

UC Santa Barbara
Policies
Issuing Unit: Academic Affairs

Policy 1300
Date: June 1, 1985

ESTABLISHMENT AND REVISION OF RECHARGE RATES

I. REFERENCES:

- A. University of California Business and Finance Bulletin A-47, University Direct Costing Policy.
- B. University of California Business and Finance Bulletin A-56, Academic Support Unit Costing and Billing Guidelines.
- C. University of California Business and Finance Bulletin A-59, Costing and Work Capital for Auxiliary and Service Enterprises.
- D. University of California Planning and Budget Manual, Section 4010, Operating Budget Amendments, VII.B.4.

II. POLICY:

A. Definition:

1. "Recharge" shall be defined as the assessment and collection by one campus account of a charge for goods or services, based on an identifiable unit of measure, furnished to another campus account.
2. "Rate" shall be defined as a unit of value--based on an established standard pricing method as developed under the recharge function--for goods and/or services supplied to authorized individuals or groups.

B. Applicability:

Fees set by regulatory bodies and rates subject to control through other specific University policies are excluded from this policy: (1) academic fees, (2) University Extension fees, (3) Parking (4) Summer Session fees for instructional programs, (5) residence halls, including food service, (6) admission to athletic events, arts and lectures programs, and other events, (7) University Center, and (8) rates associated with computing equipment administered/controlled by the Computer Center. Note: Stand-alone word-processing equipment, stand-alone micro computers (whether used for word processing or data processing) will be reviewed by the Rate and Recharge Council.

C. Rate and Recharge Council:

The Rate and Recharge council is advisory to the Chancellor in all matters related to rate structures and recharge procedures proposed by campus service units for their goods and/or services, except as noted above.

1. In all deliberations, the Council shall keep in mind the effect which its recommendations may have upon relations

with the adjacent community--to avoid the appearance of unfair competition with local or private enterprise.

2. The Council shall insure that wherever possible rates/recharges allow for full cost recovery. In the case of self-sustaining activities, consideration shall be given to amortization of indebtedness and depreciation of equipment and facilities.
3. In accordance with paragraphs C.1. and 2. above, the Council shall:
 - a. Review and evaluate the need for recharges and rates for good and services, within the defined jurisdiction of the Council.
 - b. Provide assistance in the development of recharge formulas and rate structures for those new areas needing help in their approach to this problem.
 - c. In conjunction with the annual budgeting process receive and review requests for changes in rates/recharges to insure that they reflect present needs.
 - d. Review and recommend on new income accounts. These must have final approval from the Office of the President. Requests for new accounts may be submitted at any time during the year. Noting the instructions on the back of the form, the originating unit should complete a Request for Establishment or Revision of Rates or Recharge Fees for (Attachment A) and forward it to the Chairperson, Rate and Recharge Council. Proposals to establish recharge accounts should be based on the following criteria:
 - (1) There exists a demand for the particular service by more than one department/unit/activity/project.
 - (2) There will be a significant volume of recharging, both in dollar amounts and in number of transactions.
 - (3) Service will be provided on a regular and continuing basis.
 - (4) Service should be unique or specialized (for example, a glass blowing shop, or a machine shop) as opposed to general administration or other institutional support services.
 - (5) If the predominant (over 50%) volume of the product or service is to be provided to the general campus, the recharge unit should be classified within the Institutional Services and General Administration function.

Please direct questions about these policies to Meta.Clow@vadmin.ucsb.edu. For questions or comments regarding the format of the above information, please contact webcontact@ucsbuxa.ucsb.edu.

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