

2020 Capital Outlay Seminar

For Nonstate Entities


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Office of Facility Planning and Control

September 2020

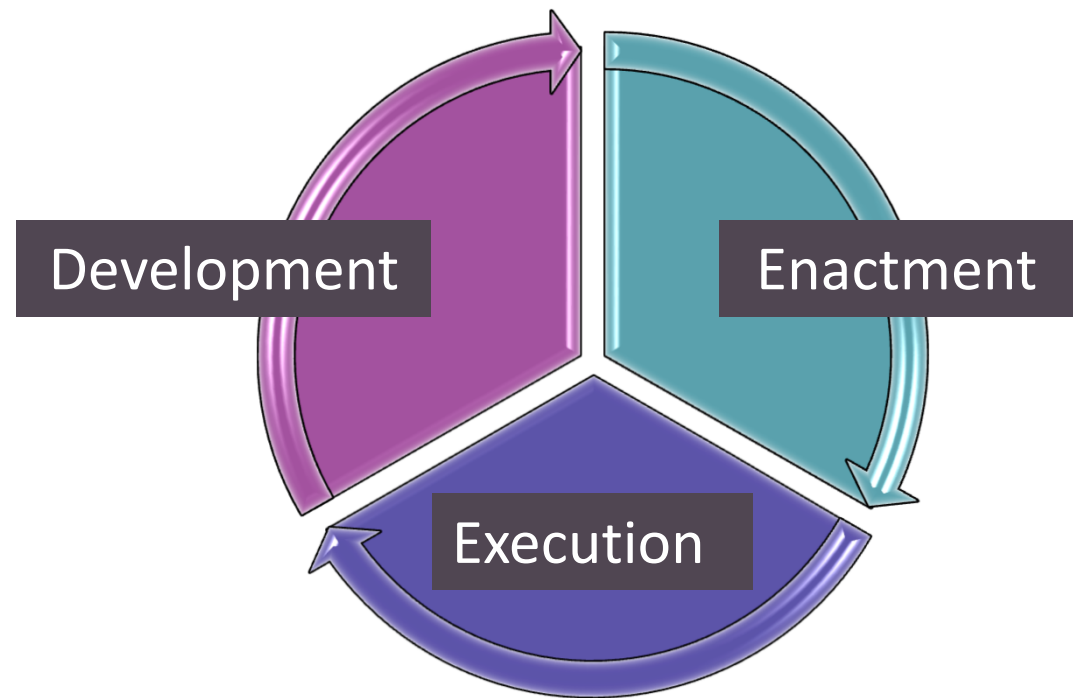


Objectives

- Provide an overview of the phases of the Capital Outlay Process
 - Explain what qualifies as a Capital Outlay expenditure
 - Explain the information required in a capital outlay request
 - Explain the difference between an appropriation and funding
 - Explain general obligation bond priorities
- 

The Capital Outlay Process

The process of developing, enacting and executing the state capital outlay budget



Capital Outlay Expenditures

expenditures for acquiring lands, buildings, equipment, or other permanent properties,

or for their preservation or development of permanent improvement.

Examples of Projects that Qualify



Examples of Projects that DON'T Qualify



Development

Enactment

Execution




The Development Phase

Begins with the submission of Capital Outlay Requests (CORs)

FPC reviews the CORs for compliance with statutory requirements

DOA develops an initial budget which becomes the Capital Outlay Bill, Original House Bill 2

Capital Outlay Requests

- Are submitted electronically through the eCORTS systems
 - Must be submitted by 11:59 pm, November 1st each year
 - Are required to be updated if new funding is needed or if contracts have not been issued within 24 months of the deadline
 - Must include certain statutorily required information
- 

Additional Nonstate Entity Requirements



A Letter of Support




A minimum 25% local match



Updated information on amount of match expended

How to Apply for Capital Outlay Funding

- Select a project that qualifies for Capital Outlay expenditures
 - Get access to eCORTS
 - Make sure that your request contains the statutorily required information
 - Submit your request on time
 - Follow-up with your legislator regarding a letter of support for your project.
- 

