Miscellaneous, Course & Program Fees

Training 2016-17

http://planning.ucsc.edu/budget/miscfees.asp
Course Fees Topics of Discussion

• Delegation of Authority

• Miscellaneous & Course Fee Advisory Committee

• Course Fees Submittal and Review Process
Fee Approvals

• Delegation of Authority DA 2559 gives the Chancellor authority to set fee levels for:
  o Course Materials Fees
  o Miscellaneous User Fees
  o Program Fees
  o Administrative Service Charges/Penalties

• Departments may not assess and collect course fees, miscellaneous fees or program fees that have not been approved by the Chancellor
Miscellaneous and Course Fee Advisory Committee (MCMFAC)

Membership includes representatives from:
- Academic Divisions
- Academic Senate Committee on Planning and Budget
- Campus Life
- Planning and Budget Office
- Registrar’s Office
- Student Fee Advisory Committee
- Vice Provost and Dean of Undergraduate Education

Committee Role:
- Establish procedures
- Review fee proposals for compliance with University policy
- Recommend fee approvals to Chancellor
Course Fees

Definition:

Materials, supplies, tools, or equipment which are consumed, retained or used by the student, or other materials or services necessary to provide a special supplemental educational experience of direct benefit to the student.
Course Fee May Include:

• **Materials and Supplies** may include, but are not limited to, such items as chemicals, solutions, gloves, filters, biological specimens, artists' media, glassware, photographic chemicals, and other one-time use items. These also may include the reproduction costs for supplemental non-copyrighted materials such as laboratory manuals and noncommercial computer software, and costs associated with providing live models for art classes.

• **Tools and equipment** includes scientific or medical tools, musical instruments, video and audio equipment, and other equipment related to enrollment in a course, so long as the student is given ownership (if purchased) or extensive use (if rented) of the tools or equipment and, where feasible, has the option of securing equivalent tools or equipment elsewhere. These may include the costs associated with the use of University-owned tools and equipment for out-of-class learning activities or extracurricular use, or the purchase of computer software if the student retains ownership of the software.
Course Fee May Include (Continued):

• Materials and services for special supplemental educational experiences are materials and services that offer students a special educational opportunity, such as travel, lodging and food costs for archeological digs; or the cost of film rentals.
Course Fees May NOT Include:

Course Fees may not be charged to cover any costs relating to the provision of facilities or services required for the general operation of the institution.

- Salaries/benefits of University employees (exception individual music instruction)
- Maintenance, depreciation, replacement of instructional equipment located or utilized in classrooms and laboratories primarily during scheduled periods of instruction.
- Reproduction of copyrighted materials for course readers or audio or video collections
- Course syllabi
- Software license costs
Course Fees May NOT Include (Continued):

Course Fees may not be charged to cover any costs relating to the provision of facilities or services required for the general operation of the institution.

- Divisional computer upgrades
- Computer software or licenses that enhance divisional property
- Equipment used to enhance the division
- Honoraria, including the cost for guest lecturers as part of a course
- Expenses that support faculty or staff when a course is offered off-campus,
  - Example: airfare, other transportation, or food and lodging
A Division would like to assess a course fee to cover the following:

- Supplies: Gloves, chemicals for experiments, Post-It Notes, photocopies of copyrighted materials and highlighters.
- Electronic components and/or tools to be consumed and/or retained by the student.
- Depreciation and maintenance of specialized laboratory equipment
- Two trips to Silicon Valley (Van rental, gas, salary of department staff accompanying students)
- Honoraria to lecture as part of the course
- Course syllabi
- Software to be retained by the student
- Specialized equipment to be used by the Division beyond the confines of the course
A Division would like to assess a course fee to cover the following:

- **Supplies:** Gloves, chemicals for experiments, Post-It Notes, photocopies of copyrighted materials and highlighters.
- **Electronic components and/or tools to be consumed and/or retained by the student.**
- **Depreciation and maintenance of specialized laboratory equipment**
- **Two trips to Silicon Valley (Van rental, gas, salary of department staff accompanying students)**
- **Honoraria to lecture as part of the course**
- **Course syllabi**
- **Software to be retained by the student**
- **Specialized equipment to be used by the Division beyond the confines of the course**
Requirements For Course Fees

• Course Fees are mandatory and shall be assessed only to those students enrolled in the applicable course.

• Course Fees may only be collected through the campus centralized billing or student registration/accounting system.

• Course Fees may not exceed the actual cost per student of the materials provided for the course.

• Course Fees should be reviewed annually.

• Fee waivers may be granted as an exception. Each division must specify waiver process in proposal.
Requirements For Course Fees (Continued)

- Course Fee revenue and associated expenditures must be separately recorded and accounted for in a unique FOAPAL.

- Year-end surplus balances must be retained in designated FOAPAL to be used in the subsequent year towards the same class.

- Year-end deficit balances must be absorbed by the division or department.

