

September 22-23, 2021, 9:00AM
Chancellor's Ballroom, Carolina Inn

OPEN SESSION – September 22, 2021
9:00 – 11:30 a.m.

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| 1. | Delegated Authority Presentation
<i>Charles Marshall, Vice Chancellor and General Counsel</i> | Attachments
A-F |
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OPEN SESSION – September 23, 2021
9:00 a.m.

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| 1. | Convene Meeting
<i>David L. Boliek Jr., Chair</i> | |
| 2. | Pledge of Allegiance
<i>Scouts BSA Troop 740, Haymount United Methodist Church, Fayetteville, NC</i> | |
| 3. | Roll Call
<i>Malcolm Turner, Secretary</i> | |
| 4. | Statement of Ethics | |
| 5. | Consent Agenda | |
| | I. Approval of July 14-15, 2021 Minutes (Regular Meeting) | Attachment G |
| | II. Approval of 2022 Board of Trustee Regular Meeting Dates | Attachment H |
| | III. Ratification of Written Ballot Dated August 4, 2021 | Attachment I |
| | IV. Ratification of Written Ballot Dated September 2, 2021 | Attachment J |
| 6. | Board of Trustees Chair's Remarks
<i>David L. Boliek Jr., Chair</i> | |
| 7. | Student Body President's Remarks
<i>Lamar Richards, Student Body President</i> | |
| 8. | Chancellor's Remarks
<i>Dr. Kevin Guskiewicz, Chancellor</i> | |
| 9. | Faculty Spotlight: In Service to NC Government Officials
<i>Dean Michael R. Smith, UNC School of Government</i>
<i>Kara Millonzi, Robert W. Bradshaw Jr. Distinguished Professor of Public Law and Government</i>
<i>Jacqui Greene, Assistant Professor of Public Law and Government</i> | |

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10. *Report of the Finance, Infrastructure & Audit Committee
John Preyer, Committee Chair
 11. *Report of the University Affairs Committee
Rob Bryan, Committee Chair
 12. *Report of the External Relations Committee
Allie Ray McCullen, Committee Chair

CLOSED SESSION

13. *Report of the University Affairs Committee
Rob Bryan, Committee Chair
14. *Report of the External Relations Committee
Allie Ray McCullen, Committee Chair
15. Legal Update
Charles Marshall, Vice Chancellor and General Counsel

OPEN SESSION

16. Report of University Affairs Committee
Rob Bryan, Committee Chair
17. Adjournment
David L. Boliek Jr., Chair

DRAFT – FOR DISCUSSION ONLY

SUMMARY OF BOARD AUTHORITIES

The powers and duties granted to the Board of Trustees (“Board”) may be organized through the following descriptions of the nature of the Board’s authority:

- 1 - Authority to receive reports or presentations from campus officials
- 2 - Authority to sit as a reviewing body to hear appeals from certain University proceedings
- 3a - Duty to adopt policies governing a particular matter
- 3b - Discretion to adopt policies governing a particular matter
- 4 - Authority to approve certain actions or items
- 5 - Authority to establish or maintain a fund, committee, or related entity
- 6 - Advisory responsibility
- 7 - Authority to make recommendations to the Board of Governors or the President
- 8 - Board governance obligations
- 9 - Additional Board authority
- 10 - Note on institutional authority

1 – AUTHORITY TO RECEIVE REPORTS FROM CAMPUS

- The chancellor must submit to the Board reports on the operation of the institution and its needs as required by the Board (Chancellor)
- Provide the Board the annual audit conducted by the State Auditor (Chancellor or designee)
- Provide annual reports regarding contracts for consulting services (Chancellor or designee)
- Provide the former Chancellor's summary report at the conclusion of his or her research leave (Chancellor)
- Provide an annual report concerning application of the anti-nepotism policy (Chancellor)
- Provide an annual report on diversity and inclusion-related information as identified by the president or president's designee (Chancellor and Vice Provost for Diversity and Inclusion)
- Provide an annual report on the admission of students requiring special consideration to the MCR, chancellor's exceptions to the MAR, and student-athlete exceptions to the institution's undergraduate admissions criteria (Chancellor)
- Provide annual independent financial audit reports from each of the private foundations, associations, or clubs whose primary purpose is to provide financial support to the institution (Vice Chancellor for Finance and Operations)
- Provide annual report regarding athletics according to criteria and format defined by the Office of the President (Chancellor)
- Provide annual institutional budget for athletics, including major sources of revenues and expenses (Chancellor or designee)

- Provide an annual written report from the institutional safety and health director to the Chancellor, Board, and UNC System Office associate vice president of safety and emergency operations on the major activities and programs conducted as part of the institution's safety and health function. (Occupational Health and Safety Director)
- Provide annual presentation to Board of relevant data and information concerning campus security, the safety of students and others, sexual assault, alcohol and drug use, risk management, and associated institutional policies. (Chancellor or designee)
- Provide periodic updates to the Chancellor and Board regarding an enterprise risk management process that aligns with the institution's programs, activities, and management systems and that supports the institution's strategic and other goals. (Vice Chancellor for IIRM)

2 – AUTHORITY TO REVIEW DECISIONS REGARDING PERSONNEL OR DISCIPLINARY MATTERS

- Consider appeals of Chancellor's final decision imposing discharge or serious sanction upon a tenured faculty member consistent with UNC System policy – Board may delegate the initial review to a standing or ad hoc committee of at least three members
- Review non-reappointment decisions for tenure track faculty after decision by the Chancellor
- Review decisions terminating employment of a faculty member because of financial exigency or major curtailment or elimination of a teaching, research, or public service program
- Review decisions by the Chancellor or relevant administrator not to make an adjustment in favor of an aggrieved faculty member
- Review of certain adverse personnel actions of EHRA employees after decision by the Chancellor
- Review of student conduct case where the sanction is suspension or expulsion
- Review of appeals of undergraduate admissions cases
 - **DELEGATED** to Provost for appeals and **SUBDELEGATED** to Dean or Director of Undergraduate Admissions for initial resolution

3 – POLICYMAKING AUTHORITY

Mandatory Policymaking Authority

- Adopt regulations relating to academic tenure consistent with UNC System Code and Policy Manual
 - The Board adopted Trustee Policies and Regulations Governing Academic Tenure in the University of North Carolina at Chapel Hill
<https://academicpersonnel.unc.edu/wp-content/uploads/sites/1069/2020/02/UNC-Chapel-Hill-Tenure-Policies-and-Procedures.pdf>
- Adopt policies for undergraduate admissions
 - The Board adopted an Undergraduate Admissions Policy
<https://catalog.unc.edu/admissions/undergraduate/#admissionspolicytext>
- Adopt personnel policies for exempt employees consistent with the UNC Code and Policy Manual
 - The Board adopted Employment Policies for EHRA Non-Faculty Tier I Senior Academic & Administrative Officer Employees
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=131746>
 - The Board adopted Employment Policies for EHRA Non-Faculty Instructional, Research and Public Service Staff, and Tier II Senior Academic and Administrative Officers
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=132644>
- Adopt policy governing separation and retreat of administrators consistent with the UNC Code and Policy Manual

