

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

STATEMENT OF POLICY

POLICY NUMBER: 4-2-101

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POLICY TITLE: PERMANENT IMPROVEMENTS

LEGAL AUTHORITY: Sections 2-47-40, 2-47-50, 2-47-55, 59-53-50 (7), 59-53-57 and 59-101-370 of the South Carolina Code of Laws, as amended

Section 19-445.2145 of the South Carolina Code of Regulations, as amended

DIVISION OF RESPONSIBILITY: Finance

DATE APPROVED BY BOARD: May 24, 2022

DATE OF LAST REVISION: May 24, 2022

It shall be the policy of the State Board for Technical and Comprehensive Education to approve the establishment of any permanent improvement project prior to any expenditure of funds, advertising for bids, or incurring of commitments of any kind. A permanent improvement project is defined as follows:

- (1) Acquisition of land, regardless of cost;
- (2) Acquisition, as opposed to the construction, of buildings or other structures, regardless of cost;
- (3) Work on existing facilities for any given project including their renovation, repair, maintenance, alteration, or demolition in those instances in which the total cost of all work involved is one million dollars or more;
- (4) Architectural and engineering and other types of planning and design work, regardless of cost, which is intended to result in a permanent improvement project. Master plans and feasibility studies are not permanent improvement projects and are not to be included;
- (5) Capital lease purchase of a facility acquisition or construction in which the total cost is one million dollars or more;
- (6) Equipment that either becomes a permanent fixture of a facility or does not become permanent but is included in the construction contract shall be included as a part of a project in which the total cost is one million dollars or more; and
- (7) New construction of a facility that exceeds a total cost of five hundred thousand dollars.

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A college that has been authorized or appropriated capital improvement bond funds, capital reserve fund or state appropriated funds, or state infrastructure bond funds by the General Assembly for capital improvements shall process a permanent improvement project, regardless of the amount.

Each college is required to submit an annual Comprehensive Permanent Improvement Plan (CPIP) describing its physical work program for year one, its requests for Capital Improvement Bond (CIB) funding in year two, and its tentative work plan for three years into the future for a total of five years. CPIP projects for year one and year two shall be submitted to the State Board for approval at the July meeting each year.

SBTCE staff may approve budget increases up to \$500,000 or 10% of the total budget, whichever is greater, for projects previously approved by the Board. All interim projects (new projects not included in year one or year two of the most recent CPIP) or increases to previously approved projects greater than \$500,000 or 10% of the total budget, whichever is greater, are subject to action by the Board. All project close-outs, budget decreases, and changes in funding sources may also be approved by SBTCE staff. Architectural and engineering and other types of planning and design work for new projects may be approved by staff. Projects for which the General Assembly provided capital improvement bond funds, capital reserve funds, state-appropriated funds, or state infrastructure bond funds and for which the total budget is less than \$2,500,000, shall require staff approval only.

Routine repair, replacement, and maintenance projects may be submitted at any time for approval at staff level. The following examples illustrate the types of projects that are considered routine repair, replacement, and maintenance of existing facilities:

1. Roof repair/replacement
2. Building system modifications (HVAC, plumbing, electrical, etc.)
3. Interior refurbishment without major reconfiguration of interior space
4. Exterior refurbishment (waterproofing, window replacement, etc.) excluding additions beyond approximately 1,000 sq. feet
5. Renovation with a total budget of less than \$1,000,000 that does not result in major building use change or additions beyond approximately 1,000 sq. feet
6. Code compliance (ADA, elevator, fire, electrical, etc.)
7. Infrastructure modifications/replacement (communications systems, sewers, waterlines, steam lines, etc.)

Staff shall provide to the Board at each meeting a written summary of the permanent improvement actions that were approved in accordance with this staff delegation authority.

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Also, staff retains the authority to take projects before the Board for approval in which the requested action may meet the aforementioned criteria for staff delegation.