INTERIM POLICY

Effective Date: November 13, 2019
Approved By: President Sabah Randhawa

See Also: POL-U1400.03 Establishing and Changing Course and Lab Fees
          PRO-U1400.03A Establishing a Course or Lab Fee or Changing the Amount or Purpose of an Existing Course or Lab Fee, Fixed or Variable
          PRO-U1400.03B Collecting Revenue for Fixed Course and Lab Fees
          PRO-U1400.03C Collecting Revenue for Variable Course and Lab Fees
          POL-U1400.04 Administering and Spending Course and Lab Fees
          PRO-U1400.05A Establishing or Changing the Amount or Purpose of a Service Fee
          POL-U5100.02 Educational Commercial Activities

POL-U1400.05 ESTABLISHING OR CHANGING THE AMOUNT OR PURPOSE OF A SERVICE FEE

This policy applies to University personnel involved in establishing or changing Departmental or Miscellaneous Service Fees as defined below.

Definitions:

Departmental Service Fee: A fee charged by one University department to another related to the cost of the goods or services provided.

Miscellaneous Service Fee: A fee charged to the public to cover the cost of providing services. The rate of the fee should reasonably reflect the actual cost to the University for goods/services provided. When appropriate, consideration should be given to rates charged for similar services in the community.

1. **Financial Manager is Responsible for the Proper Administration of Their Fees**

   Financial Managers are responsible for the review and reconciliation of fee funds. They must monitor fee fund balances to ensure that the level of fund balance is appropriate to support the approved purpose(s) of the fee and to formulate plans for managing fund balances when fee revenue exceeds fee expenditure.

2. **Departments May Establish Service Fees to Cover the Cost of Goods or Services Provided to Internal or External Entities**

3. **Departments May Establish Service Fees to Promote the Self-Regulation or Rationing of Services or Assets**
4. **Departments May Not Accumulate Balances that Exceed Approved Program Costs and Appropriate Reserves**

Appropriate reserves include equipment and system replacement.

5. **Department Wanting to Establish or Change the Amount or Purpose of a Service Fee Must Follow Procedure PRO-U1400.05A**

In order to be established, a Service Fee must:
   a) Be within the educational context and mission of the University;
   b) Be in compliance with POL-5100.02 – Educational Commercial Activities; and
   c) Fully or partially cover the cost of goods or services not currently funded by the state or other revenue sources.

6. **Approved Service Fees Will Be Identified in the University’s Published List of Fees and Rates**

Service fees that have not been approved cannot be charged in the upcoming fiscal year.

7. **President, Upon Recommendation of the Vice President(s) or Provost, may Approve Exceptions to this Policy**