- The Board adopted a Separation and Retreat Policies for Senior Academic and Administrative Officers, May 2003
<https://academicpersonnel.unc.edu/policies-and-procedures/end-of-employment/separation-and-retreat-policy-for-senior-academic-and-administrative-officers/>
- Adopt policy governing political activities of employees consistent with the UNC Code and Policy Manual
 - No Board policy, but the BOG has a Political Activities Policy that governs political activities of EHRA employees
<https://www.northcarolina.edu/apps/policy/doc.php?type=pdf&id=125>
- Adopt policy governing officeholding by employees consistent with the UNC Code and Policy Manual
 - Board adopted the Policy for Political Activities of EHRA Employees (except Senior Administrators): Candidacy and Office-holding Part-Time Political Offices (Other than General Assembly Memberships)
<https://academicpersonnel.unc.edu/policies-and-procedures/faculty-conduct-and-external-activities/political-activities-of-ehra-employees-except-senior-administrators-candidacy-and-office-holding-part-time-political-offices-other-than-general-assembly-memberships/>
- Adopt a policy on illegal drugs consistent with the UNC Code and Policy Manual
 - Board adopted an Illegal Drugs Policy in 1988:
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=132140>
- Adopt patent procedures consistent with the UNC Code and Policy Manual

- Board adopted patent procedures in 1983, and this authority was **DELEGATED** to Chancellor and **SUBDELEGATED** to Office of University Counsel and Office of Technology and Commercialization. The current Policy on Patent and Inventions is administered by OTC.
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=132139>
- Adopt regulations concerning the acceptance of obligations of students, together with such collateral or security as may be deemed necessary or proper, in lieu of cash, in payment of tuition and fees

Discretionary Policymaking Authority

- Adopt personnel policies for all categories of University employment consistent with the UNC System Code and Policy Manual
 - Trustee Policies and Regulations Governing Academic Tenure in the University of North Carolina at Chapel Hill
<https://academicpersonnel.unc.edu/wp-content/uploads/sites/1069/2020/02/UNC-Chapel-Hill-Tenure-Policies-and-Procedures.pdf>
 - Employment Policies for EHRA Non-Faculty Tier I Senior Academic & Administrative Officer Employees
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=131746>
 - Employment Policies for EHRA Non-Faculty Instructional, Research and Public Service Staff, and Tier II Senior Academic and Administrative Officers
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=132644>

- Adopt policies relating to regulation of approved student activities, student self-government system, and student participation in governance of institutional programs and services
- Adopt regulations relating to administration of scholarships and other forms of financial aid to students (supported from sources generated by an individual campus)
- Adopt policies relating to waiver of tuition and fees for faculty and staff consistent with the UNC System Policy Manual
 - Board adopted a Tuition Waiver Policy in 1974:
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=131833>
- Adopt policies relating to establishment and supervision of intercollegiate athletics consistent with the UNC System Policy Manual
 - Governing Rules – The BOG and the NCAA require the Chancellor to have the ultimate duty and responsibility for athletics.
- Adopt a campus traffic and parking ordinance
 - The Board adopted an Ordinance Regulating Traffic and Parking on the Campus of the University of North Carolina at Chapel Hill,
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=131680>
- Adopt policies applicable to and the control and supervision of campus electric power plants and water and sewer systems
- Adopt policies relating to the maintenance of campus security
- Adopt procedures and rules for the designation and selection of distinguished professors

- Adopt regulations regarding the administration of scholarships and financial aid.

Note on policymaking: The Chancellor's authority from the General Assembly and the BOG – including authority as executive and administrative head of the institution – includes authority to adopt policies and procedures that are not inconsistent with, and are subject to, applicable and authorized policies of the Board of Trustees.

4 – APPROVAL AUTHORITY

Personnel

- Management Flexibility – Authority to appoint and fix the compensation for Tier I Senior Academic Administrative Officers and to set compensation ranges for other EHRA Non-Faculty and Faculty.
 - **DELEGATED** to Chancellor as to all other employment actions for Tier II Senior Academic Administrators, Faculty, and EHRA-NF; certain actions **SUBDELEGATED** to various campus officials:
 - 2020 Authority Review Memo (Chancellor Delegation)
 - Authority for Employment Actions Chart (includes sub-delegations for approvals by other campus officials)
- Approve exceptions to Non-Salary and Deferred Compensation Policy as applied to non-salary compensation of University employees.
 - University Policy: Non-Salary and Deferred Compensation
<https://hr.unc.edu/employees/class-comp/policies/non-salary/>
- Approve exceptions to Separation and Retreat Policy for administrators returning to a tenured faculty position:
 - University Policy: Separation and Retreat Policy for Senior Academic Administrative Officers
<https://academicpersonnel.unc.edu/policies-and-procedures/end-of-employment/separation-and-retreat-policy-for-senior-academic-and-administrative-officers/>
- Approve material terms of Head Coach and Athletic Director contracts
- Confer permanent tenure consistent with the Board's tenure regulations

- Board Policy: Policies and Regulations Governing Academic Tenure
<https://academicpersonnel.unc.edu/wp-content/uploads/sites/1069/2020/02/UNC-Chapel-Hill-Tenure-Policies-and-Procedures.pdf>

Finance and Operations

- Approve capital construction projects under \$750,000 of non-general fund money
 - **DELEGATED** to Chancellor under \$500,000 and Vice Chancellor for F&O. AVC for Facilities make recommendations to VC Finance
- Approve real estate transactions (including leasehold) under \$500,000
 - **DELEGATED** to Chancellor for non-leasehold transactions (acquisitions and dispositions) up to \$50,000
 - **DELEGATED** to Chancellor for leasehold transactions up to \$150,000 annually, and **SUBDELEGATED** to Vice Chancellor for F&O and AVC for Real Estate.
- Approve, discontinue, or decline to extend an associated entity relationship

Academic Affairs

- Approve establishment or discontinuation of academic centers and institutes and campus policies governing centers and institutes.
 - University Policy: Policies and Procedures Governing Centers and Institutes
<https://provost.unc.edu/policies-committees/policies-procedures-governing-centers-institutes/>

- Approve designating full-scholarship recipients as in-state students for tuition and other purposes
- Approve exceptions to allow an academic program to require more than 120 credit hours
- Approve agreement to establish early high school on UNC campus
- Establish new or additional admissions requirements that exceed minimum admissions requirements set by the BOG
- Approve campus policies relating to Minimum Academic Requirements (MAR) or Minimum Credit Requirements (MCR)
- Approve exceptions to the BOG policy regarding awarding undergraduate credit for advanced placement (AP) scores.