Statutorily Required Information

an analysis of need with corroborative data,

a reasonable estimate of the date when the project will be needed,

the project's proposed location,

the estimated construction cost,

the estimated local match requirement and amount of local funds expended on the project,

the cost of equipping and furnishing the project,

Statutorily Required Information

the cost of opening and operating the facility for the first year,

the estimated annual operating and maintenance costs of the facility, and the method and source of financing for each of the next five years,

the estimated completion date of the project

identification and description of other similar facilities and projects in the given area and an evaluation of their capabilities to meet needs, and

the order of priority.

eCORTS

PowerPoint x Presentation.pp x Files - OneDrive x 2020 Nonstate x Louisiana State x Louisiana State x eCORTS -- Capi x

www.cfprd.doa.louisiana.gov/ecorts/default.cfm

eCORTS INFOlouisiana

eCORTS

Capital Outlay Request Tracking System

Capital Outlay Requests Due Sunday, November 1, 2020

Legislative Letters of Support Due Sunday, November 1, 2020 – Can be emailed to capitaloutlay@la.gov or faxed to (225) 342-7624.

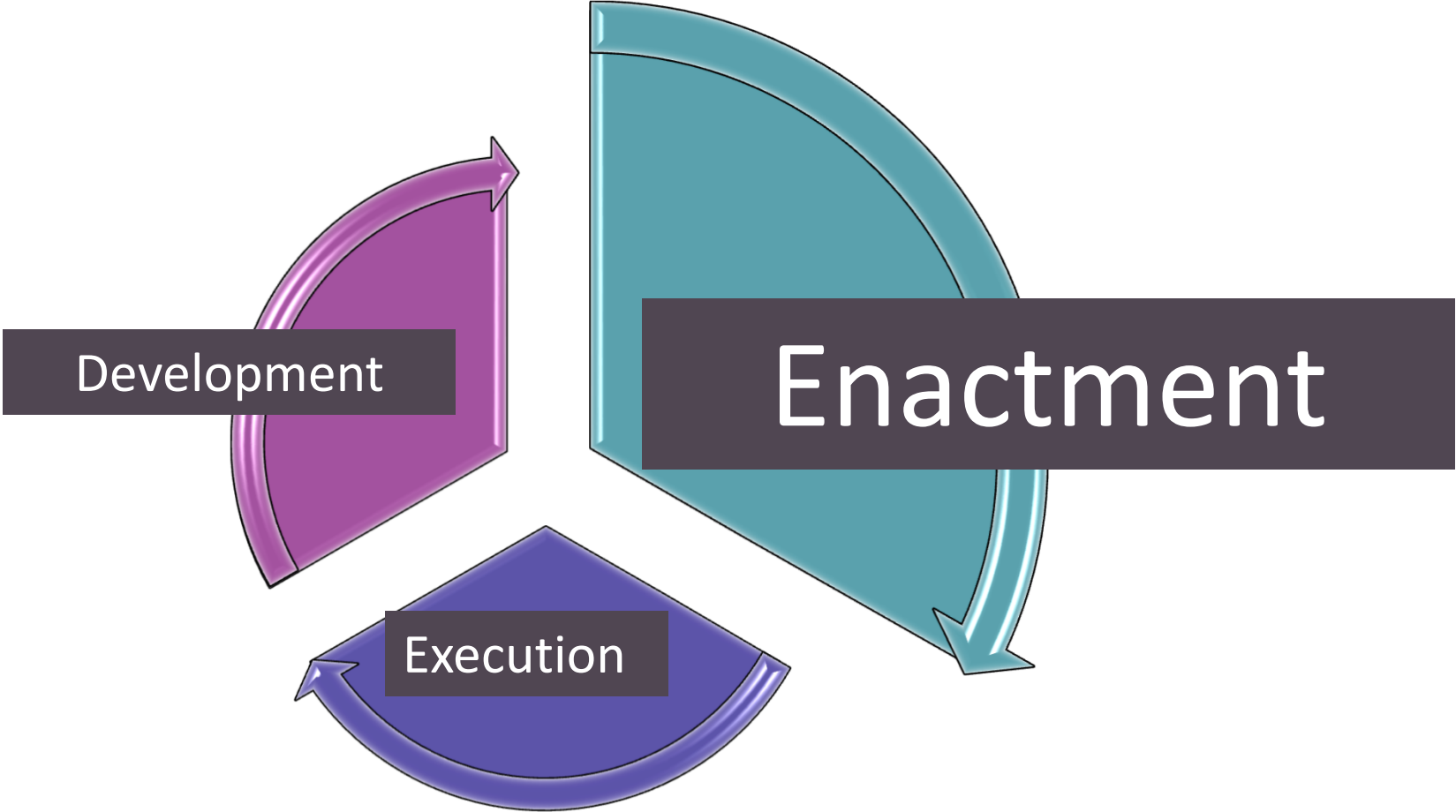
[Enter Capital Outlay Request Website eCORTS](#)

