



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
H. Martin Lancaster, President

May 4, 2001

MEMORANDUM

IMPORTANT

To: Selected Business Officials

From: Philip Albano, Director
Administrative & Facility Services

Subject: Clarification to Matching Bond Funds

The matching requirements for the construction funds portion of the 2000 state bond funds were based on an "Adjusted Matching Requirement" that was derived from a county's ability-to-pay index. The Bond Bill (Senate Bill 912) provides that colleges/counties with an Adjusted Matching Requirement of less than 50 percent, but equal to or more than 40 percent, must match the construction portion of the state bond funds on a less than dollar-for-dollar match. There was, however, some question as to whether any pre-existing, non-state overmatch credit should be counted at the dollar-for-dollar rate or at the higher matching rate. We have now received a clarification of the language from an attorney with the legislature. The interpretation is that when any pre-existing non-state overmatch credit or any new non-state funds are applied to match the construction portion of the state bond funds, they will be counted at the higher matching rate.

Attached are three Excel documents. One "Partial Matching of Bond Funds" is a table, as of April 20, 2001, that shows for selected colleges and counties their "Current Non-State Overmatch" and "Total Projected Non-State Overmatch." Both of these columns take into consideration agenda items that were approved by the State Board of Community Colleges on April 20, 2001. The last column, "Total Projected Non-State Overmatch," shows what the non-state overmatch would be if all of the college's 2000 state construction bonds were allocated to projects. A negative number indicates the amount of non-state overmatch that would be required in order to receive all of the 2000 state construction bond funds.

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E-Mail

MAILING ADDRESS: 5015 MAIL SERVICE CENTER ~ RALEIGH, NC 27699-5015

Street Address: 200 West Jones ~ Raleigh, NC 27603-1379 ~ 919-733-7051 ~ Fax 919-733-0680
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The second document, "Matching Scales," contains two tables along with formulas that show the state to local matching ratios and the local to state matching ratios.

The third document, "Matching Funds Calculator," is a spreadsheet in which you can enter your own "Local Adjusted Matching Requirement" and your current and new "Non-state Overmatch." The formulas will calculate the state construction bond funds that these funds will match.

If you have any questions concerning this information, please contact Ms. Lola Morrison, Ms. Dee Burns, or me.

PVA/a

Attachments

c: Mr. Kennon Briggs
Dr. Stephen C. Scott
Selected Presidents

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
PARTIAL MATCHING OF BOND FUNDS
AS OF APRIL 20, 2001

COLLEGE/COUNTY	LOCAL % ADJUSTED FOR ABILITY TO PAY	CURRENT NON-STATE OVERMATCH (4-20-01)	TOTAL PROJECTED NON-STATE OVERMATCH *
Beaufort County CC	41.39%	770,075	(691,071)
Caldwell CC & TI	41.81%	7,404,661	5,638,993
Catawba Valley (Alexander Cty.)	41.01%	-	-
Central Carolina CC	47.91%	230,435	(2,419,118)
Chatham Cty.	49.97%	78,225	(548,827)
Cleveland CC	41.80%	1,072,458	(1,719,262)
Craven CC	43.03%	4,239,143	(519,862)
Davidson County CC	45.66%	1,356,140	1,083,054
Fayetteville TCC	44.41%	10,598,750	(17,344,000)
Forsyth (Stokes Cty.)	41.84%	-	-
Gaston CC (Lincoln Cty.)	45.59%	1,448,912	1,117,068
Haywood CC	47.48%	3,217,292	3,020,576
Isothermal CC	42.24%	3,768,145	2,555,420
James Sprunt CC	41.75%	332,163	(946,296)
Johnston CC	41.96%	6,826,160	487,479
Lenoir CC	41.60%	3,671,581	(1,921,313)
Mayland CC (Mitchell Cty.)	42.63%	-	(1,118,032)
Yancey Cty.	42.04%	-	-
McDowell TCC	40.02%	312,339	(1,114,369)
Nash CC	40.76%	551,276	(2,154,982)
Pamlico CC	40.19%	268,090	(1,201,862)
Piedmont CC	47.81%	311,485	(1,835,063)
Pitt CC	43.58%	1,880,540	(4,406,593)
Randolph CC	44.18%	5,012,273	3,948,234
Rockingham CC	42.34%	7,496,424	5,558,381
Rowan-Cabarrus CC	44.91%	1,646,201	(2,598,710)
South Piedmont CC (Union Cty.)	45.54%	-	(220,331)
Surry CC	43.87%	1,352,677	(4,483,011)
Yadkin Cty.	42.40%	1,500,000	1,101,247
Western Piedmont CC	41.00%	1,086,304	(1,595,130)
Wilkes CC	43.38%	5,712,159	3,653,796
Ashe Cty.	46.87%	76,422	(515,586)
Wilson TCC	46.03%	2,837,769	(217,598)

