

MICUA

Maryland Independent College
and University Association



Maryland Independent College and University Association

Capital Grant Process

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MICUA Minimum Requirements for Submitting a Capital Grant Request

- The capital construction and renovation project must meet State and MICUA eligibility criteria.
- The project must be included in the institution's facilities master plan.
- The project must be academic in nature.

MICUA Eligibility Requirements – Limitations

- An institution may not make a capital request earlier than three years after its last capital grant.
- An institution may request a capital project only after it has available all funds necessary to complete any previous State-supported capital project.
- An institution must provide evidence that the previous project will be completed and the State's funds will be fully drawn down before inclusion in the capital budget for a new project.
- MICUA does not support a capital project request from an institution with an interim or acting president.
- A college president must be in office for one year before requesting a capital grant.

MICUA Eligibility Requirements – Timing of Projects

- An institution must demonstrate its ability to begin the construction/renovation project within 1½ years of submitting the capital project request to the State.
- An institution must demonstrate its ability to provide certification of the matching funds within two years of the effective date of the capital budget.
- An institution must demonstrate its ability to complete draw down of all State funds within 3½ years of the effective date of the capital budget.

MICUA Eligibility Requirements – Funding Issues

- Before making a request to the State, an institution **must** have developed a financing plan to raise the remaining non-State funds needed to complete the project.
- An institution must obtain a resolution from the institution's governing board approving the project and financing plan.
- The request to the State may consist of **up to 49 percent** of the total project cost.
- The capital grant may not exceed **\$4 million**.
- The MICUA Capital Projects Committee considers several financial ratios when recommending a project for endorsement.

MICUA Eligibility Requirements – Administrative Capabilities

- An institution must independently have the capability to meet the procedural, technical, and substantive requirements for submitting a request to MICUA and the State for a capital improvement grant.
- An institution must designate an individual who will oversee the project and serve as the main contact person on the campus.

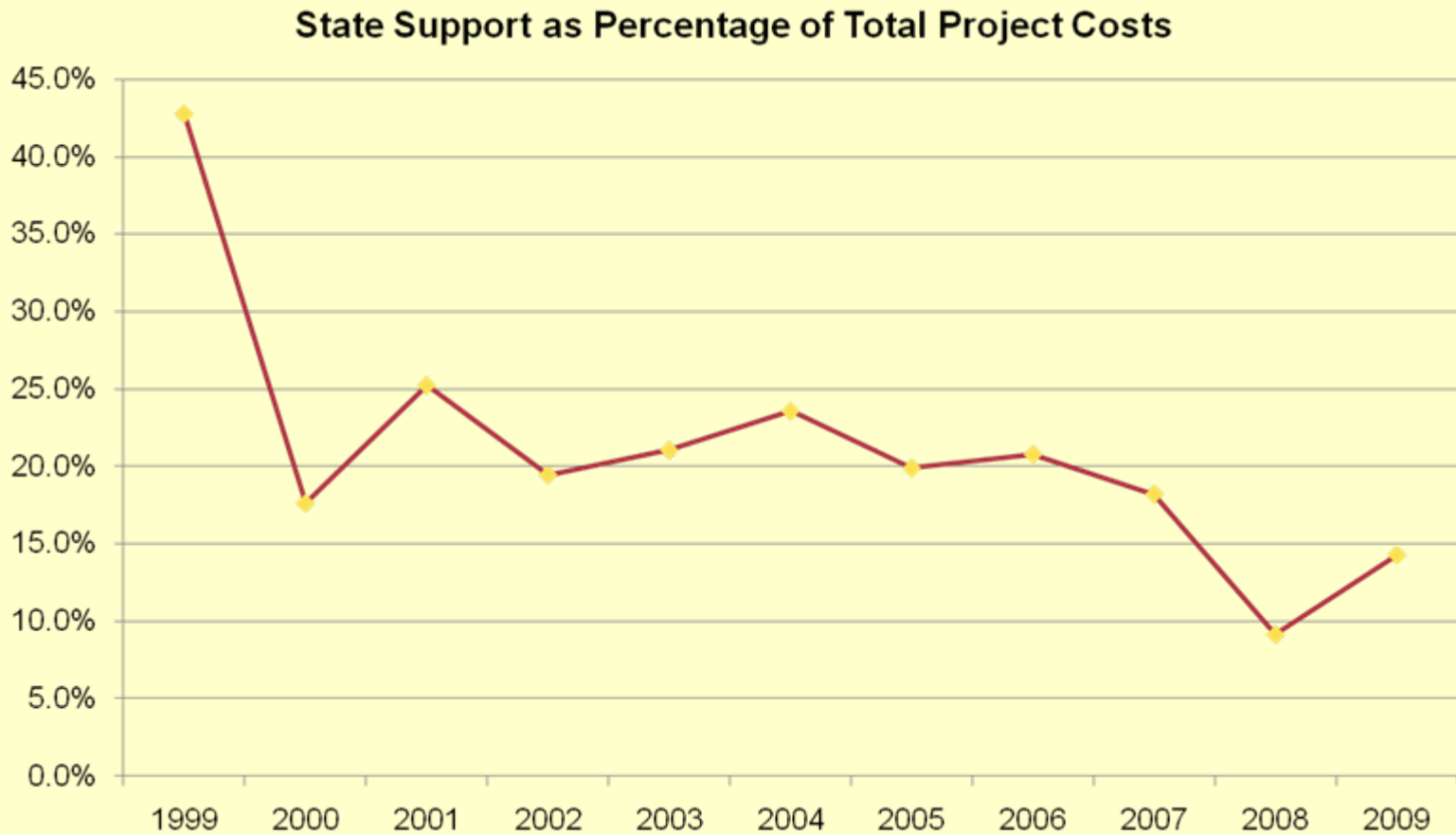
MICUA Selection Criteria

- Each MICUA project must be aligned with the higher education needs of the State.
- MICUA looks carefully at the timeline and merits of each project and may ask an institution to defer a project or submit an alternative project in a future year.
- MICUA gives priority to institutions that have not received capital grants in recent history.

