

UCSF
RECHARGE REVIEW PROCESS

SERVICE LEVEL AGREEMENT

UCSF
Recharge Review
Service Level Agreement

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Section I. The effective date of this Service Level Agreement is November 20, 2025.

Section II. Recharge Review Team Contact Information

The successful operation of recharge service centers is the responsibility of numerous individuals and organizations within UCSF. However, the ultimate accountability is on the institution. When compliance requirements and cost analysis necessitate input from all parties, coordination, communication, and partnership are crucial for the successful oversight of recharge activities. The Recharge Review team continually strives to provide high-quality support and services to campus departments related to direct cost analysis and management of service centers, while also strengthening partnerships and collaboration.

Please don't hesitate to contact us with any recharge-related questions.

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Website	UCSF Recharge Review

Section III. Overview and Objectives

The purpose of this Service Level Agreement (SLA) between UCSF Recharge Review and campus departments is to:

- provide a clear and concise understanding of the service procedures and responsibilities that contribute towards the management of the recharge rate review and approval process.
- document the review and approval process for rate proposals in accordance with federal, UC-wide, and UCSF policies. This ensures:
 - Recharge Review's ability to maintain service level requirements.
 - Department compliance with UCSF and federal regulations.
 - Minimizing risk of disallowed charges on federal awards.

Section IV. Description of Services

Budget Resource Management Recharge Review Team will provide the following services:

Rate Proposal Review

- Review and approve Recharge and External Sales and Service of Education Related Activities rate proposals: new, renewal, rate change, discontinuation, and transfer of ownership requests submitted by campus departments.
- Ensure that UCSF complies with federal regulations governing allowable costs charged to federally sponsored agreements.
- Assist departments in meeting their business needs and compliance requirements.

Recharge Policy and Guidance Manual

- Maintain and update Campus Recharge Policy and Policy Guidance and Procedures Manual to adhere to university and federal policies and minimize the risk of disallowed charges on federal awards.

Recharge Rate Development and Submission

- Assist departments during rate proposal development.
- Establish submission guidelines in the annual Recharge Call Letter.

Annual Recharge Activity Monitoring Report

- Prepare and distribute an annual monitoring report summary to department managers and control points comparing existing recharge activities with approval status and various transactions recorded in the General Ledger (e.g., depreciation transfers, surplus/deficit balances, unallowable expenses, percent of federal funds recharged, etc.)
- Analyze financial data to determine if departments are operating recharge activities without formal approval from Budget and Resource Management and notify department managers and control points.

Training and Job Aids

- Offer Recharge Training Modules and recharge proposal exercises on the BRM Recharge Review website.
- Provide job aids and FAQs on the BRM Recharge Review website.
- Provide individual consultations, as requested.

Section V. Partnerships / Service Level Expectation

The Recharge Review team provides review and final approval to all UCSF sales and service center proposals and rates before charging out for the services provided.

Recharge Review collaborates closely with departments to ensure the timely and complete submission of recharge proposals. Incomplete proposals or requests can cause delays in the review process. To meet the department's business needs, the Recharge Review manager and/or director may contact management service officers of the client department and, if needed, the designated control point reviewer for assistance in resolving outstanding issues.

Campus departments rely on Recharge Review to review and approve service center rates before recharging. If Recharge Review does not meet service commitments, departments may contact the Recharge Review manager or director for assistance in resolving outstanding issues.

Incomplete recharge proposals may be returned to departments or control points for completion.

Benefits of the Service Level Agreement:

- Improve compliance by reducing the number of activities with expired or unapproved rates.
- Establish clearly defined roles and responsibilities to improve understanding of the services provided and the interdependencies between Recharge Review, departments, and control points involved in the recharge review process.
- Facilitate improved service delivery with more timely recharge proposal submission, review, and approval.
- Strengthen the partnership between the client department and Recharge Review.
- Provide a clear framework to monitor performance and service quality to support continuous improvement.

Section VI. Submission Guidelines

Recharge Review Process

Recharge Review will assign a risk level to all recharge centers except for Common Cost Allocations (CCAs) based on the level of institutional risk. Institutional risk will be determined based on the total annual plan and anticipated percentage of federal participation (i.e., anticipated revenue from federal fund sources) as shown in the table below:

Examples of the Recharge Institutional Risk Matrix, which are explained below:

Recharge Institutional Risk Matrix					
		Federal Participation (%)			
		0%	>0% to <50%	50% or higher	
Annual Plan (\$)	< or = \$100,000	Low	Low-Medium	Medium	CATEGORY 1
	>\$100,000 and <\$500,000	Low-Medium	Medium	Medium-High	
	> or = \$500,000	Medium-High	Medium-High	High	
					CATEGORY 2

- **Category 1** proposals, which include CCAs, Low, Low-Medium, and Medium-risk proposals: Departments submit Category 1 proposals directly to Recharge Review for functional, financial, and compliance reviews and approval, with a copy sent to the control point.
- **Category 2** proposals, which include Medium-High and High-risk proposals: Departments submit Category 2 proposals to the control point for financial and functional review. The control point will then forward the proposal to Recharge Review for compliance review and approval. Additionally, all projects with a plan of at least \$500,000 must obtain user committee endorsement of approval after Recharge Review has reviewed the proposal and is ready to approve the rates.
- The maximum length of approval is based on the assigned risk level.

