

Allocations of Funds – Capital Improvements

A Capital Improvements Appropriations and Authorizations

The General Assembly appropriated \$139,980,000 from the General Fund for the following projects, in addition to authorizing the issuance of certificates of participation totaling \$45,827,400 for the Construction of the UNC Charlotte Center City Classroom Building.

Appalachian State University College of Education Building – Planning	\$ 1,820,000
Fayetteville State University Science and Technology Complex – Planning	1,000,000
NC Agricultural and Technical State University General Classroom Facility – Planning	1,000,000
NC School of the Arts Library – Planning	1,000,000
NC State Engineering Complex III – Construction	61,000,000
UNC-Chapel Hill Genomics Science Building – Planning and Site Development	28,391,775
UNC Charlotte Center City Classroom Building	45,827,400
UNC-Greensboro Academic Classroom and Office Building – Planning	2,300,000
UNC Hospitals at Chapel Hill – Master Facilities Plan	3,000,000
UNC-Pembroke Residence Hall – Planning	1,000,000
UNC-Wilmington School of Nursing – Construction	27,000,000
Western Carolina University School of Health/Gerontology Building – Planning	2,400,000
Winston Salem State University Student Activities Center – Planning	768,225
Dental Schools – Planning	7,000,000
Reserve for Capital Cost Overruns	2,300,000

B. Reserve for Repairs and Renovations

The 2006 General Assembly appropriated \$222,229,189 to the Statewide Reserve for Repairs and Renovations, of which \$102,225,427 (46%) was allocated by special provision to the Board of Governors. The University's 2006 allocation for repairs and renovations has been supplemented from two sources. A settlement of legal claims against the designer and contractors involved in the mold infestation of residence halls at North Carolina Central University totaling \$1,500,000 has been added to funds appropriated by the legislature. A total of \$2,300,000 has been added as a transfer to ECSU, NCCU, and UNCA from a legislatively-created reserve for cost overruns as a partial offset to the designated items made in the 2006 appropriations bill.

Of the funds allocated to the Board of Governors, the General Assembly designated by special provision the following allocations:

- (1) Parking and road repairs and improvements at Elizabeth City State University - \$1,900,000
- (2) Replacement and repair of steam lines and steam tunnels at North Carolina Central University - \$6,400,000
- (3) Planning for eligible repair and renovation projects at Rhodes Hall at the University of North Carolina at Asheville - \$416,000

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 to be financed from the institutional allocations and present those projects to the President to be transmitted to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the Legislative Services Office for their joint review, as required by legislation.

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.

Allocations Prior to Applying the Formula:

The University of North Carolina Center for Public Television

Roof replacement - Bryan Center	\$ 600,000
Roof Repairs - Network-wide	75,000
Heating, Ventilating and Air-conditioning System Replacement - Concord, Farmville	40,000
Elevator Repairs	40,000
Electrical Distribution Improvements - Bryan Center	75,000

The University of North Carolina-General Administration

Electrical Infrastructure Improvements – Connection to UNC-CH Electrical Distribution System	244,727
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The North Carolina Arboretum

Improvements to Smoke Detectors/Fire Alarms	35,000
Replace Chiller, Install New Controls System, and Electrical Repairs – Visitor Education Center	270,000
Energy Conservation Measures	55,000
Repairs/Renovations – Visitor Education Center, Support Facilities, and Outdoor Classrooms	110,000

Highlands Biological Station

Fire Alarm System Improvements - Valentine Residence Hall, Coker Building, Biodiversity Lab, Howell Cottage, Nature Center, Weyman Dining Hall, Wright-Deacon Cottage	81,000
Sewer Infrastructure Replacement	350,000

