VANDERBILT UNIVERSITY

Service Center Procedures

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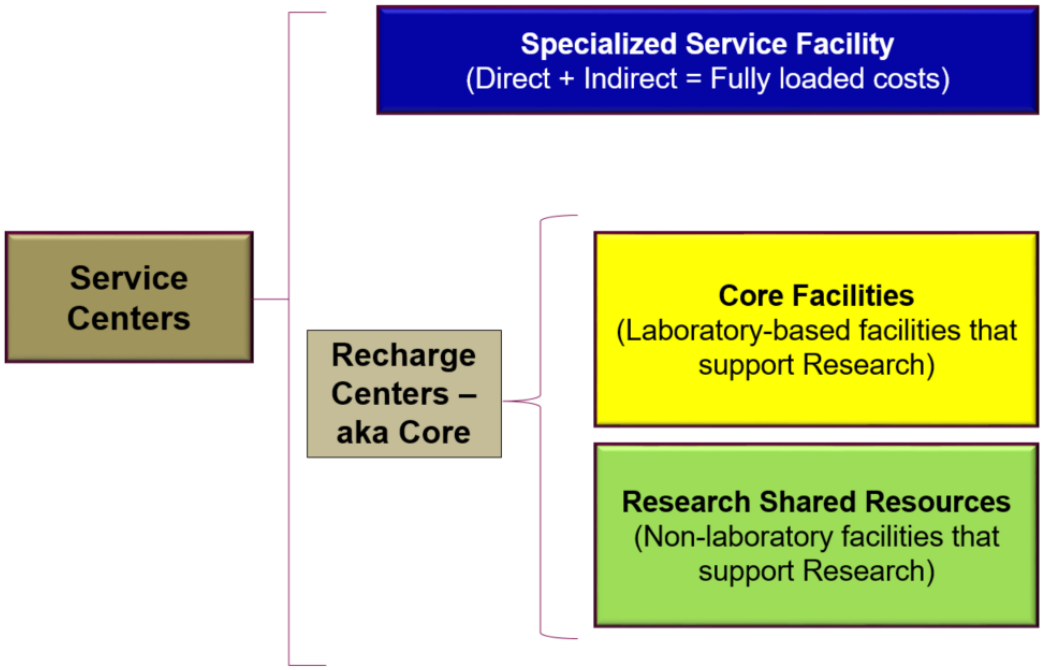
Service Centers are units within Vanderbilt University that charge for goods or services that directly support the research or academic mission of the University and recover costs through charges to internal or external users. Access to instruments, technologies, services, and expertise are offered to help prevent needless duplication of scientific resources across all departments. Typically, the services provided should not be dedicated to the work of a single research group or department but should maintain equitable access to all investigators and be open for new business.

Service Centers are primarily laboratory-based **Core Facilities**, but research shared resources involving non-laboratory centers also exist. Currently, both Core Facilities and other research shared resources are collectively referred to as a **Core** at Vanderbilt but can also be referred to as Recharge Centers. Service Centers may also encompass Specialized Service Facilities where highly complex or specialized services are provided to a select group of users.



These service center procedures support Vanderbilt's Service Center Policy.

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ESTABLISHING A NEW SERVICE CENTER

A service center must be established when a facility charges a fee for providing goods or services on an ongoing basis, where any portion of the customer base includes charges to a sponsored award. The facility should function as a stand-alone operation, with all activity being recorded in its specific project. To establish a new service center, the following steps are required:

a) PI/Core Director prepares the following documentation:
    a. VU Cores Standard Business Plan
    b. Rate Workbook

    Standard templates for the items above can be found in the Related Policies/Documents section of these procedures
b) PI/Core Director obtains required approvals from the Department Chair/Head and School Dean/Vice Chancellor
c) Once approved, PI/Core Director forwards to the Office of Contract and Grant Accounting (OCGA) for review.
d) After review and resolution of any costing issues, OCGA will route to VUMC to ensure that no overlap of services is provided by VUMC Core Facilities.
e) Once receipt of approval from VUMC is received, OCGA will forward to the Vice Provost for Research for final approval.
f) If approved, OCGA establishes the new service center within Oracle and works with the Core Director and Agilent Technologies to build a Core site in iLab Solutions. Once iLab build is complete, service can begin.
g) If NOT approved at any point during this process, the business plan and rate workbook is returned to the PI/Core Director.

A flowchart of the process above can be found in the Related Policies/Documents section of these procedures.

