

### **Design, Construction and Financing of Capital Improvement Projects**

- A. The 1997 Session of the General Assembly delegated to the Board of Governors the authority for the administration of design and construction of certain capital improvement projects. This delegation limit was increased to projects estimated at \$2,000,000 or less by the 2002 Session of the General Assembly. The board was also authorized to delegate that authority to constituent institutions of the University of North Carolina if an institution is qualified under procedures developed in consultation with the director of the Budget and the State Building Commission. Pursuant to this authority, regulations entitled "The University of North Carolina Design and Construction Guidelines" were implemented to provide assistance to the constituent institutions in the administration of the design and construction of capital improvement projects. Copies of the guidelines may be obtained at UNC General Administration.
- B. The Board of Governors must approve all capital improvement projects that are projected to cost more than \$500,000<sup>1</sup> except as noted in D. below. Capital improvement projects which are projected to cost between \$300,000 and \$500,000 must be approved by the president. Projects below \$300,000 may be approved by the campus. The president will provide notice of projects that the president intends to approve under this provision to the members of the Committee on Budget and Finance at least one week prior to authorizing the project; and
- C. After the long term financing of a capital improvement project has been approved in accordance with statutory requirements, the president may approve interim financing or bank loans as a means of short term financing. The president shall report any such actions to the Committee on Budget and Finance at its next meeting.
- D. The Chancellor of a campus may approve a project for alteration, renovation, maintenance or repair work on a campus facility up to one million dollars (\$1,000,000) using appropriated operating funds. (Such a project is not considered a capital improvement but must be accomplished under the rules governing capital improvement projects.) The funds designated for such a project will remain available beyond the current fiscal year in order to complete the project, provided that it is under construction by June 30.

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<sup>1</sup>Pursuant to NCGS §116-11(13), and notwithstanding *The Code* or any other Board of Governors policy, the Board of Governors has delegated certain authorities to the President of the University. See Policy 200.6, *Delegation Authority to the President of the University*, adopted 11/13/06.