DOCUMENT RESUME

ED 263 836 HE 018 883

AUTHOR Racki, Joan; Reece, Joanne
TITLE Financing Higher Education Facility Needs in Idaho.
PUB DATE Apr 85
NOTE 55p.
AVAILABLE FROM University of Idaho, Department of Facility Planning, Moscow, ID 83843.
PUB TYPE Reports - Research/Technical (143)

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS *Campus Planning; *Capital Outlay (for Fixed Assets); *College Buildings; *College Housing; Dormitories; Educational Facilities; *Financial Support; Higher Education; Loan Repayment; Private Financial Support; School Space; State Aid; State Colleges
IDENTIFIERS Boise State University ID; Debt (Financial); *Idaho; Idaho State University; Lewis Clark State College ID; *Public Colleges; University of Idaho

ABSTRACT

Information on physical facilities of Idaho state colleges and universities and facility financing options for the State Board of Education is presented. While attention is focused on Boise State University, Idaho State University, University of Idaho, and Lewis-Clark State College, some of the options may be applicable to other state-supported institutions. For the four colleges, data are provided on gross square feet (GSF) and 1984 replacement value for three types of campus space: academic, auxiliary enterprise, and residences. In addition, a space inventory provides information for specific buildings on more than a dozen campuses, including the building function, construction date, GSF, replacement cost, and source of funds. Information is also provided on the outstanding building indebtedness for each of the campuses as of July 1, 1984. Included are the date the debt was initially incurred, source of funding for repayment, year when debt will be retired, and amount of original indebtedness. Also covered are student fees dedicated to cover costs of indebtedness for facilities construction at the four schools, and projected future facility needs. Methods used to finance the construction or remodeling of academic facilities in each of the 50 states are also identified. (SW)

FINANCING HIGHER EDUCATION

FACILITY NEEDS IN IDAHO

Presented to the Finance Committee

by

The Financial Vice Presidents

Mr. Dale R. Alldredge
Lewis-Clark State College

Mr. Philip H. Eastman
Idaho State University

Mr. David L. Mc Kinney
University of Idaho

Mr. Asa M. Ruyle
Boise State University

Material in report prepared by
Staff of Department of
Facility Planning
University of Idaho

Joan Racki
Joanne Reece

April, 1985

FINANCING HIGHER EDUCATION FACILITY NEEDS IN IDAHO

INTRODUCTION

The Finance Committee of the State Board of Education/Regents of the University of Idaho (board) is studying the issues and options associated with financing future physical facilities on the campuses of those higher education institutions under the board's control. While the scope of this study includes the alternatives related to financing capital needs of Boise State University, Idaho State University, University of Idaho, and Lewis-Clark State College, some of the options may also be applicable to other state-supported institutions and agencies. The purpose of this discussion paper is to provide some background information on facility needs and to define financing options that the Finance Committee may want to pursue.

Providing an adequate physical plant to support the teaching, research, and service missions of the universities and college has become a major problem in Idaho. The tasks involve adequately funding preventive maintenance programs that keep roofs, building structures, utility systems, etc., in good repair; replacing old and worn-out structures; upgrading existing buildings or spaces within buildings to support modern usage requirements; altering buildings to meet health, safety, and handicapped access requirements; modifying buildings and support systems to combat rising energy and other operating costs; as well as adding new facilities to support growing demand for educational services offered by the institutions. Past inadequate funding has caused deferrals of many of the above tasks, further compounding today's and future needs. Last fall, the board presented a $14 million capital improvement budget request to the state, dealing with many of the above needs. The capital requests of all state-supported agencies and institutions totaled over $36 million. Currently, the state has a dedicated fund, the Permanent Building Fund, of about $6 million to allocate among all of the needs. The objective of this paper is to identify and stimulate discussion about some options that the board and the state might consider in closing this funding gap.

Although funding for facilities maintenance and new construction have been commingled in recent state appropriations, the focus of this report is on the campuses' major capital improvement projects that address needs related to the replacement of old, obsolete facilities, the major upgrading and remodeling of existing facilities to support modern usage, and the construction of new facilities to meet growth demands. These kinds of needs are typically considered on an individual project basis and require significant funding outlays. Maintenance projects, while equally important, need to be addressed through the funding of operating budgets and are, thus, not discussed in this paper.

EXISTING FACILITIES AND FUNDING METHODS

Based upon data supplied by the State Division of Public Works and verified by the institutions, Boise State University, Idaho State University, University of Idaho, and Lewis-Clark State College have almost 8.2 million gross square feet of space. In 1984, the institutions estimated that the replacement costs of these facilities totaled slightly over $500 million.

Table I, below, summarizes the space inventory by campus. The campus space is divided into three functional categories: 1) academic--classrooms, laboratories, offices, libraries and other academic support facilities; 2) auxiliary enterprise--athletic, recreational, student unions, etc.; and 3) residences--single student residence halls, married student housing and associated food service facilities.

TABLE I
SUMMARY OF FACILITIES INVENTORY

	Gross Square Feet	1984 Replacement Value
Boise State University:		
Academic	991,826	58,613,764
Auxiliary Enterprise	660,727	42,900,183
Residences	291,405	14,333,231
Total	1,943,958	$115,847,178
Idaho State University:		
Academic	1,460,912	$ 83,244,592
Auxiliary Enterprise	472,551	25,947,989
Residences	468,456	20,136,668
Total	2,401,919	$129,329,249
Lewis-Clark State College:		
Academic	314,624	$ 23,279,553
Auxiliary Enterprise	47,095	1,957,668
Residences	26,212	1,778,009
Total	387,931	$ 27,015,230
University of Idaho:		
Academic		
Moscow	2,127,092	$153,569,748
Aberdeen	72,646	2,319,260
Caldwell	87,238	3,316,761
Kimberly	9,538	223,766
McCall	11,622	455,193
Parma	25,694	1,565,333
Sandpoint	3,150	93,502
Tetonia	38,458	941,426
Other	9,333	276,100
Subtotal	2,384,771	$162,761,089
Auxiliary Enterprise	403,556	22,577,909
Residences	677,004	43,446,817
Total	3,465,331	$228,785,815
Total System:		
Academic	5,152,133	$327,898,998
Auxiliary Enterprise	1,583,929	93,383,749
Residences	1,463,077	79,694,725
Total	8,199,139	$500,977,472

More complete information on campus facilities is contained in Appendix I. Each building is listed with its Division of Public Works identification code, location, function, year of construction, year of major remodeling or addition, 1984 replacement cost as supplied by the institution, gross square feet and source of funds for construction or acquisition. The source of funds used for construction of the very old buildings is difficult to discover. Consequently, the data in some instances may be incomplete.

As Appendix I indicates, the principal sources of construction or acquisition funds for the facilities on the four campuses have been state appropriated funds, bond indebtedness with the annual debt service cost being paid with student fees or income generated by the facility, and private gifts and donations. Income from room and board fees has financed in total or in part the construction of residence halls and married student housing on most of the campuses. Since income created by student housing facilities may continue to cover all or a partial share of the cost of construction of these facilties, further discussion of financing the expansion or replacement of student housing is not included in this report.

According to the data in Appendix I, the state apparently funded the construction or purchase of most academic facilities in the early years of the institutions. (A few of the older academic facilities in Appendix I will indicate nonstate funding because they were constructed originally as residence halls and subsequently converted to academic space. A number of buildings at Boise State University were constructed while the institution was a junior college.) A combination of state funds and indebtedness supported by student fees provided the funding for facilities such as libraries and auxiliary enterprise buildings. In the last several decades, it appears that the board has had to rely increasingly on indebtedness supported by student fees, and private gifts and donations to fund new facilities--academic as well as auxiliary enterprise. Appendix I makes a distinction between academic and auxiliary enterprise facilities not on the basis of the source of construction funds, but because board policy requires the operating budgets of the auxiliary enterprise facilities be supported from nonstate sources.

Prior to 1964, all academic facilities at the University of Idaho were constructed with state funds. Since that date, the University Classroom Center, the College of Law Building, the College of Education Building, and the major remodeling and addition to the Life Science Building currently under construction have all been financed in total or in part by indebtedness supported by student fees.

In addition to student fees used for debt service payments, income generated by an institutional asset may also be used for the payments. The only major example of this approach is at the University of Idaho where the university converted approximately 40 acres of farm land along the Moscow-Pullman highway to commercial use. A portion of the income from a lease agreement with the developers of the Palouse Empire Mall and University Inn-Best Western on the 40 acres was dedicated in 1983 to cover the debt service costs of financing half of the construction costs of the new Agricultural Engineering Building. State appropriated funds financed the other half of the building costs. The

conversion of existing institutional assets to income producing assets does seem to be one funding source for new facilities that the board could consider in the future, if such kinds of assets can be identified.

Appendix II provides some information about the outstanding building indebtedness for each of the campuses as of July 1, 1984. Included are the date the debt was initially incurred, source of funding for repayment, year when debt will be retired, amount of original indebtedness, and amount of debt still outstanding as of July 1, 1984.

The graph on the following page summarizes the bond indebtedness retirement schedule for academic and auxiliary enterprise facilities for each of the four campuses.

As a part of the mandatory student fee collected from full-time and part-time students, each campus allocates a specific amount to cover the annual debt service costs. Table II below provides some information about student fees dedicated to cover costs of indebtedness for facilities construction.

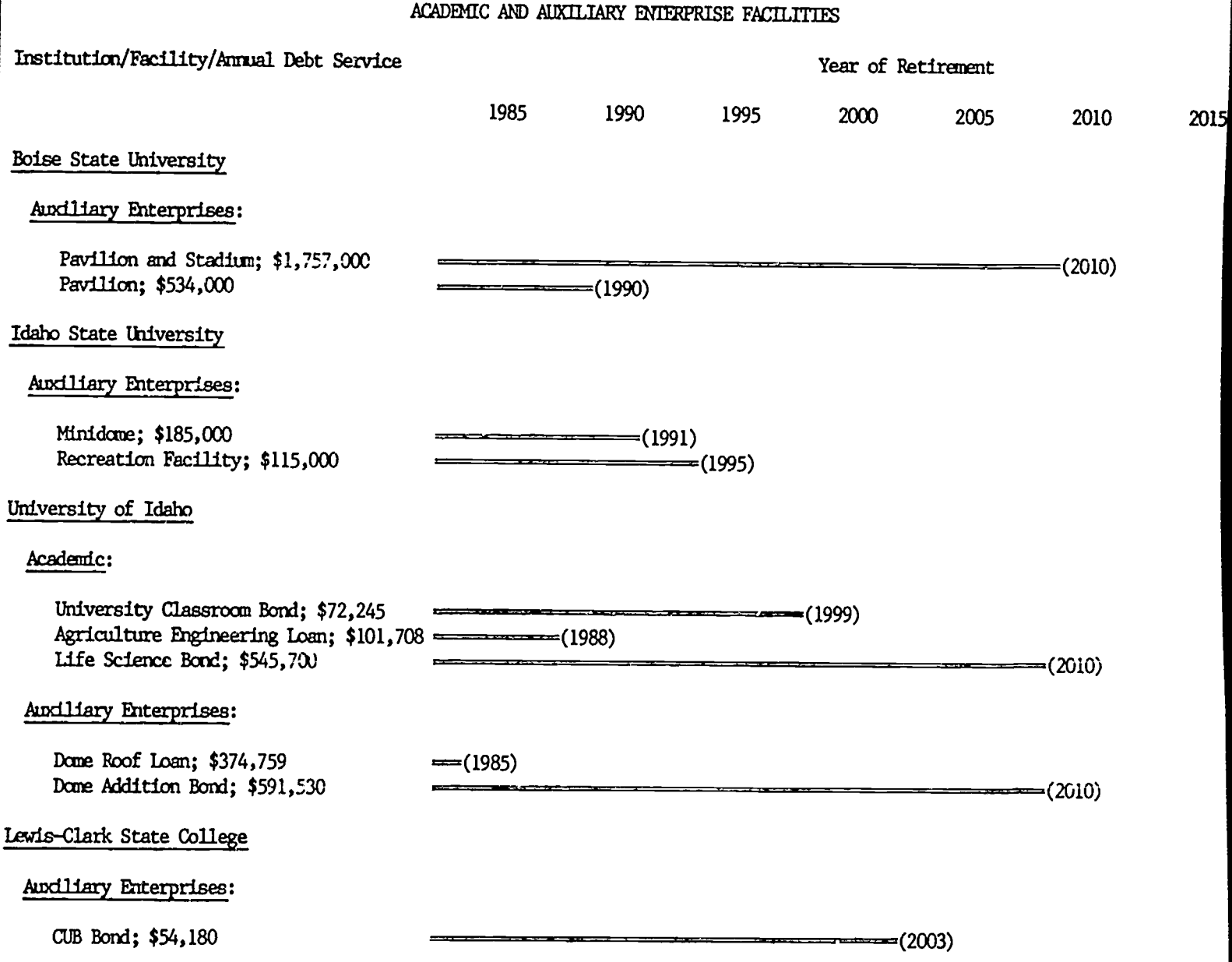
TABLE II
STUDENT FEE/DEBT SERVICE INFORMATION - FY 1985

	BSU	ISU	UI	LCSC
Full-time Fee: (per sem.)				
Total Fee	512.00	505.25	485.00	464.00
Institutional Maintenance Fee	235.00	235.00	235.00	235.00
Building Fee	118.00	73.50	108.25	67.00
% Bldg. Fee/Total Fee	23.0%	14.5%	22.3%	14.4%
% Bldg. Fee/Inst. Maintenance Fee	50.2%	31.3%	46.1%	28.5%
Part-time Fee: (per cr. hr.)				
Total Fee	56.00	47.50	50.50	47.50
Institutional Maintenance Fee	42.50	42.50	42.50	42.50
Building Fee	10.50	------	3.00	-----
% Bldg. Fee/Total Fee	18.8%	------	5.9%	-----
% Bldg./Inst. Maintenance Fee	24.7%	------	7.1%	-----
Total Building Fee Revenue Dedicated to Debt Service:	1,951,000	698,250	1,505,730	107,600
Total Annual Debt Service Obligation:	2,347,300	450,800	1,137,230	54,200
Ratio of Fee Revenue to Debt Service Obligation:	.83	1.55	1.32	1.98

At the University of Idaho, in addition to the building fees identified above, all full-time students pay $10 per semester into a Repair and Rehabilitation Fund used to help maintain the university's general recreational facilities. Part-time students contribute $.50 per credit hour to the same fund.

BOND INDEBTEDNESS RETIREMENT SCHEDULE

ACADEMIC AND AUXILIARY ENTERPRISE FACILITIES



Private donations have certainly been an important source in helping finance the construction of some buildings on the campuses. Without such generosity, it is highly unlikely that the campuses would be able to have such fine facilities as the Pavilion, Morrison Center, and Simplot-Micron Technology buildings at Boise State University; and the ASUI-Kibbie Activity Center, the Performing Arts Center, the remodeled classrooms in the Administration Building, and the considerable amount of land that directly supports the academic programs at the University of Idaho. Clearly, the support from private sources is an important resource available to the board for financing future facility needs on the four campuses.

