



THIS LETTER TRANSMITS CHANGES TO THE UNC POLICY MANUAL

Number	Title of Policy, Regulation, or Guideline	Action
<a href="#">The Code Chapter IV 401.A</a>	OFFICERS. Section 401 A. Chair, Vice Chair, and Secretary	Amended 6/21/19 <i>Redline version attached.</i>
<a href="#">The Code Chapter VI Sections 603, 604 and 609</a>	ACADEMIC FREEDOM AND TENURE SECTION 603. Due Process Before Discharge or the Imposition of Serious Sanctions SECTION 604. Appointment, Nonreappointment and Requirements of Notice and Review of Tenure Track Faculty SECTION 609. Jurisdiction of the Board of Governors	Amended 5/22/19 <i>Redline version attached.</i>
<a href="#">The Code Appendix 1</a>	DELEGATIONS OF DUTY AND AUTHORITY TO BOARDS OF TRUSTEES Section I. Academic and Administrative Personnel Section D.1 Chancellor Selection	Amended 5/22/19 <i>Redline version attached.</i>
<a href="#">The Code Appendix 1</a>	DELEGATIONS OF DUTY AND AUTHORITY TO BOARDS OF TRUSTEES Section VI. PROPERTY AND BUILDINGS	Amended 5/22/19 <i>Redline version attached.</i>
<a href="#">101.3.1</a>	Policy on Regulations and Guidelines Implementing Chapter VI of <i>The Code</i>	Superseded 5/22/19
<a href="#">200.6</a>	Delegation of Authority	Amended 5/22/19 <i>Redline version attached.</i>
<a href="#">600.1.1</a>	Policy on Design, Construction, and Financing of Capital Improvement Projects	Amended 5/22/19 <i>Redline version attached.</i>
<a href="#">600.1.3</a>	Policy on Authority for Real Property Transactions	Repealed and Adopted 5/22/19
<a href="#">600.1.3[R]</a>	Regulation on Acquisition and Disposition of Real Property Authority	Adopted 6/3/19
600.1.3.1	Policy on Acquisition and Disposition of Real Property by Lease	Repealed 5/22/19
600.1.3.1[R]	Regulation for Acquisition and Disposition of Real Property by Lease	Repealed 6/3/19

Number	Title of Policy, Regulation, or Guideline	Action
<a href="#">600.3.1</a>	Policy on Selection Criteria and Operating Instructions for Special Responsibility Constituent Institutions	Amended 5/22/19 <i>Redline version attached.</i>
600.1.4[R]	Regulations on Required Clearances for Real Property Transactions	Repealed 6/3/19
<a href="#">1300.10</a>	Policy on Protection of Minors on Campus	Adopted 6/3/19
*Technical corrections (Chart attached)		
<a href="#">101.3.3</a>	Delivery of Notices	See chart*
<a href="#">200.1</a>	Dual Memberships and Conflicts of Interest	See chart*
<a href="#">300.1.1</a>	Update on Senior Academic and Administrative Officers	See chart*
<a href="#">1400.2</a>	Information Security	See chart*

The entire UNC Policy Manual is accessible at:

[https://www.northcarolina.edu/apps/policy/index.php?tab=policy\\_manual](https://www.northcarolina.edu/apps/policy/index.php?tab=policy_manual)

\*Technical corrections are made pursuant to Section 100.2 IV. of the UNC Policy Manual. Corrections to these policies/regulation were reported to the Board of Governors at its May 2019 meeting (see attached chart).

CHAPTER IV- BOARDS OF TRUSTEES

SECTION 400. MEMBERSHIP.

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SECTION 401. OFFICERS.

401 A. Chair, Vice Chair, and Secretary.

At the first regular meeting after June 30 of each year, each board of trustees shall elect from its membership a chair, a vice chair, and a secretary. [See G.S. 116-32] In no event shall officer elections take place before July 1, or before the swearing in of new board members whose terms commence on July 1. Any member of the board who is or who shall be duly appointed and sworn in at the time of the election shall be ~~is~~-eligible to serve as an officer, regardless of length of service on the board. Elections shall be conducted such that each member of the board, including newly appointed members, can fully participate in the nomination, consideration, and election of officers. Nominating committees convening prior to July 1 to determine a slate of officer candidates may include members who have been appointed but have not yet been sworn in, but may not include current members whose terms end June 30 and who have not been reappointed. Each ~~of these elected~~ officers shall serve until his or her successor is elected. If the term of the chair on the board of trustees expires before his or her successor as chair is elected, then the vice chair shall become the interim chair until the chair's successor is elected.

CHAPTER VI- ACADEMIC FREEDOM AND TENURE

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SECTION 603. DUE PROCESS BEFORE DISCHARGE OR THE IMPOSITION OF SERIOUS SANCTIONS.

(1) A faculty member who is the beneficiary of institutional guarantees of tenure shall enjoy protection against unjust and arbitrary application of disciplinary penalties. During the period of such guarantees the faculty member may be discharged from employment, suspended ~~without pay~~, or demoted in rank for reasons of:

- (a) ~~In~~incompetence, including significant, sustained unsatisfactory performance after the faculty member has been given an opportunity to remedy such performance and fails to do so within a reasonable time;
- (b) ~~N~~neglect of duty, including sustained failure to meet assigned classes or to perform other significant faculty professional obligations; or
- (c) ~~M~~misconduct of such a nature as to indicate that the individual is unfit to continue as a member of the faculty, including violations of professional ethics, mistreatment of students or other employees, research misconduct, financial fraud, criminal, or other illegal, inappropriate or unethical conduct. To justify serious disciplinary action, such misconduct should be either (i) sufficiently related to a faculty member's academic responsibilities as to disqualify the individual from effective performance of university duties, or (ii) sufficiently serious as to adversely reflect on the individual's honesty, trustworthiness or fitness to be a faculty member.

These sanctions may be imposed only in accordance with the procedures prescribed in this section. For purposes of this *Code*, a faculty member serving a stated term shall be regarded as having tenure until the end of that term. These procedures shall not apply to nonreappointment (Section 604) or termination of employment (Section 605).

