Minnesota State Colleges and Universities
Revenue Fund Overview
and
FY15 Student Union Budget Information

Presented to the Student Fee Management Committee (SFMC)
January 15, 2014

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### Legislative Background
- Established in 1955 as an independent enterprise fund
- Includes: residence halls, dining services, student unions, parking facilities, and any other revenue-producing buildings
- Predates all systems. The fund was created more than 10 years before the establishment of the state university system
- Has authority to sell revenue bonds. Academic and administrative buildings must use General Obligation bonds of the State of Minnesota

### Authority
- Minnesota Statues 136F.90-136F.98
- Master Resolution adopted by Board of Trustees on September 20, 2001

### Operations
- Administered through the Vice President of Student Life & Development
- Includes residence halls, dining services, student union facilities
- Does not include programming or other Activity Fee funded operations

### Funding
- Facility Fee
  - Student Senate must be consulted prior to submission of fees for approval
  - MnSCU Board of Trustees must approve fees
- Other Income
  - All universities attempt to maximize non-fee income to the best of their abilities. Examples are conferences, food service commission income, and space rentals for on- and off-campus groups

### Structure
- The revenue fund is a single fiscal entity from the perspective of the outside world
- The revenue fund went from centralized to decentralized in 1998-2000.
- Operations and programs are locally managed and funded by each campus
MnSCU Revenue Fund Management

Goals and Objectives

Revenue Fund Facilities

- Includes the 7 state universities
- 65 buildings have a total of approximately 4,500,000 sq. ft.
  - Kryzsko Commons is 130,425 sq. ft. *(including the Phase 3 Renovation)*

Reserves

- An operating reserve of **three to six months** of the operating expenditures, less the R&R deposit, **must be maintained**
- R&R reserves are **separate** from operating reserves

Deferred Maintenance Budget

- A **required** level of funds to be spent/accumulated to keep building systems functioning/upgraded
  - **Examples**: HVAC, plumbing, electrical, roof, windows, fire alarms/sprinklers
- FY2008-FY2014: $420,000

Repair and Replacement

(R&R Program)

- A **required** level of funds must be spent/accumulated annually to keep buildings at *status quo*
  - **Examples**: Furniture, painting, carpet, small remodels
- MnSCU requires $2.57 per sq. ft. to be allocated from the operating account to the R&R account.
**Revenue Detail**

**Facility Fees**
- Student fees collected for daily operation, debt load and maintenance

**Rent**
- Bookstore & office space rent
- Vendor table rental
- Room rental

**Other Revenue**
- Vending commissions
- Food service commission (from the Smaug and Catering)
- ATM commissions
- Check cashing commission
- Fax service fees

**Interest Income**
- Interest that is received on our reserves

**Fun Fact**

Traditionally considered the “living room” of the campus, today’s union is the gathering place of the college. The union provides services and conveniences that members of the campus community need in their daily lives and creates an environment for getting to know and understand others through formal and informal associations. The role of the college union has grown out of the widely held view among educators that what college students do in the hours outside the classroom is of major importance and that the union can give a new dimension to education—vastly expanding the time, area, and means through which the college educates.

**Expenses Detail**

**Employee Services**
- Classified & unclassified staff salaries & benefits
  - 11 full and 2 partial salaries & benefits for employees across campus
- Overtime
- Shift differential
- Student payroll
- Unemployment compensation
- Worker’s compensation
- ASF professional development funds

**Fuel & Utilities**
- Electricity
- Garbage
- Utilities

**Materials & Supplies**

**Equipment**
- Any equipment purchased for the operating side of the Student Union

**Other Operating Expenses**
- Repairs & services
  - Advertising, building repairs, equipment rental, preventative maintenance contracts, printing services, other purchased services
- Communications
  - Telephone & long distance service, postage
- Travel expenses
- Memberships fees & registration expenses
- Bad debt write-off
- Administrative fee
  - Both MNSCU and WSU Business offices