FUTURE NEEDS

Although the purpose of this Finance Committee study does not include defining specifically all of the future facility needs of the four campuses, studying the means of financing future facility requirements necessitates a recognition that such needs exist. In 1950, the total square footage of all academic and auxiliary facilities on the four campuses was 1,837,344 gross square feet. Today the total is 6,736,062 gross square feet, an increase of 367%. In addition to this increase in the total amount of space on the campuses, several of the older buildings have gone through major remodeling. The future facility needs of the campuses can be expected to follow the historic pattern. New building requirements will be driven by growth in demand for the academic programs (enrollments), by the need to replace old buildings that can no longer be economically maintained, and by the special facility requirements created by a changing technology that must be presented in the classrooms and laboratories.

In 1950, the total enrollment of the four institutions was 5,772 students. The total academic and auxiliary enterprise space for the four campuses of 1,837,344 gross square feet was approximately 318 gross square feet/student. The 1984 fall enrollment for the system was 22,509 FTE students, an increase of 390% over 1950. The total academic and auxiliary enterprise space on the campuses today of 6,736,062 gross square feet is approximately 299 gross square feet/student. On an annualized basis, the four campuses together have averaged an annual enrollment growth of about 3.9% per year since 1950. During the same period, an average of 139,963 gross square feet of new space has been added each year.

Future enrollments in Idaho are forecasted to grow modestly over the next several decades. According to a study published in 1984 jointly by WICHE, TIAA-CREF, and The College Board titled "High School Graduates: Projections for the Fifty States (1982-2000)," the number of high school graduates in Idaho will increase about 22% from the years 1982 to 2000. The Western region, including Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming is projected to increase 19%; while the overall trend in the country is projected to be 9% downward. If these projections are reasonably accurate and the general state policies with respect to access to higher education are not changed significantly, by year 2010 the total enrollment in the Idaho system would be around 31,500 FTE students--an average annual growth rate of about 1.5% per year.

Transforming enrollment growth into additional facility space needs is not an exact science. Space needs will not change in direct relationship to enrollment change. Improved utilization of existing space, particularly classrooms and laboratories, by filling available stations and extending the hours of usage, helps to accommodate more students in the same amount of space. In the case of some of the auxiliary enterprise facilities like athletics, general recreation, student unions, etc., a wide range of student population can be accommodated before expansion of the facilities is necessary.

In 1950, the aggregate total academic and auxiliary enterprises space per student was 318 square feet per student. Today, that aggregate average is about 299 square feet per student. Assuming a continuing trend toward more efficient use of existing space and, thus, using 250 square feet per student as a basis for projecting new space needs based on enrollment growth, a total need of 7,875,000 gross square feet of academic and auxiliary enterprises space would be forecasted for the year 2010. This is an increase of 1,138,938 gross square feet. Assuming no change in auxiliary enterprises space needs over the next 25 years, the projected growth in enrollments would still create a need for approximately 1 million square feet of academic space. This also assumes a continuing trend in better utilization of existing space.

In addition to enrollment growth, the replacement of old buildings that are no longer economically feasible to operate or remodel will add to the need to construct or acquire replacement space. Also, some buildings that are still structurally sound can have their useful life extended by major renovation. Table III shows the age of all academic and auxiliary enterprise facilities on each of the four campuses.

TABLE III
AGE OF FACILITIES FOR THE FOUR CAMPUSES

	BSU	ISU	UI	LCSC	TOTAL
OVER 75 YEARS OLD:					
Academic:					
Square Feet	--	--	232,536	51,249	283,785
Percent of Total	--	--	9.8%	16.3%	5.5%
Auxiliary Enterprise:					
Square Feet	--	--	--	--	--
Percent of Total	--	--	--	--	--
51 - 75 YEARS OLD:					
Academic:					
Square Feet	480	81,834	341,197	81,198	504,709
Percent of Total	--	5.6%	14.3%	25.8%	9.8%
Auxiliary Enterprise:					
Square Feet	--	--	--	--	--
Percent of Total	--	--	--	--	--

	BSU	ISU	UI	LCSC	TOTAL
25 - 50 YEARS OLD:					
Academic:					
Square Feet	227,039	551,188	820,360	29,717	1,628,304
Percent of Total	22.9%	37.7%	34.4%	9.4%	31.6%
Auxiliary Enterprise:					
Square Feet	--	148,905	121,213	--	270,118
Percent of Total	--	31.5%	30.0%	--	17.1%
LESS THAN 25 YEARS OLD:					
Academic:					
Square Feet	764,307	827,890	990,678	152,460	2,735,335
Percent of Total	77.1%	56.7%	41.5%	48.5%	53.1%
Auxiliary Enterprise:					
Square Feet	660,727	323,646	282,343	47,095	1,313,811
Percent of Total	100.0%	68.5%	70.0%	100.0%	82.9%
TOTAL SPACE:					
Academic:					
Square Feet	991,826	1,460,912	2,384,771	314,624	5,152,133
Percent of Total	100.0%	100.0%	100.0%	100.0%	100.0%
Auxiliary Enterprise:					
Square Feet	660,727	472,551	403,556	47,095	1,583,929
Percent of Total	100.0%	100.0%	100.0%	100.0%	100.0%

Generally, the older a building is, the more difficult it is to maintain and support the functions for which it was originally designed. The mechanical and utility systems, particularly the air handling and electrical systems, are overloaded in meeting modern usage. In some cases, the nature of the basic structure limits its useful life. The older wood-frame buildings are particularly difficult to modify and modernize economically. At the same time, some of the oldest buildings on the campuses continue to serve certain programs very well. The oldest major academic building on the University of Idaho campus is Ridenbaugh Hall, constructed in 1901. A recent evaluation of that building showed that it is still structurally sound, but in need of a major remodel to make it more suitable for current campus space needs and to meet current life safety and handicapped access code requirements.

One of the major capital needs today in existing buildings is in those academic facilities that contain laboratories. The changed technology in laboratory materials and equipment creates demands on the facilities that they were not designed to support. In most instances, remodeling will not be economically feasible because of the need to reconstruct completely the mechanical and electrical systems in these buildings. A viable option is to convert these buildings or sensitive spaces within the buildings to less demanding uses, building new space only in the amount needed to replace the "high technology" laboratories. An example of this is the current Life Science Building project

on the University of Idaho Moscow campus. The cost of completely replacing the needed space was estimated to be about $20 million. By constructing an addition to the current building that will contain the highly sensitive teaching and research laboratories only and converting the vacated space in the existing building to much needed general classroom and office space, the total cost was reduced to $10,150,000.

Over the next 25 years, it could be estimated that at least a third of the current building space that, today, is over 50 years old will have to be replaced. In addition, because of the lack of adequate funds in recent years to keep current space, particularly classroom and laboratory facilities, up to modern standards, at least one million square feet of current classroom and laboratory space may need to undergo major renovation in the next decade or so. This represents about 40% of the total classroom and laboratory space on the four campuses today. Consideration should also be given to other components of the campuses' physical facilities such as the basic utility distribution networks, heating and cooling systems, streets and sidewalks, and all of the other systems that support the building on the campus. On the older campuses, some of these systems will need significant attention in the near future to counter their natural deterioration. In the aggregate, the board might anticipate the need to finance as much as the equivalent of 1.3 million square feet of academic space for either new construction to replace obsolete buildings or for major modernization projects on existing facilities.

Combining the estimated new space needs to support an anticipated enrollment growth over the next 25 years with the need to replace old, worn out buildings and modernize current facilities, it is estimated that new space requirements on the four campuses could total between 2.2 million and 2.6 million square feet. Today the costs of major remodeling are averaging near $75 per square foot. New laboratory type buildings are averaging over $125 per square foot for construction. Assuming an average cost of $100 per square foot, the total funding needs for additional space in the system could be as much as $260 million, in today's dollars, over the next 25 years.

The sum of $260 million of major facility needs over the next 25 years may seem unrealistically high. However, on a yearly basis, this assumes an average annual expenditure of about $11 million. For each of the last several years, the board's Permanent Building Fund request has exceeded that amount; and those requests were conservatively constructed in recognition of the limited funds available in the Permanent Building Fund.

Another test of the validity of the projected need is to use the building component life cycle cost concept as used by other public systems and independent institutions. That concept assumes an annual expenditure of 1-1½% of the replacement value for repair and major maintenance and about 2% for major facility improvements and expansion. A total of 3% of replacement value for these two categories of capital improvements would mean an annual expenditure on the four campuses of about $12.6 million each year for academic and auxiliary enterprise facilities.

Whatever criteria are used to project future facility expenditure requirements, it seems clear that a major need does exist. Furthermore, failing to address the needs today only compounds the problem in future years. The lack of adequate operating budget funding for preventive maintenance today creates major capital improvement projects of the future.

To give the Finance Committee an idea of the current facility planning that is occurring on the campuses, each institution has briefly identified some of of the proposed space requirements they are evaluating. Again, this discussion is not intended to develop detailed space needs that equate to the 2.6 million square feet that are projected above as needed over the next 25 years. That, however, is probably an exercise that should take place in concert with the study of financing new facility needs.

Boise State University:

Current facility planning at Boise State consists of the following projects which are in progress: construction of the Simplot/Micron Center for Technology; remodeling projects which consist of the Music Auditorium Building, American Legion Building (which will house Continuing Education and Campus Security), second level pavilion to accommodate ROTC/ARI, ASBSU Office, upgrading of student housing, and other general campus improvements. The University has identified certain substandard buildings which are no longer of use. These will be cleared to provide additional parking. Also under consideration, contingent upon availability of funds, is the retrofitting of several major buildings to the use of geothermal water.

Idaho State University:

The University is directing its efforts to the replacement of older academic buildings. Primary emphasis is being directed toward the replacement or renovation and an addition to the existing Pharmacy Building. Future needs include replacement or major renovation/addition to Frazier Hall (Drama-Performing Arts) and Baldwin Hall (Chemistry).

University of Idaho:

The University is focusing its space needs analysis on the academic program areas of engineering (including mines and earth resources), forestry, and agriculture. It is expected that some of the space requirements of these program areas, particularly agriculture, will be off-campus. In addition, the University is studying alternative solutions to a major library space problem. Facility study committees are also developing space requirements that address the institution's need for a medium size multipurpose auditorium and the need to bring together a number of student, faculty and staff services into a "University Center" facility in the central area of the campus. With regard to replacement of old, obsolete buildings, the University has identified the old agricultural engineering building (currently called the Art & Architecture Annex), the U-Hut used by Theatre Arts and the Journalism Building currently used by Student Advisory Services as no longer being feasible to maintain.

Lewis-Clark State College:

The College completed a campus master plan in 1981 which identified the following priorities for new and additional space: library, mechanical/technical building, college union building, completion of the Sam Glenn complex and construction of a campus multipurpose center. These needs still exist today with specific planning completed for a new mechanical/technical building and expansion of the College Union Building.

SURVEY OF STATES--APPROACHES TO FINANCING HIGHER EDUCATION FACILITIES

A part of the Finance Committee's study of alternative solutions to financing higher education facilities was to survey the strategies followed by other states. Not surprisingly, such information is not readily available from any single source. The method used to gather the information described herein was to use a telephone survey, calling a state's higher education governing or coordinating board office. A standard questionnaire was developed so that all calls followed a similar pattern.

The focus of the survey of other states was on how they funded higher education facilities either through cash outlays or through some form of indebtedness. No attempt was made to collect information about construction supported by private donations, although all states acknowledged this as a valuable source of help.

Funding for the construction or remodeling of academic facilities varies significantly among the states. The methods used are determined to a large extent by provisions of the state's constitution and laws that may have been written over time. Some institutions and states may have been more creative than others in attempting to provide high quality educational facilities within existing legal and financial constraints.

Table IV summarizes by entity and source of funds the methods used to finance the construction or remodeling of academic facilities in the 50 states. A brief narrative summary by state is also included as Appendix III.

TABLE IV

FINANCING ACADEMIC CAPITAL IMPROVEMENTS IN THE FIFTY STATES

State	CASH			INDEBTEDNESS								UNIVERSITY FOUNDATIONS
	State		Institution	State				Institution/Governing Board				
	General Revenue Funds	Other Funds[a]	Special Funds and Fees[b]	General Obligation Bonds Repaid from General Revenue Funds	General Obligation Bonds Repaid from Student Facility Fees	Building Authority Bonds Repaid from General Revenue Funds	Building Authority Bonds Repaid from Student Fees	Bonds Repaid from General Revenues including Fees	Bonds Repaid from General Facility Fees	Bonds Repaid from Dedicated Facility Fees	Bonds Repaid from State Funds[c]	
Alabama				X[d]				X	X			
Alaska	X			X								
Arizona	X							X				
Arkansas		X						X[f]		X		
California		X		X[e]				X				
Colorado	X	X										X
Connecticut				X								
Delaware				X								
Florida	X			X[g]	X[h]							
Georgia	X			X								
Hawaii				X								
Idaho		X								X		X
Illinois	X			X								
Indiana	X										X	
Iowa	X										X	
Kansas	X	X								X		X
Kentucky		X		X[i]								
Louisiana	X	X	X	X					X			
Maine	X			X[j]								
Maryland	X			X[k]								
Massachusetts				X								
Michigan	X					X			X	X		
Minnesota				X								
Mississippi	X			X								
Missouri	X		X	X[j]								
	X			X	X				X			
	X											

TABLE IV, continued
FINANCING ACADEMIC CAPITAL IMPROVEMENTS IN THE FIFTY STATES

State	CASH			INDEBTEDNESS								UNIVERSITY FOUNDATIONS
	State		Institution	State				Institution/Governing Board				
	General Revenue Funds	Other Funds[a]	Special Funds and Fees[b]	General Obligation Bonds Repaid from General Revenue Funds	General Obligation Bonds Repaid from Student Facility Fees	Building Authority Bonds Repaid from General Revenue Funds	Building Authority Bonds Repaid from Student Fees	Bonds Repaid from General Revenues including Fees	Bonds Repaid from General Facility Fees	Bonds Repaid from Dedicated Facility Fees	Bonds Repaid from State Funds	
Nevada		X							X			
New Hampshire				X[j]								
New Jersey				X[jkl]								X
New Mexico	X					X[m]	X[n]					
New York				X[j]								
North Carolina	X											
North Dakota	X			X[o]								X
Ohio				X[j]								
Oklahoma	X	X		X[p]								
Oregon	X[p]			X								
Pennsylvania				X								
Rhode Island				X								X
South Carolina				X								
South Dakota							X					
Tennessee				X				X		X		
Texas	X[q]		X					X	X	X		
Utah	X	X		X						X[r]		X
Vermont				X[j]								X
Virginia	X			X	X							
Washington				X				X				
West Virginia											X	
Wisconsin				X								
Wyoming	X											

NOTES TO TABLE IV

a) Other state sources and funds used or dedicated for higher education academic capital improvements are as follows:

Arkansas--State sources are limited to the revenue derived from the investment of state funds and agency year-end unexpended funds.

