

2025 Capital Budget

Nonprofit Cash Capital Request Form

This form collects request information for general fund cash capital funding from the State of Minnesota. Minnesota Management and Budget (MMB) will share completed request forms with the House and Senate Capital Investment Committees and the Governor’s Office capital budget staff for awareness of the request. However, project requesters must follow up with the legislature, working with a legislator to file a bill and working through the legislative process for inclusion in a capital investment bill. Project requesters should be aware that legislative session may end without passage of a capital investment bill. As noted on the last page of this form, project owners must review and meet the requirements found in the [Capital Budget Funding Pathways and Requirements Checklist document](#). More information and resources can be found on MMB’s [Cash Capital Budget Instructions for Nonprofits and Tribal Governments webpage](#). Please email the completed request form to capitalbudget.mmb@state.mn.us. Please note that the entity requesting state funds must be the project owner and have a qualified ownership interest in the property as defined in the Capital Budget Funding Pathways and Requirements Checklist document.

Name of Entity Requesting State Funds: _____

Project Title: _____

City (Location of Project): _____

2025 Legislative Session Request Amount: _____ (Enter dollars in thousands: \$1 million is \$1,000)

Project Summary

Summarize the request in two sentences.
Example: “\$2 million in state general fund cash is requested to acquire land, predesign, design, construct, furnish and equip a new building for the ABC Organization to be located in the City of Blaine. The total project cost is \$5 million.”
Max 500 characters.

Project Description

Describe the project in detail, including scope, total cost (especially if different than the funding amount requested), key funding sources, etc. For new projects, identify the new square footage planned. For remodeling, renovation, or expansion projects, identify the total square footage of current facilities, the square footage to be renovated, and/or the new square footage to be added.

Max 4,000 characters.

Project Rationale

Why is this project needed? Justify the request.

Max 2,000 characters.

Project Timeline

Describe the sequence of the project by month/year (predesign, design, construction, completion, etc.). Summarize other influencing factors or interactions (example: coordinating the request with other projects).

Max 1,000 characters

Other Considerations

Is there anything else that decision makers should know about this project? Please explain what stakeholder engagement has been done for this project, and what will happen if the requested funds are not granted by the state. Max 1,000 characters.

Who will own the project?

Max 500 characters

Who will operate the project?

Max 500 characters

Who will use or occupy the project?

Max 500 characters

Public Purpose

Max 500 characters

Description of Previous Appropriations from the State for this Project

Max 500 characters

Description of Previous Cash Capital Request to the State for this Project

Was this a cash capital request in the 2024 legislative session? If yes, please explain if the amount was updated and if the update is only due to inflation or also due to other factors, such as a change in project scope.

Max 500 characters

Project Funding Sources and Costs

These tables represent the capital project’s budget, based on the phases tied to requested state appropriations. These tables do not represent the project’s cashflow. Total project funding sources must equal total project costs in each column. The 2025 Session column represents the project, or project phase, for which state funds are currently requested. The Prior Years column represents any funds spent, or planned for spending, on previous phases of the project that are not reliant on the 2025 Session request to the state. The 2026 and 2028 Session columns represent estimates for future phases of the project which may or may not tie to a future state request. The first two funding source fields below shall include all the state funds requested, appropriated, committed, or pending for the project. Do not include any operating budget funding below. Please enter the additional funding sources for the project’s non-state resources and be sure to label as “pending” when applicable. The 2025 Session request amount should be entered under State General Fund Cash.

Project Funding Sources (Enter dollars in thousands: \$1 million is \$1,000)

Source	Prior Years	2025 Session	2026 Session	2028 Session
State General Fund Cash				
Other State Funds				
1				
2				
3				
4				
Total Project Funding Sources				

State vs. Non-state Share for Total Project Sources

This table is automatically populated with all project phases included. The state amount is based on the first two funding source fields, and the non-state amount is based on the remaining fields. Please note that dollars are still in thousands.

\$ Total State Amount	\$ Total Non-state Amount	\$ Total Project Amount

For most projects, at least a 50% non-state share is encouraged.

