2015/16 Cost Allocations to Non-CSU Operating Fund Entities – Foundation

Purpose:
The purpose of the Cost Allocation Plan is to record the agreement between CSU Channel Islands and the Extended University Auxiliary Enterprise and to document compliance of CSU Channel Islands with Executive Order 1000 dated July 1, 2007.

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Background:
State legislative appropriations in the Operating Fund are the primary but not the only source of support for the University's educational mission. Enterprise funds provide supplemental services critical to the delivery of state supported programs. Auxiliary organizations are formed to provide essential functions that are an integral part of the educational mission of the California State University. It is appropriate to recognize these interdependencies between the Operating Fund and auxiliary enterprises in a campus cost allocation plan. Executive Order No. 1000 assigns responsibility to the campus chief financial officer to ensure that auxiliary enterprises are charged for allocable direct costs plus an allocable portion of indirect costs.

Accountability:
Chief Financial Officer or delegate

Applicability:
The allocation of costs applies to all CSU Channel Islands related auxiliaries for the time period July 1, 2015 to June 30, 2016.

Definition(s):
"CSU" and "University" refers to The California State University or any of its institutions as specified in Education Code 89001. "State employee" refers to employees of the University or the CSU. "State Operating Fund" or "Operating Fund" refers to the state legislature's Budget Act appropriation items for support of the CSU that are recorded in the Operating Fund.

Auxiliary Enterprises refers to a University-related entity (program, activity, or fund source) used to furnish facilities, goods or services to faculty, staff, or incidentally to the public. Auxiliary organizations are also considered an auxiliary enterprise.

Allocation refers to the act of assigning an item of cost, or a group of items of cost, to one or more cost objectives. This term includes both the direct assignment of cost and the reassignment of a share from an indirect cost pool.

Cost Pool refers to a set of costs which are incurred when certain operations are performed within the organization. By accounting for all of the costs incurred in a

specific activity with a pool, it is simpler to assign those costs to products and get an accurate estimate of production costs. Activity cost pool is an aggregate of all the costs required to perform a task such as production.

Direct costs refer to costs that can be readily assigned to a particular cost objective with a high degree of accuracy and without an inordinate amount of accounting. Services provided to an auxiliary enterprise that are of a direct nature that may be recharged using a campus approved recharge rate, i.e., telephone, postage, electronic mail, reprographics, non-maintenance, etc. Approved recharges are considered direct costs for purposes of these guidelines.

General administration and general expenses refers to expenses incurred by administrative offices that serve the entire university such as executive administration, facilities management, business services, budget and planning, personnel management, risk management, legal services, and the operations of the administrative management information systems.

Indirect costs refer to those costs that cannot be readily assigned to a particular cost objective without effort disproportionate to the benefits received sometimes described as operation and maintenance of plant costs and general administration and general expenses.

Operation and maintenance of plant refers to Administration, supervision, operation, maintenance of the institution's physical plant such as janitorial and utility services, repairs, care of grounds, maintenance and operation of building and other plant facilities, security, environmental safety, hazardous waste disposal, insurance, facility planning and management, central receiving, allocable share of fringe benefit costs, depreciation and use allowances, and interest costs.

Procedure:
Auxiliary enterprises shall be charged the allowable direct costs plus an allocable portion of indirect costs associated with facilities, goods, and services provided by the University funded from the Operating Fund. Direct and indirect cost allocations should be reasonable, and provide consistent estimation, accumulation and reporting of costs incurred on behalf of auxiliary enterprises.

The plan will be reviewed during the year and any adjustments will be made in the subsequent year.

