

SUCF UPDATE

Presented by the
State University Construction Fund
at the

PPAA Winter Conference

January 25, 2017



State University
Construction Fund

CAPITAL BUDGET

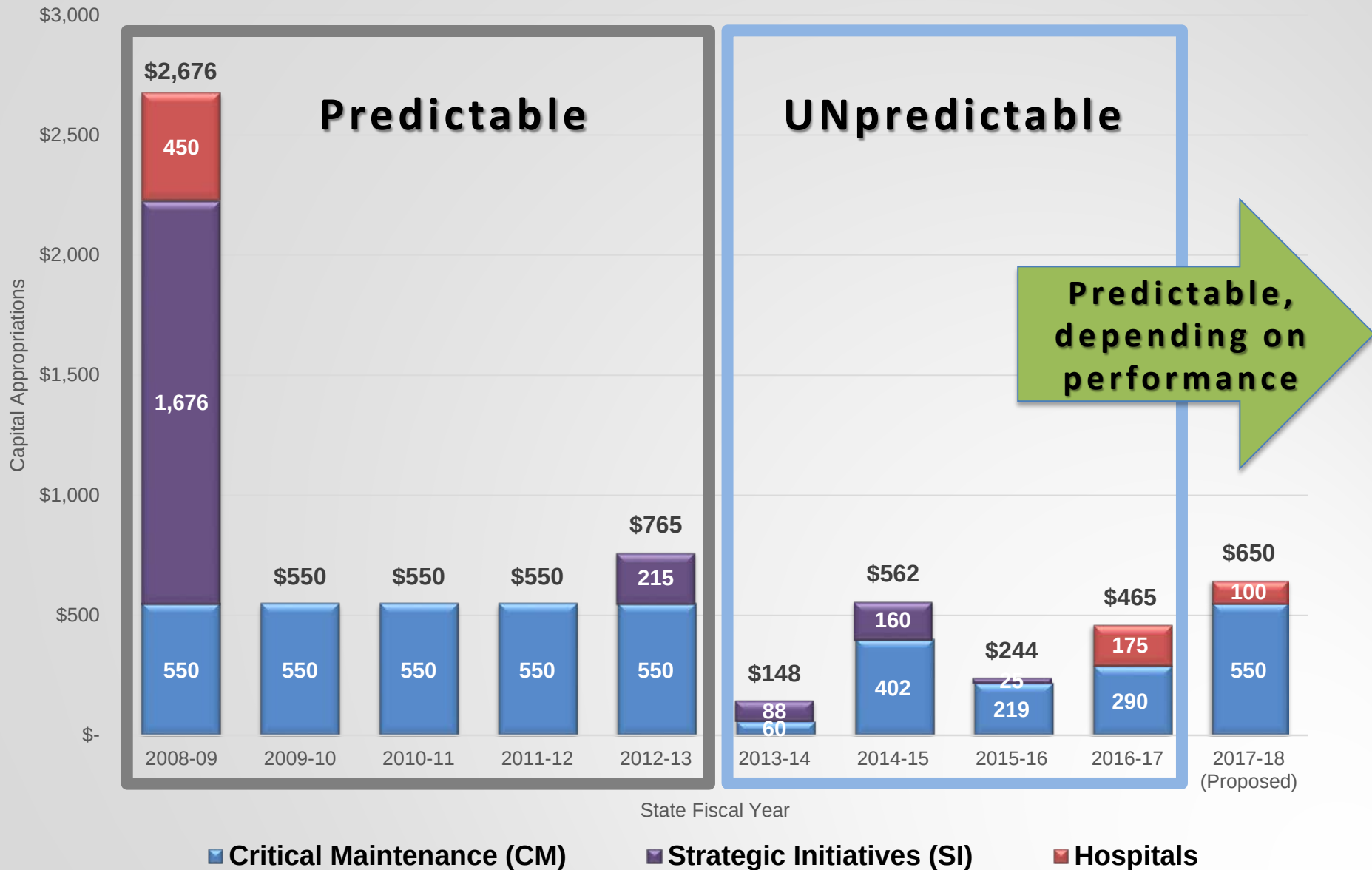
SUMMARY OF THE BUDGET REQUEST & EXECUTIVE BUDGET

Program	2017/18 Request	2017/18 Executive Budget	5-Year Request	5-Year Executive Budget
Educational Facilities	\$800.0	\$550.0	\$4,000.0	\$2,750.0
Hospitals	600.0	100.0	600.0	100.0
Residence Hall	0.0	0.0	200.0	200.0
Community Colleges (State Share)	81.5	53.1	401.5	213.1
TOTAL	\$1,481.5	\$703.1	\$5,201.5	\$3,263.1

MULTI-YEAR CAPITAL PLAN

- **\$550.0M** in critical maintenance funding for 2017/18
 - **\$153.4M** is allocated to each State-operated/statutory campus
 - **\$396.6M** is provided in a lump sum for priority critical maintenance projects
- **\$2.75B** planned over five-years, subject to the approval of the Legislature each year

SUNY EDUCATIONAL AND HOSPITAL CAPITAL APPROPRIATIONS HISTORY



WHY THE INCREASE? WHY THE LUMP?

WHY \$550M?

