

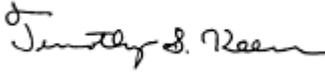


# OBM

## MEMORANDUM

June 8, 2006

TO: Directors and Fiscal Officers of Departments, Agencies, Boards, and Commissions

FROM: Timothy S. Keen, Director 

SUBJECT: Updates to Capital Budget Requests Fiscal Years 2007-2008

On August 15, 2005, OBM released guidance to state agencies for capital improvements planning for Fiscal Years (FY) 2007-2012 and for preparing capital budget requests for the FY 2007-2008 biennium. This guidance was released with the assumption that the capital bill would be introduced in early 2006 and become effective by July 1<sup>st</sup>. The introduction of the capital appropriations bill was delayed, however, and OBM is now working toward developing recommendations for an anticipated introduction in late fall of 2006.

While the capital bill will not be introduced until later this year, a number of agencies received new appropriations in H.B. 530, the capital reappropriations and corrections bill. These appropriations were deemed necessary in order for agencies to fund time-sensitive projects and to address priorities that could not wait until the capital bill was enacted. House Bill 530 provided \$1.04 billion in new capital appropriations - **nearly half** - of total appropriations planned for the 2007 - 2008 biennium.

As a result of either the partial support provided through H.B. 530 and/or the time that has elapsed since original capital budget requests were submitted, agency capital needs and/or priorities may no longer be accurately reflected in the original request submitted to OBM. To address this, OBM is asking affected agencies to submit updates to their capital budget requests not later than August 1, 2006. To support requested changes, each agency seeking to update its request should submit the information identified and described below:

- Director's Letter – a letter from the agency director identifying the requested updates and summarizing each. These summaries should include the rationale for updating the request, including the identification of the factors that are driving changes in either dollar amounts requested or priorities (i.e. change in scope, increased material costs, partial funding of the priority from previously received funds).
- Updated Table C-1 - an updated Table C-1 with accompanying narrative for each project for which an update is being submitted. The Table C-1 narrative should include the project description and justification in the manner described in the original capital improvements guidance, as well as any additional information the agency believes should be considered by OBM in evaluating the project. The original capital improvements guidance for both institutional and non-institutional agencies is posted on the OBM website at <http://www.obm.ohio.gov/budget/capital>. A blank Table C-1 in Excel format is also available at [http://www.obm.ohio.gov/budget/capital/guidance/table\\_c-1.xls](http://www.obm.ohio.gov/budget/capital/guidance/table_c-1.xls).

- Updated Priority Summary – an updated list of requested projects in priority order using the spreadsheet posted on the OBM website at <http://www.obm.ohio.gov/budget/capital/guidance/prioritysum.xls>. If using the OBM spreadsheet is impractical due to system or software incompatibility, the agency should contact its OBM analyst to find an alternative means to produce the priority summary.

Again, please submit any updates to OBM not later than **August 1, 2006**. If you have any questions regarding this memorandum or the update process, please call your OBM analyst.

Thank you in advance for your help and cooperation.