

FEE COLLECTION AGREEMENT

between

THE MINNESOTA STATE COLLEGES AND UNIVERSITIES

and

MINNESOTA STATE UNIVERSITY STUDENT ASSOCIATION, INC.

THIS AGREEMENT, made the 1st day of July, 2020, by and between the Minnesota State Colleges and Universities by and on behalf of its Board of Trustees (hereinafter, "Minnesota State") and the Minnesota State University Student Association (hereinafter "Students United").

WHEREAS, Minnesota Statutes § 136F.22 subd.2 provides: "Each statewide association shall set its fees to be collected by the board and shall submit any changes in its fees to the board for review. The board may revise or reject the fee change. Fees must be collected by each state college and university and shall be credited to each association's account to be spent as determined by that association"; and

WHEREAS, pursuant to Minnesota Statutes § 136F.22, Minnesota State Board of Trustees Policy 3.7 designates the Students United as the officially recognized statewide student association for state university students and provides that each state university is required to collect fees for Students United; and

WHEREAS, Minnesota State Board of Trustees Policy 3.7 further provides that the Minnesota State Chancellor shall develop an agreement between Minnesota State and Students United to implement said policy; and

WHEREAS, for certain purposes, universities report annual statistics on the basis of summer, fall, and spring terms that are completed prior to the end of the State fiscal year, and those reporting terms do not meet Students United needs because Students United requires collection data for the fall, spring, and summer terms that begin within its fiscal year; and

WHEREAS, Minnesota State Board of Trustees Policies 5.11 and 5.12, and accompanying procedures which concern fees, apply to this Agreement; and

WHEREAS, the Students United need of fiscal administration services in order to provide for collection and distribution of fees collected; and

WHEREAS, the Students United represents that it is duly qualified and willing to perform the services set forth in Minnesota State Board of Trustees policy and Minnesota Statute;

NOW, THEREFORE, IT IS AGREED:

1. COLLECTION OF FEES. Collection of the Students United fee shall be as follows:
 - a. Universities collecting tuition on a per credit basis shall collect the Students United fee at the current rate per credit.
 - b. Universities approved to collect banded tuition shall collect the Students United fee at the current rate per credit for students paying per credit tuition and at the banded rate for students paying banded tuition. There shall be no cap on the Students United fee. Students enrolled in 12 through 18 credits and paying banded tuition will be assessed a rate equal to a student enrolled in 15 credits at the current rate. Students enrolled in 12 through 19 credits and paying banded tuition will be assessed a rate equal to a student enrolled in 15.5 credits at the current rate.
 - c. Funds collected on behalf of Students United shall be deposited and accounted for in a separate fund.
2. SYSTEM OFFICE DUTIES. The Minnesota State System Office shall perform certain duties, including the following:
 - a. Coordinate and attempt to resolve any disputes between the state universities and the Students United which originate pursuant to this agreement; and
 - b. Coordinate audit activities and mediations as required for proper reconciliation and resolution of disputes; and
 - c. Report to all state universities and the Students United total credits enrolled at each institution by October 15 for fall, February 15 for spring, July 15 for summer, and September 15 for end of year.
3. STATE UNIVERSITY DUTIES. The Minnesota state universities shall perform certain duties, including the following:
 - a. Collect the fees as specified in the Minnesota State Board of Trustees tuition and fee policies as amended from time to time, and as provided by applicable statute; and
 - b. Waive the fee as permitted by Students United for persons under guardianship as specified in Minnesota State system procedure 5.12.2, war orphans, student death, student life threatening illnesses, and students called to active military duty. Institutions may petition the Students United to waive the fee for other situations not specified in this Agreement; and
 - c. For reconciliation reports made by the universities to Students United for each fiscal year, the university shall include data for fall, spring, and summer terms which begin during the applicable fiscal year.

- d. Remit the fees of credits enrolled along with the completed Students United fee report to the Executive Director or other designated official of the Students United on or before November 15 for fall term, March 15 for spring term, and August 15 for summer term; and
 - e. Pay interest to Students United at the rate of one and one-half percent per month, or any part thereof, on any balance of fees not timely remitted in accordance with paragraph 3d of this Agreement. Interest shall begin to accrue on the first day following the payment due date and shall continue to accrue until payment is made to the Students United; and
 - f. Transmit to Students United the report from the Minnesota State System Office Financial Planning and Analysis Unit of actual credits enrolled for each academic session and an annual explanation and reconciliation of the fees transmitted, including a list of waivers granted, to Students United on its year end reconciliations form due to Students United by October 15.
 - g. Retain a fee of 2.0% of all fees due Students United collected at said university for an academic session. This 2.0% fee is provided to cover administrative costs associated with collection and transmittal of fees.
4. STUDENTS UNITED DUTIES. The Students United shall perform certain duties, including the following:
- a. Administer the funds received pursuant to this Agreement in a fiscally sound manner.
 - b. Maintain its non-profit, tax-exempt status; and
 - c. Employ an independent public accountant to prepare an annual financial audit of its financial statements and provide a copy of the results of such audits to the Minnesota State Chancellor. In addition, Students United shall cooperate with the Legislative Auditor in the event that office requests an audit of the books of account of Students United.
 - d. Develop a process and guidelines under which institutions may petition the Students United to waive the fee for situations not specified in this Agreement.
5. A. TERM OF AGREEMENT. This agreement shall commence on July 1, 2020, or at such time that this Agreement is duly executed by all authorized officials, whichever is later, and shall remain in effect through June 30, 2025, except as otherwise provided in this Agreement. At least 90 days prior to the end of the annual term, both parties shall meet to discuss the Agreement. Either party may provide written notice to the other party at least 60 days prior to the end of the next annual term for which it wishes to renegotiate terms of the Agreement.

B. TERMINATION. This Agreement is subject to termination upon: (1) Mutual agreement by both parties; (2) Determination by the Minnesota State Board of Trustees that Students United does not constitute the recognized system-level student organization for state university students pursuant to Minnesota State Board of Trustees' policy; (3) State law requiring such termination; or (4) Failure to adhere to the terms of this Agreement.

C. SUSPENSION OF PAYMENT. The Minnesota State Board of Trustees may suspend payment to Students United only upon a finding by the board that the funds are at risk because of imminent jeopardy of malfeasance or gross negligence by the association or its officers. Such funds shall be transmitted to Students United immediately upon demonstration that the risk has been addressed.

- 6. CHANGES TO BE IN WRITING. Modifications to this Agreement shall be effective only if in writing, signed by both parties, hereto and shall be made public.
- 7. AUTHORIZED AGENTS. The authorized agent for Minnesota State for purposes of executing, administering and enforcing this Agreement is the Vice Chancellor – Chief Financial Officer. The authorized agent for the Students United for purposes of executing, administering, and enforcing this Agreement is the Executive Director or other designated official of the Students United.
- 8. NON-TRANSFER OF AGREEMENT. None of the parties shall assign or transfer any rights or obligations under the agreement without prior written consent of the other party.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement intending to be bound thereby.

BOARD OF TRUSTEES OF
MINNESOTA STATE COLLEGES AND UNIVERSITIES

BY: _____


William D. Maki
Vice Chancellor – Chief Financial Officer

DATE: _____

5/5/2020

MINNESOTA STATE UNIVERSITY STUDENT ASSOCIATION, INC., dba Students United

BY: _____

Carlee Diggins
Carlee Diggins (May 7, 2020)
Carlee Diggins
Executive Director

DATE: _____