

BERKELEY CAMPUS COURSE MATERIALS FEES POLICY ESTABLISHMENT AND BUDGETARY REVIEW

I. POLICY OBJECTIVE

Course Materials Fees are authorized under the Office of the President Delegation of Authority-- Control over Miscellaneous Student Fees, Service Charges, and Deposits and the related Guidelines for Implementing Course Materials Fees (October 9, 2009, <http://www.ucop.edu/ucophome/coordrev/da/>). The policy delegated to each Chancellor the authority to establish Course Materials Fees to recover the costs of materials, supplies, equipment, and support services not covered by the normal instructional budget. The purpose of the policy is to provide consistent creation and treatment of Course Materials Fees across the UC system, clarify the authority of the Chancellors with respect to Course Materials Fees, and assure that students are not burdened with instruction-related costs that should be borne by the state.

II. GENERAL POLICY PROVISIONS

In general, departments are expected to cover normal instructional costs within their state fund budgets, and Course Materials Fees (CMF) should be needed only in exceptional situations. Since departmental budgets have neither kept pace with the costs of inflation nor the impacts of new technology, CMF are allowed for consumable supplies or to provide special supplemental educational experiences. The financial needs of the department must be weighed against the impacts of the fees on student budgets and the costs of collecting and administering the fees. CMF should be used to augment rather than replace state funds for departmental instructional costs.

The policy specifies that increases in Course Materials Fees should be kept moderate and gradual, and campuses are encouraged to include course materials fees in financial aid student budgets. Except where equipment is purchased, the maximum fee should not exceed the average cost of a textbook. Fees assessed under this policy must be mandatory for all students enrolled in a course, and must be assessed to enrolled students by the campus' centralized student billing system. The policy mandates consultation with students in the establishment of CMF.

The following may be included in CMF:

- cost of providing course materials to be consumed, retained or used by the student,
- special costs associated with the use of University-owned tools and equipment for extracurricular or out-of-class learning activities.
- cost of other materials or services necessary to provide a special supplemental educational experience of direct benefit to the student.

In addition, the policy specifically excludes the following:

- salaries, wages and employee benefits of support personnel (including honoraria),
- instructional equipment located and utilized in classrooms and labs primarily during scheduled periods of instruction,
- reproduction of copyrighted materials,¹
- course syllabi.

¹ The reproduction and sale of copyrighted materials is governed by the University of California 1986 Policy and Guidelines on the Reproduction of Copyrighted Materials for Teaching and Research. A summary of this policy is available on the UC Copyright Education Website (<http://www.universityofcalifornia.edu/copyright/systemwide/fairuseguide.html>). Departments are encouraged to have copyrighted material reproduced and sold by Campus Copy Service, a division of UC Printing Services.

III. ESTABLISHMENT OF NEW CMF

All mandatory course-related fees on the Berkeley campus must conform to the CMF policy. Departments may not assess and collect mandatory course-related fees which have not been specifically approved by the Chancellor under the CMF policy.

The Campus Budget Office is responsible for applying the CMF policy and ensuring adequate campus oversight of all CMF. This responsibility includes review of the development of the CMF, review of the costing and proposed fee levels, and staff support to the Berkeley campus Course Materials Fee Committee. The CMF Committee reviews and makes recommendations on CMF policies and fee proposals to the Chancellor and the Executive Vice Chancellor and Provost.

A. Review Process

All requests to establish a new CMF or an adjustment to an existing CMF must follow these review procedures and be approved by the Chancellor. CMF requests will be reviewed annually in January for implementation during the following academic year. Separate CMF requests are not required for courses taught during the summer if they have already been approved for CMF during Fall and Spring – the approved CMF is automatically assessed during the summer if the course is offered under the same course number and course description.

It is the responsibility of the Department to ensure student consultation in the review process of final CMF proposals. Student consultation may occur through existing student advisory groups or associations or through formal review committees. Departments must provide evidence of the specific student groups consulted. Documentation may be in the form of a letter from an appropriate representative of the student group.

A campus Course Materials Fee Committee with the following representation will review and make recommendations on CMF: two deans (one from Letters & Science and one from a Professional School/College), one representative each from Academic Senate, Registrar's Office, Campus Budget Office, Loans & Receivables Office, Graduate Division, Student Fee Committee, the Graduate Assembly, and the Associated Students of the University of California (ASUC). Faculty and Staff members will serve staggered three-year terms. Students will serve one to two years.

A description of the CMF process and timeline is included at the end of this policy.

B. Allowable Costs

When establishing new fees, departments must apply a test of reasonableness between the fee and its purpose, ensuring that funding has not already been provided to the department by other fund sources, such as current state funds. Guidelines for the types of materials which can be included in the CMF are listed in Section II, above. Only direct costs may be included in the computation of the CMF, and departments must fully and accurately document the cost of supplies, consumables, and support services associated with each CMF. Each proposed CMF must provide course-specific cost information. If equipment is included in the CMF, the cost of the equipment must be allocated over the useful life of the equipment and cannot be fully expensed in the year of acquisition (for purposes of calculating course materials fees, "equipment" is considered to be tangible property having a useful life of more than one year). If CMF will be assessed for a course during the summer as well as the academic year, the expected costs and income associated with the summer session should be included in the calculation of the overall fee. Alternatively, departments may request a different fee for the summer.

