



# NORTHWEST FLORIDA STATE COLLEGE

## Memo

To: Board of Trustees

From: Dr. Devin Stephenson, President

Date: November 28, 2023

Re: Final Review: FG 6.00 Delegation of Approval for Construction

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The College recommends updating the language of Board Policy FG 6.00 Delegation of Approval for Construction to be consistent with other Board Policy regarding College purchases and Board approval of those purchases. FG 6.00 currently states that the President may approve construction change orders less than \$250,000, but that the Board must designate a Board member to approve change orders that exceed that amount. After the Board's designated trustee approves the order, the item must be presented to the Board for ratification. The College proposes streamlining this process, consistent with other Florida law and Board Policy regarding purchasing, such as BS 5.00 and State Board of Education Rule 6A-14.0734.

The College proposes that the President may approve any project update up to the Category Five threshold in § 287.017, F.S. but that any change exceeding that threshold must be submitted to the Board for review and approval prior to agreeing to any such change. This policy would apply to all agreements, not just construction. Using the statutory category thresholds rather than specific amounts will ensure that the policy will update over time as the statutory limits are amended. The current categories are:

The purchasing categories are:

- (1) Category One: \$20,000
- (2) Category Two: \$35,000
- (3) Category Three: \$65,000 (Absent an exception, formal solicitation and Board approval is required for these purchases.)
- (4) Category Four: \$195,000
- (5) Category Five: \$325,000 (Prior Board approval is required for these purchases.)

The current version of FG 6.00 lists \$250,000 as the change order threshold, which was the prior Category Five amount before it was increased to \$325,000, but the policy has not been updated to reflect that change. The Board approved similar changes to BS 5.00 to use the category designations rather than specific amounts. The proposed revisions would promote efficiency and clarity. The proposed revision also avoids a situation in which the Board does not ratify a change pre-approved by a designee; rather, the College will submit any change exceeding the threshold directly to the Board for prior review and approval.

### RECOMMENDATION:

The Board of Trustees approves the revisions to FG 6.00, as presented.