

 HAWAII HEALTH SYSTEMS C O R P O R A T I O N "Touching Lives Everyday" Policies	Department: Corporate Finance	Policy No.: FIN 0030
	Issued by: Kelley Roberson COO & CFO	Revision No.: NA
Subject: <i>Acquisition of Real Property</i>	Approved by: HHSC Board of Directors By Raymond Ono Its: Secretary/Treasurer	Effective Date: April 9, 2009
		Supersedes Policy: NA
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- I. PURPOSE AND SCOPE:** To establish corporation policy governing the acquisition of real property of HHSC .
- II. STATEMENT OF POLICY.** It is the policy of the Hawaii Health Systems Corporation to make best and most efficient use of any and all of its assets. Any acquisition of real property, (any purchase or acceptance of donative transfer) shall meet the following conditions. This policy shall not apply to leases:
1. The proposed acquisition of real property is consistent with and furthers the public interest, the interests of the region(s), and the mission of the corporation;
 2. The proposed acquisition of real property, and the method therefor, provides the best value to the region(s);
 3. The proposed acquisition is not detrimental to the interests of any of the regions or operations of the system;
 4. The proposed acquisition is not for the purpose of speculative investments in real estate.
- III. RESPONSIBILITIES.** Management at every level of the HHSC system is responsible for implementing procedures and controls to properly manage acquisition of real property in accordance with this policy. Governance at each level shall hold management accountable for compliance with this policy.
- IV. IMPLEMENTATION OF POLICY.** Any acquisition of such real property with value of five million dollars (\$5,000,000) or more shall be approved in advance by the HHSC Corporate Board of Directors. Any acquisition of such real property with value up to five million dollars (\$5,000,000) shall be approved by the governance of other corporations or business units of HHSC. . Management shall implement and maintain procedures for the

acquisition of real property in accordance with this policy and any applicable state law. Management may establish standard documents for acquisition of real property.

- V. **APPLICABILITY: Governance for HHSC**, and management and staff of HHSC. "HHSC" as used in this section and below means the entire system, including the corporation, the regions and the facilities therein, and any other entities and business ventures owned, operated, managed, or controlled by the corporation, its regions or facilities therein, or any one or more of the foregoing, including, but not limited to, nonprofit corporations, for profit corporations, limited liability companies, and partnerships.. **This policy shall not apply to leases. This policy is not applicable to property acquired by the regional system boards, which shall be governed by regional policies.**
- VI. **Regional Policies.** Regional System Boards of Directors and governance for other HHSC entities are authorized to issue regional policies consistent with this policy.
- VII. **REFERENCE: HRS Chapter 323F-7©(18) and (19).**