

2011-12 Allocations – Capital Improvements

While the Board approves and then requests funding or authorization from the General Assembly for major capital improvement projects, funds for Repairs and Renovations projects are appropriated to the Board of Governors for allocation to the institutions. This appropriation is included in House Bill 200 (S.L. 2011-145), “2011 Appropriations Act,” and House Bill 22 (S.L. 2011-391), the “Technical Corrections Act”, which makes technical, clarifying, and other modifications to the 2011 Appropriations Act. By statute, the Board is directed to allocate such funds in accordance with guidelines developed in The University of North Carolina Funding Allocation Model for Reserve for Repairs and Renovations and in accordance with any specifications in the Appropriations Act. These recommended allocations, as applicable, meet all the directives cited in the 2011 Appropriations Act and the Technical Corrections Act.

It is recommended that the proposed Allocations for Capital Improvements for 2011-12 be approved. It is also recommended that the President be authorized to make refinements in the interest of accuracy and completeness. It is further recommended that the President be authorized to seek such concurrence as may be required of the Director of the Budget in the foregoing allocations.

One item, Allocations from the Reserve for Repairs and Renovations ^A requires Board Action and is designated with an “A” in this document.

Allocations from the Reserve for Repairs and Renovations ^A

The 2011 General Assembly appropriated \$124,500,000 to the Statewide Reserve for Repairs and Renovations, of which \$62,250,000 (50%) was allocated by special provision as amended by the Technical Corrections bill (S.L. 2011-391) to the Board of Governors, as shown below.

SECTION 2.(b) Section 2.2(k) of Session Law 2011-145 reads as rewritten:

"SECTION 2.2.(k) Notwithstanding the provisions of G.S. 143C-4-3, the State Controller shall transfer only ~~one hundred twenty-five million dollars (\$125,000,000)~~ one hundred twenty-four million five hundred thousand dollars (124,500,000) from the unreserved fund balance to the Repairs and Renovations Reserve Account on June 30, 2011. This subsection becomes effective June 30, 2011."

SECTION 60. Section 30.5 of Session Law 2011-145 reads as rewritten:

"REPAIRS AND RENOVATIONS RESERVE ALLOCATION

"SECTION 30.5.(a) Of the funds in the Reserve for Repairs and Renovations for the 19 2011-2012 fiscal year, fifty percent (50%) shall be allocated to the Board of Governors of The University of North Carolina for repairs and renovations pursuant to ~~G.S. 143C-4-3, in accordance with guidelines~~

~~developed in The University of North Carolina Funding Allocation Model for Reserve for Repairs and Renovations, as approved by the Board of Governors of The University of North Carolina, G.S. 143C-4-3, and fifty percent (50%) shall be allocated to the Office of State Budget and Management for repairs and renovations pursuant to G.S. 143C-4-3.~~

~~Notwithstanding G.S. 143C-4-3, the Board of Governors may allocate funds for the repair and renovation of facilities not supported from the General Fund if the Board determines that sufficient funds are not available from other sources and that conditions warrant General Fund assistance. Any such finding shall be included in the Board's submission to the Joint Legislative Commission on Governmental Operations on the proposed allocation of funds.~~

~~The Board of Governors and the Office of State Budget and Management shall consult with the Joint Legislative Commission on Governmental Operations prior to the allocation or reallocation of these funds. The Board of Governors shall report to the Joint Legislative Commission on Governmental Operations in accordance with G.S. 143C-4-3(d).~~

~~"SECTION 30.5.(b) Of Notwithstanding G.S. 143C-4-3(d), the funds allocated to the Board of Governors of The University of North Carolina in subsection (a) of this section, a portion shall be used by the Board of Governors for the installation of fire sprinklers in university residence halls. This portion shall be in addition to funds otherwise appropriated in this act for the same purpose. Such funds shall be allocated among The University of North Carolina's constituent institutions by the President of The University of North Carolina, who shall consider the following factors when allocating those funds:~~

