September 17, 2026

TO: State Agency and University Department Heads and Chief Financial Officers

FROM: Kristin Walker, State Budget Director Kristin Walker

SUBJECT: Return of Unobligated Balances for Certain Capital Project Accounts

In accordance with Section 42.10 of SL 2026-41, the Office of State Budget and Management (OSBM) requests agencies and universities identify all capital project accounts established on or before June 30, 2021, that had an unobligated cash balance as of July 1, 2026.

Funds within applicable accounts will be transferred to the State Capital and Infrastructure Fund (SCIF). Funds exempted from this transfer include those from restricted non-General Fund and non-SCIF sources, in addition to any capital project accounts with encumbered funds as of July 1, 2026.

Funds returned to the SCIF will be reallocated as Repair and Renovation projects later in FY 2026-27. In accordance with subsection (b), if any unspent Access NC funds are present in these accounts, OSBM may reallocate these to the Department of Natural and Cultural Resources for eligible accessibility projects at State Parks and Historic Sites.

Detailed guidance on how to comply with this request is provided in OSBM's Capital Budget Job Aids. Please RSVP to OSBM's Q&A and Template Demo at OSBM's Event Page. The training will be offered on September 25, 2026, at 1:00pm.

Timeline

October 16, 2026 Documentation of all capital project accounts subject to Section 42.10 with relevant encumbrances for all agencies and universities due to OSBM. Submit requests using the OSBM Template along with any required supporting documentation.

November 18, 2026 OSBM will notify each agency and university of funds to be returned to the SCIF.

December 9, 2026 All funds subject to Section 42.10 should be returned to the SCIF.

Thank you for your continued partnership. Please don't hesitate to contact your OSBM Capital Analyst if you have any questions.

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