

Board of Trustees of the Nebraska State Colleges

Facilities

POLICY
NAME: Leasing or Renting Space

POLICY
NUMBER: 8027

A. PURPOSE

To identify the circumstances and requirements for renting or leasing space.

B. DEFINITIONS

None

C. POLICY

1. **Leasing or Renting 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:

- Purpose for renting or leasing the space.
- Amount of square footage to be rented or leased.
- Cost per square foot of leased or rented space.
- Length of time that lease or rental agreement is in force.
- Disclosure of any additional financial, personnel, programming, or 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.
- All agreements with a term exceeding one-year or continued beyond one-year should be on file with the accounting office.

2. Leasing or Renting On-Campus Space

If College 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. The agreement must address the following:

- 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.
- All agreements with a term exceeding one-year or continued beyond one-year should be on file with the accounting office.

2.1. Approvals and Thresholds

- Less than \$10,000

The President or Vice President of Finance and Administration is authorized to approve a lease agreement or rental agreement, if agreement is less than ten thousand dollars (\$10,000) per year, and no more than a five (5) year term. The agreement shall be signed by the President or Vice President for Administration and Finance.

- From \$10,000 but less than \$24,000

The Chancellor can approve an annual lease or rental agreement with a value of ten thousand dollars (\$10,000) but less than twenty four thousand dollars (\$24,000), and with a term of no more than five (5) years. 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.

- \$24,000 or more and term greater than five years

If a lease or rental agreement equals or exceeds twenty four thousand dollars (\$24,000) annually, or has a term of more than five (5) years, 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.

- Annual renewals beyond five years require Board approval.

FORMS/APPENDICES:

None

SOURCE:

Legal Reference:	Neb. Rev. Stat. 85-304	Board of trustees; powers and duties, enumerated.
	Neb. Rev. Stat. 85-314	Board of trustees; rules and regulations.

Policy Adopted: September 1997

Policy Revised: March 2013, January 2023