

APPENDIX S

A. 2018-19 Allocations from the Reserve for Repairs and Renovations ^A

For fiscal year 2018-19, the 2018 General Assembly appropriated \$64,798,930 to the statewide Reserve for Repairs and Renovations, of which \$32,399,465 (one-half) is allocated to the Board of Governors, as shown below.

The R&R allocation options below are proposed for Board action. It is recommended that allocations be made from the Reserve for Repairs and Renovations. It is also 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 recommended that allocations may be transferred as needed among projects within an institution upon request through existing approval processes. It is also recommended that the president be authorized to make further allocations from the reserve.

2018-19 Allocations – Reserve for Repairs and Renovations ^A	Version 1	Approved Version 2
Appalachian State University	\$ 1,825,331	\$1,738,446
East Carolina University	\$4,125,869	\$2,767,091
Elizabeth City State University	\$864,583	\$2,324,885
Fayetteville State University	\$855,494	\$1,580,468
North Carolina A&T State University	\$1,399,025	\$1,393,521
North Carolina Central University	\$1,510,773	\$1,820,385
North Carolina State University	\$5,658,785	\$3,902,793
University of North Carolina at Asheville	\$825,922	\$1,559,700
University of North Carolina at Chapel Hill	\$6,803,131	\$4,060,204
University of North Carolina at Charlotte	\$2,221,193	\$1,800,520
The University of North Carolina at Greensboro	\$1,683,560	\$1,501,947
The University of North Carolina at Pembroke	\$552,160	\$725,702
University of North Carolina Wilmington	\$856,243	\$839,523
University of North Carolina School of the Arts	\$790,361	\$2,036,583
Western Carolina University	\$1,016,706	\$1,135,239
Winston-Salem State University	\$1,013,906	\$2,000,752
North Carolina School of Science and Mathematics	\$305,982	\$928,093
University of North Carolina System Office	\$90,440	\$283,613
TOTAL ALLOCATIONS	\$32,399,465	\$32,399,465

Version 1 allocates funding based on size (Gross Square Feet), condition (State Facilities Condition Assessment Program – FCAP), and ability to pay (Adjusted Unrestricted Fund Balance), weighted at one-third for each factor. Version 2 allocates funding based on these factors, but converts FCAP to FCAP per Gross Square Foot. The Board approved Version 2.

B. Capital Project Authorizations by the 2018 General Assembly for which no Board Action is required (for information only)

1. Capital Improvement Appropriations and Authorizations

The General Assembly appropriated \$6,500,000 from the General Fund for the following projects:

FSU	Health and Wellness Facility	\$5,500,000
UNC-CH	New Business School Building	1,000,000

The General Assembly appropriated \$54,370,000 from the Capital Improvement Project Reserve for the following projects:

NCCU	Business School	\$ 8,600,000
NCSSM	Morganton – Construction of Campus Facilities	15,000,000
UNCA	Owen Hall and Carmichael Hall Renovations	2,770,000
UNCP	Business School	6,000,000
UNCW	Library – Planning	5,500,000
WCU	Steam Plant Replacement	16,500,000

2. Non-General Fund Capital Improvement Projects Authorizations

The General Assembly authorized capital projects funded from non-general fund sources totaling \$114,602,516 in House Bill 1054 (S.L. 2018-35).

SECTION 2. The capital improvement projects and their respective costs authorized by this act, to be acquired or constructed and financed as provided in Section 1 of this act, including by revenue bonds, by special obligation bonds as authorized in Section 5 of this act, by a financing arrangement to the extent authorized in Section 3 of this act, or by any combination thereof, are as follows:

Project Authorization	Amount
Appalachian State University	
Sanford Hall Complete Renovation and Modernization	\$ 18,000,000
University of North Carolina at Chapel Hill	
Translational Research Building	23,000,000
Parking Deck at S1 Lot (South Parking Deck)	6,782,516
University of North Carolina at Charlotte	
Residence Hall Phase XVI	34,000,000
The University of North Carolina at Greensboro	
Ragsdale Mendenhall Residence Hall Renovation	8,000,000
The University of North Carolina at Pembroke	
Campus Rec/Baseball Softball Outdoor Complex	4,400,000
University of North Carolina Wilmington	
Parking Deck II and Surface Parking	20,420,000
Total	\$114,602,516

C. Other Actions by the 2018 General Assembly

The following capital improvement-related special provisions from the Appropriations Act of 2018 (S.L. 2018-5) are noted for information.

