



UNIVERSITY POLICY

SUBJECT:	FINANCIAL AFFAIRS	TITLE:	CHARGES FROM UNIVERSITY SERVICE AND RECHARGE CENTERS TO FEDERALLY SPONSORED PROJECTS		
CATEGORY: Check One	Board of Trustees <input type="checkbox"/>	Presidential <input checked="" type="checkbox"/>	Functional <input type="checkbox"/>	School/Unit <input type="checkbox"/>	
Responsible Executive:	Vice President for Finance and Treasurer		Responsible Office:	Grants & Contracts	
CODING:	00-01-50-95:00	ADOPTED:	01/15/98	AMENDED:	08/23/10
LAST REVIEWED:					08/23/10

I. PURPOSE

To ensure compliance with federal regulations detailed in OMB Circular A-21, governing cost principles for Colleges and Universities in the area of organized sponsored research. Specifically, this policy shall ensure compliance with regulations for accurately developing charges from University service and recharge centers to federally sponsored projects.

II. ACCOUNTABILITY

Under the direction of the Senior Vice President for Finance, the Vice President for Finance and Treasurer is accountable for ensuring compliance with and implementing this policy.

III. APPLICABILITY

This policy applies to all Deans, Vice Presidents, Principal Investigators and other personnel who serve as account representatives for externally funded projects.

IV. DEFINITIONS

- A. **Organized Federal Research** – all research and development activities that are sponsored by the Federal government and separately budgeted and accounted for. This term includes the training of individuals in research techniques (research training) where such individuals utilize the same facilities as other research and development activities.
- B. **Service Centers** – providing the services of highly specialized facilities, such as computers, vivarium, spectrometers and telecommunications.
- C. **Recharge Centers** – providing services of a less specialized nature, such as photolabs, stockrooms, locksmith, mailing or reproduction facilities.

V. POLICY

- A. Requirements:
 - 1. Services provided are charged to all users, including sponsored agreements, based on actual use through a schedule of cost rates which does not discriminate between federally

and non-federally sponsored activities. Billing charges to users must be consistent and rate reduction or preferential treatment to selective users is prohibited.

2. Charges are structured to recover not more than the aggregate cost of the services over a conventional University fiscal year from July 1 to June 30. Charges are to include labor and supply costs directly associated with the applicable service.
3. The University Finance Department is responsible for the cost accounting compliance review of all service center budgets and charge rates. This responsibility includes screening for federally unallowable expenses. Individual service centers must be separately budgeted as subledger cost centers each fiscal year. All expenses related to billable charges should be reflected in the subledger cost center. Consolidation of various types of services into one budget is prohibited, unless special circumstances exist. In these cases, the Vice President for Finance and Treasurer must approve the consolidation in writing prior to budget preparation.
4. Requests for the establishment of new service or recharge centers must be approved by the Vice President for Finance and Treasurer. The proposed service center will be reviewed for feasibility and to ensure the operation is in accordance with federal and state cost accounting parameters.

By Direction of the President:

Signature on file

Vice President for Finance and Treasurer