(2) **Procedures for the Imposition of Discharge or Serious Sanction.**

(a) The chief academic officer of the institution, however titled, shall send the faculty member a written notice of intention to discharge the faculty member or impose a serious sanction together with a written specification of the reasons. The notice and specification of reasons shall be sent by a method of mail or delivery that requires a signature for delivery. The statement shall include notice of the faculty member's right, upon request, to a hearing by an elected standing faculty committee on hearings. ~~When the faculty member has been notified of the institution's intention to discharge the faculty member, the chancellor shall have the sole discretion to either reassign the faculty member to other duties or to place the faculty member on administrative leave with pay. suspend the faculty member. Suspension~~Placement of a faculty member on administrative leave with pay shall be in exceptional circumstances, such as to avoid disruption in the work place or protect the safety of members of the campus community. ~~and shall be with full pay. If the chancellor decides to discharge the faculty member, the institution's obligation to continue paying the faculty member's salary shall cease upon issuance of the~~

~~chancellor's decision.~~

~~(3)~~(b) If, within 14 calendar days after receiving the notice and written specifications referred to in paragraph (2a) above, the faculty member makes no written request for a hearing, the faculty member may be discharged or serious sanction imposed without recourse to any institutional grievance or appellate procedure.<sup>11</sup>

~~(4) — Repealed.~~

(5c) If the faculty member makes a timely written request for a hearing, the chancellor shall ensure a process is in place so that the hearing is timely accorded before an elected standing committee of the institution's faculty. The hearing shall be on the written specification of reasons for the intended discharge or imposition of a serious sanction. The hearing committee shall accord the faculty member 30 calendar days from the time it receives the faculty member's written request for a hearing to prepare a defense. The hearing committee may, upon the faculty member's written request and for good cause, extend this time by written notice to the faculty member. The hearing committee will ordinarily endeavor to complete the hearing within 90 calendar days except under unusual circumstances such as when a hearing request is received during official university breaks and holidays and despite reasonable efforts the hearing committee cannot be assembled.<sup>12</sup>

(6d) The hearing shall be closed to the public unless the faculty member and the hearing committee agree that it may be open. The faculty member shall have the right to counsel, to present the testimony of witnesses and other evidence, to confront and cross-examine adverse witnesses, to examine all documents and other adverse demonstrative evidence, and to make argument. A written transcript of all proceedings shall be kept; upon request, a copy thereof shall be furnished to the faculty member at the institution's expense.

(7e) The chief academic officer, or designee, and/or counsel, may participate in the hearing to present testimony of witnesses and other evidence, to cross-examine witnesses, to examine all documents and other evidence, and to make argument.

~~(8f) The hearing committee shall make written recommendations to the chancellor within 14 calendar days after its hearing concludes or after the full transcript is received, whichever is later. In reaching decisions its written recommendations to the chancellor, on which its written recommendations to the chancellor shall be based, the committee shall consider only the evidence presented at the hearing and such written or oral arguments as the committee, in its discretion, may allow. The university has the burden of proof. In evaluating the evidence, the committee shall use the standard of "clear and convincing" evidence in determining whether the institution has met its burden of showing that permissible grounds for serious sanction exist and are the basis for the recommended action. The committee shall make its written recommendations to the chancellor within 14 calendar days after its hearing concludes or after the full transcript is received, whichever is later.~~

(9g) Following receipt of the committee's written recommendations, the decision as to whether to discharge or impose serious sanction on the faculty member is the chancellor's. If the chancellor decides to discharge the faculty member, the institution's obligation to continue paying the faculty member's salary shall cease upon issuance of the chancellor's decision. If the chancellor decides to impose one or more serious sanctions upon the faculty member, the institution may impose such sanctions upon issuance of the chancellor's decision. If the chancellor concurs in a recommendation of the committee that is favorable to the faculty member, the chancellor's decision shall be final, with no appeal available. If the chancellor either declines to accept a committee recommendation that is favorable to the faculty member or concurs in a committee recommendation that is unfavorable to the faculty member, the faculty member may appeal the chancellor's decision to the board of trustees. An appeal must contain a brief statement that alleges one or more of the following as the basis for the appeal: (1) that the process for making the decision was materially flawed, so as to raise questions about whether the faculty member's contentions were fairly and reliably considered; (2) that the result reached by the chancellor was clearly erroneous; or (3) that the decision was contrary to controlling law or policy. ~~if the faculty member alleges that one or more specified provisions of the Code of the University of North Carolina have been violated.~~ If the faculty member elects to appeal the chancellor's decision to the board of trustees, this appeal shall be transmitted through the chancellor and be addressed to the chair of the board. Notice of appeal shall be filed with the board of trustees by certified mail, return receipt requested, or by another means that provides proof of delivery, within 14 calendar days after the faculty member receives the chancellor's decision. ~~This appeal shall be transmitted through the chancellor and be addressed to the chair of the board. Notice of appeal shall be filed within 14 calendar days after the faculty member receives the chancellor's decision. The appeal to the board of trustees shall be decided by the full board of trustees. However, the board may delegate the duty of conducting a hearing to a standing or ad hoc committee of at least three members. The board of trustees, or its committee, shall consider the appeal on the written transcript of hearings held by the faculty hearing committee, but it may, in its discretion, hear such other evidence as it deems necessary. The board of trustees' decision shall be made as soon as reasonably possible after the chancellor has received the faculty member's request for an appeal to the trustees. This decision shall be final except that the faculty member may, within 14 calendar days after receiving the trustees' decision, file a written notice of appeal, by certified mail, return receipt requested, or by another means that provides proof of delivery, with the Board of Governors if the faculty member alleges that one or more specified provisions of the Code of the University of North Carolina have been violated. Any such appeal to the Board of Governors shall be transmitted through the president.~~

~~(10) When a faculty member has been notified of the institution's intention to discharge the faculty member, the chancellor may reassign the individual to other duties or suspend the individual at any time until a final decision concerning discharge has been reached by the procedures prescribed herein. Suspension shall be exceptional and shall be with full pay.~~

(3) Appeals of Decisions Imposing Discharge or Serious Sanction.

The appeal to the board of trustees shall be decided by the full board of trustees.

However, the board may delegate the duty of conducting an initial review ~~hearing~~ to a standing or ad hoc committee of at least three members. The board of trustees, or its committee, shall consider the appeal on the ~~written transcript of hearings held by the faculty hearing committee~~ based on the record of the proceedings below, ~~but it~~ and may, in its discretion, ~~hear such other evidence as it deems necessary~~ consider written or oral arguments, subject to any policies, regulations or guidelines as may be adopted by the Board of Governors, ~~or the president,~~ or board of trustees. The board of trustees' decision shall be made as soon as reasonably possible after the chancellor has received the faculty member's request for an appeal to the trustees. This decision shall be the end of the University's appeals process.

(4) The procedures prescribed herein shall take effect with any discharge or serious sanction proposed on or after July 1, 2019.

