

VIII-4.01 – PROCEDURES FOR THE ACQUISITION AND DISPOSITION OF REAL PROPERTY

(Approved by the Board of Regents on February 9, 2001; Amended on February 22, 2019).

I. GENERAL

These procedures are intended to implement portions of BOR Policy VIII-4.00 “Policy on Acquisition, Disposition, and Leasing of Real Property” (“the Policy”) and shall be interpreted consistent with the provisions of that Policy, including the definitions therein. In case of any inconsistency, the Policy shall govern.

II. ACQUISITIONS

A. Proposal

Subject to Section II.E. of these procedures, whenever an Institution or the Office seeks to acquire real property, its president or VCAF shall submit to the Chancellor for review a proposal that includes the following:

1. Description (including improvements) and location of the property;
2. Location map;
3. Anticipated cost based upon most recent appraisals, assessments, and other available information;
4. Source of funds and/or other consideration to be used for the acquisition;
5. If external financing or other form of borrowing is to be used, the expected terms and the source for paying the debt service;
6. If a contract containing an option to purchase or right of first refusal is involved, the terms of the option or right of first refusal;
7. Amount, source, and nature of consideration for Capital Leases;
8. The purpose of the Acquisition; and

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9. Confirmation that the property is included in the institution's Board-approved acquisition plan or facilities master plan, or an explanation of why it is not.

Review shall include as appropriate the VCAF, the Office of the Attorney General (OAG), and officials of the Institution that submitted the proposal.

B. Due Diligence

Appropriate due diligence shall be undertaken with respect to any Acquisition and

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3. Easements, rights- of-way, and rights of entry, unless the VCAF, in collaboration both with the Institution receiving such easement, right-of-way, or right of entry and the OAG, determine that special circumstances dictate that the BPW approval should be sought.

BPW agenda items are prepared

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5. If a contract containing an option to purchase or right of first refusal has been received with respect to the property, the terms of the proposed option or right of first refusal;
6. Purpose of the Disposition; and
7. Confirmation that the Disposition is consistent with the institution's Board-approved facilities master plan, and explanation of any departure from that plan.

Review shall include as appropriate VCAF, OAG, and officials of the institution that submitted the proposals.

B. Due Diligence

Appropriate due diligence shall be undertaken with respect to any Disposition and shall be conducted collaboratively by staff of the System, the OAG, and the proposing institution. All elements of due diligence need not be completed before submission of a proposal to the

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Prior to seeking Board of Public Works approval, the VCAF shall notify the State Clearinghouse of the State Department of Planning of proposed Dispositions in accordance with applicable law.

E. Board of Public Works

All Dispositions must be approved by the BPW except easements, rights-of-way, and rights of entry. The VCAF, after consultation both with the Institution granting such easement, right-of-way, or right of entry, and the OAG, may determine that special circumstances dictate that BPW approval should be sought. BPW agenda items are prepared and submitted to BPW by VCAF staff.

IV. IMPLEMENTATION

These Procedures are effective upon their approval by the Board and replace any preceding policy under this Board policy number.