- ~~(1) The safety and well-being of the residents of campus housing programs.~~
- ~~(2) The current level of housing rents charged to students and how that compares to an institution's public peers and other UNC institutions.~~
- ~~(3) The level of previous authorizations to constituent institutions for the construction or renovation of residence halls funded from the General Fund, or from bonds or certificates of participation supported by the General Fund, since 1996.~~
- ~~(4) The financial status of each constituent institution's housing system, including debt capacity, debt coverage ratios, credit rankings, required reserves, the planned use of cash balances for other housing system improvements, and the constituent institution's ability to pay for the installation of fire sprinklers in all residence halls.~~
- ~~(5) The total cost of each proposed project, including the cost of installing fire sprinklers and the cost of other construction, such as asbestos removal and additional water supply needs.~~

~~The Board of Governors shall submit progress reports to the Joint Legislative Commission on Governmental Operations. Reports shall include the status of completed, current, and planned projects. Reports also shall include information on the financial status of each constituent institution's housing system, the constituent institution's ability to pay for fire protection in residence halls, and the timing of installation of fire sprinklers. Reports shall be submitted on January 1 and July 1 until all residence halls have fire sprinklers.~~

~~"SECTION 30.5.(c) Of Notwithstanding G.S. 143C-4-3(d), of the funds allocated to the Board of Governors of The University of North Carolina in subsection (a) of this section, a portion shall be used by the Board of Governors for campus public safety improvements allowable under G.S. 143C-4-3(b)."~~

In 1994, the Board of Governors adopted a formula for the allocation of repair and renovation appropriations to the campuses. The formula takes into account the institutional mission, size, and condition of campus facilities in determining institutional allocations, with the principal responsibility for the selection of specific projects resting with the Chancellors. High priority projects that would not otherwise be funded through institutional allocations are deducted from the available funds prior to applying the formula to determine campus allocations. The Board's formula has been updated to reflect the recommendations resulting from the 2004 review of the model and uses the most recent data available.

It is recommended that the following allocations be made from the Reserve for Repairs and

Renovations. It is recommended that Chancellors identify specific projects, consistent with any applicable rules and regulations, to be financed from the institutional allocations and present those projects to the President who shall report to the Joint Legislative Commission on Governmental Operations, as required by legislation.

It is also recommended that Chancellors at institutions that do not have all residence halls protected by fire sprinkler systems consider using a portion of their allocation to fund remaining projects if other funds are not available. It is further recommended that Chancellors consider projects to make campus public safety improvements consistent with the requirements the 2011 Appropriations Act.

It is further recommended that allocations to an institution may be transferred as needed among projects within that institution upon the request of the Chancellor and the approval of the President. It is also recommended that the President be authorized to make further allocations from the reserve.

Allocations:

Appalachian State University	\$ 2,735,200
East Carolina University	5,881,400
Elizabeth City State University	1,643,400
Fayetteville State University	1,643,400
North Carolina A&T State University	2,446,100
North Carolina Central University	1,704,200
North Carolina School of Science and Mathematics	1,643,400
North Carolina State University	11,112,500
The University of North Carolina at Asheville	1,643,400
The University of North Carolina at Chapel Hill	12,394,000
The University of North Carolina at Charlotte	3,584,200
The University of North Carolina at Greensboro	3,902,200
The University of North Carolina at Pembroke	1,643,400
The University of North Carolina at Wilmington	2,430,000
The University of North Carolina School of the Arts	1,643,400
Western Carolina University	2,066,400
Winston-Salem State University	1,643,400
Reserve for UNC Affiliates and Contingencies	2,490,000

TOTAL ALLOCATIONS

\$62,250,000

Authorizations, Reductions, or Other Actions by the 2011 General Assembly for which No Board Action is required

Non-General Fund Capital Improvements Project Authorizations

In response to the Board's request, the 2011 General Assembly authorized capital projects funded from non-general fund sources totaling \$544,060,566 and planning for projects totaling \$14,590,741 in S.L. 2011-145. The projects are listed below.

