

FEES AND SERVICE CHARGES

POLICY NUMBER: RESERVED FOR FUTURE USE

POLICY TYPE: ADMINISTRATIVE

RESPONSIBLE OFFICIAL TITLE: CHIEF FINANCIAL OFFICER

RESPONSIBLE OFFICE: BUDGET OFFICE

I. POLICY STATEMENT

The University is authorized to establish non-mandatory fees and service charges. Mandatory fees, defined as fees which apply to every full-time, undergraduate student, may not be assessed under this policy.

The Budget Office is the office of record for matters concerning all fees and service charges. All proposed fees and service charges should be submitted to the Budget Office preceding the Academic Year for which the fee will be charged during the budget development process. This submission should include all new fees and service charges as well as changes to or termination of existing fees and service charges. The Budget Office is responsible for establishing a process for and determining the format of these submissions.

The Budget Office will distribute a draft of proposed fees and service charges on an annual basis to Faculty Senate, Staff Congress and the Student Government Association prior to presentation to the Board of Regents. Upon request, the Budget Office will facilitate a forum with these governing groups at which Vice Presidents requesting changes to fees and service charges in their area will be available to address concerns. The University department/unit/activity/project is responsible for ensuring the assessment and collection of the fee or service charge by following the procedures established by the chosen university collecting agent.

On an annual basis, user fees and service charges are to be presented to the Board of Regents by the Budget Office for review and approval. No fee or service charge can be imposed until it has been approved by the appropriate level of authority. If any fee or service charge is assessed to a University department/unit/activity/project by another University department/unit/activity/project, the charge must comply with all relevant regulations & policies including those regulations outlined in OMB Circulars A-21. If any fee or service charge is assessed which requires a tax to be assessed and/or collected, the university collecting agent must charge the appropriate tax and follow all relevant procedures.

The university assesses an overhead fee on all revenues covered by this policy. An overhead fee allows the university to recover part of the cost of providing institution-wide support services that are funded with central resources. The university overhead fee assessment rate is determined on an annual basis. For the purposes of this document, the terms full cost and cost are intended to include both direct and indirect costs. The term direct cost is intended to include direct costs only.

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1. STUDENT FEES

Student fees are required fees paid by students at the Northern Kentucky University for specific benefits such as orientation programs, graduation, etc. Revenues for these fees are to be applied towards covering the cost of the specific benefit provided.

2. MISCELLANEOUS FEES AND SERVICE CHARGES

Miscellaneous fees include those fees identified in the "Schedule of Fees and Service Charges." Service charges are assessed to cover the cost of unfunded or optional services or materials. Miscellaneous fees and service charges which may be imposed by the campus include:

A.) Fines

A fee assessed to cover an infraction of an established set of rules; i.e., a fine for lost key, lost library book, etc. The use of these revenues will be determined at the time of approval.

B.) Optional Charge or User Charge

Charges assessed to cover the cost of providing optional services or materials, i.e., recreational equipment, tutoring, etc. Revenues for these charges are to be applied towards covering the full cost of providing these services or materials.

3. UNIVERSITY FACILITY RENTAL CHARGES

A charge assessed to an organization for renting a University facility. Facilities include both buildings and outside areas on the NKU campus and all real property of the university regardless of location. The university does not consider any university facility to be owned by an individual department or organization with the exception of the METS Center.

Charges may be assessed and waived as indicated below. Revenues for these charges are to be applied towards maintaining and upgrading facilities, to cover associated rental expenses, and to cover the university overhead fee assessment.

University facility rental charges do not include any charges assessed by the Department of Public Safety for services they provide in conjunction with an

event. University facilities which fall under the control of a Revenue Unit (METS Center and the Bank of Kentucky Center) or an Auxiliary Unit are not covered by these provisions. In addition, the Campus Recreation Center, Athletic Facilities, the Corbett Theatre, the Stauss Theatre, Greaves Concert Hall, and the Main Art Gallery are not covered by these provisions.

Types of Events

A.) External Commercial Event

Fees assessed to commercial organizations and private individuals should be priced at market competitive rates. In addition, the commercial organization or private individual should be charged for any damages related to the event. Any waiver of the approved rate must be approved by the appropriate Vice President or the President subject to the guidelines detailed below.

B.) Non-Profit/ University Outreach / Regional Stewardship Event

In order to support the charitable efforts of our community, outreach, and regional stewardship, discounted fees may be established for external non-profit organizations, University outreach efforts, and regional stewardship events. In addition, external non-profit organizations should be charged for any damages related to the event. Any waiver of the approved rate must be approved by the appropriate Dean or Director or higher level position.