36.2	Capital Appropriations/Project Reserve	Appropriates funds from the project reserve account for FY 2017-18, including \$15M for NCSSM-Morganton, \$6M for a Business School at UNCP, \$8.6M for a business school at NCCU, \$16.5M for a steam plant replacement at WCU, \$5.5M of planning funds for a library at UNCW, \$3M for the UNC BOG Planning Task Force, and \$2.77M for renovation of Owen and Carmichael Halls at UNCA. Directs OSBM to disburse \$6M of the funds for UNCP by November 1, 2018.
36.5	Repairs and Renovations Reserve Allocation	Appropriates 50% of the funds in the reserve for repairs and renovations to the BOG (\$32.4 million). Requires that a portion be used to install fire sprinklers in residence halls; funds shall be allocated among the constituent institutions by the president. Directs the Board to submit progress reports to Joint Legislative Committee on Governmental Operations concerning the status of completed, current, and planned projects by January 1 and July 1 until all residence halls have fire sprinklers. Requires that a portion of the funds allocated be used for campus public safety improvements. Directs that the R&R funds be allocated by the BOG and that availability of non-State resources and carryforward funds shall be negatively weighted.
36.6	UNC Board of Governors Planning Task Force	Establishes a task force to consist of four current BOG members appointed by the BOG no later than August 1, 2018. Directs the task force to conduct a system-wide analysis of the capital needs of each institution in relation to STEM subject areas. In particular, the task force shall consider the capital needs related to the ECU Brody School of Medicine, the UNC Applied Physical Sciences and Institution for Convergent Science in Chapel Hill, and other STEM projects to determine areas where capital funds may be used more efficiently. Appropriates \$3M to the BOG to be used by the task force. Requires a report containing the UNC System plan and any legislative recommendations by April 1, 2019.
36.8	State Capital and Infrastructure Fund Changes	Amends G.S. 143C-4-3.1 (d) to remove the requirement that 4% of tax collections be deposited in an infrastructure fund and replaces it with a requirement that OSC transfer one-fourth of the General Fund unreserved fund balance at the end of the year.

D. Additional Information

The table on the following page, *General Assembly Funding – Ten Year History*, provides a summary of each institution’s capital improvement appropriations from 2009 through 2018.

The University of North Carolina - Chapel Hill General Assembly Funding - Ten Year History

Institutional Appropriations	2009 ¹	2010 ² COPS	2011 ³	2012	2013	2014 ⁵	2015	2015 ⁶ Bonds	2016 ⁷	2017 ⁸	2018 ⁹	2009-2018
App State	\$ 1,386,700	\$ -	\$ 1,453,300	\$ 506,200	\$ 4,982,626	\$ 3,519,300	\$ 2,311,700	\$ 70,000,000	\$ 2,291,453	\$ 3,596,626	\$ 1,738,446	\$ 91,786,351
ECU	3,339,300	-	3,124,900	1,065,200	6,223,834	1,084,100	4,826,500	90,000,000	3,813,019	4,044,303	2,767,091	120,288,247
ECSU	744,000	-	873,200	305,900	1,788,627	316,800	1,410,300	13,000,000	702,749	1,529,809	2,324,885	22,996,270
FSU	744,000	-	873,200	305,900	1,788,627	316,800	1,410,300	10,000,000	674,770	7,041,298	7,080,468	30,235,363
N.C. A&T	1,380,600	-	1,299,700	451,700	2,661,937	452,700	2,015,300	90,000,000	1,777,450	2,292,115	1,393,521	103,725,023
NCCU	896,800	-	905,500	305,900	1,807,823	337,500	1,502,500	30,000,000	1,498,710	2,679,962	10,420,385	50,355,080
NC State	6,110,000	-	5,904,300	2,074,000	12,206,701	2,115,200	9,013,500	160,000,000	7,971,067	9,247,351	3,902,793	218,544,912
UNCA	744,000	-	873,200	305,900	3,788,627	316,800	1,410,300	21,100,000	2,897,723	1,197,933	4,329,700	36,964,183
UNC-Chapel Hill	6,296,600	-	6,585,200	2,284,500	5,913,326 ⁴	2,392,000	8,766,500	68,000,000	14,320,915	9,038,073	5,060,204	128,657,318
UNCC	1,728,000	-	1,904,400	706,100	4,132,925	775,800	3,453,900	90,000,000	889,677	3,579,547	1,800,520	108,970,869
UNCG	1,485,300	-	2,073,300	714,900	4,254,199	739,600	3,292,800	105,000,000	2,472,004	2,514,816	1,501,947	124,048,866
UNCP	744,000	-	873,200	305,900	1,788,627	316,800	1,410,300	23,000,000	674,770	11,010,000	6,725,702	46,849,299
UNCW	971,200	-	1,291,100	482,700	2,664,083	476,000	2,119,200	66,000,000	1,185,683	1,913,915	6,339,523	83,443,404
UNCSA	744,000	-	873,200	305,900	1,788,627	316,800	1,410,300	10,900,000	674,770	1,538,276	2,036,583	20,588,456
WCU	957,400	-	1,097,900	390,800	2,232,057	410,100	1,826,000	110,000,000	1,408,422	2,375,229	17,635,239	138,333,147
WSSU	744,000	-	873,200	305,900	1,788,627	316,800	1,410,300	50,000,000	885,778	2,130,747	2,000,752	60,456,104
NCSSM	744,000	-	873,200	305,900	1,788,627	316,800	5,410,300	58,000,000	674,770	1,010,000	15,928,093	85,051,690
Subtotal	29,759,900	-	31,752,000	11,123,300	61,599,900	14,519,900	53,000,000	1,065,000,000	44,813,730	66,740,000	92,985,852	1,471,294,582
Non-Institutional Appropriations												
N.C. Arboretum	-	-	386,222	-	-	-	-	-	-	-	-	386,222
UNC Health Care	-	-	-	-	-	-	-	-	-	-	-	-
Other (UNC System, UNC-TV, SEAA, HBS, C.S.I., Land Acquisition, Fire Safety, 4-H Camps & Equipment) ⁴	1,240,100	-	936,500	462,162	2,400,100	480,100	2,000,000	-	674,770	1,010,000	283,613	9,487,345
Subtotal	1,240,100	-	1,322,722	462,162	2,400,100	480,100	2,000,000	-	674,770	1,010,000	283,613	9,873,567
TOTAL	31,000,000	-	33,074,722	11,585,462	64,000,000	15,000,000	55,000,000	1,065,000,000	45,488,500	67,750,000	93,269,465	1,481,168,149
Less: Repairs and Renovations Res.	31,000,000	-	33,074,722	11,585,462	60,000,000	12,000,000	50,000,000		33,738,500	50,500,000	32,399,465	314,298,149
TOTAL	-	-	-	-	4,000,000	3,000,000	5,000,000	1,065,000,000	11,750,000	17,250,000	60,870,000	1,166,870,000

