



# 2024 CAPITAL OUTLAY SEMINAR FOR NON-STATE AGENCIES

Welcome! We will be starting soon....



# 2024 CAPITAL OUTLAY SEMINAR FOR NON-STATE AGENCIES

Office of Facility Planning and Control  
Margaret Hill, Capital Outlay Administrator



# OBJECTIVES

- Explain what qualifies as a Capital Outlay expenditure
- Provide an overview of the phases of the Capital Outlay process
- Explain the information required in a Capital Outlay Request (COR)
- Explain the difference between an appropriation and funding
- Explain General Obligation Bond priorities



# What are Capital Outlays?

Per Title 39:2 (9).....





## Examples of Projects that Qualify?





# When Will Funding Become Available?

**FUNDING TIMELINE**





## Plan Ahead

Capital Outlay is not intended to be a quick fix!



Don't let this.....



Become this.....





# ADVANCING A CAPITAL OUTLAY PROJECT



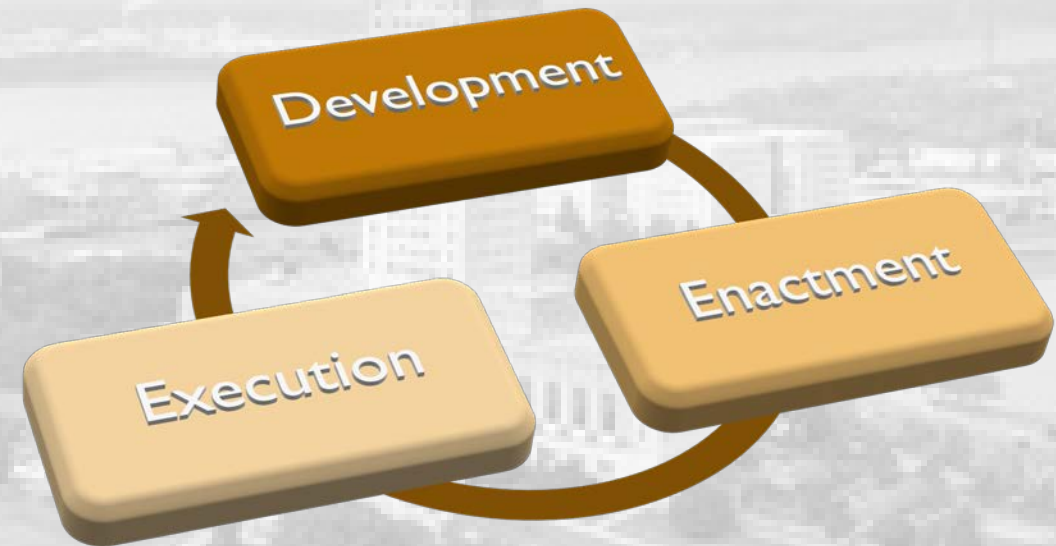
Completed Project





# THE CAPITAL OUTLAY PROCESS

The process of developing, enacting and executing the state capital outlay budget





# THE CAPITAL OUTLAY PROCESS



- Begins with the submission of Capital Outlay Requests (CORs)
- FPC reviews the CORs for compliance with statutory requirements
- DOA develops an initial budget which becomes the Capital Outlay Bill, Original House Bill 2



## HOW DO I APPLY FOR CAPITAL OUTLAY FUNDING?

- Requests are submitted electronically through the eCORTS systems
- Requests must be submitted by 11:59 pm, November 1<sup>st</sup> each year
- A request is required to be updated if new funding is needed or if contracts have not been issued within 24 months of the deadline
- Requests must include certain statutorily required information



# STATUTORILY REQUIRED INFORMATION

an analysis of need with corroborative data,

a reasonable estimate of the date when the project will be needed,

the project's proposed location,

the estimated construction cost,

the estimated local match requirement and amount of local funds expended on the project (Non-State only),

the cost of equipping and furnishing the project,

the cost of opening and operating the facility for the first year,

the estimated annual operating and maintenance costs, and the method and source of financing for each of the next five years,

the estimated completion date of the project,

identification and description of other similar facilities and projects in the given area, and

the order of priority.



# ADDITIONAL NON-STATE REQUIREMENTS

A Legislative Letter of Support (LOS) ✓

A Minimum 25% local match ✓

Updated information on amount of match expended ✓



# ECORTS SYSTEM



## eCORTS

Capital Outlay Request Tracking System

**Capital Outlay Requests Due Friday, November 1, 2024**

**\*\*\* Legislative Letters of Support May be Attached to Submittal \*\*\***

**NOTICE:** R.S. 39:112(E)(4) requires a nonstate entity that receives funding for the acquisition or construction of buildings through the Capital Outlay Act to establish, fund, and maintain an escrow account to be used exclusively for costs associated with the long-term major capital maintenance of the project beginning on or after July 1, 2024. Please refer R.S. 39:112(E)(4) for specific escrow account requirements and exceptions.

[Enter Capital Outlay Request Website eCORTS](#)

Capital outlays are expenditures for acquiring lands, buildings, equipment or other properties, or for their preservation or development or permanent improvement. Capital outlay planning and budgeting are directed toward the acquisition or renovation of fixed assets.

Statutory authority for capital outlay planning and budgeting procedures is contained in Sections 101-114 of Title 39 of Louisiana's Revised Statutes.