North Carolina Center for the Advancement of Teaching	
Boiler Replacement	\$ 100,000
Elizabeth City State University	
Parking and Road Repairs and Improvements - Supplement	720,000
North Carolina Central University	
Replacement and Repair of Steam Lines and Steam Tunnels	3,484,900
Replacement and Repair of Steam Lines and Steam Tunnels - Supplement	1,300,000
The University of North Carolina at Asheville	
Repair and Renovation Projects at Rhodes Hall - Supplement	280,000
North Carolina School of Science and Mathematics	
Sprinklers – Residential Areas	925,000
Electronic Access System Upgrades for Student Safety	350,000
Infrastructure Repairs and Upgrades	483,500
Chilled Water System (Phase II)	455,800
Exterior and Interior Repairs – Watts Hall and Hill House	150,000
Science Lab Repairs and Upgrades	30,000
Sub-Total – Allocations Prior to Applying the Formula	10,254,927
 <i>Allocations Applying the Formula:</i>	
Appalachian State University	4,907,000
East Carolina University	10,031,200
Elizabeth City State University	2,394,300
Fayetteville State University	2,394,300
North Carolina A&T State University	4,880,700
North Carolina Central University	2,915,100
North Carolina School of the Arts	2,394,300
North Carolina State University	20,353,100
The University of North Carolina at Asheville	2,394,300
The University of North Carolina at Chapel Hill	21,496,000
The University of North Carolina at Charlotte	5,060,700
The University of North Carolina at Greensboro	5,496,600
The University of North Carolina at Pembroke	2,394,300
The University of North Carolina at Wilmington	2,971,400
Western Carolina University	3,292,900
Winston-Salem State University	2,394,300
Sub-Total – Campus Allocations	95,770,500
TOTAL ALLOCATIONS	106,025,427

C. Nonappropriated Capital Improvements Project Authorizations

In response to the Board's request, the 2006 General Assembly authorized nonappropriated capital projects totaling \$529,046,000. The projects are listed below.

Appalachian State University

Central Dining Facility - Phase II	\$ 4,850,000
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East Carolina University

Mendenhall Student Center and Ledonia Wright Cultural Center - Expansion and Renovation	39,000,000
Todd Dining Hall - Renovation	2,100,000
Brody School of Medicine - Renovations	1,200,000
Brody School of Medicine-Health Science Campus-Renovations	6,000,000

Elizabeth City State University

Residence Hall - Heating, Ventilating and Air Conditioning Improvements	1,500,000
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North Carolina State University

Derr Track - Renovation and Expansion - Phase II	2,500,000
Partners VI Building and Parking Deck	40,000,000
Centennial Campus Infrastructure	10,000,000
Residence Halls - Renovation - Supplement	11,500,000
Thompson Theater - Renovation and Expansion - Supplement	4,500,000

The University of North Carolina at Chapel Hill

Food Service Facilities - Renovation and Expansion	3,500,000
Science Complex - Phase II	92,200,000
Carmichael Auditorium - Renovation and Expansion	15,000,000
Research Resource Facility - Phase II	12,400,000
Residence Halls - Improvements	2,000,000
Woollen Gymnasium - Renovation	4,500,000
Boshamer Baseball Stadium - Improvements	14,000,000
Cogeneration Warehouse	500,000
Steam Infrastructure Improvements	55,700,000
Electrical Infrastructure Improvements	29,530,000
Bell Tower Development - Phase I	10,000,000
Global Education & International Studies Center - Improvements	2,500,000
Residence Halls - Improvements - Supplement	2,500,000
Botanical Garden Visitor Education Center - Supplement	5,000,000
Educational Foundation Office Building - Supplement	12,000,000
Cobb Residence Hall - Renovation - Supplement	5,116,000
Residence College - Phase II - Supplement	8,000,000
Rizzo Center - Expansion - Supplement	5,300,000

The University of North Carolina at Charlotte

Prospector Hall - Renovation - Phase II	4,000,000
Residence Halls - Phase IX	38,800,000
Student Union - Supplement	10,000,000

The University of North Carolina at Greensboro

Residence Hall - Acquisition	\$ 29,500,000
Parking Deck Addition - Supplement	1,000,000

The University of North Carolina at Pembroke

University Center Expansion - Supplement	2,000,000
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The University of North Carolina at Wilmington

Residence Halls - Improvements	4,900,000
University Union Building - Expansion and Renovation - Supplement	12,000,000

Western Carolina University

Residence Hall - Renovation and Expansion	1,000,000
Dodson Cafeteria Replacement - Supplement	12,250,000
New Student Recreation Center - Supplement	6,200,000

Winston-Salem State University

Residence Hall - Renovation	4,500,000
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D. Other Actions by the 2006 General Assembly**REVISIONS TO UNC BOND PROGRAM PROJECTS**

In response to the Board's request, the General Assembly authorized scope changes for projects in the UNC Higher Education Bond Program on the campuses of North Carolina State University, The University of North Carolina at Chapel Hill, and Western Carolina University.

