

Higher Educational Facility Commission

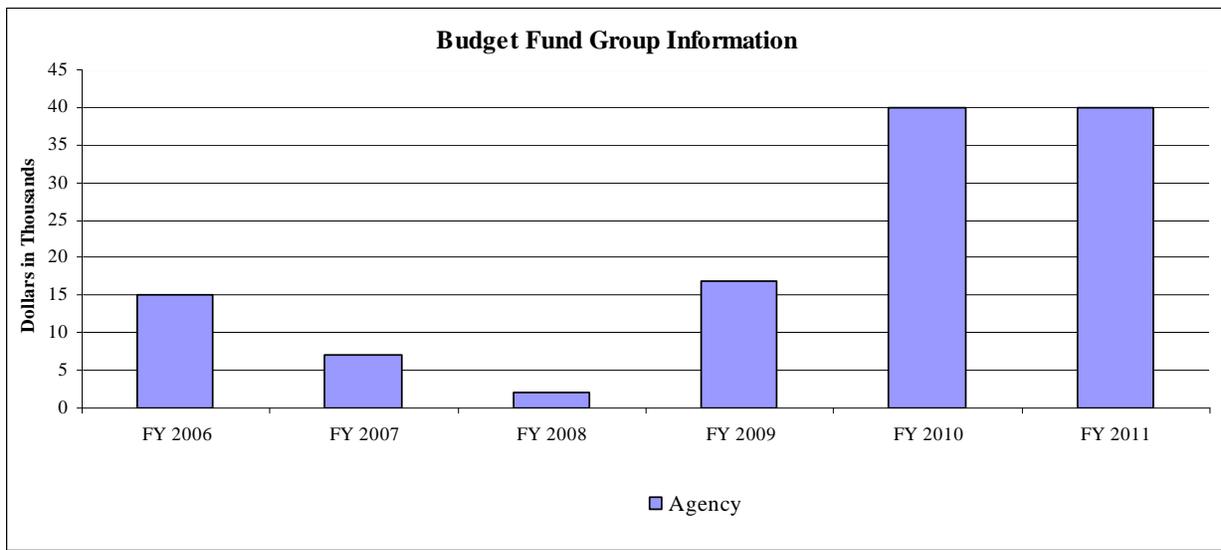
Role and Overview

The Higher Educational Facility Commission assists Ohio's independent colleges and universities, and certain hospitals and health care systems, in building capital facilities at a lower interest cost than would otherwise be available. The commission finances the construction or renovation of facilities for independent colleges and universities and certain hospitals through the sale of tax-exempt bonds issued by the commission. In turn, the commission enters into agreements whereby a college, university, or hospital leases the facility from the commission and pays rent to the commission in the amount needed to retire the bonds.

Agency Priorities

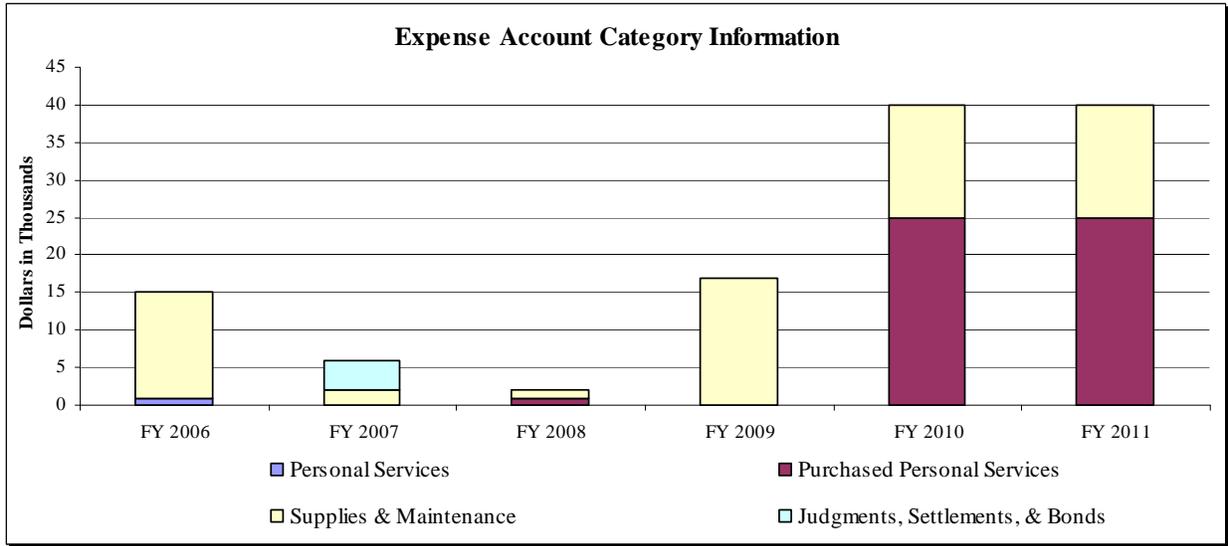
- Provide tax-exempt bonds to non-profit private colleges and universities and eligible hospitals to lower the costs of capital projects.

