

STATE BOARD OF COMMUNITY COLLEGES
Allocation of Hurricane Florence Repair and Renovation
FY 2018-19

Request: The State Board is asked to approve the allocation of up to \$2,943,581 to be allocated to thirteen community colleges from the Hurricane Florence Disaster Recovery Fund appropriation and up to \$525,329 to be allocated to ten community colleges from the Hurricane Florence Disaster Recovery Fund appropriation contingent upon receiving clarification from the legislature regarding the allowability to reimburse colleges for projects already completed or initiated with non-State funds.

Background: On October 15, 2018, the North Carolina General Assembly enacted Session Law 2018-136, the 2018 Hurricane Florence Disaster Recovery Act. This act applies to the North Carolina counties designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Florence. This act appropriated \$5,000,000 to be allocated for repair and renovation of local community college facilities damaged by Hurricane Florence.

Rationale: The State Board is requested to approve these allocations for community colleges located in a county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) eligible for Individual Assistance and Public Assistance Categories A and B or A – G as a result of Hurricane Florence.

A recipient of State funds under this act shall use best efforts and take all reasonable steps to obtain alternative funds, including funds from insurance policies in effect and available federal aid. State funds paid under this act are declared to be excess over funds received by a recipient from the settlement of a claim for loss or damage covered under the recipient's applicable insurance policy in effect. If a recipient obtains alternative funds, the recipient shall reimburse the State funds for return to the Hurricane Florence Disaster Recovery Fund.

When colleges already received insurance or federal aid for a project, those amounts were deducted from the requested allocation. In addition, colleges reported estimated insurance and federal aid amounts associated with these repair and renovation projects. Once colleges are in receipt of these funds, they will reimburse the State funds for return to the Hurricane Florence Disaster Recovery Fund.

Method of Allocation: The System Office created a template to collect requests from the twenty-one community colleges eligible to receive an allocation. Of the twenty-one colleges eligible, fourteen colleges submitted requests. System Office staff reviewed the requests and consulted with the legislature. It was determined that requests for debris removal and replacement equipment were inconsistent with legislative requirements and were removed as unallowable. In addition requests for repair and renovation costs for non-State supported facilities were removed as unallowable.

Due to the urgent need for repairs, many of the fourteen colleges already completed or initiated one or more repair projects using non-State funds. System Office staff is seeking clarification from the legislature regarding the allowability of this State appropriation to reimburse colleges for projects already completed or initiated. The State Board is requested to approve the recommended allocations (for projects not yet completed or initiated) and to approve the contingent allocations (for projects already completed or initiated) which will be allocated only after confirmation from the legislature that these are allowable.

College Name	Recommended Allocation Up To	Contingent Allocation Up To
Bladen CC	\$32,342	\$11,137
Brunswick CC	\$104,040	\$16,310
Carteret CC	\$442,558	\$243,097
Coastal Carolina CC	\$135,492	\$2,488
Craven CC	\$362,164	\$0
Fayetteville CC	\$164,790	\$26,445
James Sprunt CC	\$0	\$114,500
Johnston CC	\$87,032	\$22,600
Lenoir CC	\$426,000	\$74,000
Pamlico CC	\$473,000	\$0
Robeson CC	\$326,780	\$0
Sampson CC	\$332,500	\$0
Southeastern CC	\$53,382	\$1,352
Wayne CC	\$3,500	\$13,400
Total	\$2,943,581	\$525,329

If approved, the System Office staff will notify colleges of these amounts. Colleges will submit each repair and renovation project via the standard Capital Improvement Project Form 3-1 and each project will be submitted to the State Board via the monthly Construction and Property Finance Committee agenda item. If bids exceed the allocations above and funds are available from the 2018 Hurricane Florence Disaster Recovery Act unallocated \$5,000,000 appropriation, project amendments will be submitted to the State Board via the monthly Construction and Property Finance Committee agenda item.

Fund Source and Availability: These funds are available from the appropriation provided in S.L. 2018-136.

Contact Person:

Elizabeth Grovenstein
Vice President and CFO