Increase Due To:

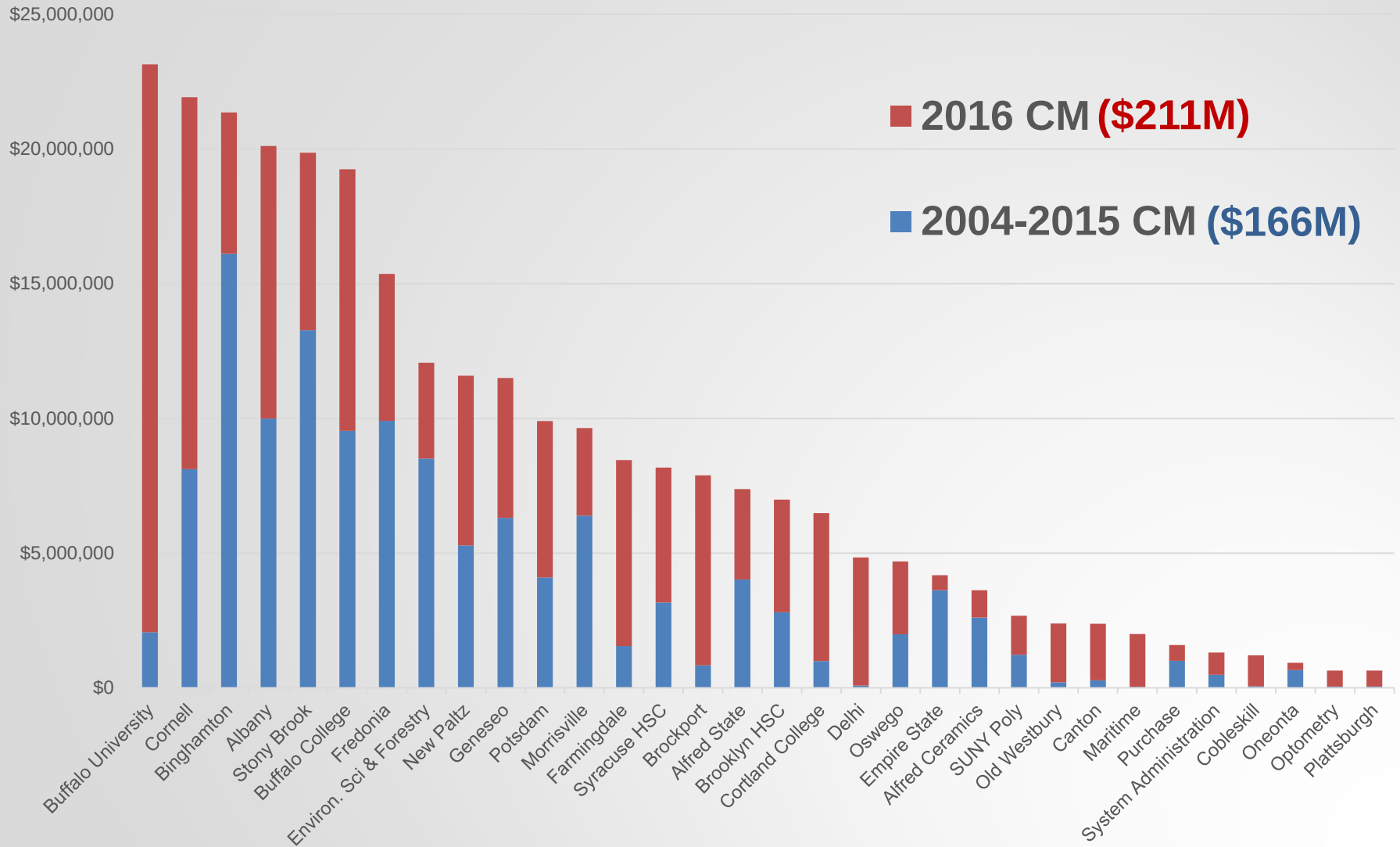
- Spend-down of prior year appropriations
- Limited impact on State bond cap
- Advocacy

Lump Facilitates:

- Allocation formula disadvantages smaller campuses
- Centralized decision-making to address highest priority needs
- Tighter control of spending
 - Reduction of \$175M in spending authority over 4 years
 - \$600M annual spending target must accommodate \$550M in new appropriations, plus spend down of \$2B in reappropriations
- \$550M - the last validated number