The Recharge Review and Approval Process consists of three types of reviews:

1. Functional Review

- Evaluates the need for the services provided by a proposed recharge activity and its relevance to the department or organization's strategic objectives and priorities to ensure efficient utilization of department resources.

2. Financial Review

- Evaluates the financial viability of a proposed recharge to assess that the right equipment, personnel, funding, target users, product/service unit measures, rate methodology, rate, administration, and service/product are included when proposing the recharge function and cost recovery mechanism.

3. Compliance Review

- Validates that both recharge activity and the method by which the entity aims to recover costs for that recharge activity are compliant with both University of California and Federal policies, regulations, and requirements.

Multi-Year Approval Duration

The maximum duration of rate approval is determined based on the recharge's risk level, as shown in the table below. These approval periods assume there has been no change in rate calculation methodology.

Risk Level	Reviewer (s)	Approval Duration
Common Cost Allocations / Low	Recharge Review	Permanent
Low-Medium	Recharge Review	5 years
Medium	Recharge Review	3 years
Medium-High	Control Point and Recharge Review	2 years
High	Control Point and Recharge Review	1-2 years*

*2-year approvals may be granted to high-risk activities that meet compliance standards

Recharge Proposal Submission Dates and Procedures

2025-26 Recharge Proposal Submission Guidelines				
Type of Proposal	Submission Due Date	What to Submit	Category	Submit to
New recharge activities	Two months before the start date	New Proposal Form	Category 1	Submit directly to Recharge Review for functional, financial, and compliance review, and copy to the control point.
			Category 2	Submit the proposal to the control point for functional and financial review. The control point will then forward the proposal to the Recharge Review for compliance review and approval. If needed, obtain user committee endorsement of approval after Recharge Review has completed the review and is ready to approve the rates.
Recharges that have approval through 2025-26 and require renewal for 2026-27. Once approved, the rates will take effect on July 1, 2026.	Between January 2, 2026, and February 23, 2026*	Renewal Proposal Form	Category 1	Submit directly to Recharge Review for functional, financial, and compliance review, and copy to the control point.
			Category 2	Submit the proposal to the control point for functional and financial review. The control point will then forward the proposal to the Recharge Review for compliance review and approval. If needed, obtain user committee endorsement of approval after Recharge Review has completed the review and is ready to approve the rates.

2025-26 Recharge Proposal Submission Guidelines				
Type of Proposal	Submission Due Date	What to Submit	Category	Submit to
Recharges that have approval through 2026-27 or later that wish to <u>change</u> only their recharge <u>plan or rates</u>	Between April 13, 2026, and May 29, 2026*	Rate Change Request Form	Category 1	Submit directly to Recharge Review for functional, financial, and compliance review, and copy to the control point.
			Category 2	Submit the proposal to the control point for functional and financial review. The control point will then forward the proposal to the Recharge Review for compliance review and approval. If needed, obtain user committee endorsement of approval after Recharge Review has completed the review and is ready to approve the rates.
Requests to <u>discontinue</u> recharges	One month following the end date	Discontinuation Request Form	Category 1	Submit directly to Recharge Review for review and approval. The control point may be contacted to address the activity net position (surplus/deficit)
			Category 2	Submit the proposal to the control point for review and action on the recharge activity net position (surplus/deficit). The control point will then forward the proposal to Recharge Review for approval.

2025-26 Recharge Proposal Submission Guidelines				
Type of Proposal	Submission Due Date	What to Submit	Category	Submit to
Requests to <u>transfer ownership</u> of recharges	One month before transferring ownership	Transfer of ownership request, which includes: - the effective date of the transfer; - a financial reconciliation of the recharge activity (Dept ID - Fund - Project net position); - approval signature from both department MSOs, including agreement on terms of: - recharge activity net position and personnel transfers, - transfer of reserve net position(s) – if applicable; - the new Department will need to provide a Dept ID; If there are changes in rates and rate methodologies, the new Department needs to submit a full proposal in accordance with the revised recharge review process (all Recharge Proposal forms).	Category 1	Submit directly to Recharge Review for functional, financial, and compliance review, and copy to the control point.
			Category 2	Submit the proposal to the control point for functional and financial review. The control point will then forward the proposal to the Recharge Review for compliance review and approval. If needed, obtain user committee endorsement of approval after Recharge Review has completed the review and is ready to approve the rates.

