

BUDGET REQUEST MANUAL

Date	Subject FIVE-YEAR CAPITAL PLAN AND CAPITAL PROJECTS BUDGET REQUEST	Item
8/21/14		12
Supersedes	INTRODUCTION	Page
8/10/05		1

This portion of the manual describes guidelines for compiling the Five-Year Capital Plan and Capital Projects budget request (the first year of the Capital Plan). It also outlines the legal requirements for information which must be included in the Capital Plan.

Agency budget requests for the upcoming fiscal year should be limited to base level for all funds except Federal funds. Base level figures are the appropriation and disbursement numbers contained in the updated current year Capital Plan. Check with your budget examiner to verify the base level figures for each fund for your agency. Additionally, budget request and Capital Plan projections should not show significant year to year increases in appropriation or disbursement levels within the five years of the Capital Plan.

State Finance Law requires agencies to submit information on the commitments against each appropriation in their capital budget request. Agencies must indicate, at the program and fund summary level, the level of commitment — which is the total dollar value of contracts expected to be entered into in a given year.

In addition, State Finance Law (related to Capital Projects and Maintenance Statements) requires all State agencies to establish a comprehensive Five-Year Capital Maintenance Plan. The plan must provide detailed summary information, by fund, of all capital projects recommended to be undertaken or continued in the next five fiscal years, including disbursements, date of project completion, and other information. Budget requests for legislatively mandated agencies reflect a lump sum maintenance appropriation. For all agencies, a maintenance appropriation should be included on Schedules CP-2 (Non-Highway), or CP-2H (Highway). A Capital Maintenance Plan Report section (Schedules CMP-1 through CMP-5) is included in the manual to reflect the legislatively mandated information that agencies must provide in their Capital Maintenance Plans.

PURPOSE

This portion of the manual describes in detail the information which must be submitted by State agencies and public authorities for the Five-Year Capital Plan and Capital Projects budget request (the first year of the Capital Plan).

STRUCTURE OF MANUAL

The Five-Year Capital Plan and Capital Projects budget request portion of the manual consists of the Five-Year Capital Plan Overview (see Item 13); the schedules and instructions to be used to submit an agency's Five-Year Capital Plan, Capital Projects budget request (see Items 14 through 16), the codes to be used on the Capital Projects schedules (see Item 17), and the Capital Maintenance Plan (see Items 18 through 18D).

Date	Subject FIVE-YEAR CAPITAL PLAN AND CAPITAL PROJECTS BUDGET REQUEST	Item
8/21/14		12
Supersedes	INTRODUCTION	Page
8/10/05		2

TERMINOLOGY

The following terminology will be used for the remaining items in this manual:

Appropriation: A statutory or requested authorization against which obligations may be incurred and from which disbursements may be made. An appropriation as used in these instructions shall equate to a capital project as further defined in this item. Capital Projects are appropriated as either a line item or a lump sum.

Commitment: The dollar value of contracts expected to be entered into in a given year. Previously approved contracts should not be included in the commitment estimates.

Fiscal Years: Budget year refers to the first year of the Capital Plan. The next four years are reflected as second, third, fourth and fifth year on the schedules.

Line Item: An appropriation, without an accompanying schedule, enacted or to be enacted for the advancement of a stated objective(s) as specified in the appropriation language or the description on a budget request schedule (Schedule CP-2).

Lump Sum: An appropriation enacted or to be enacted for the advancement of a stated objective(s) as specified in the appropriation language or the description on a budget request schedule (Schedule CP-2). However, a lump sum appropriation is always accompanied by a schedule consisting of two or more subprojects which, when totaled, equal the appropriation authorization.

Maintenance: Any rehabilitation, repair or replacement project that is performed to reduce the rate of deterioration of a capital asset or to maintain an asset in a state of good repair. These are projects that are requested to be financed through capital funding sources and may have been previously categorized under a different CCP or Purpose (i.e., minor rehabilitation or health and safety).

Schedule: A listing of subprojects for an appropriation. Such listings may include, but are not limited to, institutions, facilities, regions or other descriptors.

Subproject: An identifier within an appropriation schedule to further define the stated objective(s) of an appropriation. When totaled, the subprojects will equal the appropriation authorization.

Date	Subject FIVE-YEAR CAPITAL PLAN AND CAPITAL PROJECTS BUDGET REQUEST	Item
8/21/14		12
Supersedes	INTRODUCTION	Page
8/10/05		3

AGENCY APPROPRIATION FORMAT

In general, each agency's requested appropriations and reappropriations will have the following hierarchical structure:

1. One or more **Comprehensive Construction Programs (CCP)**. The CCP may or may not relate to agency operational programs or other organizational arrangements. Some will have broad headings such as general maintenance and improvements while others correspond to specific agency programs.
2. Within each CCP, appropriations are grouped into **one or more purposes**. As in the case of CCPs, purposes may or may not relate to other agency organizational arrangements. For example, a purpose may be defined by function (e.g., "energy conservation" or "health and safety"); as an agency facility or institution; or as a specific construction project at an identified location (line item appropriation).
3. Each purpose will have **one or more appropriations**. Some appropriations have "schedules" which are listings of subprojects for which construction work will be undertaken.