Student Affairs

- Authority to determine type, level, and extent of student services
 - **DELEGATED** to the Chancellor and **SUBDELEGATED** to the Vice Chancellor for Student Affairs. Fees for student services are approved each year through inclusion in tuition and fee recommendations submitted to the Board along with updates from campus officials regarding student services.

Naming Opportunities

- Name and endow professorship/chair for donor, benefactor, or other person
- Designate a distinguished professorship
- Approve awarding of honorary degrees or memorial distinctions

- Board Policy: Regulation on Honorary Degrees:
<https://Board.unc.edu/wp-content/uploads/sites/160/2021/03/Substitute-Amendment-Trustees-Regulation-on-Honorary-Degrees-1.pdf>
- Board Policy: Policy on Naming Facilities and Units:
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=132135>
- Board Policy: Policy on the Consideration of the Removal of Names on University Buildings and Public Spaces:
<https://policies.unc.edu/TDClient/2833/Portal/KB/ArticleDet?ID=131320>

5- AUTHORITY TO ESTABLISH A FUND OR ENTITY

- Establish and maintain an Endowment Fund for the institution and to acquire and dispose of property or funds in the endowment
- Authority to appoint an investment board for the endowment fund
- Authority to approve the transfer of interest or principal from the endowment fund to the institution for the purposes identified by the Board of Trustees, subject to donor intent.
- Establish a Distinguished Professors Endowment Trust Fund to be administered in accordance with state law
- Establish a campus law enforcement agency, employ campus police officers, and enter into joint agreements with any municipality, county, or constituent institution to extend law enforcement jurisdiction.
 - Employment of campus police officers **DELEGATED** to Chancellor and **SUBDELEGATED** to relevant campus units as part of Management Flexibility personnel delegations generally

6 – ADVISORY DESIGNATIONS

- Duty to (i) promote sound development of the institution, (ii) serve as an advisor to the BOG on matters pertaining to the institution, and (iii) advisor to the Chancellor on matters concerning the management and development of the institution.
- Duty to advise the Chancellor with respect to budget estimates for the institution and with respect to the execution and administration of the budget of the institution
- Duty to ensure compliance with the institution's mission regarding its educational, research, and public research roles as assigned by the BOG.

7 – AUTHORITY TO MAKE RECOMMENDATIONS TO THE BOG OR THE PRESIDENT

- Make a recommendation to the President of an unranked slate of 2 candidates for the position of Chancellor, in accordance with UNC System Policy
- Make recommendations to the BOG to establish an endowed chair from the State Distinguished Professorship fund
- Make recommendations to the BOG regarding tuition and fees for the institution
- Make recommendations to the President regarding student fees, but the Board may not recommend more than a 3% increase in student fees for any academic year

8 – BOARD GOVERNANCE OBLIGATIONS

- The Board must conduct a self-assessment every four years and support a summary report to the President
- The Board may sanction a Board member with an affirmative vote of 2/3 of the voting membership of the Board.
- The Board must assign responsibility of (i) information technology governance and (ii) information security to a standing committee of the Board with audit responsibility.
- The Board must establish a search committee for the chancellorship, in consultation with the President, composed of members from the Board, the faculty, the student body, staff, alumni, the local community, and other campus constituents as may be appropriate.
- The Board secretary must keep the Board members fully informed of activities of the Board, including changes in bylaws, membership, committee structure, and meetings.
- The Board must designate a standing committee to determine whether a Board member's potential conflict of interest is permissible or impermissible.

9 – ADDITIONAL BOARD AUTHORITY

- The Board must cause to be collected tuition and fees from each student for each semester.
- The Board shall require the payment of advance deposits as appropriate
- The Board shall require the payment of nonrefundable application fees in connection with each application for admission
- The Board may perform enumerated responsibilities related to capital construction projects related to the Chancellor's authority to execute construction contracts
- The Board is responsible for the preservation, management, and maintenance of properties and funds that constitute the institution's endowment or trust funds for the benefit of the institution.
 - Note on campus authority for institutional trust funds. Authority over institutional trust funds is delegated by statute from the BOG to the President to the Chancellor independent of the Board, and that authority has been subdelegated through the Vice Chancellor for Finance and Operations to units and schools.
- The Board may consider students who receive full scholarship as in-state residents unless the scholarship is for athletics.
- The Board must permit access to campus (and to student directory information) to official recruiting representatives of the federal and state military for the purposes of informing students of career opportunities in the military in the same manner that the Board provides such access to other groups.

10 – NOTE ON AUTHORITY DELEGATED TO THE INSTITUTION

The BOG delegated or otherwise allocated the following authorities to “the institution” in Appendix 1 of the UNC Code without specifically enumerating whether the authority is to the Board or the Chancellor. Generally speaking, these delegations address administrative duties and responsibilities that would rest in the Chancellor and other relevant campus officials consistent with the Chancellor’s delegated authority from the General Assembly and BOG as the executive and administrative head of the institution and its official spokesperson. This executive and administrative authority is further detailed in Section 502 and elsewhere in the Code and is subject to applicable and authorized policies of the BOG and the Board.

To the extent all or part of these delegations to the institution in Appendix A may be construed to be delegated to the Board, these authorities historically have been delegated to and performed by campus through institutional practice and policy.

- Conferring academic degrees and grades – The Chancellor has authority as head of the institution to assure the University has policies or regulations to determine conferral of degrees and assignment of grades. The faculty has authority to establish policies governing the award of academic degrees and to promulgate regulations. Student grades are assigned by the faculty and may be reviewed by deans. The Board Chair signs diplomas conferring degrees.
- Establishment of an enterprise risk management process – The Chancellor has executive and administrative authority to establish an enterprise risk management process, and such authority is primarily accomplished through the Office of the Vice Chancellor for Institutional Integrity and Risk Management. Appendix 1 does require the campus to report to the Board periodically on the ERM process.
- Administration of scholarships and financial aid – The Chancellor has executive and administrative authority to administer scholarships and other forms of financial aid, and that administration is primarily accomplished through the University’s Office of Scholarships and Student Aid. The Board

has authority to issue regulations in the area subject to applicable law and BOG policies.

- Admissions policy and appeals – The Board originally adopted the institution's undergraduate admissions policy in 1976 and has authority to hear final appeals from admissions cases. The Board **DELEGATED** further policymaking authority to the Advisory Committee on Undergraduate Admissions, and the administration of the admissions process is accomplished through the Office of Undergraduate Admissions. The Board **DELEGATED** authority for appeals in admissions cases to the Office of the Provost after initial decision by the Office of Undergraduate Admissions.



