



University of California
San Francisco

Recharge Basics

External Sales & Services of Education Related Activities

Recharge Review
Budget & Resource Management

This module will help you understand the requirements for products and services provided to **external customers** only, and that your **Sales and Service Activity** is consistent with definitions provided in the **UCSF Guidelines & Requirements for Funds Received from Extramural Sources**

Topics

- UCSF Guidelines & Requirements for Funds Received from Extramural Sources
- Review and approval process

The UCSF Guidelines & Requirements for Funds Received from Extramural Sources is a job aid used to identify the types of agreements for funds received from extramural sources

- These guidelines and requirements provide:
 - General definitions
 - Examples
 - Overhead consideration
 - Policy references
 - Review department and signature authority
- This document can be found on the Budget & Resource Management website at:
<https://brm.ucsf.edu/emf/guidelines-requirements-funds-received-extramural-sources>

The External Sales and Services of Education Related Activities definition states that:

- Sales of products or services to EXTERNAL customers (defined as not able to be charged via a journal, instead they are billed and pay by cash, check or credit). Activities under this category are very similar to recharge activities, except there are NO internal customers. Sales of products or services to BOTH internal and external customers are recharges.
- The University must not assume any obligation beyond delivery of a standardized University product or service at a pre-established, per unit, uniform price.
- The activity must have some integral relationship to UCSF's instruction, research, or public service missions and yield some identifiable benefit to UCSF.
- Customers may not be charged less than total cost.
- Business contracts between external customers and the Regents of the University of California are required. These should be routine if a standard agreement is used.
- 26% F&A (service center rate) must be included in the fee or price charged for the product or service.
- Unrelated Business Income Tax (UBIT) and Sales Tax review is required.

The External Sales and Services of Education Related Activities Review and Approval Process requires review from several units to ensure that proposed activities are consistent with UCSF Guidelines and Requirements for Funds Received from Extramural Sources

For departmental review and approval:

- Cognizant Departmental Business Officer
- For School or Vice-Chancellor's review and approval
- Confer with Dean for School approval

For review of compliance with University costing policies:

- Budget and Resource Management Office, Recharge Review

For business contract review and execution:

- Business Contracts, Office of Sponsored Research

For determination of UBIT and Sales Tax applicability:

- Controller's Office, Tax Information

External Sales and Services of Education Related Activities require review and approval of rates from Budget and Resource Management Office, Recharge Review, and the steps are:

Step 1:

Department Business Officer and Control Point review and approve the proposed **External Sale and Services of Education Related Activity**

Step 2:

Department submits a completed [business contract request form](#) and [rate calculation worksheet](#) to the **Government and Business Contracts (GBC) Division of the UCSF Office of Sponsored Research** for review

Step 3:

GBC forwards the completed **business contract request form** and **rate calculation worksheet** to **Budget & Resource Management, Recharge Review** for final review and approval

The request form and rate calculation worksheet can be found on the BRM website at:
<https://brm.ucsf.edu/recharge-rate-proposal-forms>

Once Budget & Resource Management, Recharge Review reviews and approves the External Sales and Services of Education Related Activities request, the next steps are:

Step 4:

Budget & Resource Management (BRM), Recharge Review establishes a new External Sales and Service project ID and issues a rate approval memo via email

Step 5:

Government and Business Contracts (GBC) Division of the UCSF Office of Sponsored Research executes agreement(s) with external users

Step 6:

Department contacts the **Controller's Office** to determine **Unrelated Business Income Tax (UBIT)**

Step 7:

Revenue collected from external customers should be deposited into external revenue account 42105, and the indirect cost component of the revenue will be assessed automatically



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