### DHHS POLICIES AND PROCEDURES

Section VI: Property and Construction

Title: Renovations/Additions to Leased Space

Current Effective Date: 8/1/02 Revision History: 8/1/02 Original Effective Date: 2/1/96

### **Purpose**

The purpose of this policy is to clarify how renovations and/or additions are made to property leased by the North Carolina Division of Health and Human Services (NC DHHS) Divisions/Facilities/Schools.

## **Policy**

Renovations/additions of leased space prior to occupancy are the responsibility of the lessor as indicated by the lease agreement. All renovations/additions are submitted to the Division of Property and Construction before any renovations occur. Renovations/additions desired by the lessee during the lease term and for which the lessee is willing to pay are constructed by the lessor and paid for by the lessee. All changes which alter floor plans will be forwarded to the State Property Office by the Division of Property and Construction for approval before any work can commence.

# **Implementation**

It is the lessor's responsibility to arrange for any renovations or additions above and beyond the original terms of the lease. Such changes include additional electrical outlets, cabinets, etc. and other renovations or additions desired by the lessee which are not considered maintenance items. Cost estimates must be obtained through the lessor. Availability of funds must be verified and approved before the changes can be made. Once the changes and the funding are approved, the lessee indicates to the lessor that the work can be started. When the work is complete, the lessor sends an invoice to the lessee made payable to the lessor and it is processed in the same way as other bills.

#### Reference

DHHS Directive Number II-17 and G.S. 143 B-10; 122C-4-3(1) through (8); G.S. 160A-148.

For questions or clarification on any of the information contained in this policy, please contact <u>Property and Construction</u>. For general questions about department-wide policies and procedures, contact the <u>DHHS Policy Coordinator</u>