THE BOARD OF GOVERNORS OF
THE UNIVERSITY OF NORTH CAROLINA

*RESOLUTION TO AMEND AND RESTATE
CONSTITUENT INSTITUTION BOARD OF TRUSTEES DELEGATIONS
July 22, 2021*

WHEREAS, the 17-campus University of North Carolina System leads the nation in delivering excellent higher education to students from all over the world;

WHEREAS, the Board of Governors is responsible for the general determination, control, supervision, management and governance of all affairs of the constituent institutions including assessment and mitigation of enterprise risks facing the University;

WHEREAS, the boards of trustees of the constituent institutions have a duty to serve as advisors to the Board of Governors on matters pertaining to the constituent institutions;

WHEREAS, in delegating authorities to the boards of trustees, it is incumbent upon the Board of Governors to define the authorities and responsibilities it vests in the boards of trustees of the constituent institutions, and any such delegation of authority by the Board of Governors carries with it the responsibility and authority of the Board of Governors to monitor and oversee the use of such authority;

WHEREAS, the boards of trustees of the constituent institutions may further delegate their authority in order to achieve the proper function of the constituent institution, provided such delegation is consistent with the North Carolina General Statutes, University policy, and *The Code of the Board of Governors of the University of North Carolina*;

WHEREAS, the Board of Governors has delegated certain authority to the boards of trustees of the constituent institutions in areas that include, but are not limited to: (1) academic programs and affairs; (2) administrative and academic personnel; (3) budget, finance, and administration; (4) endowments and trust funds; (5) student affairs; and (6) university governance;

WHEREAS, the boards of trustees of the constituent institutions have in many instances further delegated these authorities to committees, the chancellor, constituent institution administration and staff, or other bodies via operating bylaws, constituent institution policy, resolution, enactment, or other direction;

WHEREAS, critical to the success of managing enterprise risks associated with clarity and consistencies in university governance and decision-making and to ensure proper delegations by the boards of trustees consistent with the North Carolina General Statutes, University policy, and *The Code of the Board of Governors of the University of North Carolina* is to engage in regular reviews of campus decision-making authority and documenting its delegations; and

WHEREAS, in furtherance of its commitment to empowering the campuses and managing the enterprise risks facing the University of North Carolina, the Board of Governors believes it prudent to direct each board of trustees of the constituent institutions to identify and restate in one binding resolution all instances in which the board of trustees of the constituent institution has delegated all or some, of its delegated authority from whatever source to any committee, person, agency, or entity;

NOW THEREFORE, BE IT RESOLVED, that the Board of Governors adopts the following directive to each board of trustees of constituent institutions of the University of North Carolina:

By October 1, 2021, each board of trustees of the constituent institutions shall adopt a proposed resolution amending and restating in detail all delegations of authority by the board of trustees of that institution to any board of trustees committee, the chancellor, or other campus entity, employee, officer, or agent – including any and all sub-delegations of authority – and providing that any authority not delegated expressly by such resolution is vested immediately in the board of trustees of that constituent institution.

Such proposed resolution shall be reviewed and, if acceptable in his discretion, approved by the President and returned to the board of trustees of the constituent institution for final adoption before November 1, 2021. The President shall promptly forward a copy of any proposed resolution he approves to the Board of Governors' Committee on University Governance.

In the event that a board of trustees of a constituent institution does not act in accordance with this resolution, then, effective November 1, 2021, all authority previously delegated by a campus board of trustees to any board of trustees committee, the chancellor, or other campus entity, employee, officer, or agent vests back in the board of trustees, such that only the board of trustees may exercise the authority it has been delegated pursuant to law or policy.

This the _____ day of _____ 2021.

Randall C. Ramsey, Chair

Meredith R. McCullen, Secretary

THE 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 Code)*, 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

A. Appointment and Compensation

1. Upon recommendation of the chancellor, the board of trustees of a special responsibility constituent institution with management flexibility for personnel appointments shall, for all positions exempt from the State Human Resources Act except the position of the chancellor, appoint, promote, and set the compensation for such employees consistent with the policies and salary ranges set by the Board of Governors and the regulations and guidelines established by the Office of the President.

2. Personnel actions at a constituent institution, other than a special responsibility constituent institution with management flexibility, shall be governed as follows:

a. With respect to all faculty positions with permanent tenure and all senior administrative positions, namely vice chancellors, provosts, deans and directors of major educational and public service activities, the chancellor, following consultation with the board of trustees, shall forward to the president recommendations with respect to such appointments, promotions, and compensation; if the president concurs in such recommendations, the president shall forward them to the Board of Governors for approval. Notwithstanding the requirements of this paragraph, a board of trustees may promote in rank a faculty member with permanent tenure, upon the recommendation of the chancellor, and without approval by the Board of Governors.

b. With respect to all faculty and administrative positions other than those identified in subparagraph 2.a., above, and other than those subject to the State Personnel Act, the chancellor shall forward the chancellor's recommendations for appointment, promotion and compensation to the board of trustees; subject to applicable provisions of the University *Code* and to such policies as may be established by the Board of Governors, the action of the board of trustees with respect to such personnel actions shall be final.

B. Discharge or Suspension

Subject to regulations of the board of trustees and consistent with applicable policies of the Board of Governors, all discharges or suspensions of faculty members and administrative personnel, other than those subject to the State Human Resources Act, shall be effected by the chancellor. A discharged or

suspended employee shall have such rights of appeal from the action of the chancellor as may be prescribed by the *University Code*, policies of the Board of Governors, or regulations of the board of trustees.

C. Personnel Policies

The board of trustees may adopt personnel policies not otherwise prescribed by state law, the *University Code*, or policies of the Board of Governors, for personnel in all categories of university employment. Policies adopted by a board of trustees regarding academic tenure and promotion shall be effective upon review by the senior vice president for academic affairs and the vice president and general counsel, and approved by the president.

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, the local community, and other 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 no fewer than two candidates to the trustees for consideration.

The board of trustees, following receipt of the report of the search committee, shall, subject to the direction of the president, recommend an unranked slate of no fewer than two candidates for consideration by the president in designating a nominee for the chancellorship for approval by the Board of Governors.

II. ACADEMIC PROGRAM

The board of trustees shall be responsible for ensuring the institution's compliance with the educational, research, and public service roles assigned to it by the Board of Governors, either by express directive or by promulgated long-range plans of the Board of Governors.

III. ACADEMIC DEGREES AND GRADING

Subject to authorization by the Board of Governors of the nature and general content of specific degree programs which may be offered by an institution, each institution shall determine whether an individual student shall be entitled to receipt of a particular degree. Each institution also shall determine what grade a student will be assigned in a particular course. No appeal from any of these decisions or any other academic determination is allowable to the president or to the Board of Governors.

IV. HONORARY DEGREES, AWARDS AND DISTINCTIONS

The board of trustees shall be responsible for approving the names of all individuals on whom it is proposed that an honorary degree or other honorary or memorial distinction be conferred by the institution, subject to such policies as may be established by the Board of Governors.

V. BUDGET ADMINISTRATION

The board of trustees shall advise the chancellor with respect to the development of budget estimates for the institution and with respect to the execution and administration of the budget of the constituent institution, as approved by the General Assembly and the Board of Governors.

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.¹

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 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) If a proposal involves acquisition or disposition of a leasehold interest in real property, 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;² and

(c) 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.

