

LSC Greenbook

Analysis of the Enacted Budget

Ohio Higher Educational Facility Commission

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ATTACHMENT:
 Budget Spreadsheet By Line Item

Ohio Higher Educational Facility Commission

- Non-GRF agency; funding is entirely provided by fee revenue
- Issued \$1,567.7 million in bonds in FY 2010

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.

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 2011-FY 2013 | | | | | |
|--|-----------------|-----------------|------------------------------|-----------------|------------------------------|
| Fund Group | FY 2011* | FY 2012 | % change, FY 2011-FY 2012 | FY 2013 | % change, FY 2012-FY 2013 |
| General Services | \$11,064 | \$12,500 | 12.98% | \$12,500 | 0.00% |
| TOTAL | \$11,064 | \$12,500 | 12.98% | \$12,500 | 0.00% |

*FY 2011 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.

| Appropriated Amounts for the Higher Educational Facility Commission | | | | |
|--|---------------------|--------------------|-----------------|-----------------|
| Fund | ALI and Name | | FY 2012 | FY 2013 |
| 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 appropriation item will be used to reimburse the actual expenses incurred by the members of the Commission, including personal travel, parking, professional development, and incidental fees. 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.

FY 2012 - FY 2013 Final Appropriation Amounts

All Fund Groups

| Line Item Detail by Agency | | | FY 2010 | FY 2011 | Appropriations FY 2012 | FY 2011 to FY 2012 % Change | Appropriations FY 2013 | FY 2012 to FY 2013 % Change |
|--|--------|--------------------|-------------------------|------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| Report For Main Operating Appropriations Bill | | | Version: Enacted | | | | | |
| HEF Ohio Higher Educational Facility Commission | | | | | | | | |
| 4610 | 372601 | Operating Expenses | \$ 6,586 | \$ 11,064 | \$ 12,500 | 12.98% | \$ 12,500 | 0.00% |
| Agency Fund Group Total | | | \$ 6,586 | \$ 11,064 | \$ 12,500 | 12.98% | \$ 12,500 | 0.00% |
| Ohio Higher Educational Facility Commission Total | | | \$ 6,586 | \$ 11,064 | \$ 12,500 | 12.98% | \$ 12,500 | 0.00% |