

Interdepartmental Fee Guidelines

I. Purpose

- To provide guidelines for requesting, reviewing and notifying campus of new or revised fees charged interdepartmentally across the Ithaca campus.
- To ensure units can operate within the University environment successfully and provide needed goods or services to the campus consistently and fairly.

II. Background

These guidelines have been developed by the Division of Budget & Planning (DBP) to aid the University in tracking changes to interdepartmental fees, and to formalize the creation, review and notification of fees levied across university departments. The guidelines will assist units in making budget decisions, and ensure that fees will be recorded in conformance with generally accepted accounting practices. These guidelines are not intended to supplant governance under recharge operations and service facilities as found in University Policy 3.10.

III. Rental of University-owned Space – Special Considerations

A fee may be charged to internal users of university-owned space if any of the following conditions exist (Note: These guidelines deal only with the incidental or temporary use of space and do not apply in the case of leasing of permanently assigned space; however, the guidance does apply to internal fees assessed in leasing transactions.):

- An admission fee is charged by the renter for the event being held in the space.
- There are special set-up or take-down requirements or other costs incurred by the principal occupant of the space.
- There is an increase in costs for normal expenses associated with providing the space for rental (e.g., carpet cleaning four times a year instead of two times a year).
- The event will be scheduled after normal University operating hours and requires additional staffing for security or support.
- The event will be hosted by a member outside of the University community (i.e., an entity not under the control of a college or department; an alumni group functioning through the Office of Alumni Affairs or a college office; a student organization registered with the Office of the Dean of Students; or an employee organization).
- The space may sustain damage as a result of the event.
- The principal occupant of the space does not have a funding source for furniture or fixtures replacement due to additional wear and tear.

IV. Unit Requesting/Charging a Fee

- Submit a written request to Interdepartmental Fee Committee in care of the Division of Budget & Planning. The Dean, Director, Department Head, Associate Provost or Associate Vice President, and the Provost or Vice President to whom the unit reports must sign before the request is submitted to the Committee. **Requests must be submitted by December 15th of each year for the following fiscal year.**
 - Provide the Committee with the required schedules, including activities description, procedure, new fee and charge rates, if the goods and services provided by the unit have materially changed, as well as other information sufficient for the Committee to evaluate the fee request. Note that this may require certain follow-up, including a request for more detailed information if necessary to make an appropriate review.
 - Obtain accounts information from the appropriate Financial Transaction Center for use for interdepartmental activities. The unit should coordinate their billing process with their FTC to ensure billing is processed using appropriate eDocs and object codes.
 - Maintain the detailed records listed on the request form for backup.
- If a new fee or a change to an existing fee is approved, the Division of Budget & Planning will notify campus of impending changes **by February 1st prior to the start of the new fiscal year.**
- If a fee or change to an existing fee is not approved, notification to requesting unit will be made no later than January 31st. Requesting unit may then make an appeal to the Provost. Appeal review will be complete no later than February 28th.
- If goods or services are no longer provided and a fee is no longer needed, the unit must notify the Interdepartmental Fee Committee and close all related accounts to terminate the procedure and billing rate.

V. Interdepartmental Fee Committee

- Review the request and determine if the information provided by requesting unit meets required criteria. The review will ensure the request is complete with required information, the costs are identified accurately, the requested fee is fair and consistent, the fee request and process follow University policies, and the request has been approved through administrative channels. The Committee may contact the unit to validate the information provided and/or request further information, if needed.
- The following fees will be reviewed and a recommendation of approval/disapproval will be made to the Provost no later than January 31st: CIT rates; Utilities and Maintenance rates submitted by Facilities Services; any fee charged to an external entity that effects a Cornell program directly (e.g., room and board charged to Summer Session students); and any appeals submitted by a requesting unit. Review and decisions will be complete by February 28th.
- Annually provide changes to the list of authorized fees and respective charging units to the Division of Budget & Planning and individual units charging fees by February 1st, and publish to designated DBP website. Posting shall include date last reviewed.
- Committee monitors review dates and notify unit(s) when next review is required.
- Notify the Cost and Capital Assets Department when a fee is de-authorized to stop processing the charges, if necessary.

VI. Forms Processing

1. The Rate Request Form (Appendix A) must be submitted by units to the Division of Budget & Planning for authorization by the Interdepartmental Fee Committee. The request includes the following information:
 - Name of unit
 - Good or service name, current rate, requested rate
 - Requested effective date
 - Date of last fee change
 - Customers or customer types served (provide 3 to 4 examples of major customers served)
 - Financial information, including revenues, expenses and fund balances for the previous two years, the current year projected, and a projection for the year the rate will become effective
 - Account number that identifies where these costs are recorded. Fee activity should be recorded in distinct accounts where the annual volume exceeds \$10,000.
 - Name, phone number, email address and campus address of the unit director and the individual preparing the fee request
 - Explanation of the fee and justification for proposed new fee or fee change (see #2 below for additional reporting requirements)
 - Cost impact to affected departments – i.e., an analysis of the projected annual costs to departments paying the increased fee or new fee
 - Certification and signatures
2. When providing an explanation of the fee and a justification for the proposed new fee or a material fee change, the requesting unit must:
 - a. Explain how the goods or services provided by the unit are consistent with the University's mission
 - b. Demonstrate that there exists a demand for these particular goods or services by more than one department or unit outside the requesting unit's home division
 - c. Demonstrate that the goods or services will be provided on a regular and continuing basis
 - d. Explain other fund sources the unit applied for, before considering a new fee or fee change (e.g., through the annual budget hearing process)
3. Rates:
 - a. Rates must be stated in measurable units of goods or services.
 - b. Rates must be established on a non-profit basis and should not result in cost recovery that exceeds service and material expenses over the course of any given fiscal year, except for a reasonable operating reserve. Federal guidelines limit accumulated fund balance to roughly two months of operating expenses.
 - c. Rates for goods or services must be charged at the same rate to all interdepartmental benefiting units and reflect not more than the full cost of the operation. Tiered pricing based on volume is permissible if it does not discriminate against a particular class of users.

VII. Interdepartmental Fee Committee Members

<u>Area Represented</u>	<u>Length of Term</u>
Budget & Planning	Permanent (Chair)
Financial Affairs	Permanent
University Space Planner	Permanent
Alumni Affairs & Development	Permanent
Cornell Information Technology	Permanent
School of Continuing Education and Summer Sessions	Permanent
Student and Academic Services	Permanent
Facilities Services	Permanent
Colleges/Schools (2 representatives)*	Two years – change beginning of odd year

* 7/1/2012 through 6/30/2014 – Human Ecology and Arts & Sciences

VIII. Interdepartmental Fee Form

- a. Appendix A – Rate Request Form