APPENDIX B

Management Flexibility – Increase in Purchasing Benchmark for North Carolina Central University

The guidelines for Special Responsibility Constituent Institutions (SRCI) authorize the Board of Governors to set separate purchasing benchmarks for each SRCI at levels up to $500,000. Essentially, each institution may secure goods and services for amounts not exceeding the established benchmark using institutional procedures rather than routing bids through the Division of Purchase and Contract in Raleigh.

North Carolina Central University has conducted a self-assessment of its purchasing capabilities and, as a result of the assessment, requests an increase in its purchasing benchmark to $200,000 from $35,000. In accordance with the Board's guidelines, the Vice President for Finance has consulted with the Director of Purchase and Contract and the State Budget Officer to determine an appropriate benchmark for the institution.

It is recommended that the purchasing benchmark for North Carolina Central University be set at $200,000 effective January 1, 2006.