ESTABLISHING A NEW SERVICE LINE

To establish a new service line within an existing core, an updated rate workbook will be required along with a description of the service line being added. Once internal departmental/division approvals (as appropriate) are received, the rate workbook should be sent to OCGA for review/approval and setup within the required systems. If the new service line is beyond the scope of the existing Core, additional approvals will be needed. A new task will be established in Oracle for any new service line. No activity should occur until notification of approval and new task assignment has been received.

CORE RATE DEVELOPMENT

In general, Core rates are developed annually and are calculated for each service line as follows:

$$\frac{\text{Total Allowable Cost}}{\text{Total Billable Units}}$$

Numerator: Total Allowable Cost

In general, all costs charged to and recovered by the Core must be allowable, allocable and reasonable as outlined in 2 C.F.R. Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (hereinafter referred to as "Uniform Guidance"). These are costs that are directly identifiable with the Core and charged directly to the Core Project/Task. Examples of costs that are included and excluded are listed in the table below, however, this list is not all inclusive. Contact the Office of Contract and Grant Accounting for further guidance on allowable and unallowable direct costs.

Examples of Allowable Direct Costs	Examples of Unallowable/Excluded Direct Costs
Salaries, wages and fringe benefits	Debt principal payments and internal interest
Supplies and materials	Costs identified in the Uniform Guidance as normally F&A costs unless an unlike circumstance exists (e.g. general administrative salaries, general office supplies, local telephone, etc.)
Travel	Advertising
Annual service contracts for Core capital equipment	Alcoholic beverages
Cost of goods/services sold (adjusted for ending inventory balance)	Bad debts
Capital Equipment Depreciation (see Section 5.c.iii. (Capital Equipment) for additional information)	Contributions and donations
	Entertainment
	Fund raising
	Public relations
See Sections 200.420 through 200.475 of the Uniform Guidance for additional examples	

Salaries, wages and fringe benefits

Total salaries, wages, and fringe benefit costs for all employees involved in producing the products or services are included in the operating costs and charged to the Core project, regardless if it is funded through the user fees, other revenue sources, or supported by core or consortium-type Federal grants such as P30, P50, and U24. Effort of administrative staff included in the core's billing rates should be certified as an unlike circumstance (i.e. uniquely different and distinct from any general administrative effort that is normally considered an indirect cost and included in Vanderbilt's Facilities and Administrative (F&A) rate) when preparing and submitting a new rate workbook. See "Certification of Administrative or General Costs in Core Rates" in the Related Policies/Documents section below under Forms.

The federal fringe benefit rate should apply to personnel charged to the Core operating center.

Supplies and Materials

Supplies and Materials include only the technical supplies (consumable reagents, small equipment, etc.) that are necessary for the operation of the service center. Any general office supplies included in the core's billing rates should be certified as an unlike circumstance (i.e.

uniquely different and distinct from any general office supplies that are normally considered an indirect cost and included in Vanderbilt's Facilities and Administrative (F&A) rate) when preparing and submitting a new rate workbook. See "Certification of Administrative or General Costs in Core Rates" in the Related Policies/Documents section below under Forms.

Capital Equipment

Capital equipment is defined as an asset with an acquisition cost of $5,000 or more and a useful life of more than one year (Refer to Vanderbilt's Capitalization Policy for further guidance). Federal guidelines do not allow the acquisition cost of a capital item to be recovered through service center rates, but the depreciation associated with that capital item may be included in the user rates.

All equipment items used within the service center should be documented in the rate workbook regardless if the equipment is included in the service center rates or not. It is the Core's responsibility to ensure all capital assets are appropriately tagged and recorded in Vanderbilt's fixed assets subledger.

Based on the information provided the rate workbook specific to capital assets, the Office of Contract and Grant Accounting (OCGA) will ensure that:

a) depreciation expense is appropriately recorded on the core based on amounts reflected in Vanderbilt's fixed assets subledger
b) these assets are properly treated within Vanderbilt's Facilities and Administrative Rate (F&A) rate proposal

Should the equipment change throughout the fiscal year, an updated rate workbook should be submitted to OCGA reflecting all equipment utilized in the Core and updating rates as appropriate. Approval must be obtained from the appropriate Dean's office for any assets that are used within the Core and the depreciation is not included in billing rates. See "Authorization for Exclusion of Depreciation from Cores Billing Rates" in the Related Policies/Documents section below under Forms.

