

Academic Excellence and Student Success Fee

Operational Procedure
June 30, 2015

Procedure Definition:

Cost Allocation Model

The operational process leverages methodology currently used for cost recovery.

Division Responsibility:

- Divisions/Departments are required to submit a detailed plan on an annual basis, including a narrative explaining how the funds will be used and how this supports the intent and purpose of the fee.
 - o Identify all departments where AE&SS money will be spent
 - o BBR (Base Budget Review) template provided by the Budget Office used to develop and document the planned spend from AE&SS funds
 - o Include Salary, Salary Increases, Wages and Benefits, in addition to, Operating Expenses
 - o Regarding Staffing and Benefits, at the onset of the budget load and fiscal year, the benefits and bargaining unit driven salary increase budget amounts identified from the planning for AE&SS would be fiscally transferred to the central benefit and compensation pools
 - o Incremental hiring not in the initial plan will require an initial contribution to the benefit and/or compensation pools
 - o Staffing has been moved from 48511 to 48500, via PAN processing. 48511 has been disabled from posting through the payroll process going forward
 - o On a monthly basis, benefits budget would be allocated from the central benefit pool
 - o Bargaining unit driven compensation increases will be allocated from the central compensation pool
 - o The AE&SS budget plan is incorporated/combined into the divisions overall 48500 operating budget on an annual basis

Fiscal Services /Budget Office Responsibility:

- The allocation process takes 1/12 of budget plan and creates a transfer entry for actual expenses using reporting departments
- Reporting departments have been set up to mirror every department included in the AE&SS budget plan (7000 – series)
- Prior to the start of each fiscal year, Fiscal Services and the Budget Office, working with the divisional representatives, will ensure the reporting departments in fund 48500/OF accurately represent the planned spend for AE&SS funds (partner to set up new 7000-series funds as needed)
- Ongoing spend is done exclusively out of fund 48500/OF
- At the start of the fiscal year, budgets are uploaded to PeopleSoft as follows:
 - o All division planned spend is combined and loaded to 48500/OF only (Division / Sub-Division / Department / Account)
 - o Separately, the AE&SS-only budget plan is loaded as follows:
 - 48511 – reporting department - debit entry to the associated department / account
 - 48500 - reporting department – credit entry to the associated department / account
 - Ongoing actual entries are 1/12 of the initial budget plan

SAMPLE PLAN

	48500			48511
<i>Dept.</i>	<i>1001</i>	<i>7001</i>	<i>Net 48500</i>	<i>7001</i>
	\$280,000	(\$80,000)	\$200,000	\$80,000
<i>Dept.</i>	<i>1002</i>	<i>7002</i>	<i>Net 48500</i>	<i>7002</i>
	\$140,000	(\$40,000)	\$100,000	\$40,000
Total	\$420,000	(\$120,000)	\$300,000	\$120,000

* Departments 7001 and 7002 are reporting departments

- Reporting as follows:
 - o 48500-only: reporting departments included to filter out AE&SS spend
 - o 48511-only: run reporting departments
 - o This plan will enable divisions, fiscal services and the budget office to produce historical and separate reporting requirements for 48500/OF and 48511/AE&SS Fee

Note: *This procedure is subject to change each fiscal year as the campus gains additional experience with administration, usage and reporting for the fee*

Background:

Effective Fall Semester 2013, CSU San Marcos authorized a mandatory Category II Academic Excellence and Student Success (AE&SS) Fee at the rate of \$100 per semester during fiscal year 2013-14 with scheduled increases of \$50 per semester reaching a maximum rate of \$250 per semester in academic year 2016-17.

Based on the initial plan for the fee as communicated to the CO from our campus, revenue from the fee would go toward three priorities and at the rates indicated below (based on \$100 per semester):

- Reducing time to graduation – \$60
- Expanded library hours and resources - \$15
- Student academic support, additional counseling, advising, along with more evaluators - \$25

Further directives state that campus constituencies will be consulted on the oversight of revenues received from this fee and the campus will develop a plan for outcomes and accountability to ensure proper management of fee revenues. The Student Fee Advisory Committee (SFAC) will review the fee revenues and allocations annually, in addition to, campus reporting to the Chancellor's Office in the annual fee survey (is similar language to Executive Order 1086 governing the fee, which also includes detail regarding the fee structure).

Interpretation of EO 1086:

The overall interpretation for usage of the fee can be directly attributed to the following from EO 1086:

“Revenue from this fee cannot be used for the following: general employee salaries and benefits increases, travel, general hardware or software for faculty or administrators, or capital improvement projects that are unrelated to the identified goals associated with this fee.”

