

State Board of Community Colleges
Allocation of State Capital Improvement Infrastructure Funds (SCIF)
FY2021-22 and FY2022-23

Request: The State Board is asked to approve the allocation of SCIF funding of \$100 million in FY2021-22 and \$100 million in FY2022-23 for a total of \$200 million in this biennium per S.L. 2021-180.

Background: S.L. 2021-180 Section 40.1.(e) provides an intended allocation of \$400 million in SCIF funding to community colleges. However, this funding spans over a four-year period with a planned \$100 million per year. The 2021 Appropriation Act currently appropriates \$200 million (\$100 million in 2021-22 and \$100 million in 2022-23) in the current 2021-23 biennium. Section 40.2 explains the intent of the General Assembly to fund capital improvement projects and plan for future project funding based upon projected SCIF availability. The additional \$200 million (\$100 million in 2023-24 and \$100 million in 2024-25) is dependent upon an appropriation in the 2023-2025 biennium.

Community College SCIF funding is allocated for capital improvement projects and shall be used for the purpose of issuing allotted proceeds to community colleges for new construction or rehabilitation of existing facilities and repairs and renovations. In accordance with Section 40.1(f) SCIF funding shall be used for new construction or rehabilitation of existing facilities, repairs, and renovations, building of technology infrastructure, and the purchase of measures to ensure building security. Any items purchased with these funds, must have a useful life of at least 10 years or must extend the life of the facility by at least 10 years once renovated or rehabilitated. Projects for centralized administration, trailers, relocatable classrooms or mobile classrooms are not eligible.

Section 40.1(f) includes a matching fund requirement that only applies to new construction projects in tier three counties. A county that is a development tier three area, as provided in the annual ranking by the Department of Commerce for 2020 calendar year, shall provide local non-state matching funds in the amount of \$1 of non-state matching funds for every \$1 of SCIF funding. No matching is required of a county that is a development tier one or two and matching is not required for rehabilitation of existing facilities and repairs and renovations.

Method of Allocation: Section 40.1(f) instructed the Community College System Office to develop a process to allocate the proceeds. The North Carolina Association of Community College Presidents (NCACCP) Finance Committee discussed the methodology of this allocation to colleges. Based on the \$100 million per year for four years allocation schedule reflected in Section 40.2 the NCACCP recommended to provide each college 25% of their total SCIF funding (each college's allocated share of the \$400 million total) for each year of the 2021-23 biennium. Table 1 will allocate the appropriated \$200 million for this biennium. The additional \$200 million is dependent upon an appropriation in the 2023-2025 biennium.

State Board of Community Colleges
Allocation of State Capital Improvement Infrastructure Funds (SCIF)
FY2021-22 and FY2022-23

Table 1 – State Capital Infrastructure (SCIF)

Community College	2021-22	2022-23
Alamance CC	1,984,676	1,984,676
Asheville-Buncombe TCC	2,066,410	2,066,411
Beaufort County CC	1,037,353	1,037,353
Bladen CC	880,029	880,030
Blue Ridge CC	726,393	726,393
Brunswick CC	569,684	569,684
Caldwell CC and TI	1,727,488	1,727,488
Cape Fear CC	2,496,593	2,496,593
Carteret CC	843,925	843,925
Catawba Valley CC	2,163,970	2,163,970
Central Carolina CC	2,507,808	2,507,809
Central Piedmont CC	5,000,000	5,000,000
Cleveland CC	1,899,561	1,899,562
Coastal Carolina CC	2,115,113	2,115,114
College of the Albemarle	1,594,132	1,594,133
Craven CC	1,441,264	1,441,264
Davidson-Davie CC	1,688,772	1,688,773
Durham TCC	1,547,120	1,547,119
Edgecombe CC	1,354,459	1,354,460
Fayetteville TCC	5,000,000	5,000,000
Forsyth TCC	3,643,028	3,643,029
Gaston College	2,252,465	2,252,464
Guilford TCC	4,881,492	4,881,492
Halifax CC	749,132	749,131
Haywood CC	526,359	526,358
Isothermal CC	1,251,830	1,251,831
James Sprunt CC	786,004	786,005
Johnston CC	1,277,948	1,277,949
Lenoir CC	2,956,581	2,956,580
Martin CC	547,561	547,560
Mayland CC	957,463	957,462
McDowell TCC	543,412	543,413
Mitchell CC	849,303	849,302
Montgomery CC	465,058	465,058
Nash CC	1,938,278	1,938,278
Pamlico CC	305,583	305,583
Piedmont CC	750,361	750,360
Pitt CC	3,633,810	3,633,810
Randolph CC	1,354,613	1,354,613

State Board of Community Colleges
Allocation of State Capital Improvement Infrastructure Funds (SCIF)
FY2021-22 and FY2022-23

Richmond CC	1,881,740	1,881,739
Roanoke-Chowan CC	554,320	554,320
Robeson CC	1,638,994	1,638,994
Rockingham CC	1,101,881	1,101,881
Rowan-Cabarrus CC	3,153,543	3,153,542
Sampson CC	1,300,994	1,300,994
Sandhills CC	1,242,612	1,242,612
Southeastern CC	1,675,252	1,675,252
South Piedmont CC	1,390,103	1,390,103
Southwestern CC	1,255,057	1,255,056
Stanly CC	1,402,548	1,402,547
Surry CC	1,972,078	1,972,078
Tri-County CC	513,914	513,914
Vance-Granville CC	1,848,554	1,848,554
Wake TCC	5,000,000	5,000,000
Wayne CC	2,287,340	2,287,340
Western Piedmont CC	986,807	986,807
Wilkes CC	1,378,580	1,378,580
Wilson CC	1,100,652	1,100,652
TOTAL	100,000,000	100,000,000

To access SCIF funds the colleges must submit the standard Capital Improvement Project NCCCS 3-1 form. Each project will be submitted to the State Board via the monthly Construction and Property Finance Committee agenda item.

The System Office is expecting SCIF guidance from the Office State Budget and Management (OSBM). This information must be received prior to a college moving forward with any approved State Board capital project. Therefore, funding is contingent upon receiving the necessary guidance from OSBM that is required to allow the set-up and expenditure of these funds.

Allocation Amount and Time Period: In FY2021-22 \$100 million is available upon approval and in FY2022-23 an additional \$100M will be available July 1, 2022.

Fund Source Availability: Funding is available through an appropriation of State Capital and Infrastructure Fund from the 2021 Appropriations Act. (S.L. 2021-180). These funds are to be transferred by OSBM to a new Community Colleges Building Fund.

Contacts:

Elizabeth Grovenstein
Vice President and Chief Financial Officer