



Minnesota State Colleges and Universities Board Policies Chapter 5 – Administration

5.10 Reserves and Year-End Balances

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 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 Minnesota State Colleges and Universities 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: 06/21/00

Date of Adoption: 06/21/00

Date and Subject of Revision:

06/18/03 – changes “MnSCU” to “system” or “Minnesota State Colleges and Universities”

12/18/02 – Amended policy by moving current language from Parts 1,2 & 3 to Procedure 5.10.1, and approved new language.

06/21/00- Contains language formerly in Board policy 5.4; Added Part 1, Policy Statement; Created Part 2, Responsibilities, and made it the responsibility of the Chancellor & President to maintain a percentage of the budget as a reserve; Added to Part 3, reports shall be provided to the Board.