



Cornell University

Fees for Internal Users of Cornell Physical Space

Approved by the Space Use Advisory Committee; 4/27/15
Effective Date: July 1, 2016

INTENT

Increase access to classroom and event space to support mission-driven activities of the institution and promote more efficient use of campus space in accordance with the Cornell University Space Management Principles approved by the Capital Funding & Priorities Committee on April 24, 2012.

GIVENS

Cornell University allows, under certain circumstances, rental fees to be charged to internal users for the use of university-owned physical space.

Internal space rental fees without a cost-justified basis present an administrative burden, reduce space utilization, restrict access to valuable space resources, and hinder the University's mission.

Cornell wishes to provide consistent procedures to determine and charge space rental fees to internal users.

An internal user is defined as an entity under the control of a college or division; an alumni group functioning through Alumni Affairs and Development or a college office; a student organization registered with the Office of the Dean of Students; an employee organization; Conference Services.

A space rental fee charged to an internal user must be calculated based on certain federally-allowable costs, such as incremental personnel and supply charges and furniture and equipment replacement costs that are directly borne by the unit and associated with the rental use of that room as described below. Such fees may not include building depreciation, allocated university overhead, or typical operations and maintenance costs.

The Interdepartmental Fee Committee (IFC) regulates the amount of allowable fees. Physical space stewards must follow IFC procedures to seek approval of space fees.

The same fee basis will be applied to all internal users. No additional ("nuisance") fees can be charged to any particular internal user group, especially registered organizations.

EXCLUSIONS

This policy does not apply to events hosted by external users.

This policy does not apply to contractual ticket management services associated with use of event spaces.

GENERAL COMMENTS

This policy describes the circumstances under which a fee may be charged.

This policy deals only with the incidental or temporary use of space, in terms generally measurable in hours or a few days, and does not apply in the following situations:

- The rental or leasing of long-term assigned space;
- The use of facilities for regularly-scheduled semester classes;
- Guest rooms and conference facilities in the Statler Hotel, spaces managed by Campus Life Enterprise Services for residential purposes, or conference facilities in the ILR Conference Center.

This policy applies to all rooms and outdoor spaces in Tompkins County under the control of Cornell excluding greenhouse space, agricultural fields, and ponds used for teaching, research, and public service purposes.

For any given room or outdoor space, this policy takes effect upon the expiration of the five-year grandfather period granted to interdepartmental fees beginning in Fall 2011.

- This policy will become effective in Fall 2016 for those rooms with fees that were submitted in Fall 2011 and not subsequently reviewed by the IFC.
- For all rooms with fees that were approved by the IFC since Fall 2011, this policy will become effective when five years have passed since the approval date.

APPROVAL FOR SPACE RENTAL FEES

The Interdepartmental Fee Committee must approve the appropriate dollar value of space rental fees.

WHEN A FEE MAY BE CHARGED TO AN INTERNAL USER

A fee may be charged for the use of university-owned space if any of the following conditions exist:

- There are special set-up requirements or other out-of-pocket costs incurred by the principal occupant of the space;
- The use requires cleaning and material supplies above normal stewardship levels;
- There is an increase in costs for normal expenses associated with providing the space for rental (e.g., shorter replacement cycles for technology and/or furnishings, more frequent carpet or other deep cleaning);
- The use requires staff to open the facility and/or monitor the event, including the assignment of Cornell Police to provide security services;
- The space sustains damage as a result of the event, resulting in easily measurable and discrete costs for repairs or clean-up. Such fees, by necessity, are charged retroactively.

The University distinguishes two types of internal fee spaces: *venue-managed* and *a la carte-managed*.

Stewards of venue-managed spaces can charge an “all-in” fee that includes all services, supplies and equipment required to support the hosted events. Examples of the venue-managed spaces on campus include Bailey Hall and Appel Commons. The user pays one “bill” directly to the stewarding unit.

Stewards of a la carte-managed spaces can charge for only those expenses that are directly borne by the stewarding unit, e.g., staff support time, moveable equipment replacement costs. The user will follow the stewarding unit’s protocols to arrange for services and will pay directly for these other expenses, such as security, building care services, and grounds services. The stewarding unit may require the user’s account number as a security deposit, but should not normally bill for services provided by another unit. Note that the majority of spaces on the Ithaca campus are a la carte and not venue-managed.

RECOVERABLE COSTS

The following costs are recoverable from internal users through the space rental fee:

- Salaries and wages (custodial staff, over-time, premium time, security staff, etc.) and fringe benefit expense on the above salaries and wages (if applicable);
 - For staff services provided by another Cornell unit, e.g., Building Care support time, such expenses should be as approved by the IFC
- Supplies and materials (restroom supplies, light bulbs, etc.);
- Movable furniture, audiovisual equipment, etc.;
 - Note: Where rates recover the cost of capital equipment it shall be consistent with the annual depreciation recorded on the university’s books. To prevent duplicate cost recovery in such cases the assets must be flagged as a “service facility” in the capital assets system. Contact uco-capasset@cornell.edu for further information.
- IT/AV support;
- Teledata connections;
- Equipment rental (including generators);
- Subcontracts and outside services;
- Departmental costs incurred in the support of rental activity.

The above are limited to federally allowable costs.

The following costs may not be recovered from internal users through space rental fees:

- Building depreciation, including space renewal;
- Typical operations and maintenance costs (i.e., facility costs in the budget model).

ACCOUNTING

Units charging space rental fees shall have a distinct account to aggregate the revenue and expenditures associated with this activity.

Internal charges for space rental fees should be processed through Quali Financial System using the Internal Billing eDoc.

Revenue should normally be recorded as “Interdepartmental Revenue Misc,” object code 4020.

Departmental expenses should normally be recorded as “Interdepartmental Room & Space Rental,” object code 6631.

Operations with greater than \$50,000 per year in revenue may be considered a Service Facility, as defined in University Policy 3.10.

BEST PRACTICES

In the spirit of optimizing the use of University resources, space stewards should employ procedures that encourage, rather than discourage, the use of facilities for mission-driven purposes.

While appropriate consideration should be given to safety and security issues, reasonable steps should be taken to mitigate these issues in order to facilitate space availability.

Space stewards should develop a framework for services and fees, based on consistent application of approved rates for provision of internal services (e.g., Building Care).

The framework should establish a base rate for use during regular operating hours and for after hours, and standard extra fees for set-up, take-down, AV, etc.

The fee structure should be applied consistently across rooms and for all internal users of any given room or space.

Whenever possible and allowed by labor agreements, a lower-cost method to deliver equivalent services should be available, e.g., the use of students vs. full-time staff to facilitate use, monitor AV, etc.

Facility hours do not need to reflect university open hours, but the hours of highest demand for the facility. Facility hours can be adjusted to reflect demand, even when the peak demand varies by season.

Staff time should not be billed toward an event when staff are already on hand in performance of their regular duties.

Stewarding and service units should assess the appropriate time to deliver a particular service to contain cost, e.g., does a room need to be cleaned after an evening event if it will be cleaned the next morning, before normal use, as a regular practice?

Consideration of employee flextime to staff events should be encouraged, rather than incurring overtime charges or as the sole basis for charging a fee. University Policy 6.6.13, Flexibility in the Workplace, expresses Cornell's support for flexible work arrangements in situations "to enable staff and management to serve customers well."

Billing should distinguish services and goods, e.g., custodial service vs. cleaning supplies and materials, and be rendered within one month of the event.

CONTACTS

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