

REPORT OF
FACULTY WELFARE COMMITTEE

FROM: Faculty Welfare Committee
TO: Faculty Senate
SUBJECT: E Fund Accounts

At the present time the University administration is assessing a 10% surcharge on all monies in "E Fund" accounts. "E Fund" accounts consist of money which is generated from individuals or institutions outside the University for services or use of facilities within the University. The surcharge was assessed in order to cover part of the shortfall in the General Fund. The rationale for the charge is that since "E funds" are raised through services to people outside the University, an administrative fee is in order. Other funds in the University, it has been pointed out, are assessed an administrative fee, often higher than 10%. The Administration expects the 10% charge to be passed on to those outside the University rather than to be absorbed by the University unit.

It is the conclusion of the Faculty Welfare Committee that the charge is appropriate when it is levied against a unit engaged in a profit making activity. However, when a unit is engaged in its normal academic functions, and no profit is generated, we believe that the unit should not be assessed. We therefore recommend to President Holderman that the administration eliminate the surcharge on funds used for non-profit academic activities.

- Motion approved.