

2012 - 13 Self-Sustaining Budgets & Fees and Rates Instructions

Thank you for your assistance in the development of the Fiscal Year 2012-13 Self-Sustaining operating budgets for Western Washington University. The self-sustaining budget process will be modified slightly this year to try to eliminate duplicative work during the fiscal year. While the majority of the self-sustaining budget process will occur in Spring 2012 using Banner Budget Development and Salary Planner, this current phase focuses on preliminary revenue and expenditure projections in order that divisions may propose changes in fees and rates.

Self-sustaining operating budgets account for approximately 38 percent of Western's \$273.3 million annual operating budget. It is, therefore, very important that a thorough budget review and accounting of this activity be undertaken on an annual basis. We encourage you to develop internal review processes for the funds under your jurisdiction in order to provide an accurate reporting of all revenue and expenditures and to ensure that all fees and rates charged are FAIR, REASONABLE, and JUSTIFIED.

SECTION I: Self-Sustaining Funds Defined - Self-sustaining funds are primarily supported by locally established user fees and/or departmental service fees. In general, these funds generate sufficient revenue to sustain expenses incurred in these activities. Included in the University's operating budget, are three categories of self-sustaining funds: Dedicated Local Funds (e.g. course or lab fees), Internal Service Funds (e.g. motor pool and copy/duplicating fees), and Auxiliary Funds (e.g. Housing and Dining, Parking, and Intercollegiate Athletics). For the purposes of this process, division proposals for additions of new or changes to existing course and lab fees, service fees and departmental service fees will be addressed.

SECTION II: Submission Deadlines - If you are anticipating a **material** change in the methodology or calculation of your fee/rate schedule or structure, including significant fee increases, you are requested to submit a memo describing these changes to University Planning and Budgeting **by 3/16/12**. The purpose of this memo is to ensure that any proposed policy changes are known and discussed well in advance of fee and rate proposals being brought before the University Fee Committee* and President's Cabinet. The memo should include sufficient information to cover the following:

- Describe the issue(s) that warrant a change
- Provide background (history, current practice, etc.)
- List new fee/rate recommendations, if known
- Identify fiscal impact

Please review the sections below for additional submission requirements and deadlines.

* Formerly the Budget Working Group

SECTION III: Budget reports – Reports have been provided for all categories of the self-sustaining funds identified in Section I. It is encouraged that the following reports be reviewed and updated during this process. Each fund will contain the following budget reports, if applicable:

1. **Fee and Rate Reports** – The FY 2012-13 process for fee and rate increases is similar to last year. Please note that separate report formats have been developed for each fee and rate category: Service Fees, Other Academic Program Fees, Mandatory Student Fees, Departmental Services Fees and Course Related Fees. These reports reflect the previous year and the current year fee and rate levels, and a description and course number, if applicable for each self-sustaining fund.
 - ✓ Refer to Section IV below for guidelines on recommending changes for each fee type.
 - ✓ Review all data for accuracy and recommend any additions, changes or deletions on the spreadsheet provided.
 - Enter number amounts in the “FY13 Numeric Data” column without any punctuation (no dollar signs, commas, dashes, etc.).
 - Enter any text descriptors in the “FY13 Text Data” column (each, per month, per quarter, \$45-\$55, Variable, etc.).
 - Select the appropriate description from the dropdown selection in the “Change Type” column.
 - Include a brief explanation of any additions and/or changes in the space provided on the spreadsheet’s “Comments” column.
 - If adding a new fee, please add the fee form hyperlink in the “Fee Form” column.
 - ✓ If notations are not made on the report, we will assume that no changes are necessary and the 2011-12 fees and rates will be brought forward and listed as fees to be charged in fiscal year 2012-13.
 - ✓ **Each division will follow its own internal process for establishing fee and rate changes for Vice Presidential approval.**
 - ✓ **Completed Fee and Rate Reports must be returned to UPB by 3/30/12.**

2. **Fund Balance Summary Report** – (Column references)
 - FY 09-10 and FY 10-11 History: Displays *actual* summary totals for Beginning Balance, Revenue, Expenditures, Fund Transfers and Ending Balance for fiscal years 09-10 and 10-11.
 - FY 11-12 Estimates: Actual beginning balance based upon the ending balance from fiscal year 2010-11 and revenue, expenditure and fund transfer *estimates* as provided by the fund manager during the previous year’s process.
 - ✓ Review this data for accuracy and enter updated projections for 2011-12 and estimates for 2012-13 in the excel spreadsheet in the columns indicated for each fiscal year, if desired.