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.³

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

VII. ENDOWMENTS AND TRUST FUNDS

Subject to applicable provisions of state law and to such terms and conditions as may be prescribed from time to time by the Board of Governors, each board of trustees shall be responsible for the preservation, maintenance, and management of all properties, both real and personal, funds and other things of value which, either separately or in combination, constitute all or any part of the authorized endowment or trust funds, either currently in existence or to be established in the future, for the benefit of the individual constituent institution. [See G.S. 116-11(2); 116-12; 116-36; 116-36.1; 116-36.2]

VIII. ADMISSIONS

Subject to such enrollment levels and minimum general criteria for admission as may be established for a constituent institution by the Board of Governors, each constituent institution of the University of North Carolina shall establish admissions policies and resolve individual admission questions for all schools and divisions within the institution. No appeal concerning an individual admission case shall lie beyond the institutional board of trustees.

IX. TUITION, FEES, AND DEPOSITS

A. General Authority of Boards of Trustees

The boards of trustees of the constituent institutions other than the board of the North Carolina School of Science and Mathematics shall cause to be collected from each student, at the beginning of each semester, quarter, or term, such tuition, fees, and other amounts necessary to pay other expenses for the term, as have been approved by the Board of Governors. [See G.S. 116-11(7) and G.S. 116-143]

B. Tuition and Fee Deposits

Each board of trustees shall require the payment of such advance deposits, at such times and under such conditions as it determines are appropriate or as may be required by state law or by the Board of Governors. [See G.S. 116-143]

C. Application Fee

Each board of trustees shall require the payment of such nonrefundable application fees, in connection with each application for admission, as may be required by state law or by the Board of Governors. [See G.S. 116-143]

D. Acceptance of Obligations in Lieu of Cash

Subject to policies prescribed by the Board of Governors, the boards of trustees shall establish regulations concerning the acceptance of obligations of students, together with such collateral or security as may be deemed necessary or proper, in lieu of cash, in payment of tuition and fees. [See G.S. 116-143]

E. Fee Recommendations

Subject to policies prescribed by the Board of Governors, each board of trustees, in consultation with the chancellor, shall recommend to the president the amounts to be charged at the constituent institution for application, athletics, health services, student activities, educational and technology, retirement of debt incurred for capital improvements projects authorized by the General Assembly, course, and special fees. In carrying out this responsibility, each board of trustees and the chancellor shall

ascertain that the benefits of the activity or service are commensurate with the recommended fee which is required to support the activity or service. Recommended fees should be consistent with the philosophy set forth in the North Carolina Constitution which states that the benefits of the University of North Carolina should be extended to the people of the state free of expense, as far as practicable.

X. STUDENT FINANCIAL AID

All scholarships and other forms of financial aid to students which are limited in their application to or are supported from sources generated by an individual campus shall be administered by the constituent institution pursuant to such regulations as may be prescribed by the board of trustees and subject to the terms of any applicable laws and to policies of the Board of Governors.

XI. STUDENT SERVICES

Each board of trustees, upon recommendation of the chancellor, shall determine the type, level, and extent of student services (such as health care, athletic programs, and counseling) to be maintained for the benefit of students at the institution, subject to general provisions concerning types and levels of student services as may be prescribed by the Board of Governors.

XII. STUDENT ACTIVITIES AND GOVERNMENT

Under such policies as may be prescribed by the Board of Governors and the board of trustees, the chancellor shall be responsible for the regulation and approval of organized, institutionally recognized student activities, the definition of roles and functions of any institutionally recognized system of student self-government and student participation in the governance of any aspect of the institutional programs and services. No appeal concerning such activities are allowable to the president or to the Board of Governors.

XIII. INTERCOLLEGIATE ATHLETICS

Subject to such policies as may be prescribed by the Board of Governors and the board of trustees, the chancellor shall be responsible for the establishment and supervision of the institution's program of intercollegiate athletics.

XIV. TRAFFIC AND PARKING REGULATIONS⁴

XV. CAMPUS SECURITY

Subject to applicable provisions of state law and such policies as may be adopted by the Board of Governors or the board of trustees, the chancellor shall be responsible for the maintenance of campus security.

XVI. AUXILIARY ENTERPRISES, UTILITIES, AND MISCELLANEOUS FACILITIES

Pursuant to applicable provisions of state law and policies of the Board of Governors, the boards of trustees of affected constituent institutions shall have authority and responsibility for the adoption of policies applicable to and the control and supervision of campus electric power plants and water and sewer systems, other utilities and facilities [G.S. 116-35], and child development centers [G.S. 116-38].

¹See Section 600.1.1 of the UNC Policy Manual for additional detail.

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

³Board of trustees are authorized to delegate to the respective chancellors the power to authorize for the institutions the acquisition or disposition of any interest in real property valued at less than \$50,000, subject to any necessary approval from state officials and agencies, in accordance with Section 600.1.3 of the UNC Policy Manual.

⁴Legislation adopted by the 1973 session of the General Assembly, on recommendation of the Board of Governors, gave the boards of trustees broad authority in this area and superseded the authority originally granted in this paragraph; hence it is omitted here. [See G.S. 116-44.3, *et. seq.*]

**Review of Authority Delegated to the Chancellor
for Certain Position and Salary Actions
for Employees Exempt from the State Human Resources Act**

Pursuant to N.C.G.S. 116-11(2), the UNC Board of Governors (BOG) is responsible for the general determination, control, supervision, management, and governance of all of affairs of the constituent institutions of the University of North Carolina at Chapel Hill. Consistent with its authority and as part of the University's designation as an institution with special responsibility/management flexibility, the Board of Governors delegated to the UNC Board of Trustees the ability to approve certain personnel and salary actions without BOG pre-authorization. N.C.G.S. 116-11(2) allows the UNC Board of Trustees (BOT) to further delegate review and approval of certain position and salary actions to the chancellor and the chancellor's permitted designees.¹

This document reviews the personnel and salary actions have been delegated by the BOT to the chancellor and establishes a process and schedule for reporting actions that are approved under campus authority. This delegation shall remain in effect until modified or rescinded by the board of governors, president, or board of trustees.