California--Proceeds from the lease of tide lands to oil companies are deposited into the "capital outlay fund for higher education."

Colorado--Fifty percent of the net lottery proceeds are deposited into the state's capital construction fund.

Idaho--Construction and major remodeling are financed from the Permanent Building Fund.

Kansas--The educational building fund is financed by a 1 mill state property tax levy.

Kentucky--State investment income has been used for renovations; hospital receipts are not restricted funds and may be used for modifications in other facilities.

Louisiana--Racing fee money is also available. The first priority for the use of these funds is the alleviation of emergency facility needs.

Nevada--The first $5 million generated by the slot machine tax is available for higher education capital improvements.

Oklahoma--The proceeds from certain lands are dedicated for capital projects at specific institutions.

Utah--The state share of federal leases for mining is deposited into the mineral lease fund. Revenues in the fund may be used for capital projects in economic impact areas.

b) Special funds and fees available for capital improvements include:

Louisiana--All universities in the state charge an academic building use fee. The revenue from the fee may be used for renovation or construction, or left to accrue. It is not used for the repayment of bonds.

Missouri--One institution charges an academic facility fee. The proceeds are used for plant maintenance and minor remodeling.

Texas--Income from the Permanent University Fund may be used for the construction of facilities at the University of Texas and Texas A & M Universities. On November 6, 1984, the voters passed an initiative to establish a College Construction Fund for the other public universities.

c) In three states bonds are issued by the universities or their governing boards. Debt service payments are made with state funds. The states, procedures and fund sources are as follows:

Indiana--Bonds are issued by the Board of Trustees, with repayment guaranteed from a dedicated building fee. However, in effect, repayment is made from a fee replacement appropriation from the state general revenue fund.

Iowa--Bonds are issued by the Board of Regents and are backed by tuition and fee revenue equal to the amount of the debt service payments. Repayment is, in fact, made from a fee replacement appropriation from the general fund.

Wyoming--Bonds are issued by the Board of Trustees of the University. By state statute, 6-3/4% of the federal mineral royalties received by the state can be used for the repayment of bonds, direct construction, capital equipment and the maintenance and upkeep of the campus.

d) Revenue bonds and not general obligation bonds are issued by the state of Alabama; the bonds are repaid from a variety of funds, all of which are dedicated to education.

e) General obligation bonds cannot be used for all projects in California. Bonds may be issued for the University of California institutions for research, computer, biological, high technology and library facilities. For the state university institutions bonds may be issued for libraries and related activities.

f) University of California institutions can legally issue bonds for a research facility if the source of repayment of the bonds can be specifically identified.

g) Bonds issued by the state of Florida are repaid with a constitutionally guaranteed source of repayment. The 1-1/2% tax on utility bills can only be used for educational construction: elementary schools--universities.

h) Revenue certificates rather than bonds are issued by the Florida State Division of Bond Finance. Revenues from a student building fee and a capital improvement fee are used for debt service payments.

i) Technically tuition is charged against the bonds issued by the state of Kentucky, but in effect they are repaid with general tax funds.

j) Voter approval is needed for the issuance of general obligation bonds in these states. The dates of the latest issues authorized by the voters are as follows:

Maine--1984
Missouri--1982
New Jersey--1971 for general facilities; 1984 for high technology research facilities
New Mexico--1984
North Carolina--1975
Oklahoma--1968
Virginia--1978

k) A state property tax is also used for the repayment of general obligation bonds issued by the state of Maryland. The source of repayment for the general obligation bonds issued by the state of New Mexico is a state property tax.

l) The State of New Mexico also issues severance tax bonds for higher education capital projects, equipment, library books and endowed chairs. The debt service payments are made with the severance taxes collected on oil and natural gas produced in the State.

m) Only the bond debt for the City University of New York Senior Colleges is repaid from state general revenue funds.

n) The debt service payments have first claim against State University of New York's unrestricted revenues, including tuition and fees, teaching hospital income, miscellaneous fees and fines and charges including the Income Fund Reimbursable food service.

o) The state of Ohio issues revenue bonds and not general obligation bonds. Debt service payments are made with general revenue fund appropriations. The bond covenants require that each institution charge students a separate fee for debt service should there be no general revenue fund appropriation.

p) The Oregon state constitution prohibits more than 50% of the construction cost of any project from being funded from the proceeds of the sale of general obligation bonds.

q) General revenue funds have been appropriated for academic capital improvements at non-University of Texas, non-Texas A & M institutions for the last few years. With the establishment of the College Construction Fund general revenue funds will no longer be used.

r) Only the University of Vermont can issue bonds which are repaid with dedicated facility fees. The Vermont state colleges do not have that option.

Cash Sources

There are state and institutional cash sources which are used to finance academic capital improvements. In 26 states general revenue funds are used to finance these projects. As noted later in this report, in most of these states, other sources of funds are also available. In several states general tax dollars are the only state revenue source available for academic capital improvements. However, in all but Nebraska and North Dakota other, nonstate, sources of financing the construction of facilities are available.

In 10 states other cash funds are either available or are dedicated for capital improvements. Footnote "a" of Table IV delineates these other sources of funds. Included are 50% of the net lottery revenue in Colorado and the proceeds from the lease of tidelands in California, as examples. Idaho's Permanent Building Fund falls into this category.

Special institutional cash funds and fees are available in three states. Academic building use fees are charged in Louisiana and Missouri. The revenues from the fees are used for renovations; they are not used for the repayment of bonds. In Texas, income from the Permanent University Fund may be used for the construction of facilities at the University of Texas and Texas A & M universities. In November 1984, the voters passed an initiative to establish a College Construction Fund for the other public universities.

Indebtedness

A state, a state building authority, or an institution/governing board may enter into debt to finance the construction of academic facilities.

State general obligation bonds are the most common means of financing academic capital improvements. As the name implies, these bonds are general obligations of the state, and repayment is secured by the "full faith and credit" of the state. Due to this security the bonds can usually be sold at the lowest possible interest cost and the lowest possible net cost. The principal and accrued interest are normally repaid with general tax receipts or general revenue funds.

These bonds are issued in 29 states; in seven of these states the constitution requires voter approval before the bonds can be issued. In most instances the bond referenda list the projects to be financed with the bond issue. There have not been that many issues in the states in which voter approval is required, but each issue funds a number of projects. Thus, construction may be very cyclical. It may take five to six years to expend the bond proceeds, and there may not be any major construction for a number of years until the next issue.

In three states debt service payments are from sources other than general tax funds. In New Mexico a state property tax is used to repay the debt; in Maryland a state property tax and general revenue funds are used. In Florida a utility tax is used.

In 14 states general obligation bonds are the only state source of funds used for construction or remodeling. General tax revenues may be used for repairs, replacement or renewal in these states. Some states have made a distinction

between capital improvements and projects which do not meet state bondability guidelines. Other states have tended to bond almost all projects. "Why should we pay today what we can pay for tomorrow in tomorrow's dollars?"

In Alabama and Ohio, revenue bonds rather than general obligation bonds are issued. These bonds differ from the bonds issued by the other states. They are not general obligations of the state and are thus not secured by the state's "full faith and credit." In Alabama the bonds are repaid from funds specifically designated for education. General revenue funds are used to repay the bonds issued by the state of Ohio. However, the bond covenants require that the institutions charge the students a building fee dedicated toward debt retirement should there not be a general revenue fund debt service appropriation.

Sixteen states use both the proceeds from the sale of general obligation bonds and general revenue funds to finance academic capital improvements. Over time the relative use of the two sources may change. For example, Alaska, while presently funding all projects from general tax dollars, can legally fund projects from general obligation bonds. However, because tax receipts are so dependent upon oil, a conscious decision has been made to pay for commitments now, rather than pledge future revenues which may be substantially less. Those states in which voter approval is needed for the issuance of general obligation bonds may fund some projects between bond issues from general revenue funds. Other states may use a dollar limit or project type to determine the source of funds to be used for a project. A significant surplus in the general fund may allow a one-time appropriation for capital projects. Thus, general obligation bonds would have been used had the general funds not been available. Finally, debt service payments have increased rapidly in some states as the bond indebtedness has increased and interest rates have risen. The annual debt service payments exceed the amount of new bonds sold. To help maintain the states' bond ratings and to control debt service payments, new construction has diminished, and more and more projects are being funded with general tax funds rather than bond funds.

In Florida, Montana, and Washington, bonds or revenue certificates are sold by the state, but they are repaid with student fees. General student fees rather than dedicated fees are used for repayment.

Many states are prohibited by their constitutions from entering into debt. However many citizens, as well as state and higher education officials, believe that the cost of facilities should be amortized over time. The rationale for this argument is that future generations of citizens and students as well as in-migrants will reap the benefits of the instruction, research, or public service occurring in a facility and should also pay for the benefits. In addition, it is asserted that the initial outlay is substantially less; and, therefore, more projects can be undertaken with the same initial resources. Some argue that it is even possible that money can be saved by borrowing over

paying cash.[1] For these reasons and others, a number of states which have been prohibited by their state constitutions from entering into debt have found alternative means of financing academic capital improvements through bonds.

One option employed by some states has been the establishment by statute of a state building authority. Bonds are not issued by the state but are issued by the authority. Usually the project and dollar amounts must be authorized by the Legislature. Repayment may be from tuition fees as in South Dakota and New York or with state general funds as in Michigan. Higher education facility authorities or state building authorities are in place in a number of other states. In some states, public institutions are legally prohibited from using the authorities; in others there is no incentive or need to use the authority since a better interest rate can be obtained by having the state issue general obligation bonds. Finally, in others there is no revenue source that can or will be pledged for the repayment of the bonds.

Bonds may also be issued by the institution or governing board. Repayment of these bonds may be by a variety of sources. In Alabama, Arizona, Arkansas, Texas, and West Virginia, the bonds are repaid with the general revenues of the institution, primarily tuition or fees.

To the extent that expenditure needs (resource requirements) for operations and grants are set by the Legislature, the tuition funds that are used for bond repayment are not available for general operations of the institution. State general funds are, thus, indirectly being used for repayment of the bonds.

If, on the other hand, funding for higher education operations is viewed from an available revenue perspective, those tuition funds used for the repayment of bonds are not available for general operations.

Another major means of financing the construction of academic facilities which involves neither state tax revenues nor tuition is employed in 12 states, including Idaho. Bonds are issued by the university or its governing board and the debt is repaid with dedicated facility fees. These fees may be dedicated to a certain project or bond issue or they may be general fees. In two states the fees may be general or dedicated; the determination is made by the governing board. In six states, including Idaho, only dedicated fees are used. The advantage, of course, of using a dedicated fee is that after the bond issue is retired, the fee is no longer needed nor collected. There is, thus, a possibility that the fees charged to the students could be reduced. However, it might then be necessary to increase substantially the fees, should revenue be needed for a new building.

---

[1] "Alternatives for Financing Higher Education Facilities" by Larry L. Leslie and Frank J. Felix, Planning for Higher Education, p. 20, March, 1980.

In four states general academic facility fees are used. The use of general facility fees rather than specific project dedicated fees provides for more institutional flexibility. Fees not needed for bond retirement could be used for remodeling and rehabilitation projects, annual capital improvements or could form a sinking fund for major improvements or new construction. It is unlikely that fees would ever be reduced under this approach but it also might be possible to avoid substantial, dramatic increases as under a dedicated approach.

Another option which permits the state to share in the cost of the facilities is the use of a fee appropriation for debt service. Bonds for academic capital improvements are issued by the Board of Trustees in Indiana and the Board of Regents in Iowa. In Indiana, repayment of the bonds is guaranteed by a general fee. In Iowa, the bonds are backed by tuition and fee revenue equal to the debt service payments. Fee replacement appropriations are, however, made from the general revenue fund to the institutions to replace those institutional funds used for debt service payments. In effect, then, the state is making the debt service payments. While the institutional governing boards have entered into debt, it is being repaid by the state.

Wyoming is another state in which bonds are issued by the university but are being repaid with state funds. Just last year the university issued its first bonds for the construction of academic facilities. By Wyoming statute 6-3/4 percent of the federal mineral royalties received by the state can be used for the repayment of bonds, direct construction, capital equipment and the maintenance and upkeep of the campus.

Other Sources

According to survey respondents, sale leaseback options have, to date, not been used for academic facilities. The use of this option allows private developers to take advantage of tax credits for investment while permitting the institution to use a building over a period of years and finally secure ownership of it. These options have been used for research parks and dormitory facilities.

The extent of involvement of university foundations in financing academic capital improvements appears to be determined by the foundation's assets, type of holdings and state law. In many states institutions are prohibited from entering into long-term leases. Without a long-term lease, a foundation which needs a guarantee of income for loan repayment probably would not be able to secure a loan. Foundations with sufficient resources can use other holdings for collateral and then rent rather than lease the facilities to the institutions. Other states have laws which prohibit non-state entities from building on state-owned property.

Larger foundations have built buildings and then donated them to the institutions. Those states which prohibit nonstate entities from building on state property allow the practice if the building is to be donated to the institution.

The respondents noted that it is easier to obtain state funds for the remaining cost of the facility if an institution has been able to obtain a portion of the cost of a building by fund-raising activities.

OPTIONS FOR IDAHO

In summary, from the survey of all states the following strategies for financing higher education facilities appear to be used by either the state or the institutions or both.

States

- Cash appropriation from the state's general revenue.
- Cash appropriation from a state's dedicated income fund.
- Annual appropriation of operating funds that covers debt service costs either from the general revenues of the state or from a dedicated source, and the appropriation going directly to the institution or through a building authority.

Institutions

- Cash outlays from capital improvement reserve funds created by general revenues of the institutions or from revenues created by a general student facilities fee.
- Sale of bonds or other instruments of indebtedness that spread the cost of the capital improvement project over a number of years. The annual debt service costs are covered by 1) the general revenues of the institution; 2) the revenue from a general student facilities fee; or 3) the revenue from a fee established specifically for the project.

Although the history of how Idaho has financed its higher education facilities is not completely clear, it does appear that, in the early history of the institutions, the state did fund through cash appropriations most of the facilities on the campuses. In recent years, however, the state has relied on the relatively small Permanent Building Fund as the primary source of state funds to support all of the state's facilities needs. Given the very limited availability of state resources, the State Board of Education, acting as the Board of Trustees of Boise State University, Idaho State University, and Lewis-Clark State College, and The Regents of the University of Idaho, has had to rely increasingly on debt financing and private donations to finance its facilities.

