



POLICY: ADMINISTRATIVE FEE
SECTION: GENERAL ADMINISTRATION

POLICY #: 101
EFFECTIVE: 01/01/2001

BACKGROUND · PURPOSE

The Auxiliary Services Corporation's (ASC) current Administrative Fee Policy has been in existence since 1994. Its purpose is to summarize the various ASC fees affecting funds deposited in ASC accounts. It is proposed that this version becomes effective January 1, 2001.

POLICY & PRACTICE

All funds deposited with ASC are placed in one of several types of accounts. Account descriptions and proposed fees for these accounts are as follows.

3000 Series: Designated Accounts

Designated accounts are those accounts set up by approval of the Board of Directors. Since the source of funds for designated accounts comes from the ASC itself, there are no administrative fees for these accounts. In addition, no interest is credited to the accounts.

5000 Series: Restricted Accounts

Restricted accounts are those accounts established with funds received from a donor or otherwise, that carries restrictions on the use of the funds and thus requires appropriate monitoring.

Administrative Fees. ASC charges no administrative or monthly fees to these accounts. However, each account is subject to processing fees that may apply as described below.

Interest Income. Accounts with balances greater than \$5,000 but **not** established as CDs will receive a floating interest rate reflecting the average rate of return on the ASC's LAIF investment portfolio, less two percent (2%). Interest will be calculated on the average of each end-of-the-month balance.

6000 Series: Scholarship Accounts

Scholarship accounts are those accounts established with funds to support the studies of students at CSUF.

Administrative Fees. Scholarship accounts are subject to processing fees that may apply as described below.

Interest Income. Accounts with balances greater than \$5,000 but **not** established as CDs will receive a floating interest rate reflecting the average rate of return on the

Foundation's LAIF investment portfolio, less two percent (2%). Interest will be calculated on the average of each end-of-the-month balance.

7000 Series: Endowment Accounts

Endowment accounts are those accounts established with funds received by the ASC, from which the principal can never be expended. However, a portion of the interest earnings can be used to support such activities as scholarships, professorships and operating expenses, as well as to reimburse the Foundation for its costs of administration.

Administrative Fees. Each ASC endowment account will be charged .0025 of its fund balance on a quarterly basis (a total of 1% for the year), not to exceed \$5000 for the year. Also, each account is subject to additional processing fees that may apply as described below.

Interest Income. Interest earned on endowment accounts will be credited in full to each account on a quarterly basis.

9000 Series: Agency Accounts

Agency accounts are unrestricted accounts maintained by the ASC to meet the needs of CSUF faculty, staff, students and departments.

Administrative Fees. Each agency account will be charged the greater of a base administrative fee of five dollars (\$5) per month or five percent (5%) of expenditures, including payroll, to a maximum charge of \$100 for each expenditure or each pay period. Also, each account is subject to additional processing fees that may apply as described below.

Interest Income. Accounts with balances remaining above \$5,000 may opt to establish a Certificate of Deposit (CD) account in which funds are set aside for a minimum of six (6) months and will receive a guaranteed interest rate of five percent (5%). Certificate of Deposits will be examined periodically to make certain that they continue to meet the needs of the campus without jeopardizing the ASC's fiscal integrity. Accounts with balances greater than \$5000 but **not** established as CDs will receive a floating interest rate reflecting the average rate of return on the ASC's LAIF investment portfolio, less two percent (2%). Interest will be calculated on the average of each end-of-the-month balance.

Additional Processing Fees

Scholarship accounts are those accounts established with funds to support the studies of students at CSUF.

Payroll. Each time one or more employees are paid through the ASC payroll, the account will be charged an administrative processing fee of \$25. An additional fee of \$1.50 will be assessed for each individual payroll check processed. Late timesheets received by the ASC after the payroll deadline will be processed for payment one week

after the original pay date. These accounts will be assessed a late processing fee of \$50. Payments to individuals who are not independent contractors, as defined by ASC guidelines, will be made as employees, regardless of the amount or hours involved.

Rush Checks. Check requests received by Wednesday at 12:00 noon will result in checks being available for pick up the following Friday after 3:00 p.m. Check requests received by Friday at 12:00 noon will result in checks being available for pick up the following Wednesday after 3:00 p.m. This is the normal processing schedule and for these services, no additional fee is charged. However, if a check request needs to be processed on a shorter timeline, then it will be considered a “rush check” and will be charged a processing fee of \$25. The fee is intended to encourage accounts to plan for appropriate processing time and avoid the cost of special processing

APPROVAL

Approved by the ASC Board of Directors on 12/14/00, effective immediately.