Appalachian State University	
Winkler Residence Hall Renovation	\$ 11,805,000
East Carolina University	
Athletic Facilities Expansion and Improvement - Phase 4	15,000,000
Auxiliary Practice Gymnasium	
Fayetteville State University	
Rudolph Jones Student Center Expansion and Renovation	23,289,021
North Carolina A&T State University	
New Health Center	10,000,000
North Carolina Central University	
Chidley Residence Hall Expansion and Renovation	41,193,000
North Carolina State University	
Centennial Campus Housing Complex	129,000,000
Lee Residence Hall and Sullivan Residence Hall Renovation	6,000,000
The University of North Carolina at Chapel Hill	
Carolina Inn Renovation - Phase 2	9,000,000
Woollen Gymnasium Renovation - Phase 2	2,650,000
The University of North Carolina at Charlotte	
New Residence Hall - Phase X	31,045,802
New Residence Hall - Phase XI	40,837,005
Residence Dining Hall Replacement	29,176,738
Parking Deck J	27,418,000
The University of North Carolina at Greensboro	
Student Recreation Center	91,000,000
Tower Village II Residence Hall Acquisition	34,500,000
Campus Police Building	10,030,000
Village Parking Deck	10,877,000
The University of North Carolina at Pembroke	
Student Health Services Comprehensive Renovation and Addition	3,950,000
Western Carolina University	
Walker Residence Hall Expansion and Renovation	17,289,000
Total	\$544,060,566
<u>Planning</u>	
The University of North Carolina at Chapel Hill	
Mary Ellen Jones Renovation - Phase 1	4,000,000
Research Building at Carolina North	6,000,000
The University of North Carolina at Charlotte	
New Residence Hall - Phase XII	3,840,741
Cedar, Hickory and Sycamore Residence Hall Renovation	750,000
Total	\$14,590,741

Reductions by the 2011 General Assembly

Session Law 2011-66 eliminated the previous authorization for:

1. the remaining \$15,000,000 of \$25,000,000 provided to UNC in the 2008 Session for system-wide land acquisitions which was scheduled to become available July 1, 2011;
2. the \$120,000,000 in 2010 Session State-wide Repairs and Renovations funds (\$60,000,000 was allocated to UNC); and
3. the \$55,000,000 in 2010 Session UNC & Community College Equipment funds (\$22,000,000 was allocated to UNC).

Other Actions by the 2011 General Assembly

From S.L. 2011-145

From Sections 9.6C, 30.10, 30.11, and 30.12 from S.L. 2011-145 are special provisions that contain capital-related flexibility originally introduced in the Higher Education Efficiency and Flexibility bill (SB 575).

ALLOW CHANCELLORS OF CONSTITUENT INSTITUTIONS TO APPROVE CERTAIN REPAIR AND MAINTENANCE PROJECTS AND FUND THOSE WITH AVAILABLE OPERATING FUNDS

SECTION 9.6C. G.S. 116-13.1 reads as rewritten:

"§ 116-13.1. Capital facilities; ~~reports~~reports; chancellors may authorize certain repair, renovation, and maintenance projects.

(a) The General Assembly finds that although The University of North Carolina is one of the State's most valuable assets, the current facilities of the University have been allowed to deteriorate due to decades of neglect and have unfortunately fallen into a state of disrepair because of inadequate attention to maintenance. It is the intent of the General Assembly to reverse this trend and to provide a mechanism to assure that the University's capital assets are adequately maintained. The General Assembly commits to responsible stewardship of these assets to protect their value over the years, as follows:

- (1) The Board of Governors of The University of North Carolina shall require each constituent and affiliated institution to monitor the condition of its facilities and their needs or repair and renovation, and to assure that all necessary maintenance is carried out within funds available.
- (2) The Board of Governors shall report annually to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Education Oversight Committee on the condition of the University's capital facilities, the repair, renovation, and maintenance projects being undertaken, and all needs for additional funding to maintain the facilities.
- (3) It is the intent of the General Assembly to assure that adequate oversight, funding, and accountability are continually provided so that the capital facilities of the University are properly maintained to preserve the level of excellence the citizens of this State deserve. To this end, the Joint Legislative Education Oversight Committee shall report to the General Assembly annually its recommendations for legislative changes to implement this policy.

(b) Equity in University Improvements. – The Board of Governors of The University of North Carolina shall continue to study and monitor any inequities in funding for capital improvements and

facilities needs which may still exist on North Carolina's Public Historically Black Colleges and Universities and North Carolina's Historically American Indian University, the University of North Carolina at Pembroke, beyond the funding of the projects provided for in this act, and shall report annually to the Joint Legislative Commission on Governmental Operations on any remaining inequities found, including recommendations as to how those inequities should be addressed.