Briefly discussed below is the applicability or feasibility of some of the above strategies being adopted in Idaho.

State Appropriations From General Revenues--It seems highly unlikely that sufficient general revenue will ever be available to fund major capital improvements given Idaho's current tax structure and its difficulty in supporting the operating budget needs of state agencies and institutions. Even much discussed tax modifications that might generate more revenue for the General Fund would undoubtedly fall short of the level of appropriation needed to fund new facilities on a cash basis.

One option, however, that the state Legislature does have available is the use of year-end General Fund revenue surpluses. Since the state is prohibited by its constitution from spending more than its revenues allow, the probability is generally high that at the end of any fiscal year there would be surplus revenues above the amount the state had appropriated for spending by its agencies and institutions. Although it is tempting to use the revenue surplus of one year to help pay for the on-going operating budget needs of the next year, a far better management practice would be for the Legislature to use the "one-time" revenue surplus to address "one-time" capital budget needs of its state agencies and institutions.

For the immediate future, the highest priority for use of state revenue surpluses would be to address the catch-up needs of the state's preventive maintenance programs. Recent years' cutbacks in funding have caused agencies and institutions to defer facility maintenance projects. Preventive maintenance should be a component of the operating budgets. However, once an institution is forced to defer maintenance on facilities due to mid-year reductions, it is nearly impossible to have sufficient operating funds available to "catch up." The use of state revenue surpluses to help address this problem should be a high priority of the Legislature. If adequately addressed over the next few years, most agencies and institutions could probably get back on a solid facilities preventive maintenance program, supported by operating budgets. Once this priority need is met, state revenue surpluses could begin to address the backlog of facility needs that is growing.

State Dedicated Funds--Currently, the Permanent Building Fund is the state's principal source of funds to meet the capital improvement needs of all state agencies and institutions. That fund receives about $6 million annually from a head tax and portions of revenue generated by taxes on cigarettes, beer, and sales. Excluding surplus funds, the tax revenue being deposited into the Fund has not changed substantially since the early 1970's. However, according to the Engineering News Record a building which cost $6 million to construct in 1970 would cost almost $18 million today. From the other perspective a capital project which costs $6 million today would have cost only $1.8 million in 1970.

In recent years the Permanent Building Fund has been used more and more for preventive maintenance projects. Consequently, less funds have been available for construction and remodeling. For FY 1985, the Legislature appropriated $3.5 million from the Permanent Building Fund for preventive maintenance projects, $2 million for partial funding of the $10,150,000 Life Science Building remodel and addition at the University of Idaho, and $677,800 for administration of the Division of Public Works' programs.

It has been apparent for some time that $6 million annually are inadequate to address the capital improvement needs of the state-owned facilities. The total value of all state facilities is about $833 million. Assuming that an annual investment of 3% of the current facility value is necessary to maintain adequate facilities, an annual appropriation of about $25 million would be needed. The state's Board of Education FY 1985 capital improvement request alone was for $14.5 million and many of the needs identified were phased projects with only part of the total project costs included in the request.

By any measure, $6 million in the Permanent Building Fund are inadequate to meet the state's needs. More revenue should be dedicated to the fund. Furthermore, if the Legislature would use the state's General Fund revenue surpluses to address the facilities maintenance catch-up problem, the Permanent Building Fund could then be committed to the state's major construction projects that need to be addressed. The Finance Committee, after consultation with the Administrator of the Division of Public Works who has researched alternative sources of additional revenue into the Permanent Building Fund, may wish to prepare specific recommendations to the board to take a more aggressive role in encouraging legislative action to increase the Fund's revenues.

State-Supported Indebtedness--Idaho's constitution precludes the state from directly entering into long-term debt obligations in excess of $2 million without voter approval. However, other states with similar constitutional or statutory restrictions have used annual appropriations in the form of fee replacement appropriations, or as lease payments to a state-sponsored building authority, or allowed state-supported institutions to include annual debt service costs as part of their operating budget needs.

The use of debt financing to spread the cost of a facility over a period of time is a long standing practice of both the public and private business sectors, particularly when cash resources are limited. The issue is not whether state government can participate in debt financing, but how. The above are examples of legitimate methods for the state to participate in the debt financing of higher education facilities through the annual appropriation process. The advantages of such participation are the Legislature's access to the decision-making process about new facility needs, cushioning the burden of making students pay for building costs, the leverage of using limited cost resources to buy major facility needs over time, and the ability to obtain the best financing rates because of the state's backing.

Institutional/Board Based Financing Options -- It would appear that most of the strategies that governing boards and higher education institutions in other states have followed have been used or are available to the State Board of Education in Idaho. Since cash outlays for major construction are generally precluded by lack of sizeable cash reserves being present, this option is available but not very realistic. The use of indebtedness to finance new facilities has been the primary source for the board to use.

There are several issues related to debt financing that the Finance Committee could address. Prior to the late 1970's, when the board used bond sale revenue to finance a building, it dedicated a specific fee to cover the annual debt service costs. This fee was set in the bond covenants as a rate per student. Thus, every full-time student was required to pay the dedicated fee rate, irrespective of the cost of the debt service. As enrollment grew on the campus, the revenue from these dedicated fees grew far in excess of the annual debt service costs, which were fixed for the period that the bond was outstanding.

This inefficient use of student building fees has been corrected in recent years through restructuring of the institutions' debt structures. However, if any such dedicated fee rates still exist, they should be evaluated for possible change.

The current practice of the board has been to issue bonds that dedicate fee revenue to cover adequately the debt service costs but not fix the specific rate paid by each student. Thus, as enrollments grow, in theory, dedicated building fees paid by each student could be lowered to the level just needed to cover the debt service costs.

An important question that the Finance Committee could address is--should the board establish a general student facility fee to replace the dedicated building fees? There is always the assumption under the dedicated fee concept that when the bonds are retired on a specific building, the dedicated fee for that building will be eliminated. This has not happened, and given the major future facility needs that the board must address, it is highly unlikely any fee dedicated for buildings can be eliminated. However, if the board created a general facility fee in lieu of dedicated building fees, this would be much less misleading to students.

Another advantage of a general student facility fee is that the institutions and the board should be able to maximize the benefit of the general facility fee revenue. In the past four years, over $11 million of new facilities have been added to the University of Idaho campus by restructuring the existing outstanding debt and removing all restrictive bond covenants without increasing the total building fees paid by the students. As enrollment grows, the additional revenue can be used for small capital improvement projects up to the point that there is adequate revenue to support additional debt financing. The same would be true for the use of facility revenue fees covering debts that are retired.

Another question related to the adoption of a general facility fee concept is whether the revenues from such a fee should be managed at the institutional level or at the board level. Pooling general facility fee revenue at the board level may offer some greater flexibility to the board and institution, including the ability to finance through debt, larger projects than facility fees at any one institution would support. Legal opinion of bond counsels would be needed as to whether current institutional-based debt could be consolidated at the board level, possibly gaining more efficient use of existing building fee revenue. Also, the board could apply facility fee revenue not needed immediately for debt retirement to smaller capital improvement projects that could be funded on a cash basis.

Disadvantages of the pooling of facility fees at the board level include the obvious loss of institutional control of their respective facility fees. While there may not be a uniform need for new facilities on each of the four campuses, the overall capital improvement needs of each campus appear to exceed the capability of their respective facility fee revenues to satisfy the need. Another important concern should be how the state would view this development. If such a development would be viewed as the board's way of satisfying its facility needs and reducing the state's obligation or responsibility, then it would be a bad strategy to adopt.

Use Of Building Authorities--A number of states and state higher education agencies have created building authorities as the vehicle to carry building debt. The State of Idaho has a state building authority that was created

to help the State finance the construction of some State office buildings. In 1984, the Legislature approved the Division of Public Works entering into agreements with the Idaho State Building Authority to provide instructional and related facilities for the Idaho School for the Deaf and Blind.

Legally, it would appear that the board could use the Idaho State Building Authority for its debt financing. Cost-wise, further evaluation would be necessary to determine if the building authority could provide lower debt service costs than the board currently has available at the institutional level or could have under a pooled facilities fee concept. It is not clear that the use of a building authority offers any special advantages to the board or institutions in Idaho. However, the state could elect to use the Idaho State Building Authority to help finance higher education facilities. Appropriations from the Permanent Building Fund or from the general revenue of the state could be dedicated to cover the annual debt costs or indirectly replace student fees that the board dedicated for that purpose.

Use of Foundations--A few institutions in other states have used foundations associated with their institutions to construct needed facilities. Through rental agreements with the institutions, the foundations cover their financing costs. Most foundations are organized in such a manner that they are separate corporate entities from the institutions themselves. A debt obligation of the foundation is not construed to be a debt obligation of the institution or its governing board.

The benefit of using foundations to finance facilities, besides bypassing state restrictions on the issuance of debt that may exist in many states, includes providing the opportunity for facilities to be created with commercial value. An institution need only rent that portion of a foundation-owned facility that it requires. As long as the overall benefit of the foundation and its business is directed to the institution, it can engage in commercial enterprises and yet enjoy similar tax exempt financing opportunities as the institution. However, recent federal tax law changes have placed some restrictions on such foundation activities and their eligibility for tax-exempt status.

CONCLUSION

The purpose of this discussion paper has been to provide background information and to identify some of the options that the state of Idaho and the State Board of Education, working with the higher education institutions under its control, have available to address financing options to meet the facility needs of the campuses. The board and the state have a number of viable options that need to be pursued in combination. Neither the state nor the board and its institutions alone seems to have adequate resources to cover the needs. However, improved state use of its resources, including expansion of the Permanent Building Fund revenues, use of end-of-year unobligated revenue surpluses, and annual appropriations to offset debt obligations along with the board and institutions' efficient use of their available resources, may offer adequate solutions to the problem.

There are several specific activities that the Finance Committee could initiate with the board and institution staffs that would greatly aid in addressing the problem. These include:

1. Develop and maintain, in the board office, a current and accurate facilities inventory file containing all of the appropriate information. (It was necessary to go to several sources, none of which were current or had any assurance of accuracy, in order to collect the information contained in this document.)

2. Develop a uniform set of definitions to measure and maintain a standardized space utilization data base that would help the institutions and the board identify and project specific space needs.

3. Encourage and support institutional efforts to develop long-range space needs requirements, using uniformly defined criteria for projecting space needs. This should be accomplished cooperatively with the Division of Public Works.

4. Explore with the Administrator of the Division of Public Works actions that the board might take to enhance the state's ability to support higher education facility needs.

5. Study potential alternative board policies with respect to student fees, specifically the relationship between the institutional maintenance fee and building fees and an overall policy on student fee contributions to educational costs.

6. Follow-up on some of the issues related to building fees versus a general facility fee, consolidation of indebtedness and other possible obstacles that may be impeding the board's development of funding resources available to finance facilities on the campuses.

APPENDIX I

APPENDIX I

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
	BSU	Opaline Sclhse	Boise	Academic	1914		25,000		3
1279	BSU	Grounds Gar	Boise	Academic	1927		4,393	480	
1402	BSU	Volag	Boise	Academic	1940		37,237		
1088	BSU	Music Bldg	Boise	Academic	1940	'53	820,253	12,235	4
1089	BSU	Heat Plant	Boise	Academic	1940	'67	1,126,688	6,542	1,4
	BSU	Amrcn Legion Bd	Boise	Academic	1940		175,000		1
1087	BSU	Administration	Boise	Academic	1940		2,846,850	39,710	4
	BSU	1115 Lin (Art)	Boise	Academic	1940			1,400	
1090	BSU	Pump House	Boise	Academic	1940		3,112	170	
1091	BSU	Maint Shop	Boise	Academic	1941	'60	288,910	8,436	4
1092	BSU	Health Sciences	Boise	Academic	1942		344,860	6,559	4
1093	BSU	Music/Drama	Boise	Academic	1942	'68	1,147,988	14,192	1,4
1355	BSU	Pres' House	Boise	Academic	1945		285,819		3
1130	BSU	Art Annex #4	Boise	Academic	1946		34,216	1,588	
	BSU	Garage 1020 Vt	Boise	Academic	1946		4,490		
	BSU	Radio KBSU	Boise	Academic	1946			2,197	
1134	BSU	Geology Annex	Boise	Academic	1946		36,799	470	
1123	BSU	Art Cen Ph Lab	Boise	Academic	1946		66,845	2,432	
1125	BSU	Garage	Boise	Academic	1946		72,129	264	
1132	BSU	Art Annex	Boise	Academic	1946		38,206	1,051	
1131	BSU	Art Annex #2	Boise	Academic	1946		38,738	1,478	
	BSU	Garage	Boise	Academic	1946			240	
	BSU	Dev Wrtng Anx	Boise	Academic	1946			930	
	BSU	Visitors Ctr	Boise	Academic	1946			1,682	
1113	BSU	Respiratory Cen	Boise	Academic	1946		51,709	3,208	
1133	BSU	Arch Anx Gar	Boise	Academic	1946		55,718	240	
1277	BSU	Garages	Boise	Academic	1946		7,843		
	BSU	Dev Write Gar	Boise	Academic	1946			300	
1128	BSU	Arch Annex	Boise	Academic	1946		36,640	1,250	
	BSU	2065 Univ Dr	Boise	Academic	1946		35,770		
1278	BSU	Gar 1028 Mich	Boise	Academic	1946		8,069		
1368	BSU	Vo Tech Cd Care	Boise	Academic	1946		47,270	860	
	BSU	Vo Tech Cd Gar	Boise	Academic	1946			660	
1114	BSU	RSVP 1005 Mich	Boise	Academic	1946		26,260	576	
1129	BSU	Music Annex	Boise	Academic	1946		42,909	963	
1280	BSU	Gar 1110 Vermnt	Boise	Academic	1946		5,703		
1126	BSU	Political Sci	Boise	Academic	1946		108,294	2,475	
1115	BSU	ROTC	Boise	Academic	1947		134,480	3,512	
	BSU	Vo Tech Lineman	Boise	Academic	1950			2,732	
1096	BSU	Driscoll Hall	Boise	Residence	1951		1,208,359	19,716	4
1095	BSU	Morrison Hall	Boise	Residence	1951		1,203,919	19,718	4
1097	BSU	Old Science Bld	Boise	Academic	1955		2,977,899	57,265	4
1357	BSU	Wastwtr Tech	Meridian	Academic	1956	'83	382,462	7,032	5
1098	BSU	Gymnasium	Boise	Academic	1956		2,449,121	44,390	4
1099	BSU	Univ Crts Apts	Boise	Residence	1960		2,499,678	63,749	2
1100	BSU	Library	Boise	Academic	1964		7,331,723	145,725	
1101	BSU	Tech Ed Bldg	Boise	Academic	1966		1,066,824	31,104	
1102	BSU	Telephone Bldg	Boise	Academic	1966		59,462	957	
1103	BSU	Liberal Arts	Boise	Academic	1967		2,584,307	58,492	4
1105	BSU	Student Union	Boise	Aux Enter	1967		7,569,716	139,900	2,3
1104	BSU	Chaffee Hall	Boise	Residence	1967		3,163,058	63,272	2
1109	BSU	Varsity Center	Boise	Aux Enter	1969		1,446,022	14,156	2,3
1108	BSU	Bronco Stadium	Boise	Aux Enter	1969		4,279,367	155,184	2,3
1107	BSU	Business Bldg	Boise	Academic	1969		3,741,950	66,527	2
1106	BSU	Vo-Ed Center	Boise	Academic	1969		2,324,776	63,472	1,2
1116	BSU	Student Health	Boise	Aux Enter	1970		155,180	4,500	
1116	BSU	Student Health	Boise	Academic	1970		155,180	4,500	1
1112	BSU	Towers Dorm	Boise	Residence	1970		3,637,411	61,720	2
1111	BSU	Hort Grn House	Boise	Academic	1971		46,520	3,100	