SECTION 604. APPOINTMENT, NONREAPPOINTMENT AND REQUIREMENTS OF NOTICE AND REVIEW FOR TENURE TRACK FACULTY.<sup>12.1</sup>

604 A. Notice of Reappointment or Nonreappointment.

(1) The decision not to reappoint a faculty member at the expiration of a fixed term of service shall be made by the appropriate institutional faculty and administrative officers early enough to permit timely notice to be given.<sup>12.2</sup> For full-time faculty at the rank of instructor, assistant professor, associate professor, or professor, the minimum requirement for timely notice shall be as follows:

- (a) ~~d~~During the first year of service at the institution, the faculty member shall be given not less than 90 calendar days' notice before the employment contract expires; and
- (b) ~~d~~During the second year of continuous service at the institution, the faculty member shall be given not less than 180 calendar days' notice before the employment contract expires; and
- (c) ~~a~~After two or more years of continuous service at the institution, the faculty member shall be given not less than 12 months' notice before the employment contract expires.

(2) Notice of reappointment or nonreappointment shall be written. If the decision is not to reappoint, then failure to give timely notice of nonreappointment will oblige the chancellor thereafter to offer a terminal appointment of one academic year.

604 B. Impermissible Reasons for Nonreappointment.

In no event shall a decision not to reappoint a faculty member be based upon ~~(a1)~~ the exercise by the faculty member of rights guaranteed by the First Amendment to the United States Constitution, or by Article I of the North Carolina Constitution, ~~;~~ or ~~(2b)~~ the faculty member's race, color, sex, religion, creed, national origin, age, disability, veteran's status, or other forms of discrimination prohibited under policies adopted by campus ~~b~~Boards of ~~t~~Trustees, ~~;~~ or ~~(c3)~~ personal malice. For purposes of this section, the term "personal malice" means dislike, animosity, ill-will, or hatred based on personal characteristics, traits, or

circumstances of an individual. ~~See Policy Section 101.3.1 II.B., of the UNC Policy Manual for details.~~

~~604 C. Repealed.~~

604 ~~D~~C. Review of Nonreappointment Decisions.

(1) Campus-Based Review. Subject to limitations contained in this *Code* and the ~~p~~Policies of the Board of Governors, each constituent institution shall have a procedure whereby a tenure track faculty member may seek review of the decision of the constituent institution not to reappoint the faculty member. Such procedures shall at a minimum provide for the following:

(a) A reasonable time of no less than 14 calendar days within which after receiving the notice of nonreappointment, the faculty member may request review of the decision by appropriate faculty committee and administrative officers. If the faculty member does not request review of the notice of nonreappointment in a timely fashion as specified by campus tenure policies, the nonreappointment is final without recourse to any further review by faculty committees, the institution, or the Board of Governors.

(b) If the faculty member files a request for review in a timely fashion, the chancellor shall ensure a process is in place so that a hearing is timely accorded before an elected standing committee of the institution's faculty.

(c) In reaching ~~decisions—written recommendations on which its written recommendations~~ to the chancellor ~~shall be based~~, the committee shall consider only the evidence presented at the hearing and such written or oral arguments as the committee, in its discretion, may allow. The faculty member shall have the burden of proof. In evaluating the evidence the committee shall use the standard of preponderance of the evidence (which is the same as the greater weight of the evidence).

(d) The purpose of the campus-based review process is to determine (i~~1~~) whether the decision was based on considerations that *The Code* provides are impermissible; and (ii~~2~~) whether the procedures followed to reach the decision materially deviated from prescribed procedures such that doubt is cast on the integrity of the decision not to reappoint.

(2) Appeal to the Board of ~~Governors~~Trustees. If the chancellor concurs in a recommendation of the committee that is favorable to the faculty member, the chancellor's decision shall be final ~~with no appeal available~~. If the chancellor either declines to accept a committee recommendation that is favorable to the faculty member or concurs in a committee recommendation that is unfavorable to the faculty member, the faculty member may appeal ~~the chancellor's decision~~ by filing a written notice of appeal with the ~~b~~Board of ~~trustees.~~Governors, ~~This appeal shall be transmitted through the chancellor and be addressed to the chair of the board of trustees,~~ by submitting such notice ~~to the President,~~ by certified mail, return receipt requested, or by another means that provides proof of delivery, ~~with~~in 14 calendar days after the faculty member's receipt of the chancellor's decision. The notice must contain a brief statement ~~of the basis for the appeal. The purpose of appeal to the Bboard of Governorstrustees is to assure that alleges one or more of the following as the basis for the appeal:~~ (a~~1~~) that the campus-based process for reviewing the decision was ~~not~~ materially flawed, so as to raise questions about whether the faculty member's contentions were fairly and reliably considered;; (b~~2~~) that the

result reached by the chancellor was ~~not~~ clearly erroneous;<sup>11</sup> ~~and (c3)~~ that the decision was ~~not~~ contrary to controlling law or policy.<sup>12-3</sup> ~~See Section 101.3.1 of the UNC Manual for additional information.~~

(3) The procedures prescribed in this section shall take effect with any nonreappointment decision effective on or after July 1, 2019.

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SECTION 609. ~~APPELLATE~~ JURISDICTION OF THE BOARD OF GOVERNORS.

609 A. Discretionary Review.

~~Nothing contained in Chapter VI, or any other chapter of the Code, shall be construed to limit the right of the Board of Governors to make such inquiry and review into personnel actions matters as it may from time to time deem appropriate; provided, however, that the Board of Governors shall not review matters or actions that are subject to separate processes under Chapter VI or any other chapter of The Code, or for which a designated review, grievance, or hearing process has been established by the UNC Policy Manual, including but not limited to student disciplinary matters, research misconduct matters, other employment matters, first amendment matters, misuse of state funds reports, or audit and compliance matters. Moreover, it is the Board of Governors expectation that campus matters will be appropriately addressed at the constituent institution. Therefore, it is only in extraordinary circumstances, as solely determined by the Board of Governors that the Board of Governors will exercise its discretion to review any matter that has not first been brought to the attention of the designated institutional administrator, chancellor, or president for appropriate review and handling.-~~

609 B. Hearings.

The Board of Governors may in its sole discretion conduct hearings. Any hearing, whether before the full board or a designated standing or special committee of the board, shall be limited to such matters as the Board of Governors shall deem appropriate.

~~609 C. Repealed.~~

609 ~~D~~C. Transmission of Appeals.

All appeals addressed to or requests for hearings by the Board of Governors, from whatever source, shall be transmitted through the president.

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<sup>11</sup> In computing any period of time, the day in which notice is received is not counted but the last day of the period being computed is to be counted.

<sup>12</sup> To meet this deadline, faculty are encouraged to consider scheduling hearings during the evening, weekend, or other non-class time. It is strongly recommended that several days and times be established for the hearing when scheduling the first day, for the eventuality that they hearing may take two or more sessions.

<sup>12.1</sup> Because of the unique character and mission of the University of North Carolina School of the Arts and of the North Carolina School of Science and ~~m~~Mathematics, regular faculty holding fixed-term contracts at those institutions are entitled to the rights afforded in this section.

