1. Authority

   a. The Board may acquire, hold, and dispose of real and personal property pursuant to Article IX, Section 2 and Article IX, Section 10, Idaho Constitution, pursuant to various sections of Idaho Code.

   b. Leases of office space or classroom space by any institution, school or agency except the University of Idaho are acquired by and through the Department of Administration pursuant to Section 67-5708, Idaho Code.

   c. All property that is not real property must be purchased consistent with Sections 67-5715 through 67-5737, Idaho Code, except that the University of Idaho may acquire such property directly and not through the Department of Administration. Each institution, school and agency must designate an officer with overall responsibility for all purchasing procedures.

   d. Sale, surplus disposal, trade-in, or exchange of property must be consistent with Section 67-5722, Idaho Code, except that the University of Idaho may dispose of such property directly and not through the Department of Administration.

   e. If the Executive Director finds or is informed that an emergency exists, he or she may consider and approve a purchase or disposal of equipment or services otherwise requiring prior Board approval. The institution, school or agency must report the transaction in the Business Affairs and Human Resources agenda at the next regular Board meeting together with a justification for the emergency action.

2. Acquisition of Real Property

   a. Acquisition of a real property interest, other than a leasehold interest, with a purchase price between five hundred thousand dollars ($500,000) and one million dollars ($1,000,000) requires prior approval by the Executive Director. A purchase exceeding one million dollars ($1,000,000) requires prior Board approval.

   b. Any interest in real property acquired for the University of Idaho must be taken in the name of the Board of Regents of the University of Idaho.

   c. Any interest in real property acquired for any other institution, school or agency under the governance of the Board must be taken in the name of the State of Idaho by and through the State Board of Education.

   d. This does not preclude a foundation or other legal entity separate and apart from an institution, school or agency under Board governance from taking title to real property in the name of the foundation or other organization for the present or future benefit of the institution, school or agency. (See Section V.E.)
e. Acquisition of a leasehold interest in real property by or on behalf of an institution, school or agency requires prior Executive Director approval if the cost exceeds five hundred thousand dollars ($500,000) over the term, or by the Board if the term of the lease exceeds five (5) years or if the cost exceeds one million dollars ($1,000,000) over the term.

f. Appraisal.
An independent appraiser must be hired to give an opinion of fair market value before an institution, school or agency acquires fee simple title to real property.

g. Method of sale - exchange of property.
The Board will provide for the manner of selling real property under its control, giving due consideration to Section 33-601(4), applied to the Board through Section 33-2211(5), and to Chapter 3, Title 58, Idaho Code. The Board may exchange real property under the terms, conditions, and procedures deemed appropriate by the Board.

h. Execution.
All easements, deeds, and leases excluding easements, deeds, and leases delegated authority granted to the institutions and agencies must be executed and acknowledged by the president of the Board or another officer designated by the Board and attested to and sealed by the secretary of the Board as being consistent with Board action.

3. Acquisition of Personal Property and Services

a. Purchases of equipment, data processing software and equipment, and all contracts for consulting or professional services either in total or through time purchase or other financing agreements, between five hundred thousand dollars ($500,000) and one million dollars ($1,000,000) require prior approval by the executive director. The executive director must be expressly advised when the recommended bid is other than the lowest qualified bid. Purchases exceeding one million dollars ($1,000,000) require prior Board approval. If the project budget for a purchase or the renewal cost for a service agreement increases above the approved amount, then the institution or agency may be required to seek further authorization, as follows:
Idaho State Board of Education  
GOVERNING POLICIES AND PROCEDURES  
SECTION:  V. FINANCIAL AFFAIRS  
Subsection:  I. Real and Personal Property and Services  
June 2014

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<th>Project or Service Agreement</th>
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<th>Cumulative Value of Change(s)</th>
<th>Aggregate Revised Project Cost or Total Obligation for Renewal to Service Agreement</th>
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b. Acquisition or development of new administrative software or systems that materially affect the administrative operations of the institution by adding new services must be reviewed with the executive director before beginning development. When feasible, such development will be undertaken as a joint endeavor by the four institutions and with overall coordination by the Office of the State Board of Education.

4. Hold of Personal Property

a. Inventory

An inventory of all items of chattel property valued at two thousand dollars ($2,000) or limits established by Department of Administration owned or leased by any agency or institution must be maintained in cooperation with the Department of Administration as required by Section 67-5746, Idaho Code.

b. Insurance

Each agency and institution must ensure that all insurable real and personal property under its control is insured against physical loss or damage and that its employees are included under any outstanding policy of public liability insurance maintained by the state of Idaho. All insurance must be acquired through the State Department of Administration or any successor entity.

c. Vehicle Use

Vehicles owned or leased by an institution or agency must be used solely for institutional or agency purposes. Employees may not, with certain exceptions, keep institutional vehicles at their personal residences. Exceptions to this policy include the chief executive officers and other employees who have received specific written approval from the chief executive officer of the institution or agency.
5. Disposal of Real Property

a. Temporary Permits
   Permits to make a temporary and limited use of real property under the control of
   an institution or agency may be issued by the institution or agency without prior
   Board approval.

b. Board approval of other transfers

   i. Leases to use real property under the control of an institution, school or agency
      require prior Board approval - if the term of the lease exceeds five (5) years or
      if the lease revenue exceeds two hundred fifty thousand dollars ($250,000).

   ii. Easements to make a permanent use of real property under the control of an
       institution, school or agency require prior Board approval - unless easements
       are to public entities for utilities.

   iii. The transfer by an institution, school or agency of any other interest in real
        property requires prior Board approval.

6. Disposal of Personal Property

Sale, surplus disposal, trade-in, or exchange of property with a value greater than five
hundred thousand dollars ($500,000) and less than one million dollars ($1,000,000)
requires prior approval by the Executive Director. Sale, surplus disposal, trade-in, or
exchange of property with a value greater than one million dollars ($1,000,000)
requires prior Board approval. All disposals approved by the Executive Director shall
be reported quarterly to the Board.

a. First Refusal
   When the property has a value greater than five thousand dollars ($5,000), the
   institution, school or agency must first make a good faith effort to give other
   institutions, school and agencies under Board governance the opportunity of first
   refusal to the property before it turns the property over to the Department of
   Administration or otherwise disposes of the property.

b. Sale of Services
   The sale of any services or rights (broadcast or other) of any institution, school or
   agency requires prior approval of the Board when it is reasonably expected that
   the proceeds of such action may exceed two hundred fifty thousand dollars
   ($250,000). Any sale of such services or rights must be conducted via an open
   bidding process or other means that maximizes the returns in revenues, assets, or
   benefits to the institution, school or agency.
c. Inter-agency Transfer
Transfer of property from one Board institution, school or agency to another institution, school or agency under Board governance may be made without participation by the State Board of Examiners or the Department of Administration, but such transfers of property with a value greater than two hundred fifty thousand dollars ($250,000) require prior Board approval.