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
1110	BSU	Physl Ed Pool	Boise	Academic	1971		2,113,002	29,730	2
1127	BSU	Special Events	Boise	Academic	1974		2,468,807	25,080	4
1117	BSU	Univ Hts Apts	Boise	Residence	1974		1,050,036	25,231	2
1122	BSU	Mech Tech	Boise	Academic	1974		966,523	22,650	
1121	BSU	Physical Plt	Boise	Academic	1974		236,350	7,829	1
1118	BSU	Univ Manor Apt	Boise	Residence	1974		1,570,770	37,999	2
	BSU	Relcatble Clsrm	Boise	Academic	1975		47,586		
1135	BSU	New Science I	Boise	Academic	1976		6,887,871	107,961	1
1120	BSU	Heavy Duty Mech	Boise	Academic	1976		564,672	13,210	
1137	BSU	Food Technology	Boise	Academic	1976		667,203	10,133	
1276	BSU	Vo-Tech Hort	Boise	Academic	1977		46,562	1,120	
1356	BSU	Ed Bld Phase 2	Boise	Academic	1977		5,865,199	90,255	1
1275	BSU	Sci Warehouse	Boise	Academic	1977		83,167	1,064	1
1142	BSU	Pavilion	Boise	Aux Enter	1982		20,175,298	247,500	2,3
	BSU	Morsn Ctr, Aux	Boise	Aux Enter	1984		9,274,600	99,487	3
	BSU	Morsn Ctr, Aca	Boise	Academic	1984		7,588,400	81,398	1,3
	BSU	TOTAL			1985		$115,847,178	1,943,958	
3076	ISU	Pres' Home	Pocatello	Academic	1918		426,052	6,663	1
3019	ISU	Frazier Hall	Pocatello	Academic	1924		1,944,150	34,839	1
3047	ISU	Colonial Hall	Pocatello	Residence	1925		902,128	14,340	2
3023	ISU	Baldwin Hall	Pocatello	Academic	1927		1,882,562	29,747	1
3045	ISU	Medical Arts	Pocatello	Academic	1929	'75	1,254,566	10,585	4
3032	ISU	Field House	Pocatello	Academic	1936		148,178	3,960	1
3069	ISU	Vo-Tech Diesel	Pocatello	Academic	1938		1,458,336	25,246	1
3055	ISU	Vocational Arts	Pocatello	Academic	1938		1,415,048	23,664	1
3026	ISU	Admin Bldg	Pocatello	Academic	1939	'63	2,374,684	42,924	2
3031	ISU	Graveley Hall	Pocatello	Residence	1939		2,441,454	57,573	2
3025	ISU	Leonard Hall	Pocatello	Academic	1941		2,483,486	36,799	1
3058	ISU	Indstrl Crfts	Pocatello	Academic	1941		1,387,863	20,711	1
3070	ISU	Arcrft Mchncs	Pocatello	Academic	1943		409,169	20,856	1
3074	ISU	Dowling Bldg	Pocatello	Academic	1948		652,078	18,200	1
3021	ISU	Liberal Arts	Pocatello	Academic	1949		3,321,363	63,565	1
3038	ISU	Warehouse #2	Pocatello	Academic	1950		102,578	8,900	1
3054	ISU	Reed Gym	Pocatello	Academic	1950		4,890,826	111,925	1,2
3036	ISU	Warehouse #1	Pocatello	Academic	1950		102,578	8,900	1
3048	ISU	West Hall	Pocatello	Academic	1954		350,600	6,216	2
3028	ISU	Library	Pocatello	Academic	1954		4,252,797	76,067	1
3037	ISU	Shop Bldg	Pocatello	Academic	1954		528,298	13,500	1
3034	ISU	M & O Grnhse	Pocatello	Academic	1955		66,084	2,800	1
3033	ISU	Maintenance Ofc	Pocatello	Academic	1955		275,323	5,160	1
3060	ISU	Trade Bldg	Pocatello	Academic	1956		2,864,259	44,825	1
3050	ISU	East Hall	Pocatello	Residence	1956		633,011	10,874	2
3052	ISU	Nichols Hall	Pocatello	Residence	1958		648,561	12,858	2
3053	ISU	Dyer Hall	Pocatello	Residence	1958		648,651	12,858	2
3035	ISU	Owen-Redfield	Pocatello	Residence	1958		2,118,277	46,090	2
3030	ISU	Student Union	Pocatello	Aux Enter	1958		8,299,236	148,905	2

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
3051	ISU	Heat Plant	Pocatello	Academic	1958		522,973	16,970	1
3039	ISU	Mechancial Shop	Pocatello	Academic	1962		213,618	5,500	1
3020	ISU	Physical Sci	Pocatello	Academic	1963		4,960,078	75,800	1
3066	ISU	Col of Ed	Pocatello	Academic	1963		2,814,170	47,183	1
3065	ISU	Consumer Eco	Pocatello	Academic	1963		1,395,962	26,609	1
3044	ISU	Student Hlth	Pocatello	Aux Enter	1964		1,214,135	13,649	4
3027	ISU	Fine Arts	Pocatello	Academic	1965		5,427,526	75,665	1
3067	ISU	Garrison-Turnr	Pocatello	Residence	1966		7,176,471	177,007	2
3057	ISU	R.F.C. Bldg	Pocatello	Academic	1966	'70,'82	6,595,458	135,820	1,5
3022	ISU	Col of Business	Pocatello	Academic	1967		6,572,029	99,576	1
3062	ISU	Schubert Hgts	Pocatello	Residence	1970		1,719,920	45,084	2
3068	ISU	Shpg & Rcvg	Pocatello	Academic	1970		384,048	11,127	1
3041	ISU	Mini-Dome	Pocatello	Aux Enter	1970		14,725,848	264,613	2
3064	ISU	Life Science	Pocatello	Academic	1970		10,543,759	146,186	1,5
3024	ISU	Lillibrdg Eng	Pocatello	Academic	1970		1,898,984	30,334	1
3040	ISU	Univ Crts	Pocatello	Residence	1972		1,397,854	31,592	2
3061	ISU	Pulling Crts	Pocatello	Residence	1974		1,007,482	22,284	2
3042	ISU	Cntrl Oper	Pocatello	Aux Enter	1974		332,065	7,516	1,4
3043	ISU	Museum Stor	Pocatello	Academic	1975		71,528	5,000	1
3063	ISU	McIntosh Manor	Pocatello	Residence	1976		1,442,859	37,896	2
3059	ISU	New Library	Pocatello	Academic	1977		9,253,581	169,090	1
3123	ISU	Recrtn Facility	Pocatello	Aux Enter	1979		1,376,705	37,868	2
	ISU	TOTAL			1985		$129,329,249	2,401,919	
35014	LCSC	Library	Lewiston	Academic	1895		2,033,784	28,083	1
35029	LCSC	Pres' Resid	Lewiston	Academic	1900		199,280	4,200	1
35015	LCSC	Gym Annex	Lewiston	Academic	1909		1,373,527	18,966	1
35017	LCSC	Fine Arts Bld	Lewiston	Academic	1912		610,431	8,429	1
35023	LCSC	Heat Plnt/Art	Lewiston	Academic	1914		359,131	4,560	1
35013	LCSC	Admin Bldg	Lewiston	Academic	1921		2,025,585	26,280	1
35020	LCSC	Spaulding Hall	Lewiston	Academic	1924		1,452,971	20,063	2
35082	LCSC	House	Lewiston	Residence	1928		44,763	1,914	2
35022	LCSC	Talkington Hall	Lewiston	Academic	1930		1,583,545	21,866	2
35016	LCSC	Gymnasium	Lewiston	Academic	1938		1,312,871	18,129	1
35019	LCSC	Language Cntr	Lewiston	Academic	1946		595,005	8,216	1
35021	LCSC	Clark Hall	Lewiston	Residence	1951		1,705,139	23,545	2
35025	LCSC	Physical Plnt	Lewiston	Academic	1951		220,065	3,372	4
35083	LCSC	House	Lewiston	Residence	1953		28,107	753	2
35024	LCSC	Cntrl St Whs	Lewiston	Academic	1969		161,293	5,100	1
35018	LCSC	Meriwthr Lewis	Lewiston	Academic	1970	'80	3,141,952	38,860	1
35031	LCSC	Mech-Tech	Lewiston	Academic	1972		3,684,230	50,900	5
35032	LCSC	Voc Clsrm	Lewiston	Academic	1974		4,029,596	55,600	5
35028	LCSC	Col Union Bld	Lewiston	Aux Enter	1975		1,455,289	20,095	2
35030	LCSC	Tns Crt Fac	Lewiston	Aux Enter	1976		502,379	27,000	3
35084	LCSC	Observatory	Lewiston	Academic	1977		56,397	200	3
35085	LCSC	Concession Std	Lewiston	Academic	1978		433,890	1,200	4
35027	LCSC	Storage Bld	Lewiston	Academic	1984		6,000	600	4
	LCSC	TOTAL			1985		$27,015,230	387,931	

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
29028	UI	Ridenbaugh	Moscow	Academic	1901	'84	941,545	16,265	1
29036	UI	Art & Arch S	Moscow	Academic	1904	'75	1,362,274	23,533	1
29011	UI	Admin Bldg	Moscow	Academic	1906		10,091,571	121,545	1
29019	UI	Psychology Bld	Moscow	Academic	1906	'75	1,754,951	21,137	1
29023	UI	Morrill Hall	Moscow	Academic	1906	'77	2,588,380	31,175	1
29029	UI	Art & Arch Anx	Moscow	Academic	1909	'65	1,643,436	18,881	1
29084	UI	U-Hut-Theatre	Moscow	Academic	1917		367,915	5,614	1
29013	UI	Grad Art St	Moscow	Academic	1918		779,865	13,472	1
29024	UI	Communctn Bldg	Moscow	Academic	1918	'76	584,514	7,047	1
29015	UI	Life Science	Moscow	Academic	1923	'86	6,297,658	65,034	1
29058	UI	Continuing Ed	Moscow	Academic	1924	'69	1,687,129	30,032	2
29055	UI	Alumni Center	Moscow	Academic	1926	'69	1,767,310	28,677	2
29138	UI	Heating Plnt	Moscow	Academic	1927	'75	7,819,156	22,391	1
29185	UI	Agronomy Gar	Moscow	Academic	1928		8,269	1,667	1
29184	UI	Machine Shd Brn	Moscow	Academic	1928		9,212	1,789	1
29183	UI	Residence	Moscow	Academic	1928		43,459	10,300	1
29026	UI	Memorial Gym	Moscow	Academic	1928	'84	5,425,456	93,561	2,3
29154	UI	Exp Fdg Brn #1	Moscow	Academic	1929		32,756	7,308	1
29157	UI	Beef Ctl Shd 1	Moscow	Academic	1929		51,064	3,600	1
29168	UI	Longhouse	Moscow	Academic	1929		39,462	1,814	1
29215	UI	Exp Fdg Brn #2	Moscow	Academic	1929		32,756	3,600	1
29155	UI	Beef Brn #1	Moscow	Academic	1929		173,146	12,480	1
	UI	621 Ash Street	Moscow	Residence	1930		40,000	920	4
29163	UI	Lower Sheep Brn	Moscow	Academic	1930		88,834	6,522	1
29166	UI	Pltry Ser, Nut.	Moscow	Academic	1930		188,047	6,882	1
	UI	Flieger Prop	Moscow	Residence	1930		50,000	1,675	4
29160	UI	Old Judging Pav	Moscow	Academic	1930		101,647	3,502	1
29156	UI	Beef Brn #2	Moscow	Academic	1930		155,832	2,856	1
29164	UI	Swine Barn	Moscow	Academic	1931		9,233	1,667	1
29171	UI	Pltry Solar Hs	Moscow	Academic	1932		25,300	1,267	1
29167	UI	Feed & Storage	Moscow	Academic	1932		17,525	1,181	1
29169	UI	Pltry Cage Hs	Moscow	Academic	1933		11,135	816	1
29087	UI	Journalism	Moscow	Academic	1935		210,303	3,518	1
29082	UI	Prsnl-Purch	Moscow	Academic	1935	'75	217,321	3,236	1
29095	UI	Resid #1-For Nr	Moscow	Academic	1936		44,307	1,352	1
29096	UI	Resid #2-For Nr	Moscow	Academic	1936		15,941	708	1
29030	UI	Health Center	Moscow	Academic	1937	'78	1,759,853	28,556	2
29049	UI	Fac E - Brink	Moscow	Academic	1937		2,833,539	45,978	2
29048	UI	Fac W - Phinney	Moscow	Academic	1938		1,656,749	26,883	2
29094	UI	Garage/Forest	Moscow	Academic	1940		34,629	1,608	1
29139	UI	Cntrl Gar, Stor	Moscow	Academic	1941		251,658	10,255	1
29086	UI	Navy Bldg	Moscow	Academic	1942		516,979	9,387	1
29016	UI	Gauss Mech En	Moscow	Academic	1942		2,617,840	29,231	1
29025	UI	Food Res Ctr	Moscow	Academic	1943	'70	1,481,451	16,542	1
29085	UI	Satellite Sub	Moscow	Aux Enter	1943		173,941	3,018	1
29135	UI	Wrhs-Fmly Hsg	Moscow	Residence	1946		30,698	4,368	1
29162	UI	Upper Sheep Brn	Moscow	Academic	1947		46,976	7,250	1
29018	UI	Student Union	Moscow	Aux Enter	1948	'61	6,738,977	109,349	2
29136	UI	Trailer #2	Moscow	Academic	1948		34,947	13,472	1
29118	UI	D-60 Wrhse	Moscow	Aux Enter	1948		106,535	5,896	4
29117	UI	Cntrl Recvg	Moscow	Academic	1948		368,353	10,300	4
29128	UI	Wrhse #9	Moscow	Residence	1950		18,796	1,475	1
29226	UI	2 Aprts	Moscow	Residence	1950		43,722	20,518	4
29012	UI	Admin Office	Moscow	Academic	1950		1,541,936	25,020	1
29145	UI	Pump Hse #3	Moscow	Academic	1950		5,785	507	1
29211	UI	Pump Hse #2	Moscow	Academic	1950		6,786	305	1
29126	UI	Wrhse #7	Moscow	Academic	1950		18,796	1,475	1
29115	UI	Phscl Plt Ctr	Moscow	Academic	1950	'85	676,507	20,518	1
29122	UI	Wrhse #3	Moscow	Aux Enter	1950		18,796	1,475	1
29088	UI	Drama Annex	Moscow	Academic	1950		78,972	1,250	1
29125	UI	Wrhse #6	Moscow	Aux Enter	1950		18,796	1,475	1
29130	UI	Wrhse #11	Moscow	Academic	1950		18,796	1,475	1
29121	UI	Wrhse #2	Moscow	Academic	1950		18,796	1,475	1