C.) Student Event

In order to support our student body, discounted fees may be established for student organizations. These discounted fees may be tiered to differentiate type of student events such as those events which are held for no charge, those events held which charge fees intended to cover direct costs, and those events held which charge fees exceeding direct costs. In addition, student organizations holding after-hours events should be charged the appropriate additional costs for the event which result from keeping the facility open longer than standard operating hours. In order for an event to be considered a student event, the event must be predominately attended by University faculty, staff, students, parents, prospective students, prospective staff, alumni, major donors, and others normally considered a part of the University community. Any waiver of the approved rate fee must be approved by the appropriate Dean or Director or higher level position.

D.) Internal Event

Fees may not be charged to internal University departments for the use of a University facility for an internal event.

Internal events include those events which are either:

1.) Hosted or sponsored by a University department and predominately attended by university faculty, staff, students, parents of students, prospective students, alumni, major donors, University related foundations, and others normally considered a part of the University community.

2.) Hosted or sponsored by a university department and held primarily for the direct benefit of these same constituents identified above even though the event may not be attended predominately by these constituents.

If the event does not meet these qualifiers, or if a charge for the event is being assessed in excess of direct costs, or if any University constituent as identified above is being compensated either directly or indirectly for the event, the event will be considered an internal commercial event and the lower of the external commercial rate or the non-profit rate will be charged. Any waiver of the

approved rate fee must be approved by the appropriate Dean or Director or higher level position.

Waiver Guidelines

A full or partial waiver of fees may be approved by the appropriate level of authority as identified above. Waivers of fees should only be granted for events held in support of the strategic priorities of the University, to advance the mission of the University, to promote the university, or to create goodwill in the community. In addition, if an entrance or participation fee is being charged for an event in excess of direct costs, a waiver should typically not be approved. In addition, if a waived event is to be held outside the normal operating hours of the facility, any department (with the exception of Public Safety) incurring additional unbudgeted direct costs for managing and staffing the event may submit documentation of these costs to the Budget Office for reimbursement. The Budget Office will facilitate a process for managing waivers and will maintain this process on the Budget Office web site. In addition, the Budget Office will track waivers granted and ensure this information is readily available to the University community.

[Waiver Request Form](#) (doc)

4. COURSE FEES

Course Fees include charges to students to participate in the instructional activities of a course including: the cost of providing course materials to be consumed, retained or used by the student; the special costs associated with use of University-owned tools, musical instruments, or other equipment including charges for breakage; the cost of other materials or services necessary to provide a special supplemental educational experience of direct benefit to the student; or a charge for courses taught in an alternative delivery format or alternative facility/location.

Course materials are defined as materials, supplies, tools, or equipment which are consumed, retained or used by the student, or other materials or services necessary to provide a special supplemental educational experience of direct benefit to the student. Science laboratories and art studios are examples of courses in which students are required to purchase consumable supplies. Health sciences courses are examples of courses in which students are required to purchase tools and instruments. Music performance courses are examples of courses in which students may be required to rent, for exclusive or extensive access to, University-owned equipment or instruments. Anthropology courses offering special field trip opportunities to students are examples of courses providing a special supplemental educational experience for which a fee may be charged.

Materials and Supplies may include, but are not limited to, such items as chemicals, solutions, gloves, filters, biological specimens, artists' media, glassware, photographic chemicals, and other one-time use items. These also may include the reproduction costs for supplemental materials such as laboratory manuals and noncommercial computer software, and costs associated with providing live models for art classes.

Tools and equipment includes scientific or medical tools, musical instruments,

video and audio equipment, and other equipment related to enrollment in a course, so long as the student is given ownership (if purchased) or extensive use (if rented) of the tools or equipment and, where feasible, has the option of securing equivalent tools or equipment elsewhere. These may include the costs associated with the use of University-owned tools and equipment for out-of-class learning activities or extracurricular use, or the purchase of computer software if the student retains ownership of the software.

Materials and service charges for special supplemental educational experiences include costs directly associated with offering students a special educational opportunity, such as travel costs for archeological digs, or the cost of film rentals.

Course fees may not be charged to cover any costs relating to the provision of facilities or services required for the general operation of the institution with the exception of the University overhead fee assessment. Thus, the following may not be included in course fees: expenses for salaries and wages and related employee benefits for support personnel; allowances for maintenance, depreciation and replacement of instructional equipment located or utilized in classrooms and laboratories primarily during scheduled periods of instruction; reproduction of copyrighted materials for course readers or audio or video collections; and course syllabi.