* This would be the non-state overmatch after factoring in all of the state construction bond funds allocated to a college. A negative figure indicates a need for additional non-state funds in order to receive all of the unobligated state construction bond funds.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
MATCHING SCALES

State Matching Scale For the Community College 2000 State Construction Bond Funds		
Local Adjusted Matching Requirement	State-To-Local Ratio	For Every Dollar The College Provides The State Will Provide
50%	1.00	\$1.00
49%	1.04	\$1.04
48%	1.08	\$1.08
47%	1.13	\$1.13
46%	1.17	\$1.17
45%	1.22	\$1.22
44%	1.27	\$1.27
43%	1.33	\$1.33
42%	1.38	\$1.38
41%	1.44	\$1.44
40%	1.50	\$1.50
Less than 40%	NA	\$0.00

Note: To determine a more exact ratio and the amount that the state must provide, divide (100% minus the percentage in the first column) by the percentage in the first column. For example, for a "Local Adjusted Matching Requirement" of 45.25%, the ratio would be 54.75% (100% minus 45.25%) divided by 45.25% or 1.2099, and the state share would be \$1.2099 for each local dollar.

Local Matching Scale For the Community College 2000 State Construction Bond Funds		
Local Adjusted Matching Requirement	Local-To-State Ratio	For Every Dollar of The State New Construction Funds, The College Must Provide
50%	1.00	\$1.00
49%	0.96	\$0.96
48%	0.92	\$0.92
47%	0.89	\$0.89
46%	0.85	\$0.85
45%	0.82	\$0.82
44%	0.79	\$0.79
43%	0.75	\$0.75
42%	0.72	\$0.72
41%	0.69	\$0.69
40%	0.67	\$0.67
Less than 40%	NA	\$0.00

Note: To determine a more exact ratio and the amount that the college must provide, divide the percentage in the first column by (100% minus that same percentage). For example, for a "Local Adjusted Matching Requirement" of 45.25%, the ratio would be 45.25% divided by 54.75% (100% minus 45.25%) or 0.8265, and the college share would be \$0.8265 for each state dollar.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
MATCHING FUNDS CALCULATOR

This calculator gives two examples and provides up to eight rows in which you can experiment with different figures. As you enter your local adjusted matching requirement and your non-state overmatch (current and new), the spreadsheet will calculate the state bond funds that will be matched. In Example 1, the matching requirement is 38.75 percent and the college has a current overmatch of \$400,000. This \$400,000 will match \$632,258 of state construction funds. In Example 2, the matching requirement again is 38.75 percent and the college has a current overmatch of \$400,000 and an additional \$600,000 that will be available from the county. This \$1,000,000 will match \$1,580,645 of state construction funds. NOTE: To change an entry in a cell in columns A, B, or C, place your cursor in the cell and rekey the new number or zero. Do not press the delete key, as that will delete the format. Do not make entries in columns D or E.

	A	B	C	D	E
	Enter Your Adjusted Matching Requirement	Enter Your Current Non-State Overmatch	Enter Any New Non-State Funds That Will Be Available	Total Match Available (B+C)	State Bond Funds That will be Matched
Example 1	38.75	\$ 400,000	\$ -	\$ 400,000	\$ 632,258
Example 2	38.75	\$ 400,000	\$ 600,000	\$ 1,000,000	\$ 1,580,645
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* The error message (#DIV/0!) will change to a number as you enter your figures.