

Questions/Responses for the Higher Education Capital (HECap) Matching Grant Program Request for Grant Applications #7588 (RGA)

Applicants are encouraged to review all questions and answers. Please note that the information provided is intended to provide general guidance with respect to the application process and the HECap program, and should not be construed as final approval or disapproval of any particular project or project costs. Often, the determination as to eligibility is fact specific and is made on a case-by-case basis. Applicants are encouraged to provide a robust description of the project that will be funded by the HECap grant, as well as how the project is consistent with the HECap enabling legislation and the RGA.

Key Dates:

| | |
|--|---------------------------------------|
| Eligible Project Dates | September 1, 2022 – September 1, 2025 |
| Issuance of RGA | September 16, 2022 |
| Deadline for RGA Questions | October 7, 2022 |
| Post Responses to RGA Questions (not earlier than) | October 28, 2022 |
| DASNY Webinar | November 18, 2022 |
| Application Due By | December 16, 2022 |
| Awards Expected (not earlier than) | February 23, 2023 |

Application Materials

1. What is the page limit of the robust narrative?

RESPONSE: There is no page limit for any part of the application.

Eligible Projects

Generally, Eligible Projects must meet the following statutory requirement:

Grant funds awarded pursuant to this RGA shall be used for the purchase, acquisition, design, construction, reconstruction, rehabilitation, or equipping of a facility on or near a college campus within the State, including critical academic facilities, economic development and/or high technology projects, and urban renewal and/or historical preservation projects that would 1) enhance the programmatic offerings at the College; 2) provide economic development benefits to the area surrounding the college campus; and/or 3) enhance student life at the College (the “HECap Project”).

Applicants are advised to consult with their legal counsel to determine whether the project is eligible for funding under this competitive round and to discuss what documentation

must be provided with the Application. The Application should include a robust narrative outlining how the College/University considers the project to be eligible.

2. We are completing phase 1 of a renovation of a campus building. Phase 2 is for furniture, IT and other interior enhancements. Are they eligible for a grant?
3. If an institution was awarded a HECap grant in the previous round and now the cost of the project has risen exponentially amongst the phases of the project, would there be an opportunity to apply for the current HECap round 5?

RESPONSE FOR 1-3 ABOVE: Yes. The HECap grant may be used to fund a fully functional phase of a larger project, so long as it is clearly demonstrated that the fully functional phase will, upon completion of that phase, provide the benefits required by the HECap program and comply in all respects with the enabling legislation and the provisions of the RGA.

In addition, Applicants should be aware that the project will be evaluated based upon the criteria set forth in the RGA, including the benefit to be provided at the completion of the project phase to be funded with the HECap grant. Therefore, Applicants should carefully consider the extent to which the project will satisfy the statutory criteria and provide enhancements to student life or programmatic offerings; or provide economic development benefits to the area surrounding the college campus.

Applicants are advised to consult with their Counsel and construction professionals to determine the project is eligible to apply for this funding.

4. Is it possible to receive Round 5 funding that was awarded in Round 4?

RESPONSE: The awarding of previous HECap grants has no bearing on eligibility or competitiveness for the current competitive round. See also response to Question #3, above.

5. We are an accredited small private higher ed school in NYC. We are also registered as a religious organization (seminary). As a small institution (\$37m operating), and a religious-affiliated one, will we be eligible?

RESPONSE: The HECap act states that College shall mean an independent not-for-profit institution of higher education, as defined in subdivision 2 of section 6401 of the education law. Upon award, the Institution will be asked to complete a Grantee Certification. The Certification verifies that the Grant funds may be used only for certain community improvement purposes as set forth in the enabling legislation and that the Grant Disbursement Agreement to be executed in connection with this Grant contains a provision that states that Grant funds may not be used to finance a program or project that will in any

way promote or facilitate religious worship, instruction or proselytizing. The Institution would need to be able to complete this certification as a condition of receiving the HECap funding.

6. Are dormitory renovations eligible?

RESPONSE: Yes. Per Section 2, Page 3 of the Request for Grant Applications (RGA), grant funds awarded pursuant to this RGA shall be used for the purchase, acquisition, design, construction, reconstruction, rehabilitation, or equipping of a facility on or near a college campus within the State, including critical academic facilities, economic development and/or high technology projects, and urban renewal and/or historical preservation projects that would 1) enhance the programmatic offerings at the College; 2) provide economic development benefits to the area surrounding the college campus; and/or 3) enhance student life at the College (the “HECap Project”).

7. Can HECap funds be used for comprehensive planning in order to make the best, most cost-effective decisions about future projects and timelines, which we estimate may cost as much as \$500,000-\$750,000?

