

August 13, 2008

INTERNAL MEMORANDUM

To: University Central Deans, Directors, Department Heads, and Departmental Administrators

From: Jerry Fife

Subject: Service Center Policy

The enclosed Service Center Policy has been established to provide guidance and regulations for maintaining a service center at Vanderbilt. Please note the following definitions to determine if this policy may apply to you:

- Service centers are operating units that charge internal users for goods and services, although services may also be provided on an incidental basis to external users.
- Auxiliary units such as Housing, Dining, Bookstore, etc. that provide goods and services to external users on other than an incidental basis are not considered service centers for purposes of this policy. Please see footnote on page 1 of the policy.
- Generally, department copiers, fax machines, etc. are not covered under this policy; however, charges for these services must be calculated to only recover the cost of supplies (paper, toner, etc.). However, if rates are to recover personnel and/or equipment costs, this policy may apply. Please contact Cathy Snyder (Office of Contract and Grant Accounting (OCGA)) for further guidance.

Federal regulations require that operating units charging internal users for goods and services have a system in place to document that rates charged internal users are reasonable in relation to the cost of goods or services provided. Further, rates charged internal users are subject to review by the Department of Health and Human Services and by our external auditors as part of the annual Office of Management and Budget (OMB) Circular A-133 audit.

For service centers already established, a meeting will be scheduled with the responsible individuals of each service center already established to ensure that all regulations set forth in the enclosed policy are met.

To establish a new service center, please contact Cathy Snyder at 3-1440 or by email at cathy.snyder@vanderbilt.edu. She will be happy to meet with the individuals responsible for the unit to assist them as needed.