I. Policy

This document sets forth the University of South Carolina policy on the establishment of permanent improvement projects for building and property acquisitions, construction and renovation projects, professional services for such projects, and capital lease purchases for facility acquisition or construction. The University will follow procedures consistent with the requirements of the South Carolina State Budget and Control Board’s manual for Planning and Execution of State Permanent Improvements and SC Code of Laws 2-47-50 and 2-47-55.

Facilities Planning and Programming (FPP) is responsible for establishing all Permanent Improvement Projects (PIP) regardless of the source of funding.

A. Permanent Improvements

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.

II. Procedures

The Department of Facilities Planning and Programming shall submit a Comprehensive Permanent Improvement Plan (CPIP) each year in accordance with SC Code Section 2-47-55. The CPIP must include all of the permanent improvement projects anticipated or to be proposed over the next five years beginning with the fiscal year starting July 1 after submission. Projects planned for the first year include all projects that the University expects to initiate in the upcoming fiscal year for which the funding sources are already available or for which there is a reasonable certainty the funding will be available during the year. The second and remaining years of the plan focus on projects for which the agency will request funds from the General Assembly, as well as projects that the agency anticipates having its own or other non-state funding sources for. Projects shall be categorized and prioritized for submission as the University's CPIP.

A. Comprehensive Permanent Improvement Plan (CPIP)

1. Requests
   Written requests for projects that must be established as Permanent Improvement Projects (PIP) shall be submitted to Facilities Planning and Programming. All requests must be submitted each year by September 1 to be included in the CPIP for the next fiscal year.

   Projects included in the first and second years of the CPIP must be described in detail and must include:
   a. Project Description;
   b. Project Justification;
   c. Alternatives considered;
   d. Estimated Project Cost;
   e. Additional Operating Costs;
   f. Proposed Source of Funds.

   Projects included in years Three through Five require only Project Name, Estimated Cost and Proposed Source of Funds.

2. Preparation
   Facilities Planning and Programming receives all requests for Permanent Improvement Projects each year by September 1, then prepares the CPIP in
accordance with the instructions of the Capital Budgeting Agency of the Office of State Budget, State Budget and Control Board and the Manual for Planning and Execution of State Permanent Improvements.

4. Submittals
CPIP projects must still receive individual approval from the University Board of Trustees. The completed CPIP shall be submitted to the University President, Commission on Higher Education (CHE), and to the Capital Budgeting Agency of the SC State Budget and Control Board. After the CPIP receives CHE recommendation, it shall be forwarded to the Joint Bond Review Committee. When the recommendation of the Joint Bond Review Committee is received, the CPIP shall be forwarded to the SC Budget and Control Board for final approval.

5. Notification of CPIP Approval
When Facilities Planning and Programming is notified that the CPIP has received final approval, the requesting departments and campuses are notified.

6. Establishment of Project
When the desired start date for a project has been established, Facilities Planning and Programming will submit the project for approval by the University Buildings and Grounds Committee and the Board of Trustees. Following the Board of Trustees’ approval, Facilities Planning and Programming will submit a Form A-1 and a Form A-49 to the CHE. After the CHE has reviewed and approved the request, it shall be forwarded to the Capital Budgeting Agency of the Office of SC Budget and Control Board. The project is submitted to the Joint Bond Review Committee and the Budget and Control Board for approval. The Capital Budgeting Agency assigns the project number and returns the approved Form A-1 to Facilities Planning and Programming.

7. Notification of Project Approval
Facilities Planning and Programming will notify the appropriate University parties of all approved projects and revisions.

8. Project Implementation
The Controller's Office shall assign an account number to the project. At this time, the project can be initiated and funds expended.

B. Interim Projects

If a project need arises that is not included in the CPIP, an Interim Permanent Improvement Project must be established. Interim projects are not encouraged and should be avoided except in cases of need. A written request must be sent to Facilities Planning and Programming as outlined in Section II.A.1. above. Facilities Planning and Programming will establish the project. The submittal, approval, and notification process will be as outlined above.
III. Reasons for Revision

Policy revisions are needed due to departmental reorganization, departmental name changes, and to comply with changes on state approval procedures which have increased some monetary thresholds which mandate CHE, Joint Bond Review Committee and Budget and Control Board review and approval.