

## College Operating Procedures (COP)



**Procedure Title:** Funding Capital Needs  
**Procedure Number:** 04-0704  
**Originating Department:** Office of Financial Services

**Specific Authority:**

Board Policy 6Hx6:1.02  
Florida Statute FS 1013.61, 1031.64, 1013.65, 1009.23  
Florida Administrative Code 6A-14.0716

**Procedure Actions:** Adopted: 6/96; 1/10

**Purpose Statement:** The purpose of this procedure is to describe and define the methods of providing adequate funding for capital needs. The College recognizes that ensuring adequate funding for future capital needs is crucial to the on-going operations, providing a safe learning environment and keeping current with the latest technology trends.

---

**Guidelines:**

This procedure applies to the replacement of furniture, including both classroom and administrative, providing for technology enhancements/upgrades, capital improvement/replacement of buildings and infrastructure, preventative maintenance, safety and parking improvements

**Procedures:**

I. Definition:

For the purposes of this procedure capital is defined as those items that are not typically budgeted in the operating budget. These items include the replacement of furniture (classroom and administrative), upgrading technology equipment/software, capital improvements to building or infrastructure, i.e. renovating/remodeling of buildings, preventative maintenance, expenses related to safety and providing for parking needs.

II. Funding Sources:

A. Public Education Capital Outlay (PECO): Funds appropriated each year from the state to fund capital projects identified on the Capital Improvement Plan (CIP). These funds may be used for the renovation/remodeling of buildings or infrastructure, purchase of furniture and equipment, constructing a new building

and all the associated costs. Funds vary from year to year and are subject to reversion.

- B. SUM-OF-THE DIGITS (SOD): Funds appropriated each year by the state for purposes of repairs and maintenance. Funds may vary from year to year.
  
- C. Motor Vehicle License Tag Revenue (CO&DS): Funds are allocated by the state each year based upon a constitutional funding formula. Funds may be used for acquiring, building, constructing, remodeling, improving, enlarging, furnishing, equipping, maintaining, renovating or repairing capital projects that are identified on the Project Priority List (PPL). Funds may also be used to secure bonds.

III. Local Funding Sources:

- A. Capital Improvement Fee: Funds are derived from student fees and are restricted for capital improvements, technology enhancements, or equipping student buildings.
  
- B. Parking Fee: Funds are derived from student fees and are restricted for the use of parking improvements.
  
- C. Technology Fee: Funds are derived from student fees and restricted for technology enhancements or replacements for both hardware and software needs.
  
- D. Fund Balance Reserves: The College will reserve at a minimum \$500,000 annually from fund balance reserves. Funds will be transferred 30% to furniture/equipment and 70% to technology replacement funds as appropriate.
  
- E. Annual Surplus: Operating surplus funds may be transferred for funding capital needs. These funds will be transferred to either the furniture/equipment and technology replacement funds as appropriate. The Vice President, Financial Services will recommend to the Executive Vice President no later than July 31<sup>st</sup> of each year the amount to be transferred. All transfers from the unrestricted fund require board approval.