Furthermore, service center rates cannot be structured to build "reserves" for anticipated equipment purchases or replacements. It is not appropriate to charge current users with costs associated with future periods.

Depreciation of equipment purchased by the federal government, regardless if title has reverted to the University, cannot be included in the service center rates. Where the University has specifically agreed to cost share a piece of equipment on a federal award, the depreciation of the University-funded portion is also unallowable in the rates.

Other Costs

Actual expenses for items such as travel, equipment service contracts, or long distance telephone calls incurred specifically for the operation of the service center can be included in the user rates. Normally, costs associated with local telephone usage are considered indirect and should not be including in the service center billing rates, unless an unlike circumstance can be justified. Any local telephone usage included in the core's billing rates should be certified as an unlike circumstance (i.e. uniquely different and distinct from any general local telephone usage that is normally considered an indirect cost and included in Vanderbilt's Facilities and Administrative (F&A) rate) when preparing and submitting a new rate workbook. See "Certification of Administrative or General Costs in Core Rates" in the Related Policies/Documents section below under Forms.

Facilities and Administrative (F&A) Costs

Facilities and Administrative costs are those costs that are not directly identified to the service center, but are part of the institution's cost of operating the service center, such as depreciation on buildings, operation and maintenance costs, and certain general and administrative expenses, etc.

a. Recharge Centers
   With the exception of equipment depreciation, F&A costs are generally not charged to cores. Exceptions require written approval from OCGA due to Federal requirements for F&A cost. F&A costs for recharge centers are calculated and recovered through the University's F&A cost rates for research, instruction, and other sponsored projects.

b. Specialized Service Facilities (SSF)
   F&A costs incurred on behalf of SSFs will be included in the rates for the SSF unless an exception is obtained by the SSF from the appropriate School Dean or Vice Chancellor. If an exception is granted, the portion of costs applicable to the specialized service center operation will not be recoverable. If no exception is granted, the F&A costs specifically related to the SSF will be calculated on an annual basis by the Office of Contract and Grant Accounting and will be provided to the SSF for inclusion in the rates.

Adjustments to Costs

Once the total costs of the Core operation have been determined, adjustments may be needed for the following items that will impact all users:

a. Reduce costs if Core is supported from core or consortium-type Federal grants such as P30, P50, and U24
b. Reduce costs if Core is receiving other support from federal grants
c. Reduce costs if prior fiscal year balance was a surplus that is above the amount of the working capital allowance
d. Increase costs if prior fiscal year balance was a deficit

Rates will also be lowered if the Core receives departmental support for users attached to the following pricing groups:

a. Internal
b. VUMC
c. Ext Colleague Fed (External colleagues (Fisk/Meharry/TSU) and Support of Core from a Federal Grant
d. VA

If a subsidy exists for internal users, the rates are not lowered, but rather the transaction will be split between the user and the subsidy funding source at the time of billing.

Denominator: Total Billable Units

Total billable units, or total units of output, are the quantity of product generated by the service center which is the basis for the calculation of the billing rate(s). Typical billable units are hours of machine time, hours of labor, number of users, pieces of glassware, or units of measure such as pounds or liters. It is important to recognize that billable units represent the anticipated number of units that will be billed in the coming year, not the highest potential output of the service center. An estimate of billable hours should take into consideration the estimated time away from work (vacation, sick and personal time), machine downtime and hours for which there are no customers.

In order to estimate usage, prior year(s) amounts will be used as a starting point and adjusted for anticipated changes. Facilities without enough usage history can use available units as a starting point and adjust for downtime and other intervening factors. For example, when charging an hourly basis, the total maximum hours available for a full-time employee is 2,080 per year. If non-billable hours were anticipated to be 476 (PTO hours of 120 (3 weeks), holiday hours of 96 (12 holidays), and downtime of 260 (1 hour per day based on work week for cleaning, servicing equipment, etc.), the usage base would be estimated at 1,604 (2,080 – 476). The calculation for determining the billable hours should be provided as documentation in the rate workbook along with an explanation for any change in usage from the prior year actuals greater than +/-20%.

Determination of Billing Rates

Once the allowable pool of anticipated costs and anticipated billable units has been determined, the rate(s) are calculated by dividing the adjusted costs by the anticipated billable units. Rates used should be the actual rate calculated and not rounded. Should there be a need to round, an explanation must be provided as part of the rate workbook and rates can only be rounded down to the nearest dollar. If rates are rounded down more than the nearest dollar, a subsidy must be provided for the difference.

