Facilities Use

May 2018

Finance

Instructions for Facilities Use Off Campus

# INstructions for Facilities Use Agreement – OFF Campus only

## Use

This Facilities Use Agreement - Off-Campus Facilities Only is designed for short-term (from 1 day to a semester) use of an off-campus facility owned by a third party. Examples: when a campus holds class(es) at a high school, community center, conference center, or other special purpose facility located off-campus.

## Limitations

This agreement is intended for use in an off-campus location for short term (less than 1 year) use. This agreement can be offered when the property owner does not have a formal document they use for occupancy/use of space.

# System Procedure 6.7.3: Use of Non-College and University Facilities (College or University as Lessee/Tenant). http://www.minnstate.edu/Board/procedure/607p3.html

**Related Documents:** Checklist 6.7.3.1 Leasing and Using Off-Campus Facilities

 **http://www.minnstate.edu/Board/procedure/6-07p3g1.pdf**

## Document Details

**Agreement Numbering** – Use “O” (for “Off-Campus”) 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: O-203-1301 refers to the first facilities agreement entered into by Alexandria Technical College in FY13)
* With more than one agreement starting at the same time, use the largest agreement (in square footage) as the first number.

Approval authority

Check signature authority.

College and university presidents and the System Director, Capital Development, may enter into Facilities Agreements on campus 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 – Off-Campus Only*, is designed for short-term (1 day to a semester) use only. If a term of over one year is contemplated, consider the *Minnesota State as Tenant Lease Agreement* forms, (with or without leasehold improvements), 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 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).

## Conflict of Interest

As a general rule, colleges and universities should not be entering into facilities agreements for properties that are owned or controlled by an employee of the college or university without vetting the potential for conflicts of interest. If you believe or there appears to be a conflict of interest, you must disclose this information to, and seek advice from, the Office of General Counsel prior to proceeding.

## Special Notes

* Not a Lease. The facilities 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
* 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[.](http://www.google.com/url?q=http%3A%2F%2Fwww.mnscu.edu%2Fboard%2Fprocedure%2F607p3.html&sa=D&sntz=1&usg=AFQjCNGIlfWZj7PU_3ZflWqTxBcRkoCeqg)