(c) Approval of Certain Repair and Maintenance Projects. – Notwithstanding G.S. 143C-8-7, the chancellor of a constituent institution may approve the expenditure of available operating funds in an amount not to exceed one million dollars (\$1,000,000) per project for repairs to institution facilities, renovations to institution facilities, maintenance of those facilities, and related equipment purchases. Funds contractually obligated to an approved project shall not revert at the end of the fiscal year and will remain available to fund the completion of the project. Projects approved pursuant to this subsection shall in all other respects accord with applicable laws governing capital improvement projects."

ALLOW THE UNIVERSITY OF NORTH CAROLINA BOARD OF GOVERNORS TO APPROVE THE PLANNING, AUTHORIZATION, AND FUNDING OF CAPITAL PROJECTS FROM NON-GENERAL FUND SOURCES

SECTION 30.10.(a) G.S. 143C-8-12 reads as rewritten:

"§ 143C-8-12. University system capital improvement projects from sources that are not General Fund sources: approval of new project or change in scope of existing project.

Notwithstanding any other provision of this Chapter, ~~the Director of the Budget may, upon request of the Board of Governors of The University of North Carolina and after consultation with the Joint Legislative Commission on Governmental Operations, may approve:~~ (i) expenditures to plan a capital improvement project of The University of North Carolina the planning for which is to be funded entirely with non-General Fund money, (ii) expenditures for a capital improvement project of The University of North Carolina that is to be funded and operated entirely with non-General Fund money, or (iii) a change in the scope of any previously approved capital improvement project of The University of North Carolina provided that both the project and change in scope are funded entirely with non-General Fund money. The Board of Governors shall report any expenditure made pursuant to this section to the Office of State Budget and Management and to the Joint Legislative Commission on Governmental Operations."

SECTION 30.10.(b) This section is effective when it becomes law.

AUTHORIZE THE UNIVERSITY OF NORTH CAROLINA BOARD OF GOVERNORS TO ALLOCATE OR REALLOCATE FUNDS TO REPAIRS AND RENOVATIONS PROJECTS

SECTION 30.11.(a) G.S. 143C-4-3 is amended by adding a new subsection to read:

"(d) Board of Governors May Allocate Funds to Particular Projects. – Any funds in the Reserve for Repairs and Renovations that are allocated to the Board of Governors of The University of North Carolina may be allocated or reallocated by the Board for repairs and renovations projects so long as (i) any project that receives an allocation or reallocation satisfies the requirements of subsection (b) of this section unless the Board determines that sufficient funds are not available from other sources and that conditions warrant General Fund assistance and (ii) the allocation or reallocation is in accordance with guidelines developed in The University of North Carolina Funding Allocation Model for Reserve for Repairs and Renovations, as approved by the Board of Governors of The University of North Carolina. The Board of Governors shall report to the Joint Legislative Commission on Governmental Operations on the allocation or reallocation of funds pursuant to this section within 60 days of any allocation or reallocation under this subsection."

SECTION 30.11.(b) This section becomes effective July 1, 2011.

WAIVE THE REQUIREMENT FOR A CAPITAL PROJECT FEASIBILITY DETERMINATION FOR CAPITAL PROJECTS OF THE UNIVERSITY OF NORTH CAROLINA FOR WHICH ADVANCE PLANNING HAS NOT BEEN UNDERTAKEN

SECTION 30.12.(a) G.S. 143C-3-3 reads as rewritten:

"§ 143C-3-3. Budget requests from State agencies in the executive branch.

(c) Repairs and Renovations Funds Request. – In addition to any other information requested by the Director, any State agency proposing to repair or renovate an existing facility shall accompany that request with all of the following:

- (1) A description of current deficiencies and proposed corrections with a review and evaluation of that proposal prepared by the Department of Administration.
- (2) An estimate of project costs approved by the Department of Administration.
- (3) A certification of project feasibility as described in ~~G.S. 143-341~~ G.S. 143-341, except that in the case of a project of The University of North Carolina for which advance planning has not been completed, the request may be submitted without this certification.
- (4) An explanation of the method by which the repair or renovation is to be financed.