Service center rates should be reviewed annually by the Operating Unit for the fiscal year. The Operating Unit is responsible for obtaining all required approvals of the annual rates. When a service center is established mid-year, rates may be set for longer than twelve months (for the first year only) so that the end of the first break-even period coincides with a fiscal year end. The Operating Unit should evaluate their financial position and rates periodically throughout the fiscal year to assess their position with respect to break-even. Under special circumstances, rates may be adjusted through a mid-year reduction/increase in rates.

Pricing of Multiple Services

Sometimes operating units provide more than one service. Generally different rates based on actual costs and usage should be developed for each service type. An exception to multiple rates may be granted if there is general commonality between the services and the customer base but must be documented and reviewed periodically. Once separate rates have been established, they must be tracked via separate tasks within the core project. Service lines / tasks generally cannot be comingled (i.e. one service line within a Core unit cannot subsidize another service line). Any exception would require an analysis of the user base for the fiscal year and approval by OCGA.

For Cores with multiple service lines, task 01 (General) is established to assist the Core with purchases where the allocation of cost to the tasks is not known at the time of acquisition. The Core is responsible to ensure any balance in Task 01 (General) is allocated to the appropriate tasks within the project prior to each fiscal year end. The Core will provide an approved allocation form to OCGA by June 25th each fiscal year. Any exceptions must be approved by OCGA in writing no later than June 15th of each fiscal year.

EXTERNAL USERS

External users (excluding VUMC) must have a Research Core Agreement with an established PO in iLab in order to utilize a Core. Due to requirements in Oracle, OCGA will establish a separate contract within Oracle per customer, per Core (or project if the Core contains multiple projects numbers) once the Purchase Order and Research Core Agreement is received. If a

Core contains multiple project numbers, the purchase order must be split between the projects when it is established.

A ***Research Core Agreement*** is a streamlined form agreement used to establish basic terms and conditions when a Vanderbilt University Core provides ***research materials or services*** (***Products***) to an external non-VUMC ***Purchaser***. See "Research Core Agreement" in the Related Policies/Documents section below under Forms.

The Research Core Agreement and related addendum (if applicable) should only be used for routine low risk matters that do not involve any risks associated with intellectual property, export-controlled information, or environmentally hazardous materials. Otherwise, if a matter presents such risks or issues, the Core is responsible to use a more robust Sponsored Research Agreement. When a Core undertakes to provide an external non-VUMC Purchaser with research materials, rather than services, the Core Director/Manager should consider a series of questions to determine what type of agreement to use. See "Cores Materials Sale Flowchart" in the Related Policies/Documents section below under Forms for guidance on the type of agreement required when providing research materials. The Research Core Agreement is to be executed on behalf of Vanderbilt by an authorized official in Sponsored Programs Administration (SPA), and by an authorized official of the Purchaser.

The Research Core Agreement should be accompanied by a form ***Research Core Agreement - Addendum*** (if applicable) that generally provides a description of the Products, deliverables, test materials, and estimated fees for the engagement. The Addendum is to be signed by the Purchaser's Principal Investigator and the Core Director/Manager to confirm a mutual understanding as to the technical scope of work, related fees and capacity of the Core to undertake the work. Additional Addenda can be used to document subsequent requests for work to be performed by the same Core Unit referenced by the applicable Core Agreement. See "Research Core Agreement - Addendum" in the Related Policies/Documents section below under Forms.

<u>External Non-profit Purchasers</u> are defined as investigators working for another university, foundation or government entity. Non-profit users are generally charged 10% over the core base rate, which goes to the respective Dean's office. Any deviation of the 10% charge must obtain approval by the respective Dean and by the Vice Provost for Research (VPR).

<u>External Commercial/For-profit Purchasers</u> are defined as investigators working for commercial or for-profit companies. Commercial/for-profit parties are generally charged a minimum of 60% over that core base rate. 10% will go to the respective Dean's office and the remaining percentage goes to the Core. Any deviation for charging less than 60% must be approved by the respective Dean and by the Vice Provost for Research (VPR).

The markup that the Core retains from External For-Profit users will be processed to the task associated with the service utilized. If the Core wants to utilize these specific funds in a different manner, they must notify OCGA to allocate those funds from the task where the revenue was posted to task 999 within the Core project. Cores are responsible for tracking their requests to allocate funds to ensure costs are only moved once.