% State Share	% Non-state Share

Project Costs (Enter dollars in thousands: \$1 million is \$1,000)

Cost Category (see Appendix A)	Prior Years	2025 Session	2026 Session	2028 Session
Property Acquisition				
Predesign				
Design				
Project Management				
Construction				
Occupancy Costs				
Relocation Costs				
One Percent for Art				
Optional: MMB Inflation Estimate (see below)				
Total Project Costs				

Optional Tool: MMB Inflation Estimate

The project costs listed above must include both inflation costs and construction contingency costs, which are essential parts of calculating accurate capital budgets. Project owners must work with their professional cost estimator to ensure both are included. For inflation costs, please consider that capital investment bills are typically passed in May. Failure to account for the length of the project schedule, including any time shifts in the funding process, can result in under-funding a project. MMB’s inflation estimate is an optional tool for building projects that opt to use MMB’s inflation estimate instead of their own inflation estimate.

To use MMB’s inflation estimate:

1. Identify the project’s mid-point of construction (month and year). This is defined as the date midway between the commencement date and the date of substantial completion. The “date of commencement” is the start of the construction period when construction forces arrive on the project site. “Substantial completion” is when progress of the work is sufficiently complete so the owner can occupy or utilize the work site for its intended purpose.
2. Identify the inflation rate for the mid-point of construction, using the table in Appendix B.
3. Identify the project cost in July 2024 dollars, with no inflation or relocation costs included.
 - a. Note: to update a project from July 2023 dollars to July 2024 dollars, identify the July 2023 project costs before inflation is included and multiply by 3.5%.
4. Multiply the project cost in July 2024 dollars and the inflation rate to calculate the inflation estimate.
5. Include the inflation estimate in the Project Costs table above in the “Optional: MMB Inflation Estimate” field and update the Funding Sources table and narrative accordingly to ensure that the project’s Project Costs and Funding Sources totals match in each column.

Confirmation of Review and Adherence to Cash Capital Requirements

Has the project owner requesting state funds reviewed and agree to meet the cash capital requirements listed in the [Capital Budget Funding Pathways and Requirements Checklist document](#)?

Yes

No

Contact Information

By submitting this form to Minnesota Management and Budget (MMB), the project contact is attesting that they have authority to submit the request as staff or an official of the requesting entity.

Name: _____

Title: _____

Name of Entity Requesting Funds: _____

Phone Number: _____

Email Address: _____

Website: _____

Please email the completed form to capitalbudget.mmb@state.mn.us.

MMB will share completed forms with the House and Senate Capital Investment Committees and the Governor's Office capital budget staff for awareness of the request. However, projects must follow up with the legislature, working with a legislator to file a bill and working through the legislative process for inclusion in a capital investment bill.

Appendix A: Project Costs Definitions

Below are definitions of the cost categories.

Property Acquisition: The use of funds to acquire land, easements, options, or land with buildings or other improvements.

Predesign Fees: Predesign is the stage in the development of a project during which the purpose, scope, cost, and schedule of the complete project are defined. The fees consumed in preparation of predesign can range up to 1% or more of total project costs depending on the scale and complexity of the project.

Design Fees: The stage in the development of a project during which schematic, design development, and contract documents are produced. These design services include normal architectural, structural, mechanical, and electrical engineering services that cover the schematic, design development, contract documents, bidding, and construction administration stages of a construction project. Reimbursable items, additional services and specialty consultants should be added.

- **Schematic Design** includes drawings and other documents illustrating the scale and relationship of project components.
- **Design Development** is the stage of the architect's services in which the architect prepares design development documents for submission to the owner for the owner's approval.
- **Contract Documents** include agreements between the owner and contractor, conditions of the contract (general, supplementary, and others), drawings, specifications, and addenda issued prior to execution of the contract, other documents listed in the agreement and modifications issued after execution of the contract.
- **Construction Administration** includes the responsibilities of the architect and owner's representative during the construction stage.

Project Management: This is the process of planning, scheduling, and controlling the critical aspects of the owner's program. The quality, budget, and deadlines are protected through the use of entity staff (owner administration) or outsourcing (owner's project representative). Please note that political subdivisions, nonprofits, and Tribal governments cannot use capital budget grant funding to cover internal staff costs or staff time expended on capital projects funded by the state.

- **Project Management Staff** includes services provided to an owner of a project during the design and/or construction stage by a person or entity possessing requisite training experience. These services may include advice on the time and cost consequences of design and construction decisions, scheduling, cost control, coordination of contract negotiations and awards, timely purchasing of critical materials and long-lead items, and coordination of construction activities and contracts.
- **Commissioning** is a process verifying the implementation of design and construction, correcting project deficiencies, and recording warranties and guarantees. Building systems that have been checked to see that they are functioning properly use less energy, experience less down time and require less maintenance, thereby saving money and ensuring peak building performance. Commissioning ideally begins in the design phase and extends through at least the first year of occupancy.

