

Funding Sources for Education & General (E&G) Facilities

There are different types of facilities on a university campus, such as *Athletic*, *Auxiliary*, *Sponsored Research* aka: 'Contracts & Grants' (C&G), and *Education & General* (E&G). Generally speaking, each has its own funding source; for example:

- **Athletic** facilities (stadiums, training fields, etc.) and **Auxiliary** facilities (parking, housing, dining, bookstores, etc.) are typically built with debt proceeds or public-private partnership (P3). They are operated and maintained via self-generated revenues, such as ticket sales, parking fees, housing rents, etc.
- **C&G** facilities (sponsored research labs) are typically built, operated and maintained via non-State funding, such as federal grants, corporate sponsorship, donations, debt issuance, and P3's.
- **E&G** facilities (classrooms, educational labs, offices, etc.) are built, operated, and maintained via State funding, thus setting them apart from C&G, Auxiliary and Athletics. The State funding sources are described on the next page.

Funding Sources for Education & General (E&G) Facilities (continued)

Construction

Funding Source: Public Education Capital Outlay (PECO)

- Part of the annual FCO LBR, list of PECO projects generated via ranking/scoring process pursuant to s. 1001.706(12) FS. Subject to annual Legislative appropriation.

Operations

Funding Source: Plant Operations & Maintenance (PO&M)

- Recurring funds within the Operating Budget for ‘*operations*’ (utilities & custodial) and ‘*maintenance*’ (day-to-day repairs and maintenance)
- Formulaic calculation that determines a cost per square foot for operations/maintenance, further adjusted via a multiplier based on the building classification. Once appropriated, the amount is fixed and included in the university’s annual “base” budget going forward.
- PO&M ceased being funded in FY2016-17, requiring Universities to absorb ongoing operating & maintenance costs for new E&G facilities.

Maintenance

Funding Source: Public Education Capital Outlay (PECO) and Operating Carryforward Funds (CF)

- Also known as ‘Sum of Digits’ (SOD), it is a ‘carve out’ from PECO, calculated annually pursuant to s. 1013.64(1)(a), F.S., based on GSF, building age, type, value, etc. As part of the annual fixed capital outlay legislative budget request, it provides funding for major repairs and maintenance of E&G facilities.
- SOD ceased being appropriated in FY2019-20 when Universities were statutorily allowed to use operating carryforward funds for these purposes.