Sign here

2/19/15
Nichole Ipach, VP for University Advancement — Date

Sign Here

4/1/15
Ysabel Trinidad, VP, Finance and Administration — Date

Missy Jarnagin, AVP, Financial Services — Date

Channel Islands
Overview of 2015/16 Cost Allocations to Non-CSU Operating Fund Entities

Non-CSU Operating Fund Entities	Services and Use of Facilities Costs						Insurance Premium Costs						TOTALS
	Business & Financial Services	IT Services	Academic Affairs	Student Affairs	Police Services	Admin. Fee	Risk Management			Property/ Building Ins.	Vehicle Insurance	Total Insurance Premiums	
							Workers' Comp	IDL/NDI/UI	Liability				
Associated Students	59,425.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	**59,425.00**
Extended University	151,728	100,000	1,009,651	117,687	n/a	58,844	37,667	13,590	18,648	n/a	n/a	69,905	**1,507,815**
Contracts & Grants	n/a	n/a	n/a	n/a	n/a	n/a	29,902	10,788	15,519	n/a	n/a	56,209	**56,209**
Foundation	114,838	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	**114,838**
Housing	283,465	78,049	n/a	n/a	197,908	109,934	18,932	6,830	36,393	37,125	n/a	99,280	**768,636**
IRA	n/a	n/a	n/a	n/a	n/a	n/a	56	20	2,083	n/a	n/a	2,159	**2,159**
IRA - Athletics	n/a	n/a	n/a	n/a	n/a	n/a	3,726	1,344	1,734	n/a	n/a	6,804	**6,804**
Lottery	n/a	n/a	n/a	n/a	n/a	n/a	206	74	655	n/a	n/a	935	**935**
Parking	51,400	n/a	n/a	n/a	n/a	19,934	8,204	2,960	6,166	n/a	n/a	17,330	**88,664**
Student Health	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	75	n/a	n/a	75	**75**
Student Union	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4,924	6,750	n/a	11,674	**11,674**
University Glen Corp	180,618	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	**180,618**
TOTALS NON-CSU	**841,474**	**178,049**	**1,009,651**	**117,687**	**197,908**	**188,712**	**98,693**	**35,606**	**86,197**	**43,875**	**-**	**264,371**	**2,797,852**
TOTALS, CSU OPERATING FUND							**639,077**	**230,571**	**299,010**	**168,752**	**22,220**	**1,359,630**	
TOTALS, UNIVERSITY INSURANCE PREMIUMS							**737,770**	**266,177**	**385,207**	**212,627**	**22,220**	**1,624,001**	

For additional information, contact the Budget & Planning Office.
Estimated cost allocations are highlighted. Cost allocations will be posted monthly.
An administrative fee of 1% of revenue will be assessed monthly and allocated to the Divisions of the University.

2015/16 Cost Allocations to Non-CSU Operating Fund Entities – Foundation

Detail of Charges under Cost Allocation

	2013/14 Actual Revenue
Foundation	4,453,688

Cost Allocations

	Reimbursement to Campus	Percentage Distribution
Business & Financial Affairs	114,838	2.58%
Academic Affairs	n/a	
Student Affairs	n/a	
IT Services	n/a	
Police Support	n/a	
Admin. Fee	n/a	
Facility Use Fee	n/a	
Worker's Comp.	n/a	
IDL/NDI/UI	n/a	
Liability	n/a	
Property/Building Insurance	n/a	
Vehicle Insurance	n/a	
	114,838	

Business & Financial Affairs- Summary of Cost Allocation

Financial Services

Reimbursements from auxiliaries and auxiliary enterprises for indirect costs are determined by multiplying total revenue of the auxiliaries/auxiliary enterprise fund by 2.58%. This percentage was chosen because it represents the actual costs of Operating Fund support in the areas of financial services, human resources, student business services, and procurement as a percent of the entire Operating Fund revenue budget (13/14 figures).

