1. General

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, Section 33-107, Idaho Code, and pursuant to various other sections of Idaho Code.

b. Unless approval is specifically required by this or another policy, and subject to the approval authorization limits set forth below, the Board delegates to the chief executive officer of each institution all authority necessary to conduct and engage in business transactions of an institution. The chief executive officer may further delegate such authority for business transactions, contracts and procurements in accordance with policies established by the institution. The chief executive officer is responsible for ensuring contracts and business transactions are aligned with the institution’s mission, as well as all applicable policies and procedures of the institution and the Board. The chief executive officer is responsible for informing the Board through its executive director of unusual or potentially news worthy transactions regardless of any delegation of authority.

c. This Policy does not apply to grants and contracts covered by Board Policy Section V.N. or to intellectual property transactions covered by Board Policy Section V.M.

2. Institution Approval Authorization Limits

a. Approval limits for all transactions other than those covered in 2.b and for the institution’s lease of real property (as lessee or lessor):

<table>
<thead>
<tr>
<th>Value of Transaction</th>
<th>Approval Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 1 million</td>
<td>Institution CEO has delegated authority</td>
</tr>
<tr>
<td>Over 1 million and up to 2 million</td>
<td>Executive Director has delegated authority</td>
</tr>
<tr>
<td>Over 2 million, or if the lease term exceeds 5 years</td>
<td>Board of Education</td>
</tr>
</tbody>
</table>

In determining the value of a transaction, all expenses incurred or revenues received throughout the term including renewal options shall be included. If the value of a transaction which did not originally require executive director or Board approval increases above 1 million dollars, then approval shall be sought from the executive director or the Board, as appropriate under the above approval limits. If a lease term including renewal terms did not exceed 5 years under the original term of a lease, but through amendment the term is extended, Board approval is required. If approval is required, and the recommended bid is other than the lowest qualified bid, the institution will provide its justification in its request for approval.
b. Approval limits for the acquisition or sale of real property:

<table>
<thead>
<tr>
<th>Value</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 2 million</td>
<td>Institution CEO has delegated authority</td>
</tr>
<tr>
<td>Over 2 million and up to 5 million</td>
<td>Executive Director has delegated authority</td>
</tr>
<tr>
<td>Over 5 million</td>
<td>Board of Education</td>
</tr>
</tbody>
</table>

If the value of a transaction which did not originally require executive director or Board approval increases above 2 million dollars, then approval shall be required by the executive director or the Board, as appropriate under the above approval limits.

3. Real Property

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

b. An independent appraiser must be hired to give an opinion of fair market value (FMV) before an institution, school or agency acquires fee simple title to real property. For transactions requiring approval for which the proposed purchase price exceeds 10% of FMV, written justification must be provided in the materials requesting approval.

c. 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.

d. 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.

e. An affiliated foundation or other legal entity separate and apart from an institution, school or agency under Board governance may hold 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 Board Policy Section V.E.)

f. All real estate transactions requiring Board action must be executed and acknowledged by the president of the Board or another officer designated by the president and attested to and sealed by the secretary of the Board as being consistent with Board action.

4. Procurement.
All property that is not real property must be purchased consistently with Chapter 92, Title 67, Idaho Code. Each institution, school and agency must designate an officer with overall responsibility for all purchasing procedures. The University of Idaho may acquire property directly and not through the Division of Purchasing. Institutions may establish their own policies and procedures for procurement as set forth in Section 67-9225, Idaho Code. Each institution must establish policies and procedures relating to the administration, management, monitoring and oversight of procurement contracts and issue an annual report as is required by Section 67-9219, Idaho Code.

5. Inventory of Personal Property
   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.

6. 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.

7. Vehicle Use
   Vehicles owned or leased by an institution or agency must be used solely for institutional or agency purposes.

8. Emergency.
   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.

9. Disposal of Personal Property
a. Sale, surplus disposal, trade-in, or exchange of property must be consistent with Section 67-5732A, Idaho Code, except that the University of Idaho may dispose of such property directly and not through the Department of Administration.

b. 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.

10. Sale of Services or Licensure of Assets

   Any transaction where an institution, school or agency seeks to grant to a third party the right to conduct the sale of services on the behalf of, or on property owned by, the institution, school or agency (such as concessions, broadcast or license rights) must be conducted via an open process that maximizes competition or other means that maximizes the returns in revenues, assets, or benefits to the institution, school or agency.

11. Inter-agency Transfer

   Transfer of personal 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 Board notification.

12. Institution Administrative Software or Systems.

   Procurement or development of new administrative software or systems that materially affect the administrative operations of an institution by adding new services must be reviewed with the Board’s executive director before beginning development. When feasible, efficient, and cost effective, such development should be undertaken as a joint endeavor with one or more of the other institutions, and with overall coordination by the Office of the State Board of Education.