

LSC Greenbook

Analysis of the Enacted Budget

Ohio Higher Educational Facility Commission

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Ohio Higher Educational Facility Commission

- Non-GRF agency; funding is entirely provided by fee revenue

OVERVIEW

Agency Overview

The Higher Educational Facility Commission (HEFC) was established in 1968 to help independent nonprofit colleges and universities obtain construction capital. In 2007, the Commission began issuing bonds on behalf of nonprofit hospitals and health care systems as well. The Commission is comprised of nine members, including the Chancellor of the Board of Regents, who serves permanently, and eight others who are appointed by the Governor and serve eight-year terms. The Commission receives no General Revenue Fund money; it is supported entirely by fee revenue.

By issuing tax-exempt bonds, the Commission assists eligible independent nonprofit hospitals and institutions of higher education in financing the construction, renovation, and rehabilitation of their educational and medical facilities. The bonds issued by the Commission are held by the state. However, the colleges, universities, or hospitals for which the bonds are issued make all of the principal and interest payments.

Appropriation Overview

Agency Appropriations by Fund Group, FY 2013-FY 2015 (Am. Sub. H.B. 59)					
Fund Group	FY 2013*	FY 2014	% change, FY 2013-FY 2014	FY 2015	% change, FY 2014-FY 2015
General Services	\$14,663	\$12,500	-14.8%	\$12,500	0.00%
TOTAL	\$14,663	\$12,500	-14.8%	\$12,500	0.00%

*FY 2013 figures represent actual expenditures.

The budget provides \$12,500 in each fiscal year for the Commission. These funds are used to reimburse the actual expenses incurred by the members of the Commission including travel, parking, and some other incidental expenses. The Commission receives no General Revenue Fund money; it is supported entirely by fee revenue.

ANALYSIS OF ENACTED BUDGET

The following table shows the funding for HEFC in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used.

Appropriations for the Higher Educational Facility Commission				
Fund	ALI and Name		FY 2014	FY 2015
Agency Fund Group				
4610	372601	Operating Expenses	\$12,500	\$12,500
Agency Fund Group Subtotal			\$12,500	\$12,500
Total Funding: Higher Educational Facility Commission			\$12,500	\$12,500

Commission Expenses (372601)

The funds appropriated for this item are used to reimburse the actual expenses incurred by the members of the Commission, including personal travel, parking, professional development, and incidental fees. Funds also support the Commission's membership in the National Association of Health and Educational Facilities Finance Authorities. In FY 2015, some funds may also be used to support a state audit. The Commission usually meets once a month and members receive no compensation for their services.

Although the Commission is a state agency with general administrative powers, it currently operates without a separate staff or permanent offices. Instead, it has elected to rely upon bond counsel (paid by the entities for which the bonds are issued) and the day-to-day administrative support of the Board of Regents. The budget authorizes a transfer of up to \$29,100 in each fiscal year from the Commission's Agency Fund (Fund 4610) to the HEFC Administration Fund (Fund 4E80) used by the Board of Regents to pay for the administrative costs of the Commission. This administrative support includes accounting and recordkeeping, scheduling and coordinating Commission meetings and project applications, and preparing the Commission's annual report. The Commission reimburses the Board of Regents for the cost of these services.

HEF.docx/jc

FY 2014 - FY 2015 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Appropriation	FY 2013 to FY 2014	Appropriation	FY 2014 to FY 2015		
			FY 2012	FY 2013	FY 2014	% Change	FY 2015	% Change
Report For Main Operating Appropriations Bill			Version: Enacted					
HEF Ohio Higher Educational Facility Commission								
4610	372601	Operating Expenses	\$ 9,196	\$ 14,663	\$ 12,500	-14.75%	\$ 12,500	0.00%
Agency Fund Group Total			\$ 9,196	\$ 14,663	\$ 12,500	-14.75%	\$ 12,500	0.00%
Ohio Higher Educational Facility Commission Total			\$ 9,196	\$ 14,663	\$ 12,500	-14.75%	\$ 12,500	0.00%