	Support Staff 13/14
Finance	$529,723
Human Resources	$469,229
Student Business Services	$183,076
Procurement	$287,006
Subtotal	**$1,469,034**
Employee Benefits (salary x 49%)	$719,826.66

Total Cost Pool	$2,188,861	/ $84,888,910 =	**2.58%**
13-14 Total Revenue	4,453,688		
Total 2015/16 Cost Allocation	**114,838**	2.58%	

Advancement

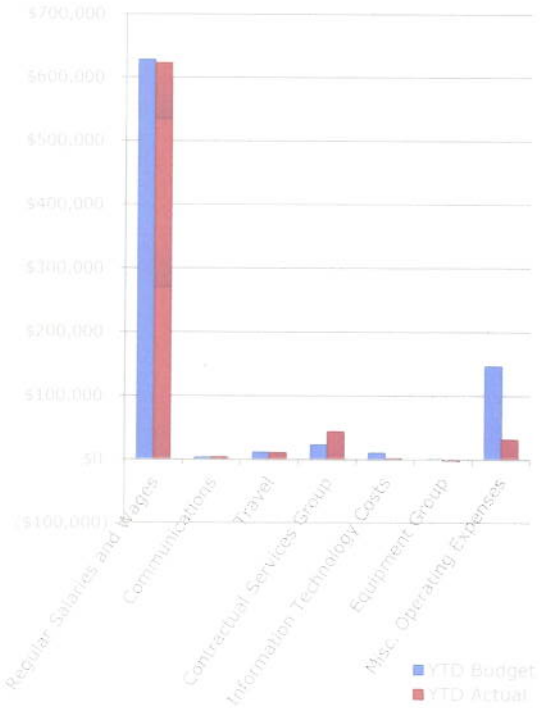
2nd Quarter
CSU Fund 485

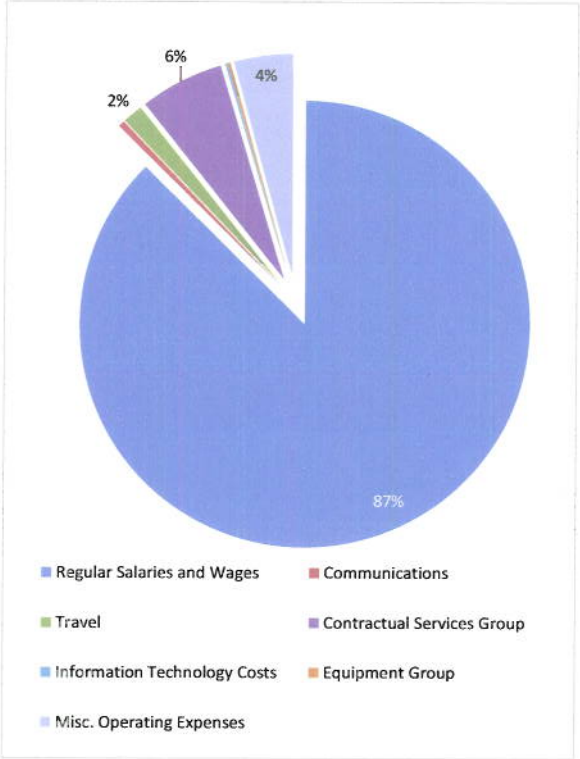
Budget to Actuals - 2nd Quarter 2014

Revenue	YTD Budget	YTD Actual
Total	**$0**	**$0**

Expenses	YTD Budget	YTD Actual
Regular Salaries and Wages	$627,677	$622,772
Communications	$2,925	$3,310
Travel	$10,502	$10,351
Contractual Services Group	$22,227	$42,839
Information Technology Costs	$9,500	$1,211
Equipment Group	$700	($1,411)
Misc. Operating Expenses	$145,825	$30,645
Total	**$819,356**	**$709,716**