Delegated Authority

Part I - Approvals delegated by BOT to the Chancellor:

Appointment
Senior Academic Administrative Officer Tier II
EHRA Instructional, Research and Information Technology
Faculty (fixed-term and tenure track)
Confer distinguished professorships
Classification (establish/modify positions)
EHRA Instructional, Research and Information Technology
Faculty
Compensation
Permanent Base Salary Adjustment that does not exceed 20% and \$15,000 of cumulative salary adjustments fiscal year to-date based on the employee's June 30 salary
Temporary Salary Stipend or Supplement with a specified end date that does not exceed 25% and \$25,000 of cumulative salary adjustments fiscal year to-date based on the employee's June 30 salary
Temporary Salary Stipend or Supplement without a specified end date that does not exceed 20% and \$15,000 of cumulative salary adjustments fiscal year to-date based on the employee's June 30 salary

Non-Salary Compensation not specifically authorized in the University's Policy on Non-Salary and Deferred Compensation or that exceeds specified compensation limits.
Salary Ranges for faculty and Instructional, Research and Information Technology (IRIT) staff

Part II - Approvals BOT may not delegate:

Appointment
Senior Academic Administrative Officer Tier I
Confer permanent tenure
Compensation
Permanent and Temporary Salary Adjustments that exceed the thresholds listed under Part I – Approvals delegated to the chancellor
Salary Adjustments in any amount for Senior Academic Administrative Officer Tier I
Salary Ranges for Senior Academic and Administrative Officers Tier II
Athletic Director and Head Coach Contracts
Other special reporting/resolutions (e.g. Annual HR Compliance Report)

Reporting

The Board of Trustees shall receive on a quarterly basis an informational report of appointment, classification and compensation actions approved under campus authority and any urgent, off-cycle employment or retention actions approved by the President or Board of Governors. Due to the critical nature of these requests, approval by the President and/or Board of Governors may be sought prior to a regularly scheduled BOT meeting.

Request Board Action

Review of position and salary actions delegated to the chancellor and acceptance of the proposed reporting process and schedule.

With confirmation of authority delegated to the chancellor for the position and salary actions listed in Part I – Approvals delegated to the Chancellor and acceptance of the proposed reporting requirement, monthly agenda items will contain only those items that require approval of the Board or designated committee. Proposed effective date for the agenda change is January 2021 with the first quarterly report due on April 15, 2021.

Authority for Employment Action Chart

Appointments	Appointing Body (in practice – i.e., who issues the appointment)
Appointment of Chancellor	BOG
Appointment of Provost (SAAO Tier I)	BOT
Appointment of Vice Chancellors (SAAO Tier I)	BOT
Appointment of Deans (SAAO Tier I)	BOT
Appointment of Center Directors (SAAO Tier I)	BOT
Appointment of Faculty Members with Tenure	BOT
Appointment of Tenure Track Faculty Members	Chancellor
Appointment of Fixed Term Faculty Members	Deans
Appointment of Associate Vice Chancellors (SAAO Tier II)	Chancellor
Appointment of Assistant Vice Chancellors (SAAO Tier II)	Chancellor
Appointment of Associate Deans (SAAO Tier II)	Chancellor
Appointment of Assistant Deans (SAAO Tier II)	Chancellor
Appointment of Other SAAO Tier II ¹	Chancellor
Appointment of EHRA IRIT	Chief Human Resources Officer ²
Appointment of SHRA	Unit Head
Classification (Establish/Modify Positions)	Approval Body (in practice – i.e., who approves the establishment or modification of positions)
Classification of Vice Chancellors (SAAO Tier I)	President
Classification of Deans (SAAO Tier I)	President
Classification of Center Directors (SAAO Tier I)	President
Classification of Faculty Members with Tenure	Chancellor
Classification of Tenure Track Faculty Members	Chancellor
Classification of Fixed Term Faculty Members	Chancellor
Classification of Associate Vice Chancellors (SAAO Tier II)	President (UNC System HR)
Classification of Assistant Vice Chancellors (SAAO Tier II)	President (UNC System HR)
Classification of Associate Deans (SAAO Tier II)	President (UNC System HR)

¹ Other SAAO Tier IIs include the following: (1) members of the chancellor's professional staff; (2) those responsible for the administrative direction of separately designated divisions or departments of institutional activity commonly associated with institutions of higher education; (3) those positions whose primary responsibility is to attract external funds for and/or market the University; and, (4) other officers holding positions characterized by active, continuing involvement in formulating, interpreting, and implementing institutional policy and exercising substantial independence of administrative authority and discretion in areas such as program planning and design and allocation of resources.

² The current Chief Human Resources Officer is Becci Menghini, Vice Chancellor for Human Resources and Equal Opportunity and Compliance.

Authority for Employment Action Chart

Classification of Assistant Deans (SAAO Tier II)	President (UNC System HR)
Classification of Other SAAO Tier II	President (UNC System HR)
Classification of EHRA IRIT (except RADA ³ or CADA ⁴)	Chief Human Resources Officer
Classification of EHRA IRIT – RADA or CADA	President (UNC System HR)
Classification of SHRA	OSHR
Compensation	Approval Body (in practice – i.e., who determines or approves compensation)
Initial Salary	
Establish salary for Chancellor	BOG
Establish salary for Provost	BOT
Establish salary for Vice Chancellors (SAAO Tier I)	BOT
Establish salary for Deans (SAAO Tier I)	BOT
Establish salary for Center Directors (SAAO Tier I)	BOT
Establish salary for Faculty Members with Tenure	Deans
Establish salary for Tenure Track Faculty Members	Deans
Establish salary for Fixed Term Faculty Members	Deans
Establish salary for Associate Vice Chancellors (SAAO Tier II)	Chief Human Resources Officer
Establish salary for Associate Vice Chancellors (SAAO Tier II)	Chancellor unless further delegated
Establish salary for Assistant Deans (SAAO Tier II)	Chancellor unless further delegated
Establish salary for Assistant Deans (SAAO Tier II)	Chancellor unless further delegated
Establish salary for Other SAAO Tier II	Chancellor unless further delegated
Establish salary for EHRA IRIT	Unit Head
Establish salary for SHRA	Unit Head
Salary Ranges	
Establish salary range for Chancellor	President
Establish salary range for Provost	President
Establish salary range for Vice Chancellors (SAAO Tier I)	President
Establish salary range for Deans (SAAO Tier I)	President
Establish salary range for Center Directors (SAAO Tier I)	President
Establish salary range for Faculty Members with Tenure	BOT

³ RADA: Research and Academic Department Administrators

⁴ CADA: Clinical and Academic Department Administrators

Authority for Employment Action Chart

Establish salary range for Tenure Track Faculty Members	BOT
Establish salary range for Fixed Term Faculty Members	BOT
Establish salary range for Associate Vice Chancellors (SAAO Tier II)	BOT
Establish salary range for Assistant Vice Chancellors (SAAO Tier II)	BOT
Establish salary range for Associate Deans (SAAO Tier II)	BOT
Establish salary range for Assistant Deans (SAAO Tier II)	BOT
Establish salary range for Other SAAO Tier II	BOT
Establish salary range for EHRA IRIT	Chancellor
Establish salary range for SHRA	Office of State Human Resources (OSHR)
Salary Changes (Existing Employees)*	
Salary change for Chancellor	BOG
Salary change for Provost	BOT
Salary change for Vice Chancellors (SAAO Tier I)	BOT
Salary change for Deans (SAAO Tier I)	BOT
Salary change for Center Directors (SAAO Tier I)	BOT
Salary change for Faculty Members with Tenure	Academic Personnel Office (APO)
Salary change for Tenure Track Faculty Members	APO
Salary change for Fixed Term Faculty Members	Deans
Salary change for Associate Vice Chancellors (SAAO Tier II)	Chief Human Resources Officer (CHRO)
Salary change for Assistant Vice Chancellors (SAAO Tier II)	CHRO
Salary change for Associate Deans (SAAO Tier II)	CHRO
Salary change for Assistant Deans (SAAO Tier II)	CHRO
Salary change for Other SAAO Tier II	CHRO
Salary change for EHRA IRIT	CHRO
Salary change for SHRA	CHRO

