



**BOISE STATE UNIVERSITY**

University Policy 6310

## Acquisition of Real Estate and Leasing Activities

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### **Effective Date**

May 2013

### **Responsible Party**

Chief Financial and Operating Officer and Vice President for Finance and Operations, (208) 426-1200

Treasury and Real Estate, (208) 426-2079

### **Scope and Audience**

This policy applies to the purchase or sale of real estate including the purchase or sale of improvements upon real property, the lease of University-owned facilities, and the lease of facilities by the University as tenant.

### **Additional Authority**

Idaho State Board of Education Policy, Section V.I.

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## **1. Policy Purpose**

To establish protocols relating to the sale, purchase, or lease of non-University owned real estate and facilities.

## **2. Policy Statement**

Boise State University is committed to ensuring compliance with all applicable laws and policies related to the purchase, sale, or lease of real estate or improvements upon real property. The purchase, sale, and lease of real estate and improvements upon real property are regulated by

Idaho State Board of Education policy and state law and are centrally managed by Treasury and Real Estate.

### **3. Definitions**

#### **3.1 Improvements Upon Real Property**

A permanent addition to, or betterment of real property that enhances its capital value and is designed to make the property more useful or valuable. Improvements upon real property do not include ordinary repairs or furniture, fixtures, and equipment.

### **4. Requirements**

Prior to the purchase or lease of a facility, the requesting department should contact Campus Planning and Facilities to determine if any facilities currently owned by the University will satisfy the department's needs.

#### **4.1 Sale or Purchase of Property**

All sales or purchases of real property or improvements thereon shall be referred to and managed by Treasury and Real Estate. Treasury and Real Estate will not authorize the sale or purchase of any asset, but will navigate the process by which review and approval may be obtained and make a recommendation to the appropriate decision maker regarding the proposed sale or purchase.

#### **4.2 University Lease as Landlord**

With the exception of the facilities and venues listed in Section 4.3, all leases of University-owned or -controlled spaces shall be coordinated through Treasury and Real Estate. Treasury and Real Estate may itself perform, or may elect to, delegate the functions of landlord and/or property/contract management.

#### **4.3 University Lease as Tenant**

Leases of non-University facilities must be coordinated through Treasury and Real Estate as follows:

- a. Departments seeking to lease space must first consult with Campus Planning and Facilities to review the departments space needs and determine if there are any space options within University-owned facilities that will meet those needs. If no suitable space is available within University-owned facilities, the department will be referred to Treasury and Real Estate for assistance in finding suitable outside space.

- b. Treasury and Real Estate will assist the department to develop a leased space budget and review spaces available for lease that fall within budget parameters. Leased spaces should follow space guidelines established by Campus Planning and Facilities as much as practically possible.
- c. Departments will be referred to Campus Planning and Facilities for assistance estimating remodeling costs of leased property, if any.
- d. Treasury and Real Estate will determine if the proposed lease requires approval from the Idaho State Board of Education, and when required, draft an agenda item for Idaho State Board of Education approval.
- e. The State of Idaho requires certain leases be procured through the Division of Public Works (DPW). Treasury and Real Estate will serve as the single point of contact for DPW on matters related to leases.
  - Treasury and Real Estate will coordinate the development of a Request for Proposals for the public procurement of lease spaces when required. For leases that do not requiring public bidding, Treasury and Real Estate will manage the procurement process with Purchasing.
  - Treasury and Real Estate, along with the department, will review bid responses and evaluate the proposed lease spaces.
  - Treasury and Real Estate, along with DPW, will negotiate the final terms of the lease with the landlord and provide the proposed lease to University General Counsel and the Chief Financial and Operating Officer and Vice President for Finance and Operations for review and approval. No lease will be signed by the University until the availability of sufficient funds or budget has been verified.
- f. Following execution of the lease, Treasury and Real Estate will assist the department in confirming that requested improvements have been made and guide the department to secure utilities not provided by the landlord.
- g. It is the responsibility of the leasing department to coordinate occupation of the leased space consistent with Treasury and Real Estate procedure.

- h. Treasury and Real Estate will communicate with the landlord regarding the lease contract, including renewals, extensions, and terminations of the lease, in addition to other non-operational issues. The department will communicate with property management regarding operational issues such as temperature control, noise, and maintenance and custodial issues.
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## **Revision History**