	Decrease	Increase
North Carolina State University		
Williams Hall Laboratory Building Comprehensive Renovation	\$ 6,445,000	
Polk Hall Laboratory Building Comprehensive Renovation		\$ 101,362
1911 Classroom Building Comprehensive Renovation		2,663,757
Park Shops – Comprehensive Renovation and Use Conversion for General Academic Use		3,679,881
UNC – Chapel Hill		
Caldwell and Howell Halls-Comprehensive Renovation of Classrooms and Lecture Halls	845,246	
Hill and Davie Hall-Comprehensive Renovation of Classrooms and Lecture Halls	1,324,729	
Hamilton Hall-Comprehensive Renovation of Classrooms and Lecture Halls		845,246
Greenlaw Hall-Comprehensive Renovation of Classrooms and Lecture Halls		1,324,729
Western Carolina University		
Forsyth Classroom and Computer Labs Renovation	3,200,000	
Stillwell Lab Building Comprehensive Renovation		3,200,000

REVISIONS TO PROJECTS APPROVED IN 2004

During the 2004 Session, the General Assembly authorized, in House Bill 1264 (Session Law 2004-179), the construction of UNC capital projects to be funded from certificates of participation. At the request of the Board, the 2006 General Assembly amended previous law to properly define the scope of four UNC projects. It is recommended that the constituent institutions be authorized to proceed with the projects as directed by the General Assembly. The changes are shown below.

Project	Project Amount
Land acquisition, site Site preparation, and engineering, architectural, and other consulting services for facilities for development of the services, and the construction of a research building on the joint Millennial Campus of North Carolina Agricultural and Technical State University and the University of North Carolina at Greensboro.	\$10,000,000
Land acquisition, site preparation, and engineering, architectural, and other consulting services for an Optometry School facility services, and construction of a Nursing and Allied Health Building at the University of North Carolina at Pembroke.	10,000,000
To Western Carolina University for land acquisition, site preparation, and engineering, architectural, and other consulting services—services, and construction of a building for Western Carolina University and the Mountain Area Health Education Consortium for the North Carolina Center for Health and Aging to be operated as a consortium among Western Carolina University, the University of North Carolina at Asheville, and the Mountain Area Health Education Consortium.	10,000,000
Property acquisition in Piedmont Triad Research Park for Winston-Salem State University programming related to biotechnology education and research; and land Land acquisition, site preparation, and engineering, architectural, and other consulting services for services, and construction of a Center for Design Innovation in the Piedmont Triad Research Park to be operated jointly by Winston-Salem State University and the North Carolina School of the Arts.	10,000,000

E. Delegation to Reflect Technical Amendments

It is recommended that the Vice President for Finance be delegated the authority to adjust these recommendations to reflect technical amendments to the budget if any related amendments are approved by the General Assembly. It is further recommended that the Committee on Budget and Finance be authorized to act on behalf of the Board between the August and September Board meetings should further actions by the General Assembly require Board action prior to the September meeting.

F. Additional Information

The table on the following page, *General Assembly Funding - Ten Year History*, a summary by institution of capital improvements appropriations from 1997 through 2006, is provided as supplementary information.

