

**THE MANAGEMENT AND BUDGET ACT (EXCERPT)**  
**Act 431 of 1984**

**18.1242 Development of 5-year capital outlay plans; review; priorities; program statements and schematic planning documents; authorization of project for final design and construction; submission of bid results summary to JCOS; oversight; appropriation not considered as commitment.**

Sec. 242. (1) State agencies, community colleges, and universities shall develop 5-year capital outlay plans, which shall identify capital outlay needs, including new construction, or the addition, renovation, adaptive reuse, and improvement of existing facilities. For state agencies, community colleges, and universities, the 5-year capital outlay plans shall also include the need for special maintenance. These plans shall be submitted in electronic format to the department, to members of the JCOS, and to the fiscal agencies not later than November 1 of each year.

(2) The department and the JCOS shall review state agency, community college, and university capital outlay plans. The department and the JCOS shall prioritize requests. The department shall include the department-recommended requests in the executive budget recommendation. If a state agency, community college, or university subsequently modifies a request, the revision shall be submitted to the department, members of the JCOS, and the fiscal agencies.

(3) The department and the chairperson and vice-chairperson of the JCOS shall review and evaluate by March 1 of each year capital outlay project requests received from community colleges, universities, and state agencies. All of the following shall be considered when reviewing and evaluating project requests:

- (a) Investment in existing facilities and infrastructure.
- (b) Life and safety deficiencies.
- (c) Occupancy and utilization of existing facilities.
- (d) Integration of sustainable design to enhance the efficiency and operations of the facility.
- (e) Estimated cost.
- (f) Institutional support.
- (g) Estimated operating costs.
- (h) Impact on tuition, if any.
- (i) Impact on job creation in this state.
- (j) History of prior appropriations received by the institution through the capital outlay process.

(4) The request for program development and schematic planning must be approved by the JCOS and the legislature through the appropriation process.

(5) Program statements and schematic planning documents shall be reviewed by the department and, when the review is completed, shall be submitted to the JCOS as either approved or not approved.

(6) Upon review and approval by the JCOS, the JCOS and the legislature may authorize the project for final design and construction with a line-item appropriation in an appropriation bill. The appropriations bill shall include appropriations for projected state building authority rental payments associated with the projects that are authorized for construction. The authorization shall include the legislative lease approval required for state building authority financing.

(7) Preliminary plans shall be submitted to the department for review and approval. The department shall review and approve final plans to be prepared for bidding. A summary of bid results shall be submitted to the JCOS.

(8) The department shall provide for review and oversight of capital outlay projects financed either in total or in part by the state building authority pursuant to the provisions of sections 237 and 237a.

(9) Appropriations made for studies and initial plans shall not be considered a commitment on the part of the legislature to appropriate funds for the completion of plans or construction of any project based on the studies or planning documents.

**History:** 1984, Act 431, Eff. Mar. 29, 1985;—Am. 1999, Act 8, Imd. Eff. Mar. 22, 1999;—Am. 2012, Act 430, Imd. Eff. Dec. 21, 2012.

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