

DHHS POLICIES AND PROCEDURES

Section VI:	Property and Construction
Title:	Capital Improvement Projects/Funds Management
Current Effective Date:	8/1/02
Revision History:	
Original Effective Date:	8/1/02

Purpose

The purpose of this policy is to clarify the management of capital improvement funds for the North Carolina Department of Health and Human Services (NC DHHS).

Policy

The director of the Division of Property and Construction is responsible for development and management of the Capital Improvement Budget for DHHS. This responsibility includes all capital improvement funds that are budgeted and allotted as well as any funds remaining in capital projects that are complete. State law prohibits the expenditure of capital improvement funds for purposes for which they were not appropriated without the approval of the Office of State Budget and Management (OSBM). It is the responsibility of the director of the Division of Property and Construction or his designee to obtain permission from OSBM prior to the transfer of any funds from one project to another.

Implementation

When funds are appropriated for a capital project the director or his designee will notify the division, facility or school for which the funds are intended. The Division of Property and Construction will coordinate and approve all capital requests for new centers, budget revisions and allotments before they are sent to the State Controller's Office or the OSBM. Once funds are budgeted in a project, the Division of Property and Construction will work with the business office of the division, facility or school to determine the appropriate expenditure accounts for the project. All capital improvement internal budget revisions to move funds from one expenditure line to another must have the prior approval of the Division of Property and Construction. No funds may be expended from any project contingency reserve without the prior approval of the director or his designee.

If unforeseen circumstances necessitate the movement of additional funds into a project or between projects, the capital project coordinator for the division, facility or school involved must make a written request to the director of the Division of Property and Construction detailing why the need exists. No funds may be expended for any change order unless the change order is signed by the director or his designee. It is the responsibility of each capital project coordinator to inform the Division of Property and Construction at the earliest

possible point when additional funds may be needed or when funds may need to be moved between expenditure lines.

Reference

DHHS Directive Number II-17 and G.S. 143 B-10; 122C-403(1) through (8); G.S. 160A-148

For additional relevant information and forms:

Office of State Budget and Management: <http://www.osbm.state.nc.us/osbm/>

Office of the State Controller: <http://www.ncosc.net/>

For questions or clarification on any of the information contained in this policy, please contact [Property and Construction](#). For general questions about department-wide policies and procedures, contact the [DHHS Policy Coordinator](#)