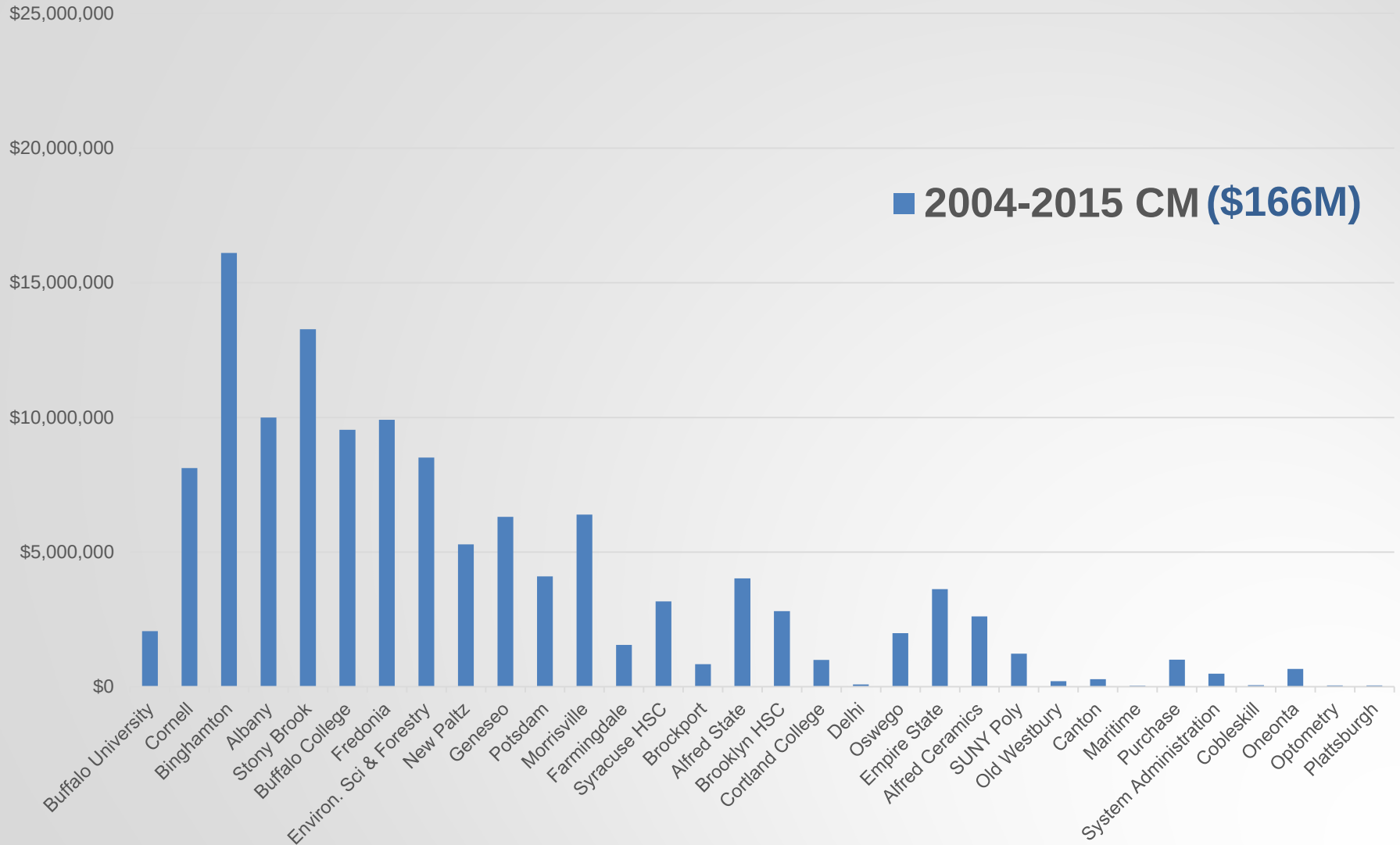
TOTAL CM FUNDS NOT UNDER CONTRACT

\$377M not under contract as of January 11, 2017

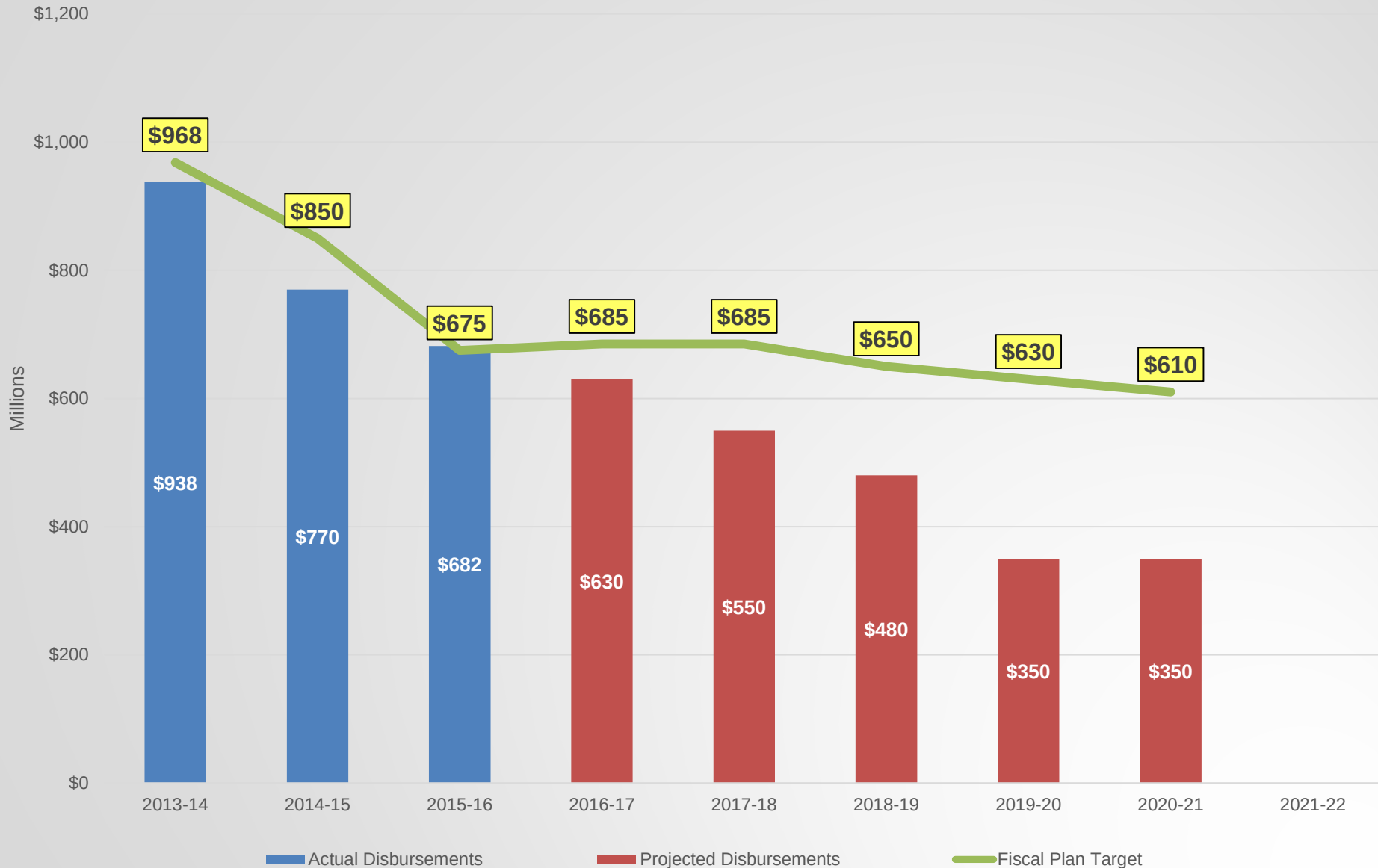