RESPONSE: No. Grant funded projects must be capital in nature, and the project as described about would not satisfy that requirement. Other ineligible uses of HECap funds include, but are not limited to: working capital, rent, utilities, supplies, advances, deposits, down payments, lease payments, maintenance agreements, training, the repayment of existing long-term debt, payment of legal fees and other non-capital costs as determined by DASNY and DASNY’s bond and tax counsel.

8. We will be relocating and expanding our Centers in Manhattan and Suffolk County to expand Graduate education and workforce development programs and want to confirm whether we can bundle these projects in a single submission or if they will require two separate applications.

RESPONSE: Please refer to Section 2, Page 3 of the Request for Grant Applications (RGA). There is no requirement that the HECap project be located at a single site, as long as the nature of the project necessitates improvements to be made at multiple locations. **Please note, however, that the HECap program is intended to support a single capital project located in the State of New York to benefit New Yorkers, and not a series of unrelated campus-wide facility renovations or projects in other States.**

Each College may apply for **one (1)** HECap Grant at **one (1)** of the Grant Funding Levels set forth in Section 3 of this RGA.

9. If there is tax exempt financing available for a project, does that prohibit a project or place any restrictions from receiving a HECap or SAM Grant?

RESPONSE: No, it does not prohibit the award of a HECap or SAM grant. Please note, however, that the enabling legislation requires that the 3:1 matching requirement consist of non-State funds. The SAM grant (or other State grants) may be used for completion funds.

Matching Funds/Grant Funding Levels/Financial Review/Amount of Grant

10. Is there a minimum amount request?
11. I saw in section 4 that for every HECap dollar received that our college must contribute at least 3 dollars of non-state matching funds. Just to clarify, if we request \$120,000 for a capital project here on the campus and are awarded the grant we would only receive \$30,000 of that requested amount and then we would need to further fund our own project with \$90,000 from non-state funds, correct?

RESPONSE TO 10-11 ABOVE: Please refer to Section 3, Page 5 of the Request for Grant Applications (RGA). Applicants should request a grant amount that is no more than 25% of the total project cost. If a \$120,000 is requested, the total project budget would have to be \$480,000 amount or more. Please note that the minimum grant award is \$50,000 for a project that must be a minimum of \$200,000 total to meet the 3:1 match requirement. Please refer to the chart below:

| Grant Funding Level | HECap Project Cost | Maximum Total Funding per Grant Funding Level* |
|--|-----------------------------|---|
| \$3,000,001 - \$5,000,000 | \$12,000,004 - \$20,000,000 | \$25,000,000 |
| \$1,500,001 - \$3,000,000 | \$6,000,004 - \$2,000,000 | \$15,000,000 |
| \$500,001 - \$1,500,000 | \$2,000,004 - \$6,000,000 | \$12,000,000 |
| \$50,000 - \$500,000 | \$200,000 - \$2,000,000 | \$3,000,000 |
| Total Amount of Awards by Grant Funding Level: | | \$55,000,000 |
| Base Pool Amount Allocable to Grant Applications based upon Score: | | Est. \$10,000,000 |

12. Are colleges able to utilize funds obtained through bonds issued from DASNY?

RESPONSE: Yes. Please refer to Section 4, page 6 of the RGA.

Documentation to support the committed financial resources must be included with the Application and may include, but is not limited to, any or all of the following:

- Bank account and investment account statements
- Donor pledges, agreements, and receipts
- Grant award letters, agreements, and contracts
- Loan agreements, commitment letters, terms and conditions
- Bond documents
- Personal service contracts
- Bills of sale and paid invoices evidencing payment by the College for an eligible cost
- If the College will be using institution funds for any part of the Non-State match, the most recent audited financials should be provided with the Application.

13. How does the HECAP grant work in combination with incentives from ConEd or NYSERDA? Are we allowed to receive incentive money from multiple programs?

RESPONSE: No. The Grant funds cannot duplicate rebates or other incentives from State Sources, and the Grantee must contribute at least \$3 for every \$1 of the HECap Grant from Non-State sources. The HECap Grant funds must pay for costs actually incurred and owed by the Grantee. Please refer to Section 4, Page 6 of the Request for Grant Applications (RGA). A financial analysis will be undertaken in connection with each Application. The financial analysis will verify that sufficient funds in excess of the Grant amount have been secured in the amount necessary to complete the HECap Project, and that such funds meet all applicable criteria set forth in the HECap Act and this RGA.

Please note that pledges, award letters with unsatisfied contingencies, pending loan/grant applications, and other non-final commitments are not considered to be secured Matching or Completion Funds in the evaluation process.