Division Total	YTD Budget	YTD Actual	
	$819,356	**$709,716**	**87%**

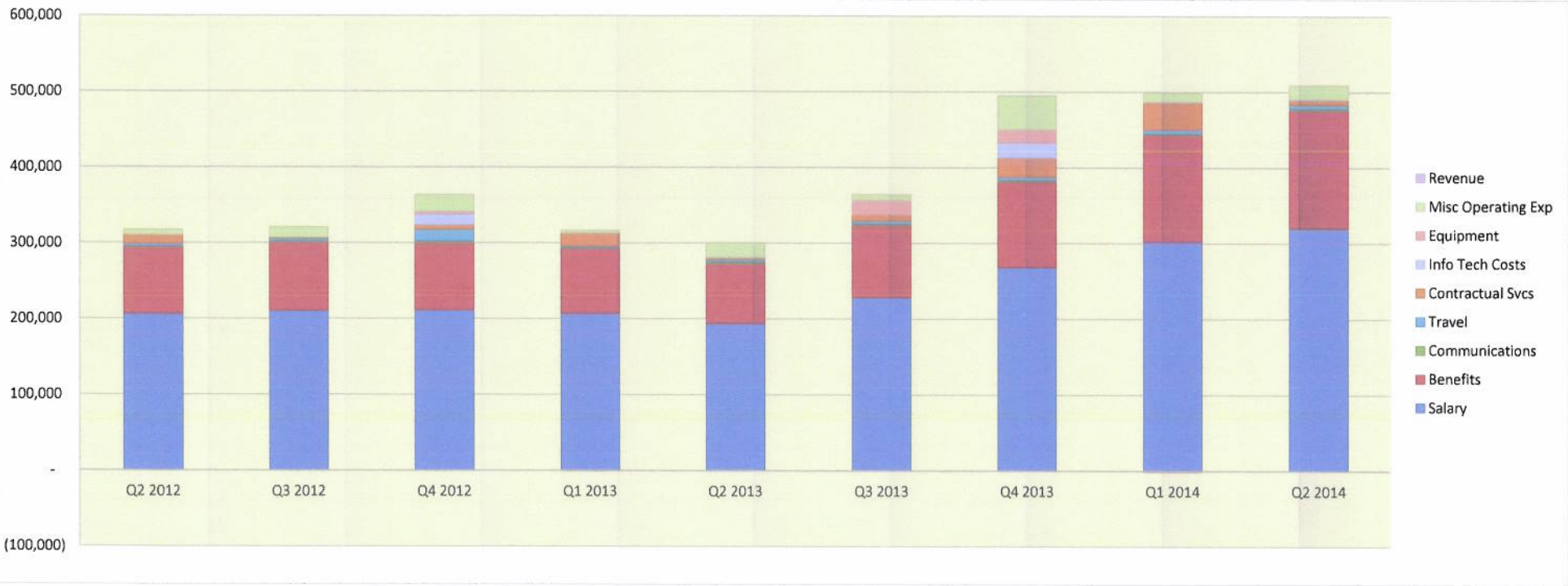




Advancement

2 Year Trend (Actuals)

	Salary	Benefits	Communications	Travel	Contractual Svcs	Info Tech Costs	Equipment	Misc Operating Exp	Revenue	TOTAL
Q2 2012	206,564	87,792	1,140	3,650	11,216	-	-	6,835	-	317,198
Q3 2012	210,904	89,415	1,804	3,596	1,260	-	-	13,810	-	320,788
Q4 2012	211,889	88,235	2,166	15,407	6,213	13,815	3,882	22,098	-	363,704
Q1 2013	207,272	85,756	549	2,366	17,003	620	(487)	3,181	-	316,261
Q2 2013	194,169	79,104	1,887	3,039	1,416	219	1,598	19,184	-	300,617
Q3 2013	228,926	95,098	1,526	3,887	8,413	-	18,426	8,185	-	364,463
Q4 2013	268,732	112,724	1,982	4,244	25,459	19,940	17,105	44,953	-	495,138
Q1 2014	302,526	141,121	1,079	5,277	36,281	630	(1,411)	11,809		497,311
Q2 2014	320,246	155,734	2,231	5,074	6,557	581	-	18,836	-	509,259