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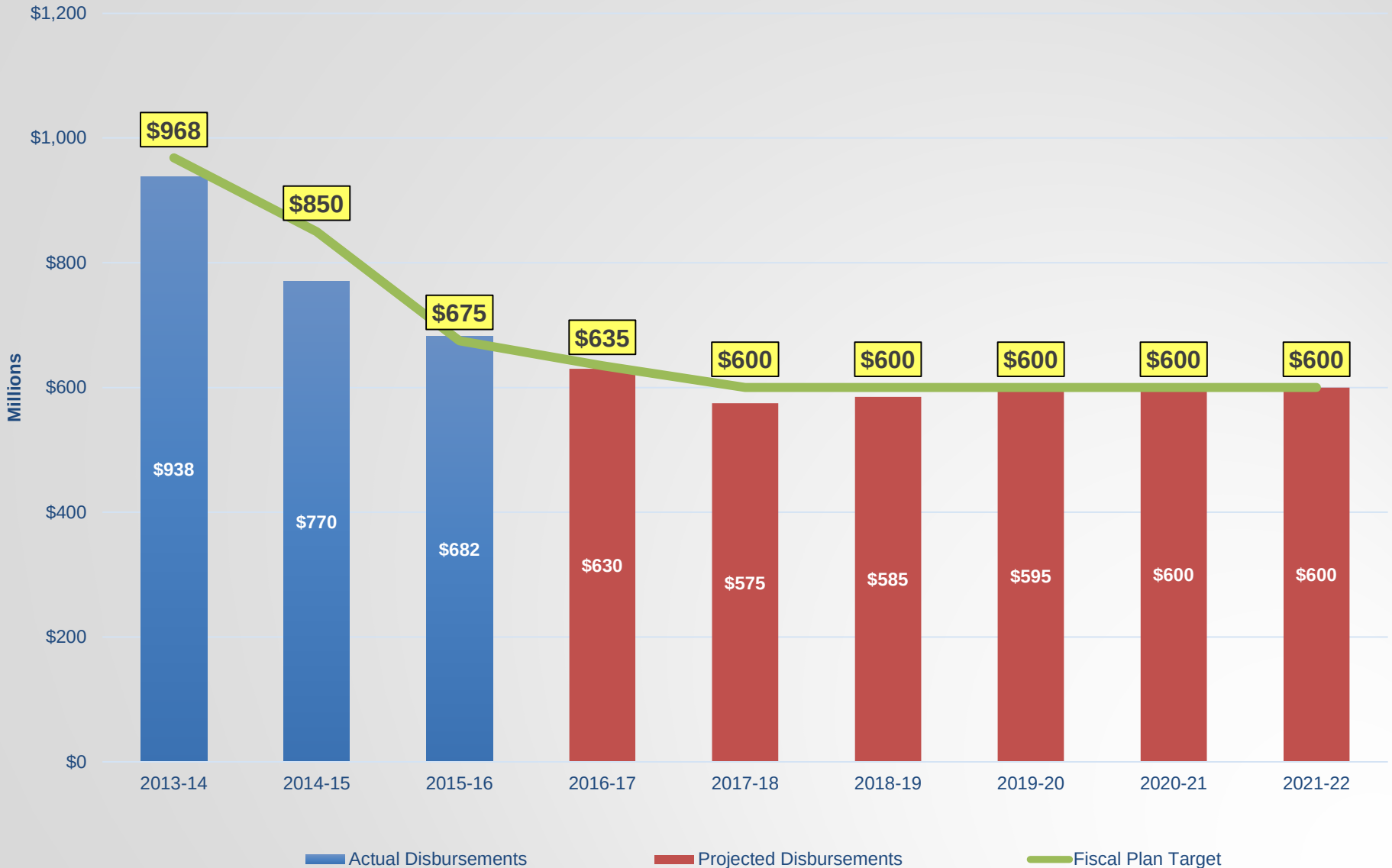
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PROJECTED SPENDING FAR BELOW TARGETS... BEFORE THE EXECUTIVE BUDGET

