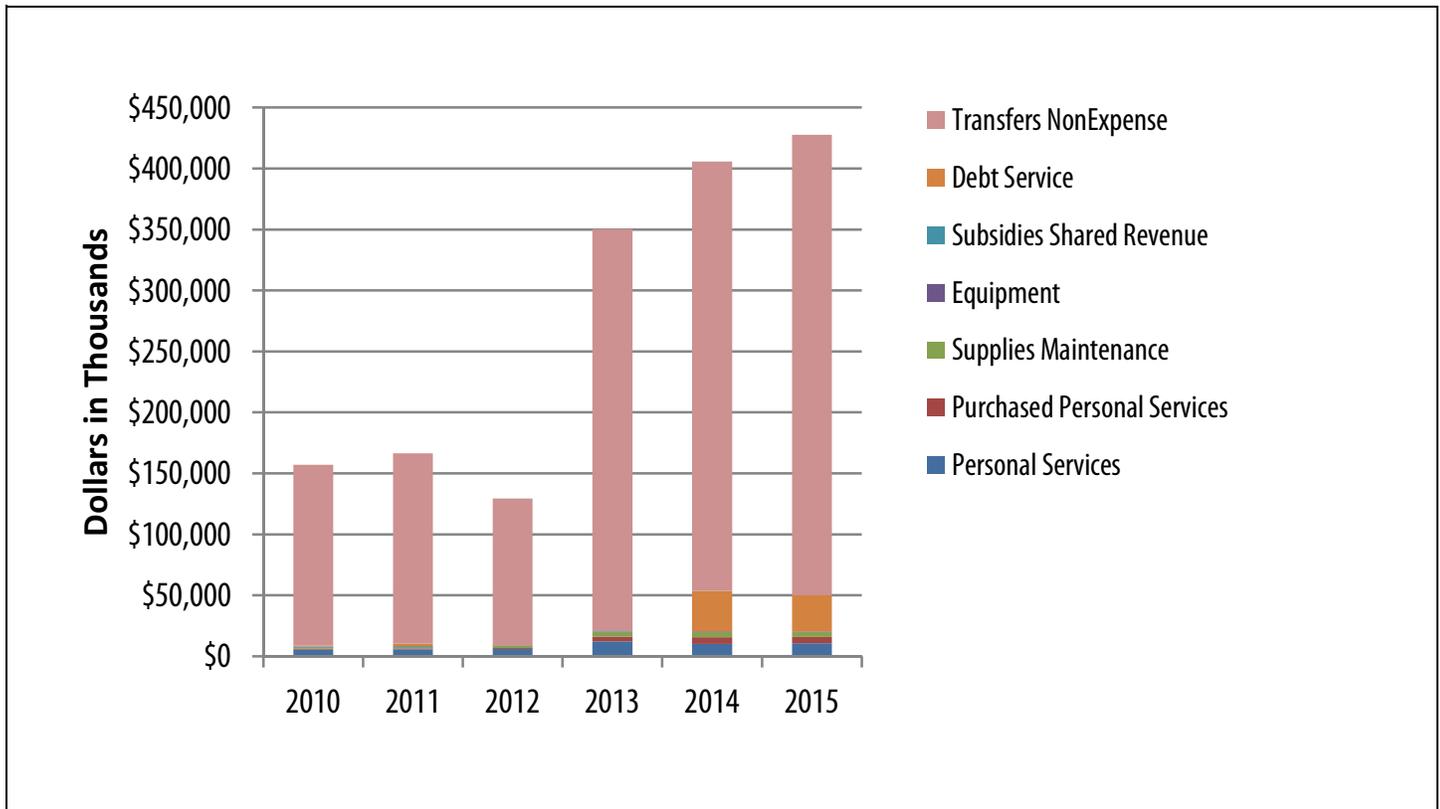


- GRF expenditures were lower in fiscal year 2012 because of debt restructuring that reduced general obligation debt service payments. In fiscal year 2013, debt service payments were not restructured and appropriations in that year, as well as appropriations in fiscal years 2014 and 2015, reflect a return to the payment of all scheduled principal and interest on general obligation bonds from the GRF. OFCC's GRF appropriations also increase as a result of the incorporation of debt service obligations for all projects of the former Ohio Cultural Facilities Commission.