*Note that the authority for any salary changes approved at the campus level (i.e., Chancellor level and below) is limited to the following:

1. A temporary salary stipend or supplement with a specified end date that does not exceed 25% and \$25,000 of cumulative salary adjustments fiscal year to-date based on the employee's June 30 salary, up to 12-months in duration;
 2. A temporary salary stipend or supplement without a specified end date that does not exceed 20% and \$15,000 of cumulative salary adjustments fiscal year to-date based on the employee's June 30 salary; and
 3. A permanent base salary adjustment that does not exceed 20% and \$15,000 of cumulative salary adjustments fiscal year to-date based on the employee's June 30 salary.
- Any salary changes above these limits must be approved by BOT.

Leasing - Governance

Leasing Transactions: Delegated Authority required by System Office								
Annual Value	Term (Including Renewal)	CFO	Chancellor	BOT	System President	BOG	SPO	CoS and Gov
\$0 - \$749, 999	<= 10 years	X	X	X				
\$750, 000 - \$999,999	<= 10 years	X	X	X	X			
\$1,000,000 +	<= 10 years	X	X	X	X	X		
\$0 +	10 years +			X		X	X	X

UNC SYSTEM CAPITAL PROJECT PROCEDURE GUIDANCE

FOR CAPITAL PROJECTS FROM GENERAL FUND SOURCES

Effective July 1, 2019; Updated June 1, 2021

	ACTIVITY	PROJECT DOLLAR THRESHOLD*		
		Up to \$500,000**	>\$500,000 to \$2,000,000**	>\$2,000,000**
AUTHORIZATION	Capital Project Authority (General Fund Sources Only, Cash or Debt)	Authorized by Legislative Action	Authorized by Legislative Action	Authorized by Legislative Action
	Capital Code/Item #	<ul style="list-style-type: none"> • UNCSCO establishes in Interscope • UNCSCO establishes in IBIS • University establishes related financial system entries (Fund/Center, etc.) 	<ul style="list-style-type: none"> • UNCSCO establishes in Interscope • UNCSCO establishes in IBIS • University establishes related financial system entries (Fund/Center, etc.) 	<ul style="list-style-type: none"> • UNCSCO establishes in Interscope • UNCSCO establishes in IBIS • University establishes related financial system entries (Fund/Center, etc.)
DESIGN	Designer Selection (Refer to G.S. 133-1.1)	Open-end agreement or Direct selection	Public advertisement	Public advertisement
	Approval of Selection	BOT	BOT	BOT
	Designer's Contract	<ul style="list-style-type: none"> • University negotiates • University executes 	<ul style="list-style-type: none"> • University negotiates • University executes 	<ul style="list-style-type: none"> • SCO negotiates • University executes, copy to SCO
	Reporting/Recording	University records in Interscope	University records in Interscope	SCO records in Interscope
	Plan Review and Approval	<ul style="list-style-type: none"> • SCO code review, as applicable • SCO electrical inspections required 	<ul style="list-style-type: none"> • SCO code review, as applicable • SCO electrical inspections required 	Full SCO oversight
CONSTRUCTION	Bidding	<ul style="list-style-type: none"> • University informally solicits competitive bids • Public bidding not required 	<ul style="list-style-type: none"> • University solicits competitive bids • Informal solicitation for estimated construction cost <\$500,000 • Formal solicitation for estimated construction cost >\$500,000 • Public bidding required per G.S. 143-129 	<ul style="list-style-type: none"> • University solicits competitive bids • Formal solicitation for estimated construction cost >\$500,000 • Public bidding required per G.S. 143-129
	Forms for Bid Documents	Template SCO informal contract format, notice to bidders, and general conditions, supplemented w/ institution-specific requirements	UNC System formal contract template, notice to bidders, and general conditions	SCO State of North Carolina formal contract template, notice to bidders, and general conditions
	Bonding Requirement	Not required by law, University can require	Required on formal bid solicitations (>\$500,000)	Required
	Contract Awarding Authority	University	UNCSCO	SCO
	Form of Contract	Informal	Informal or UNC System formal according to bid type	SCO State of North Carolina formal
	Reporting/Recording Contract	University	University	<ul style="list-style-type: none"> • SCO awards • University executes, copy to SCO
	HUB Participation Reporting	University	University	<ul style="list-style-type: none"> • SCO makes entries at award • University maintains current entries • University updates at final acceptance
	Change Order (CO) Processing	<ul style="list-style-type: none"> • University authorizes/approves • University executes in writing • University records in Interscope, manual entry 	<ul style="list-style-type: none"> • CO initiated in Interscope • University authorizes/approves in Interscope • CO documents maintained in Interscope 	<ul style="list-style-type: none"> • CO initiated in Interscope • University authorizes/approves in Interscope • SCO authorizes/approves in Interscope • CO documents maintained in Interscope
	Final Inspection	If designer is engaged, designer certification is required	<ul style="list-style-type: none"> • Designer's certification required • Notify SCO of scheduled final inspection 	<ul style="list-style-type: none"> • Designer's certification required • SCO final inspection required

*Project authority thresholds are based on the overall project budget, including design, construction, contingency, etc. Contract awarding authority follows initial project authority level. Construction bidding thresholds are based on project **construction cost** alone.

**All construction contracts over \$30,000 must be entered in Interscope with HUB participation reported in compliance with G.S. 143-131.

