

Prepared by the Office of Procurement and Real Property Management. This procedure replaces A8.300 dated April 2003

A8.300

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A8.300 Real Property

July 2007

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A8.300 Interests in Real Property

1. General.

All requests relating to the acquisition or conveyance of real property and interests in real property by the University shall be processed in accordance with Section 10-1 of the Board of Regents Bylaws and Policies and the procedures set forth herein.

2. Procedures

- a. In accordance with Section 10-1 of the Board of Regents Bylaws and Policies, all transactions involving the acquisition or conveyance of real property or interests in real property where the transaction exceeds a duration of one (1) year or the estimated value of the transaction exceeds fifty thousand dollars (\$50,000) are required to be approved by the Board of Regents.
- b. The President and his designee(s) have been delegated authority to approve all other transactions involving the acquisition or conveyance of real property and interests in real property.
- c. All University programs desiring to acquire or convey real property or interests in real property which would require Board approval shall prepare an action memorandum to the Board of Regents requesting authorization to enter into the transaction.

- d. The action memorandum shall be submitted to the Office of the President via the respective Chancellor for review and approval.
  - e. The Office of Procurement and Real Property Management (OPRPM) will prepare and/or review the draft documentation for the proposed transaction and coordinate with the appropriate University administrators for written comments or recommendations.
  - f. The OPRPM will forward all real property documents to the Office of the Vice President for Legal Affairs and University General Counsel for legal review and approval as to form.
  - g. Upon completion of the legal review the approved documents will be submitted with the action memorandum for Board approval.
  - h. All requests for modifications or amendments to agreements relating to interests in real property shall be forwarded to the OPRPM for processing in accordance with these procedures.
  - i. Documents for the acquisition or conveyance of real property and interests in real property shall be executed on behalf of the University by any two of the following officers: the President, the Secretary of the Board of Regents, the Vice President for Budget and Finance/ Chief Financial Officer, or the Director of Procurement and Real Property Management.
  - j. The OPRPM will distribute copies of fully executed documents, as appropriate, and maintain official files for such documents.
3. Specific Guidelines For Conveyance Of Rights And Interests In University Real Property
- a. Conveyance of rights and interests in University real property shall be allowed only where such conveyance shall not interfere with University programs, operations, and activities.

- b. Conveyance of rights and interests in University real property shall require monetary payment or other forms of in-kind consideration based on fair market value. Governmental agencies and non-profit organizations may be exempted from this requirement when it is determined to be in the best interests of the University.
- c. Sales in fee simple of University real property shall be by sealed bids or public auction with an upset price based upon fair market value of the real property, or through competitive negotiations when it is determined to be in the best interests of the University.
- d. Leases with respect to University real property shall generally be granted for a period of no more than 25 years, except that longer terms may be approved when it is determined to be in the best interests of the University.
- e. Transferees of rights and interests in University real property shall:
  - 1) Indemnify the University and secure liability insurance which provides coverage for the University;
  - 2) Contribute a pro rata share of any operational, service, maintenance and other costs related to the real property being used as determined by the University; and
  - 3) Restore the real property to its original condition at the expiration of their rights and interests, unless the changes made thereto are of benefit to and accepted by the University.
- f. All agreements involving University real property shall be in writing.

4. Miscellaneous

- a. Requests for short-term use of facilities on University campuses shall be referred to the appropriate Chancellor or his/her designee(s) for review and processing in accordance with the facilities use procedures for each particular campus.
- b. In addition to the procedures set forth herein, requests by University programs for the use of non-University space and facilities shall be processed in accordance with APM A8.305.
- c. Requests relating to other proposed transactions involving real property including, but not limited to, licenses, permits, consents of entry, and similar rights of use with respect to University and non-University real property shall be referred to the OPRPM for review and approval.