



## Green Sheet Narrative

The Board of Trustees annually set system priorities determining how state appropriation is allocated.

The letter “A” indicates all colleges and universities receive the allocation. The letter “S” indicates selected colleges or universities receive the allocation. The letter “C” indicates appropriation held centrally. The letter “P” indicates a pass-through to an outside entity.

### Institutional Basic Allocations (84% of funds):

- Base – Funding is distributed through the allocation framework. (A)
- Invested Treasury Cash (ITC) Earnings - Interest earned by tuition and other non-appropriated general fund revenues deposited in the state treasury. (A)
- Campus Support/Inflation – Funding is distributed through the allocation framework. (A)
- Tuition Replacement (15-19) – State support for funding tuition freezes/reductions and distributed based on enrollment. (A)

### Institutional Priority Allocations (5% of funds):

- Collaboration – The allocation is designated to provide funding to support the development and initial implementation of collaborative initiatives, programs, services, processes, and practices. The funds support two categories of initiatives/collaborative efforts: systemwide, enterprise level (\$4.3) and multi-campus initiatives/collaborations (\$1.1). The multi-campus category requires a 1 to every 2 dollar match from participating colleges/universities. The program is led by the Sr. Vice Chancellor for Academic and Student Affairs. (S)
- Workforce Education Priorities (Centers of Excellence) – The four state universities (Bemidji State University [360 Manufacturing and Applied Engineering Center], Metropolitan State University [Advance IT Minnesota], Minnesota State University Mankato [Minnesota Center for Engineering and Manufacturing Excellence], and Winona State University [HealthForce Minnesota]) act as fiscal agents and receive their portion of the funds each year. Throughout the fiscal year, each state university center allocates funds to their partners. Starting in FY2013, the activity has been expanded to include three additional centers in energy, agriculture, and transportation. Other workforce priority areas are also funded from this source. (S)

- Access and Opportunity - The allocation to all colleges and universities is based on a combination of the number of first generation and Pell grant recipients in addition to overall fall headcount. Funds are used to support activities related to serving underrepresented students. (A)
- NHED – Range Voc Ed – The Northeast Service Unit receives a special legislative allocation for this activity that support vocational education in the high schools. (S)
- Cook Co Higher Education - These are pass-through funds authorized by the Minnesota legislature that are directed to the Cook County Higher Education program. (P)
- Leveraged Equipment – Funding distributed to colleges and universities to pay for instructional equipment by leveraging partners through a match donation program. Allocation based on an average of equipment spending. (A)
- Legislative Initiatives – Funding for various specified legislative priorities such as transfer pathways, nursing initiative, and agriculture education. (S)
- Rural College Support – Funding distributed to rural colleges for operations and maintenance. Colleges with campuses located in rural areas are allocated \$158,333 per campus each fiscal year. (S)
- Workforce Development Scholarships - Annual scholarship funding for college students enrolled in four high demand programs: advanced manufacturing, agriculture, health care services, and information technology. \$4.5 million each fiscal year. (S)

#### **Systemwide Set Asides (6% of funds):**

- ISRS NextGen – The allocation providing direct state support to the ISRS Next Generation technology infrastructure project. (C)
- Attorney General – Funds are held centrally to pay for the system’s annual bill with the Minnesota Attorney General’s office. Attorney general services benefit all colleges and universities. (C)
- Debt Service – The amount labeled “system level” represents the system’s 1/6 share of debt service is held centrally to pay for the system’s annual debt service bill. The amount labeled “campus level” represents the 1/6th debt service costs charged directly to campuses. (C)
- Enterprise Technology – State appropriation held centrally to cover the expenses associated with systemwide information technology expenses for the benefit of all colleges and universities. (C)
- Repair and Replacement – State appropriation is held centrally and distributed by the Facilities group for emergency small college and university repair and replacement projects. (S)

- Leadership Transitions (Searches) – The cost of president, chancellor, and vice chancellor searches (search firm contracts, relocation expenses) is covered centrally and state appropriation is used to fund this annual activity. (C)
- System audit program – Funds are held centrally to cover the expense of the system’s annual financial statement audit including the external auditors for the federal single audit and the annual audit of the Revenue fund. The revenue fund audit costs are subsequently charged to the revenue fund. (C)
- PALS – Funds are held centrally and distributed to all colleges and universities to cover their portion of the annual Minnesota PALS (Project for Automated Library Systems) costs. (A)
- System Procurement – Funds are held centrally to cover the base operations of the system procurement group on behalf of all colleges and universities and the system office. (C)

#### Other (5% of funds):

- Minnesota Learning Network funds that are directed to network partners. (P)
- System Office – State appropriation held centrally to cover the expense associated with the policy, governance, and legal activities of the system office and for services performed on behalf of the colleges and universities. (C)

#### Total Allocations:

- State Appropriation – The annual amount the system receives in total from the state.
- Invested Treasury Cash (ITC) Earnings - Interest earned by tuition and other non-appropriated general fund revenues deposited in the state treasury.

Note: The majority of expense and matching revenue of systemwide set asides, shared service division, and information technology is shifted to the colleges and universities by the end of the fiscal year to fully account for activities that should be reported in college/university operations in national reports.