

THE UNIVERSITY OF ALABAMA IN HUNTSVILLE

SERVICE CENTER & SPECIALIZED SERVICE FACILITY POLICY

<u>Number</u>	06.04.16
<u>Division</u>	Business Services
<u>Date</u>	September 30, 1995
<u>Purpose</u>	This policy provides direction on establishing and adjusting the billing rates for Service Centers and Specialized Service Facilities.

Service Centers and Specialized Service Facilities are defined as operating units established for the primary purposes of providing a service, a group of services, or products to users principally to the university community. Service Centers and Specialized Service Facilities recover their costs through charges to benefiting users.

Because the activities of Service Centers and Specialized Service Facilities can result in charges to Federal grants and contracts, the government monitors the University's compliance with these regulations. This policy helps ensure that UAH consistently applies sound cost accounting practices and complies with applicable government requirements (e.g. Circulars

1. The definition of Specialized Service Facilities per Circular A-21:
 - a. The costs of institutional services involving the use of highly complex or specialized facilities such as electronic computers, wind tunnels, and reactors are allowable, provided the charge for the service meets the conditions of b through d below.
 - b. The cost of each service normally shall consist of both its direct costs and its allocable share of indirect costs with deductions for appropriate income or Federal financing as described in Section C5.
 - c. The cost of such institutional services when material in amount will be charged directly to users, including sponsored agreements based on actual use of the services and a schedule of rates that does not discriminate between federally and nonfederal supported activities of the institution, including use by td

7. maintaining inventory system

Contracts and Grants Accounting - This office has responsibility for:

- Assisting Service/Recharge Center managers with policy and procedural matters related to accounting operations
- Assisting centers in annual rate calculations for incorporation in the budget
- Assisting centers in establishing expenditure, revenue, and capital budgets
- Periodic review of financial status of Service Centers

Internal Audit will include a selection of Service/Recharge Centers in their work plan to ensure compliance with OMB Circular A-21 and the policies set forth in this document.

RECOVERY OF COSTS

Nondiscriminatory Rates - Rates charged to internal users must be nondiscriminatory, and all users must be billed for services received. "Nondiscriminatory" means that *all users are charged the same rate for the*