(in Thousands) Budget Fund Group	Actual			Est.	% Change	Recommended			
	FY 2010	FY 2011	FY 2012	FY 2013	FY 12-13	FY 2014	% Change	FY 2015	%Change
General Revenue	148,231	155,840	120,581	332,587	175.8%	387,408	16.5%	409,465	5.7%
General Services	0	0	0	8,886	0.0%	9,463	6.5%	9,463	0.0%
State Special Revenue	7,267	7,657	8,030	8,550	6.5%	8,750	2.3%	8,750	0.0%
School Building Assistance	1,561	2,859	871	510	-41.4%	0	-100.0%	0	0.0%
Total	157,059	166,357	129,481	350,533	170.7%	405,622	15.7%	427,678	5.4%

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Expense Account Category Information



- Expenditures in the Transfer and Non-Expense account category were lower in fiscal year 2012 because of debt restructuring that reduced general obligation debt service payments from this account category for the Ohio School Facilities Commission. In fiscal year 2013, debt service payments were not restructured and appropriations in that year, as well as appropriations in fiscal years 2014 and 2015, reflect a return to the payment of all scheduled principal and interest on general obligation bonds from the GRF showing an increase in expenditures in this category.
- OFCC has an increase in the debt service account category as a result of the incorporation of debt service obligations for all projects of the former Ohio Cultural Facilities Commission.

(in Thousands) Expense Account Category	Actual			Est.	% Change	Recommended			
	FY 2010	FY 2011	FY 2012	FY 2013	FY 12-13	FY 2014	% Change	FY 2015	%Change
Personal Services	5,564	5,761	5,939	12,226	105.9%	10,254	-16.1%	10,615	3.5%
Purchased Personal Services	762	797	929	3,797	308.7%	5,369	41.4%	5,157	-3.9%
Supplies & Maintenance	885	965	1,898	3,679	93.8%	4,532	23.2%	4,132	-8.8%
Equipment	106	134	134	293	117.9%	355	21.2%	355	0.0%
Subsidies & Shared Revenue	756	628	0	510	0.0%	0	-100.0%	0	0.0%
Debt Service	756	2,231	0	0	0.0%	33,106	0.0%	29,855	-9.8%
Transfers & Non-Expense	148,231	155,840	120,581	330,029	173.7%	352,006	6.7%	377,565	7.3%
Total	157,059	166,357	129,481	350,533	170.7%	405,622	15.7%	427,678	5.4%

Program Series 1: Statewide Construction Services (8950A)

This program series is comprised of three programs, K-12 Projects (8950B), State Agency and University Projects (8990B) and Statewide Construction Services (8995B). K-12 Projects (8950B) provides school facilities construction assistance to public school districts, joint vocational school districts, qualifying community schools, STEM schools and college preparatory boarding schools for at-risk students throughout the State of Ohio. State Agency and University Projects (8990B) provides for the proper management of capital facility development for a large portion of the state's capital projects. This program manages the design and construction of state-funded facilities effectively and efficiently, establishes more and better service to stakeholders through Web-based resources and provides relevant education and training programs to improve service to customers. Statewide Construction Services (8995B) provides for the proper management of capital facility development for a large portion of the

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state's capital projects. This program implements the OAKS Capital Improvements project tracking system for additional university and K-12 projects, produces and maintains master contract documents for the state's design and construction projects, and produces and maintains master documents for the necessary contract and legislated requirements, such as the EDGE Program, Drug-Free Work Place Program, and OAKS.

Fund	ALI	ALI Name	Estimated	Recommended			
			FY 2013	FY 2014	% Change	FY 2015	% Change
GRF	230458	State Construction Management Services	2,667,958	2,495,751	-6.5%	2,245,751	-10.0%
GRF	230908	Common Schools General Obligation Debt Service	329,919,400	351,806,100	6.6%	377,364,700	7.3%
1310	230639	Construction Management Operations	8,886,076	9,463,342	6.5%	9,463,342	0.0%
5E30	230644	Operating Expenses	8,550,000	8,550,000	0.0%	8,550,000	0.0%
7021	230909	School Entrance Improvements	510,000	0	-100.0%	0	0.0%
Total for Statewide Construction Services			350,533,434	372,315,193	6.2%	397,623,793	6.8%

Program Series 2: Community Construction Grant Projects (8996A)

This program series contains the Community Construction Grant Program (8996B), which provides oversight of community projects across the state and making debt service payments for all current and previous projects.

