

ALTERNATIVE PROPERTY OR FACILITY-RELATED PROJECTS

I. Purpose

On occasion a proposed real property or facility-related project that does not strictly qualify as a Capital Project as defined by Board Policy 730.1 may have similar effect or may expose the Board to risk comparable to the risk of a Capital Project. This policy sets out procedures for review and approval of such transactions.

II. Transactions Requiring President's Advance Review and Approval

The following types of transactions are subject to the requirements of this UASP:

- A. A lease, rental agreement, license or other contractual arrangement (however denominated), for the use, construction or renovation of real property, or of any building, facility or other improvement on real property, in which the campus will expend in the aggregate (whether directly, through a tenant improvement allowance, or through a sum amortized through lease payments or other deferred payments) more than \$5,000,000 for construction, improvement or renovation of real property or any building, facility or improvement on real property.
- B. A lease, rental agreement, license or other contractual arrangement for the use of real property or any building, facility or other improvement on real property in which the term of the contract (including any renewals) exceeds 10 years.
- C. Any lease, rental agreement, license or other contractual arrangement that operates in whole or in part as a vehicle for financing the acquisition of real property, facility construction or facility renovation or improvement, where the amount to be expended by the campus exceeds \$5,000,000.
- D. A contractual arrangement the practical effect of which is to develop or acquire land, a building or any other facility, regardless of whether the arrangement is referred to as a lease, a lease/purchase, a development agreement or other nomenclature, in which the amount to be expended by the campus over the term of the contract exceeds \$5,000,000. This includes, but is not limited to, any real property lease that includes a purchase option or right of first refusal.

III. Review and Approval Process

Although not subject to the requirements of Arkansas' procurement laws, transactions within the scope of this UASP should, when practicable, be solicited or procured through processes that allow for fair competition, taking into account competitive considerations of

the campus, confidentiality or similar obligations, and campus specific property or building requirements.

Before soliciting or procuring a transaction, the campus shall submit to the President or Chief Financial Officer a Project Proposal, in the form attached to UASP 730.1, together with a description of the procurement or solicitation methods proposed by the campus (if any) and shall include such other information as may be requested by the President or Chief Financial Officer.

The President may direct a campus to publish a request for proposal or similar solicitation or request. The President also may, at his or her discretion, require that a proposed transaction within the scope of this UASP be submitted to the Board of Trustees for review and approval.

June 23, 2021