External Vanderbilt University Medical Center (VUMC) users are defined as investigators who are employed by Vanderbilt University Medical Center (VUMC) and have a primary faculty appointment in a VU department. Agreements for these external users are already in place as

part of the legal separation agreement between VU and VUMC and a Research Core Agreement is not needed.

The Core Agreement and Addendum are only to be used when Vanderbilt personnel are to perform the provision of research materials or services for an external non-VUMC party. If a non-VUMC external party desires to come on-site and use Vanderbilt's core facilities to self-perform its work, then a different type of agreement and process are to be utilized. Contact the Sponsored Projects Administration office for further assistance.

The presence of EXTERNAL revenue indicates a potential need to comply with Unrelated Business Income Tax disclosure requirements. In addition, sales tax, when applicable, must be charged to all external users who do not provide their tax-exempt certificates. Please contact Finance for assistance in complying with Federal regulations governing unrelated business activities and sales tax requirements.

CORE ACCOUNTING CONCEPTS

Break-Even Concept
A service center must develop rates so that revenues offset expenses over a reasonable period of time. Once a service center has been established, a service center's surplus or deficit fiscal year balance should be carried forward and the rates may be adjusted in the succeeding fiscal year. For example, when developing rates in the spring to be charged for services in the following fiscal year beginning July 1, the billing rate should include the prior fiscal year's surplus or deficit (as of June 30), net of any profit charged to external users or working capital allowance. Therefore, the carryforward is on a year lag for inclusion in the rates. Inclusion of a surplus will lower the newly developed rates; inclusion of a deficit will increase the newly developed rates.

Working Capital
In addition to full recovery of actual costs, service centers may retain an allowance for working capital needs. The working capital allowance should not exceed 90 days of annual operating expenses for the most recent full fiscal year. Any exception must be documented by the Core and approved by OCGA during the annual rate calculation cycle.

Subsidies
Service Center billing rates are calculated for all internal users based on total service center expenses and total units of output. Subsidies do not actually lower the overall billing rate. If the University chooses to provide a service to a particular internal group of users at no charge or at a lower rate than other users (i.e. at a subsidized rate), a funding source must be provided for the portion of the rate related to the subsidy. The service center will charge the full rate in a split fashion, with a portion charged to the user and a portion charged to the appropriate funding source for the subsidy. It is the responsibility of the core to ensure approval has been obtained from the financial unit manager responsible for the subsidy funding source.

Subsidies should be identified along with the source of funds within the rate workbook when rates are set for the fiscal year. Should changes occur throughout the fiscal year, a revised rate workbook should be submitted to OCGA for review and setup within iLab. Subsidies will be tracked through the iLab billing system, which will be used to ensure these costs are excluded from Vanderbilt's F&A proposal.

Departmental Support
While the goal of all service centers is to be self-sufficient, there are situations where the service center may need additional support. Departments may provide support to the Core in a couple of different ways:

- Direct Charge Support – Financial support that is provided by direct charge of actual core expenses to the appropriate departmental funding source. This support reduces the rate charged to all Internal, VUMC, External Colleague Fed (External Colleagues and Federal Grant Support) and VA (Veterans Affairs) funded users.
- Cash Transfer – Typically a cash transfer is used when a school chooses to fund a deficit on a Core rather than including the deficit in future rates. OCGA will process the cash transfer in the general ledger and will post the accounted MEB to the Core Project.

Any departmental support must have approval from the appropriate Dean's Office providing the support.

Scholarships
A scholarship is a credit allocated to an eligible investigator for redemption in a specific core related to and limited by a specific subsidy funding to that core. Scholarships are commonly used by VUMC P30 funded centers to account for Federal grant support to cores. Funding to the core is required before a scholarship can be allocated, which is handled via a subcontract with VUMC.

StarBRITE Vouchers
Vouchers are awarded to individual investigators by the Vanderbilt Institute for Clinical and Translational Research (VICTR) for use of specific Cores and are non-transferrable. The StarBRITE system integrates with the C.O.R.E.S and iLab systems for notification of the investigators that are given the awards. When the investigator utilizes the Core, a charge is processed to a specified VUMC center through the consolidated invoice process.