(d) Capital Funds Request. – In addition to any other information requested by the Director, any State agency proposing to (i) acquire real property, (ii) construct a new facility, (iii) expand the building area (sq. ft.) of an existing facility, or (iv) rehabilitate an existing facility to accommodate new or expanded uses shall accompany that request with all of the following:

- (1) An estimate of its space needs and other physical requirements, together with a review and evaluation of that estimate prepared by the Department of ~~Administration~~ Administration, except that in the case of a project of The University of North Carolina for which advance planning has not been completed, the estimate of space needs may be a preliminary estimate.
- (2) An estimate of project costs and cash flow requirements approved by the Department of Administration.
- (3) A certification of project feasibility as described in ~~G.S. 143-341~~ G.S. 143-341, except that in the case of a project of The University of North Carolina for which advance planning has not been completed, the request may be submitted without this certification.
- (4) An explanation of the method by which the acquisition, construction, or rehabilitation is to be financed.
- (5) An estimate of maintenance and operating costs, including personnel, for the project, covering the first five years of operation.
- (6) An estimate of revenues, if any, to be derived from the project, covering the first five years of operation.

This subsection does not apply to requests for State resources for railroad, highway, or bridge construction or renovation.

(e) Information Technology Request. – In addition to any other information requested by the Director, any State agency requesting significant State resources, as defined by the Director, for the purpose of acquiring or maintaining information technology shall accompany that request with all of the following:

- (1) A statement of its needs for information technology and related resources, including expected improvements to programmatic or business operations, together with a review and evaluation of that statement prepared by the State Chief Information Officer.
- (2) A statement setting forth the requirements for State resources, together with an evaluation of those requirements by the State Chief Information Officer that takes into consideration the State's current technology, the opportunities for technology sharing, the requirements of Article 3D of Chapter 147 of the General Statutes, and any other factors relevant to the analysis.

- (3) A statement by the State Chief Information Officer that sets forth viable alternatives, if any, for meeting the agency needs in an economical and efficient manner.
- (4) In the case of an acquisition, an explanation of the method by which the acquisition is to be financed.

This subsection shall not apply to requests submitted by the General Assembly, the Administrative Office of the Courts, or The University of North Carolina."

SECTION 30.12.(b) G.S. 143-341(3)b1. reads as rewritten:

"§ 143-341. Powers and duties of Department.

The Department of Administration has the following powers and duties:

- (3) Architecture and Engineering:
 - b1. To certify that a statement of needs pursuant to ~~G.S. 143C-3-3~~ G.S. 143C-3-3, other than for a project of The University of North Carolina for which advance planning has not been completed, is feasible. For purposes of this sub-subdivision, "feasible" means that the proposed project is sufficiently defined in overall scope; building program; site development; detailed design, construction, and equipment budgets; and comprehensive project scheduling so as to reasonably ensure that it may be completed with the amount of funds requested. At the discretion of the General Assembly, advanced planning funds may be appropriated in support of this certification. This sub-subdivision shall not apply to requests for appropriations of less than one hundred thousand dollars (\$100,000)."

SECTION 30.12.(c) This section becomes effective July 1, 2011.

From Sections 20.4 and 30.13 are other capital-related special provisions.

USE OF CAPITAL PROJECT CONTINGENCY FUNDS TO INCREASE THE SPEED AND EFFICIENCY OF THE STATE CONSTRUCTION OFFICE

SECTION 20.4.(a) Contingency reserve funds appropriated for capital improvement projects that are subject to the Department of Administration's review authority under G.S. 143-341(3)a. shall be placed in a statewide capital reserve administered by the Office of State Budget and Management to ensure optimal management and administration of funds needed for new construction and repairs and renovations projects.

Notwithstanding any other provision of law, upon a request of the administration of a State agency, and after consultation with the Office of State Construction, the Director of the Budget may, when it is in the best interest of the State to do so, allocate funds from the reserve to the requesting agency to be used for any of the purposes for which contingency funds may permissibly be used. Under no circumstances, may funds disbursed from the statewide capital reserve be used for a capital improvement project not previously authorized by the General Assembly.

SECTION 20.4.(b) Each fiscal year of the biennium, the Director of the Budget may reallocate a portion of the funds deposited in the reserve not to exceed eight hundred seventy-five thousand dollars (\$875,000) in any fiscal year to the State Construction Office in the Department of Administration to be used to support the staffing needs of the Office in connection with carrying out its design and plan review, construction, building code compliance, inspection, and related duties imposed by G.S. 143-341(3) and other sections of the General Statutes to ensure timely and complete responses in an effort to reduce the need for the use of contingency fees.

SECTION 20.4.(c) This section is effective when it becomes law and applies to all open and active capital improvement projects, regardless of the source of funds.

JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON CAPITAL IMPROVEMENTS SHALL EXAMINE ADEQUACY OF PLANNING FOR LONG-TERM STATE CAPITAL NEEDS

SECTION 30.13.(a) G.S. 120-259 reads as rewritten:

"§ 120-259. Purpose and powers of the Committee.

(a) The Joint Legislative Oversight Committee on Capital Improvements shall examine, on a continuing basis, all of the following: capital improvements approved and undertaken for State facilities and institutions. As used in this section "capital improvements" includes repairs and renovations, and "State facilities and institutions" includes facilities and institutions of The University of North Carolina.

(1) Capital improvements approved and undertaken for State facilities and institutions.

(2) The adequacy of planning for the State's long-term capital needs. This examination (i) may take into account the priorities embodied in the six-year capital improvements plan developed pursuant to G.S. 143C-8-5 and other planning documents but shall constitute a separate examination that does not rely exclusively on any particular document and (ii) shall look at capital needs throughout the State and not only in Wake County.

(b) The Committee shall have oversight over implementation of the six-year capital improvements plan developed pursuant to G.S. 143C-8-5.

(c) The Committee, while in discharge of official duties, shall have access to any paper or document and may compel the attendance of any State official or employee before the Committee or secure any evidence under ~~G.S. 120-19~~. G.S. 120-19. In addition, G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Committee as if it were a joint committee of the General Assembly.

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(d) The Committee may make interim reports to the General Assembly on matters for which it may report to a regular session of the General Assembly. A report to the General Assembly may contain any legislation needed to implement a recommendation of the Committee.

(e) As used in this section, 'capital improvements' includes repairs and renovations, and 'State facilities and institutions' includes facilities and institutions of The University of North Carolina."

SECTION 30.13.(b) The Joint Legislative Oversight Committee on Capital Improvements shall report to the General Assembly no later than April 1, 2012, on the adequacy of planning for the State's long-term capital needs. This report shall accord with G.S. 120-259(a)(2) and shall also include at least the following:

- (1) An analysis of the various mechanisms that currently exist to facilitate the long-term capital planning of State facilities and an assessment of the degree to which those mechanisms serve the needs of the State.
- (2) An examination of whether and to what degree the capital project priorities of individual State agencies and departments accord with the long-term capital planning needs of the State as a whole.
- (3) An examination of whether the long-term capital planning needs of the State might be better served by changing the way in which capital projects are planned. This analysis shall include an examination of the methods by which other States engage in long-term capital planning.
- (4) An analysis of whether, historically, the percentage of funds that have been allocated from the Reserve for Repairs and Renovations to the Board of Governors of The University of North Carolina for university facilities compared to the percentage of funds that have been allocated from that Reserve to the Office of State Budget and Management for other State facilities is an appropriate ratio.
- (5) An analysis of whether requiring the Board of Governors of The University of North Carolina to set forth capital project requests that prioritize projects on a systemwide basis would better serve the long-term capital planning needs of the State than the current practice of having each campus prioritize capital projects requests for that particular campus does.

From S.L. 2011-302**PART 4. EDUCATIONAL BUILDING AT APPALACHIAN STATE UNIVERSITY**

SECTION 13. Subdivision (a)(1) of Section 29.13 of S.L. 2007-323, as amended by Section 27.12A of S.L. 2009-451, reads as rewritten:

"SECTION 29.13.(a) The State, with the prior approval of the State Treasurer and the Council of State, as provided in Article 9 of Chapter 142 of the General Statutes, is authorized to issue or incur special indebtedness in order to provide funds to the State to be used, together with other available funds, to pay the capital facility costs of the projects described in this subsection. In accordance with G.S. 142-83, this subsection authorizes the issuance or incurrence of special indebtedness:

(1) In the maximum aggregate principal amount of thirty-four million dollars (\$34,000,000) to finance the capital facility costs of completing a new educational building at Appalachian State University and acquiring and improving adjacent real property related to the project. No more than a maximum aggregate amount of three million dollars (\$3,000,000) of special indebtedness may be issued or incurred under this subdivision prior to July 1, 2008."

From S.L. 2011-291**PART I. REORGANIZATION AND CONSOLIDATION OF LEGISLATIVE OVERSIGHT COMMITTEES****JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS**

SECTION 1.2.(d) G.S. 120-76 reads as rewritten:

"§ 120-76. Powers and duties of the Commission.

