DEANS AND DEPARTMENT CHAIRS

RE: Course Materials and Services Fees - Proposals for Fall 2016

Dear Colleagues:

This letter serves as the fall 2016 call for Course Materials and Services Fees (CMSF) proposals, revisions, or renewals. New and revised fees may be implemented only in fall quarters. To have fees approved in time to be published in the Class Schedule and the Course Catalog for fall 2016, the review process will begin in November 2015. Colleges/divisions should submit proposals no later than November 06, 2015 for review by the campus-wide CMSF Committee for fall 2016 implementation.

**Submission process.** The department chair signs the CMSF proposal that is then routed to the respective dean's office. Departments should consult with their dean's office about its particular internal review process, which must include Executive Committee consultation. The dean then submits a letter addressed to Budget Analyst Teresa Strausser in Budget and Institutional Analysis (BIA) that provides a list of the proposed fees and concurrence by the college/division Academic Senate Executive Committee.

The department's written proposal should be prepared using the CMSF proposal form. The form is an Excel worksheet that includes formulas for ease of data entry. The proposal form, CMSF policy documents, UC systemwide guidelines, and a list of current approved fees are all available on BIA's website at [http://budget.ucdavis.edu/resources/forms/course-materials-fee.html](http://budget.ucdavis.edu/resources/forms/course-materials-fee.html). We encourage you to review these materials.

**Renewed CMSF.** Fees are approved for a three-year period and will expire unless the department requests a renewal. A renewal is a continuation of a previously approved fee, with no changes to the fee amount. To propose a renewal the department completes sections I and IV of the CMSF proposal form.

- If there are changes in the expense category of a previously approved fee, the department must also complete section I and II and request approval for the new expenses before charging them to the CMSF account.
- If the fee has generated a deficit or surplus that exceeds 8 percent of the original budget, departments must also complete section II and provide an explanation in the dean's letter.

If a fee is scheduled to expire in June 2016, departments must submit a renewal proposal for the fee to continue.

**New or revised CMSF.** For new fees, the department prepares sections I-III of the proposal form, then submits to the college/division dean and Executive Committee for review of appropriateness and compliance with UC and campus policy. For revised fees, the department also prepares
sections I-III, but adds historical data in section II. For both new and revised fees, the department chair and dean must sign section IV of the proposal form.

Policy states that if the fiscal close account balance exceeds 50 percent of the expenditure for the last year the course was offered, the department must submit a request to lower the fee.

Departments may group similar undergraduate courses together to charge the same fee for each course only with the explicit approval of the CMSF Committee. The department must demonstrate that grouping the courses together will provide cost savings.

**Review, notification and accounting process.** The CMSF Committee will review the submittal, make a recommendation to the Chancellor, and notify the department and the dean of the Chancellor's decision. BIA will notify the University Registrar of fees to be published in the quarterly class schedules. The Registrar will also annotate the Banner database.

The department must establish an account for receipt of fee income and monitor expenses and income as they are incurred. Revenue from each fee must be accounted separately and may not be commingled with state general funds. Departments must accurately document the costs associated with the course materials; departments needing assistance to determine the easiest way to track course-level income and expenses should contact Student Accounting at 752-3646.

Departments must include a notice of the CMSF in the course syllabus and must provide an explanation of the materials purchased with the fee either in the syllabus or on the course website. On the first day of class, the department or the instructor should inform students about the fee and describe the waiver option. Students who cannot pay the fee will be responsible for seeking a waiver from the department and for providing required documentation before the 20th day of instruction. Departments will be responsible for designating a representative to approve waiver requests and for providing Student Accounting with a list of students in each section who are exempt from the fee. This list should be provided by the 30th day of instruction.

Departments who deny a fee waiver request should refer the student to the Financial Aid Office for review of their financing options. Student Accounting will bill students for the fee and credit those who are exempt from the fee. Student Accounting will also deposit the income into the department’s established account.

**Policy issues to be considered by the Committee**

Traditionally, most of the costs recovered through CMSFs were for materials used in courses. In recent years, however, staff-related costs have increasingly been included in a significant number of CMSF proposals. In response, the CMSF Committee has reviewed UC and campus policies regarding staff costs and had several discussions on the application of these policies to various proposals. A number of concerns have come to light regarding the interpretation of the policies and potential inconsistencies in the types of staff costs that were approved or disapproved by the Committee over the past several years. Going forward, academic departments and future CMSF Committees need clearer policy guidance on allowable staff costs. The Committee must 1) give careful consideration to the complex issues raised by the inclusion of staff costs in CMSFs, 2) thoroughly evaluate the proposals, and 3) make recommendations consistent with the appropriate policies and principles. **Therefore, for this year's process, we are compelled to institute a one-year moratorium on the adoption of new staff costs in CMSF proposals for academic year 2016-17.** Staff costs that have been previously approved in CMSFs will be permitted to continue during this time. The moratorium will allow the CMSF Committee sufficient time to clarify and communicate policy in this area for the future years.
If you have any questions about the forms or the process, please contact Budget Analyst Strausser at tstrausser@ucdavis.edu or 752-2463.

Sincerely,

Mary McNally, Executive Assistant Dean
School of Veterinary Medicine
Co-Chair, Course Materials and Services
Fees Committee 2015-16

Steven Roth, Assistant Dean
Division of Social Sciences
Co-Chair, Course Materials and Services
Fees Committee 2015-16

Cc: Assistant Deans
University Registrar Lopez
Analyst Strausser
Student Accounting Manager Acevedo