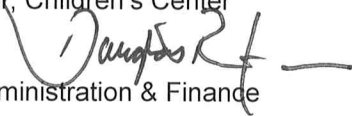


Memorandum

DATE: September 9, 2015

TO: Shannon Stratton, Executive Director, ASI
Tatiana Karmanova, Dean, College of Extended Learning
Ron Fremont, Vice President, CSUSB Philanthropic Foundation
John Yaun, Director, Housing & Residential Life
Michael Delo, Interim Director, Parking Services
Aaron Burgess, Interim Executive Director, Santos Manuel Student Union
Rick Craig, Director, Recreational Sports
Patricia Smith, Director, Student Health Center
Shelley Pope, Interim Director, CAPS
Chuck Kissel, Interim Executive Director, University Enterprises Corporation
Barb Kirby, Director, Children's Center

FROM: Douglas Freer 
Vice President, Administration & Finance

SUBJECT: FY 2015 -16 Cost Recovery

Executive Order 1000 requires the University to ensure that costs incurred by the CSU Operating Fund for services, products, and facilities provided to Auxiliary Organizations are properly and consistently recovered with cash and/or a documented exchange of value. Allowable direct costs incurred by the CSU Operating Fund are to be allocated and recovered based on actual costs incurred. Allowable and allocable indirect costs shall be recovered according to **a cost allocation plan that utilizes a documented and consistent methodology** including identification of indirect costs and a basis for allocation. The campus Chief Financial Officer, or designee, is required to annually approve and implement the cost allocation plan.

This year, the Student Affairs and ITS Divisions were reviewed. After consultation with the President's Cabinet, I have authorized the following methodology for the Divisions of Student Affairs and Information Technology Services units for fiscal year 2015-16 and beyond:

1. Assessment is based on annual staff salary as of March, 2015, annualized for the following year
2. Benefits at the published rate for the following year
3. 3% allowance for OTPS for Student Affairs; 5% allowance for OTPS for ITS
4. No allocation for MPPs for ITS; Allocations included for MPPs for Student Affairs
5. CEL will be given 25% credit due to Summer 2015 run as self-support
6. Methodologies will be approved for 3 years. They will then be reviewed and updated as needed.

We will continue to review the remainder of the campus units over the next fiscal year (2015-16) and establish modified allocation methodologies accordingly.

Department representatives completed their assessment, and the Budget Office has prepared the attached schedule (**ATTACHMENT A**) for FY 15/16 cost recovery to be allocated to various units. If you have questions or need additional information please call Dena Chester, Campus Budget Officer, at ext. 73136.

5500 UNIVERSITY PARKWAY, SAN BERNARDINO, CA 92407-2393

2015-16 Cost Allocation Plan/Cost Recovery Summary

State-Side Departments	Associated Students, Inc	College of Extended Learning	CSUSB Children's Center*	CSUSB Philanthropic Foundation	Housing	Parking Services	Santos Manuel Student Union	SMSU-Rancho Mirage Student Union (PDC)	Student Recreation & Fitness Center	Health Center	University Enterprises Corporation	UEC - Dining Services	UEC- Coyote Bokstore Vet Success Ctr	UEC - PDC Bookstore	UEC- Sponsored Programs	TOTAL
Palm Desert Campus	0	0	0	0	0	31,000	33,516	0	0	0	0	0	0	0	0	64,516
Sponsored Programs/OTTC	0	0	0	0	0	0	0	0	0	0	530,832	0	0	0	0	530,832
Facilities Services	0	58,121	9,414	0	153,746	221,098	59,529	9,196	37,870	0	19,558	28,013	14,873	11,495	9,010	631,923
Finance Departments	87,879	85,360	1,001	153,891	113,045	83,838	101,636	0	52,973	73,127	644,998	0	0	0	0	1,397,748
HR - Auxiliary Human Resources	0	0	0	2,823	0	0	0	0	0	0	276,880	0	0	0	0	279,703
HR - Human Resources	0	35,655	0	0	22,779	19,808	0	0	0	31,693	0	0	0	0	0	109,935
HR - Payroll	0	10,137	0	0	13,007	4,877	0	0	0	7,603	0	0	0	0	0	35,624
University Police	0	5,125	0	0	424,949	175,000	31,809	0	15,904	6,539	13,783	0	0	0	0	673,109
Administrative Computing and Business Intell.	0	45,505	0	0	59,629	13,089	0	0	7,272	8,726	0	0	0	0	0	134,221
Technology Operations & Customer Support & DCS	0	100,407	0	0	4,390	7,965	366	0	366	190,582	3,600	0	0	0	0	307,676
Data Center Services	0	3,034	0	0	148,993	0	0	0	0	0	0	0	0	0	0	152,027
Telecom & Network Services	2,292	2,393	0	2,292	51,287	2,292	3,640	0	2,629	2,966	2,966	0	0	0	0	72,757
Student Affairs - Administration	77,145	0	0	0	134,137	0	98,188	0	36,056	175,106	0	0	0	0	0	520,632
Student Affairs - Enrollment Services	0	19,991	0	0	0	0	0	0	0	0	0	0	0	0	0	19,991
TOTAL Cost Recovery from Auxiliaries	\$ 167,316	\$ 365,727	\$ 10,415	\$ 159,006	\$ 1,125,962	\$ 558,967	\$ 328,684	\$ 9,196	\$ 153,070	\$ 496,342	\$ 1,492,618	\$ 28,013	\$ 14,873	\$ 11,495	\$ 9,010	\$ 4,930,694

Less ITS direct charges		\$ 86,689														\$ 86,689
Less Student Affairs direct charges					\$ 130,230				\$ 170,006							\$ 300,236
Total Billable	\$ 167,316	\$ 279,038	\$ 10,415	\$ 159,006	\$ 995,732	\$ 558,967	\$ 328,684	\$ 9,196	\$ 153,070	\$ 326,336	\$ 1,492,618	\$ 28,013	\$ 14,873	\$ 11,495	\$ 9,010	\$ 4,543,769
Quarterly charge	\$ 41,829	\$ 69,760	\$ 2,604	\$ 39,752	\$ 248,933	\$ 139,742	\$ 82,171	\$ 2,299	\$ 38,268	\$ 81,584	\$ 373,154	\$ 7,003	\$ 3,718	\$ 2,874	\$ 2,253	\$ 1,135,942

*In addition to amounts listed, Children's Center is billed \$45,000 for Auxiliary Financial Services. Amount is included in UEC total.

Per agreement with Student Affairs VP Haynes and Administration & Finance VP Freer, costs identified for Health Center from HR/Payroll and University Police will begin to be included for cost recovery billing effective FY 16/17. Health Center 15/16 total billable amount reduced to \$280,501, quarterly \$70,125.25. Total cost recovery billing \$4,497,934.