Billing Procedures
Billings must be based upon measured and documented utilization which is properly authorized for the billing number charged. All billings should be processed on a timely basis (generally no less frequently than monthly) and at established service center rates. Services may not be billed without approved service center rates. The support of the charges, including documentation of expenses and usage, should be retained by the service center to answer any user inquiries or in case of an audit. A service should not be billed for until the service has been rendered; that is, prepayments are not appropriate. Each service center must operate in accordance with the University's fiscal year. Service centers should handle each year-end billing consistently, to ensure that twelve months of cost recovery are associated with twelve months of incurred cost, and thereby provide a more accurate breakeven calculation at year end.

Accounting Treatment for Service Centers
In establishing service centers within the University's accounting system, the following requirements apply.

a. Separate Operating Budget
   Separate operating projects/tasks for accumulation of actual costs and revenue are established. A separate task is created for each service line. Costs/revenues related to each service center rate should not be commingled between service lines. The Core budget is established each fiscal year based on the rate workbook submitted for that year.
b. Equipment Acquisitions/Depreciation
   Capital acquisitions of core equipment can be purchased from the core project on task 999, which will be ignored for billing rate purposes. For any assets included in the Core

rates, an accounted batch will be processed by OCGA to charge depreciation onto the applicable core service lines and credit task 999.

If equipment used in the Core is purchased with funds outside the Core, then the equipment would be purchased directly from the funding source. If the Core wants to recover depreciation of capital assets through the Core rates, then the following must occur:

1. The specific items of capital equipment need to be reflected in the Core Rate Workbook.
2. There is an asset tag in the Fixed Asset System that should be set to CORESINCLUDE.
3. Recovered depreciation would remain with the Core for future replacement/repairs.

If the Core does not want to recover depreciation through the core rates (see Capital Equipment section on page 5 for required approvals), then the asset tag in the Fixed Asset System should be set to CORESEXCLUDE.

c. Retroactive Costing Adjustments
When a retroactive costing adjustment is needed for Core charges, it must be handled as a cost transfer per Vanderbilt's Retroactive Reallocation of Costs policy. It should not be processed as a refund to one project and charged to another project within iLab.

Any disputed items can be handled as a refund through iLab to the project originally charged.

d. Task 01 (General)
For Cores with multiple service lines, task 01 (General) is established to assist the Core with purchases where the allocation of cost to the tasks is not known at the time of acquisition. The Core is responsible to ensure any balance in Task 01 (General) is allocated to the appropriate tasks within the project prior to each fiscal year end. The Core will provide an approved allocation form to OCGA by June 25th each fiscal year. Any exceptions must be approved by OCGA in writing no later than June 15th of each fiscal year.

e. Consistent Use of Credit Accounts/Expenditure Types
Specific expenditure types are set aside for use by service centers in recording income received from internal and external users. The presence of EXTERNAL revenue indicates a potential need to comply with Unrelated Business Income Tax disclosure requirements.

f. Recording of Unallowable and Excluded Costs
Since core charges are processed on federal awards, costs that are included in billing rates must follow applicable federal regulations, just like a federal contract or grant. Unallowable and excluded costs should not be included in billing rates or be used to determine annual surplus or deficit variances. Generally, these costs are not recorded on the Core's project to allow for exclusion from the rate setting process but are recorded on the CoA or project that is funding the cost.

Collections/Write Off

OCGA will provide each Core (or designated representative) an aging report on a monthly basis that reflects outstanding invoices for which payment has not yet been received. The Core is responsible for following up with customers to collect payments for outstanding invoices greater than 30 days. Should it become necessary to write off an outstanding receivable, the Core would work with their respective Dean's office for determining the source of funds that will be used for the write off. Written notification with the appropriate approvals should be submitted to Office of

Contract and Grant Accounting. The write-off amount is considered an unallowable cost and cannot be included for rate development purposes.

Annual Reporting Requirements
Each Core should work with the Office of Contract and Grant Accounting to complete all annual reporting requirements and annual rate calculations. Cores should complete an updated rate workbook (approved by respective Dean's/VC office) each year. Target dates for completion and submission to OCGA are May 1st for Non-Basic Science Cores and May 15th for Basic Science Cores. OCGA will work with the Cores and the VPR to obtain approval with the goal of implementation by July 1.

CLOSING A CORE

Should it become necessary to close a service center, written notifications must be made to the appropriate Dean's Office, Department Head and the Office of Contract and Grant Accounting. If the project ends with a deficit balance, the department is responsible for funding the deficit. If the project ends with a surplus balance, the service center manager must perform an analysis of the service center's users within the last fiscal year to determine the extent to which Federal users were charged. A refund should be calculated, and a credit provided to the federal projects originally charged. The Core project cannot be closed until the balance is zero.