The Commission shall have the following powers:

(9) To examine, on a continuing basis, capital improvements approved and undertaken for State facilities and institutions and to have oversight over implementation of the six-year capital improvements plan developed pursuant to G.S. 143C-8-5.

From the Technical Corrections Bill (S.L. 2011-391)

SECTION 61. Section 30.6 of Session Law 2011-145 reads as rewritten:

PROCEDURES FOR DISBURSEMENT OF CAPITAL FUNDS

"**SECTION 30.6.** The appropriations made by the 2011 General Assembly for capital improvements shall be disbursed for the purposes provided by this act. Expenditure of funds shall not be made by any State department, institution, or agency until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the State Budget Act, Chapter 143C of the General Statutes. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects, including the source of funds, interest rate, and liquidation period. Provided, however, that if the Director of the Budget approves the method of financing a project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting. Provided further that this requirement shall not apply to projects of The University of North Carolina financed with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, Medicare reimbursements for education costs, hospital receipts from patient care, or other funds, or any combination of these funds, but not including funds received for tuition or appropriated from the General Fund of the State.

Where direct capital improvement appropriations include the purpose of furnishing fixed and movable equipment for any project, those funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget. The expenditure of funds for fixed and movable equipment and furnishings shall be reviewed and approved by the Director of the Budget prior to commitment of funds.

Capital improvement projects authorized by the 2011 General Assembly shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the direct or self-liquidating appropriations provided, except as otherwise provided in this act. Capital improvement projects authorized by the 2011 General Assembly for the design phase only shall be designed within the scope of the project as defined by the approved cost estimate filed with the Director of the Budget, including costs associated with site preparation, demolition, and movable and fixed equipment."

Additional Information

The table on the following page, *General Assembly Funding - Ten Year History*, a summary by institution of capital improvements appropriations from 2002 through 2011, is provided as supplementary information.

APPENDIX J

The University of North Carolina - Capital Improvements General Assembly Funding - Ten Year History

