

**Section:** General Administration

**Section Number:** 1.3.3

**Subject:** Policy Governing Acquisitions of Property

**Date of Present Issue:** 05/07/93

**Date of Previous Issues:**

POLICY:

Any offer of a donation of real property to Lake Superior State University or the Lake Superior State University Foundation will be referred to the property manager of Lake superior State University. The University property manager and Director of the Foundation will coordinate efforts related to acceptance of any gifts of real property. The following actions are required by the University before the Board of Regents will consider accepting a parcel of real property.

- a. The University property manager, director of the Foundation, or any executive officer of the University must visit the property to determine if the property is suitable for the proposed use whether it be for a University program or resale. The donor's wishes for use of the property or proceeds from the sale of the property will be considered.

If there is any indication that the property might have any environmental problems, the extent of the problems must be carefully assessed prior to consideration of acceptance. If the property has any environmental contamination, it must be cleaned up prior to acceptance by the University.

- b. The property will be appraised by a qualified appraiser before a recommendation for acceptance is presented to the Board of Regents. The appraisal may be ordered by either the donor or the University.

The University will not consider accepting any real property that is determined to be offered for resale with an appraised value of less than \$10,000 unless the potential exists for receiving additional gifts in the future from the donor.

- c. Title insurance will be obtained either at the cost of the donor or the University to provide assurance of clear title. All other costs incurred with the transfer of title to the University will be negotiated prior to presenting the proposal for acceptance to the Board of Regents.
- d. All prospective donors shall be informed that the only body who can accept property for the University is its Board of Regents.
- e. The Board of Directors of the Foundation will be informed of all proposed gifts of real property to the University. They will be notified of acceptance or rejection of the gift. If the gift is rejected, the Foundation Board will be informed of the reasons for rejection.
- f. Disposal of any real property deemed not to be needed for any University program must be approved by the Board of Regents. The Board of Regents shall determine the use of the proceeds of any sale of University property if the donor did not specify the intended use of any proceeds at the time the gift was received.

**Adopted by the Board of Regents on 05/07/93.**