Fund	ALI	ALI Name	Estimated	Recommended			
			FY 2013	FY 2014	% Change	FY 2015	% Change
GRF	230401	Lease Rental Pymt Cultural Facilities	0	33,106,400	0.0%	29,854,500	-9.8%
4T80	230603	Community Project Administration	0	200,000	0.0%	200,000	0.0%
Total for Community Construction Grant Projects			0	33,306,400	0.0%	30,054,500	-9.8%

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Appropriation Line Item Analysis for Fiscal Years 2014 and 2015

Line Item Restructuring Analysis

As part of an initiative to consolidate construction efforts and align related authority and resources for all state non-transportation construction, funding from programs in the Ohio Cultural Facilities Commission (OCFC) is consolidated into the newly formed Ohio Facilities Construction Commission (FCC). Beginning in fiscal year 2014, funding previously appropriated in OCFC GRF debt service line item 371401-Lease Rental Payments is appropriated in FCC's second GRF debt service line item 230401-Lease Rental Payment-Cultural Facilities. Additionally, funding from AFC State Special Revenue line item 371603-Project Administration is appropriated in FCC State Special Revenue line item 230603-Community Project Administration.

To illustrate changes in funding levels due to restructuring and consolidating, the estimated fiscal year 2013 spending table is converted from the previous line-item structure to the current line-item structure.

			Estimated	Recommended			
Fund	ALI	ALI Name	FY 2013	FY 2014	% Change	FY 2015	% Change
4T80	230603	COMMUNITY PROJECT ADMIN	\$860,891	\$200,000	-76.8%	\$200,000	0%
GRF	230401	LEASE RNTL PYMNT-CULTURAL FAC	\$28,465,000	\$33,106,400	16.3%	\$29,854,500	-9.8%

Line Item Notes

230401, Lease Rental Payment-Cultural Facilities: Debt service line from the Ohio Cultural Facilities Commission for cultural projects and sports facilities.

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Fund	ALI	ALI Name	Actual			Estimated	Recommended			
			FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	% Change	FY 2015	% Change
GRF	230401	Lease Rental Pymt Cultural Facilities	0	0	0	0	33,106,400	0.0%	29,854,500	-9.8%
GRF	230458	State Construction Management Services	0	0	0	2,667,958	2,495,751	-6.5%	2,245,751	-10.0%
GRF	230908	Common Schools General Obligation Debt Service	148,231,389	155,840,150	120,581,098	329,919,400	351,806,100	6.6%	377,364,700	7.3%
Total General Revenue			148,231,389	155,840,150	120,581,098	332,587,358	387,408,251	16.5%	409,464,951	5.7%
1310	230639	Construction Management Operations	0	0	0	8,886,076	9,463,342	6.5%	9,463,342	0.0%
Total General Services			0	0	0	8,886,076	9,463,342	6.5%	9,463,342	0.0%
4T80	230603	Community Project Administration	0	0	0	0	200,000	0.0%	200,000	0.0%
5E30	230644	Operating Expenses	7,267,000	7,657,362	8,029,640	8,550,000	8,550,000	0.0%	8,550,000	0.0%
Total State Special Revenue			7,267,000	7,657,362	8,029,640	8,550,000	8,750,000	2.3%	8,750,000	0.0%
5560	230602	Community School Loan Guarantee	49,767	0	870,595	0	0	0.0%	0	0.0%
7021	230909	School Entrance Improvements	755,716	628,017	0	510,000	0	-100.0%	0	0.0%
7021	230910	Statehouse Debt Service	755,537	2,231,469	0	0	0	0.0%	0	0.0%
Total School Building Assistance			1,561,020	2,859,486	870,595	510,000	0	-100.0%	0	0.0%
Grand Total Facilities Construction Commission			157,059,409	166,356,998	129,481,333	350,533,434	405,621,593	15.7%	427,678,293	5.4%