

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H.B. 549  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40327-LH-105A\* (03/17)

Short Title: UNC Benchmark/Reporting Dates.

(Public)

Sponsors: Representative Fraley.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING THE BOARD OF GOVERNORS TO SET THE EXPENDITURE  
3 BENCHMARK FOR THE PRESIDENT OF THE UNIVERSITY OF NORTH  
4 CAROLINA AT AN AMOUNT CONSISTENT WITH THE MAXIMUM BENCHMARK  
5 SET FOR CONSTITUENT INSTITUTIONS; AUTHORIZING THE BOARD OF  
6 GOVERNORS TO SUBMIT ANNUAL PROGRESS REPORTS ON THE  
7 INSTALLATION OF FIRE SPRINKLERS IN RESIDENCE HALLS; AND CHANGING  
8 THE DATE BY WHICH THE BOARD OF GOVERNORS SHALL BEGIN REPORTING  
9 ANNUALLY THE NUMBER OF STUDENTS WHO GRADUATED FROM EARLY  
10 COLLEGE HIGH SCHOOL AND APPLIED FOR ADMISSION TO A CONSTITUENT  
11 INSTITUTION.

12 The General Assembly of North Carolina enacts:

13 SECTION 1. G.S. 116-31.10 reads as rewritten:

14 "§ 116-31.10. Powers of Board regarding certain purchasing contracts.

15 (a) Notwithstanding G.S. 143-53.1 or G.S. 143-53(a)(2), the expenditure benchmark for  
16 the President of The University of North Carolina or a special responsibility constituent  
17 institution with regard to competitive bid procedures and the bid value benchmark shall be an  
18 amount not greater than five hundred thousand dollars (\$500,000). The Board shall set the  
19 benchmark for the President and each institution from time to time. In setting an institution's  
20 the benchmark for the President or an institution in accordance with this section, the Board  
21 shall consider the institution's—overall capabilities including staff resources, purchasing  
22 compliance reviews, and audit reports—reports of the President's administrative staff or the  
23 institution. The Board shall also consult with the Director of the Division of Purchase and  
24 Contract and the Director of the Budget prior to setting the benchmark.

25 (b) ~~Each~~ If the President or a constituent institution with has an expenditure benchmark  
26 greater than two hundred fifty thousand dollars (\$250,000) two hundred fifty thousand dollars  
27 (\$250,000), the President or constituent institution shall comply with this subsection for any  
28 purchase greater than the President's or institution's benchmark set by the Board but not greater  
29 than five hundred thousand dollars (\$500,000). This—The President or institution shall submit to  
30 the Division of Purchase and Contract for that Division's approval or other action deemed  
31 necessary by the Division a copy of all offers received and the President's or institution's  
32 recommendation of award or other action. Notice of the Division's decision shall be sent to that  
33 the President or the institution. The President or institution shall then proceed with the award of  
34 contract or other action recommended by the Division."

35 SECTION 2. G.S. 143-53.1 reads as rewritten:

36 "§ 143-53.1. Setting of benchmarks; increase by Secretary.



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1 (a) On and after July 1, 2014, the procedures prescribed by G.S. 143-52 with respect to  
2 competitive bids and the bid value benchmark authorized by G.S. 143-53(a)(2) with respect to  
3 rule making by the Secretary of Administration for competitive bidding shall promote  
4 compliance with the principles of procurement efficiency, transparency, and fair competition to  
5 obtain the State's business. For the President of The University of North Carolina or a special  
6 responsibility constituent institution of The University of North Carolina, the benchmark  
7 prescribed in this section is as provided in G.S. 116-31.10. For community colleges, the  
8 benchmark prescribed in this section is as provided in G.S. 115D-58.14.

9 ...."

10 **SECTION 3.** Section 26.4 of S.L. 2012-142 reads as rewritten:

11 **"REPAIRS AND RENOVATIONS RESERVE ALLOCATION**

12 ...

13 **"SECTION 26.4.(b)** Notwithstanding G.S. 143C-4-3(d), of the funds allocated to the  
14 Board of Governors of The University of North Carolina in subsection (a) of this section, a  
15 portion shall be used by the Board of Governors for the installation of fire sprinklers in  
16 university residence halls. This portion shall be in addition to funds otherwise appropriated in  
17 this act for the same purpose. Such funds shall be allocated among the university's constituent  
18 institutions by the President of The University of North Carolina, who shall consider the  
19 following factors when allocating those funds:

- 20 (1) The safety and well-being of the residents of campus housing programs.
- 21 (2) The current level of housing rents charged to students and how that  
22 compares to an institution's public peers and other UNC institutions.
- 23 (3) The level of previous authorizations to constituent institutions for the  
24 construction or renovation of residence halls funded from the General Fund,  
25 or from bonds or certificates of participation supported by the General Fund,  
26 since 1996.
- 27 (4) The financial status of each constituent institution's housing system,  
28 including debt capacity, debt coverage ratios, credit rankings, required  
29 reserves, the planned use of cash balances for other housing system  
30 improvements, and the constituent institution's ability to pay for the  
31 installation of fire sprinklers in all residence halls.
- 32 (5) The total cost of each proposed project, including the cost of installing fire  
33 sprinklers and the cost of other construction, such as asbestos removal and  
34 additional water supply needs.

35 The Board of Governors shall submit progress reports to the Joint Legislative Commission  
36 on Governmental Operations. Reports shall include the status of completed, current, and  
37 planned projects. Reports also shall include information on the financial status of each  
38 constituent institution's housing system, the constituent institution's ability to pay for fire  
39 protection in residence halls, and the timing of installation of fire sprinklers. Reports shall be  
40 submitted on January 1 ~~and July 1~~ of each year until all residence halls have fire sprinklers.

41 ...."

42 **SECTION 4.** Section 11.16 of S.L. 2015-241 reads as rewritten:

43 **"EARLY COLLEGE GRADUATES/UNC ADMISSION POLICY**

44 ...

45 **"SECTION 11.16.(b)** Beginning ~~March 1, 2017, September 30, 2017,~~ the Board of  
46 Governors shall report annually to the Joint Legislative Education Oversight Committee  
47 regarding the number of students who graduated from a cooperative innovative high school  
48 program with an associate degree and which option was chosen by those students when  
49 applying for admission to a constituent institution.

50 ...."

51 **SECTION 5.** This act is effective when it becomes law.