



OFFICE OF MANAGEMENT & BUDGET

Jonathan Womer, Director

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MEMORANDUM

To: Directors and Chief Financial Officers
From: Jonathan Womer
Director, Office of Management & Budget
Date: September 1, 2020
Subject: FY 2022-2026 Capital Budget Process

A handwritten signature in blue ink, appearing to read "Jonathan Womer".

Consistent with the State's operating budget, current circumstances require the upcoming capital budget cycle to be highly constrained. The RI Capital Plan Fund (RICAP) in FY 2021 is \$35.9 million, down from \$140.8 million in the Governor's proposed budget. This reduction is due to the partial use of the budget reserve and cash stabilization account to balance FY 2020 per RI Gen. Law § 35-3-20.1. These circumstances may change over the next few months but they are not likely to change enough to avoid difficult choices.

RI Capital Plan Fund Request:

The capital budget projects included in the Governor's capital plan are loaded in the Budget Formulation and Management System (BFM) for you to provide an update on the status of projects, and request funding for new or continuing projects in FY 2026 for RICAP. Given the uncertainty of federal aid and anticipated revenue constraints over the next five-years, every agency is expected to submit a constrained RICAP budget not to exceed what is in the current plan. The status updates provided will provide insights into how the \$103.6 million reduction will be allocated. Priority of funding will be given to projects that are under contract from FY 2020, asset protection/projects that address life and safety, address regulatory/judicial remediation requirements, and provide economic stimulus. The FY 2026 request shall not exceed what is in each department's FY 2025 plan values.

NON-RICAP Capital Requests:

The capital budget process captures the entirety of the State's five-year capital plan; therefore, we are requesting that you submit your capital fund request for non-RICAP funding with no restriction unless they are dependent on RICAP for matching funds.

The capital budget should be submitted by October 1st with your operating budget under separate cover. Please find the attached instructions for your review. Bernie Lane will be scheduling Microsoft Team Training sessions for Department Chief Financial Officers/Project Managers commencing the week of August 31st. Bernie can be reached at bernard.lane@doa.ri.gov or 222-8151 if you have questions or require additional assistance during the process.

cc: OMB Budget Staff