

**Commonwealth Fee Board and
Commonwealth Student Initiated Fee
Operating Procedures
2019-20**

Supplementing the Student Fee Handbook, this document provides additional guidance to the operations of the Commonwealth Fee Board (CFB) as well as of the campus allocation processes.

Commonwealth Fee Board (CFB)

CFB Administrative Procedures

- Agenda items and materials – To provide adequate time for members to receive feedback from various stakeholders, items to be voted upon should be shared with the committee members ideally at the CFB meeting prior to the vote or, minimally, 10 days prior to the meeting. Materials are shared via email and sent from the staff support for the CFB. Furthermore, agendas and minutes should be uploaded in a timely way to the student fee website.
- Meetings – Generally, the CFB meets on the Friday of CCSG Council weekends. This allows for maximum attendance at the meetings. Additional meetings may be necessary to accommodate the work of the board.
- Role of CFB board members – CFB members are selected to be representative of the campus colleges and University College campuses. However, the member's role is to advocate for all Commonwealth campuses and not a specific campus' interests. The CCSG President and other members of the board solicit feedback from the SGA Presidents and other stakeholders to add to the discussion. The SGA presidents' vote does not necessarily determine the vote for the CFB. In addition, CFB members are encouraged to attend meetings in person to promote robust discussion and full participation. However, Zoom is provided as a secondary option for those who cannot travel to the location of the CFB meeting.
- Proxies – CFB board members may designate a proxy to attend on their behalf as needed. The designated proxy should be familiar with CFB procedures and current agenda items. Each CFB member shall name their proxy at the first CFB meeting of the year, and the proxy contact information should be shared with the CFB administrative support.
- CFB timeline – There are some standard business processes that occur each year for the CFB. A general outline of the year is as follows:
 - Two weeks prior to the first meeting – CCSG "show cause" budget is due
 - September/October meeting – Review of CCSG "show cause" budget for the year
 - November meeting – fee level discussion, information from DSA group on fee usage and levels, CAPS/CCSG review/proposal
 - Mid-January – CCSG mid-year audit due (July 1- Dec. 31)
 - February meeting – CAPS/CCSG review/proposal (if not completed in November), fee levels voted upon, CCSG mid-year audit

- By end of March – campuses request levels for next year’s fee (if applicable) and for summer fee
- March meeting
- April meeting – review CCSG transitional audit, begin nomination and application processes for board members for the upcoming year, transitional meeting for new chair
- July 31st – CCSG annual formal audit due. This should be submitted to the Associate Director, Finance, HUB-Robeson Center. A final audit report will be presented to the CFB at the October meeting.

CFB Annual Reporting

Each campus will complete an annual report using the template spreadsheet at the end of each fiscal year due on August 1st. This information will be used to inform setting the fee and for campuses to post on their allocation committee website to provide greater transparency.

Central Allocations

- Council of Commonwealth Student Governments (CCSG) – Beginning in 2017-18, CFB approved a 54¢ per student per semester to cover the majority of the costs of CCSG. These funds could be taken from several sources at the campus’ discretion. (Additional funds are received from the University Park Fee Board for those activities that focus on Central Staff.) Beginning in 2018-19, these funds will be taken directly from the SIF.
 - CFB timeline – see above for the review of CCSG budget and audit timeline
 - Carry forward (4/13/2018) – CCSG may request up to 8% of their total budget in carry forward if the funds are available. If the money is going to be requested, it must be done at the April CFB meeting. If there are remaining funds in the CCSG budget, they will be redistributed to the campuses by discounting the next year’s allocation.
- CAPS funding – Beginning in 2017-18, CFB approved a \$4 a semester CAPS fee to support central services that support the campuses. This amount is calculated based on the number of the previous year’s fee-paying students and is removed from the campus’ budgets prior to the receipt of these funds.
- Student organization insurance - Liability insurance coverage is provided to student organizations under the University insurance umbrella. This coverage is paid centrally and then billed to each campus based on the previous year's enrollment count. It is recommended that each campus cover this expense from the student initiated fee, however, each campus is able to designate their funding source of choice.
- Child care subsidy – Campuses are asked to contribute to the child care subsidy fund administered centrally. More can be learned about the subsidy at <https://hr.psu.edu/child-care-subsidy>.

Fee Levels

Historically, there had been three tiers to both the student activity fee and the facility fee. Over time, campuses gravitated to the highest tier for the activity fee and the same has been happening for the facility fee. The CFB has been, and continues, working toward one fee level for the campuses.

- Each November, the CFB will begin initial discussions regarding the fee level. At this time a series of questions around the use of and need for an increase of the fee will be sent to the Chief Student Affairs

Officers. Similar information will be collected from the SGA presidents. The annual reports from the previous year will also be used to inform the CFB on the usage of the fee monies.

- The CFB will review the data collected from the various groups at the February CFB meeting and set an initial fee level. A formal vote regarding the fee levels, inclusive of all categories of the fee, will be taken at the March CFB meeting.
- Currently multiple fee levels exist across the SIF. At the recommendation of the University Budget Office, the CFB has merged the activities/services/recreation portion of the student initiated fee into one level. A similar process is underway for the facility portion of the fee. For 2018-19, there are two levels of the facility portion of the fee.
- A campus may charge and collect a summer fee. Summer fees are based on 75% of the fall/spring levels. All money collected should be used to enhance the out-of-class experience for students in the summer, as found in the fee board manual.