RECORD RETENTION

It is the service center's responsibility to maintain detailed records of all charges and to answer inquiries concerning those charges. Documentation must be retained for a minimum of eight years from the date the billing is entered into the Vanderbilt accounting system for payment.

CREDIT CARD ACCEPTANCE

Credit cards can be accepted from any external user (utilizing a Research Core Agreement and Purchase Order) of a Core if ***all*** of the following are true:

A. The Core is utilizing iLab Solutions for billing
B. The Core has been established as a merchant through the Office of Contract and Grant Accounting
C. The Core adheres to Vanderbilt's policy on PCI DSS Compliance
D. Core employees must successfully complete PCI Compliance Training upon hire and at least annually
E. The Core is responsible for all costs associated with payment card processing
F. Credit card information is only entered by the user directly in the iLab system utilizing their own personal device, not a Vanderbilt owned device. Vanderbilt employees do not accept credit card information for entering into iLab.

iLAB SYSTEM REQUIREMENTS

Login for VU iLab is https://vanderbilt.corefacilities.org.

Access to iLab requires an iLab account.

All VU and VUMC users (not utilizing VA funding) should use their (VU) Lab when utilizing a VU Core and their (VUMC) Lab when utilizing a VUMC Core. When utilizing VA funding, the user should use their (VA-TVHS) Lab.

Access Requests – Typically, when a user requests access to use a specific Core, OCGA will handle granting that access as it requires ensuring that the user is assigned the appropriate price group and subsidy group (if applicable). Cores that want to handle approving their own access requests can request approval and training from OCGA.

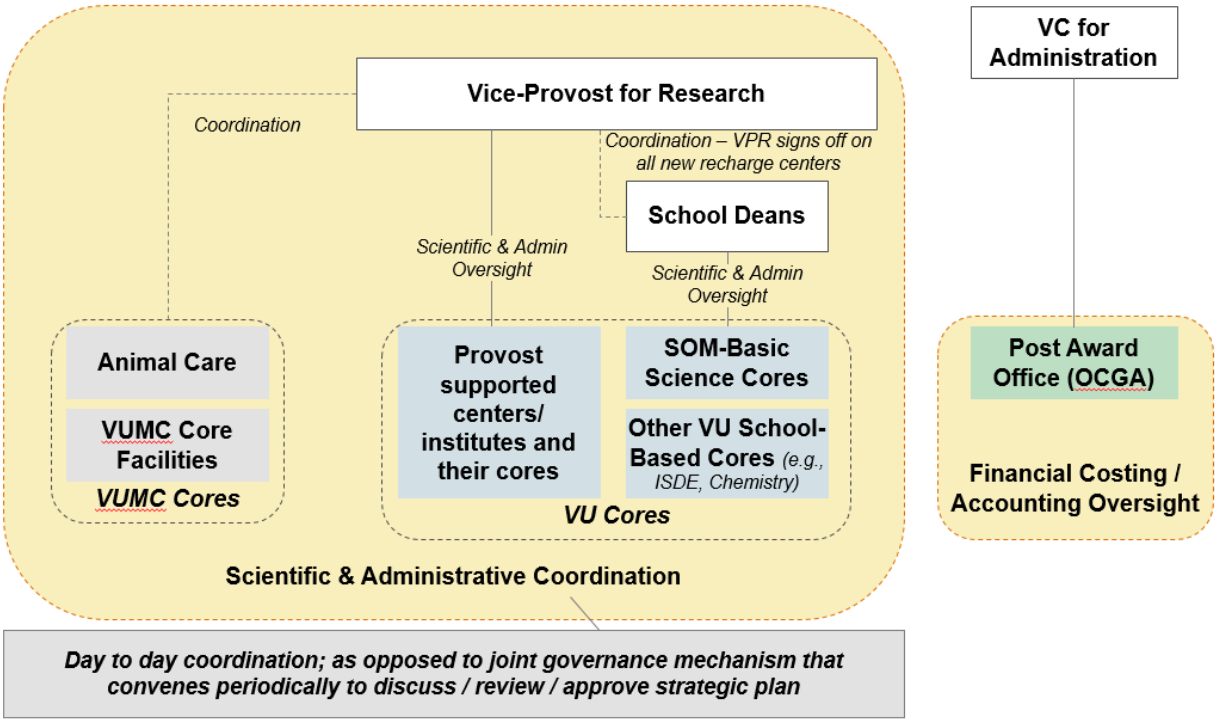
All approved pricing will be updated in iLab by OCGA based on the Core's rate workbook. The Core should update the rate workbook and send to OCGA if changes occur.

