DESIGNATED PROJECTS ADMINISTRATIVE COST ASSESSMENT

A. Purpose

The purpose of this policy is to set forth procedures for the determination of Administrative Cost assessment on Designated Projects for revenue-producing activities sponsored by departments of The University of Texas-Pan American.

B. Persons Affected

This policy applies to employees of the University.

C. Policy

The policy of the University is to set guidelines for the determination of Administrative Costs assessment on Designated Projects for revenue-producing activities in compliance with The University of Texas System Board of Regents' *Rules and Regulations.*

D. Definitions

1. *Designated Projects* – Revenue generating projects which can be special and infrequent activities not anticipated in the annual operating budget and not prohibited by the *Rules and Regulations* of the Board of Regents. Examples include a training program, seminar, conference workshop, clinic, exhibition, or authorized services of relatively short duration for which an admission or participation fee will be charged.

2. *Administrative Cost* – A charge that will be assessed to the designated project for revenue produced from services or activities provided by the University. Administrative Costs do not cover any costs associated with support services provided by University departments (i.e. Police Department; Physical Plant) for functions held by a department outside the normal operation of the hosting department (i.e. conferences).

E. Responsibilities

1. The sponsoring department is responsible for:

    a. preparing a Request for Non-Sponsored Oracle Project Form and

    b. obtaining approval from the appropriate Vice President.

2. The Accounts Control Department is responsible for reviewing the Request for Non-Sponsored Oracle Project Form and assigning the proper Accounting Key Flex Field.

F. Procedures

1. A Request for Non-Sponsored Oracle Project Form will be prepared by the sponsoring department and submitted to the Accounts Control Department for review.

2. Requests for new designated projects will require approval from the appropriate Divisional Vice President.

3. All requested information on the Request for Non-Sponsored Oracle Project Form should be provided, including a complete description of the project activity and purpose. This information will be used to determine the assessment of the Administrative Cost. Administrative Costs in the amount of 15% will be assessed on revenue derived from services or activities provided by the University Department. Designated Projects funded by transfers, gifts, interest income, and student course or incidental fees will not be assessed the administrative costs.

4. Appeals for the assessment of the Administrative Cost should be submitted in writing to the Vice President for Business Affairs

G. Review

The Divisional Head for this policy is the Vice President for Business Affairs and this policy shall be reviewed every five years or sooner if necessary by the following Stakeholders:

1. Associate Vice President for Business Affairs and Comptroller – Senior Reviewer
2. Assistant Vice President/Budget Director
3. Academic Affairs Executive Team
4. Faculty Senate Chair
5. Staff Senate Chair