California State University
SAN MARCOS

Extended Learning California State University San Marcos 333 S. Twin Oaks Valley Road San Marcos, CA 92096-0001

Memorandum

DATE: August 5, 2022

FROM: Godfrey Gibbison, Dean of Extended Learning

SUBJECT: Allowable use of 44112 Funds - Special Session/Campus Partner Funds

CC: Carl Kemnitz, Provost and Vice President of Academic Affairs
Mary Oling-Sisay, Vice Provost of Academic Affairs

Dear Colleagues:

The following guidelines are for allowable use of 44112 funds (Special Session/Campus Partner funds) as governed by the CSU Extended Education and Professional and Continuing Education policy.

Policy on the Management of the Professional and Continuing Education (PaCE) Funds

Note the language in EO 1099, Article 13.2 that governs CSU Extended Education Operations:

> The EE Local Trust Fund and its expenditures shall comply with all applicable Chancellor's Office directives (i.e. ICSUAM, EOs, Coded Memoranda); laws; statutes and regulations of the State of California, and local or federal governments and is available solely "for the support and development of self-supporting instructional programs" as provided in Education Code section 89704.
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> CSU policy on the use of PaCE funds is aligned with Cal. Educ. Code §89704 and can be found in the CSU Legal Accounting and Reporting Manual (Chapter 6: Professional and Continuing Education).
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> Cal. Educ. Code §89704 states that "all [PaCE] revenues are hereby appropriated, without regard to fiscal years, to the trustees for the support and development of self-supporting instructional programs of the California State University."
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> The *CSU Legal and Accounting Manual* states "PaCE funds are specifically restricted for the support and development of PaCE instructional programs. Costs of self-support instructional programs include support and improvement of the academic quality of the university."

Criteria for the Appropriate Uses of PaCE Funds

In determining whether PaCE 44112 funds can appropriately be used for an expense, the following criteria should be considered. If the expense justification cannot adequately address any of the criteria below, the expense may not be an allowable use of PaCE funds.

1. The expenditure will improve the quality of continuing education instructional programs.
2. The expenditure will enhance the effectiveness of continuing education services.
3. The expenditure will increase the capacity to satisfy unmet continuing education needs.
4. If the funds are to be used to support a project that will benefit both continuing education and state support program students, the benefits to continuing education must be commensurate with the level of PaCE expenditures.

Allowable Uses of PaCE 44112 Funds

Students from Extended Learning (EL) receive instruction, guidance and/or support from potentially all faculty and staff, including the library, through Continuous Enrollment, Open University, Summer Session, Winter Intersession and/or Special Programs. Therefore, program development, faculty professional development, equipment, instructional development/support, student scholarships, special program operational support and certain hospitality expenses all potentially enhance the effectiveness and improve the quality of the campus' continuing education instructional programs. **However, there must be a clear connection between the expenses and EL programs.**

Given the PaCE policy, along with the findings from the recent EL consultant report, we suggest the following types of expenditures may be allowable, if justified in terms of "the support and development of self-supporting instructional program.

The following list of expenses are eligible for use of PaCE funds with a clear and appropriate justification. All expenses must relate to Extended Learning program promotion and development.

1. Support and Development of EL degree/certificate/stand-alone programs, including:
    a. Salary expense for new/updated program development
    b. Salary expense for new/updated course development
    c. Informational meetings for prospective target audiences
    d. Advising and program information

2. Professional Development - to improve an employee's professional knowledge, competence, skill, and effectiveness, such as:
    a. Discipline related materials (laboratory materials, equipment, research supplies, etc.)
    b. Discipline related publications
    c. Gift Cards related to research
    d. Memberships
    e. Student Assistants
    f. Journals and other subscriptions, teaching supplies, classroom tools, etc.
    g. Technology
    h. Travel and registration related to specialized training/professional conferences
    i. Travel and registration related to advanced professional learning

3. Equipment Purchase - to enhance and support instruction or faculty capability, such as:
    a. Computers
    b. Equipment
    c. Furniture
    d. Software

4. Instructional Development and Support:
    a. Instructional design services for online/hybrid courses
    b. Catering for advisory and/or focus groups
    c. Expenses associated with:
        i. Developing new programs to serve professional groups
        ii. Developing a new degree program for the community
        iii. Developing activities related to on-going degree or professional programs

5. Student scholarships (in support of EL programs - non-refundable EL tuition payments and within the Payments to Student Guidelines).

6. Hospitality Expenses - in support of EL programs **(*provide detailed information/justification*)**
    a. Expenses must directly benefit EL, and the department must explicitly establish that:
        i. the expenses are incurred for the support and development of EL programs, and
        ii. the expenditures follow the University's hospitality policies and procedures.
    b. Catering and/or room rentals at information sessions for prospective students
    c. Catering and/or room rentals at training workshops for faculty and/or staff
    d. Catering and/or room rentals for meetings that include support for EL programs

7. General Administrative Functions - related to the support and development of EL programs
    a. Salary expense for support staff (percentage of time dedicated to EL)
    b. Administrative personnel functions in support and development of EL programs
    c. Office supplies
    d. Printing

This list is suggestive but is not exhaustive. The primary consideration is clear demonstration of the direct benefit and support of EL programs. If the college or department cannot demonstrate that the dollars to be spent benefit EL programs, initiatives, or students then the use of 44112 funds is not allowed.

If you are uncertain if 44112 funds can be used for a particular expenditure or have identified an item you think may be appropriate but is not on the list above, please do not hesitate to contact the Dean of Extended Learning to ensure the expense is permissible.

As with any expenditure, justification and documentation must be presented when a program is audited.

Thank you.