

A'Sharqiyah University Policy

ASU Leasing Policy

Policy name	ASU Leasing Policy		
Policy number	AD0005		
Contact Person	Assistant Vice Chancellor		
Approval Authority	Board of Directors		
Date first approved	25 March 2018	Last substantive review	New
Policy Review Cycle	Annually	Next review	1 Sep 2019

1. Definitions

Terms / Abbreviations	Definition
ASU	A'Sharqiyah University
AVC	Assistant Vice Chancellor for Admin and Finance
BoD	Board of Directors
BoT	Board of Trustees
External Parties	external party shall also include ASU Students, Employees, Local Community and Governmental Bodies that are directly associated with ASU.
RC	Rent Committee
VC	Vice Chancellor

2. Purpose

- 2.1 This policy establishes treatment of lease agreements entered into by the University, as a lessor (providing facilities on rent to external parties).
- 2.2 This policy enables the University to utilize ASU resources in efficient and effective manner.

3. Scope

- 3.1 ASU Leasing Policy covers leasing out Class Rooms; Computer Rooms & Laboratory, meeting rooms and other facilities to generate additional Income for University. This policy is only applicable to facilities that are leased out for a period of less than three months.
- 3.2 All ASU leasable facilities (Current and Future) including but not limited to

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- Auditorium.
- Board Meeting Room
- Conference Rooms
- Class Rooms
- Computer Labs
- Main Halls
- Laboratories
- Main outdoor area – Central Lawn
- IT Equipment
- Kiosks and display stalls and Others

3.3 The above can be leased out individually or as a combination of one or more facility.

3.4 This policy also covers exhibitions staged in ASU. Specific exhibitions such as book fair, career fair etc. has to be supervised under the end user/responsible department. However, general exhibitions shall be supervised by the Facilities and Stores Department.

3.5 Rental or leasing of any area/location or facility not mentioned above can be decided by the rent committee.

4. Policy Statement

4.1 ASU shall lease its premises to external parties upon the approval of the relevant authority and following the procedure as outlined in this policy.

4.2 The standard rent agreement shall be reviewed and approved by the rent committee which shall be applicable to all leased premises.

4.3 All standard forms of rent agreements has to be reviewed by the ASU's legal advisor.

4.4 Rent amount to be charged

Finance department in coordination with facilities department shall make an analysis of the rentable facilities and cost of each component associated with such facilities. This shall include but not limited:

- An allocation of depreciation to (to the extent its applicable):
 - ✓ IT Equipment
 - ✓ Furniture and fixture
 - ✓ Office Equipment
 - ✓ Area of the premises
- Expenses directly attributable to such facilities
 - ✓ Electricity
 - ✓ Water
 - ✓ Cleaning & Maintenance
 - ✓ Security support cost
 - ✓ Rent paid for those facilities
 - ✓ Other directly attributable overheads
 - ✓ Other considerations detailed in the other terms and conditions
 - ✓ Based on a costing of each item, ASU rent committee shall decide the margin

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and amount of rent to be charged.

4.5 Exception to the policy

ASU shall not lease its facilities to any person or Company who is in a direct competition to ASU. Any exception to that shall be approved by rent committee.

4.6 Exemption

Based on recommendations made by the rent committee, Vice chancellor has the authority to accommodate University rentable facilities at free of charges.

5. Key Stakeholders

5.1 ASU Public Relations and Marketing Department serves as liaison point between ASU and customer (lessor)

5.2 ASU Facilities and Stores Department confirms the availability of the requested facilities

5.3 ASU Procurement and Contracts prepares a formal contract

5.4 ASU Rent Committee

The Rent Committee (RC) shall comprise of the following:

- Assistant Vice Chancellor – Admin and Finance (Chairman)
- Director Finance- Member
- Director Facilities and Stores department – Member and Secretary
- Director Procurement and Contracts – Member
- Director Admission and Registration – Member
- Director of Marketing & Public Relations department
- End user department representative

Roles and Responsibilities:

RC shall be responsible for the Following core activities:

- Determining the rent price based on the price list approved by BoD (Attached). In the event any facilities are not covered in the list at the moment of the transaction, RC shall determine the proper price and proceed the transaction accordingly. Review the costing and pricing for available facilities from time to time (yearly) and submit it for the BoD approval,
- Review, change, revise and approve the leasing terms,
- Approve any discount to the customer, based on appropriate justification.
- Review leasing contracts and any change therein including but not limited to termination or responsibility terms,
- Chairman of the RC can sign leasing contracts in accordance authority matrix as approved by the board of directors of ASU,
- RC shall have the authority to invite any person (Subject Matter Expert) he deems fit for the decision. However, such a person shall have an advisory role and shall not have any voting power,
- The Quorum of RC shall be completed by the presence of the Chairman of RC and three members. In case of equal votes, the side supported by the chairman of RC shall prevail.

6. Procedures and Guidance

- 6.1 Following procedure shall be adopted by ASU in order to lease out its premises.
Prepare and approve annual leasing plan which includes indicative pricing as well
For any RFQ received, marketing department shall request the facilities and stores department to advise if the facility is available.
- 6.2 Once confirmed by facilities and stores department, Marketing & Public Relations to send the quote to the customer
- 6.3 Once customer agrees with the quote formal contract is prepared and sent to the rent committee for their approval
- 6.4 Rent committee shall be convened and review the requests received within a reasonable time
- 6.5 Once approved by the rent committee the formal agreement is signed and sent to the customer through Marketing & Public Relations.
- 6.6 Marketing & Public Relations shall utilize the services of Contracts department to prepare the leasing contract.
- 6.7 Any exception to the normal process shall be immediately notified to the rent committee for their acceptance or otherwise.

6.8 Other Terms and Conditions

- Any damage to equipment's of ASU, Rent Committee Members shall determine the Market price or Replacement cost of item and invoice to tenant. This has to settle prior to completion of rent period.
- Staff members of tenant who are occupying ASU premises should follow disciplinary procedures of ASU, any breach of disciplinary procedures Rent Committee Members are bound to terminate the Rent agreement with tenant. In this case full rent amount ASU will invoice to tenant.
- Present offer letter to tenant with authorized signatories along with ASU disciplinary procedure manual.
- Offer letter should contain Rent Advance term i.e. from total rent invoice tenant has to pay at least 50% as Advance.
- Balance amount has to settle prior to last day of Rent period
- Once tenant accept the terms and Conditions of ASU submit the Rent Agreement and should signed by ASU Authorized officer and tenant authorized officer.
- Any statutory tax shall be paid by the tenant only unless it is otherwise stated in the law.
- Any amount of up to OMR 1000 can be paid in cash however, exceeding amounts shall be paid through bank transfer or crossed cheque in the name of A'Sharqiyah University.
- Any exception to this policy shall be approved by Board of Directors. Board of Directors reserve the right to decide any situation/ circumstances outside the conditions stated in this policy and procedure.

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- The Vice Chancellor has right to Amend/ alter the process and procedure of this policy.

7. References