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
29210	UI	Water Tower	Moscow	Academic	1950		346,326	1,475	1
29127	UI	Wrhse #8	Moscow	Residence	1950		18,796	1,475	1
29165	UI	Fdg Pltfrm/Brn	Moscow	Academic	1950		39,267	3,600	1
29124	UI	Wrhse #5	Moscow	Academic	1950		18,796	1,475	1
29017	UI	Johnson El Eng	Moscow	Academic	1950		2,291,763	25,590	1
29131	UI	Wrhse #12	Moscow	Residence	1950		18,796	1,475	1
29129	UI	Wrhse #10	Moscow	Academic	1950		18,796	1,475	1
29158	UI	Beef Ctl Shd 2	Moscow	Academic	1950		42,000	1,680	1
29123	UI	Wrhse #4	Moscow	Academic	1950		18,796	1,475	1
29143	UI	Wrhse #16	Moscow	Academic	1950		17,553	1,475	1
29120	UI	Wrhse #1	Moscow	Academic	1950		18,796	1,475	1
29014	UI	Janssen Eng	Moscow	Academic	1950		4,010,060	48,298	1
29140	UI	Gar Area 1	Moscow	Academic	1950		115,320	5,800	1
29093	UI	Cold Str Bld	Moscow	Academic	1951		69,633	1,280	1
29132	UI	Wrhse #13	Moscow	Academic	1951		17,422	1,475	1
29021	UI	Agrcltrl Sci	Moscow	Academic	1951	'75	9,977,901	111,414	1
29027	UI	Music Bldg	Moscow	Academic	1951		2,964,495	35,705	1
29133	UI	Wrhse #14	Moscow	Academic	1951		18,796	1,475	1
29159	UI	Beef Ctl Shd 3	Moscow	Academic	1951		53,525	2,141	1
29151	UI	Mchn Shd #1	Moscow	Academic	1951		25,877	2,788	1
29134	UI	Wrhse #15	Moscow	Academic	1951		18,796	1,475	1
29175	UI	Rock Lab-Geo	Moscow	Academic	1953		5,069	252	1
29059	UI	Steele House	Moscow	Residence	1953		839,903	13,396	1
29119	UI	Solvent Stor	Moscow	Academic	1953		16,114	810	1
29032	UI	Sol Anmls Lab	Moscow	Academic	1954		239,027	2,669	1
29092	UI	Nrsry Seed Str	Moscow	Academic	1954		25,261	1,800	1
29137	UI	Grnhs - Ph Plnt	Moscow	Academic	1955		38,692	1,892	1
29172	UI	Pltry Breeder	Moscow	Academic	1955		14,157	989	1
29031	UI	Home Economics	Moscow	Academic	1955	'85	2,490,740	29,999	1
29064	UI	Gault-Upham	Moscow	Residence	1955		5,373,542	85,705	2
29176	UI	Chemical Shed	Moscow	Academic	1955		3,723	3,018	1
29177	UI	Tool Shed	Moscow	Academic	1955		1,282	1,131	1
29033	UI	Radio/TV Cntr	Moscow	Academic	1956		325,887	5,801	1
29063	UI	Willis Sweet Hl	Moscow	Residence	1957		1,353,966	21,595	2
29068	UI	Park Vil Apts	Moscow	Residence	1957		1,501,927	31,034	2
29173	UI	Ag Publications	Moscow	Academic	1957		60,666	2,400	1
29034	UI	Library	Moscow	Academic	1957		9,097,259	121,285	1
29062	UI	Shoup Hall	Moscow	Residence	1958		1,381,552	22,035	2
29180	UI	Pump Hs-Pt Sci	Moscow	Academic	1958		7,838	7,250	1
29161	UI	Vet Sc Res Brn	Moscow	Academic	1958		78,464	2,404	1
29060	UI	Targhee Dorm	Moscow	Residence	1958		934,139	14,899	4
29097	UI	Grn Hse-6th St	Moscow	Academic	1959		372,784	25,999	1
29100	UI	Grn Hse-For Nrs	Moscow	Academic	1960		26,449	1,021	1
29189	UI	Chem Stor Bld	Moscow	Academic	1960		974	273	1
29178	UI	Plnt Sci Sd Hs	Moscow	Academic	1960		107,184	3,572	1
29188	UI	Vet Sci Isltn	Moscow	Academic	1960		64,984	784	1
29149	UI	Frmhse - Beef	Moscow	Academic	1960		39,808	1,872	1
29150	UI	Frmhse - Sheep	Moscow	Academic	1960		39,808	1,872	1
29035	UI	Mines Bldg	Moscow	Academic	1961		2,660,200	32,298	1,3
29182	UI	Utility Bldg	Moscow	Academic	1961		69,851	5,896	1
29141	UI	Garage Area 2	Moscow	Academic	1963		97,301	4,944	1
29066	UI	Wallace Complex	Moscow	Residence	1963		19,051,810	239,653	2
29148	UI	Mines Storage	Moscow	Academic	1963		20,440	1,475	1
29152	UI	Mchn Shd #2	Moscow	Academic	1963		35,175	3,340	1
29037	UI	Physical Sci	Moscow	Academic	1964	'81	9,201,588	95,022	1
	UI	Observatory	Moscow	Academic	1964		50,000	234	1
29038	UI	Home Management	Moscow	Academic	1964		243,200	4,125	1
29181	UI	Green House	Moscow	Academic	1964		21,131	8,613	1
29039	UI	Eng Istyps Lab	Moscow	Academic	1965		328,852	3,673	1
29144	UI	Infrmtn Cntr	Moscow	Academic	1965		217,782	2,745	1
29187	UI	Dairy Res Cntr	Moscow	Academic	1965	'76	1,154,315	28,473	1
29044	UI	Pav & Meats Lab	Moscow	Academic	1965	'67	1,016,088	15,709	1

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
29040	UI	Univ Clsrm Cntr	Moscow	Academic	1965		4,130,034	49,743	1
29179	UI	Mch Shd/Shop	Moscow	Academic	1965		52,428	4,160	1
29098	UI	For Nrsry Wrhs	Moscow	Academic	1966		27,703	1,938	1
29070	UI	Residence	Moscow	Residence	1966		22,456	8,360	1
29041	UI	Art & Arch N	Moscow	Academic	1966		1,679,963	29,021	1
29071	UI	Residence	Moscow	Residence	1966		50,030	11,400	1
29212	UI	Msc Bld Vet Sc	Moscow	Academic	1967		22,040	3,600	1
29069	UI	Pres' Resid	Moscow	Academic	1967		313,652	6,136	1
29213	UI	Msc Bld Shp Frm	Moscow	Academic	1967		26,252	1,475	1
29043	UI	Buchanan Lab	Moscow	Academic	1968		7,133,161	79,655	1,5
29190	UI	Silo, Dairy	Moscow	Academic	1968		77,236	507	1
29074	UI	Residence	Moscow	Residence	1968		32,126	960	1
29113	UI	Wicks Mrl Prk	Moscow	Aux Enter	1968		60,469	2,179	4,3
29042	UI	Indstrl Ed	Moscow	Academic	1968		694,190	11,992	1
29214	UI	Bf Ctl Hayshds	Moscow	Academic	1968		22,872	1,475	1
29047	UI	Education Bld	Moscow	Academic	1968		5,200,176	62,632	2,5
29147	UI	Grounds Bldg	Moscow	Academic	1969		94,952	5,055	1
29089	UI	Manis Ent Res	Moscow	Academic	1969		240,092	3,080	1
29112	UI	Golf Clb Hse	Moscow	Aux Enter	1969		245,177	3,642	4
29067	UI	Theophilius Drm	Moscow	Residence	1969		7,150,242	89,943	2
29045	UI	Physcl Eductn	Moscow	Academic	1969		3,113,632	53,694	1,5
29111	UI	Golf Crse Stor	Moscow	Aux Enter	1969		52,665	2,274	1
29101	UI	For Nrsry Wrhs	Moscow	Academic	1970		9,860	1,111	1
29186	UI	J. Mnsn Res Brn	Moscow	Academic	1970		120,102	9,717	1
29077	UI	S Hil Apts	Moscow	Residence	1970		5,469,824	98,755	4,2
29099	UI	Watershed Trlr	Moscow	Academic	1970		3,293	175	1
29230	UI	Trck & Fld Fac	Moscow	Aux Enter	1971		40,170	1,119	2
29191	UI	Cattle Isltion	Moscow	Academic	1971		69,258	6,000	1
29050	UI	Col of Forestry	Moscow	Academic	1971		8,139,028	90,881	1,5
29051	UI	Swimming Center	Moscow	Academic	1971		3,588,579	47,449	2
29052	UI	Vet Sci Lab	Moscow	Academic	1971		2,247,984	24,555	1,5
29209	UI	Arbor Rstrm	Moscow	Academic	1972		1,848	317	1
29056	UI	Kibbie Center	Moscow	Aux Enter	1972	'82	15,059,888	270,379	2,4
29053	UI	Menard Law Bldg	Moscow	Academic	1973		5,710,711	68,731	1,4
29054	UI	Per Arts Center	Moscow	Academic	1973		1,622,923	23,700	3,4
29080	UI	Day Care Cntr	Moscow	Aux Enter	1975		62,495	2,750	4,2
	UI	Metabolism Bldg	Moscow	Academic	1975		63,750	1,275	1
29228	UI	Irg Sy Pmphs	Moscow	Academic	1978		34,629	1,475	1
29227	UI	Auto Drvng Rng	Moscow	Academic	1978		8,386	120	4
29229	UI	For Greenhs	Moscow	Academic	1979		106,565	8,613	1
29231	UI	Pmphs #4	Moscow	Academic	1979		78,972	544	1
29079	UI	Residence	Moscow	Residence	1980		64,492	3,204	1
29232	UI	Pesticide Stor	Moscow	Academic	1981		86,639	768	1
29057	UI	Ag Eng Lab	Moscow	Academic	1984		1,983,770	28,390	1,2
	UI	Beef Ctl Tchng	Moscow	Academic	1984		53,000	2,040	1
	UI	MOSCOW TOTAL			1985		$219,594,474	3,207,652	
	UI	Dining Hall	McCall	Academic	1939		138,521	1,814	1
	UI	Shower House	McCall	Academic	1940		69,260	1,092	1
	UI	Storage Shed	McCall	Academic	1941		6,326	270	1
	UI	Admnstrtn Bldg	McCall	Academic	1964		80,870	2,418	1
	UI	Cabins-Cmp	McCall	Academic	1971		150,004	5,516	1
	UI	Shop	McCall	Academic	1982		10,212	512	1
	UI	McCALL TOTAL			1985		$455,193	11,622	

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
6015	UI	Sup's Resid	Aberdeen	Academic	1911		28,022	1,404	1
6016	UI	Resid #2	Aberdeen	Academic	1914		14,173	864	1
6017	UI	Resid #3	Aberdeen	Academic	1928		14,173	880	1
6018	UI	Resid #4	Aberdeen	Academic	1928		14,173	936	1
6011	UI	Misc. Storage	Aberdeen	Academic	1932		16,977	2,160	1
6008	UI	Office Annex	Aberdeen	Academic	1937		72,529	2,808	1
6019	UI	Machine Shed	Aberdeen	Academic	1940		10,866	792	1
6013	UI	Mch Shd & Shop	Aberdeen	Academic	1950		16,483	2,128	1
6007	UI	Greenhse #1,2	Aberdeen	Academic	1950		178,030	4,736	1
6006	UI	Main Ofc	Aberdeen	Academic	1953		91,108	2,688	1
6009	UI	Cereal Res. Lab	Aberdeen	Academic	1957		276,111	8,064	3,1
6005	UI	Pot Stor #1	Aberdeen	Academic	1960		72,525	2,520	1
6012	UI	Machine Shed #2	Aberdeen	Academic	1960		16,483	2,592	1
6010	UI	Twn & Gar Stor	Aberdeen	Academic	1961		6,923	648	1
6021	UI	Wheat Qulty Lab	Aberdeen	Academic	1962		150,946	1,624	3,1
6024	UI	Mar Pot Res	Aberdeen	Academic	1964		866,122	11,400	3
6023	UI	Pot Stor #2	Aberdeen	Academic	1966		93,944	4,876	1
6022	UI	Grnhs/Hdhse	Aberdeen	Academic	1966		107,356	8,360	1
6060	UI	N. Grnhse	Aberdeen	Academic	1973		16,938	960	1
6061	UI	S. Grnhse	Aberdeen	Academic	1973		17,632	960	1
6068	UI	Sea Storage	Aberdeen	Academic	1975		37,842	4,320	1
6025	UI	Chem Stor	Aberdeen	Academic	1976		49,867	576	1
6067	UI	Mach Shed #4	Aberdeen	Academic	1978		25,707	1,550	1
6069	UI	Res Pot Stor	Aberdeen	Academic	1980		124,330	4,800	3,1
	UI	ABERDEEN TOTAL				1985	$2,319,260	72,646	
9004	UI	Research Cen	Sandpoint	Academic	1967		93,502	3,150	4
	UI	SANDPOINT TOTAL				1985	$93,502	3,150	
14018	UI	Machine Shed	Caldwell	Academic	1939		40,150	2,880	1
14020	UI	Scale House	Caldwell	Academic	1939		985	274	1
14027	UI	Nutrtn Lab, Hs	Caldwell	Academic	1940		72,526	2,302	1
14028	UI	Storage	Caldwell	Academic	1940		22,311	1,300	1
14033	UI	Loafing Shed-3	Caldwell	Academic	1946		37,641	5,592	1
14030	UI	Residence	Caldwell	Academic	1946		53,675	1,125	1
14029	UI	Supt. Resid	Caldwell	Academic	1946		65,653	1,547	1
14032	UI	Residence	Caldwell	Academic	1946		42,473	872	1
14016	UI	Office	Caldwell	Academic	1952		168,033	3,120	1
14157	UI	Sml Anml Bldg	Caldwell	Academic	1954		31,367	1,440	1
14037	UI	Well House	Caldwell	Academic	1957		3,288	120	1
14017	UI	Vet Lab	Caldwell	Academic	1958		154,332	1,962	1
14159	UI	Storage Bldg	Caldwell	Academic	1960		15,054	840	1
14158	UI	Storage Bldg	Caldwell	Academic	1960		15,054	840	1
14035	UI	Chpd Hay Stor	Caldwell	Academic	1960		15,258	946	1
14036	UI	Machine Shed	Caldwell	Academic	1960		35,550	1,440	1
14034	UI	Sheep Isolation	Caldwell	Academic	1961		5,017	720	1
14039	UI	Hay Shed #1	Caldwell	Academic	1972		13,273	3,600	1
14040	UI	Hay Shed #2	Caldwell	Academic	1973		13,273	3,600	1
14160	UI	Equip Bldg	Caldwell	Academic	1975		22,584	1,440	1
14156	UI	Scale Bldg	Caldwell	Academic	1976		2,508	120	1
14038	UI	Mobile Bldg	Caldwell	Academic	1977		24,890	700	1
29216	UI	Vet Med Clinic	Caldwell	Academic	1977		2,260,165	48,298	1,5
14136	UI	Feed Proc, Hpr	Caldwell	Academic	1980		201,701	2,160	1,3
	UI	CALDWELL TOTAL				1985	$3,316,761	87,238	

