



HSU Facilities Management Chargeback Policy

UML 00-05 (to be revised)

Facilities Management

Applies to:

Faculty, staff, student employees, students, vendors, visitors and volunteers

Supersedes:

Plant Operations Chargeback Policy, UML 00-05, October 2000

Purpose of the Policy

The California State University Board of Trustees responded in 1983 to specific action of the legislature of the state of California by directing that each campus develop a full chargeback (also known as “recharge” or “cost recovery”) system for all new construction, remodeling, alterations or other work not classified as maintenance work performed by Plant Operations (referred to here as Facilities Management or FM). The following supersedes the chargeback policy contained in Executive Memorandum P86-4.

CSU directive BA 84-25, Implementation of Trustees’ Resolution RA 9-83-057, dated July 25, 1984, states that each campus will develop a chargeback system that must include campus policy and procedures to ensure the return of all costs to the Facilities Management budget. CSU Executive Orders 1000 and 847 categorize campus maintenance and non-maintenance definitions and the mandates for charging back to requestors. The directives authorize reimbursement for direct and indirect costs, including those related to administrative processing, estimating, supervision, and use of equipment and vehicles. Indirect costs relating to a specific scope of work will be recovered in the form of administrative overhead and/or project management fees. Indirect costs may also be recovered through other means such as lease agreements or memoranda of understanding (MOU).

Definitions

Group I Equipment is defined as equipment which is fixed, built-in or permanently affixed to a building or structure. Examples are building hardware, general building

construction, such as heating systems, exhaust and air conditioning systems, fixed seating in auditoriums and lecture halls, white boards, chalk boards, and elevators. Also included are fixed laboratory benches, and fume hoods.

Group II Equipment is defined as movable equipment such as general-use building furniture, general use classroom furniture, and other general use equipment. This equipment is generally freestanding and is not connected to the building, which includes building systems and structure. Exceptions include equipment that is fastened to the floor or wall for safety issues, attached using common utility connections including electrical plug, removable plumbing hoses (water, gas, air, etc.) by means of self-sealing mechanical fastening (washing machine hose, nut & ferrule on hard pipe, etc.). Examples include classroom tables and chairs, tablet arm chairs, and common lobby furniture, etc.

Specialized Equipment is defined as equipment with an expected useful life of a year or more and are used for specific program purposes. Examples of specialized equipment include but are not limited to: play clocks, weight-lifting equipment, athletic training equipment, microscopes, tabletop academic equipment, freezers, refrigerators, ice makers, autoclaves and other built-in environmental chambers, benches or wall mounted water distillers, washing machines, clothes dryers, department office furniture, wall hangings, etc.

Policy Details

Facilities Management (FM) is responsible for the maintenance and operations of the campus grounds and facilities funded by the FM operating budget. In addition to maintenance and operation, FM is responsible for the oversight of all changes to campus grounds and facilities, including new construction, alteration, renovation, change of use, and installation of equipment. If these changes are sufficient in scope to qualify as a project under the Facilities Management [project definition](#), such will be subject to chargeback. FM staff may not always have the available labor resources, requisite skills, or time available to complete the work required by the department. In these cases, FM may contract the work with outside entities.

Facilities labor resources are allocated and scheduled quarterly depending on the nature of the work requested, university priorities, and labor capacity of the FM workforce. Work order scheduling will also depend on the order in which requests are received and progress can be easily monitored by campus through the FM work order system. When labor resources are not available in the requested time frame, some or all of contracted costs may be billed to the requesting party. Billable work will not be initiated without an authorized approval and chartfield. Scheduling and completion of billable work will depend on financial and staff resource availability and University prioritization. Further information on the work request and billing process can be found on the [FM website](#)

Non-billable vs. Billable Work

Maintenance and operation services are intended to support general campus functions and are provided at no cost for general fund facilities utilized by general fund entities where resources allow, pursuant to this policy.

Maintenance and operation services are also provided at no additional cost to facilities owned and/or operated by Enterprise Funds (Housing, Children's Center, Parking, Extended Education) and Auxiliary Organizations (Associated Student, HSU Advancement Foundation, Sponsored Programs Foundation) only when those facilities are included in the [Campus Cost Allocation model](#) or otherwise listed in a separate agreement or memorandum of understanding. All non-general fund facilities associated with HSU campus will be either included in the Campus Cost Allocation model or included in a separate agreement or memorandum of understanding. A listing of these facilities can be found on the [FM website](#)

Non-Billable work includes maintenance required at or near the end of the building system's life cycle, or when a condition creates a safety hazard as determined by the facilities management lead administrator. Examples of non-billable services include but are not limited to:

- Maintenance and operation of basic building components, including foundations, walls, roofs, stairs, ceilings, floor coverings, window coverings, paint, doors, locks, keys, and windows
- Maintenance and operation of utility systems, including electrical, water, gas, heating, ventilation, air-conditioning, plumbing and sewage systems, and elevators
- Hardscapes, including sidewalks, steps, curbs, benches, grounds and landscape
- Maintenance of **Group I** and **Group II equipment**, which includes FM labor (Note: Replacement and material costs for specialized equipment is addressed in billable)
- Routine custodial services
- Routine mail and package pickup and delivery, including USPS postage costs
- Fleet vehicle services
 - Servicing vehicles that are under general fund entities, or entities part of the cost allocation model or through MOU or agreement
 - General maintenance including parts and labor
- Transport of office contents related to occupant moves

- Event support considered “non billable” by the Campus Central Events Office

Billable work includes the criteria listed below. The scope of all billable work will be documented and agreed upon before that work is initiated. Any revisions to scope by the department or undiscovered conditions should be formalized by a change order request with an authorizing signature. Examples of billable services include but are not limited to:

- All activities meeting the FM [definition of a project](#)
- When FM resources are not available in the requested time frame, some or all of contracted costs may be billed to the requesting party including new construction, alterations, and/or remodeling, fabrication, installation, and maintenance of specialty equipment/furnishings, supervision or inspection of billable work
- UPS & FedEx Pickup/Delivery Charges
- Purchases and replacement of department **specialized equipment** that may also be categorized as Group I or Group II equipment. Installation and maintenance will be provided under non billable services as shown above unless otherwise contracted due to specialized service.
- Fleet vehicle services
 - Servicing vehicles that are not under general fund entities
 - Replacements of existing vehicles (responsibility of the department)
 - Additional maintenance funding when new vehicles increase the size of the campus fleet
 - Vehicle repair resulting from accidents (insurance deductible and costs not covered by insurance)
 - Pool vehicle rentals (such as busses for field trips)
- Event support considered billable by the Campus Central Events Office
- Services resulting from user negligence and or misuse of university facilities

History

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