Institutional Appropriations	2002	2003	2003 COPS	2004	2004 ³ COPS	2005	2006	2007	2007 ³ COPS	2008 ²	2008 ³ Bonds	2009 ⁴	2010 ⁵ COPS	2011	2002-2011
ASU	-	\$ 246,200	\$ 7,663,400	\$ 1,497,400	\$ -	\$ 3,132,800	\$ 6,367,700	\$ 3,296,700	\$ 34,000,000	-	\$ -	\$ 1,386,700	\$ -	\$ 2,735,200	\$ 60,326,100
ECU	-	387,500	12,062,500	2,391,700	60,000,000	6,112,400	9,297,700	31,555,400	-	-	96,797,906	3,339,300	-	5,881,400	227,825,806
ECSU	-	106,400	3,313,200	619,500	28,000,000	1,375,800	4,185,800	4,106,000	-	-	16,689,507	744,000	-	1,643,400	60,783,607
FSU	-	102,700	3,197,800	604,200	10,000,000	2,075,800	3,285,800	1,606,000	20,999,216	-	-	744,000	-	1,643,400	44,258,916
NCA&T	-	247,900	7,716,400	3,482,500	5,000,000	3,941,100	5,522,600	13,338,800	24,637,147	-	21,487,628	1,380,600	-	2,446,100	89,200,775
NCCU	-	181,500	12,154,205	9,984,642	-	1,715,300	9,102,000	4,536,700	-	-	22,536,039	896,800	-	1,704,200	62,811,386
NCSU	-	778,000	24,214,800	4,426,022	-	18,309,100	79,862,800	30,564,500	69,609,924	-	102,341,186	6,110,000	-	11,112,500	347,328,832
UNCA	-	119,200	3,710,200	742,100	35,000,000	1,375,800	2,701,800	1,606,000	8,449,786	-	-	744,000	-	1,643,400	56,092,286
UNC-CH	-	897,387	27,934,500	5,165,922	-	15,775,900	48,301,575	46,689,200	111,200,204	12,500,000	284,599,369	6,296,600	-	12,394,000	571,754,657
UNCC	-	226,900	11,584,500	5,408,200	35,000,000	2,971,600	50,517,500 ¹	22,419,000	-	-	52,494,149	1,728,000	-	3,584,200	185,934,049
UNCG	-	337,700	10,510,100	3,930,800	5,000,000	4,604,100	7,394,900	5,716,100	24,637,147	-	42,670,000	1,485,300	-	3,902,200	110,188,347
UNCP	-	113,400	6,432,400	687,700	10,000,000	1,375,800	3,285,800	1,606,000	18,308,351	-	-	744,000	-	1,643,400	44,196,851
UNCW	-	149,100	4,641,500	1,376,700	-	4,297,400	29,753,400	1,989,700	32,899,699	-	-	971,200	-	2,430,000	78,508,699
UNCSA	-	95,900	2,985,900	564,400	5,000,000	1,375,800	3,285,800	1,606,000	23,043,890	-	21,780,944	744,000	-	1,643,400	62,126,034
WCU	-	165,300	5,144,000	966,900	9,279,037	1,743,000	5,451,800	4,390,400	37,687,800	-	-	957,400	-	2,066,400	67,852,037
WSSU	-	108,400	3,373,300	2,643,100	5,000,000	2,125,800	3,054,025	4,918,000	18,708,000	-	9,831,160	744,000	-	1,643,400	52,149,185
NCSSM	-	-	-	-	-	-	-	4,943,000	-	-	-	744,000	-	1,643,400	7,330,400
Subtotal	-	4,263,487	146,638,705	44,491,786	207,279,037	72,307,500	271,371,000	184,887,500	424,181,164	12,500,000	671,227,888	29,759,900	-	59,760,000	2,128,667,967
Non-Institutional Appropriations															
N.C. Arboretum	-	20,000	81,000	50,000	-	200,000	470,000	665,000	-	-	-	-	-	-	1,486,000
UNC Health Care	-	-	-	-	180,000,000	-	3,000,000	-	-	-	-	-	-	-	183,000,000
Other (UNC-GA, NCSSM, UNC-TV, NCSEAA, HBS, C.S.I., Land Acquisition, Fire Safety, 4-H Camps, Equipment)	-	311,700	10,377,600	3,285,000	-	1,567,500	13,191,827	14,296,500	31,357,684	-	20,000,000 ⁶	1,240,100	-	2,490,000	98,117,911
Subtotal	-	331,700	10,458,600	3,335,000	180,000,000	1,767,500	16,661,827	14,961,500	31,357,684	-	20,000,000	1,240,100	-	2,490,000	282,603,911
TOTAL	-	4,595,187	157,097,305	47,826,786	387,279,037	74,075,000	288,032,827	199,849,000	455,538,848	12,500,000	691,227,888	31,000,000		62,250,000	2,411,271,878
Less: Repairs and Renovations		4,595,187	157,097,305	35,326,786	-	57,500,000	102,225,427	66,700,000	-	-	-	31,000,000	-	62,250,000	516,694,705
TOTAL	-	-	-	12,500,000	387,279,037	16,575,000	185,807,400	133,149,000	455,538,848	12,500,000	691,227,888	-	-	-	1,894,577,173

Notes:

1. This amount includes \$45,827,400 from 2006 COPS.
2. The 2008 General Assembly appropriated \$99,612,826 for capital projects and \$32.1 million for repairs and renovations to the Board of Governors. All but \$12.5 million were later reverted to the General Fund to help balance the 2008-09 State Budget.
3. The 2009 General Assembly reduced selected, previously approved 2004, 2007 and 2008 bond funded projects to reflect lower estimated levels of inflation.
4. The 2009 General Assembly funded repairs and renovations with a combination of federal stimulus funds (\$12 million) and bonds to be repaid by the State (\$50 million) of which 50% (\$31 million) was allocated to the Board of Governors; UNC-CH's Biomedical Research Imaging Center was previously scheduled to be funded from the General Fund in 2009-10 and 2010-11. BRIC will now be funded from bonds at \$223 million.
5. The 2010 General Assembly provided UNC with special indebtedness funding of \$60 million for repairing and renovating facilities and infrastructure and \$22 million for acquiring equipment for teaching and research in the fields of health, science, engineering and technology and completing related capital improvements. These authorizations were repealed by S.L. 2011-66.
6. The 2008 General Assembly provided UNC with special indebtedness funding of \$25 million for system-wide land acquisitions. This authorization was reduced to \$10 million by S.L. 2011-66.