As stated above and now agreed upon - revenue from the fee cannot be used for any of the above which are **NOT** related to the goals associated with the fee. Paraphrasing further, as long as AE&SS fee revenue is used toward goals associated with the fee – the expenditure is then allowed. Goals meaning: Reducing time to graduation / Expanding library hours and resources / Student academic support, additional counseling, advising, along with more evaluators. Anything funded by the AE&SS Fee must make a demonstrable difference toward student progress and success. This usage is defined, substantiated and documented by the divisions and should be justified and defended within the guidelines and authority of the Executive Order. As also stated in EO 1086, this documented narrative describing AE&SS fee usage is presented annually to SFAC for discussion and evaluation for potential changes in spend going forward.

Advantages:

- Once initial set up is in place, including building of allocation processes and creation of reporting departments, will be easy to process on a monthly basis
- Alleviates challenges the divisions have faced since inception of the fee in how to spend the funds allocated given the high-level wording from the EO and the associated perceived risk in using the funds in an unintended way
- Currently, Benefits and Salary increases for staff funded from AE&SS money are not funded from the centrally managed pool as with personnel funded from the main campus operating fund (48500) – this will create consistency going forward
- Limited salary or expenditure adjustments necessary – alleviates a large operational task from both the divisions and fiscal services
- No over/under spending of the fee to report – as postings for actual dollars are allocations which match the budget plan

THE CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR



BAKERSFIELD

June 18, 2013

CHANNEL ISLANDS

MEMORANDUM

CHICO

DOMINGUEZ HILLS

TO: Dr. Karen S. Haynes, President
California State University San Marcos

EAST BAY

FROM: Timothy P. White
Chancellor

FRESNO

FULLERTON

SUBJECT: Academic Excellence and Student Success Fee
Executive Order 1086

HUMBOLDT

LONG BEACH

LOS ANGELES

Attached is a copy of Executive Order 1086, which authorizes California State University San Marcos to establish a Category II mandatory Academic Excellence and Student Success Fee.

MARITIME ACADEMY

MONTEREY BAY

In accordance with policy of the California State University, the campus president has responsibility for implementing executive orders where applicable and for maintaining the campus repository and index for all executive orders.

NORTHRIDGE

POMONA

If you have questions regarding this executive order, please call the CSU Budget Office at (562) 951-4560.

SACRAMENTO

TPW/rr

SAN BERNARDINO

Attachment

SAN DIEGO

SAN FRANCISCO

SAN JOSÉ

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor 401 Golden Shore
Long Beach, California 90802-4210 (562) 951-4560

Executive Order: 1086
Effective Date: June 18, 2013
Supersedes: No Prior Executive Order
Title: Academic Excellence and Student Success Fee (AESSF)

This executive order is issued pursuant to Education Code Section 89035 and Board of Trustees Standing Orders, Section II (i) and consonant with Executive Order 1054.

Effective fall semester 2013, CSU San Marcos is authorized to establish a mandatory Category II Academic Excellence and Student Success Fee at the rate of \$100 per semester during fiscal year 2013-14 with scheduled increases of \$50 per semester reaching a maximum rate of \$250 per semester in academic year 2016-17. This fee will support three priorities: reducing time to graduation, expanded library hours and resources, and student academic support. A committee made up of a majority of student members will make future allocation recommendations annually. Consultation with campus constituencies shall occur regarding the oversight of revenue received from this fee and the campus administration will develop a plan for outcomes and accountability to ensure proper management of fee revenues.

In accordance with the campus’ stated commitment, anything funded by the AESSF must make a demonstrable difference toward student progress and success. In using a portion of the fee revenue to provide additional course sections to reduce time to graduation, the campus is encouraged to use Cal State Online for bottleneck course relief.

Fiscal Year	AESSF Semester Fee	AESSF Academic Year Rate
2013-14	\$100	\$200
2014-15	\$150	\$300
2015-16	\$200	\$400
2016-17	\$250	\$500

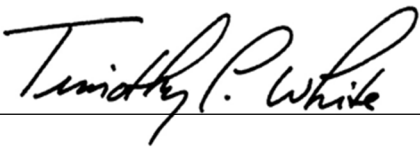
After spring 2017, the \$250 per semester fee rate will remain constant. Any changes to this fee must follow the Category II fee adjustment process described in the CSU Student Fee Policy, section IV, of Executive Order 1054 or its successor.

Revenue from this fee cannot be used for the following: general employee salaries and benefits increases, travel, general hardware or software for faculty or administrators, or capital improvement projects that are unrelated to the identified goals associated with this fee.

Board of Trustees fee policy requires that the revenue generated by this fee be reviewed annually by the student fee advisory committee and reported to the Chancellor's Office in the annual fee survey. If balances exist without an expenditure plan, the campus may be asked to reduce or suspend the fee until such time that all balances are spent on the priorities indicated in this executive order.

In accordance with Section 89721(1) of the Education Code, revenue collected from student fees shall be deposited in a local trust account.

Timothy P. White, Chancellor



Dated: June 18, 2013