Summary of Budget History and Recommendations



(In Thousands) BUDGET FUND GROUP	ACTUAL			EST. % CHANGE		RECOMMENDED % CHANGE			
	FY 2006	FY 2007	FY 2008	FY 2009	FY 08-09	FY 2010	CHANGE	FY 2011	CHANGE
Agency	15	7	2	17	995.9	40	137.8	40	0.0
TOTAL	15	7	2	17	999.3	40	137.8	40	0.0

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- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

(In Thousands) EXPENSE ACCOUNT CATEGORY	ACTUAL			EST.	% CHANGE	RECOMMENDED			
	FY 2006	FY 2007	FY 2008	FY 2009	FY 08-09	FY 2010	% CHANGE	FY 2011	% CHANGE
Personal Services	1	0	0	0	0.0	0	0.0	0	0.0
Purchased Personal Services	0	0	1	0	-100.0	25	100.0	25	0.0
Supplies & Maintenance	14	2	1	17	2,888.3	15	-11.8	15	0.0
Judgments, Settlements, & Bonds	0	4	0	0	0.0	0	0.0	0	0.0
TOTAL	15	7	2	17	999.3	40	137.8	40	0.0

PROGRAM SERIES 01: Higher Education Funding Commission

This program series provides funding to pay for the direct expenses incurred by members of the commission, including personal travel, parking, lodging and incidental state fees. (Commission members receive no compensation for their service.) Revenues are generated from application and issuance fees paid by independent colleges and universities in Ohio, and eligible hospitals, who do business with the commission.

Program 01.01: Program Management

This program provides funding for board members' travel, parking, and other incidental costs. The funds used to pay for these costs are generated from application and issuance fees paid by participating private colleges and universities and eligible hospitals. The complexity and volume of the Commission's workload has increased with the growing volatility in the bond markets and the recently acquired responsibility to consider requests from certain health facilities. In FY 2007, the Commission approved of 11 requests for tax-exempt financing, totaling \$827.3 million. In FY 2008, the Commission has approved 16 requests for tax-exempt financing totaling \$1.8 billion.

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The Executive Recommendation will fund the following objectives:

- Provide reimbursement to Commission members for necessary expenses;
- Fund occasional professional services or consultation, on an as-needed basis, for special issues; and
- Maintain membership of the Commission in a national body (the National Association of Health and Educational Facilities Finance Authorities), which provides professional development and periodic state and national policy and advisory information.

FUND				RECOMMENDED	
GROUP	FUND	ALI	ALI NAME	FY 2010	FY 2011
AGY	4610	372601	Operating Expenses	40,000	40,000
TOTAL FOR PROGRAM				40,000	40,000

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LINE ITEM SUMMARY - Higher Education Facilities Commission

FUND	ALI	ALI NAME	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 RECOMMENDED	% CHANGE	FY 2011 RECOMMENDED	% CHANGE
4610	372601	Operating Expenses	14,846	6,934	1,535	16,819	40,000	137.8	40,000	0.0
TOTAL Agency			14,846	6,934	1,535	16,819	40,000	137.8	40,000	0.0
TOTAL Higher Education Facilities Commission			14,846	6,934	1,535	16,819	40,000	137.8	40,000	0.0