

## Capital - Repairs and Renovations Requests Job Aid

This job aid describes the process agencies should use to submit requests for repairs and renovations (R&R) funding.

R&R requests are capital projects that include the repair, renovation, and demolition of buildings, and related systems. Repairs and renovations do not include the expansion of square footage for programmatic purposes.

**Agencies should not submit Worksheet IIIs (WSIIIIs) for R&R requests.** Instead, agencies should submit R&R requests in the Capital and R&R Agency Budget Change (ABC) List by **February 11<sup>th</sup>**. For more information on this process, agency budget staff should attend the virtual capital budget instructions training on **January 9<sup>th</sup>**.

### Completing Your Repair and Renovation Plan - Overview

Agencies should consider the following when submitting repair and renovation requests:

- **Capital and R&R ABC Lists are due on February 6<sup>th</sup>.** Agencies must request all R&R for existing buildings, including General Fund and non-General Fund (receipts) requests, in their Capital and R&R ABC List. Agencies should list in priority order all requested, one-time R&R projects with the associated costs for FY 2026-27.
- The Capital and R&R ABC List summarizes requests without requiring the depth of information needed for a WSIII. Agencies will work with OSBM to determine which requests are viable given budgetary and other constraints, develop the business case for requests using data and evidence where possible, and further refine and adjust requests based on feedback from decision makers.
- **OC-25s for R&R projects requesting receipts or other non-General Fund sources are due by March 20<sup>th</sup>.** Note that OC-25s are **NOT required during change budget development for R&R projects requesting funding only from the General Fund.** Instead, OSBM will require the OC-25s during the request and allocation process for available General Fund R&R funds, which follows its appropriation by the NC General Assembly.

### Repairs and Renovations (R&R) Requests – Detail

**Selecting the Year that the Project will Begin:** Agencies should be realistic about their ability to begin and execute R&R projects. It is unlikely, for example, that some agencies can execute large numbers of different R&R projects in one year. When requesting funds, an agency should request funding for projects that can *at least* begin planning in the budgeted year and construction in the following year.

**Project Feasibility (Required Information):** Agencies should provide the following information if applicable:

- *OC-25 Cost Estimate for R&R projects which are (fully or partially) funded from receipts or other non-General Fund sources:* OC-25 cost estimates are required for every new capital budget and R&R project request that is \$100,000 or greater in cost. Please submit certified OC-25 cost estimates for all **non-General Fund R&R projects** requested for FY 2026-27 to [chris.medley@osbm.nc.gov](mailto:chris.medley@osbm.nc.gov). OC-25 cost estimates must be certified by the State Construction

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Office and sent to OSBM (at the email address noted above) by March 20<sup>th</sup>. OC-25s certified by the State Construction Office more than two years ago must be updated.

**Evidence:** Agencies should also submit data and evidence to support their request. For example, agencies could cite potential for reductions in energy or maintenance costs in their request for roof repairs.

**R&R Projects for FY 2026-32:** Agencies should submit more general requests for years beyond the current year's requests. Requests should be submitted by broad R&R category by division or department, as appropriate. The broad categories, according to statute, are:

- Roof repairs and replacements;
- Structural repairs;
- Repairs and renovations to meet federal and state standards;
- Repairs to or installation of new electrical, plumbing, and heating, ventilating, and air-conditioning systems;
- Improvements to meet the requirements of the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq., as amended;
- Improvements to meet fire safety needs;
- Improvements to existing facilities for energy efficiency;
- Improvements to remove asbestos, lead paint, and other contaminants, including the removal and replacement of underground storage tanks;
- Improvements and renovations to improve use of existing space;
- Historical restoration;
- Improvements to roads, walks, drives, utilities infrastructure;
- Drainage and landscape improvements; and
- Building demolition.

Agencies may submit additional categories, such as elevator repair, if they feel that these better address their needs. Requests submitted under these broad categories should be backed up by analysis showing the annual expenditure need associated with each category.

**Timing of Non-General Fund Capital Projects:** Agencies should make the request for a non-General Fund project for the:

- Expected year that non-General Fund receipts are available and that the project will begin construction; or
- Year of grant submission to an external entity (for example the Federal Government), if funded by a grant.