

STATE CAPITAL AND INFRASTRUCTURE FUND: FLEX FUND REQUEST JOB AID

Background

Session Law 2022-74 allocates funds (Flex Funds) to the Office of State Budget and Management for the purpose of supplementing separate funds allocated for State Agency and University of North Carolina (UNC) projects in accordance with G.S. 143C-8-7.1(d). As laid out in Section 40.1.(w) of SL 2021-180, to be eligible, a project must meet the following criteria:

- **The State Agency and UNC project must be listed in Section 40.1.(b) of SL 2022-74**
- A reasonable attempt must be made to adjust the project scope to meet the amount authorized by the General Assembly
- Funds may not be used to increase the amount authorized for a project by more than ten percent (10%)

According to SL 2022-74 Section 40.5, the \$100 million in Flex Funds allocated to OSBM is split over three fiscal years as follows:

FY 2022 – 2023	FY2023 – 2024	FY 2024 – 2025
\$25,000,000	\$50,000,000	\$25,000,000

Prior to Submitting a Request

In addition to confirming a project meets the criteria listed above, we ask that agencies 1) only submit projects that have completed the design development phase and 2) internally confirm that attempts have been made to bring the project within the amount authorized by the General Assembly, including but not limited to the following best practices:

- **90/10 Rule** – Designer held to scope representing 90% of Total Construction Cost, with 10% held until GMP is received
- **Reduction** – in project program scope / value engineering
- **Escalation** – hold to address bidding results; option to add funds to bidding total in lieu of redesign / project schedule delay

The Flex Fund Request Form will ask you to verify that these steps have been taken.

Submitting a Request

To submit a request, Agencies should send one email for each project that includes a completed Flex Fund Request Form, a copy of the project OC-25, and any documentation that demonstrates alternative solutions were pursued. Requests should be submitted to brian.farmer@osbm.nc.gov, mark.bondo@osbm.nc.gov, cole.justad@osbm.nc.gov, michael.shumsky@doa.nc.gov, robert.talley@doa.nc.gov, and william.johnson@doa.nc.gov for review.

If a UNC campus, please submit to jhaygood@northcarolina.edu, kclynn@northcarolina.edu, and mdtripp@northcarolina.edu.

Further Instruction if Granted