



# HOUSE BILL 549: UNC Benchmark/Reporting Dates.

2017-2018 General Assembly

<b>Committee:</b>	House Education - Universities	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Rep. Fraley	<b>Prepared by:</b>	Drupti Chauhan
<b>Analysis of:</b>	First Edition		Committee Counsel

**OVERVIEW:** *House Bill 549 would (i) allow the Board of Governors of The University of North Carolina (BOG) to set the expenditure benchmark for certain purchasing contracts for the President of The University of North Carolina (President) to be the same as the maximum allowed for the constituent institutions; (ii) direct the BOG to submit annual reports on fire sprinklers in residence halls rather than bi-annually; and (iii) change a reporting date for data on graduates of cooperative innovative high schools.*

**SECTIONS 1 and 2 – CURRENT LAW:** The BOG has the authority to set the expenditure benchmark for special responsibility constituent institutions at an amount no greater than \$500,000 for certain purchasing contracts so they do not have to be purchased through the State Purchasing Office. The BOG has the authority to set the benchmark at different amounts for the different constituent institutions. In setting the benchmarks, the BOG must consider the institution's overall capacity including staff resources, purchasing compliance reviews, and audit reports. For those constituent institutions with expenditure benchmarks of greater than \$250,000, they must submit to the Division of Purchase and Contract for approval a copy of all offers received and the institution's recommendation of action. Notice of the Division's decision is sent back to the constituent institution with the institution proceeding with the action recommended by the Division.

**BILL ANALYSIS:** Sections 1 and 2 would allow the BOG to set the expenditure benchmark for the President at an amount no greater than \$500,000. The BOG would be able to change the benchmark from time to time and must consider the capacity of the President including staff resources, purchasing compliance reviews, and audit reports. If the President is given an expenditure benchmark of greater than \$250,000, then the President must follow the same requirements as those followed by the constituent institutions currently with that authority including submitting offers to the Division of Purchase and Contract.

**SECTION 3 – CURRENT LAW:** The 2012 Appropriations Act required the BOG to submit progress reports to the Joint Legislative Commission on Governmental Operations on the financial status of each constituent institution's housing system, the constituent institution's ability to pay for fire protection in residence halls, and the timing of the installation of fire sprinklers. Reports must be submitted on January and July 1 of each year until all residence halls have fire sprinklers.

**BILL ANALYSIS:** The bill would provide that the report only has to be submitted once a year on January 1 rather than twice per year.

**SECTION 4 – CURRENT LAW:** The 2015 Appropriations Act directed the BOG to report annually beginning March 1, 2017 to the Joint Legislative Education Oversight Committee on the numbers of students who graduated from a cooperative innovative high school program with an associate degree.

**BILL ANALYSIS:** The bill would change the annual reporting date of this report to September 30 beginning with September 30, 2017.

**EFFECTIVE DATE:** The bill would become effective when it becomes law.

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