Facilities Use

March 2018

Finance

Instructions for Facilities Use with University of Minnesota

**Instructions for Minnesota State Facilities Use Agreement – On-Campus Only**

**With University of Minnesota**

## Use This Facilities Use Agreement - On-Campus Only – With University of Minnesota is to be used only when the University of Minnesota uses a Minnesota State on-campus facility for shorter-term or sporadic use lasting less than one year. This agreement template has been specially negotiated and approved by both parties. An Agreement should be executed and in place prior to the University of Minnesota using a campus facility.

## Limitations

This agreement is specifically designed for use with the University of Minnesota occupants, including the UMN extension. UMN Foundations are separate legal entities distinct from the UMN. A standard on-campus Facilities Use Agreement can be used for UMN Foundations.

# System Procedure 6.7.2: Use of College and University Facilities (College or University as Lessor /Landlord). <http://www.minnstate.edu/board/procedure/607p2.html>

**Related Documents:** Checklist 6.7.2.1 Leasing and Use of Minnesota State Facilities

<http://www.minnstate.edu/board/procedure/6-07p2g1.pdf>

## Document Details

**Agreement Numbering** – Use “F” (for “Facilities”) followed by the three digit campus ID, the last two digits of the fiscal year that the agreement starts, and sequential numbering based on the order the agreement was started.

* (example: F-203-1301 refers to the first agreement at Alexandria Technical College in FY13)
* If more than one agreement is starting at the same time, use the largest agreement (in square footage) as the first number

Approval authority

**Check signature authority**.

Check signature authority. College and university presidents and the Director, Capital Development, may enter into agreements that are valued at $100,000 or less and for five (5) years or less in length (including all renewal options), using Minnesota State standard forms. This form, *Facilities Use Agreement – On-Campus Only – With University of Minnesota*, is designed for shorter-term or sporadic use lasting less than one year use only. If a term of over one year is contemplated, consider using *Minnesota State as Landlord Lease Agreement* or contact Real Estate Services for assistance. The College or University shall maintain copies of all Agreements. Agreements expected to last one year or longer shall be provided to the system office after execution. Agreements lasting less than one year may be provided to system office at the discretion of a College or University or upon request from the system office.

**When System Vice Chancellor - Chief Financial Officer approval is required**

Required for all agreements where the overall value is greater than $100,000 or is expected to last longer than five (5) years, including all options to renew. The Vice-Chancellor - Chief Financial Officer signs all easements and licenses, or may delegate that authority as appropriate.

**When Board of Trustees approval** **is required**

Board approval is required in advance of signing any facility agreement where the overall value (including options to extend) is greater than one million dollars ($1,000,000).

## Special Notes

* Not a Lease. The agreement is not a lease and is not designed to create a landlord – tenant relationship, and should not be used when a lease is more appropriate.
* Insurance. Evidence of insurance is required before use of the Facilities is allowed.
* Encumbrance. In the rare event that a campus expends funds to prepare the space for a Licensee, the campus must encumber the funds for that purpose.
* Questions. Users with questions about this agreement should contact the System Office Real Estate Services, 651.201.1775 or 651-201.1539.

## Instructions for Completion of Minnesota State approved template:

## Instructions for completing this form are in italics and brackets. Please complete every field and delete all instructions, including the brackets.

* Any modification of forms approved by the System Office or the use of a non- system office form requires review by Real Estate Services and/or system legal counsel and approval of the Vice Chancellor – Chief Financial Officer. System legal counsel includes either the Minnesota State Colleges and Universities General Counsel or the Minnesota Attorney General's Office. Real Estate Services is located within Facilities in the System Office - Finance Division.
* Questions. Users with questions about this agreement should contact the System Office Real Estate Services, 651.201.1775 or 651.201.1539.