THE UNIVERSITY OF NORTH CAROLINA SYSTEM

MEETING OF THE BOARD OF GOVERNORS
Committee on Budget and Finance
July 23, 2026

AGENDA ITEM

A-6. Capital Improvement Projects..... Katherine Lynn

Situation: NC State University and University of North Carolina at Chapel Hill have requested four new projects, and Appalachian State University, UNC-Chapel Hill, University of North Carolina at Greensboro, and University of North Carolina Wilmington have requested increased authorization for six projects.

Background: The University of North Carolina Board of Governors may authorize capital construction projects at University of North Carolina System institutions using available funds.

Assessment: App State, NC State, UNC-Chapel Hill, UNC Greensboro, and UNC Wilmington are requesting projects that meet statutory requirements. It is recommended that the Board approve the projects and the method of funding. It is further recommended that these projects be reported to the North Carolina Office of State Budget and Management as non-appropriated projects that do not require any additional debt or burden on state appropriations.

Action: This item requires a vote by the committee, with a vote by the full Board of Governors through the consent agenda.

Capital Improvement Projects – Appalachian State University, NC State University, University of North Carolina at Chapel Hill, University of North Carolina at Greensboro, and University of North Carolina Wilmington

ISSUE OVERVIEW

University of North Carolina System institutions are required to request authority from the University of North Carolina Board of Governors to proceed with non-appropriated projects using available funds (non-general funds). Non-appropriated capital projects are funded by the institution and include the construction, repair, or renovation of facilities such as residence halls, dining facilities, research buildings, athletic facilities, and student health buildings.

Five UNC System institutions have requested ten capital improvement projects: four new projects, and six projects for increased authorization.

I. NEW PROJECTS

	Institution/Project Title	Total Project Cost	Previous Authorization	Requested Authorization	Funding Source
NC State University					
1.	Egg Processing Facility - 3709 Hillsborough St.[1]	$2,950,000	$150,000	$2,800,000	Trust Funds (Donations/Gifts & Grants, Fac & Admin)
NC State Subtotal		*$2,950,000*	*$150,000*	*$2,800,000*	
University of North Carolina at Chapel Hill					
2.	Chapman Hall Cryo Transmission Electron Microscope (TEM)[1]	$1,500,000	$250,000	$1,250,000	Trust Funds (Fac and Admin)
3.	Laurel Hill Road - Culvert Replacement	$2,000,000	$0	$2,000,000	Trust Funds (Utility)
4.	Lenoir Hall FY26 Renovations-Lenoir Hall Low Slope Roof[1]	$1,600,000	$150,000	$1,450,000	Trust Funds (Dining)
UNC-Chapel Hill Subtotal		*$5,100,000*	*$400,000*	*$4,700,000*	
Grand Total		**$8,050,000**	**$550,000**	**$7,500,000**	

[1]Previous authorization reflects advance planning authority delegated to Boards of Trustees.

II. INCREASED AUTHORIZATION

	Institution/Project Title	Total Project Cost	Previous Authorization	Requested Authorization	Funding Source
Appalachian State University					
1.	Indoor Practice Facility	$27,000,000	$25,000,000	$2,000,000	Trust Funds (Athletics)
2.	New River Power & Light Oak Grove Substation & Misc Repairs	$2,000,000	$971,879	$1,028,121	Trust Funds (Utility)
App State Subtotal		*$29,000,000*	*$25,971,879*	*$3,028,121*	

II. INCREASED AUTHORIZATION (cont.)

	Institution/Project Title	Total Project Cost	Previous Authorization	Requested Authorization	Funding Source
University of North Carolina at Chapel Hill					
3.	House Undergraduate Library Renovations	$8,517,000	$8,250,000	$267,000	Trust Funds (Donations/Gifts & Grants, Endowments, Utility, Student Renewable Energy Fee) - 99%/Carry-forward - 1% *(Fund Source Change)*
4.	Caldwell Hall Accessibility Upgrades	$3,200,000	$2,850,000	$350,000	Carry-forward
UNC-Chapel Hill Subtotal		*$11,717,000*	*$11,100,000*	*$617,000*	
University of North Carolina at Greensboro					
5.	Spring Garden Apartments Roof-HVAC Replacement	$7,815,000	$4,815,000	$3,000,000	Trust Funds (Housing)
UNC Greensboro Subtotal		*$7,815,000*	*$4,815,000*	*$3,000,000*	
University of North Carolina Wilmington					
6.	Hurst-Riegel Connector Roadway	$6,760,000	$4,530,879	$2,229,121	Trust Funds (Parking & Transportation, Other Auxiliary)
UNC Wilmington Subtotal		*$6,760,000*	*$4,530,879*	*$2,229,121*	
Grand Total		**$55,292,000**	**$46,417,758**	**$8,874,242**	

RECOMMENDATION

All projects and associated funding sources are in compliance with G.S. 143C-8-12 (State Budget Act).

It is recommended that these projects be authorized and reported to the NC Office of State Budget and Management as non-appropriated projects that will be funded and operated entirely with non-General Fund and non-State Capital and Infrastructure Fund monies.

III. REPORTING

The following projects are being reported to the Board of Governors and Fiscal Research Division in compliance with GS 143C-8-13 (d) which permits Chancellors to authorize Repairs and Renovation projects less than $600,000 in thirteen allowable categories.

	Institution/Project Title	Amount	Fund Source	R&R Category
East Carolina University				
1.	Main Campus ADA Sidewalk and Parking Upgrades - 5 Buildings	$590,000	General Funds	(11) Improvements to roads, walks, drives, and utilities infrastructure.
2.	Building 43 Structural Repair	$94,914	General Funds - 22%/Carry-forward - 78%	(2) Structural repairs.

III. REPORTING (cont.)

Institution/Project Title		Amount	Fund Source	R&R Category
East Carolina University (cont.)				
3.	Coastal Studies Institute (CSI) Ductwork/Hood Replacement	$155,000	General Funds - 61%/Trust Funds (Fac & Admin) - 39%	(4) Repairs to or installation of new electrical, plumbing, and heating, ventilating, and air-conditioning systems.
Fayetteville State University				
4.	Risk Management Office Conversion	$300,000	General Funds	(9) Improvements and renovations to improve use of existing space.
North Carolina Agricultural & Technical State University				
5.	Calf Barn Repairs	$450,000	Trust Funds (Donations/ Gifts & Grants)	(9) Improvements and renovations to improve existing space.
North Carolina Central University				
6.	Walker PE Complex Athletic Gym Flooring Replacement	$130,360	Trust Funds (Donations/ Gifts & Grants)	(9) Improvements and renovations to improve existing space.
7.	Walker PE Complex Gym Bleachers Replacement	$242,818	Trust Funds (Donations/ Gifts & Grants)	(5) Improvements to meet the requirements of the Americans with Disabilities Act.
University of North Carolina Pembroke				
8.	Central Shipping and Receiving Relocation	$513,542	General Funds	(9) Improvements and renovations to improve existing space.
9.	Weinstein Boiler Replacements	$300,000	R&R - 38%/ General Funds - 33%/Trust Funds (Other) - 28%/Carry-forward - 1%	(4) Repairs to or installation of new electrical, plumbing, and heating, ventilating, and air-conditioning systems.