Capital outlays are expenditures for acquiring lands, buildings, equipment or other properties, or for their preservation or development or permanent improvement. Capital outlay planning and budgeting are directed toward the acquisition or renovation of fixed assets.

Statutory authority for capital outlay planning and budgeting procedures is contained in

Type here to search

6:55 AM 9/9/2020



The Enactment Phase

- Governor submits Original House Bill 2 to the legislature by the 8th day of the legislative session
- Legislature amends the Bill
- Governor signs the Bill
- The Bill becomes “the Act”

Following Bill Enactment

The screenshot shows a web browser window with the URL <https://legis.la.gov/legis/ViewDocument.aspx?de1179118>. The page content includes:

HLS 201ES-12 ORIGINAL

2020 First Extraordinary Session

HOUSE BILL NO. 2

BY REPRESENTATIVE BISHOP AND SENATOR ALLAIN

CAPITAL OUTLAY: Provides for the comprehensive Capital Outlay budget (Item #7)

1 AN ACT

2 To provide with respect to the capital outlay budget and the capital outlay program for state

3 government, state to provide for the

The browser's taskbar at the bottom shows the date and time as 11:57 AM on 9/8/2020. A blue bar is present at the bottom of the slide.

Appropriations



Example Appropriation

22	A (123)	B	Offices for Southern Louisiana Health Center
23		C	Planning and Construction
24		D	(East Baton Rouge)
25		E	Payable from General Obligation Bonds
26			Priority 1
		F	\$ 2,000,000


Appropriations are made...

...to a specific entity, for a
specific purpose



Appropriated vs Funded

Being *in the Act*
is NOT the same as
receiving funding



Appropriations versus Funding

Appropriations Authority to Receive Funding

CORRECTED COPY - ENROLLED

2019 Regular Session

HOUSE BILL NO. 2

BY REPRESENTATIVE ABRAMSON

ACT No. 20

1 AN ACT

2 To provide with respect to the capital outlay budget and the capital outlay program for state
3 government, state institutions, and other public entities; to provide for the designation
4 of projects and improvements; to provide for the financing thereof making
5 appropriations from certain sources; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. The following sums or so much thereof as may be necessary are hereby
8 appropriated out of any monies in the state treasury from the sources specified, from federal
9 funds and self-generated revenues belonging to the state of Louisiana and/or collected by
10 boards, commissions, departments, and agencies thereof, all for making capital outlay and
11 for the purposes and in the amounts specified herein for the Fiscal Year commencing July
12 1, 2019, and ending June 30, 2020, subject to the conditions thereafter provided:

