Equipment Fee Development Guidelines

The university is establishing a pilot program to all the charging of “Equipment Use” fees for undergraduate classes (UG). This fee is allowed by the Florida Statutes FS xx.xx. Other SUS universities already charge this fee for many of their equipment intensive programs.

The following are the University of Florida guidelines for the development of the per credit hour fee that units are allowed to charge for courses that use equipment which can be covered.

1) Equipment use fee can only be charged for use in Undergraduate courses
   a. Auditable records must be kept to show use of the equipment and any percentage attributed to UG courses.

2) This is not a tech fee and as such, cannot be used to cover computers
   a. The exception is for computers that are an integrated part of the equipment and used to manage or control the equipment and not for other purposes.

3) The fee is to be calculated as the expenditures for the equipment attributed to UG courses divided by the number of credit hours the equipment is used in one year for UG courses. Auditable documentation must be maintained in order to document the numbers used. The following expenditures are acceptable for inclusion in the fee calculation:
   a. Depreciation of the equipment (based on reasonable estimated life use of piece of equipment and not replacement cost)
      i. Each piece of equipment has a common life cycle for replacement. A justification for the depreciation period is required for each piece of equipment included in the calculation.
   b. Maintenance or repair of the equipment
      i. Any regularly funded maintenance or repair of the piece of equipment can be included. This includes things like calibration, tuning, annual service, etc.
   c. Equipment Service
      i. Any outsourced service fees like software maintenance support, testing, etc.
   d. Insurance
      i. Any insurance costs for the equipment if special insurance is included to cover the equipment.

4) Only the percentage of the equipment use that can be attributed to UG class use can be included in the fee. (e.g. if the total costs from 3) above equals $100,000 – and only 10% of the use can be documented for UG classes – then only $10,000 can be used in the fee calculation.

5) Equipment is defined as: Significant equipment that is used in UG classes to prepare students for the profession. This includes but is not limited to things like: microscopes, testing equipment, pianos, PA system, Video Equipment, etc. This does not include any general purpose computer equipment or networking infrastructure or specialized software.
Example Calculation for Equipment Fee
Example on how to calculate equipment fee charge

The equipment listed below is used within the group of courses listed in the usage category. The grouping of equipment included constitutes fairly even use across the courses included in the list. A separate sheet is required for groups of equipment that have non-uniform use across the classes. Independent calculations are required in order to develop the correct fee to apply to each course.

<table>
<thead>
<tr>
<th>Equipment Description</th>
<th>Total Annual Cost</th>
<th>% Use for UG classes listed</th>
<th>Cost Included in Fee</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scanning Electron Microscope</td>
<td>$256,000</td>
<td>10%</td>
<td>$25,600</td>
<td>Replacement cost $1M every 5 years ($200K Annual), $50K Annual service, $6K annual software</td>
</tr>
<tr>
<td>Surface Roughness testing machine</td>
<td>$38,000</td>
<td>25%</td>
<td>$9,500</td>
<td>Replacement cost $300K every 10 years, $3K annual calibration, $5K annual service contract.</td>
</tr>
<tr>
<td>PET Scanning machine</td>
<td>$365,000</td>
<td>20%</td>
<td>$73,000</td>
<td>Replacement cost $1M every 3 years ($333K Annual), $20K Annual service, $12K annual software</td>
</tr>
<tr>
<td>Practice Piano</td>
<td>$39,250</td>
<td>50%</td>
<td>$19,625</td>
<td>Replacement cost $400K every 5 years ($80K Annual), $6K Annual service</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$698,250</strong></td>
<td><strong>50%</strong></td>
<td><strong>$127,725</strong></td>
<td></td>
</tr>
</tbody>
</table>

Life needed by noon October 19

Cat by class

Send to Kirby