BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES

Proposed Policy

BOARD POLICY 5.10		
Chapter	5	ADMINISTRATION
Section	10	General Operating Fund Reserves

Part 1. Authority

Pursuant to Minnesota Statute 136F.06, subd. 1, the Board shall possess all powers necessary to govern the state colleges and universities and all related property. Those powers shall include adopting suitable policies for the institutions it governs. Board Policy 7.1, Finance and Administrative Authority of Board, Chancellor and Presidents, delegates authority to the chancellor to develop procedures and guidelines which implement the Board's policies for the administrative and financial management of the MnSCU system, including all colleges and universities.

Part 2. Overview

It is the policy of the Board that the Minnesota state colleges and universities shall maintain an appropriate portion of general fund balances designated as a reserve for which no use is presently planned.

Part 3. Accountability/Responsibilities

The Office of the Chancellor is responsible for maintaining a portion of the overall system resources as a system reserve. The Office may maintain a system general fund reserve of up to two percent of the annual MnSCU state appropriation, which can be used at the discretion of the chancellor.

The president at each college and university is responsible for maintaining a portion of the college or university resources as a reserve. A college or university general fund reserve should be five to seven percent of the previous year's general fund operating revenues.

Date of Implementation:	Originally implemented 6/21/00 Revised and implemented December 18, 2002
Date of Adoption:	Originally adopted 6/21/00 Revised policy adopted December 18, 2002
Related Documents:	Minnesota Statute 136F.06, subd. 1, General Authority Board Policy 7.1, Finance and Administrative Authority of Board, Chancellor and Presidents