



University of Connecticut  
*Office of the Executive Vice President  
for Administration and Chief Financial Officer*

April 24, 2013

TO: Members of the Board of Trustees

FROM: Richard D. Gray  
Executive Vice President for Administration and Chief Financial Officer

Mun Y. Choi  
Provost and Executive Vice President for Academic Affairs

RE: Increase in Board of Trustees Reporting Thresholds for Both Information and Approval of Contracts and Project Budgets

RECOMMENDATION:

That the Board of Trustees approve an increase in the required dollar thresholds for high-value contracts and project budgets and reporting of University contracts for information.

To ensure fiscal stability, the University must inform the Board of Trustees after contracting for goods and services and request approval for large scope, high-value contracts. The proposed change will require that all contracts calling for the expenditure or receipt of funds, goods or services ("value") of \$2,000,000 or greater, except contracts for the provision or receipt of academic research services, receive approval of the Board of Trustees prior to execution by the University. All contracts with a value of \$1,000,000 or greater, but less than \$2,000,000, shall be presented to the Board of Trustees as a subsequent information agenda item.

The proposed change will also require that all capital construction projects calling for the expenditure of \$2,000,000 or greater, receive approval of the Board of Trustees prior to execution by the University. For all capital construction projects with a value of less than \$2,000,000, authority to approve budgets is the responsibility of the President or his/her designee subject to email approval, within 48 hours of the request, by the Buildings, Grounds and Environment Committee of the Board of Trustees. Approval is defined as an affirmative response or no response. The Executive Vice President for Administration and Chief Financial Officer has the authority to approve UCONN 2000 named projects less than \$2,000,000, and the Buildings & Grounds Committee (UConn)/Space Management Committee (UCHC) has the authority to approve Deferred Maintenance and other non-named projects less than \$2,000,000.

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## BACKGROUND:

The reporting thresholds as designated herein shall pertain to all University contracts and UCONN 2000 and non-named projects.

Except in exigent circumstances presenting extraordinary conditions or contingencies that could not reasonably be foreseen and guarded against as determined by the President or Executive Vice President for Administration and Chief Financial Officer, or Executive Vice President for Health Affairs, when applicable, all contracts or amendments thereof, except as set forth below, calling for the expenditure or receipt of funds, good or services ("value") of \$2,000,000 or greater shall require approval of the Board of Trustees (or the Health Center's Board of Directors for contracts involving the Health Center) prior to execution by the University. The Board of Trustees shall approve all real estate leases, or amendments thereof, whether the University is the lessor or lessee, prior to execution by the University.

All contracts or amendments thereof, with a value of \$1,000,000 or greater, but less than \$2,000,000, shall be presented to the Board of Trustees (or the Board of Directors for contracts involving the Health Center) as a subsequent information agenda item after execution.

All professional design, professional services or pre-construction related contracts, or amendments thereof (including change orders), incorporated into a planning or design capital project budget approved by the Board of Trustees or Board of Directors, and all professional design, professional services, pre-construction or construction-related contracts, or amendments thereof, incorporated into a final capital project budget approved by the Board of Trustees or Board of Directors, may be executed without further authorization from the Board of Trustees or Board of Directors. All such contracts with a value of \$1,000,000 or greater shall be presented to the Board of Trustees or Board of Directors as a subsequent information agenda item after execution.

All contracts or amendments thereof, to retain audit-related professional services in any amount shall require approval of the Joint Audit and Compliance Committee of the Board of Trustees prior to execution.

All contracts, or amendments thereof, for the provision or receipt of academic research or related services with a value of less than \$5,000,000 may be executed without prior approval of the Board of Trustees or Board of Directors, provided all such contracts or amendments with a value of \$1,000,000 or greater are presented to the Board of Trustees or Board of Directors as a subsequent information agenda item after execution.

The President is authorized to sign all University contracts, or amendments thereof, of any value (provided the Board of Trustees or Board of Directors has approved those with a value of \$2,000,000 or more, to the extent such approval is required above, or \$5,000,000 or more if a research related contract). He or she is further authorized to delegate in writing his or her signing authority for contracts, consistent with this resolution, to other University administrators as he or she may from time to time determine appropriate.