Funding Commitment of funds




General Obligation Bonds



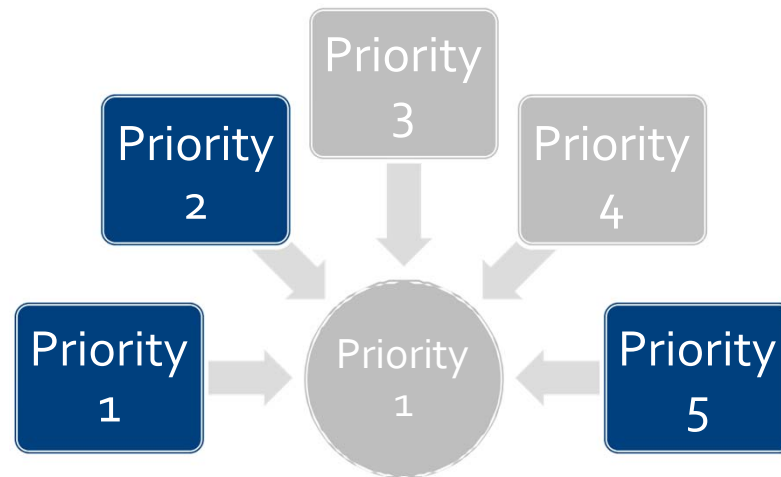
General Obligation Bond Appropriations

General Obligation Bonds

- Priority 1 | Cash Appropriation | Reauthorized
 - Priority 2 | Cash Appropriation | New
 - Priority 3 | Cash Appropriation | New
 - Priority 4 | Cash Appropriation | New
 - Priority 5 | Non-Cash Approp. | New / Reauth.
- 

Priority 1

Always a reauthorization of appropriations
with PRIOR lines of credit



Priority 2

New authorization for
CASH

To be spent in **the fiscal year of
the Act**



Priorities 3 and 4

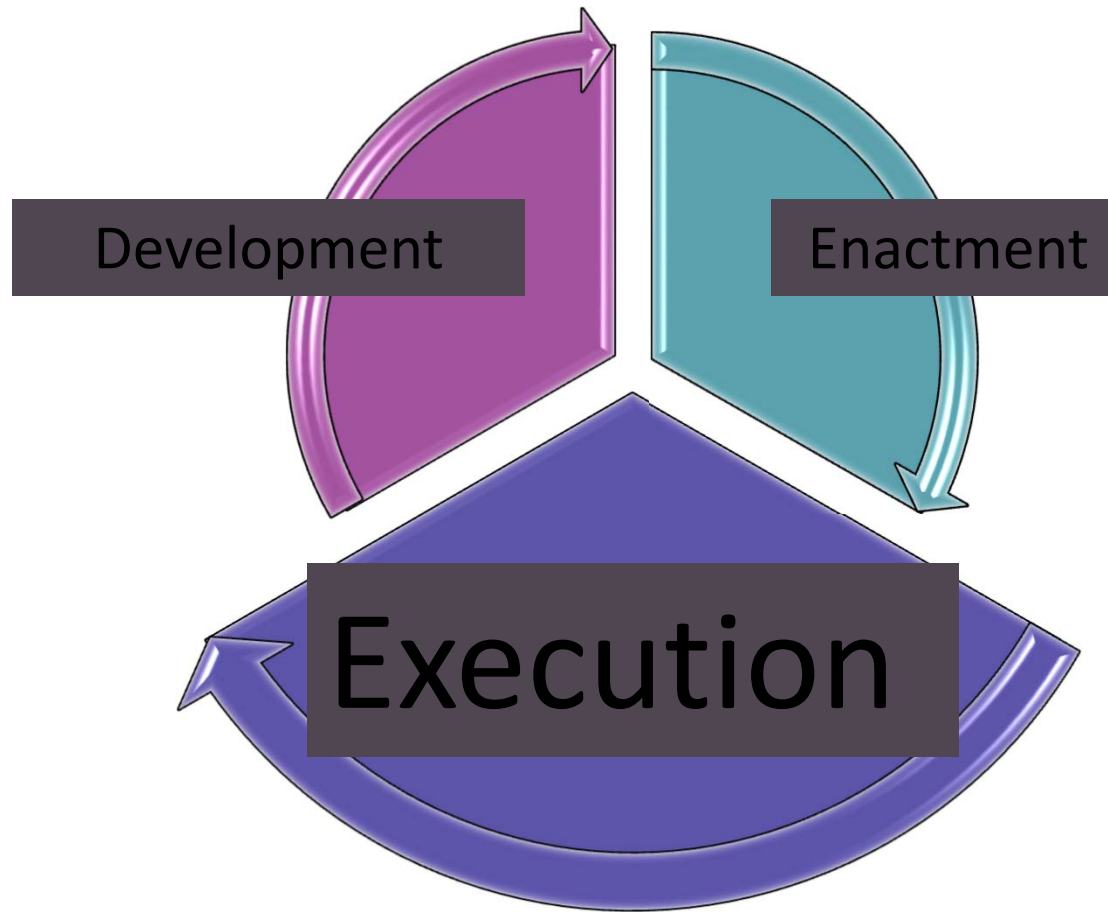
New authorization for
CASH
NOT to be spent in **the**
fiscal year of the Act

