


## CONTRACTING AND PURCHASING SERVICES POLICY MANUAL

	<b>POLICY PUR 305-08</b>
	Section: Orders and Requisitions
	Page 1 of 3
	Responsible office: Purchasing
	Origination date: 07/01/1996
<b>Subject: Real Property Leases</b>	Effective date: 07/01/1996
Source: University policy ABOR 7-306	Revision date:

### PURPOSE

To manage the process of leasing space off-campus.

### POLICY

#### **PUR 305-08-01: Justification for Off-Campus Lease**

University departments may lease space off-campus when:

1. Appropriate on-campus space is not available, or
2. The program must be located elsewhere in the state.

This policy and procedure assumes a department seeking a lease has received approval from its respective vice president/provost that a lease is necessary under particular circumstances and the funding for the lease has been approved. It further assumes the department has decided a lease is a better option than buying a facility. Once these decisions are made, this policy and procedure outlines the steps to be taken to obtain the lease.

#### **PUR 305-08-02: Departmental Responsibilities**

Real property leases are negotiated agreements and involve one or more real properties that have been selected by the user for their location and features.

The department must fund the total costs of using off-campus space. The cost of the lease typically includes base rent, maintenance charges, insurance, utilities, and custodial services.

Costs that are not part of the lease include, but may not be limited to, telephones, computer lines, tenant improvements and remodeling, furniture, signage, and the capability to dial five digit internal telephone numbers and access to computer services from an off-campus location.

Many aspects of a lease are negotiable and such things as maintenance, utilities, and custodial services may be provided by the landlord, by the University department, or by a third party.

Regardless of how these services are provided, the department is responsible for payment. If such services are provided by the landlord, these costs will be reflected in the lease payment; if provided by a University department, they will be charged back to the department; and if provided by a third party, the user department should take action to ensure all needed services are coordinated to meet the expected move-in date, following normal procurement procedures.

The department shall be responsible for notifying Contracting and Purchasing Services of upcoming renewal and or termination dates as required by the contract.

#### **PUR 305-08-03: Departmental Responsibilities**

Contracting and Purchasing Services will assist review the lease agreement after the department has negotiated the requirements of the lease with the prospective landlord. Contracting and Purchasing Services will review and obtain

## CONTRACTING AND PURCHASING SERVICES POLICY MANUAL

 <b>NORTHERN ARIZONA UNIVERSITY</b>	<b>POLICY PUR 305-08</b>
	Section: Orders and Requisitions
	Page 2 of 3
	Responsible office: Purchasing
<b>Subject: Real Property Leases</b>	Origination date: 07/01/1996
Source: University policy ABOR 7-306	Effective date: 07/01/1996
	Revision date:

the necessary approvals for the lease format and language, obtain the user department's approval of the lease terms, obtain necessary signatures and keep a copy of the lease on file. Contracting and Purchasing Services will provide a report of all property leases annually to the Board of Regents.

The purchase of furniture or the securing of a third party custodial contract is procured through Contracting and Purchasing Services.

Contracting and Purchasing Services reviews requisition documents submitted for support payments made to a landlord under a lease.

### **PUR 305-08-04: Information Technology Services Responsibilities**

Telecommunications and Computer Services may be able to provide telephone access and access to administrative computer systems to off-campus leased space. The user department should contact Telecommunications and Computer Services to determine the feasibility and cost of providing such services to the proposed lease space.

### **PUR 305-08-05: Responsibilities of Capital Assets and Services**

The department will work through Capital Assets and Services (CAS) for inspection of property if needed and to secure utilities, and when maintenance and repair of a facility is required.

### **PUR 305-08-05: Request for Leased Space<sup>6</sup>**

The requesting department shall:

1. Obtain the approval of appropriate vice president/provost for the off-campus lease.
2. Submit a requisition document for the lease and for any associated utility or service requirements. The requisition document for the lease must include a precise description of the property, the property location, square footage and cost per square foot.
3. Send a copy of the proposed contract (if one has been received) with reference to the requisition document to Contracting and Purchasing Services. If no contract has been received Contracting and Purchasing Services will obtain/develop one.

### **PUR 305-08-07: Preparing PO and Reporting Leased Space**

Purchasing services shall:

1. Obtain required contract signatures.
2. Generate purchase orders following normal purchasing procedures.
3. Send contract copies to lessor and user department.
4. Report lease (as required) to Board of Regents.

## **CROSS REFERENCE**

[PUR 600-01](#) Reporting Receipt of Order