Construction Costs: The total cost or estimated cost to the owner of all elements of the project designed or specified by the architect. It does not include the compensation of the architect and the architect's consultants, the cost of land, rights-of-way, financing, or other costs which remain the responsibility of the owner.

- **Site & Building Preparation** is work performed within the perimeter of the land parcel but beyond five feet from the existing structure or new construction that would include infrastructure/roads/utilities.
- **Demolition/Decommissioning** is the cost for razing a facility or removing from service permanently. Hazardous material abatement associated with this action should be itemized separately under the hazardous material abatement category but included in the total cost of the project budget.
- **Construction** includes costs associated with construction of the facility.
- **Infrastructure/Roads/Utilities** are costs for the construction or enhancements to infrastructure, roads, grounds, or utilities.
- **Hazardous Material Abatement** is any costs associated with the encapsulation and/or abatement of hazardous materials in structures associated with the construction project.
- **Testing** is the cost for any site, including environmental, testing that will be conducted as part of the project.
- **Construction Contingency** is an amount of money set aside for unforeseen conditions in a construction project. The amount can vary from 2% to 5% in new construction, to 5% to 10% in projects of a remodeling nature based on project size and complexity. Differences in localized costs, design contingencies, or other items should be factored into the general construction cost.

Occupancy: The purpose for which a building, or part thereof, is used or intended to be used (Uniform Building Code). Note that not all these items are necessarily bond-eligible costs.

- **Furniture, Fixtures and Equipment (FF&E)** are items not normally considered permanently attached to the structure but are considered a qualified capital expenditure only if installed upon initial construction or during major renovation to make the facility usable for the first time by the grant. Information technology systems are another example when they are part of a new building or major renovation but does not include personal computers or software.
- **Telecommunications (voice & data)** are specialty equipment supplied by a separate contract from those for construction or FF&E.
- **Security Equipment** is usually supplied by a separate contract from those for construction or FF&E.

Relocation: Costs associated with moving or relocating from one facility to another related to a qualified capital project. Inflation does not apply to relocation costs.

One Percent for Art: M.S. 16B.35 allows an appropriation “for the construction or alteration of any state building” to include up to one percent for the acquisition of works of art for the public spaces of the building or its grounds. This “1% for Art” provision defines a state building as one where the construction or alteration is paid for, wholly or in part, by the state.

Appendix B: MMB Building Projects Inflation Schedule

The following is MMB’s inflation schedule for building projects with projected rates based on the project’s midpoint of construction (month and year) as outlined in the “Optional Tool: MMB’s Inflation Estimate” section above. This information is available for projects that opt to use MMB’s inflation estimate instead of their own inflation estimate.

Mid-Point of Construction	MMB Multiplier
July 2024	0.00%
August 2024	0.35%
September 2024	0.77%
October 2024	1.16%
November 2024	1.57%
December 2024	1.99%
January 2025	2.42%
February 2025	2.86%
March 2025	3.30%
April 2025	3.79%
May 2025	4.26%
June 2025	4.71%
July 2025	5.17%
August 2025	5.64%
September 2025	6.11%
October 2025	6.59%
November 2025	7.07%
December 2025	7.53%
January 2026	7.99%
February 2026	8.47%
March 2026	8.96%
April 2026	9.46%
May 2026	9.95%
June 2026	10.43%
July 2026	10.92%
August 2026	11.40%
September 2026	11.89%
October 2026	12.36%
November 2026	12.85%
December 2026	13.35%

Mid-Point of Construction	MMB Multiplier
January 2027	13.85%
February 2027	14.34%
March 2027	14.84%
April 2027	15.32%
May 2027	15.82%
June 2027	16.35%
July 2027	16.86%
August 2027	17.37%
September 2027	17.88%
October 2027	18.39%
November 2027	18.93%
December 2027	19.49%
January 2028	20.01%
February 2028	20.55%
March 2028	21.10%
April 2028	21.65%
May 2028	22.20%
June 2028	22.76%
July 2028	23.32%
August 2028	23.88%
September 2028	24.44%
October 2028	25.00%
November 2028	25.56%
December 2028	26.14%
January 2029	26.71%
February 2029	27.29%
March 2029	27.87%
April 2029	28.46%
May 2029	29.04%
June 2029	29.62%
July 2029	30.21%
August 2029	30.80%
September 2029	31.39%