State Support for MICUA Capital Improvement Grants

- In fiscal 2009, MICUA institutions received \$9 million from the State, which will leverage over \$100 million in private capital investments.
- State support for MICUA institutions covers an average of 15% of total project costs in fiscal 2009, compared to 43% a decade ago.
- Enrollment has increased, buildings are aging, and construction costs have risen rapidly over the past five years.

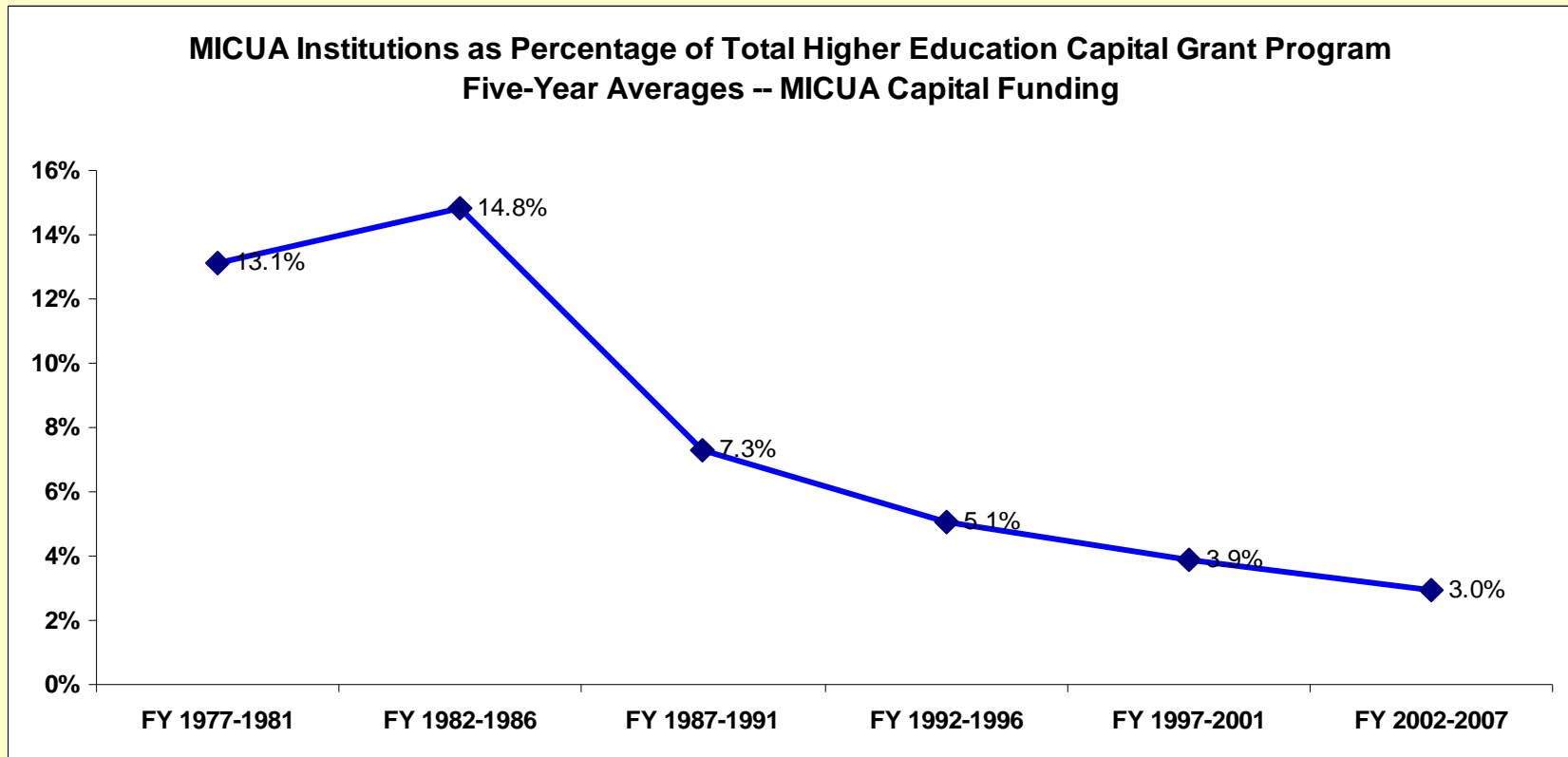
State Support for MICUA Capital Improvement Grants



State Support for MICUA Capital Improvement Grants

- The fiscal 2009 appropriation to MICUA institutions represents 3% of the higher education funds in the State capital budget.
- State support for MICUA institutions in the capital budget has decreased from a high of 15% in the 1980s.

State Support for MICUA Capital Improvement Grants



MICUA Backlog of State Capital Improvement Grant Requests

- MICUA institutions have identified nearly \$80 million in capital improvement requests over the next five years, with total project costs of more than \$400 million.
- Governor's CIP for MICUA is \$8 million annually, or \$40 million over five years.
- MICUA conducted a survey of its member institutions to identify deferred maintenance/facility renewal needs.
- MICUA institutions identified \$631 million backlog of deferred maintenance/facility renewal projects.