Priority 5

New or reauthorized
BUDGET AUTHORITY

Can only be granted a
NONCASH line of credit






There isn't a quick check!



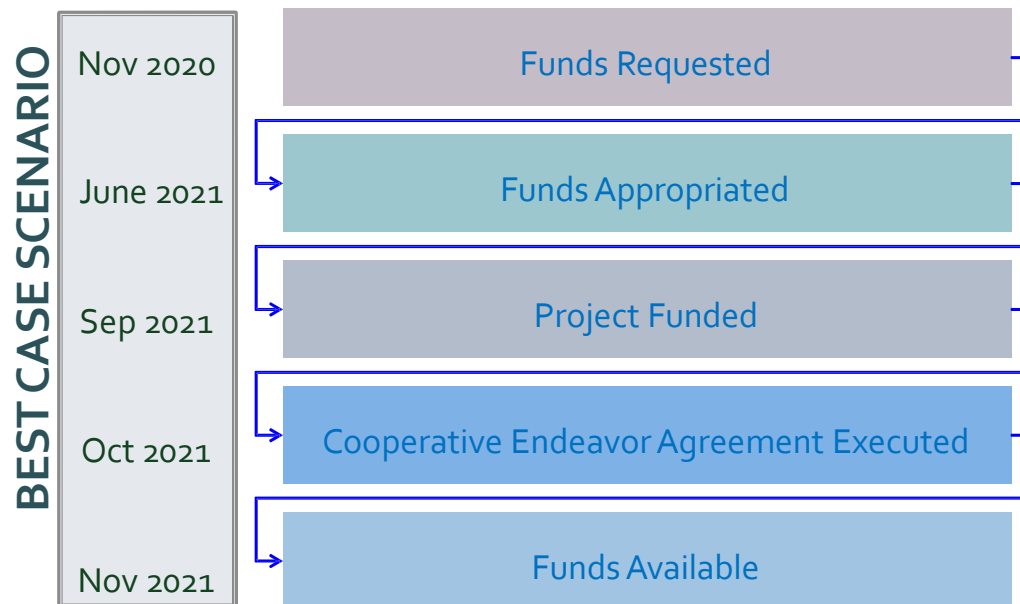
The Execution Phase

- The Execution Phase begins with the funding of appropriations contained in the Capital Outlay Act
- This phase includes obligating and expending the capital outlay funding
- Nonstate Entity Capital Outlay Projects are administered by the Office of Facility Planning and Control
- The FPC project manager is responsible for ensuring that the funds are expended in compliance with all statutory and contractual requirements

Cooperative Endeavor Agreements Moving Nonstate Entity Projects Forward

- Nonstate Entity projects are administered by FPC
 - Entities must enter into a contract with the State that defines the terms of the agreement that will allow the use of State funds for the project
 - This contract is called a Cooperative Endeavor Agreement (CEA)
 - Entities must submit a completed CEA Data Form each year to provide the information needed for any updates or communications from FPC
- 

When do funds become available?



