



Frequently Asked Questions – Facilities Use Agreements

When does a campus need to use a Facilities Use Agreement?

Any time a 3rd party uses college/university facilities and any time a college/university uses a 3rd party owned facility.

What is the definition of a 3rd Party?

Any individual or entity that is not a Minnesota State college, university, or the system office.

What is the definition of a co-sponsored event?

When an employee at your institution wishes to co-sponsor an event, it means that the fee for facilities rental has been waived, however, fees may apply for extra setup, cleanup, or technology. Co-sponsored events can benefit the students, the faculty/staff, and/or the community. The act of co-sponsorship is defined as active coordination and support of the event. Co-sponsorship should not be used to shield non- college/university groups from rental fees. This also may not relieve the co-sponsored group from providing a certificate of insurance (see Certificate of Insurance requirements below). Refer to your institution's policy regarding co-sponsorship.

What if the fee for the facility has been waived?

System policy 6.7.2 indicates that campuses must charge a fee for using a college or university facility, although each college or university president has the discretion to waive the fee as circumstances warrant. Even if there will be no charge for use of the facilities, such as in a co-sponsored event, a signed agreement for zero dollars must be in place.

Which agreement do I use?

Facilities Use Agreement templates are available on the Minnesota State website at: <http://www.minnstate.edu/system/templates/index.html> The templates have been created to manage risk, minimize duplication of effort, and retain some flexibility. Download a fresh copy of the template from the website each time to ensure that you have the most recent revision of the Facilities Use Agreement template.

Facilities & Real Estate Agreements

New template agreements are organized under the Facilities & Real Estate Agreements heading found here: <http://www.minnstate.edu/system/templates/index.html>:

1. Facilities Use Agreement – 3rd Parties - On Campus Only

Default agreement when a 3rd party wishes to use space on a campus. Third parties include everyone, except governmental or public higher education users, that are legally distinct from Minnesota State Colleges and Universities. (Some examples: foundations, individuals, private companies, fraternities, sororities, non-profits)

2. Facilities Use Agreement Minnesota State – State Agency – On Campus Only Specially created standard agreement used only when another state agency (DEED, DNR, etc) is using space on a campus on a short-term basis (generally less than a year). May be offered for city, county or other use. Do not use for University of Minnesota space uses (see below).

3. Facilities Use Agreement – Minnesota State – University of Minnesota - On Minnesota State Campus

Specially created standard agreement used only when the University of Minnesota is using space on a Minnesota State campus on a short-term basis (generally less than a year).

4. Facilities Use Agreement – only - Campus to Campus

For use when two Minnesota State campuses enter into a space use arrangement. This agreement may be used to supplement articulation or other programmatic partnering, but is primarily intended to govern short term use of space between our individual campuses.

5. Facilities Use Agreement – Multi-facilities - On Campus Only

Use when there are multiple facilities involved, such as for sports camps or similar events that occur within a similar time frame and impact multiple buildings.

6. Facilities Use Agreement – Off Campus Only

Use when a college or university uses off campus space (for example, renting a bowling alley to host a bowling class for a semester) and the property owner does not have any formal agreement governing use of their facilities.

7. Lease Agreements

If you anticipate a Facilities Use Agreement lasting one (1) year or longer, consider using a Lease Agreement, also available on the Minnesota State Contract Website. Consult with Real Estate Services. This may trigger other requirements, and additional guidance is recommended under these circumstances.

How do I number the agreements?

For the standard Facilities Use Agreements, use the following format to label them: F-270-1401. (F=Facilities, 270 = SCC North Mankato (use your own campus site code) 1501=Fiscal year 15, Agreement number 1)

For all Agreements, more information is available on the first two pages of the agreement templates (delete instructions prior to sending to 3rd party).

What if I don't know the square footage of the space to be used?

The information on square footage for each space should be available in ISRS. You may have spaces that do not have square footage entered in ISRS – contact your CFO or Facilities Maintenance Supervisor to get the square footage and update the facilities module in ISRS.

Can I change the language in the Facilities Use Agreement?

Any changes – other than the time, cost and location – will require legal review.

Can I send the Facilities Use Agreement in an email?

Yes, but make sure to save the Agreement as a pdf – don't email a Word document.

Who signs the Facilities Use Agreement first?

The 3rd party signs first. Mail two Agreements to the 3rd party via U.S. Postal Service, or email a PDF and request the 3rd party print it twice and sign both documents. Once the signed Agreement has been returned by U.S. Postal Service or other hard copy delivery, have them signed by the authorized person at your institution. Keep one original for your files and return a fully signed original to the 3rd party. Emailed documents are not acceptable at this time, only hard copy originals.

When do I need to get a certificate of liability?

All 3rd parties must provide a certificate of liability, even if it is a co-sponsored event. If they don't have insurance, your campus, the Minnesota State system, and the State of Minnesota can become liable for any incidents that take place during the use of the facility. What this means is that your campus could potentially be held liable up to the state tort claim limits (currently \$1.5 million) for ANY injury or damage without proper insurance.

You do not need to get a certificate of liability from other Minnesota State institutions, or from official State agencies. For a list of official state agencies, visit the state website at:

<http://mn.gov/portal/government/state/agencies-boards-commissions/>

What do I look for on a certificate of liability to verify it is acceptable?

Look for the name of the 3rd party organization that is signing the contract
Look at the dollar amounts and compare them to the general insurance requirements listed in the contract.

Make sure your institution is listed as “additionally insured”

State agencies are not held to the same dollar amounts because of the Minnesota Tort Claims Act, Minn. Stat. §3.736 and other applicable laws govern the state’s liability.

What if the 3rd party does not have coverage, or their coverage is inadequate?

Liability insurance coverage for a one-time event can be purchased online by the 3rd party. Minnesota State suggests 3rd parties look into URMIA TULIP – University Risk Management Insurance Association, Tenant/User Liability Insurance Program - and purchase event-specific coverage online. Someone from your institution must have subscribed to TULIP and get a location ID and institution code to provide to the 3rd party, along with the link to the TULIP website: <https://tulip.aigrms.com>. For more information, contact the Minnesota State director of Risk Management.

Can I accept a signed Facilities Use Agreement that has been faxed, emailed, or photocopied?

Originals are required at this time. If you send the Agreement electronically, have the 3rd party print and sign at least two copies, sign both of them and send them back via the U.S. Postal Service. Then have the authorized person at your institution sign both of them, keep one for your files and mail the other to the 3rd party. Note: The System does not yet adopted an e-signature requirement for facilities agreements. This guideline will be updated when the e-signature policy is operational.

Who is authorized to sign Facilities Use Agreements at my institution?

A “delegation of authority” is the formal conveyance from one person to another of the authority to bind the Minnesota State College and University system, or a college or university, to a legally enforceable obligation. The President is given delegation of authority by the Chancellor, and may convey delegation authority to others in their respective institutions. Each institution has different protocols, check with your supervisor if unclear. Generally, any agreement with a value over \$100,000 requires approval from vice chancellor for finance and facilities.

Invoicing

All state agencies and other Minnesota State institutions are invoiced after the event. Private organizations can be invoiced before or after the event depending on your institution's business process. Invoicing should be done within five (5) business days of the event. State agencies, including other Minnesota State institutions, cannot be required to put down a deposit.

For questions regarding Facilities Use Agreements, contact

Paul Harrington, Real Estate Manager, paul.harrington@minnstate.edu, (651)201-1539

For questions regarding insurance and the TULIP program, contact:

Keswic Joiner, Director, Risk Management keswic.joiner@minnstate.edu, (651)201-1778