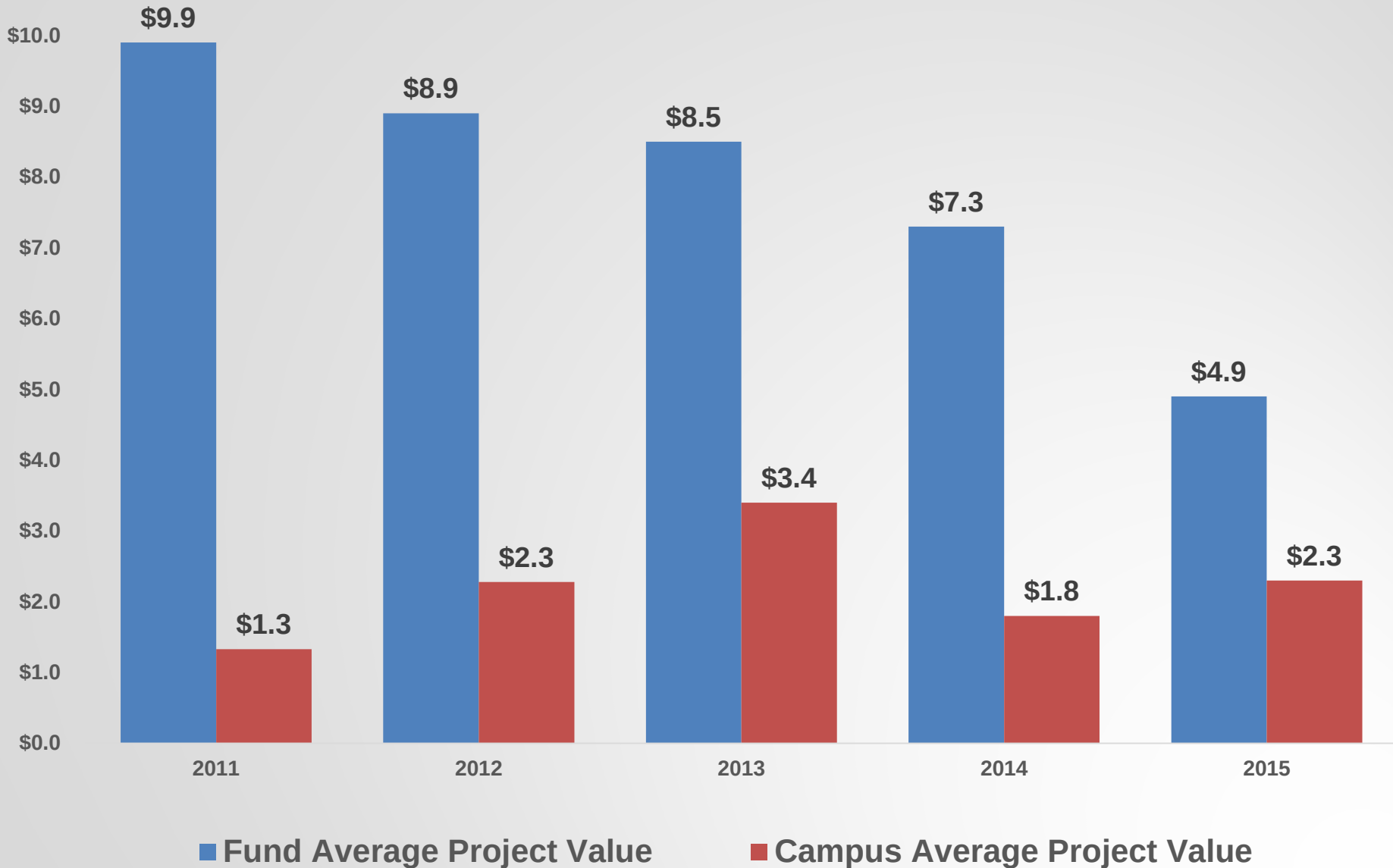


PROJECTED SPENDING AT TARGETS... AFTER THE EXECUTIVE BUDGET



AVERAGE PROJECT VALUE, 2011-2015

Millions



OTHER BUDGET HIGHLIGHTS

- **\$55M** provided through Empire State Development to support a seventh round of SUNY 2020 Challenge Grants
- **\$150M** again provided for Regional Economic Development Council grants
- Language has been included authorizing the use of “Design/Build” contracts. Also extended for all State Agencies and Public Authorities
- Free undergraduate tuition at SUNY and CUNY





BUILDING THE FOUNDATION FOR NEW YORK'S FUTURE

Requires a 2017 to 2022 Multi-Year Capital Plan

STRONGER TOGETHER.

THE STATE UNIVERSITY
DRIVES THE ECONOMY,
STRENGTHENS OUR
COMMUNITIES, AND
BUILDS OUR FUTURE.

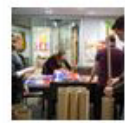
Association of Council Members & College Trustees
University Faculty Senate

ABC of the Triple Cities
ACEC NY (American Council of Engineering Companies, New York State)
AGC NYS (Associated General Contractors, New York State)
AIA NYS (American Institute of Architects, New York State)
AMENY (A ssoiation of Minority Enterprises of New York)
BCA of Westchester
CCA of the Hudson Valley
Construction Exchange of Buffalo & Western New York
Construction Industry Council
ECA (Eastern Contractors Association)
Mohawk Valley Builders Exchange
NESCA (Northeastern Subcontractors Association)
New York State Economic Development Council
Northern New York Builders Exchange
NYBC (New York Building Congress)
Rochester Builders Exchange
Southern Tier Builders Association
Syracuse Builders Exchange

ADVOCACY 2017/18 REQUEST

CURRENT ENVIRONMENT

ER IN THE 4-0
let Misses Its Mark,
Then Takes a Fatal
ur



New Yorkers Pitch In to
Aid the Women's March



Scientists Glimpse New
York's Perilous Path in an
Ancient Patch of Marsh



Cities in New York
Advised How to Buck a
Trump Deportation Push

PAID POST: NORTHERN TRUST
You Can Feel Good And Make
Money

Lapses by CUNY Officials Made System 'Ripe for Abuse,' Report Says

By DAVID W. CHEN NOV. 15, 2016



Shoddy oversight and ineffective management at the [City University of New York](#) have created a system "ripe for abuse" that has potentially siphoned money away from needy students and crucial campus projects, according to a report released on Tuesday by the New York State inspector general.

The inspector general also found that decentralization at CUNY, the largest public urban university in the country, has enabled the presidents of individual colleges to dole out money or benefits to top officials "with no meaningful accountability." At [Brooklyn College](#), for instance, discretionary funds were used by the college president to pay a part-time housekeeper \$36,000 a year, as well as for a retirement party that cost \$35,000.

[The report](#), which the inspector general's office called an interim review, represents the first formal response to a request made last month by [William C. Thompson Jr.](#), the chairman of CUNY's Board of Trustees and the former New York City comptroller, for a systemwide investigation of "all of the college foundations, alumni associations or other affiliated entities."