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<sup>12.2</sup> Faculty at North Carolina School of Science and Mathematics shall be given notice no later than ~~January 15 during the first year of continuous regular service and no later than December 15 during the second or any subsequent year of continuous regular service.~~ February 15 of the reappointment year.

~~<sup>12.3</sup> See Policy 101.3.1 for additional information~~

CODE

Appendix 1 - DELEGATIONS OF DUTY AND AUTHORITY TO BOARDS OF TRUSTEES

Pursuant to authority vested in it by the General Statutes, and consistent with the provisions of *The Code of the University of North Carolina*, the Board of Governors hereby delegates to the boards of trustees of the constituent institutions of the University of North Carolina the following duties and powers:

I. ACADEMIC AND ADMINISTRATIVE PERSONNEL

...

D. Chancellor Selection

In the event of a vacancy in the chancellorship, the board of trustees shall establish, in consultation with the president, a search committee composed of representatives of the board of trustees, the faculty, the student body, staff, the alumni, ~~one member of the Board of Governors designated by the chair of the Board of Governors to serve on the search committee in a nonvoting advisory capacity~~the local community, and ~~such~~ other ~~representatives of~~ campus constituencies as may be appropriate. Upon the establishment of the search committee, the chair of the board of trustees, in consultation with the president shall establish a budget and identify staff for the committee.

The search committee, through the chair of the board of trustees, shall make a preliminary report to the president when the committee is preparing a schedule of initial interviews. At the completion of the campus interview process, the search committee shall recommend an unranked slate of three candidates to the trustees for consideration.

The board of trustees, following receipt of the report of the search committee, shall recommend the unranked slate of three names for consideration by the president in designating a nominee for the chancellorship for approval by the Board of Governors, or return the slate to the search committee for further action.

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The search committee, through the chair of the board of trustees, shall make a preliminary report to the president when the committee is preparing a schedule of initial interviews. At the completion of the campus interview process, the search committee shall recommend an unranked slate of three candidates to the trustees for consideration.

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VI. PROPERTY AND BUILDINGS

The board of trustees of a constituent institution shall be responsible, subject to policies of the Board of Governors and all legal requirements relative to the construction of state-owned buildings, for the following matters concerning campus capital construction projects which have been approved by the Board of Governors and authorized by the state of North Carolina: (1) the selection of architects or engineers for buildings and improvements requiring such professional services; (2) the approval of building sites; (3) the approval of plans and specifications; and (4) the final acceptance of all completed buildings and projects.<sup>1</sup>

The board of trustees shall be responsible to the Board of Governors for preparing and maintaining a master plan for the physical development of the institution, consistent with the total academic and service mission of the institution as defined and approved by the Board of Governors.

Any proposal involving the acquisition or disposition by an institution of any interest in real property shall be recommended by the board of trustees to and ~~must~~ shall be approved by the Board of Governors; provided, that

(a) If a proposal involves acquisition or disposition of any interest in real property other than a leasehold, the board of trustees may authorize such a transaction with a value less than \$500,000, and the president may authorize such a transaction with a value less than \$750,000, without obtaining approval of the Board of Governors; and

(b) ~~(a) — if the proposal involves an interest in real property which is valued at less than \$50,000,~~ If a proposal involves acquisition or disposition of a leasehold interest in real property, then the board of trustees may authorize such a transaction with an annual value less than \$500,000 and a term of not more than 10 years, and the president may authorize such a transaction with annual value less than \$750,000 and a term of not more than 10 years, without obtaining approval of the Board of Governors;<sup>2</sup> and

~~(a)(c) — such transaction and proceed to obtain the necessary approvals from appropriate state officials and agencies, without first obtaining the approval of the Board of Governors;~~ If the president or a board of trustees of a constituent institution has been delegated additional authority by the Board of Governors to do so under Section 600.1.3 of the UNC Policy Manual, the president or board of trustees of a constituent institution may authorize acquisition or disposition of an interest in real property with a value greater than that listed in paragraphs (a) and (b), above, without obtaining approval of the Board of Governors.

~~(e) —~~ The Board of Governors, under circumstances which it considers appropriate and following notice from it to the board of trustees, may take action necessary to effect the acquisition or disposition of an interest in real property which is related to or which affects the institution, without

receipt of a recommendation from the board of trustees.<sup>23</sup>

All delegations of authority in this section are subject to any necessary authorizations and approvals from State officials and agencies.

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<sup>1</sup> See Section 600.1.1 of the UNC Policy Manual for additional detail.

<sup>2</sup> The value of an interest in real property shall, with respect to a leasehold interest, be deemed the annual rental value thereof.

<sup>23</sup> ~~By resolution adopted November 13, 1981, the Board of Governors elaborated upon this provision concerning the acquisition and disposition of interest in real estate. The resolution says, among other things, that the value of an interest in real estate shall, with respect to a lease, be deemed the annual rental thereof. Further, the resolution expressly authorizes~~ Boards of trustees are authorized to delegate to their respective chancellors the power to authorize for the institutions the acquisition or disposition ~~by lease of institutions the acquisition or disposition by lease or of any interests~~ in real ~~property~~estate valued at less than \$~~5025~~5,000, subject to any necessary approval from state officials and agencies, in accordance with Section 600.1.3 of the UNC Policy Manual.

200.6

Adopted 11/13/06

Amended 06/08/07

Amended 04/08/11

Amended 08/10/12

Amended 10/11/12

Amended 07/29/16

Amended 10/14/16

Amended 05/22/19

### Policy on Delegation of Authority to the President

I. Pursuant to N.C.G.S. §116-11(13) and other North Carolina law as referenced herein, and notwithstanding *The Code* or any other Board of Governors policy,<sup>1</sup> the Board of Governors delegates the following authorities to the president of the University:

A. Human Resources

1. Authority to establish and administer a human resources program for employees exempt from the State Human Resources Act (N.C.G.S. Chapter 126).

a. “Human resources program” shall include such personnel actions related to the establishment of positions and the administration of salary ranges; recruitment, appointments, salaries, and salary adjustments; promotion and tenure; leave programs; performance management; non-faculty discontinuation, discipline, and discharge; and non-faculty grievance and appeals processes (§300.1.1, §300.1.2, and §300.2.1).

b. The president may approve management flexibility plans for Special Responsibility Constituent Institutions and may delegate limited authority for human resources actions to constituent institutions that are not authorized as Special Responsibility Constituent Institutions (§600.3.4).

c. Notwithstanding the above provisions, unless otherwise delegated:

(1) The Board of Governors shall retain authority over the appointments and compensation for the president, for the chancellors of the constituent institutions, for the chief executive officer of the UNC Health Care System, and for the UNC-TV executive director and general manager. (§300.1.1, *The Code* §500, N.C.G.S. §116-37(c), *The Code* §900, N.C.G.S. §116-37.1(c), and §1200.1).