Notes :

1. The 2009 General Assembly funded repairs and renovations with a combination of federal stimulus funds (\$12M) and bonds to be repaid by the State (\$50M) of which 50% (\$31 million) was allocated to the Board; 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.
2. The 2010 General Assembly provided UNC with special indebtedness funding of \$60M for repairing and renovating facilities and infrastructure and \$22M 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.
3. Prior to distribution, S.L. 2012-2 and S.L. 2012-57 authorized the Director of the Budget to use up to \$114M of the 2011 Repairs and Renovations to ensure adequate funding in the state Medicaid program for the 2011-12 fiscal year. On November 15, 2012, \$33,074,722 was allocated to the University for 2011 Repairs and Renovations.
4. Due to other available funds, UNC-Chapel Hill has been reduced by 50%.
5. The 2014 General Assembly provided UNC with special indebtedness funding of \$12M for repairing and renovating facilities and infrastructure and ASU \$3M for planning the Health Sciences Building.
6. The 2015 General Assembly provided UNC with bond funding of \$1,020,000,000 to be allocated among 15 projects for new construction, with voter approval and \$50 million for Repairs and Renovations. The Bond Act also identified additional bond proceeds of \$45 million for ECSU, UNCA, & UNCSA.
7. The 2016 General Assembly appropriated \$81,400,000 to the statewide Reserve for Repairs and Renovations. Eight (8) specific capital projects for other state agencies were earmarked at a value of \$13,923,000, to be deducted from the \$81,400,000. This yields a net Reserve for Repairs and Renovations equal to \$67,477,000, of which \$33,738,500 (one-half) is allocated to the Board of Governors.
8. The 2017 General Assembly appropriated \$125,000,000 to the statewide Reserve for Repairs and Renovations. Eight (8) specific capital projects for other state agencies were earmarked at a value of \$24,000,000, to be deducted from the \$125,000,000. This yields a net Reserve for Repairs and Renovations equal to \$101,000,000, of which \$50,500,000 (one-half) is allocated to the Board of Governors.
9. The 2018 General Assembly appropriated \$64,798,930 to the statewide Reserve for Repairs and Renovations, of which \$32,399,465 (one-half) is allocated to the Board of Governors. Two (2) capital projects received General Fund appropriations and six (6) capital projects were appropriated funds from the Capital Improvement Project Reserve.