

June 2, 2008

MEMORANDUM

TO: Deans, Directors and Department Heads

FROM: Stephen W. Keto  
Associate Vice Chancellor for Resource Management

SUBJECT: Administrative Service Charge

The appropriated budget underwrites most of the central support services for university operations. In recent years, the Administrative Service Charge (ASC) has been an assessment to all auxiliary and trust fund accounts with an annual expenditure of \$50,000 or more. The purpose of the charge is to reimburse budget code 16030, Academic Affairs, for general administrative costs incurred by the university to support central operations such as payroll, accounting, budget, personnel, purchasing, public safety, etc.

Over the next three years, the current rate of 0.40% will increase to 1.00% *and be applied to all auxiliary and trust fund accounts, regardless of balance*. This increase will help to support services such as background checks. The incremental increases approved by Vice Chancellor Leffler and Chancellor Oblinger will be as follows:

| <u>Rate</u> | <u>Effective Date</u> |
|-------------|-----------------------|
| 0.60%       | July 1, 2008          |
| 0.80%       | July 1, 2009          |
| 1.00%       | July 1, 2010          |

If you have any questions concerning these rates, you may contact either Barbara Moses (513-1263) or Lorrie Nichols (515-9232) in the University Budget Office.

cc: Chancellor James L. Oblinger  
Vice Chancellor Charles D. Leffler