(2) The Board of Governors shall retain authority over certain contract terms for athletic directors and head coaches of the constituent institutions (§1100.3).

(3) The president shall consult with the Board’s Committee on Personnel and Tenure on appointments and compensation for the senior officers of the UNC General Administration who report directly to the president.

(4) The Board of Governors shall retain authority over adjustments to base salary for permanent faculty and for employees exempt from the State Human Resources Act when the proposed amount (1) exceeds the established salary range or (2) exceeds twenty-five percent (25%) and twenty-five thousand dollars (\$25,000) of the compensation in effect at the end of the last fiscal year.<sup>2</sup>

2. Authority to approve all actions relating to the administration of the Optional Retirement Program (N.C.G.S. §135-5.1) and the Phased Retirement Program (§300.7.2).

3. The president shall report in writing on actions taken under the authority of these delegations to the appropriate committee of the Board of Governors no less than annually, or as otherwise requested by the chair of the Board of Governors or the chair of the Committee on Personnel and Tenure.

**B. Governance**

1. The authority to approve the initiation of a lawsuit in the name of the University if the action is for monetary relief and the amount in controversy is less than \$250,000. (§200.5)

2. The authority to settle potential or pending litigation by or against a constituent institution or the University of North Carolina, if the settlement is solely for monetary relief and the amount the University is to pay pursuant to the settlement is less than \$250,000 or, if the University is to receive a payment, the amount the University claimed is less than \$250,000 (§200.5).

3. Authority to approve the political activities of employees of the University who are candidates for or serving in public office (§300.5.1).

**C. Reports**

The authority to approve and submit any report the University or the Board of Governors is required to submit to the General Assembly, the State Board of Education or any other State or federal agency or officer.

**D. Real Property**

1. The power to authorize acquisition or disposition of the following interests in real property without obtaining approval of the Board of Governors, subject to any necessary approvals from state officials and agencies:

a. Any interest in real property, other than a leasehold, with a value less than \$750,000; and

b. A leasehold interest in real property with annual value less than \$750,000 and a term of not more than 10 years.

The president's authority may be exercised on behalf of the University of North Carolina System Office, affiliated entities, or the constituent institutions in the president's discretion. ~~Except as authorized by b. below, authority to approve leases with at least \$50,000<sup>3</sup> but less than \$350,000 annual rental for a term of up to five years, subject to approval by the Department of Administration and the Governor and Council of State (§§Sections 600.1.3 and 600.1.34[R] of the UNC Policy Manual).~~

~~2. Authority to approve the acquisition or disposition of real property by lease without the approval of the Department of Administration, the Governor and Council of State if the lease is for a term of not more than 10 years. The president's authority may be exercised in the president's discretion on behalf of General Administration, University affiliates or the constituent institutions. (N.C.G.S. §116-31.12, and §600.1.3.1 and 600.1.3.1[R]).~~

~~3. Authority to approve acquisition or disposition of an interest in real property, other than a lease, for an amount of at least \$50,000 but less than \$500,000 (§600.1.3 and §600.1.4[R]).~~

24. Authority to approve capital improvement projects funded entirely with non-General Fund money<sup>4</sup> that are projected to cost less than \$50750,000 or less. The president must provide notice of projects the president intends to approve under this provision to the Committee on Budget and Finance at least one week prior to authorizing the project. (§Section 600.1.1 of the UNC Policy Manual).<sup>5</sup>

E. Institutional Trust Funds.

~~Authority to delegate to the chancellors management of institutional trust funds (Sections §600.2.4 and §600.2.4.1 of the UNC Policy Manual).~~

II. The president will report all actions taken under the authority of the delegations in sections I.B., through I.E., to the appropriate committee of the Board of Governors either in writing before the next regular meeting of the Board of Governors or at the next regular meeting of the Board of Governors.

III. These delegations will remain in effect unless and until the Board of Governors rescinds them in whole or in part.

<sup>1</sup> The Secretary of the University is authorized to annotate the referenced policies and regulations to cross-reference these delegations.

<sup>2</sup> The Board approved further authority delineations at the April 2015 meeting, see "Resolution to Delegate Limited Authority for Approval of Salary Adjustments to the President," and reaffirmed in March 2016 "Resolution of the Board of Governors Review and Approval of Proposed Salary Adjustments."

~~<sup>3</sup> Note that leases with annual rent less than \$50,000 may be approved by the boards of trustees or the chancellors without further approval by the Board of Governors or the president.~~ The Board of Governors may delegate additional authority to the president or boards of trustees for real property transactions consistent with ~~See Section 600.1.3 of the UNC Policy Manual Regulation §600.1.4[R].~~

<sup>4</sup> This delegation shall be interpreted consistent with G.S. 143C-8-12.

<sup>5</sup> The Board of Governors may delegate additional authority to the president or boards of trustees for approval of capital improvement projects consistent with Section 600.1.1 of the UNC Policy Manual.

## Policy on Design, Construction, and Financing of Capital Improvement Projects

### IA. Authority.

G.S. 143C-8-12 provides the Board of Governors with authority to approve certain expenditures for capital improvement projects that will be funded and operated entirely from non-General Fund money, including expenditures to plan, construct, and change the scope of such projects.

~~The~~ Additionally, G.S. 116-31.11 ~~1997 Session of the General Assembly~~ delegates to the Board of Governors the authority for the administration of design, ~~and~~ construction, or renovation of buildings, utilities, and other property developments ~~of certain capital improvement projects~~ requiring the estimated expenditure of public money of ~~– 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~~ is also authorized to delegate that authority to constituent institutions and affiliated entities of the University of North Carolina if an institution or affiliated entity is qualified under ~~procedures~~ guidelines developed in consultation with the director of the ~~B~~udget and the State Building Commission. Pursuant to this authority, ~~regulations~~ guidelines 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 ~~the UNC General Administration~~ System Office.

Pursuant to and consistent with its authority under the North Carolina General Statutes, including G.S. 116-11(13), the Board of Governors adopts the following policy regarding authority of the president and boards of trustees to approve and administer certain capital improvement projects.

### IIB. Approval of Certain Capital Improvement Projects-

#### A. General Delegations of Authority to the President and Boards of Trustees for Approval of Certain Capital Improvement Projects.

1. The Board of Governors delegates to the president and the boards of trustees the power to approve capital improvement projects that are funded entirely with non-General Fund money that are projected to cost less than \$750,000.<sup>1</sup> The president’s authority may be exercised on behalf of the UNC System Office, affiliated entities, or the constituent institutions in the president’s discretion.

