BOARD POLICY

Off-Campus Space

When circumstances require the Colleges to rent or lease additional space for one year or more for classroom, laboratory or office functions, the President shall prepare a recommendation for submittal to the Board of Trustees. The following information shall be included in the recommendation provided to the Board:

1. Purpose for renting or leasing the space
2. Amount of square footage to be rented or leased
3. Cost per square foot of leased or rented space
4. Length of time that lease or rental agreement is in force
5. Disclosure of any additional financial, personnel or programming obligations related to leasing or renting the space
6. Disclosure of any other miscellaneous obligations related to leasing or renting the space

A copy of the leasing or rental agreement shall be forwarded to the System Office for review prior to asking the Board to approve the recommendation. Once approved by the Board, the Agreement shall be signed by the President or Vice President for Administration and Finance and then by the Chancellor or Vice Chancellor for Finance and Administration or General Counsel.

On-Campus Space

If state facilities are not needed for their original purpose or other college-related purposes, the Board authorizes the Colleges to enter into agreements with other entities for lease or rental of vacant space. All alterations or improvements on the leased property will be done by the College, following current board policy for all such work, with all costs the responsibility of the entity leasing the property, unless otherwise noted in a memorandum of understanding, lease agreement or rental contract. In general, the Colleges shall avoid leasing/renting College facilities in such a way that they are in direct competition with available commercial facilities in the community. Rental rates may be charged which are comparable to similar facilities in that geographic region. The President may waive or reduce rental charges for public service functions as described in Board Policy 4350. Agreements shall specify proof of insurance requirements as applicable. Revenue will be deposited in the appropriate cash fund or revolving (revenue bond) fund.

The President is authorized to approve a memorandum of understanding, lease agreement or rental agreement, if agreement is less than ten thousand dollars ($10,000) per year (eight hundred thirty three dollars and thirty three cents [$833.33] per month). The agreement shall be signed by the President or Vice President for Administration and Finance.

A memorandum of understanding, lease agreement or rental agreement between ten thousand dollars ($10,000) and twenty four thousand dollars ($24,000) annually (eight hundred thirty three dollars and thirty four cents [$833.34] to one thousand nine hundred ninety nine dollars and ninety nine cents [$1,999.99] per month) shall be signed by the President or Vice President for Administration and Finance and then by the Chancellor or Vice Chancellor for Finance and Administration or General Counsel.
If the memorandum of understanding for a lease or rental agreement equals or exceeds twenty four thousand dollars ($24,000) annually, (two thousand dollars [$2,000] per month), the document will be submitted to the Board for approval. After approval by the Board, the agreement shall be signed by the President or Vice President for Administration and Finance and then by the Chancellor or Vice Chancellor for Finance and Administration or General Counsel. Subsequent agreements may be signed in accordance with the requirements for the original lease, unless the agreement has had substantial revisions.

Copies of all agreements, in the proper format, shall be filed with the System Office and reported to the Board.