

Instructions for Submitting Recharge Rate Proposals for 2022-23

The following provides the parameters to be used in developing proposed recharge rates, campus expectations, proposal submittal requirements and direction on where to find recharge guidelines, policies, templates and assistance.

All recharge rate submittals should be sent to **Sarah Jane (SJ) Casciato** in Budget Analysis and Planning by **March 25, 2022**, for review by the Direct Costing Committee. Reviews will be conducted and the recommendations of the Committee will be forwarded to Associate Vice Chancellor Kimberly Register in June 2022, for approval (as delegated).

Recharges are not a vehicle to continually increase the level of service(s) or to expand services. This is particularly true of those recharge goods and services not competitively obtainable elsewhere. For this reason, new expenses reflected in a recharge rate activity (e.g. new positions, costs related to new or enhanced levels of service, additional administrative overhead, costs formerly covered by other fund sources, etc.) are closely examined and may require specific review and approval of the Campus Provost/EVC.

Parameters

Your planning should take into consideration, where relevant, known bargained increases, our campus's adoption of new non-represented salary ranges this past year, the compensation equity program implementations in January 2022 and January 2023, and the UC Regents approval of President Drake's proposal for a general increase in non-represented staff salary by 4.5% effective July 1, 2022.

Please also factor into the 2022-23 rate calculations fringe benefits costs based on the composite benefit rates. For information about composite benefit rates please visit the following website https://planning.ucsc.edu/budget/policy/ucpath_composite_benefit_rate.html The 2022-23 proposed rates will be published on the website in January 2022.

These planning assumptions are based on the best available budgetary information at this time, and may change as policy and program decisions are reached later this year. Budget Analysis and Planning will keep you informed as more information becomes available.

Instructions for recharge activities that have a campuswide impact

All activities listed below have been identified as having a campus wide impact on recharge goods and services not competitively obtainable elsewhere. For 2022-23, these recharge activities must submit a full recharge rate packet to the Direct Costing Committee containing all applicable templates. Upon review of the recharge activity, additional information may be requested of the recharge unit. Recharge units are welcome to provide additional clarifying documentation with the original submittal.

Financial Affairs

Mail Services

Physical Planning, Development & Operations (PPDO)

Custodial

Fleet Services

Grounds

Physical & Environmental Planning Services, Design & Construction Services
Refuse/Recycling
Skilled Crafts (Includes Energy Services)
Work Management

Information Technology Services

800MHz Radio
Data Center
Network and Telecommunications Services

Activities charging Federal funds may have additional reporting requirements. Those requirements are described in “Charging the Federal Government” section below.

Instructions for activities that do not have a campuswide impact

- A. If no rate increase is proposed:** Activities that do not have a campus wide impact and are not requesting a recharge rate increase should submit “Template 1 – Recharge Rate Questionnaire” to the Direct Costing Committee along with a list of current rates charged by the recharge activity. If applicable, indicate where any rates are decreasing. **Rates not submitted for 2022-23 will expire as of June 30, 2022.** Recharge units should complete a copy of the annual Comparative Income Statement (Template 2) and keep it within the unit or division. Upon review of the recharge activity additional information may be requested of the recharge unit including, but not limited to, a full recharge packet. Recharge units are welcome to provide additional clarifying documentation with the original submittal.
- B. Activities that do not have a campus wide impact may request a new recharge rate or an increase to an existing rate:** To request a new recharge rate or an increase to a current recharge rate, submit a full recharge rate packet to the Direct Costing Committee containing all applicable templates. Upon review of the recharge activity, additional information may be requested of the recharge unit. Recharge units are welcome to provide additional clarifying documentation with the original submittal.

Charging the Federal Government

If the recharge activity charges Federal funds, compliance with CFR 200 - Uniform Guidance requires use of one of the following methods:

1. Single rate comprised solely of federally allowable expenses.
2. Dual rates for the same service - both a non-federal rate and a federal rate. The federal rate excludes federally unallowable expenses.
3. Refund unallowable costs billed to Federal funds.

If either the dual rate #2 or refund #3 methods are utilized, a full recharge packet is required to be submitted to the Direct Costing Committee containing all applicable templates. A separate Template 2 (Comparative Income Statement) and Template 3 (Recharge Rate Comparison) must be completed in support of both the non-federal rate and federal rate. The federal rate Template 2 (Comparative Income Statement) may only include federally allowable expenses prorated on the percentage of recharge activity revenue attributable to Federal funds. In the case that the refund #3 method is utilized, you will also need to complete Template 9 (Refund to Federally Funded Contracts and Grants).

Equipment Depreciation:

If the recharge activity charges federal funds and the equipment being depreciated is located in an academic space, Template 6 - Equipment Depreciation Schedule needs to be submitted every year regardless if any changes to existing approved rates are being requested.

Guidelines, Planning Parameters, and Forms Are Available On-Line

Guidelines for Recharge Activity Submittals, Recharge Rate Policies and all relevant templates needed for your recharge rate packet submittal to the Direct Costing Committee are available on the web at:

<https://planning.ucsc.edu/budget/rates-and-assessments/recharge-rates/index.html>

Units must use current templates. At the above website, you will also find the current list of Approved Recharge Rates for 2021-22.

If you have any questions about recharge rates or need assistance, you may contact SJ Casciato at scasciat@ucsc.edu.

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