

### UNIQUE COST STEP (STEP 12) CRITERIA

Due to the questions that have arisen in the past, it has become necessary to establish additional guidelines for Step 12 requests.

In general, the Unique Cost Step of the formula is intended for items which are unique to one or to a small number of institutions. Unlike other steps of the formula, allocations under the unique cost step are expected to be spent as allocated (with appropriate adjustments made based on the percent of the formula received.)

Below are criteria for determining what will be included in the unique cost step:

- 1) Requests for unique cost funding should be relatively modest. The unique cost step is not intended to redress major funding deficiencies.
- 2) Requests for equipment or deferred maintenance must be for specific items associated with a specific unique project. General requests will not be considered. This includes requests which result from years of underfunding, requests to upgrade a lab, requests to upgrade equipment to meet accreditation requirements, requests to fix damage from wear and tear, etc.
- 3) The unique cost step is not the place to request formula changes. No request for a change in methodology for an existing step in the formula or for the addition of a step to the formula will be considered.
- 4) Requests for funds to make up for past underfunding in the formula will not be considered as will requests to make up for an anticipated underfunding of the formula. For example, requests for upgrading faculty salaries will not be considered.
- 5) Institutions may request funding for items covered by the formula if there is a unique need at that institution which makes the expenditures for a particular category considerably higher than at other institutions. For example, extra funding for maintenance may be considered if there is a special circumstance which makes maintenance much more expensive for a substantial portion of the campus. However, relatively minor adjustments which result from a special circumstance in one or a few buildings will not be considered.

CHE staff will not present the Business and Finance Committee or the Commission with requests staff judges to be inappropriate based on the above criteria. The institutions will retain the right to appeal staff decisions to the Business and Finance Committee.