- Proposals submitted not using the updated 2016-17 forms will be returned to the unit for resubmission.
What Constitutes A Reasonable Fee

Considerations:

• Existing Course Fees
• Cost Per Student
• Relationship between the fee and its purpose
• Increases are gradual and moderate
• Adequate notice of fees to students
• Availability of need-based waivers
Review/Approval/Implementation Process

- Course Fee proposal submitted by division to MCFAC (February 6, 2016). Dean’s approval required.
- MCFAC reviews proposals February/March 2016
- Recommendation forwarded to the Chancellor for approval March/April 2016
- Divisions and Registrar’s Office notified of approved Course Material Fees - April, 2016
  - List of approved Course Fees published on Miscellaneous, Course & Program Fees website http://planning.ucsc.edu/budget/miscfees.asp
  - Divisions/Departments verify approved course fee list
  - Division may appeal decision with Chancellor if fee is not approved
- Department should contact Student Billing Services for procedures related to billing adjustments and collections
- To establish a unique course fee FOAPAL, contact Rob Jarvis in Accounting (x9-5294) for student fee fund number and Stacy Hochstein in P&B (x9-5347) for organization code
Course Fee Forms and Reporting Requirements

Units are required to use the following templates:

- **Attachment 1 – Course Materials Fee Request**
  - Required for a new course materials fee or an adjustment to an existing fee

- **Attachment 2 – Course Materials Fee Budget Summary**
  - Required for a new course materials fee or an adjustment to an existing fee

- **Attachment 3 – Course Materials Fee Year-End Report**
  - Required for **ALL** approved course material fees regardless if any changes are being made to the fee.
Miscellaneous Fees and Program Fees

Topics of Discussion

• Delegation of Authority
• Miscellaneous & Course Fee Advisory Committee

• Submittal and Review Process:
  o Miscellaneous Fees
  o Program Fees
Fee Approvals

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Miscellaneous Fees

Definition:
Administrative service charges, deposits, and fines that are charged to individual users to cover the costs of breakage charges, replacement fees (lost equipment), health center fees, late filing of study list fees, library fees, improper check-out fines, physical education equipment fees, access fees, rental of facilities fees, transcript fees, etc.
Considerations for Miscellaneous Fees

- Existing Fees
- Cost Per Customer
- Relationship between the fee and its purpose
- Increases are gradual and moderate
- Adequate notice of fees to customers
- Services are necessary and not funded by any other source
- Justification is to defray the cost of the service or prohibit abuse
  - Exception: room rentals to off-campus users
- Quality of the service is adversely impacted by increased enrollment
Miscellaneous Fees May Include:

- Salaries & benefits for providing the service
- Supplies/services related to service
- Leased equipment
- Equipment depreciation
- Administrative costs
- Repairs and maintenance of equipment
Miscellaneous Fees

• Are NOT fees that are mandatory for taking a class

• Are NOT fees that are voted for by student referendum

• Are NOT Course Fees which are charged to students to recover the costs of materials, supplies, equipment and support services not covered by the normal instructional budget
Miscellaneous Fees charged to Federal Contracts and Grants may not include:

- Purchase cost of inventorial equipment
- Housing/personal expense
- Interest or fund raising expense
- Memberships in civic or social orgs
- Contingency reserves
- Alumni activities
- Entertainment
- Donations, contributions
- Advertising, publications
- Legal costs
Requirements For Miscellaneous Fees

- Fee revenues retained in designated FOAPAL
- Fee revenues applied only to costs associated with fee
- Depreciation required, if need to replace capital equipment in future
- Year-end balances must be retained in FOAPAL (fees adjusted to compensate for surplus/deficits)
- Proposals submitted not using the updated 2016-17 forms will be returned to the unit for resubmission
Review/Approval/Implementation Process

- Miscellaneous fee proposal submitted by division/unit to MCFAC (March 4, 2016). Principal Officer’s approval required.
- MCFAC reviews proposals March/April 2016
- Recommendation forwarded to Labor Relations and to the Chancellor for approval March/April 2016
- Divisions/Units notified of approved Miscellaneous Fees – May, 2016 for implementation July 1, 2016
  - List of approved Miscellaneous Fees published on Miscellaneous, Course & Program Fees website http://planning.ucsc.edu/budget/miscfees.asp
  - Divisions/units verify approved miscellaneous fee list
  - Division/unit may appeal decision with Chancellor if fee is not approved
- Division/unit communicates to constituencies new/increased fee
- Division/unit sets up new fund number by contacting Rob Jarvis in Accounting (x9-5294)
- Division/unit establishes permanent budget if volume is significant (For new organization code number contact Stacy Hochstein in P&B (x9-5347)
Miscellaneous Fee Forms and Reporting Requirements

• Attachment 1 – Miscellaneous Fee Request
  o Required for a new miscellaneous fee or an adjustment to an existing fee

• Attachment 2 – Miscellaneous Fee Financial Statement
  o Required for a new miscellaneous fee or an adjustment to an existing fee

• Attachment 3 – Miscellaneous Fee Comparison
  o Required for a new miscellaneous fee or an adjustment to an existing fee

• Attachment 4 – Salary and Benefit Schedule
  o Required if claiming salary and benefit expenses on Attachment 2

• Attachment 5 – Equipment Depreciation Schedule
  o Required if depreciating equipment on Attachment 2
Program Fees

Definition:

Program Fees are for specific programs and typically cover the entire cost of the program. Example: Denmark Summer Program

In September 2011 Chancellor established a new class of fees called Program Fees, and gave approval for the MCFAC to review these fees.
Preparing Program Fee Submittal

Generally Follows same forms and requirements as the Miscellaneous Fee Submittal

- Scholarship programs are allowed and encouraged.
Program Fee Review Process

• Program Fees submitted to MCMFAC (February 5, 2016)
• MCMFAC reviews program proposals (February/March 2016)
• Recommendations forwarded to the Chancellor for approval (March-April 2016)
• Program notified in April 2016
• New Fee implemented July 1, 2016 – or when required