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

Institutional Appropriations	1997	1998	1999	2000	2000 Bonds*	2001**	2002	2003	2003 COPS	2004	2004 COPS	2005	2006	1997-2006
ASU	\$8,460,100	\$9,223,300	\$3,666,600	\$2,406,600	\$87,406,200	-	-	\$ 246,200	\$ 7,663,400	\$ 1,497,400	\$ -	\$ 3,132,800	\$ 6,367,700	\$130,070,300
ECU	16,591,900	10,477,700	5,874,800	3,979,100	190,609,500	-	-	387,500	12,062,500	2,391,700	60,000,000	6,112,400	9,297,700	317,784,800
ECSU	8,072,300	2,158,500	4,242,600	1,087,200	46,296,800	-	-	106,400	3,313,200	619,500	28,000,000	1,375,800	4,185,800	99,458,100
FSU	1,444,500	2,209,900	3,847,600	1,105,000	46,021,400	-	-	102,700	3,197,800	604,200	10,000,000	2,075,800	3,285,800	73,894,700
NCA&T	7,600,800	7,293,200	9,475,105	2,335,800	161,800,091	-	-	247,900	7,716,400	3,482,500	5,000,000	3,941,100	5,522,600	214,415,496
NCCU	17,307,600	4,042,600	7,466,295	1,798,600	121,246,203	-	-	181,500	12,154,205	9,984,642	-	1,715,300	9,102,000	184,998,945
NCSA	3,234,000	2,309,900	1,514,600	968,600	42,547,500	-	-	95,900	2,985,900	564,400	5,000,000	1,375,800	3,285,800	63,882,400
NCSU	30,427,600	37,938,600	11,233,000	7,867,900	468,256,655	-	-	778,000	24,214,800	4,426,022	-	18,309,100	79,862,800	683,314,477
UNCA	2,747,300	2,709,900	1,951,000	1,244,200	50,464,200	-	-	119,200	3,710,200	742,100	35,000,000	1,375,800	2,701,800	102,765,700
UNC-CH	37,733,875	37,130,700	14,149,700	9,259,100	510,539,075	-	-	897,387	27,934,500	5,165,922	-	15,775,900	48,301,575	706,887,734
UNCC	5,098,500	14,306,500	3,012,200	1,976,400	190,033,501	-	-	226,900	11,584,500	5,408,200	35,000,000	2,971,600	50,517,500 ¹	320,135,801
UNCG	9,587,000	7,822,700	5,435,700	3,672,100	166,008,255	-	-	337,700	10,510,100	3,930,800	5,000,000	4,604,100	7,394,900	224,303,355
UNCP	7,449,700	1,909,900	4,349,600	1,164,400	56,873,600	-	-	113,400	6,432,400	687,700	10,000,000	1,375,800	3,285,800	93,642,300
UNCW	10,353,700	3,341,600	2,209,400	1,457,900	109,201,800	-	-	149,100	4,641,500	1,376,700	-	4,297,400	29,753,400	166,782,500
WCU	4,828,300	4,795,900	2,918,200	1,868,300	100,336,744	-	-	165,300	5,144,000	966,900	10,000,000	1,743,000	5,451,800	138,218,444
WSSU	6,983,400	1,909,900	4,262,300	1,159,600	46,786,581	-	-	108,400	3,373,300	2,643,100	5,000,000	2,125,800	3,054,025	77,406,406
Subtotal	177,920,575	149,580,800	85,608,700	43,350,800	2,394,428,105	-	-	4,263,487	146,638,705	44,491,786	208,000,000	72,307,500	271,371,000	3,597,961,458
Non-Instit. Appropriations														
N.C. Arboretum	241,600	288,700	289,800	193,300	9,331,700	-	-	20,000	81,000	50,000	-	200,000	470,000	11,166,100
UNC Health Care	-	-	-	-	-	-	-	-	-	-	180,000,000	-	3,000,000	183,000,000
Other (UNC-GA, NCSSM, CPTV, NCCAT, NCSEAA, HBS)	8,925,600	29,365,000	3,101,500	2,455,900	96,240,195	-	-	311,700	10,377,600	3,285,000	-	1,567,500	13,191,827	168,821,822
Subtotal	9,167,200	29,653,700	3,391,300	2,649,200	105,571,895	-	-	331,700	10,458,600	3,335,000	180,000,000	1,767,500	16,661,827	362,987,922
TOTAL	187,087,775	179,234,500	89,000,000	46,000,000	2,500,000,000	-	-	4,595,187	157,097,305	47,826,786	388,000,000	74,075,000	288,032,827	3,960,949,380
Less: Repairs and Renovations	62,100,000	66,700,000	89,000,000	46,000,000	-			4,595,187	157,097,305	35,326,786	-	57,500,000	102,225,427	620,544,705
TOTAL	124,987,775	112,534,500	-	-	2,500,000,000	-	-	-	-	12,500,000	388,000,000	16,575,000	185,807,400	3,340,404,675

* The General Obligation Bonds, authorized in S.L. 2000-03, were approved by a majority of qualified voters of the State of North Carolina in a referendum on November 7, 2000.

**The 2001 General Assembly allocated \$57.5 million to the Board of Governors for repairs and renovations. Funds were later reverted to the General Fund to help balance the 2001-02 State Budget.

¹ This amount includes \$45,827,400 from COPS.