2. 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.

~~The Board of Governors must approve all capital improvement projects that are projected to cost more than \$500,000<sup>2</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 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.~~ B. Additional Delegations of Authority to the President and Boards of Trustees for Approval of Capital Improvement Projects.

1. ~~The Board of Governors may delegate to the president additional authority to approve capital improvement projects funded entirely with non-General Fund money that are projected to cost less than \$1,000,000.<sup>32</sup>~~

2. Upon request by the board of trustees of a constituent institution or affiliated entity and with the recommendation of the president, the Board of Governors may delegate to the board of trustees of a constituent institution or affiliated entity additional authority to approve capital improvement projects funded entirely with non-General Fund money that are projected to cost less than \$1,000,000.<sup>43</sup>

3. Should the Board of Governors delegate additional authority to one or more boards of trustees or affiliated entities consistent with paragraph 2., above, the president shall automatically receive authority to approve capital improvement projects at a level equal to the highest level of authority delegated to a board of trustees or affiliated entity. The president's authority may be exercised on behalf of the UNC System Office, affiliated entities, or the constituent institutions in the president's discretion.

~~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.~~

4. The senior vice president for finance and administration, in consultation with the senior vice president and general counsel, shall establish the —process by which a constituent institution may request and maintain delegated authority consistent with G.S. 143C-8-12 and other relevant state law. The minimum criteria a constituent institution must meet to receive and maintain authorization —from the Board of Governors shall include, but not be limited to, performance of a written, comprehensive self-assessment that demonstrates:

——a. The constituent institution has performed a written, comprehensive self-assessment that demonstrates it has the administrative,

technical, and support resources necessary to properly carry out the delegated authority.

\_\_\_\_\_b. The chancellor has certified in writing that the constituent institution has the administrative, technical, and support resources necessary to properly carry out the delegated authority.

\_\_\_\_\_c. The constituent institution has a properly constituted and active campus capital project review committee comprised of individuals with sufficient technical expertise, strategic perspective and executive authority to perform the duties required herein.

\_\_\_\_\_d. The constituent institution has an individual on staff with substantial experience in managing capital improvement projects and the chancellor has designated that individual as the campus capital project coordinator.

\_\_\_\_\_e. The constituent institution has appropriate and sufficient technical and professional staff with demonstrated capability in the planning, financing, and oversight of capital improvement projects.

\_\_\_\_\_f. An assessment team, assembled and led by the senior vice president for finance, has reviewed the constituent institution's self-assessment, has performed an on-site capabilities appraisal that confirms the institution's self-assessment, and has recommended delegation to the president.

Constituent institutions ~~must seek~~ will be reviewed for re-authorization under this section on a periodic basis, to be established by the senior vice president for finance and administration.

\_\_\_\_\_5. Upon review in response to a request for re-authorization or in response to a report of noncompliance with this policy or its associated regulations, for good \_\_\_\_\_cause, and consistent with G.S. 143C-8-12 and other relevant state law, the president may revoke or suspend the \_\_\_\_\_authority of a constituent institution or take other remedial action as the president deems necessary- \_\_\_\_\_and appropriate. —Once authority has been revoked or suspended pursuant to this policy, all \_\_\_\_\_future capital improvement projects for the institution involved shall be completed in accordance with \_\_\_\_\_the General Statutes of North Carolina and the general delegations of authority provided for in section II of this policy.

III. Administration of Design and Construction of Certain Capital Improvement Projects. Delegations of the Board of Governors' authority for the administration of design and construction of capital improvement projects requiring the estimated expenditure of public money of \$2,000,000 or less shall be in accordance with G.S. 116-31.11 and "The University of North Carolina Design and Construction Guidelines."

IV. Procedures and Reporting Requirements. The senior vice president for finance and administration shall have general authority to establish such procedures and reporting requirements for

constituent institutions and affiliated entities as may be prudent to enable implementation of this policy and associated regulations.

V. Other Matters-

- A. **Effective Date.** The requirements of this policy shall be effective on July 1, 2019.
- B. **Relation to Other Laws.** This policy is designed to supplement, and does not purport in any way to supplant or modify, those statutory enactments and rights which may govern capital improvement projects in the State of North Carolina.
- C. **Regulations and Guidelines.** This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted by the president.

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<sup>1</sup> This delegation of authority shall be interpreted consistent with G.S. 143C-8-12. See also Appendix 1 to *The Code* and Section 200.6 of the UNC Policy Manual.

<sup>2</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.~~

<sup>2</sup> See endnote 1, above.

<sup>3</sup> See endnote 1, above.

600.3.1

Adopted 09/13/91

Amended 09/09/94

Amended 09/08/95

Amended 09/13/96

Amended 05/22/97

Amended 11/13/98

Amended 08/13/99

Amended 02/13/04<sup>±</sup>

Amended 11/12/04

Amended 05/11/07

Amended 10/12/07

Amended 09/09/11

Amended 06/14/13

Amended 05/22/19

### **Policy on Selection Criteria and Operating Instructions for Special Responsibility Constituent Institutions**

**AI.** Achieving and Retaining Status as a Special Responsibility Constituent Institution. Management  
sStaffing sStandards and iInternal cControls and sSafeguards.

**1A.** Responsibilities of Special Responsibility Constituent Institutions. The following standards  
and safeguards must be met and maintained in order to receive and retain the designation as a  
special responsibility constituent institution:

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**a1.** The ~~C~~hancellor/~~E~~xecutive ~~D~~irector must assume personal responsibility and  
also establish the appropriate administrative and internal control procedures for carrying  
out the special delegations of authority. In this regard, the ~~C~~hancellor/~~E~~xecutive  
~~d~~irector must certify that the administrative capability on campus in the areas of  
budgeting and accounting, personnel, and purchasing, as noted in ~~b~~2., ~~e~~3., and ~~d~~4., below,  
are sufficient to carry out the increased flexibility being granted.

**b2.** The capability of the staff and the system of budgeting, accounting and internal  
controls must be sufficient to administer the increased budget flexibility given to the  
designated institutions.

**e3.** The personnel capacity, which must be exercised under the direction of  
appropriate administrative officials, must be available on campus to evaluate jobs, classify  
positions appropriately, set compensation properly, and carry out the related functions of  
position management at the level of authority provided by the delegation.

**d4.** The on-campus expertise must be available to purchase properly the equipment,  
supplies, and other goods and services for the institution up to the benchmark level  
established by the Board of Governors for the institution pursuant to ~~G.S.N.C. Gen. Stat. §~~  
116-31.10 (*hereinafter G.S.*).

