

BOARD POLICY

EBA

DISPOSITION OF REAL PROPERTY

~~JULY 21, 2014~~

The Board of Education believes that it is in the interest of the Livonia Public Schools School District to preserve, maintain, and retain ownership of its lands and buildings that have current or future educational value. The primary covenant of this policy is that the sale and permanent dispossession of the real property of this district is disfavored. The Board will analyze any unsolicited or solicited requests for the sale and permanent dispossession of its real property to determine whether there is an interest for the district to sell or dispossess assets which substantially outweigh the Board's primary policy disfavoring such action.

In the event the Board of Education decides to exercise its property powers to sell real estate, the Board must authorize the conditions for sale. The Board reserves the right to reject any and all offers at its sole discretion. No property will be offered for sale until an independent appraisal is completed. Employees of the school district and members of the Board of Education shall be prohibited from purchasing directly or indirectly any real estate offered by the district.

The Board may authorize the administration to use qualified consultants who have expertise in land development matters on an hourly basis. The compensation paid to consultants can never be based upon percentage or commission formulas unless approved by the Board in which case the Board would seek a payment formula which allowed the district to opt for the lesser of either a fixed payment schedule or a percentage on a commission formula.

Proceeds derived from the sale of real estate will be held in trust in a special capital project fund account identified separately from any other capital project funds which shall be used for purchasing other real estate for the district and/or for renovating, replacing, or developing real estate, facilities, or long-term assets as authorized by the Board of Education, **unless the fund balance of the district's General Fund is below 5% of the total expenditures at which time the Board of Education may determine to utilize proceeds in the General Fund to protect programs.**