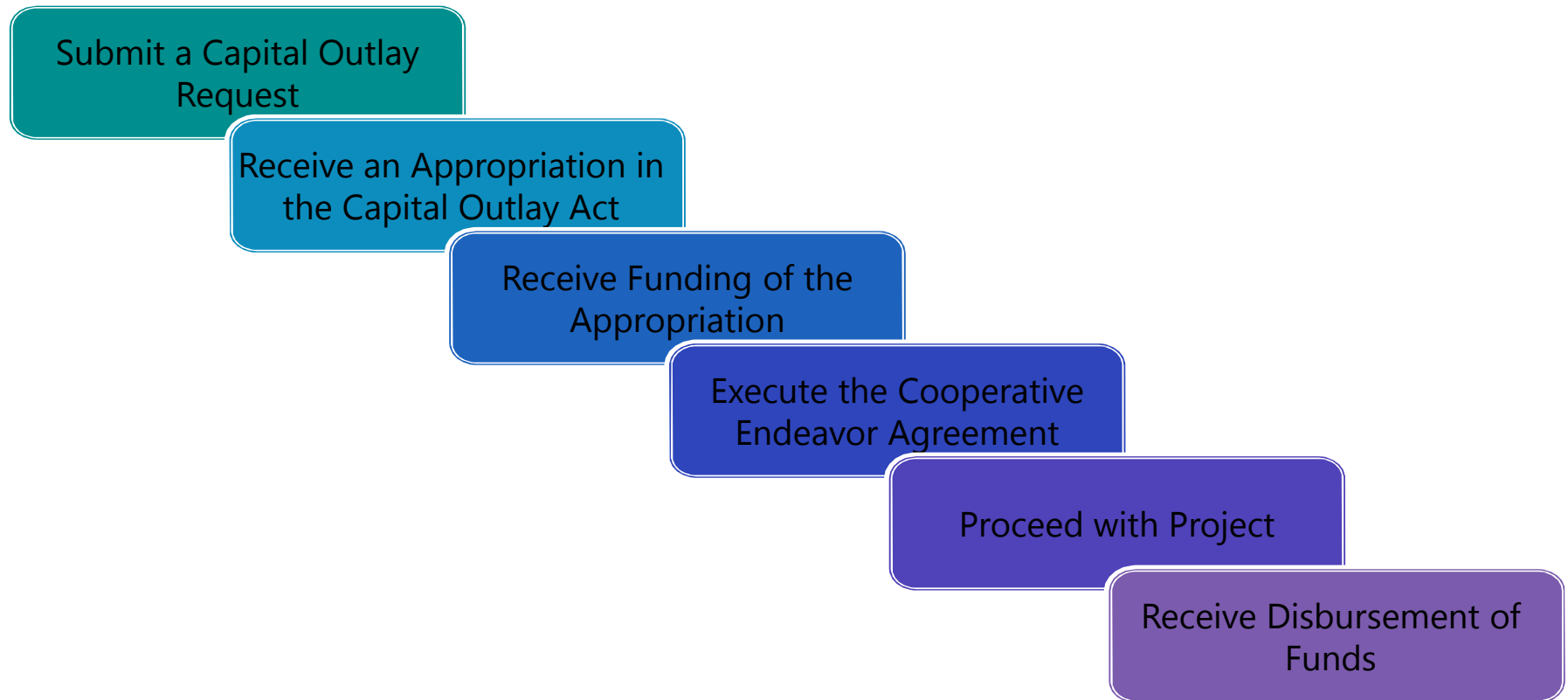
Plan Ahead




Capital Outlay is not designed to be a quick fix.



Advancing a Capital Outlay Project



What to Expect After the Legislative Session

- Appropriations Memos are distributed
 - General Obligation Bond appropriations are considered for funding
 - Lines of Credit are granted by the State Bond Commission
 - Notification of Line of Credit Status Memos are distributed
 - Cooperative Endeavor Agreement (CEA) documents are generated and executed
- 

Contact Capital Outlay Staff

- <http://www.doa.louisiana.gov/fpc/fpc.htm>
- Email: CapitalOutlay@la.gov
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