

Policy on Millennial Campuses

I. Authority. Pursuant to its authority under the Centennial Campus, the Horace Williams Campus, and the Millennial Campus Financing Act (the “Act”)¹ the Board of Governors (“Board”) adopts the following policy regarding the designation and use of the Centennial Campus located at North Carolina State University, the Horace Williams Campus located at the University of North Carolina at Chapel Hill, and any Millennial Campus as defined by G.S. 116-198.33(4b)² (collectively herein, a “Millennial Campus”).

II. Approval of Millennial Campus Designation. G.S. 116-198.34(8a), (8b) provides the Board authority to designate the real property and appurtenant facilities to be included as part of a Millennial Campus. Millennial Campus Designation requests may be approved by the Board of Governors where a constituent institution has:

A. Demonstrated, in a manner to be prescribed by the president or the president’s designee, it has the administrative and fiscal capability to create and maintain such identified property or appurtenant facilities;

B. Demonstrated, in a manner to be prescribed by the president or his designee, the identified property or appurtenant facilities’ designation will enhance the institution’s research, teaching, and service missions as well as enhance the economic development of the region served by the institution; and

C. Submitted to the president or his designee, all request application information (such information may include, but not be limited to, maps, strategic planning documents, etc.) in a manner prescribed by the president.

Receiving a Millennial Campus designation for real property and appurtenant facilities does not relieve a constituent institution of its obligation to receive Board approval for any further action related to the use of such real property, including bond issuance, acquisition or disposition of real property, leases, capital projects, Millennial Campus Projects (as defined in Section V herein), or other actions. Any expansion or change in designated Millennial Campus property must also be approved by the Board. The Board reserves the right to revoke any Millennial Campus designations, in whole or in part, at its sole discretion.

III. Approval of Issuing Bonds. G.S. 116-198.34(2) and G.S. 116-198.35 provides the Board authority to issue revenue bonds to pay all or any part of the cost of any Project or Projects, and to fund or refund any project or projects with a term not to exceed 40 years. Constituent institution requests for the Board approval of issuing bonds or other debt to pay for any Project or to fund the acquisition of real property shall be submitted to the president or his designee in a manner prescribed by the president.

IV. Approval of Acquisitions and Dispositions of Real Property on Millennial Campus. G.S. 116-198.34(5), (8b) provides the Board authority to acquire, hold, lease, and dispose of real and personal property in the exercise of its power and the performance of its duties under the Act. Constituent institution requests for approval of acquisitions and dispositions of real property by easement, lease, or

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rental agreement on a Millennial Campus shall comply with the policy and procedures set forth in Sections 600.1.3 and 600.1.3[R] of the UNC Policy Manual. Notwithstanding the foregoing, acquisitions of real property on a Millennial Campus for a period of 10 years or less and dispositions of real property by easement, lease, or rental agreement on a Millennial Campus for a period of 99 years or less shall not require the approval of the governor and the North Carolina Council of State. However, the Board shall report the acquisitions or dispositions provided herein to the Department of Administration for inclusion in the inventory maintained by the Department pursuant to G.S. 143-341(4)a. and b.

V. Approval of Millennial Campus Projects. G.S. 116-198.34(1) provides the Board authority to determine the location and character of any project or projects on a Millennial Campus. Approval authority of projects or real property transactions undertaken by a constituent institution on a Millennial Campus shall be consistent with the approval authority defined in section VIII of this policy. The word "Project" shall mean and shall include any one or more buildings, structures, administration buildings, libraries, research or instructional facilities, housing maintenance, storage, or utility facilities, and any facilities related thereto or required or useful for conducting of research or the operation of the a Millennial Campus, including roads, water, sewer, power, gas, greenways, parking, or any other support facilities essential or convenient for the orderly conduct of a Millennial Campus.

Projects undertaken by a constituent institution exceeding the authority delegated to a constitution institution as provided in section VIII of this policy must be approved by the Board prior to publicly fundraising, financing, soliciting, executing a memorandum of understanding, or otherwise announcing any Project activity on a Millennial Campus property.

VI. Approval of Public Private Partnerships (P3). Public Private Partnerships (P3s) shall be defined as capital improvement projects undertaken for the benefit of a governmental entity and a private developer pursuant to a development contract that includes construction of a public facility or other improvements, including paving, grading, utilities, infrastructure, reconstruction, or repair, and may include both public and private facilities, and where there is a financial obligation or material occupancy guarantee to a private partner by a constituent institution. All Public Private Partnership agreements that exceed a constituent institution's delegated authority must be approved by the Board. Requests for Board approval of any P3 shall be submitted to the president or the president's designee in a manner prescribed by the president. Any material modifications or amendments to a P3 agreement, including its financing or maintenance and operating agreements, must be approved by the Board.

VII. Annual Millennial Campus Reporting. Each constituent institution who has received any Board approval(s) pursuant to this policy shall annually submit a comprehensive report on its Millennial Campus activities to the Board through its Committee on Budget and Finance. The format of the report shall be determined by the president or the president's designee and shall include at least the following:

- A. A map indicating the location and acreage of all designated Millennial Campus property;
- B. A summary of any existing debt issuance on a Millennial Campus property;
- C. A summary of all real property transactions on a Millennial Campus since the last reporting period;
- D. A list of all buildings located on a Millennial Campus including their square footage, date of construction, and use;

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- E. A status update of all current and completed Projects since the last reporting period;
- F. A status update of any P3 agreements; and
- G. A current financial statement of the constituent institution's Millennial Campus trust fund.

VIII. Delegated Authority. Notwithstanding any other provision of this policy, the delegated authority provided to constituent institutions under Sections 600.1.1, 600.1.1.1[G], 600.1.3, and 600.1.3[R] of the UNC Policy Manual shall apply to acquisitions and dispositions of real property on a Millennial Campus and other Millennial Campus Projects (as defined in section V of this policy).

IX. Other Matters

- A. Effective Date. The requirements of this policy shall be effective on the date of adoption by the Board of Governors.
- B. Relation to State and Federal Laws; Contracts. The foregoing policy as adopted by the Board of Governors is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern the activities of the University of North Carolina System and its public officials and employees. The foregoing policy shall only apply to approvals following the effective date of the policy and does not purport to modify, terminate, or cancel any existing University or constituent institution contractual obligations.
- C. Regulations and Guidelines. This policy shall be implemented and applied in accordance with such procedures, regulations, and guidelines as may be adopted from time to time by the president or the president's designee.

¹G.S. 116-198.31, *et seq.*

²Section IV of this policy shall also apply to the North Carolina Research Campus at Kannapolis, as authorized by G.S. 116-198.34(5).