

2-22-00
FS mtg

UNC Report on Capital Equity/Adequacy: Major Findings and Conclusions

FINDINGS: CONDITION AND QUALITY

- Quality is a greater problem than capacity
- Cost to meet quality standards is approximately \$3 billion
- Non-appropriated buildings are in better physical condition than appropriated ones
- Current resources do not address repair backlog
- Major renovations must become greater priority
- Of amount estimates for major renovations, \$653 million would retrofit science labs

FINDINGS: CURRENT CAPACITY

- UNC has enough capacity systemwide to meet current enrollment levels; however,
 - > Not all capacity is where it is needed
 - > Six campuses have current capacity needs
- Ten campuses have some underutilized space, but also have needs for specific types of space
- Laboratories and study space are in short supply
- Classrooms and offices are not in short supply

FINDINGS: PRELIMINARY TEN-YEAR CAPITAL NEEDS

• Rehabilitation	\$3.00 billion	
• Current Capacity	\$0.45 billion	
• Future Capacity	\$1.15 billion	
• Other/Special	\$2.30 billion	TOTAL NEEDS = \$6.90 BILLION

FINDINGS: TOTAL UNC CAPITAL FUNDING BY SOURCE, 1925-1997

- Appropriated from state funds 58%
- Non-appropriated 42%

CONCLUSIONS: OVERVIEW OF FUNDING ISSUES

- Competitive posture will require continued investments in renewal and expansion
- Annual "pie" is too small for identified needs
- Pay-as-you-go overemphasizes new construction
- Pay-as-you-go is not explicit capital development policy
- Insufficient emphasis on private fundraising

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