

# CONCORD UNIVERSITY BOARD OF GOVERNORS

## POLICY NO. 38

### CAPITAL SPENDING POLICY

#### **Section 1. General**

- 1.1 Scope: Consistent with the provisions of WV Code §18B-1-6, the following policy will govern the management of Concord University Facilities Master Plans, Five Year Campus Development Plans and capital projects in excess of \$250,000.
- 1.2 Authority: This rule is promulgated under the authority granted in WV Code § 18B-1-6, 18B-1B-4, and 18B-10-8.
- 1.3 Effective Date: August 2, 2007

#### **Section 2. Purpose**

- 2.1 The purpose of this policy is to establish guidelines, delegate appropriate authority and assign responsibility for the governance of capital planning and management activities under the authority of the Concord University Governing Board.
- 2.2 These activities shall include but are not limited to the following:
  - a. Development of the Ten-year Campus Facility Master Plan
  - b. Development of the University's five-year development plan.
  - c. Planning, financing, acquiring, building and/or renovating capital facilities and equipment.
  - d. Demolition of existing facilities.
  - e. Acquisition or disposal of real property.
  - f. Preparing capital project reports as required.

This policy shall also govern the acquisition of facilities, real property, and capital equipment by lease or lease/purchase.

#### **Section 3. Governing Board's Assignment of Responsibility and Process for Review and Approval of Capital Projects.**

- 3.1 It shall be the responsibility of the University President or his (her) designee to propose to the Governing Board for review and approval all of the following:
  - Ten-year facilities master plans
  - Five-year development plans and reports.
  - Capital projects expected to exceed a total of \$250,000.
  - Capital lease or lease /purchase agreements in excess of \$250,000.
  - Acquisition or disposal of real property.

- 3.2 Such projects as cited in section 3.1 above shall be submitted to the Board of Governors through its committee on Finance and Facilities.
- 3.3 Capital projects including capital leases expected to exceed one million dollars require HEPC approval.
- 3.4 In the event of multiple capital projects exceeding \$250,000, the projects should be recommended in proposed order of priority.
- 3.5 Prior to submission to the HEPC, Facilities Master Plans should be reviewed by the Governing Board to insure that the plans are designed to support the mission and current programs of the University and are realistically consistent with anticipated funding.
- 3.6 Prior to submission to the HEPC, five year campus development plans should be reviewed by the Governing Board to insure that the plans are designed to support the mission and current programs of the University and are realistically consistent with changing conditions and anticipated funding.
- 3.7 Individual Capital Projects exceeding \$250,000 should be reviewed by the Governing Board for funding availability and consistency with the objectives of the current campus five-year development plan or such other justification as may be warranted.
- 3.8 The Governing Board and the institution shall not approve or promote projects involving private sector businesses, which would have the effect of reducing property taxes on existing properties or avoiding, in whole or in part, the full amount of taxes which would be due on newly developed or future properties.