For more information or for inquiries, email [CapitalOutlay@la.gov](mailto:CapitalOutlay@la.gov)

[SITE HELP](#) [FPC HOME](#) [LEGISLATURE](#)



# THE ENACTMENT PHASE



- Governor submits Original House Bill 2 to the legislature by the 8<sup>th</sup> day of the legislative session
- Legislature amends the Bill
- Governor signs the Bill
- The Bill becomes “the Act”



# FOLLOWING BILL ENACTMENT

ENROLLED

## **ACT No. 5**

2024 Regular Session

HOUSE BILL NO. 2

BY REPRESENTATIVE EMERSON

1

AN ACT

2

To provide with respect to the capital outlay budget and the capital outlay program for state

3

government, state institutions, and other public entities; to provide for the

4

designation of projects and improvements; to provide for the financing thereof

5

making appropriations from certain sources; and to provide for related matters.

6

Be it enacted by the Legislature of Louisiana:





# WHAT TYPE OF APPROPRIATION DID I RECEIVE?

**General  
Obligation Bonds**

OR

**Cash**

Must be approved by the State Bond Commission

Available once Governor signs the bill into Act



## EXAMPLE OF APPROPRIATIONS

17	(656)	Thibodaux Readiness Center Modernization		
18		(Lafourche)		
19		Payable from State General Fund (Direct) Non-Recurring		
20		Revenues	\$	59,000
21		Payable from Federal Funds	\$	177,000
22		Total	\$	<u>236,000</u>



## EXAMPLE OF APPROPRIATIONS

10	(954)	Old State Capitol Exterior Repairs, Planning and		
11		Construction		
12		(East Baton Rouge)		
13		Payable from General Obligation Bonds		
14		Priority 1	\$	3,000,000
15		Priority 5	\$	4,400,000
16		Payable from State General Fund (Direct) Non-Recurring		
17		Revenues	\$	<u>1,000,000</u>
18		Total	\$	<u><u>8,400,000</u></u>

\*\*\*\*\*Appropriations are made to a specific entity for a specific purpose.\*\*\*\*\*



## APPROPRIATED VS FUNDED

**Being in the Act**  
**is NOT the same as receiving**  
**funding**



# APPROPRIATED VS FUNDED

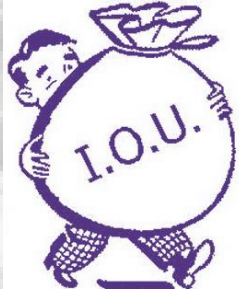
Appropriations  
Authority to  
Receive Funding

2024 Regular Session  
HOUSE BILL NO. 2  
BY REPRESENTATIVE EMERSON

**ENROLLED**  
**ACT No. 5**

1 AN ACT  
2 To provide with respect to the capital outlay budget and the capital outlay program for state  
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4 designation of projects and improvements; to provide for the financing thereof  
5 making appropriations from certain sources; and to provide for related matters.  
6 Be it enacted by the Legislature of Louisiana:

Funding  
Commitment  
of funds





# GENERAL OBLIGATION BOND APPROPRIATION

## General Obligation Bonds

- Priority 1 | Cash Appropriation | Reauthorized
- Priority 2 | Cash Appropriation | New
- Priority 3 | Cash Appropriation | New
- Priority 4 | Cash Appropriation | New
- Priority 5 | Non-Cash Approp. | New / Reauthorized



# PRIORITY I

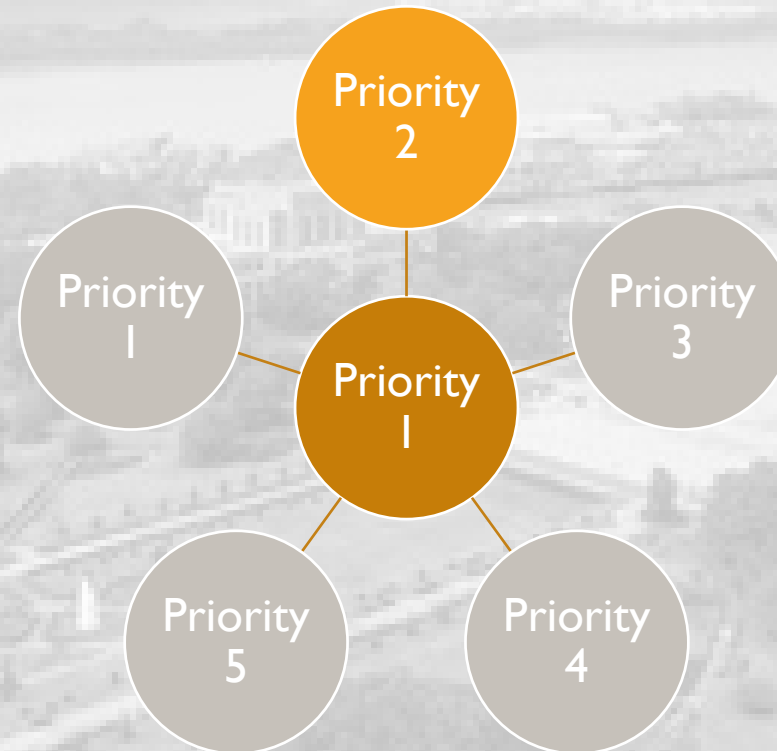
Always a reauthorization of appropriations  
with PRIOR lines of credit





## PRIORITY 2

**New** authorization for CASH to be spent in the **fiscal year of the Act**







# PRIORITY 3 & 4

**New authorization for CASH to **NOT** be spent in the **fiscal year of the Act****





## PRIORITY 5

- **New or reauthorized BUDGET AUTHORITY**
- **Can only be granted a NONCASH line of credit**





## WHAT TO EXPECT AFTER LEGISLATIVE SESSION

- Appropriations Memos are distributed
- General Obligation Bond appropriations are considered for funding
- Lines of Credit are granted by the State Bond Commission
- Notification of Line of Credit Status Memos are distributed



## CONTACT CAPITAL OUTLAY STAFF

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