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
14046	UI	Supt. Resid.	Parma	Academic	1949		82,734	1,034	1
14042	UI	Lab/Storage	Parma	Academic	1950		39,561	2,184	1
14041	UI	Q.R. Complex	Parma	Academic	1953		753,400	8,472	1
14164	UI	Domestic Well	Parma	Academic	1954		3,763	120	1
14044	UI	Onion Storage	Parma	Academic	1954		132,311	1,812	1
14048	UI	Veget Storage	Parma	Academic	1960		27,453	1,800	1
14047	UI	Equip. Shed	Parma	Academic	1960		27,529	1,920	1
14049	UI	Office	Parma	Academic	1965		177,471	3,300	1
14050	UI	Insectary Bldg	Parma	Academic	1967		95,618	972	1
14163	UI	BIM Storage	Parma	Academic	1967		1,253	128	1
14162	UI	Forg Dryng Bld	Parma	Academic	1967		2,210	128	1
	UI	Fertilizer Stor	Parma	Academic	1967		2,210	128	1
14051	UI	Machine Shop	Parma	Academic	1967		131,872	2,266	1
	UI	Farmstead Bldg	Parma	Academic	1976		27,000	750	1
14161	UI	Pesticide Stor	Parma	Academic	1979		60,948	680	1
	UI	PARMA TOTAL				1985	$1,565,333	25,694	
41012	UI	Office	Tetonia	Academic	1940		24,723	978	1
41011	UI	Office/Lab	Tetonia	Academic	1940		125,473	1,032	1
41005	UI	Machine Shd #1	Tetonia	Academic	1950		75,283	3,760	1
41008	UI	Seed Elevator	Tetonia	Academic	1953		151,657	1,440	1
41006	UI	Metal Mach Stor	Tetonia	Academic	1957		50,188	2,128	1
41013	UI	Well House	Tetonia	Academic	1958		2,715	100	1
41015	UI	Potato Cellar	Tetonia	Academic	1967		117,464	5,040	1
41009	UI	Potato Cellar	Tetonia	Academic	1967		10,878	1,500	1
41014	UI	Green House	Tetonia	Academic	1968		49,032	1,536	1
41018	UI	Fbrgls Grnhs	Tetonia	Academic	1976		20,603	800	1
41022	UI	Seed Frm-Elev	Tetonia	Academic	1981		243,179	18,000	4
	UI	Fbrgls Grnhs	Tetonia	Academic	1984		20,603	800	1
	UI	Foreman's Resid	Tetonia	Academic	1984		49,628	1,344	1
	UI	TETONIA TOTAL				1985	$941,426	38,458	
42022	UI	Machine Shed	Kimberly	Academic	1935		38,541	2,976	1
42020	UI	Super Resid	Kimberly	Academic	1935		52,348	2,370	1
42023	UI	Chemical Stor	Kimberly	Academic	1940		18,334	512	1
42021	UI	Seed House	Kimberly	Academic	1960		29,181	2,128	1
42018	UI	Green House	Kimberly	Academic	1982		85,362	1,552	1
	UI	KIMBERLY TOTAL				1985	$223,766	9,538	
43041	UI	Field Laborty	Taylor Rnch	Academic	1910		21,570	576	1
43039	UI	Main Stor Cbn	Taylor Rnch	Academic	1930		54,027	700	1
43042	UI	Tack & Fd Hs	Taylor Rnch	Academic	1948		7,466	600	1
43040	UI	Duplex	Taylor Rnch	Academic	1951		34,845	1,000	1
43038	UI	Mgr Residence	Taylor Rnch	Academic	1952		69,841	682	1
43043	UI	Shop	Taylor Rnch	Academic	1973		5,971	750	1
43044	UI	Arlos Cabin	Taylor Rnch	Academic	1974		27,703	600	1
	UI	TAYLOR RNCH TOTAL				1985	$221,423	4,908	

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

IDAHO HIGHER EDUCATION FACILITY SPACE INVENTORY

Bldg #	Inst-tutn	Bldg Name	Location	Function	Yr of Const	Yr of Adtn/ Remdl	'84 Rplc Cost	GSF	Source of Const/Aquist Funds*
29217	UI	Forestry St	Flat Crk	Academic	1939		27,748	1,475	1
29218	UI	Cabin	Hatter Crk	Academic	1950		580	1,475	1
29219	UI	EIV Facilites	Pards Rdg	Academic	1965		26,349	1,475	4
	UI	OTHER TOTAL					$54,677	4,425	
	UI	GRAND TOTAL					$228,785,815	3,465,331	

*1 - State Appropriation, 2 - Indebtedness, 3 - Donations, 4 - Other, 5 - Federal

APPENDIX II

APPENDIX II

SCHEDULE OF OUTSTANDING INDEBTEDNESS

Source of payment code:

1 - Student Building Fee
2 - Nonresident Tuition
3 - Income from Asset Conversion
4 - Residence Room/Board Income
5 - Agricultural Research Funds
6 - Local Service Operating Income
7 - General Education Operating Funds
8 - Facilities Reserve/Escrow Fund
9 - Contributions, Gifts

Indebtedness	Year Issued	Source of Repayment	Year Retired	Amount of Original Indebtedness	Debt Outstanding 7/1/84	Annual Debt Service
BOISE STATE UNIVERSITY						
BUILDINGS						
Student Fee Revenue Bonds:						
Pavilion & Stadium	1980	1	2010	15,850,000	15,850,000	1,757,000
Pavilion	1981	9	1990	3,300,000	1,635,000	534,000
Subtotal				$19,150,000	$17,485,000	$2,291,000
Housing System Bonds:						
Student Union & Dormitories						
Series A	1960	1,4	2000	390,000	217,000	21,800
Series B	1966	1,4	2006	1,775,000	1,295,000	97,100
Series D	1970	1,4	2005	3,250,000	2,800,000	337,600
Series E	1972	1,4	2011	1,500,000	1,280,000	117,100
Series F	1980	1,4	2019	296,080	284,000	16,700
Subtotal				$7,211,080	$5,876,000	$590,300
IDAHO STATE UNIVERSITY						
BUILDINGS						
Minidome	1978	1	1991	1,430,000	1,045,000	185,000
Recreation Facility	1978	1	1995	950,000	950,000	115,000
Housing System						
Series A	1966	1	2004	1,200,000	825,000	58,600
Series B	1966	1	2005	1,350,000	965,000	62,000
Series C	1970	1	2009	665,000	515,000	30,200
Subtotal				$5,595,000	$4,300,000	$450,800

Schedule of Outstanding Indebtedness, continued

Indebtedness	Year Issued	Source of Repayment	Year Retired	Amount of Original Indebtedness	Debt Outstanding 7/1/84	Annual Debt Service
UNIVERSITY OF IDAHO						
BUILDINGS						
Academic:						
University Classroom Bond	1964	8	1999	1,350,000	855,000	72,245
Agricultural Engineering Loan	1983	3	1988	900,000	865,538	101,708
Life Science Bond	1985	1	2010	5,000,000	5,000,000	545,700
Subtotal				$7,250,000	$6,720,538	$719,653
Auxiliary Enterprises:						
Dome Roof Loan	1976	8	1985	2,785,000	690,000	374,759
Dome Addition Bond	1981	1	2010	5,696,000	5,515,000	591,530
Subtotal				$8,481,000	$6,205,000	$966,289
Residences:						
Gault-Upham Bond	1953	4	1993	1,150,000	387,000	51,823
McConnell Bond	1956	4	1986	290,000	37,000	15,520
Park Village Bond	1956	4	1986	500,000	64,000	26,624
Theophilus Tower Bond	1964	4	2007	2,150,000	1,620,000	94,275
Wallace Complex Bond	1962	4	2001	3,030,000	1,829,000	137,994
Wallace Complex Bond	1964	4	2002	1,150,000	706,000	50,710
Wallace Complex Bond	1965	4	2005	1,300,000	920,000	58,050
Wallace Cafeteria Loan	1978	2,4	1988	1,600,000	820,629	195,890
Married Student Housing	1982	4	1987	375,000	210,000	84,187
Subtotal				$11,545,000	$6,593,629	$715,073
Total Building Indebtedness:				$27,276,000	$19,519,167	$2,401,015
OTHER INDEBTEDNESS						
Mix Farm Note	1973	5	1987	130,000	31,200	10,140
Effluent Irrigation Loan	1977	7	2017	193,241	182,440	11,149
ICP Emission Spectroscope	1980	6	1987	80,000	45,714	14,499
Kimberly Farm Purchase Note	1982	5	1988	42,221	26,796	10,595
Kimberly Farm Purchase Note	1982	5	1997	56,779	53,877	6,118
Moffatt Home Purchase Note	1982	4	1987	30,000	24,000	8,700
Instructional Equipment	1985	1	2010	1,000,000	1,000,000	100,000
Total Other Indebtedness:				$1,532,241	$1,364,027	$161,201
LEWIS-CLARK STATE COLLEGE						
BUILDINGS						
Auxiliary Enterprises:						
CUB Bond	1972	1	2003	750,000	660,000	54,180
Total Building Indebtedness:				$750,000	$660,000	$54,180
OTHER INDEBTEDNESS						
Hubenthal Mortgage	1982	4	1994	47,000	44,500	5,521
Bank Note/Residential*	1984	4	1999	145,000	143,800	16,900
Total Other Indebtedness:				$192,000	$188,300	$22,421

* Debt incurred December 31, 1984. The debt outstanding is of 4/1/85.

APPENDIX III

APPENDIX III

SUMMARY OF FINDINGS
BY STATE

1) Alabama. Appropriations from the sale of state revenue bonds usually finance capital projects. The bonds are repaid from a variety of sources which are earmarked for education; the source of repayment is specified in the authorizing legislation. In addition, the public universities may also enter into debt to finance the construction of academic facilities. The source of funds used to repay the debt varies from campus to campus. Tuition revenue has been used; other institutions may charge a facility fee.

2) Alaska. Since 1980 general revenue funds have been used for capital projects; prior to that time general obligation bonds were issued.

3) Arizona. Some capital projects are financed with general revenue funds. When state revenues took a turn downward, the universities started issuing revenue bonds to finance projects. The issuance and amount of the bonds are authorized by the state Legislature; specific projects are approved by a Joint Legislative Budget Committee. The principal and interest on the bonds are paid from a percentage of student fees (including tuition) which are retained locally.

4) Arkansas. The state capital construction fund is composed of year-end unexpended agency funds and revenue obtained from the investment of state funds. The Board of Trustees of each institution, subject to authorization by the Legislature, may issue bonds to finance the construction of academic facilities. Up to 25% of tuition and mandatory fee revenue may be pledged for debt service. The University of Arkansas at Fayettville has also recently started charging a student fee to help retire bonds in addition to using tuition revenue for bond retirement.

5) California. The "capital outlay fund for higher education" was set up in 1968. The fund is the recipient of the proceeds of the leases of the tide lands to the oil companies. In 1983 legislation was passed permitting the issuance of general obligation bonds by the state for the University of California system for research, computer, biological and high technology facilities. The issuance of bonds for the University of California and the California State University systems for libraries was approved by the Legislature in 1984. While the bonds are sold by the state, the repayment is an obligation of each system. State funds are to be appropriated each year to each system for payment on the principal and interest. University of California institutions can issue bonds for a research facility if the source of the repayment can be specifically identified. The state university system does not have that authority.

6) Colorado. General revenue funds and 50% of the net lottery proceeds are the sources used to finance academic capital improvements. The Colorado Postsecondary Educational Facility Authority can issue tax-exempt bonds for public universities. However, because there is no revenue stream to guarantee repayment of the bonds, this option has not been used. The university foundations recently purchased telephone systems. These system cost are being repaid with operating appropriations for telecommunications. The same procedure may be used for the conversion of heating plants to coal burning capability.

7) Connecticut. General obligation bonds are issued by the state for academic capital improvements. General tax funds are used for debt service payments. A private lease sellback arrangement may be used in the development of a research park.

8) Delaware. General obligation bonds are issued for academic capital improvements--10-year bonds for minor improvements and 20-year bonds for major improvements. General revenue funds are used to repay the principal and interest.

9) Florida. A guaranteed constitutional source of funds--a tax of 1-1/2% on utility bills--is a dedicated source of repayment for bonds issued for educational construction in the public schools, community colleges and universities. On occasion general revenue funds may also be appropriated by the Legislature. A constitutional amendment approved by the electorate on November 6, 1984, will allow the use of rentals to pay debt service on revenue bonds issued by the Division of Bond Finance. Bonds would thus be sold and repayment of the principal and interest made by the rental payments. The state university system has established a Student Building Fee and a Capital Improvement Fee. Projects are authorized by the Legislature; revenue certificates are issued by the State Division of Bond Finance. The fees are then pledged for debt service. The proceeds from the fees may also be used to construct student related or academic facilities.

10) Georgia. Both general revenue funds and the proceeds from the sale of general obligation bonds are used to finance academic capital improvements; the source depends in large part upon the financial condition of the state. General revenue funds are used to repay the principal and interest on the bonds issued.

11) Hawaii. In almost all cases academic capital improvements are financed by the issuance of state general obligation bonds. The source used for the repayment of the bonds is general revenue funds.

