

FEE COLLECTION AGREEMENT

between

MINNESOTA STATE COLLEGES AND UNIVERSITIES

and

MINNESOTA STATE COLLEGE STUDENT ASSOCIATION, INC., dba LeadMN

THIS AGREEMENT is made this 30th day of June, 2025, by and between the Minnesota State Colleges and Universities on behalf of its Board of Trustees (hereinafter, "Minnesota State") and the Minnesota State College Student Association (hereinafter "LeadMN").

WHEREAS, Minnesota Statutes Section 136F.22, Subd. 2, provides: "Each statewide association shall set its fees to be collected by the board [Minnesota State] and shall submit any changes in its fees to the board [Board of Trustees] for review. The board [Board of Trustees] 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 Section 136F.22, Minnesota State Board of Trustees Policy 3.7 designates LeadMN as the officially recognized statewide student association for state college students and provides that each state college is required to collect fees for LeadMN; 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 LeadMN to implement Board Policy 3.7; and

WHEREAS, for certain purposes, colleges 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 LeadMN needs because LeadMN 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, LeadMN has need of fiscal administration services in order to provide for collection and distribution of fees collected; and

WHEREAS, LeadMN 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 LeadMN fee shall be as follows:
 - a. Colleges collecting tuition on a per credit basis shall collect the LeadMN fee at the current rate per credit.

- b. Colleges approved to collect banded tuition shall collect the LeadMN 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 LeadMN fee. Students paying banded tuition will be assessed a rate equal to a student enrolled in 15 credits at the current rate.
 - c. Funds collected on behalf of LeadMN 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 colleges and LeadMN 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 colleges and LeadMN by October 15 for fall term, February 15 for spring term, July 15 for summer term, and September 15 for end of year, providing total credits enrolled at each institution.
- 3. STATE COLLEGE DUTIES. The Minnesota state colleges 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 LeadMN for wards of the commissioner of human services, war orphans, student death, student life threatening illnesses, and students called to active military duty. Institutions may petition the LeadMN to waive the fee for other situations not specified in this Agreement; and
 - c. For reconciliation reports made by the colleges to LeadMN for each fiscal year, the college 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 LeadMN fee report to the Executive Director or other designated official of the LeadMN on or before November 15 for fall, March 15 for spring, and August 15 for summer; and
 - e. Pay interest to LeadMN at the rate of one and one half (1.5) 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 LeadMN; and

- f. Transmit to LeadMN the report from the Minnesota State system office 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 LeadMN on its year end reconciliations form due to LeadMN by October 15.
 - g. Retain a fee of two (2.0) percent of all fees due LeadMN from each college for an academic session. This two percent fee is provided to cover administrative costs associated with collection and transmittal of fees.
4. LeadMN DUTIES. LeadMN 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 or designee. In addition, LeadMN shall cooperate with the Office of the Legislative Auditor in the event that the office requests an audit of the books of account of LeadMN.
 - d. Develop a process and guidelines under which institutions may petition LeadMN to waive the fee for situations not specified in this Agreement.
5. A. TERM OF AGREEMENT. This Agreement shall commence July 1, 2025, or when all signatures have been received, whichever is later, and shall remain in effect through June 30, 2030, 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 LeadMN does not constitute the recognized system-level student organization for state college 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 LeadMN only upon a recommendation from the Chancellor, after written notice to LeadMN and an opportunity to contest the recommendation from the Chancellor, that the funds are at risk because of imminent jeopardy of malfeasance or gross negligence by the association or its officers. Suspended payments shall be transmitted to LeadMN 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 and signed by both parties, 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 for Finance and Facilities. The authorized agent for the LeadMN for purposes of executing, administering, and enforcing this Agreement is the Executive Director or other designated official of the LeadMN.
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 for Finance and Facilities

6/24/2023

Date

MINNESOTA STATE COLLEGE STUDENT ASSOCIATION, INC. dba LeadMN

BY:



Rachel Boeke
Executive Director

07/07/2025

Date