

## **Responses to Questions Posed during Fiscal Research Presentations In 643 LOB the week of February 4, 2013**

---

**Q: What is the breakdown of repair and renovation funding needs between the UNC system and State government?**

A: Utilizing data from the Department of Insurance, to replace the State's buildings that are supported by the General Fund, it would take approximately \$17.9 billion. Only buildings supported from the General Fund are eligible for support from the Reserve for Repairs and Renovation. According to the Department of Insurance, roughly 65% (\$11.75 billion) of General Fund supported insured building value is the property of the University of North Carolina system. The remainder, 35% (\$6.92 billion) of the insured General Fund supported building value is for State Agency Buildings. A general rule of thumb is to plan on spending 1 to 3% of building value on repair and renovation per year.

For the last four years, the allocations from the Reserve for Repair and Renovations has been allocated 50% to UNC System and 50% to State Agencies. Prior to that, the allocation was 54% to the State Agencies and 46% to UNC System.

While the UNC-system does have a greater amount of insured building value, the State Agencies have a slightly larger need when looking at the Facilities and Condition Assessment Program (FCAP). The FCAP is a program under the Dept. of Administration which looks at the six-year need for repair and renovations. According to the most recent FCAP, approximately 52% (\$2.3 billion) of the General Fund six-year need lies with the State Agencies and 48% (\$2.1 billion) of the six-year need lies with the UNC System.

For additional information, please contact Mark Bondo ([Mark.bondo@ncleg.net](mailto:Mark.bondo@ncleg.net)).