**e5.** The institution must maintain its financial records in such a manner that there are  
no significant findings in the annual financial audit reports, special reports, electronic data  
the State Auditor's Office.

~~f.~~ ~~[Repealed]~~

~~g6.~~ Chancellors/~~E~~executive ~~D~~irectors may delegate the authority for approving departmental plans for expenditures authorized under budget flexibility, but may not delegate the authority below the level of the appropriate ~~V~~ice ~~C~~hancellor.

~~7h.~~ The ~~C~~hancellors/~~E~~executive ~~D~~irectors shall review an annual internal audit report on expenditures authorized under budget flexibility, if that audit is deemed necessary based on the annual risk assessment performed by the ~~I~~nternal ~~A~~uditor.

~~8i.~~ The ~~c~~hancellor shall ensure that procedures and support systems are in place to provide for the effective operation and maintenance of all existing campus buildings and infrastructure. Procedures shall also be in place to assure proper accountability and safeguarding of all fixed assets and other items purchased by the University.

~~2B.~~ Responsibilities of the President and the Board of Governors. The president is directed to establish the administrative procedures necessary to carry out the following rules:

~~a1.~~ The ~~p~~resident and ~~her/his~~ the president's staff shall review the annual financial audit reports, special reports, electronic data processing reports, performance reports, management letters, or any other report issued by the State Auditor's Office for each special responsibility constituent institution.

~~b2.~~ The ~~P~~resident shall take immediate action regarding reported weaknesses in the internal control structure, deficiencies in the accounting records, and noncompliance with rules and regulations. In any instance where significant findings are identified, the ~~p~~resident shall notify the ~~C~~hancellor/~~E~~executive ~~D~~irector of the particular special responsibility constituent institution that the institution must make satisfactory progress in resolving the findings, as determined by the ~~p~~resident of the University, after consultation with the State Auditor, within a three-month period commencing with the date of receipt of the published financial audit report, any other audit report, or management letter.

~~3e.~~ If satisfactory progress is not made within a three-month period, the ~~P~~resident shall recommend to the Board of Governors at its next meeting that the designation of the particular institution as a special responsibility constituent institution be terminated until such time as the exceptions are resolved to the satisfaction of the ~~P~~resident of the University of North Carolina, after consultation with the State Auditor. However, once the designation as a special responsibility constituent institution has been withdrawn by the Board of Governors, reinstatement may not be effective until the beginning of the following fiscal year at the earliest.

~~4d.~~ Any actions taken by the Board of Governors with respect to withdrawal or reinstatement of an institution's status as a special responsibility constituent institution shall be reported immediately to the Joint Legislative Education Oversight Committee.

~~5e.~~ The ~~p~~resident and ~~her/his~~the president's staff, after consultation with the State Auditor, shall review and consult with the ~~D~~irector of the Office of State Personnel and the ~~D~~irector of the Division of State Purchasing and Contracts in ascertaining whether or not a constituent institution has the management staff and internal financial controls to administer the additional authorities authorized under G.S. 116-30.2, 116-30.4, and

116-31.10. Such review and consultation must take place no less frequently than once each biennium.

~~f.~~ ~~[Repealed]~~

## ~~B~~II. Budget Administration

### ~~1~~A. Appropriations to Special Responsibility Constituent Institutions

~~a~~1. All General Fund appropriations made by the General Assembly for continuing operations of a special responsibility constituent institution of the University of North Carolina System shall be made in the form of a single sum to each budget code of the institution for each year of the fiscal period for which the appropriations are being made.

~~b~~2. Notwithstanding ~~G.S. 143-23(a1), G.S. 143-23 (a2), G.S. 143-23(a3), and G.S. 120-76(8)~~G.S. 143C-6-4, each special responsibility constituent institution may expend the General Fund monies so appropriated to it in the manner deemed by the ~~C~~chancellor/~~E~~xecutive ~~D~~irector to be calculated to maintain and advance the programs and services of the institutions, consistent with the directives and policies of the Board of Governors including but not limited to the following:

~~1~~a. A current institutional expenditure plan for each budget code must be established and maintained under the direction of the ~~C~~chancellor/~~E~~xecutive ~~D~~irector.

~~2~~b. No action shall be taken that would materially change the capability of the institution to carry out its educational mission as defined by the Board of Governors. The Board of Governors will retain program responsibility. No actions taken should have the effect of either establishing a new academic, research, or public service program or closing such a program without the specific approval by the Board. Reallocation of academic program resources should not be made to the extent that a particular existing program is seriously weakened or effectively discontinued, or a new activity not expressly authorized by the Board of Governors is initiated.

~~3~~c. Reallocations of interinstitutional program resources should not be made to the extent that campus participation in a particular program is materially weakened without specific approval by the Board.

~~4~~d. No action should be taken which would have the effect of establishing a new community service or student financial aid program without specific approval by the Board of Governors.

~~5~~e. Appropriations providing support for distance education/extension degree credit instruction at off-campus locations cannot be reallocated for other purposes without specific approval by the Board of Governors.

~~3~~e. The quarterly allotment procedure established pursuant to G.S. ~~143-17~~143C-6-3 shall apply to the General Fund appropriations made for the current operations of each special responsibility constituent institution.

~~4d.~~ All General Fund monies so appropriated to each special responsibility constituent institution shall be recorded, reported, and audited in the same manner as are General Fund appropriations to other constituent institutions.

~~5e.~~ The preparation, presentation, and review of General Fund budget requests of special responsibility constituent institutions shall be conducted in the same manner as are requests of other constituent institutions.

~~2B.~~ Reversions and Carry-Forward of Appropriations. Of the General Fund current operations appropriations credit balance remaining in each budget code of a special responsibility constituent institution, at the close of a fiscal year, any amount of the General Fund appropriations for that budget code, may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. However, the amount carried forward under this section shall not exceed two and one-half percent (~~2½~~ ~~1/2~~%) of the General Fund appropriation. The ~~D~~director of the ~~B~~udget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in each budget code of each institution

~~CIII.~~ Personnel Administration. The ~~C~~hancellor of a special responsibility constituent institution, when ~~he the chancellor~~ finds that to do so would help to maintain and advance the programs and services of the institution, may establish and abolish positions, acting in accordance with:

~~(1)A.~~ State ~~P~~ersonnel policies and procedures if these positions are subject to the ~~State Personnel Act~~ and if the institution is operating under the terms of a Performance Agreement or a Decentralization Agreement authorized under Chapter 126 of the General Statutes; or

~~(2)B.~~ Policies and procedures of the Board of Governors if these positions are exempt from the State ~~Personnel-Human Resources~~ Act.