RELATED COVERAGE



A Divisive President at City College
Long List of Personal Expenses



CUNY Leader's Retirement Came
Paid Sabbatical and Teaching Job
JUNE 14, 2013

THE CONSEQUENCES

- Expanded Inspector General jurisdiction
Greater oversight of nonprofits and foundations created for the benefit of, or controlled by, SUNY or CUNY
- Chief Procurement Officer
State-wide, not specific to SUNY/CUNY



NEW YORK STATE LABOR MARKET TRENDS

NYS LABOR MARKET TRENDS

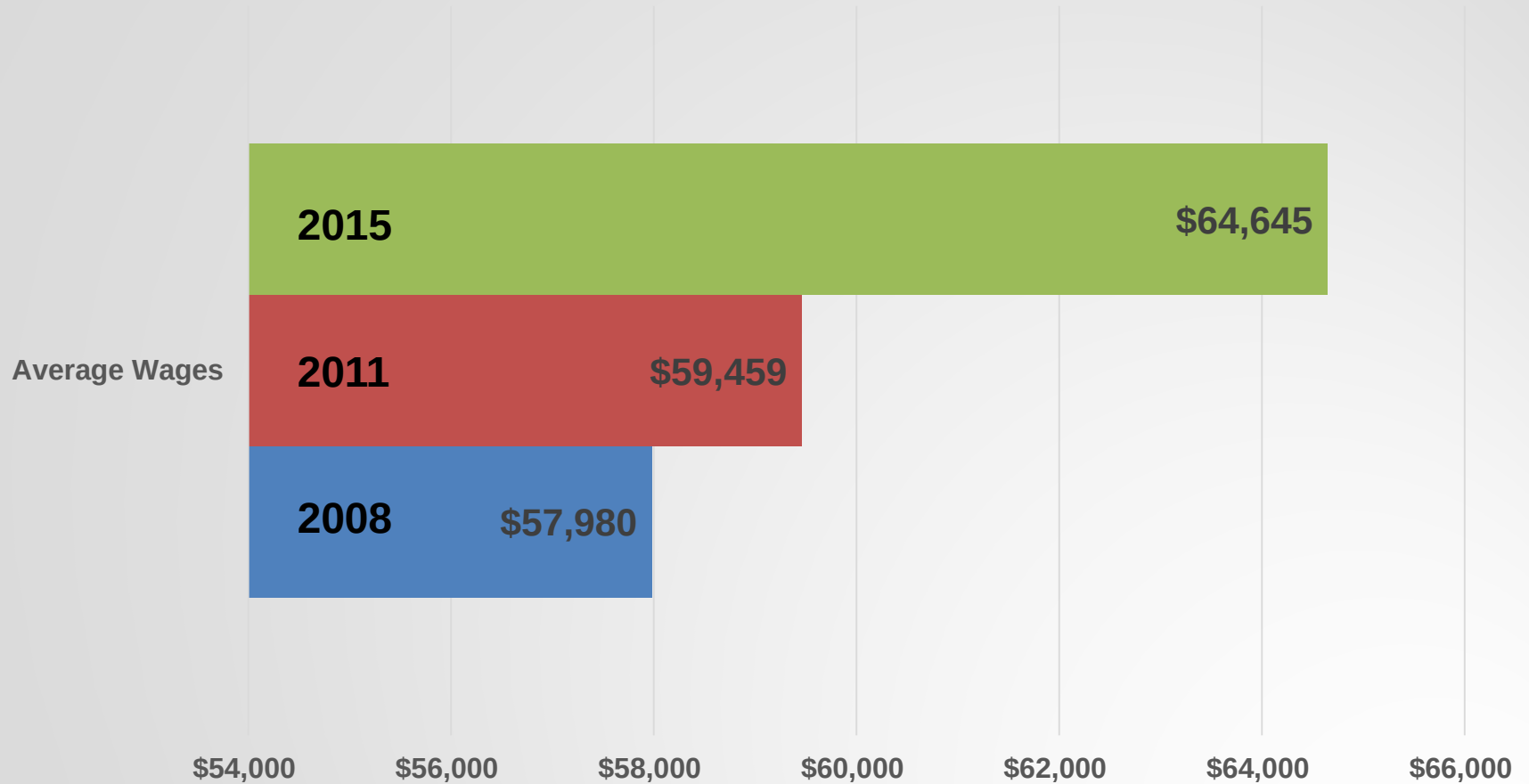
NYS Construction Employment*



*Source: USDOL BLS

NYS LABOR MARKET TRENDS

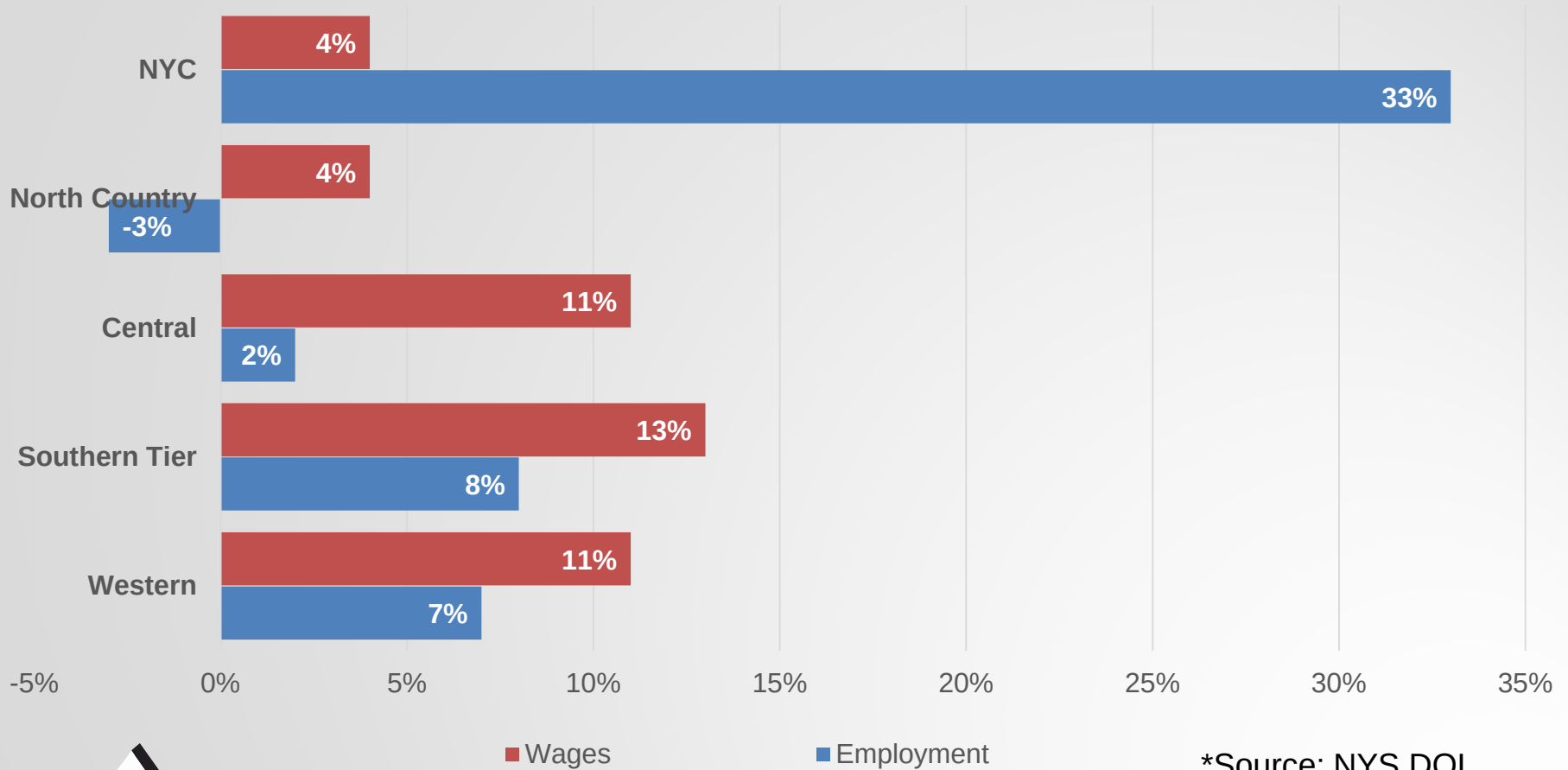
NYS Employment, Construction of Buildings



