

## **Administrative Service Charge**

**NOTE:** The website URL for **Workday reference guides** that are referenced in this section is:  
<https://confluence.esg.wsu.edu/display/WKB/Workday>

### **OVERVIEW**

The University assesses administrative service charges on revenues collected by University units that charge for goods and/or services.

Administrative service fees are charged to provide funding for central University administrative service costs. In combination with other University funds, these fees partially offset overhead costs, which include personnel, payroll, accounts receivable and payable, purchasing, and other support services.

### **ADMINISTRATIVE SERVICE CHARGE**

The University assesses an administrative service charge to service center units for revenue of any type in functions FN001, FN003, FN005, FN006, FN007, FN008, FN013, FN014, FN015, FN018, FN019, FN024, FN025, FN030, FN031, FN032, FN034, FN040, FN041, FN042, FN043, FN044, FN046, FN048, FN049, FN051, FN060, FN061, FN062, FN065, FN066, FN067, FN073, FN074, and spend categories SC00076 and SC00328. (Descriptive titles for each of the functions and spend categories listed above may be viewed in the Extract Functions and Extract Spend Categories reports in Workday.)

Administrative service charge revenues are deposited into the Admin Fees and Interest fund (FD080) in Workday and are allocated through the annual budget process.

The Vice President of Finance and Administration, in consultation with the President reviews and sets the administrative service charge rate periodically.

Service center units may include administrative service charges as operating costs in setting rates for goods and/or services, except in rates for internal WSU transactions charged to federal funds. (See *BPPM* 30.15.)

### **Exempt Revenue Sources**

Revenue sources *exempt* from the administrative service charge calculations include the following:

- Costs charged to federal sponsored projects. (See the Workday Extract Funds report, as needed.)

## **Administrative Service Charge**

### **Exempt Revenue Sources (cont.)**

- Central allocations supplementing the revenue receiving unit. This includes regular session tuition and fee revenues.
- Revenue associated with flowthrough funds.
- Services and Activities Fees (S&A Fees) allocated to the revenue receiving unit.
- Special course fees dedicated to supplement (but not replace) appropriated funds or regular student fees.
- Revenues for a unit established within a college or area which provides central support services to that college or area.
- Exemptions approved by the Vice President of Finance and Administration and/or the President due to special considerations, based on written requests from colleges or areas.