ACRONYMS: BOG - Board of Governors

BOT - University Board of Trustees

SCO - State Construction Office

UNCSCO - UNC System Office

<div> <div>UNC SYSTEM CAPITAL PROJECT PROCEDURE GUIDANCE</div> <div>FOR CAPITAL PROJECTS FROM NON-GENERAL FUND SOURCES</div> <div>Effective July 1, 2019, Updated June 1, 2021</div> </div>										
	ACTIVITY	PROJECT DOLLAR THRESHOLD*								
		Up to \$30,000	>\$30,000 to \$300,000**	>\$300,000 to \$500,000**	>\$500,000 to \$750,000**	THRESHOLD FOR BOARD OF GOVERNORS' APPROVAL	>\$750,000 to \$1,000,000**	>\$1,000,000 to \$2,000,000**	>\$2,000,000**	
AUTHORIZATION	Capital Project Authority (Non-general Fund Sources Only)	University	University	<ul style="list-style-type: none"> BOT authorization, except the chancellor may authorize repair and renovation projects \$600,000 or less Submit CI-1 and OC-25 to UNCSCO 	<ul style="list-style-type: none"> BOT authorization, except the chancellor may authorize repair and renovation projects \$600,000 or less Submit CI-1 and OC-25 to UNCSCO 		<ul style="list-style-type: none"> Submit to UNCSCO for BOG authorization Delegated authority institutions, BOT may authorize CI-1 and OC-25 required 	<ul style="list-style-type: none"> Submit to UNCSCO for BOG authorization CI-1 and OC-25 required 	<ul style="list-style-type: none"> Submit to UNCSCO for BOG authorization CI-1 and OC-25 required 	
	Capital Code/Item #	Not applicable	Not applicable	<ul style="list-style-type: none"> UNCSCO establishes in Interscope University establishes related financial system entries (IBIS, etc.) 	<ul style="list-style-type: none"> UNCSCO establishes in Interscope University establishes related financial system entries (IBIS, etc.) 		<ul style="list-style-type: none"> UNCSCO establishes in Interscope University establishes related financial system entries (IBIS, etc.) 	<ul style="list-style-type: none"> UNCSCO establishes in Interscope upon BOG approval University establishes related financial system entries (IBIS, etc.) 	<ul style="list-style-type: none"> UNCSCO establishes in Interscope upon BOG approval University establishes related financial system entries (IBIS, etc.) 	
DESIGN	Designer Selection (Refer to G.S. 133-1.1)	Open-end agreement or Direct selection	Open-end agreement or Direct selection	Open-end agreement or Direct selection	Public advertisement		Public advertisement	Public advertisement	Public advertisement	
	Approval of Selection	BOT	BOT	BOT	BOT		BOT	BOT	BOT	
	Designer's Contract	<ul style="list-style-type: none"> University negotiates University executes 	<ul style="list-style-type: none"> University negotiates University executes 	<ul style="list-style-type: none"> University negotiates University executes 	<ul style="list-style-type: none"> University negotiates University executes 		<ul style="list-style-type: none"> University negotiates University executes 	<ul style="list-style-type: none"> University negotiates University executes 	<ul style="list-style-type: none"> SCO negotiates University executes, copy to SCO 	
	Reporting/Recording	Not applicable	University records in Interscope	University records in Interscope	University records in Interscope		University records in Interscope	University records in Interscope	SCO records in Interscope	
	Plan Review and Approval	<ul style="list-style-type: none"> SCO code review, as applicable SCO electrical inspections required 	<ul style="list-style-type: none"> SCO code review, as applicable SCO electrical inspections required 	<ul style="list-style-type: none"> SCO code review, as applicable SCO electrical inspections required 	<ul style="list-style-type: none"> SCO code review, as applicable SCO electrical inspections required 		<ul style="list-style-type: none"> SCO code review, as applicable SCO electrical inspections required 	<ul style="list-style-type: none"> SCO code review, as applicable SCO electrical inspections required 	Full SCO oversight	
CONSTRUCTION	Bidding	<ul style="list-style-type: none"> University may directly select contractor Good practice may include informal competition 	<ul style="list-style-type: none"> University informally solicits competitive bids Public bidding not required 	<ul style="list-style-type: none"> University informally solicits competitive bids Public bidding not required 	<ul style="list-style-type: none"> University solicits competitive bids Informal solicitation for estimated construction cost ≤\$500,000 Formal solicitation for estimated construction cost >\$500,000 Public bidding required per G.S. 143-129 	THRESHOLD FOR BOARD OF GOVERNORS' APPROVAL	<ul style="list-style-type: none"> University solicits competitive bids Formal solicitation for estimated construction cost >\$500,000 Public bidding required per G.S. 143-129 	<ul style="list-style-type: none"> University solicits competitive bids Formal solicitation for estimated construction cost >\$500,000 Public bidding required per G.S. 143-129 	<ul style="list-style-type: none"> University solicits competitive bids Formal solicitation for estimated construction cost >\$500,000 Public bidding required per G.S. 143-129 	
	Forms for Bid Documents	Not applicable	Template SCO informal contract format, notice to bidders, and general conditions, supplemented w/ institution-specific requirements	Template SCO informal contract format, notice to bidders, and general conditions, supplemented w/ institution-specific requirements	UNC System formal contract template, notice to bidders, and general conditions		UNC System formal contract template, notice to bidders, and general conditions	UNC System formal contract template, notice to bidders, and general conditions	SCO State of North Carolina formal contract template, notice to bidders, and general conditions	
	Bonding Requirement	Not applicable	Not required by law, University can require	Not required by law, University can require	Required on formal bid solicitations (>\$500,000)		Required on formal bid solicitations (>\$500,000)	Required	Required	
	Contract Awarding Authority	University	University	University	UNCSCO		UNCSCO	UNCSCO	SCO	
	Form of Contract	Informal	Informal	Informal	Informal or UNC System formal according to bid type		Informal or UNC System formal according to bid type	UNC System formal	SCO State of North Carolina formal	
	Reporting/Recording Contract	Not required	University	University	University		University	University	<ul style="list-style-type: none"> SCO awards University executes, copy to SCO 	
	HUB Participation Reporting	Not required	University	University	University		University	University	<ul style="list-style-type: none"> SCO makes entries at award University maintains current entries University updates at final acceptance 	
	Change Order (CO) Processing	<ul style="list-style-type: none"> University authorizes/approves University executes in writing Recording in Interscope is not required 	<ul style="list-style-type: none"> University authorizes/approves University executes in writing University records in Interscope, manual entry 	<ul style="list-style-type: none"> University authorizes/approves University executes in writing University records in Interscope, manual entry 	<ul style="list-style-type: none"> CO initiated in Interscope University authorizes/approves in Interscope CO documents maintained in Interscope 		<ul style="list-style-type: none"> CO initiated in Interscope University authorizes/approves in Interscope CO documents maintained in Interscope 	<ul style="list-style-type: none"> CO initiated in Interscope University authorizes/approves in Interscope CO documents maintained in Interscope 	<ul style="list-style-type: none"> CO initiated in Interscope University authorizes/approves in Interscope SCO authorizes/approves in Interscope CO documents maintained in Interscope 	
	Final Inspection	If designer is engaged, designer certification is required	If designer is engaged, designer certification is required	If designer is engaged, designer certification is required	<ul style="list-style-type: none"> Designer's certification required Notify SCO of scheduled final inspection 		<ul style="list-style-type: none"> Designer's certification required Notify SCO of scheduled final inspection 	<ul style="list-style-type: none"> Designer's certification required Notify SCO of scheduled final inspection 	<ul style="list-style-type: none"> Designer's certification required SCO final inspection required 	

*Project authority thresholds are based on the overall project budget, including design, construction, contingency, etc. Contract awarding authority follows initial project authority level. Construction bidding thresholds are based on project **construction cost** alone.

**All construction contracts over \$30,000 must be entered in Interscope with HUB participation reported in compliance with G.S. 143-131.