

STATE BOARD OF COMMUNITY COLLEGES

Request to Increase Contract Delegation From \$25,000 to \$50,000

Request:

The State Board is asked to approve an increase in the authority of the System President to sign and execute contracts without prior State Board approval from \$25,000 to \$50,000 effective January 1, 2010.

Rationale:

In August of 2005, the State Board approved an increase to the authority of the System President to sign and execute contracts without prior State Board approval from a \$5,000 to a \$25,000 delegation. At its July 17, 2009 meeting, the Finance & Capital Needs Committee of the State Board of Community Colleges requested that an analysis be done of the service agreements to determine if that authority should be increased. At the September 17, 2009 Finance & Capital Needs Committee meeting, after some discussion of the analysis presented, there was a motion to present to the full Board a recommendation to increase the delegation to \$50,000.

The analysis presented at the September meeting was for a four-year period, fiscal year 05-06 through fiscal year 08-09. During that time the System Office issued 310 contracts. The contracts were categorized to show what types of contracts have been issued. The attached chart lists how many contracts have been issued for each type and what dollar range those contracts were for. Over half of the contracts issued, 69 percent, are under \$25,000 and 16 percent are \$100,000 or greater. The remaining 15 percent is spread out amongst the other dollar ranges.

Contact Person:

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**ANALYSIS OF CONTRACTS
FROM FY05-06 THROUGH FY08-09**

	Less than \$25,000	\$25,000 up to \$35,000	\$35,000 up to \$45,000	\$45,000 up to \$50,000	\$50,000 up to \$75,000	\$75,000 up to \$100,000	\$100,000 and Greater	TOTAL
Conference Speakers/Facilitators	60	0	0	0	0	0	0	60
Fed/State Mandate	7	0	0	0	1	0	5	13
Lease	4	0	0	0	0	0	0	4
Licenses	4	0	0	0	3	1	6	14
Marketing	14	1	0	1	2	0	5	23
Professional Development	5	0	0	1	0	1	4	11
Studies/Evaluations	13	0	2	0	4	1	2	22
Support-Administrative	30	3	1	0	1	1	0	36
Support-Program	17	1	3	0	1	2	15	39
Support-Technical	15	5	1	0	1	0	7	29
Training/Workshops	45	5	0	1	2	0	6	59
Total:	214	15	7	3	15	6	50	310
Percentage of Total:	69%	5%	2%	1%	5%	2%	16%	100%

Note:

Support-Administrative: Contracts are agreements with individuals or a community college to provide administrative services for the System Office, such as individuals who serve as interim staff and operating expenses of System Office regional employees located at a community college.

Support-Program: Contracts are agreements with community colleges or vendors to provide services for a program such as NC STARS, NOW, or the automotive program.

Support-Technical: Contracts are agreements with vendors, universities, or other state agencies to provide services for information technology.