



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT

BEVERLY EAVES PERDUE
GOVERNOR

ANDY WILLIS
STATE BUDGET DIRECTOR

July 11, 2012

MEMORANDUM

TO: Department Heads and Chief Fiscal Officers

FROM: Andy Willis 
State Budget Director

SUBJECT: 2011-12 Repair and Renovation Requests

The General Assembly, in Session Law 2012-142 (House Bill 950) appropriated \$23,170,924 from the unreserved fund balance to the Repairs and Renovations Reserve Account to finance the capital facility costs of repairing and renovating State facilities and related infrastructure. Of the funds appropriated to the Reserve, 50% are allocated to the UNC Board of Governors and 50% to the Office of State Budget and Management.

In accordance with Session Law 2012-57 (HB14), R&R funds appropriated in FY 2011-12 that were not necessary to be transferred to ensure payment to Medicaid providers in FY 2011-12 are also available for reallocation to state agencies in FY 2012-13. As of the date of this memo, the total amount of 2011-12 R&R funds that remain available for reallocation is unknown, but is expected to be less than \$25 million. The reallocation of these funds will follow the requirements reflected in both HB14 and SB797.

Funds from the R&R Reserve must be used in accordance with G.S. 143C-4-3 and OSBM must consult with the Joint Legislative Commission on Governmental Operations (Gov Ops) prior to the final allocation of these funds. A copy of the R&R statute is contained in the attached instructions for your reference.

In an effort to distribute R&R funds as quickly as possible, OSBM will be condensing our review and timeframe. In anticipation that agencies' needs have not changed significantly since last Fall and that requests will largely be the same as last year, OSBM will not be meeting with agencies to review their submissions. We are, however, asking that you provide any updates necessary and resubmit your requests for FY 2012-13.

Funding requests for FY 2012-13 R&R projects should be submitted to the OSBM no later than **Friday, July 20, 2012**. **All R&R project request submissions must include:**

- R&R Project List Form (This form lists all projects and total cost in priority order.)
- R&R Request Worksheet (This form shows detailed information about each individual project.)
- OC-25 Cost Estimate (final or draft)
- Summary Statement or Pertinent Pages from FCAP Report

Detailed instructions for submitting requests are attached to this memorandum. Please note a change in the instructions found on page 3, item #6 on the use of the 16 categories that describe the requested project.

It is our intent to present the final approved R&R list to Gov Ops at their first meeting this interim. Please have your submission to OSBM by the **July 20, 2012** deadline. If you have any questions, please contact your OSBM capital analyst, Greg Piner or Jennifer Wimmer at (919) 807-4700.

cc: Jennifer Hoffmann, OSBM Greg Piner, OSBM Jennifer Wimmer, OSBM