✓ **It is recommended that these reports (or something similar) be returned to UPB by 3/16/12 to support the fiscal impact of a proposed material change.**

3. Position Profile Report – For funds that have permanent budgeted positions, a position profile report is provided. The financial manager listed in these reports is for reference only and may not reflect the most recent changes submitted to accounting services. It is recommended that you also refer to the Banner Human Resource system to get the latest information regarding positions associated with each of your funds. We recommend using the Position Salary and Benefits Report (NWRsABR) to assist in your position analyses.

✓ Please review these reports and inform UPB of any positions which can be deleted from the system.

SECTION IV: Fee and Rate Categories

1. Mandatory Student Fees - Fees required to be paid by all students enrolled for six (6) or more credit hours or as may be determined by course location (on-campus or off-campus). Mandatory student fees are: service and activity fee, health service fee, technology fee, non-academic building fee, green energy fee, student recreation fee and alternative transportation fee. Mandatory student fees are addressed in a separate fee-setting process and are not addressed in this process.
2. Course Related Fees -
 - a. Fixed Course Fees: Supplemental instruction or lab fees published and assessed to all students enrolled in a specific and identified course at the beginning of the quarter. May cover the cost of consumable materials used by the student to make items retained by the student, unique personnel expenses (e.g., artist models, technicians), cost of supplies and materials required in the course and provided directly to students for convenience and/or economy purposes, course-specific equipment repair and/or replacement, or field trips. Fees may be increased to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.
 - b. Variable Materials or Field Trip Fees: By general notification in the course catalog, supplies, materials, or field trip fees that may be assessed after the beginning of the quarter for specific and identified courses. These fees vary by student and are dependent upon the materials or services selected, consumed, and/or retained by the individual student. Fee increases are limited to projected program costs.

Other Academic Program Fees - Summer session, extended education, international self-sustaining academic programs, and other academic programs. Summer 2012 tuition and registration fees were approved by the Board of Trustees at its December 9, 2011 meeting. Fee setting for these programs are addressed through separate fee-setting processes and are not address in this process.

3. Service Fees - A fee charged students, staff and/or the public to cover the cost of providing goods or services. The rate of the fee is directly related to the cost of the services or goods provided. Some examples of these fees include: application fees; career services; conference services; debate team fees; department services/equipment charges; enrollment and orientation fees; health service medical supplies; housing and dining; library fines; parking and transportation; recreation center/special services; summer sports camp; tickets for performances and athletic events; transcript fees; and Western Front advertising. Fees may be increased by amounts judged reasonable and necessary to cover the cost of services.
4. Departmental Service Fees - A department that offers a specific type of service primarily to other university departments and that charges a fee directly related to the cost of the goods or services provided. Some examples include: ATUS equipment rentals; capital planning; central stores; fiscal services; facilities management; lock shop; motor pool; publishing services; physical plant; plant services/construction; planning, design and construction; public safety; telecommunications; and vehicle insurance. Fee increases are limited to projected program costs.

SECTION V – Incremental Cost Factors and Changes

1. Salaries
 - a. For Classified Staff a two-step increase is awarded annually to all classified staff that have not reached the top step (step L) in their grade. Each step is worth an approximate 2.5% increase, so a typical two-step increment is calculated at roughly a 5.0% increase. Please consult your position reports, the Banner Human Resource System, and/or the Human Resource Office for appropriate increment dates and steps. Collectively bargained agreements can be found on the Human Resource web site at: <http://www.acadweb.wvu.edu/hr/LaborRelations/index.shtml>.
 - b. Exempt salary increases are not anticipated for FY 2012-13.
 - c. Washington's minimum wage rate will change as of January 1, 2012 to \$9.04.
2. Employer Benefit Rates

Employer benefit rates for 2012-13 are subject to change. Current rates may be found at <http://www.acadweb.wvu.edu/hr/benefits/EmployerInfo/benefitscharges.shtml>, and updates in these rates will be posted as they become available.
3. Administrative Services Assessment

The Administrative Services Assessment rates for FY 2010-11 and FY 2011-12 was 4.00 and 4.50 percent respectively. The FY 2012-13 assessment rate will be proposed and determined during the spring budget allocation process for 2012-13.

Please direct any questions regarding the Self-Sustaining Budget Process, reports or instructions to Linda Teater at extension 4267 or Phil Smith at extension 3029. Thank you.