12) Idaho. The permanent building fund is the state source used for the construction or major remodeling of academic facilities. A portion of cigarette, liquor and beer taxes as well as $1 million annually from sales tax receipts and the revenue from the $10 income tax filing fee are used to finance the fund. There is a separate State Building Authority which legally could be used to build public university buildings, but it has not done so to date. The Board of Regents/State Board of Education may issue bonds for each of the universities for the construction of academic facilities. The bonds are repaid by facility fees which are project or bond issue specific.

13) Illinois. General revenue funds and the proceeds from the issuance of general obligation bonds are used to finance academic capital improvements. Appropriations are project and dollar specific. Major remodeling and new construction are almost always financed by bond issue proceeds; the debt service on the issues is repaid with general revenue funds. The institutions may also use some funds from their appropriations for operations.

14) Indiana. Some general revenue funds are used for academic capital improvements; however, most new construction is financed by the issuance of bonds by the Board of Trustees. Legislative authorizations are project specific with a maximum dollar amount per project. The source of funds used to

repay the debt is a student facility fee. However, a fee replacement appropriation from the general fund is made to the university to replace the facility fee charged the students. This appropriation cannot be called a debt service payment; each bond issue stipulates that the state assumes no liability for the repayment.

15) Iowa. Although some general revenue funds are appropriated for academic capital improvements, most academic buildings are constructed with academic revenue bonds issued by the Board of Regents. The Legislature must authorize on a project basis those facilities to be built with bond proceeds. While the bonds are backed by tuition and fee revenue equal to the amount of debt service, repayment is, in fact, made from a fee replacement appropriation from the general fund.

16) Kansas. There are two sources of state funds used for academic capital improvements: a) general revenue fund and b) educational building fund. The latter was established in 1946, and is funded by a 1 mill state property tax levy which generates about $13 million annually. The educational building fund can only be used for higher education capital improvements. The Board of Regents has the authority to issue bonds for the construction of academic facilities, subject to the approval of the Legislature. The last issue was approximately 8 years ago. A dedicated student fee for bond retirement is collected on a project specific basis. In the last few years, the endowment associations at the larger universities have built buildings and donated them to the universities.

17) Kentucky. All funds for capital improvements, including gifts and federal funds, are appropriated. General construction projects are funded from consolidation education bonds--general obligation bonds. Technically, tuition is charged against the bonds but in effect state appropriations (general tax funds) are used to retire them. In FY 1984-85, State investment income was appropriated for renovation and correction of maintenance problems. Hospital receipts may also be used; these are considered to be agency and not hospital receipts. Their use is thus not restricted to the hospital.

18) Louisiana. Both general revenue funds and the proceeds from the sale of general obligation bonds are used for academic capital improvements. In recent years the dollar amount of the bonds issued has increased, and less cash has been used. The bonds that are issued are repaid with general tax funds. Each institution near a racing track receives a certain amount of racing fee revenue, which is considered to be part of the institution's operating revenue. The first use of these funds must be to alleviate an emergency facility situation. However, the revenue has also been used to help repay bonds for health and physical education facilities. With legislative approval, the universities can issue bonds for the construction of academic facilities. However, this has only been done on a limited basis. Repayment in those cases has been from a general facility fee. The first call on the fee is bond retirement; any additional revenue may be used for general facility improvements. All institutions charge an academic building use fee. The revenues derived from the fee may be used for renovation or construction or they may accrue and be used as a cushion for emergencies.

19) Maine. Recently constructed buildings have been built by funds received from fund raising activities. Minor improvements are funded from the general operating budgets; major projects are built with the proceeds from the

sale of general obligation bonds or direct general fund appropriations. The sale of bonds must be approved by the voters; debt service payments are from the general state funds.

20) Maryland. General obligation bonds are the primary source of revenue used for academic capital improvements. General tax funds are used when there is an available surplus. The bonds are repaid with state property tax receipts and general funds. Originally only the state property tax was used to repay the debt. However, rather than raise the tax, the state started to use general revenue funds. Now these funds make up the largest source of repayment.

21) Massachusetts. Academic capital improvements are funded from the proceeds from the sale of general obligation bonds. Debt service payments are from general revenue funds.

22) Michigan. General revenue funds and the proceeds from the sale of bonds by a state building authority are two sources used to finance academic capital improvements. Debt service payments on the bonds are made from the general revenue fund. The universities can issue bonds for the construction of academic facilities. Repayment of the bonds may be made from project specific fees or general facility fees. The decision is made by the governing board.

23) Minnesota. The proceeds from the sale of general obligation bonds are used for construction and remodeling projects. General revenue funds are used for repairs and betterment. The Board of Regents of the University of Minnesota has issued bonds for the construction of a hospital. Patient fees are being used to repay the debt, but the university had to pledge student tuition revenue as well.

24) Mississippi. General revenue funds and the proceeds from the sale of general obligation bonds are used to finance academic capital improvements at public universities.

25) Missouri. Voters must approve the issuance of general obligation bonds. In 1982 the voters approved a $600 million issue with a certain percentage of the issue designated for higher education. General revenue funds are being used to repay the bond issue; general revenue funds may also be used for some projects. Theoretically, the universities can enter into debt to finance the construction of academic facilities but none have. The source of repayment would need to be defined. One institution charges a facility fee which is used for plant maintenance and minor remodeling.

26) Montana. Both general revenue funds and the proceeds from the sale of general obligation bonds are used to finance academic capital improvements. Some general obligation bonds are repaid with general revenue funds; others are repaid with university building fees. The university also issue bonds for the construction of academic facilities; the projects and their costs must be authorized by the Legislature. University bonds are repaid by a general student building fee which varies from campus to campus. The revenues from the general building fee are deposited into the physical plant fund. They are used for bond retirement, operation of the physical plant and capital improvements.

27) Nebraska. Only general revenue funds are used to finance academic capital improvements. Funds for construction of a facility or a major remodeling project may be appropriated over a number of years.

28) Nevada. Using general revenue funds to finance academic capital improvements is not common in this state. Higher education receives for capital improvements the first $5 million generated by the slot machine tax. The Board of Regents may issue bonds, subject to legislative approval, to be used for the construction of academic facilities. The bonds are repaid through a general fee which is charged on a credit hour basis. Revenue generated by the fee may be used for a variety of capital projects. It may be used for capital equipment acquisitions or with the specific approval of the Board of Regents it may be used to reduce the effects of a revenue shortfall.

29) New Hampshire. If resources allowed, general revenue funds could be used to finance academic capital improvements. However, since resources have not been sufficient, projects have been funded by the issuance of general obligation bonds. The principal and interest are paid by the general revenue fund (general tax receipts).

30) New Jersey. There has been no appropriation for the expansion of the public universities' physical plant since the expenditure of the $250 million general obligation bond issue which was authorized by the voters in 1971. In November, 1984, the electorate approved a $90 million bond referendum to finance the construction of new high technology research facilities. General obligation bonds are repaid with general revenue funds. The universities may use endowment funds for construction or they may fund minor renovations from the annual operating budget. There is an annual general revenue appropriation to the state coordinating board for renewal/replacement projects. No functional renovations are funded from this appropriation.

31) New Mexico. Although general revenue funds may be used once in a while to finance some academic capital improvements, most projects are funded from severance tax bond issue proceeds. The bonds, which have a 5-10 year maturity, may be used for endowed chairs, equipment and library books as well as capital projects. Severance taxes are used to pay the principal and interest. Approximately every 5 years general obligation bonds are issued, subject to a vote of the people. The voter proposition includes a listing of those projects to be built with the proceeds of the issue. The bonds which to date have had a 5-year maturity are repaid by approximately a 1 mill State property tax levy. The state educational institutions have statutory authority to borrow money but have not done so since 1954.

32) New York. Two state building authorities are used to construct academic facilities for the public universities in New York. The Dormitory Authority of the State of New York finances and constructs City University of New York (CUNY) senior and community college facilities in addition to dormitories and dining halls for the State University of New York (SUNY) campuses. The bond debt for the CUNY Senior Colleges is paid by the state. The New York State Housing Finance Authority is authorized to finance the construction of physical facilities other than residential at SUNY public universities and statutory colleges. The debt service payments have first claim against SUNY's unrestricted revenues, including tuition and fees, teaching hospital income, miscellaneous fees and fines and charges including Income Fund Reimbursable food service.

33) North Carolina. General revenue funds are normally used to finance academic capital improvements at public universities. The proceeds from the issuance of general obligation bonds are used infrequently; bond issues must be approved by the voters. The last issue was 1975, and the actual projects to be financed from the issue were listed on the referendum ballot. When bonds are issued, general revenue funds are used to pay the principal and interest.

34) North Dakota. General revenue funds are the only source of funds used for academic capital improvements. Foundation or endowment income may have been used to enlarge a facility being built with state funds.

35) Ohio. Proceeds from the sale of revenue bonds are used to find academic capital improvements although there has been a push to try to secure general revenue funds for utilities and renovation projects. Legislative appropriations are project and dollar specific with the exception of a lump appropriation for general utilities and renovation projects. The bonds issued are revenue bonds and not general obligation bonds because there is no guarantee of repayment backed by the "full faith and credit" of the state. While general revenue funds have been used for debt service payments, the bond covenants require that each institution charge students a separate dedicated debt service fee should there be no general revenue fund debt service appropriation.

36) Oklahoma. In recent years general revenue funds and the proceeds from certain lands which are dedicated for capital construction at specific institutions have been the two sources of funds for academic capital improvements. General obligations bonds can be sold with a special authorization by a vote of the people. The last issue was approved in 1968; but the proceeds from the sale were not totally expended until the mid-1970's.

37) Oregon. Oregon is the only state with a constitutional provision prohibiting more than 50% of the cost of any project from being financed with the proceeds from the sale of general obligation bonds. The bond proceeds are matched with general revenue funds, which are also used for the debt service payments. There is thus a separate appropriation from each source of funds for each project.

38) Pennsylvania. Proceeds from the sale of general obligation bonds are used to finance academic capital improvements at public universities. Debt service payments are made from general revenue funds.

39) Rhode Island. Academic capital improvements are financed by the proceeds from the issuance of general obligation bonds. General revenue funds provide the source for debt service payments. Rhode Island appears to be one of the few states in which a lease purchase arrangement between a foundation and an institutional governing board or an institution is legal.

40) South Carolina. Dollar, project and institutionally specific appropriations are made for academic capital improvements. Debt service payments on these general obligation bonds are financed from the general revenue fund. Once in a while general revenue funds may be used for capital improvements.

41) South Dakota. The South Dakota Building Authority is a separate authority which is authorized by the Legislature to build public university academic buildings and to enter into debt to finance these buildings. Legislative authorizations are project specific with a maximum dollar amount. Twenty percent of the tuition collected is set aside for the retirement of higher education facility bonds, and repair and maintenance, remodeling projects. At the present time approximately one-half of the total is used to repay debt and the other half is used for remodeling, maintenance projects.

42) Tennessee. While general revenue funds may be used once in a while to finance academic capital improvements, general obligation bonds are used much more frequently. General revenue funds are then used for debt service payments. With approval of a legislative committee the universities in the state may enter into debt to finance the construction of academic facilities. At some universities repayment of the debt is by means of a debt service fee which is charged on a project or bond issue basis. Other institutions may make debt service payments from transfers from other income such as general student fees. Institutions may make debt service payments from transfers from other income such as general student fees.

43) Texas. Texas probably has more funding options available for the construction of academic facilities than any other state. The University of Texas and Texas A & M University are the recipients of the income from the permanent university fund. A facility built with funds from this source need not have the approval of the Coordinating Commission or the Legislature. In the last few years construction at the other institutions has been funded with general revenue funds appropriated by the Legislature. The voters approved in the November 1984 election the establishment of a capital construction fund for the other institutions. General revenue funds will no longer be used. The universities may also issue bonds for the construction of academic facilities. The bonds may be repaid with tuition up to $5 each semester or student building fees up to $6/semester credit hour. The Board of Regents is responsible for deciding whether the facility fee to be charged will be a general one or one to be collected on a project specific basis. The universities also utilize the surplus income from auxiliary enterprises for academic capital improvements.

44) Utah. Three state sources of funds are used for academic capital improvements. Four or five issues of general obligation bonds have been sold since 1965; the last one was two years ago. General revenue funds which are used for debt service payments are also used for improvements. There is also a mineral lease fund into which the state's share of funds derived from federal leases for mining are deposited. The mineral lease funds are designed to be used in economic impact areas. The Legislature must also authorize all projects built with bonds issued by the Board of Regents. The larger institutions have been fairly successful in fund raising for the construction of major buildings. This has increased the chances of state matching funds being received.

45) Vermont. Proceeds from the sale of general obligation bonds provide the major means of financing academic capital improvements. There is a state law which limits a new bond issue to 90% of the outstanding bond principal paid off in the previous year. General revenue funds, which provide the source of repayment of the bonds, have been used for construction when there is a

substantial surplus. In 1977, general revenue funds were appropriated to replace general obligation bond funding for some projects. The projects to be funded did not change; the source of financing did. Last year some general obligation bonds, which had required dedicated student fees for repayment, were retired. There are no longer any student fees used to repay state general obligation bonds. When the University of Vermont's construction needs are greater than the state can provide, the Board of Trustees will issue bonds. A special student fee, on a project specific basis, is charged for debt retirement. The university may make informal arrangements to pay a certain percentage of the cost of a building being constructed by the state.

46) Virginia. All capital construction funds, including gifts, are appropriated by the state Legislature. The rationale for this procedure is that the Legislature wants to be able to approve those projects which will be operated and maintained by the general fund. Normally general revenue funds are appropriated for academic capital improvements; however, general obligation bonds may be issued upon a vote of the people. The last approved referendum was 1978. When bonds are issued they are repaid with general revenue funds. There is nothing statutorily that would prevent the universities from entering into debt to finance the construction of academic facilities but none have done so to date.

47) Washington. There are two types of bonds issued by the state, the proceeds of which are used for academic capital improvements. General obligation bonds are repaid with general revenue funds. The state may also issue bonds which are backed by student general facility fees. The fee receipts are deposited into the state treasury, are institutionally identified and are then appropriated by the Legislature. Those receipts which are not needed for debt service may be appropriated to the universities for renovation, rehabilitation and correction of deferred maintenance problems.

48) West Virginia. Academic capital improvements at public universities in West Virginia are funded from bonds issued by the Board of Regents. The debt is repaid from registration and tuition fees.

49) Wisconsin. While general revenue funds may be used occasionally, proceeds from the sale of general obligation bonds provide the predominant source of funds for academic capital improvements. General tax funds are used to repay the principal and interest.

50) Wyoming. There are two sources of funds used for academic capital improvements at the university. The first source is general revenue funds. Just last year the Board of Trustees of the university issued its first bonds for academic facilities. By statute 6-3/4% of the federal mineral royalties received by the state can be used for the repayment of bonds, direct construction, capital equipment and the maintenance and upkeep of the campus.