Instructions for Maintenance Reserve Report

Department of Planning and Budget

September 2018

MAINTENANCE RESERVE ANNUAL REPORT

DATE DUE: October 19, 2018

Background

Under the process for implementing maintenance reserve (MR) projects, agencies report annually on only those projects for which expenditures were made in the previous fiscal year. Expenditures for MR projects are limited to projects that meet one or more of the following criteria:

- Repair or replacement of functionally obsolete, damaged, or inoperable built-in equipment such as elevators, furnaces, plumbing fixtures, air conditioning, and ventilation;
- Repair or replacement of components of a plant, such as exterior wood, masonry, ceilings, floors, floor coverings, doors, windows, roofs, sidewalks, parking lots, fencing, and exterior lighting;
- Repair or replacement of existing utility systems, such as steam lines, natural gas, air, electrical, water, and sewer;
- Correction of problems resulting from erosion and drainage;
- Work related to handicapped access, energy conservation, building and safety codes compliance, lead paint abatement, or asbestos correction; or
- Activities specifically authorized in the Appropriation Act.

It needs to be specifically pointed out that MR funding cannot be used for planning only or system/facility assessment associated with identifying maintenance reserve projects. Furthermore, MR appropriations were limited in FY 2018 to projects estimated to cost more than $25,000 and no more than $1.5 million. However, DPB was authorized to grant an exception to these dollar limits.

Agencies are to submit their annual MR reports in the PB System. These reports will provide information that will enable DPB and agencies to track expenditures on MR as a whole and on individual projects over time.

Along with the PB submission, agencies are required to submit a statement certifying that all MR expenditures were made on projects that met the MR criteria. The statement must be signed by the agency head or deputy to whom the director of capital or architectural/engineering department, or the equivalent thereof, reports.

The deadline for the submission of the completed spreadsheet and certification is October 19, 2018. The certification statement is posted on DPB's website and should be e-mailed to budget@dpb.virginia.gov, with a copy to your DPB analyst.

Instructions

Any project for which any MR expenditure was made in <u>FY 2018</u>, including nongeneral fund expenditures, should be included in the PB submission.

Getting to the Module

1. In the PB work tray, mouse over the "Capital Budget" tab in the top line.
2. From the drop down list, choose "MR Annual Report".
3. Enter or select your agency code and hit "enter".
4. For "Reporting Year", select FY2018.

Completing the Report

Existing projects

The system will populate with a list of those MR projects for which the agency reported expenditures when the PB dataset was established in the fall of 2014 or in subsequent annual reports, but which had not been completed in FY 2017. For each of these projects, use the following guidelines:

1. Total cost—This is the agency estimate of the total cost of the project. If your estimate has changed, make the appropriate change in this field.
2. FY 2018 expenditures—Enter the total FY 2018 expenditures in the appropriate column: FY 2018 GF, FY 2018 tax supported debt, or FY 2018 NGF. If there were no expenditures, enter "0".

Occasionally, in compiling data for this report, agencies discover that they did not accurately report prior years' expenditures. For example, you may discover that the total FY 2017 expenditures that you reported for a project last year did not include all the actual expenditures. In such a case, you need to include unreported prior expenditures in the FY 2018 expenditure total. That will result in a true total expenditure number, although the FY 2018 expenditure will be overstated. In the "comment" field for the project, explain the circumstances and the breakdown between actual FY 2018 expenditures and any "true-up" adjustments.

3. Life-to-date columns—Make no entry or change in these columns; PB will recalculate these amounts, taking into account the FY 2018 amounts entered. (The updated amount will appear after the "submit" function has been used.)

4. Complete?—If the project was completed in FY 2018 or no expenditures will be made in the future, click the check box in this column. Notes: If the project was completed, the total of the life-to-date columns and the amount in the Total Cost field should be the same. Also, be certain of the project's status before marking it "complete". If a project is marked as complete, it will not show up on the next year's annual report's initial listing, and if it turns out that it was not in fact complete and expenditures were made in the subsequent year, additional administrative steps must be taken to record those expenditures on the subsequent annual report.

Existing projects not shown in PB list

If an agency had a previously validated MR project for which no expenditures were made in FY 2014 (the starting point of the PB dataset) or subsequent fiscal years, it will not appear in the pre-populated list. If you have such a project and made expenditures in FY 2018, contact your DPB analyst and provide the following details: name of project, facility, infrastructure element, total cost, and life-to-date cost prior to FY 2018 by fund category (GF, tax-supported debt, NGF). DPB will then load the project into PB and you can then enter FY 2018 expenditure data.

New projects

If your agency made expenditures on a new MR project for which expenditures had not been made prior to FY 2018, follow the steps below:

- Click on "Add" at the bottom of the MR Annual Report work area.
- A blank row should appear at the bottom of the existing entries. In that row, enter the following information for each project:
  1. Project title—leave this field blank. PB will automatically create a project name and project code for this field.
  2. Project Title Name—Put in the title of the project, starting with a verb. This is the title that PB will use to create the combination code/title that will go in the first field.
  3. Facility—This is the same field that is used for capital budget requests and CO forms and is used to identify the specific agency operating unit or campus for which the project is intended. Click on the 🔍 icon and select the appropriate facility.
  4. Infrastructure element—This field is identical to the one used by BCOM in capital outlay forms and is used help categorize the type of project for which expenditures have been made. Select the appropriate element from the drop-down list.

5. Total cost—The agency estimate of the total cost of the project.
6. FY 2018 expenditures—Show the total FY 2018 expenditures in the appropriate column: FY 2018 GF, FY 2018 tax supported debt, or FY 2018 NGF.
7. Life-to-date columns—Make no entry or change in these columns; PB will recalculate these amounts, taking into account the FY 2018 amounts entered. (The updated amount will appear after the "submit" function has been used.)
8. Complete?—If the project was completed in FY 2018, click the check box in this column. Note: If the project was completed, the total of the life-to-date columns and the amount in the Total Cost field should be the same.

When all entries have been made and the agency staff is satisfied with their completeness and accuracy, under "Submit", select "Submit for DPB Review".

If you have any questions, please contact your DPB analyst.