*Source: NYS DOL

NYS LABOR MARKET TRENDS

NYS Employment, Construction of Buildings Regional Changes 2011-2015



*Source: NYS DOL

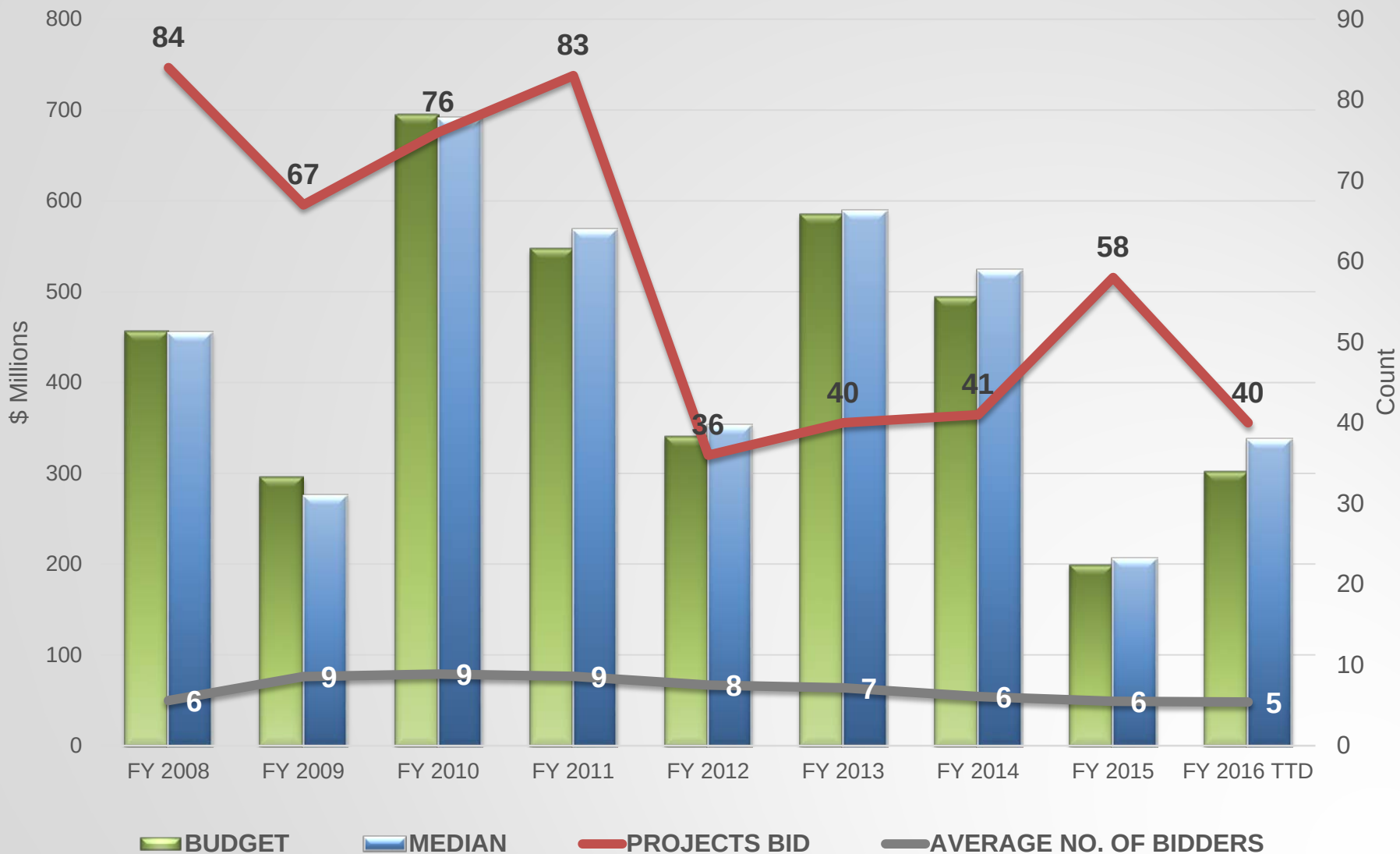
CONSTRUCTION FUND BID MARKET TRENDS

FUND CONSTRUCTION BID TRENDS

COMPARISON OF BUDGET V. MEDIAN BID

NUMBER OF PROJECTS BID

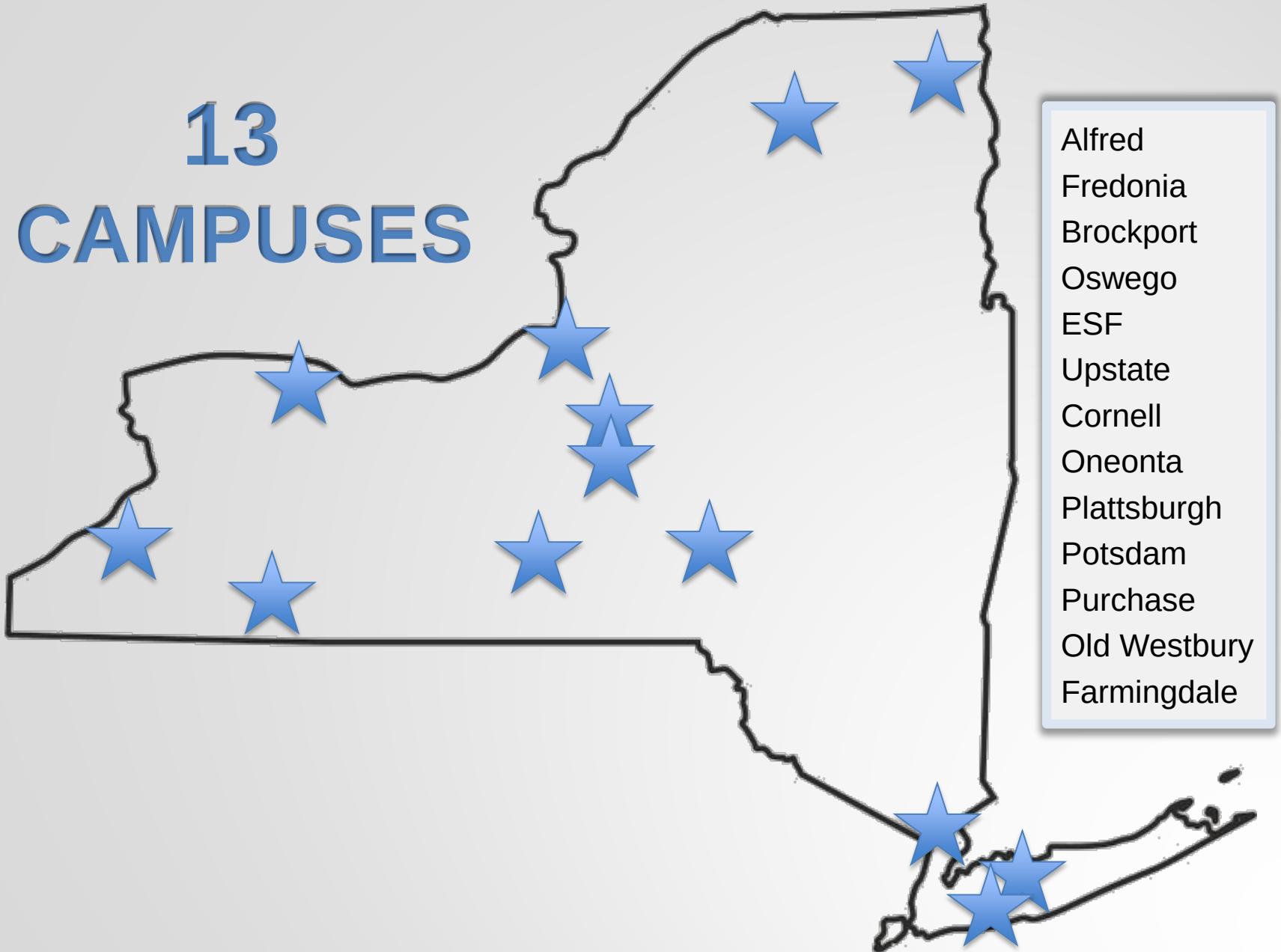
AVERAGE NUMBER OF BIDDERS PER PROJECT



POST OCCUPANCY

CAMPUSES VISITED & PROJECTS EVALUATED

**13
CAMPUSES**



COMMENTS, FEEDBACK, AND LESSONS LEARNED

Specific recommendations include:

- Staffing / Stakeholders
- Communication & Collaboration
- Project Management
- Contractor Selection
- Project Specifications
- Project Schedule and Timing



STRATEGIC INITIATIVES

- Life Cycle Modeling (AssetWORKS)
- Construction claims management and mitigation
- Campus planning tactics going forward
- Need Design-Build contract language
- Legislative advocacy



**This has been a collaborative effort.
We listened, you helped.**

This work will continue.

**Your continued help would be
appreciated.**

THANK YOU.



Questions?