ADMINISTRATIVE MEMORANDUM

SUBJECT

Delegation of Authority to Approve the Purchase of Wall-to-Wall Carpeting, Draperies or Other Purely Aesthetic Equipment

NUMBER 70

DATE October 20, 1976

The purchase of wall-to-wall carpeting, draperies or other purely aesthetic equipment is covered under the following provision of the Budget Manual Number 5.11:

"No wall to wall carpets, draperies, or other purely aesthetic equipment are to be purchased or installed without prior written approval of the Division of State Budget."

Based on our request, the State Budget Officer has delegated to General Administration the authority to approve all purchases covered by the <u>Budget Manual Number 5.11</u>, with the understanding that this authority will, in turn, be delegated to the Chancellors of the constituent institutions. This Administrative Memorandum represents the formal delegation of this authority to each Chancellor.

Exceptions to the Delegation

This delegation of authority is limited somewhat by a special provision included in the 1976-77 Appropriations Act. In granting this authority, the State Budget Officer called attention to Section 121, Chapter 983 of the 1975 Session Laws (Second Session, 1976), which requires prior approval of the Advisory Budget Commission for State office building alterations and renovations that cost \$1,000 or more. Purchase of wall-to-wall carpeting, draperies, or other purely aesthetic equipment that will be installed in office space and costs \$1,000 or more will therefore require Advisory Budget Commission approval prior to issuance of purchase orders.

To further clarify the intent of this special provision the Advisory Budget Commission, at its meeting on August 27, 1976, approved the following definition of a State office building:

"A building in which the majority of floor space is or will be utilized by the State for office or office-related purposes. Examples of office-related purposes include conference rooms, data processing installations, computer equipment, bookkeeping equipment, and drafting, blueprinting or similar layout and design activities. (Applies to facilities owned or leased by the State.)"

Therefore, any proposed campus expenditure in excess of \$1,000 for renovations and alterations (including carpets, draperies and other aesthetic equipment) to State office building must be submitted to the Division of State Budget and Management for referral to the Advisory Budget Commission. This provision is applicable to facilities owned or leased by the State.

Record Keeping and Reporting Requirements

There is no routine reporting procedure required by this delegation. However, each Chancellor will maintain adequate records on items purchased under this delegation so that such information can be made readily available in case of inquiries by Legislative Committees or other interested State authorities.

William Friday