

## LEASING OF OFF-CAMPUS PROPERTY

**The Board of Trustees requires that all off-campus leases comply with Board Rule 415 Attachment E. Any leases executed without compliance with Rule 415, E cannot be paid with University funds and the individual signing the lease may be personally responsible for the payments associated with a non-compliant lease.**

Operative leases may be approved by the campus Presidents or their designated agents who are authorized to sign lease agreements on behalf of the Board of Trustees of the University of Alabama, if they meet one of the following criteria:

- The lease has duration of one year or less.  
OR,
- The lease has a cumulative lease value of \$750,000 or less.  
(Example: \$5,000 per month x 12 = \$60,000; 5 year lease = \$300,000.)  
OR,
- The lease is between the University and an affiliated institution, such as a foundation or non-profit corporation.

The following items are required on each lease transaction meeting the above criteria:

- A statement from the director of the educational or administrative unit explaining the necessity of acquiring additional space. (See attached Off-Campus Leasing Request.)
- A statement from the campus designated agent that suitable space is not available on campus and that supports the selection of the specified lease space, addressing such issues as location, building amenities and price.
- An approval routing sheet that shows authorization from the educational or administrative unit responsible for the lease payments and UAs Designated Agent, Legal Counsel, Environmental Health and Safety, Public Safety, and the Vice President for Financial Affairs and Treasurer or his /her appropriate designee.

A file shall be maintained on each such lease transaction and include all of the above documents and the following:

- An executed copy of the lease document.

All operative leases that do not meet any of the listed criteria and all capital leases shall be presented to the Board of Trustees for approval prior to execution with the following documentation:

- A summary of the space to be leased identifying the location of the space, amenities, rental rate, property ownerships, etc.
- A statement from the director of the educational or administrative unit explaining the necessity of acquiring more space.
- A statement from the campus Designated Agent supporting the decision to lease the specified space.
- A copy of the contract to be executed.