~~C.~~ The results achieved by establishing and abolishing positions pursuant to the conditions set forth in ~~subdivision-subsection (1)A.~~, of this section, shall be subject to postauditing by the Office of State ~~Personnel-Human Resources~~.

~~D.~~ With respect to personnel actions taken under ~~subdivision-subsection (2)B.~~, of this section, no action should have the effect of either establishing a new academic program or administrative unit or closing an existing academic or inter-institutional program or administrative unit. No action should be taken which permanently reduces the number or amount of Regular Term budgeted teaching positions supported by General Fund appropriations thereby changing the student-faculty ratio or the budgeted average teaching salary established by the Board of Governors.

~~E.~~ Implementation of all personnel actions shall be subject to the availability of funds within the institution's current budget to fund the full annualized costs of these actions.

~~DIV.~~ Purchasing

~~A.~~ Notwithstanding G.S. 143-53.1 or G.S. 143-53(a)(2), the expenditure benchmark for a special responsibility constituent institution with regard to competitive bid procedures and the bid value benchmark shall be an amount not greater than \$500,000. The Board shall set the benchmark for each institution from time to time. In setting an institution's benchmark, the Board shall consider the institution's overall capabilities including staff resources, purchasing compliance

reviews, and audit reports. The Board shall also consult with the ~~d~~Director of the Division of Purchase and Contract and the ~~d~~Director of the Budget prior to setting the benchmark.

B. Institutions with an expenditure benchmark greater than \$250,000 but not greater than \$500,000 shall submit to the Division of Purchase and Contract for that Division's approval, or other action deemed necessary by the Division, a copy of all offers received and the institution's recommendation of award or other action. Notice of the Division's decision shall be sent to that institution. The institution shall then proceed with the award of contract or other action recommended by the Division.

C. The power and authority granted to the Board of Governors with regard to the acquisition, operation, maintenance and disposition of real and personal property and services shall be subject to, and exercised in accordance with, the provisions of Chapters 143 and 146 of the ~~North Carolina General Statutes-Statutes~~ and related sections of the North Carolina Administrative Code, except when a purchase is being made that is not covered by a State term contract and either:

~~(1)~~1. ———The funds used to procure personal property or services are not moneys appropriated from the General Fund or received as tuition or, in the case of multiple fund sources, moneys appropriated from the General Fund or received as tuition do not exceed ~~thirty~~30 percent ~~(30%)~~ of the total funds; or

~~(2)~~2. The funds used to procure personal property or services are contract and grant funds or, in the case of multiple fund sources, the contract and grant funds exceed ~~fifty~~50 percent ~~(50%)~~ of the total funds.

D. When a special responsibility constituent institution procures personal property or services under condition ~~(1)~~A. or ~~(2)~~B., above, the special responsibility constituent institution is delegated the authority to procure the property or services without approval by the Board of Governors, and the requirements of Chapter 143, Article 3 shall apply, except the approval or oversight of the Secretary of Administration, the State ~~P~~purchasing ~~O~~fficer, or the Board of Awards shall not be required, regardless of dollar value.

E. ———Special responsibility constituent institutions shall have the authority to purchase equipment, materials, supplies, and services from sources other than those certified by the Secretary of Administration on term contracts, subject to the following conditions:

~~1.~~~~(1)~~ The purchase price, including the cost of delivery, is less than the cost under the State term contract;

~~(2)~~2. The items are the same or substantially similar in quality, service, and performance as items available under State term contracts;

~~(3)~~3. The cost of the purchase shall not exceed the benchmark established under G. S. 116-31.10; and

~~(4)~~4. The special responsibility constituent institution notifies the Department of Administration of purchases consistently being made under this provision so that State term contracts may be improved.

F. All special responsibility constituent institutions are authorized to contract with service providers under arrangements that provide for the receipt of funds electronically pursuant to the provisions in G.S. 116-40.22(e).

~~EV.~~ Impact on Education. Each special responsibility constituent institution shall include in its institutional effectiveness plan those assessment measures that are determined by the Board to be measures that will assure some standard measure of student learning and development in general undergraduate education. The intent of this requirement is to measure the impact of G.S. 116–30.1 through G.S. 116–30.5, establishing and administering special responsibility constituent institutions, and their implementation on undergraduate student learning and development. The measures shall be taken from accountability reports to the Board and any other performance measures developed for this purpose by the Board.

~~FVI.~~ Reporting Requirements;

~~1.~~—Monthly Report. Each designated institution must prepare a monthly operating report for each budget code in the format of the current BD–701 report. The "Authorized Budget" included in this report, which may be changed under the direction of the ~~€~~chancellor/~~E~~executive ~~D~~director, will show the institution's current expenditure plan. The current Chart of Accounts will be used for reporting purposes.

~~2.~~—[Repealed]

~~3.~~—[Repealed]

VII. Other Matters

A. Effective Date. The requirements of this policy shall be effective on the date of its adoption the Board of Governors.

B. Relation to State Laws. The foregoing policies as adopted by the Board of Governors are meant to supplement, and do not purport to supplant or modify, those statutory enactments which may govern the activities of public officials.

C. Regulations and Guidelines. These policies shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

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~~<sup>1</sup>On February 13, 2004, the Board placed into policy changes to these criteria that it had adopted on 2/08/02February 8, 2002, and September 12, 2003.9/12/03.~~

## Report on Technical Corrections to *The Code*/UNC Policy Manual

<i>The Code</i> /UNC Policy Manual	UNC Policy Manual - Chapter	Policy/Regulation/Guideline	Section(s)	Technical Correction(s)	Effective Date (Posted to Webpage)
UNC Policy Manual	Chapter 100, Policies (Excluding <i>The Code</i> )	Policy	101.3.3, Delivery of Notices	Refer to "The Code" in italicized format consistent with later amendments to the UNC Policy Manual.	4/25/2019
UNC Policy Manual	Chapter 200, Board of Governors Affairs	Policy	200.1, Dual Memberships and Conflicts of Interest	UNC Style Guide corrections including capitalizing "Board" when referring to the Board of Governors; do not capitalize board of trustees or boards and committees, unless included with official or institution name; uncapitalize personnel titles. Correct references to the chairman to be chair. Correct references in policy to 138A-3, which was recodified in 2017 to 163A-152, 120C to Article 8 of Chapter 163A.	4/25/2019
UNC Policy Manual	Chapter 300, Personnel Policies	Policy	300.1.1, Policy on Senior Academic and Administrative Officers	Update references made to "UNC General Administration" to "UNC System Office." UNC Style Guide corrections and corrections for consistency with later amendments to the UNC Policy Manual.	4/25/2019
UNC Policy Manual	Chapter 1400, Information Technology	Policy	1402, Information Security	Update references made to "UNC General Administration" to "UNC System Office."	4/25/2019