Action Item

FAC – 2 Request for Delegation of Authority to the Chancellor for Approval of Non-Appropriated Capital Improvement Projects between $100,000 and $500,000

Background Information

On May 22, 2019, the Board of Governors delegated to the Board of Trustees (BOT) authorization for capital improvement projects designed, constructed, and operated by non-general fund money, with a total project budget of less than $750,000.

On November 17, 2022, the Board of Governors approved amendments to UNC Policy Manual Sections 200.6, 600.1.1, and Chapter 100.1 regarding the Policy on Delegations and Policy on Design, Construction, and Financing of Capital Improvement Projects. According to the new thresholds, Capital Project Authority for projects between $100,000 (decreased from $300,000) and $750,000 requires Board of Trustees authorization.

Based on the above and UNC System Capital Project Procedure Guidance issued on May 31, 2023, the Board of Trustees may further delegate capital improvement project approval of less than $750,000 to BOT committees, the Chancellor, or a designee, as appropriate. A copy of the formal delegation will be provided to the UNC System Office Capital Planning and Finance Division for the record. BOT authorization of Advanced Planning projects cannot be further delegated for projects of any threshold.

Attachment:

2.1 UNC System Capital Project Procedure Guidance issued May 31, 2023

Requested Action

Based on the above information, that the Board of Trustees of the University of North Carolina at Greensboro delegate authority to the Chancellor for approval of non-appropriated capital improvement projects between $100,000 and $500,000. All such approvals by the Chancellor shall be reported as Information Items at the next meeting of the Board of Trustees.

Robert J. Shea, Jr.
Vice Chancellor for Finance and Administration
UNC SYSTEM CAPITAL PROJECT PROCEDURE GUIDANCE

**ACTIVITY**
- **Chancellor’s $600K**
  - Not applicable
  - Submit Chancellor’s approval with request for Code/Item number to UNCSO
  - University establishes in BIS
  - University establishes financial system entries (Fund/Center, etc.)
- **Emergency Projects**
  - Not applicable
  - Chancellor submits emergency declaration to President describing the emergency need, project scope, estimated cost, proposed funding source and project schedule.
  - President reviews and upon approval, notifies constituent institutions, SCO and OBM.
- **Capital Code/Item #**
  - University
  - Not applicable
  - University electrical inspections required
  - University maintains full SCO oversight
  - University makes entries (IBIS, etc.)
  - University authorizes/approves
- **Advanced Planning**
  - BOT authorization (cannot be further delegated)
  - BOT authorization (cannot be further delegated)
  - Submit CI-1 and OC-25 to UNCSO
  - Submit CI-1 and OC-25 to UNCSO
  - As required by project dollar threshold
- **Design**
  - University
  - University negotiates
  - University establishes in IBIS
  - University establishes in IBIS
  - University authorizes/approves

**CONSTRUCTION**
- **Forms for Bid Documents**
  - Not applicable
  - Template SCO informal contract format, notice to bidders, and general conditions, supplemented w/ institution-specific requirements
  - UNC System formal contract template, notice to bidders, and general conditions
- **Bonding Requirement**
  - Not applicable
  - Required on formal bid solicitations
  - Required on formal bid solicitations
- **Contract Awarding Authority**
  - University
  - UNCSO
  - SOD
- **Reporting/Recording Contract**
  - University
  - University
  - University

**ADMINISTRATION**
- **Disclaimer**
  - All construction contracts over $100,000 must be entered into in Interscope with UNCSO participation reported in compliance with G.S. 143-131.
  - All project authority thresholds are based on the overall project budget, including design, construction, contingency, etc. Contract awarding authority follows initial project authority level. Construction bidding thresholds are based on project construction cost alone.
- **ACRONYMS**
  - BOS - Board of Governors
  - UNCSO - University of North Carolina State System Office
  - SCO - State Construction Office
  - UNCSO - University System Office

**AUTHORIZATION**
- **Committee**
  - University
  - University
  - University

**PROJECT DOLLAR THRESHOLD**

<table>
<thead>
<tr>
<th>Less than $100,000</th>
<th>$100,000 to $499,999</th>
<th>$500,000 to $749,999</th>
<th>$750,000 to $4,000,000</th>
<th>More than $4,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000 to $2,000,000</td>
<td>$750,000 to $2,000,000</td>
<td>$750,000 to $4,000,000</td>
<td>$500,000 to $749,999</td>
<td>$100,000 to $499,999</td>
</tr>
</tbody>
</table>

**Administrative Oversight**
- UNC System Capital Project Procedure Guidance
- SCO State of North Carolina formal
- SOD State Construction Office
- UNCSO University System Office

**Capital Project Authority**
- General Fund Sources Only, Cash or Debt
- Formal or Informal or SCO System formal, as required by project dollar threshold
- Revised 5/31/2023

**Capital Authority Thresholds**
-board may delegate capital project approval less than $750,000 to BOT, committee, the chancellor, or chancellor’s designee as appropriate. Provide a copy of the BOT’s formal delegation to the UNC System Office Capital Planning and Finance Division.

**Board of Trustees**
- May delegate capital project approval less than $750,000 to BOT, committee, the chancellor, or chancellor’s designee as appropriate. Provide a copy of the BOT’s formal delegation to the UNC System Office Capital Planning and Finance Division.