

*The Board of Trustees
of the
School and Institutional Trust Lands Administration*

New Policy *Amends Policy No.* _____ *Replaces Policy No.* _____

Policy Statement No. 2012-01

Subject: Lease/Disposal of Land Blocks

The Board of Trustees of the School and Institutional Trust Lands Administration met in open, public session on May 17, 2012, and by majority vote declares the following to be an official policy of the Board on the retention or lease/disposal of designated land blocks.

- The School and Institutional Trust Lands Administration manage numerous blocks of land with acreages in excess of 5,000 acres.
- In recognition of its fiduciary duties the Board acknowledges that all blocks are generally available for revenue-generating purposes, including lease, exchange or sale.
- Prior to bringing a disposal proposal on a designated land block to the board for review, the Administration shall:
 - Require the applicant to provide terms for the acquisition of the block, including:
 - The amount of money or other assets being offered;
 - All proposed terms of any contract;
 - Analyze any potential for conflict with retained rights if the surface is conveyed out of Trust ownership;
 - Prepare a recommendation for Board consideration containing a thorough financial analysis of why disposal of the parcel at the time is in the best interest of the beneficiaries.
- In order to allow for appropriate input from beneficiary representatives and other stakeholders the board will not take action on any proposal during the meeting the proposal is first presented.

BY THE BOARD:



Michael R. Brown, Chairman