SIF Permanent Budgets – Allocations and Adjustments

- Each campus receives a permanent budget allotment based on the previous year's enrollment. This allotment is inclusive of the activities, services, and recreation portion of the student initiated fee. Each campus has a separate facility fee budget/account.
- As stated in the Student Initiated Fee Manual, minimally, campuses need to hold 5% of their permanent budget in reserve to account for decreases in enrollment.
- Each fall semester, a campus will receive an allocation letter detailing their permanent budget and recommended reserve. Early in the spring semester, a revised letter will be shared with each campus, detailing a forecasted adjustment to the SIF permanent budget. This can be positive or negative, based on the current enrollment of a campus.
- At the conclusion of the academic year, a final letter will be shared with each campus detailing all adjustments.
- All allocations and adjustments are processed by the central Student Affairs Finance Office.

Flexibility of Funds Between Categories

With the approval of the Campus Allocating Committee (CAC), a campus may move funds between the activity and facility categories. Up to 15% may be moved between categories, as necessary, each academic year as articulated in the Student Initiated Fee Manual.

Facility Portion of the Fee

The Commonwealth Facilities Allocation Committee (CFAC) should utilize the facilities operating procedures provided by the facility fee guiding principles and by the Corporate Controller's office.

Penn State approved a student facilities fee that was implemented in Fall 2008. Each campus has differing priorities or approaches to the use of this fee; however, a common set of broad, defining principles assist in ensuring its consistent administration and understanding.

Guiding Principles¹

Funding Parameters of the Facilities Fee

- Monies generated from the facilities fee will be used to accommodate improvements and expansions to non-academic, recreational and/or multi-use space for students.
- The facilities fee will not be used to support on-going operational costs associated with any project.
- The facilities fee will not be used to pay debt service.
- The facilities fee will not be used to pay for rental agreements.
- Monies raised from the facilities fee at a particular location will be used at that location.
- Monies not spent in a particular year will be carried forward from year to year until enough funds are generated to complete an approved project. Interest will be credited (using the University's short-term rate) on an annual basis to any unused funds.
- New facilities or modifications to current facilities will be consistent with the campus' strategic and master physical facilities plans.
- In addition to these guiding principles, use of the fees must follow the operating procedures for the Commonwealth Campuses.

Composition of Facilities Fee Advisory Committee

- Each campus will establish a broadly representative committee to recommend and advise the Chancellor on the proposed use of these funds.
- Committee membership should include 4 to 6 student representatives appointed through the Student Government Association and representing a variety of student populations, the lead student affairs and business services officers, a representative from the Campus Senate responsible for student life and/or physical facilities issues, and a representative of the development office.

Expectations of Facilities Fee Committee

- This committee will make every effort to secure wide input into the proposed use and administration of these fees before reviewing and recommending proposals to the Chancellor.
- The committee will meet at least twice a semester. If no proposals are being reviewed, the committee may use the time to receive updates on current projects or discuss future projects.
- The committee should establish processes to fund smaller, short-term projects, as well as to fund larger, long-term projects. The committee may want to set aside a smaller pool of money for more immediate projects when funding multi-year efforts.
- This committee will provide to the campus community an annual statement regarding the disposition of the student facilities fee.

Additional Sources of Funding

Each campus should make every effort to explore additional sources of financial support for any proposed capital expansion project to assist in minimizing fees charged to students.

Operating Proceduresⁱ

Facility fees are used to fund improvements and expansions to non-academic, recreational, and multi-use space for students based on the Guiding Principles for the Commonwealth Campuses. Projected income and the

¹ Created in Fall 2008; revised in Spring 2014

associated expense were budgeted permanently beginning in FY 2008-2009. Temporary adjustments are made each spring to reconcile projected income with actual.

Expense

Initially, the expense budgets for each participating campus were housed under the Office of the Corporate Controller. The expense budgets were transitioned in 2010-11 to each campus administrative area for utilization and monitoring by the campus Financial Officer.

In conjunction with the Guiding Principles, the following procedures are provided to facilitate the use of these funds:

- For projects \$50,000 or greater: Submit a special project request through the Vice President for Student Affairs with a copy to the Vice President for Commonwealth Campuses and to the Office of the Corporate Controller. The request should include project information, amount, confirmation of funding sources being used, and approval from the Chancellor. If the campus is already working with the Office of Physical Plant (OPP), please coordinate the special project request(s) with OPP. The Chancellor and Financial Officer will be notified when the special project account is established. All expenditures associated with the project should be charged to this account. The special project account will be established under the campus administrative area, utilizing campus approval paths for the routing of documents. Given this, access to the special project accounts and reporting capabilities will be determined by the campus.
- For projects under \$50,000: Each campus Financial Officer should create cost centers in the designated facilities fee operating account to track these expenditures. Expenditure documents should be submitted by the campus and routed for approval using a campus budget and related campus approval path. The campus Financial Officer will provide the necessary access to view transactions and monitor spending on these operating budgets.
- Consistent with other practices associated with gifts, the facilities fee can be used with a five-year “forward” spending plan. Otherwise, funds need to be collected prior to the start of a project.

The creation of special project accounts and cost centers within the facilities fee operating account are essential for reporting by central offices throughout the year.

Income

Consistent with the guidelines established for the student activities fee, all students enrolled in on-campus programs should be charged a student facilities fee according to the published schedule. Only those students enrolled exclusively in off-campus programs may be eligible for a fee waiver, which is processed manually by the campus through the facilities fee offset account.

Reporting

Each year, the Financial Officer for each campus will provide a report that summarizes income (and associated waivers) and projected expenditures to the Senior Vice President for Finance & Business, Vice President for Student Affairs, Vice President for Commonwealth Campuses, and the Corporate Controller.

ⁱ Revised Spring 2014