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| BOARD POLICIES | LEASE OF SCHOOL FACILITIES (BP-4017) METRO TECHNOLOGY CENTERS | The on-line version of the policy is official. Therefore, all printed versions are unofficial copies. |
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1.0 POLICY:

In addition to the short term use of school facilities, the school district may authorize school owned real estate and equipment to be leased for longer periods of time on such terms and subject to such conditions as the board may prescribe consistent with the provisions of this policy. For purposes of this policy, a lease means a contract for the conveyance of exclusive possession of real or personal property for a fixed period of time in consideration of the payment of rent.

Approval Procedure

Prior to negotiating the lease of school owned real estate or equipment, the superintendent shall provide the board with an assessment of the school district's future need for such property and a recommendation regarding the terms and conditions upon which the property might be leased. Should the board find that the property is not currently being utilized for school purposes but is projected to be needed for future use, the property may be declared suitable for leasing and the superintendent may be authorized and instructed to make the property available such use.

Lease Terms

The lease of school owned real estate or equipment shall be made pursuant to a lease agreement in substantially the same form as is attached to this policy as Exhibits "A" and "B", respectively. No lease shall be entered into for less than fair value. "Fair value" shall include the value of the use of the property over the lease term plus all costs and expenses to be incurred by the school district in the performance of its obligations under the lease.

The school district shall retain the right to terminate the lease and retake possession of the property with appropriate advance notice if the school district determines that the leased property is again needed for school purposes. No lease agreement may extend beyond the end of the then current fiscal year if the lease contains any present or contingent obligation to expend school district revenues. Lease agreements with an initial or subsequent renewal term extending beyond the end of the then current fiscal year shall be reviewed and approved by school district legal counsel prior to submission to the board for approval.

Rental income may, by direction of the board, be deposited into the school district's general fund or into the fund from which the leased property was acquired or from which related services or expenses are to be paid. The school district shall obtain a fully executed copy of the lease agreement and all required certificates of insurance before permitting the lessee to occupy or take possession of the property.

2.0 CROSS REFERENCE: BP-4018

3.0 REVISION HISTORY:

| <u>Date:</u> | <u>Revision</u> | <u>Description of Revision:</u> |
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| 07-May-13 | A | Adopted |
| ** End of Policy ** | | |