Examples of allowable costs:

- one-time use items such as chemicals, solutions, gloves, filters, biological specimens, artists' media, glassware, photographic chemicals.
- reproduction costs for supplemental materials such as laboratory manuals and noncommercial computer software.
- live models for art classes, accompanists for dance classes (payments are restricted to non-UC employees)
- equipment such as scientific or medical tools, musical instruments, and video and audio equipment, so long as the student is given ownership (if purchased) or extensive use (if rented) of the tools or equipment.
- purchase of computer software if the student retains ownership of the software.
- travel costs for archaeological digs and other types of field trips; film rentals.

C. Designation and Collection of CMF Revenue

- 1) Each CMF will be established in the student fee fund range (20000-20399).
- 2) Only students enrolled in a course will be assessed the CMF and assessment will be mandatory for all enrolled students. Each CMF will be assessed at the end of the fifth week of Fall and Spring classes, and will be included in the student's CARS (Campus Accounts Receivable System) statement. CMF for Summer Session classes will be assessed at the end of the third week of classes. Departments may grant fee waivers as an exception and process them on-line in CARS. Waivers should be based on demonstrable financial need.² Refunds of CMF must be approved by the Department and notification sent to the Registrar's Office. Each Department must specify its appeal process in its CMF proposal.
- 3) For CMF that vary from year-to-year, such as fees for field trips, Departments may request establishment of a fee range. It is the responsibility of the Department to notify the Registrar's Office of the actual fee to be assessed within the approved range at the beginning of the semester during which the course is offered.

D. Student Aid

In general, CMF costs are covered either under the "books and supplies" or the "personal expenses" categories in student aid budgets. In cases where students may encounter extraordinary expenses (which could include CMF), students may request a "cost of attendance adjustment" from the Financial Aid Office.

E. Utilization of CMF Revenue

Revenue from each individual CMF may be expended only for costs that were specified in the calculation of the approved CMF. Revenue cannot be used for other costs without the approval of the Chancellor.

F. Annual Review

² Students could be requested to produce copies of their financial aid award letters. Departments could establish blanket procedures to grant waivers to students with Pell Grants, Cal Grant B's or other awards which demonstrate high financial need.

Course materials fee authorizations are subject to renewal, contingent on receipt of an annual report. By September 1 of each year, Departments must provide the Campus Budget Office with a year-end report on the prior year's CMF income and expense as required under the policy. Reports will be used to ensure campus compliance with the policy and for annual reporting to Office of the President. Except in the case of equipment, CMF funds should have a zero balance at the end of each fiscal year. Surplus or deficit balances must be explained and a plan outlined to return the fund to a zero balance. The accumulation of surpluses must be resolved by a reduction in the fee. Copies of the report form can be downloaded from the Campus Budget Office website, <http://budget.vcbf.berkeley.edu/>. Authorization for the assessment of CMF may be withdrawn if reports are not submitted on a timely basis. New or revised departmental CMF requests will not be considered until all annual reports have been submitted.

G. Proposal Format

Forms for requesting new CMF and increases or decreases to existing CMF are available from the Campus Budget Office website, <http://budget.vcbf.berkeley.edu/>. The forms include a cost table which must be completed to identify specific course costs covered by the fee and to show the basis of the proposed fee level. Completed proposals should be submitted by November 15 to the Campus Budget Office, 611 University Hall, MC 1510.

IV. REQUESTS FOR CMF INCREASE/DECREASE

Requests for increases in approved CMF will follow the same procedures and policies as the establishment of new CMF.

Requests for elimination or decreases of CMF, or application of the CMF following a minor change in the course number or description, will be handled administratively by the CMF Committee.

V. CMF PROCESS AND TIMELINE

<u>Description of Steps</u>	<u>Timeline</u>
1. Department consults with Budget Office and develops proposal, ensuring conformance to policies, appropriate internal review, and consultation with students.	July - November
2. Proposal approved by relevant Dean and forwarded to Budget Office	November 15
3. Proposal reviewed by Budget Office, Course Materials Fee Committee, and Exec Vice Chancellor and Provost, and recommendation forwarded to Chancellor for final approval. (If proposal unacceptable, revised proposal must be re-reviewed through Department internal review process before resubmission to the Budget Office.) Department notified of approval/non-approval by end of February.	January-February
4. Budget Office informs Registrar's Office of approved fees.	February
5. After approval, Budget Office and Accounting Services assign appropriate fund numbers and establish permanent budget for CMF.	March - June
6. After receiving approval notification, Department ensures that the CMF is published in the online and hardcopy versions of the <i>Schedule of Classes</i> and is announced on TeleBEARS.	Publication Deadlines: by mid-March
7. After receiving approval notification, Department works with Registrar's Office and Budget Office to establish appropriate accounting procedures for billing, collection, distribution and reconciliation of CMF income.	March - June
<u>8. Department prepares and submits annual CMF year-end financial report.</u>	September 1