Agencies should follow the CCP, purpose, and appropriation structure of the Capital Projects section of your agency's budget bill. Requests for additional CCPs and/or different purposes are discouraged.

PROJECT DEFINITIONS

A capital project involves the acquisition, construction, demolition or replacement of a fixed asset or assets or the major repair or renovation of a fixed asset or assets. It includes preliminary studies, programming, architectural and engineering design, site or route selection, original furnishing and equipment and other necessary costs to make a facility operational for agency program purposes. "Fixed assets" are assets of a long-term tangible character, such as land, buildings, improvements, machinery, and equipment.

A capital project is financed in one of the following ways:

1. By the proceeds of debt issued on behalf of the State pursuant to an appropriation.
2. By an appropriation from any State fund where the specific expenditure involved is declared by law to be for a capital project.

BUDGET REQUEST MANUAL

Date	Subject FIVE-YEAR CAPITAL PLAN AND CAPITAL PROJECTS BUDGET REQUEST	Item
8/21/14		12
Supersedes	INTRODUCTION	Page
8/10/05		4

3. By an appropriation from the Capital Projects section of an agency's budget bill.

In general, there are three types of Capital Projects:

1. **Major projects** are needed to achieve an agency program objective, such as increasing capacity or changing the quality of program or service. This may require a new facility or major changes in function, use or capacity of existing facilities. (Examples: new highways, new buildings, new parks, reconstruction of existing highways, expansion of parks, additions to or changes in use of existing buildings.)
2. **Alteration and improvement projects** are needed to provide for modifications to existing facilities to accommodate changing use requirements, to appreciably extend the life of the facility, or to upgrade an obsolete facility for more efficient utilization.
3. **Minor rehabilitation projects** are needed to restore a facility to accepted standards, and restore the physical plant through projects of nonrecurring nature beyond the scope of ordinary repairs.

Capital Projects Schedule

The schedule (start and completion dates) should be based on experience with similar Capital Projects. If the schedule is based upon alternative techniques which result in an acceleration of the appropriation or subproject, such techniques should be described in the justification.

Cost

Project cost means the total cost necessary to complete all phases (i.e., land acquisition, design and supervision, construction and/or equipment) required to make the capital project operational. **For agencies that use the services of the Office of General Services Design and Construction Group, the Dormitory Authority of the State of New York or any other design agency, the estimated cost will include an amount for design and construction supervision based on the fee schedule provided or approved by the Director of the Budget.** The appropriation or subproject justification should describe the method used in estimating the various cost factors including price escalation assumptions.

Appropriation or Subproject Justification (Policy advice on request)

The justification required for the different appropriations or subprojects is included in Item 15 (Schedule CP-2).

Date	Subject FIVE-YEAR CAPITAL PLAN AND CAPITAL PROJECTS BUDGET REQUEST	Item
8/21/14		12
Supersedes	INTRODUCTION	Page
8/10/05		5

Equipment

Equipment requests, which are included as part of the Capital Projects budget request, shall be limited to projects for new facilities, major rehabilitation, or changing the function or use of a facility. All other equipment requests must be included in the State Operations budget request. Any questions on the potential eligibility for Capital Projects funding for equipment should be directed to your budget examiner.

Capital Projects Codes

These codes, which are contained in Item 17, include: agency codes, State facility and institution codes, agency comprehensive construction program (CCP) codes, statewide and agency purpose codes, and fund source codes. County, city, and village code numbers can be found in the Statewide Information System (SWIS) Codes listing at the New York State Office of Real Property Tax Services.

Change in Capital Plan or Capital Projects Budget Request

The agency's budget examiner should be advised immediately of any changes in the Capital Plan, Capital Projects budget request or project justification as originally submitted, including changes in schedules, costs, estimates, requested amounts, disbursements or the deletion of projects. Changes must be confirmed by submitting budget request schedules — **identified as revised** — **as soon as possible**.

Inquiries and Questions

All questions relating to the preparation of the Capital Plan and the Capital Projects budget request and project justifications should be directed to your agency's budget examiner.

Exceptions

Agencies can submit computer-prepared schedules which do not exactly match the format in this manual as long as they still provide all the information called for by the instructions or a specific schedule. Any exceptions to this policy must be discussed with and approved by your budget examiner.