

Chapter 6: Facilities Management

6.7 Real Estate Transactions and Management

POLICY

Part 1. Policy Statement

The Board of Trustees expects that real property acquisitions and sales will be consistent with a college's or university's mission and current comprehensive facilities plan.

Part 2. Responsibilities

The Board of Trustees delegates to the chancellor or the chancellor's designee the authority to execute and deliver on behalf of the Board of Trustees in accordance with board policy all documents regarding the acquisition, disposal, transfer, or leasing of real property.

Subpart A. Board

The Board of Trustees authorizes the chancellor or the chancellor's designee to acquire, develop, and sell real property in conjunction with carpentry programs.

Subpart B. Chancellor

The chancellor or the chancellor's designee shall establish processes regarding acquisition, sales, leasing, and any other real estate interests necessary for the management of the system's real estate. The chancellor or the chancellor's designee shall review and approve all real estate transactions.

Subpart C. President

The president shall make a request to the chancellor or chancellor's designee as provided for in a system procedure.

Part 3. Real Estate Thresholds

Subpart A. Acquisitions and sales

Acquisitions funded by campus operating monies valued at \$1,000,000 or 1% (whichever is greater) of the college or university annual operating budget must be approved by the Board of Trustees before closing. For real estate that is no longer needed by a college or university and is valued at \$250,000 or greater, the board shall first designate the real estate as surplus; for

real estate valued less than \$250,000, the chancellor or the chancellor's designee shall declare real estate as surplus and authorize sale. After any college or university real estate is declared surplus, but before being offered to the general public, the real estate must first be offered for sale at appraised value to the city, county, or other local jurisdiction where the property is located.

Real estate must be designated surplus before it is offered for sale, except in the following instances:

1. real estate accepted by the board, when conversion to cash is consistent with the terms of the gift or bequest (see Board Policy 7.7),
2. Property taken by another agency through eminent domain, or
3. To correct a boundary dispute with an adjoining landowner where the action impacts less than ½ acre of property or less than \$50,000 in value.

Subpart B. Leasing and other property interests

All leases, whether on or off campus, must be approved by the board if the total rent paid during the term of the lease is valued at or greater than \$1,000,000, including all options to renew. The chancellor or the chancellor's designee shall review and approve all leases lasting at least one year or longer or where the value is \$100,000 or greater. All easements and other interests in real estate with a value of \$1,000,000 or greater must be approved by the board prior to execution of the documents. The chancellor or chancellor's designee shall have authority to enter into easements, licenses, and permits where the value is less than \$1,000,000.

Part 4. Eminent Domain The board may acquire real estate via eminent domain consistent with Minn. Stat. Ch. 117 and related provisions. Before an eminent domain proceeding is initiated for the acquisition of any interest in real estate, the board shall first authorize the action and articulate the public purpose and necessity for the acquisition. Decisions with respect to settlement and with respect to payment of or appeal from the award of the condemnation commissioners or court shall be made consistent with board policies and system procedure.

Part 5. Accountability/Reporting The chancellor shall report all real estate acquisitions and dispositions annually to the board.

6.8 Naming Buildings, Sites, and Common Areas

POLICY

Part 1. Policy Statement

It is the policy of the Board of Trustees to delegate authority to the chancellor to approve the naming of buildings, sites, and common areas.

Part 2. Responsibilities

The president shall make a recommendation to the chancellor only after compliance with the system procedure and consultation with college or university constituents.

Part 3. Accountability/Reporting

The Board of Trustees will be advised of a college's or university's intention of naming buildings, sites and common areas.

6.9 Capital Planning

POLICY

Part 1. Policy Statement

In order to make effective strategic capital investments in academic, student life, housing, athletic, and other facilities and related real estate and infrastructure, Minnesota State shall engage in comprehensive planning that integrates academic plans and forecasts, financial stewardship, and student needs.

Part 2. Responsibilities

Subpart A. The chancellor shall:

1. Establish procedures for developing college and university comprehensive facilities plans;
2. Develop and recommend for board approval capital funding guidelines for system facilities and real property; and
3. Make recommendations to the board for approval of capital investments for:
 - a. Academic facility projects and asset preservation by the State of Minnesota;

- b. Residential life and auxiliary facility projects funded through revenue fund bond sales; and
- c. Projects funded with college or university funds or projects funded with other public or private funds.

Subpart B. College and university presidents shall:

1. Develop and maintain comprehensive facilities plans and provide for student involvement in the planning process;
2. Advance for approval candidate capital projects consistent with board-approved guidelines; and
3. Advocate for the board-approved capital funding priorities as the priorities of the entire system.

Part 3. Accountability/Reporting

Periodic reports will be presented to the board on the status of capital planning and management of the system facilities and real property.

6.10 Design and Construction

POLICY

Part 1. Policy Statement

Minnesota State strives to provide high quality spaces that advance academic programs and are reflective of sound stewardship, sustainably designed, complementary of campus and regional architectural themes, affordably built and efficient to operate.

Part 2. Responsibilities

Subpart A. The chancellor shall establish design and construction procedures, standards, and oversight practices that ensure delivery of this policy and ensure compliance with applicable federal and state statutes and local rules and policies.

Subpart B. College and university presidents shall adhere to this policy and the supporting procedures and standards, regardless of fund source.

Part 3. Accountability/Reporting

Periodic reports will be presented to the board on the status of projects within the capital improvement program.

6.11 Facility Management and Operations

POLICY

Part 1. Purpose

To outline the expectations, duties, and responsibilities associated with the management and operations of the facilities Minnesota State colleges and universities. College and university facilities are to be used for fulfilling their mission of teaching, research, and public service. Facilities must be managed and operated in an effective manner, reflecting sound stewardship and creating accessible, safe, reliable, sustainable, and compliant environments for learning, teaching, and community service.

Part 2. Responsibilities

Subpart A. Chancellor The chancellor is responsible for the effective management and operations of Minnesota State facilities. The chancellor shall establish procedures for the effective management and operation of college and university facilities including, but not limited to, establishing, assessing, and reporting facility conditions, management and operations standards, and sustainability practices to include energy conservation.

Subpart B. College and university presidents Presidents are responsible for the efficient and effective management and operation of their campus facilities to fulfill their mission of teaching, research, and public service. They shall exercise sound stewardship and establish processes for maintaining campus facilities to achieve their fullest potential and for assessing customer or user satisfaction with facilities conditions and services. Presidents are encouraged to pursue operational and cost efficiencies locally and through regional partnerships with other Minnesota State institutions.

Part 3. Accountability and Reporting

Periodic reports will be presented to the board on the status of facilities, which may include facilities management and operations data such as facility condition, energy cost and consumption trends, staffing, preventative maintenance plans, or other metrics useful to the board in determining the effectiveness of facilities management and operations.

Part 1. Applicability

This policy applies to colleges and universities of the Minnesota State system.