Note:

* 2026-27 **renewal proposals** submitted after February 23, 2026, or other assigned deadline, and 2026-27 **rate change requests** submitted after May 29, 2026, are not guaranteed to have their rate reviewed and approved in time to go into effect at the start of the next fiscal year.

Early submission of proposals may be accepted before the submission due date.

Section VII. Recharge Rate Review - Roles and Responsibilities

Mutual clarity of roles and responsibilities facilitates the timely completion of the review and approval process.

The following is the responsibility of the Recharge Review team:

UCSF Recharge Review strives for the highest level of customer satisfaction. To ensure we deliver consistent, quality, timely service, UCSF Recharge Review commits to the following standards:

- Provide compliance review of Category 2 recharge proposals and financial, functional, and compliance review of Category 1 recharge proposals.
- Approve all sales and service center rates and establish Project IDs prior to providing services and billing to users.
- Respond to customer requests for service via phone, email, or a consultation request, as specified in the completion time guidelines.
- Provide rate proposal development assistance and/or resolve any pending review issues.
- Assist departments in successfully achieving their business needs and meeting compliance requirements.
- Improve campus-wide compliance by clearly defining roles, responsibilities, policies, and procedures.

The following is the responsibility of the departments:

- Obtain the necessary training required for recharge rate development and management of recharge activities.
- Develop and submit a proposal adhering to the submission guidelines included in the Service Level Agreement.
- Respond to all outstanding rate review issues, as specified in the completion time guidelines.
- Obtain rate approval from Recharge Review before recharging to users.
- Manage recharge activities according to management compliance standards:
 - The recharge activity complies with UCSF recharge policy and applicable federal costing policies.
 - Maintain surplus/deficit balance within the allowable limit of two months (16.6%) of the recharging unit's activity.
 - Ensure that unallowable expenses are not posted on recharge projects.
 - Post all revenues and expenses to the appropriate accounts within the assigned chartstring(s).
 - Transfer all planned equipment depreciation to the renewal/replacement reserve fund on an annual basis at a minimum.
 - Process recharge journals and invoices to all users monthly.
 - Reconcile all billing and revenue monthly.
 - Reconcile year-end surplus and deficit balances for each service based on actual expenses and revenue.
 - Maintain all records necessary to support and document operations in accordance with the university record retention requirements.

The following is the responsibility of the control point:

- Provide financial and functional review for Category 2 recharge proposals. Once reviewed and approved, forward the rate proposal to the Recharge Review Team for a compliance review and approval.
- Provide any questions or comments to the Recharge Review Team within two weeks of submission for Category 1 recharge proposals.
- Assist departments in resolving outstanding issues and revising incomplete proposals for resubmission.

The following is the responsibility of the user committee:

- The user committee includes representatives of the largest users of the recharge activity and the recharge manager.
- The user committee must review and endorse the proposed cost pool, rate methodology, and rates for recharge activities with an annual plan of at least \$500,000 before Budget and Resource Management approves the plan and rates.

Rate Development and Submission Process	Primary Responsibility	Completion Time Guidelines
Issue annual recharge call letter	Recharge Review team	Annually – November
Develop and submit a rate proposal.	Department	As specified in the recharge proposal submission guidelines
Financial and functional review of Category 2 proposals Forward the control point approval, along with the proposal, electronically to Recharge Review	Control point	As specified in the recharge proposal submission guidelines
Rate Proposal Review Process*	Primary Responsibility	Completion Time Guidelines
The Recharge Review manager assigns the proposal to a Review Analyst upon receipt of the electronic submission.	Recharge Review team	Within 1-2 days of receipt of the electronic proposal submission
The Recharge Review analyst provides an acknowledgment memo to the department via email.	Recharge Review team	Within 1-2 days of receipt of the electronic proposal from the Recharge Review manager
Recharge Review analyst reviews the recharge proposal and contacts the department with all outstanding issues, and provides the department with a 1–2-week deadline for their response.	Recharge Review team	Within 2 weeks of the date received by Recharge Review
The department responds to the recharge review analyst and resolves outstanding issues.	Department	Deadline provided by the Recharge Review analyst
Once the department resolves all outstanding issues, the Recharge Review analyst forwards the proposal to the Recharge Review manager for final review and approval. The Recharge Review manager provides an approval letter within 2-3 weeks of the department answering all questions from the Recharge Review team.	Recharge Review team	Recharge Review will send a signed approval letter to the department with a copy to the control point within 2 weeks of the final review.
The Recharge Review Analyst establishes and updates the approval expiration dates for all Recharge and Sales and Service Activity Project IDs.	Recharge Review team	Upon rate approval

***Applicable to New, Renewal, and Rate Change Recharge Proposals, and Sales and Services of Education Related Activities Reviews.**