

Lewis Center for Educational Research

**BP 9502: BOARD BYLAWS
ACQUISITION OF PROPERTY**

Adopted: November 9, 2006

Revised: December 12, 2016

1. PURPOSE

The primary reason for the Lewis Center Foundation (“Foundation”) to seek and obtain donated property is to raise money for the benefit of the Foundation. Such property may be sold, traded, or retained for investment. If the donated property may be used for purposes by the Foundation, it may be retained.

2. POLICY / PROCEDURE

2.1 RIGHT OF REFUSAL: The Foundation reserves the right to make the appropriate judgment whether or not to accept the donation.

2.2 RIGHT OF REJECTION/RETURN: The Foundation reserves the right, for a period of 90 days after acceptance of personal property or a period of one year after acceptance of real or mixed property, to reject and return any donation which, in the reasonable judgment of the Foundation, created an actual or potential liability to the Foundation. Upon exercising said right the Foundation shall return title and possession of the contributed asset to the donor.

2.3 CONFLICT OF INTEREST: Any member of the Foundation or the Lewis Center for Educational Research Board (“Board”) shall have no vested interest in any transaction that could result in personal gain unless the conflict is fully disclosed and approved by the Board.

2.4 GIFT VALUATION: Value of Gifts, other than Real Estate, will be determined by the donor. The Foundation will not value gifts.

2.5 GUIDELINES FOR REAL PROPERTY:

2.5.1 Selection of a broker is at the discretion of the Foundation.

2.5.2 Property will be accepted generally when there is high probability that it would be sold at its established value within one year, but may be accepted if the property could be put to use by the Lewis Center for Educational Research. Prior to the acceptance of property, the following must occur.

- preliminary title report must be complete showing no major clouds upon the title to the property,
- an independent appraisal by a qualified licensed real estate appraiser shall be obtained by the donor to ascertain the current value or, in the case of property with a probable value of more than \$5,000 (payable by the donor, unless waived by the Foundation),
- a physical inspection of the property will be made by the Foundation

2.5.3 Cash sales are preferred. In any case, the anticipated immediate proceeds from the sale of offered property must substantially exceed the Foundation's related costs.

2.5.4 Prior to acquisition, taxes and other encumbrances (e.g. improvement district bonds) shall be paid current (unless waived by the Foundation).

2.5.5 Properties with liens (e.g. trust deeds) will require special analysis before acceptance to determine cash flow and net equity after projected costs. Such offers must be reviewed on a case-by-case basis.