Advancement

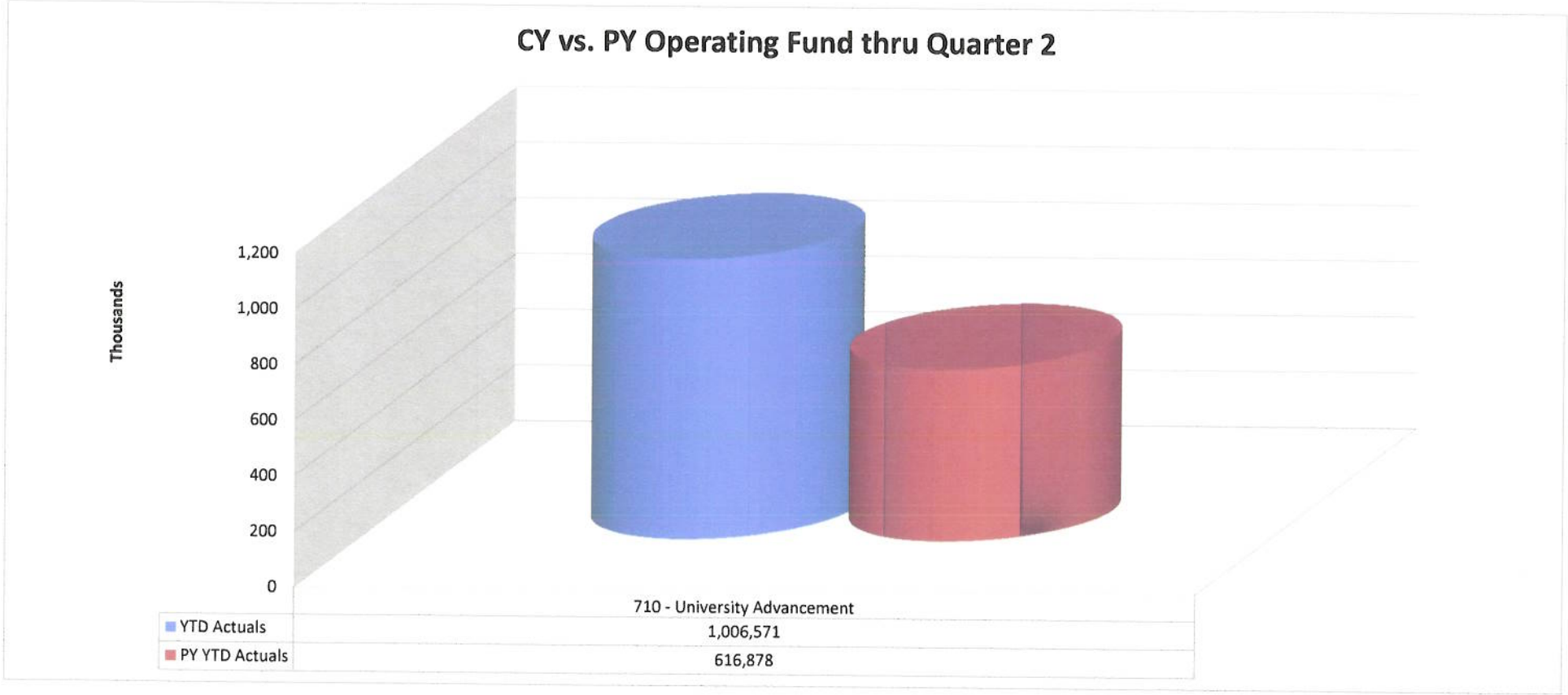
All Funds by Department thru Quarter 2

Fund	Dept.	YTD Budget	YTD Actuals	FY Budget	% used YTD	% used FY
GD901 - CI ~ Operating	710 - University Advancement	$819,356	$709,716	$1,556,913	87%	46%
TM955 - TF - CSUCI Auxiliary Fee	710 - University Advancement	$41,200	-$1,209	$41,200	(3%)	(3%)
Grand Total		**860,556**	**708,507**	**1,598,113**	**82%**	**44%**

Advancement

CY vs. PY Operating Fund thru Quarter 2

Performance Report (2 Columns)

Business Unit = **CSU Channel Islands**

Fund	Dept.	YTD Actuals	PY YTD Actuals	% Change YTD
GD901 - CI ~ Operating	710 - University Advancement	1,006,571	616,878	63.17%