A course fee shall be assessed only to those students who are enrolled in the applicable course. The fee may be collected only through the Office of Bursar Operations. All course fees must be approved by the Provost in addition to the Board of Regents.

A course fee may not exceed the projected direct cost per student plus the University overhead fee assessment. Departments are required to fully and accurately document the actual cost which the fee is intended to cover. Revenue from course fees and prior year surpluses which are carried forward may only be used to cover the cost for which the fee was intended plus the University overhead fee assessment. Departments choosing to assess a course fee are responsible for establishing appropriate financial controls to ensure that fee revenue is expended only for approved course purpose, as defined in this policy. In addition, departments assessing a course fee are responsible for working with Office of the Bursar to collect the fee and ensure it is deposited into the appropriate University account

5. RECHARGES

A recharge is the cost charged to a University department/unit/activity/project for specific goods or services provided by another University department/unit/activity or project. A recharge may be used to cover the extraordinary cost of services or materials that the unit's budget is not intended to cover, to encourage compliance with administrative rules, to incentivize efficient and/or environmentally friendly behavior, or to replace or repair damaged or lost equipment. Pass-through charges are considered recharges and must comply with all appropriate rules & regulations as outlined in this policy. The Budget Office is responsible for establishing procedures for reviewing all requests for new recharges or revisions to existing recharge rates. The University

department/unit/activity/project is responsible for maintaining an accounting of the revenues and expenses associated with the cost recovery of a specific recharge as well as ensuring prior year surpluses are used for the intended purpose of the recharge. In addition, the University department/unit/activity/project is responsible for maintaining records which establish that the charge complies with all relevant regulations & policies including those regulations outlined in OMB Circulars A-21. A recharge is considered an internal budgetary action requiring only the Presidents, or the President's designated representatives, approval and is not assessed a University overhead fee.

6. AUXILIARY ENTERPRISES

Auxiliary Enterprises are non-academic, institutional support or service activities, specifically established to furnish goods or services to students, faculty, or staff primarily for personal use. Fees are directly related to, although not necessarily equal to, the full cost of goods or services provided. These units are managed as self-supporting, stand-alone activities and include Residence Halls, Dining Services, Parking, and the Bookstore. Auxiliary Enterprises should provide to the Budget Office on an annual basis a Financial Plan summarizing revenues and expenses for the prior fiscal year, forecasts for the current fiscal year and a proposed budget for the upcoming fiscal year. The Financial Plan should include proposed rates for the upcoming fiscal year along with a justification of these rates. The Financial Plan should be submitted to the Budget Office preceding the Fiscal Year for which the fee will be charged. Proposed rates may be submitted by the Budget Office for approval by the President and the Board of Regents with all other fees, service charges and fines or submitted separately along with the proposed tuition rates for the upcoming Academic Year.

7. REVENUE FEES AND SERVICE CHARGES

Revenue Fees and Service Charges are charges established to provide revenues in excess of full costs which can be used to fund the University's education and general expenses. They are established to furnish goods or services to the non-University community. Fees and service charges assessed to individuals and organizations outside the university community should be priced at market competitive rates unless a reduced rate is provided to further the regional stewardship objectives of the University. The use of these revenues in excess of expenses will be determined at the time of approval.

8. REVENUE UNITS

Revenue units are units created to diversify the university's revenue base and contribute revenues towards the University's education and general expenses. They are primarily established to furnish goods or services to the non-university community. Fees and service charges assessed to individuals and organizations outside the University community should be priced at market competitive rates unless a reduced rate is provided to further the regional stewardship objectives of the University. Fees and service charges assessed to the University community must conform to all relevant regulations & policies including those regulations outlined in OMB Circulars A-21. The Revenue Unit is responsible for maintaining records which establish that the charge complies with these

regulations. Revenue Units should provide to the Budget Office on an annual basis a Financial Plan summarizing revenues and expenses for the prior fiscal year, forecasts for the current fiscal year and a proposed budget for the upcoming fiscal year. The Financial Plan should include proposed rates for the upcoming fiscal year along with a justification of these rates. The Financial Plan should be submitted to the Budget Office preceding the Fiscal Year for which fees will be charged. Proposed rates will be submitted by the Budget Office for approval by the President and the Board of Regents.

II. ENTITIES AFFECTED

University Budget Managers

REVISION HISTORY

REVISION TYPE	MONTH/YEAR APPROVED
Choose an item.	
Choose an item.	
Choose an item.	
Choose an item.	
Choose an item.	
Choose an item.	
Choose an item.	