External Users –

1. A Research Core Agreement is required before work can begin for the external user. Once the agreement is executed through SPA, a PO is then set up within iLab. Access to the Core cannot be granted and the correct pricing group cannot be assigned until the PO has been established in iLab.
2. External Users may pay by credit card if the Core has met all of the PCI requirements. The customer must select their PO number when they request services but will have the option to pay by credit card once an invoice has been generated.

Core Facilities and Users should direct their questions concerning the iLab System to OCGA. If OCGA is unable to assist with the more technical questions, they will work with iLab for assistance to resolve the issue as quickly as possible.

ROLES AND RESPONSIBILITIES



Core Facility

- Responsible for preparing and administering the Core Facility budget, annually preparing rate schedule(s), maintaining adequate records (e.g. daily logs), and accurately invoicing users on a timely basis
- Responsible for preparing and supporting a schedule of rates for services or products charged to users of the Core Facility. The rate schedule should be submitted annually to the Office of Contract and Grant Accounting.
- Must ensure that Federal and non-Federal users are charged the same rate and it is consistent with the rate schedule
- Ensure charges to customers are based on actual usage
- Ensure all costs charged to the core are appropriate
- Follow up and collect payments from Core users for outstanding accounts receivable
- For cores with multiple service lines, ensure any balance in Task 01 (General) is allocated to the appropriate tasks within the project prior to each fiscal year end. The Core will provide an approved allocation form to OCGA by June 25th each fiscal year. Any exceptions must be approved by OCGA in writing no later than June 15th of each fiscal year.
- Must be able to support internal and external audit requests and show satisfactory accounting and management control. The Core Facility must maintain, at a minimum:
    - Documentation supporting the rate calculations
    - Documentation supporting use or level of activity (daily logs)
    - Invoicing records identifying services provided to each user

Business Unit/Dean Oversight

- Approves the formation of new Core Facilities and/or service lines within a respective Core Facility

- Supports day to day operations of Core Facilities within the School
- Monitors Core Facility activity to avoid the duplication of services offered by VU and VUMC
- Annually review and approve Core Facility budgets and rates for Core Facilities within the School
- Responsible for funding any deficit when a Core Facility within the School closes
- Ensures all Core Facilities within the School operate in compliance with federal requirements
- Authorize subsidies and scholarships for PI use of core facilities, as appropriate
- Informs the Vice Provost of Research and Office of Contract and Grant Accounting (OCGA) of any changes to active Core Facilities.

Vice Provost of Research (VPR)

- Approves formation of new Core Facilities
- Supports day to day operations of Provost supported centers/institutes (TIPs) and their Core Facilities.
- Annually review and approve Core Facility budgets and rates for Provost supported Core Facilities
- Responsible for funding any deficit when a Provost supported Core Facility closes
- Ensures all Provost supported Core Facilities operate in compliance with federal requirements
- Authorize subsidies and scholarships for PI use of core facilities, as appropriate
- Facilitate coordination and collaboration among Deans

Office of Contract and Grant Accounting (OCGA)

- Provides general financial oversight of Core Facilities
- Review and approve proposed rates
- Performs monthly business close
- Act as a point of contact for other central offices for financial matters (e.g. Provide annual report for UBIT, financial audit, etc.)
- Provide accounts receivable aging report to the Cores Facilities on a monthly basis
- Manage CORES/iLab billing system
- Provide end user support for/access to CORES/iLab as appropriate

RELATED POLICIES/DOCUMENTS

Federal Regulations and Guidance

2 C.F.R. Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (hereinafter referred to the Uniform Guidance)
https://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

NIH Grants Policy Statement
https://grants.nih.gov/policy/nihgps/index.htm

FAQs for Costing of NIH-Funded Core Facilities
https://grants.nih.gov/grants/policy/core_facilities_faqs.htm

Related VU Policies/Procedures
VU Service Center Policy [add link]
VU Service Center FAQs [add link]
Flowchart for Establishing a New Service Center [add link]
Retroactive Costing Policy Clarification for Cores [add link]
Cores Materials Sale Flowchart [add link]
Capitalization Policy https://finance.vanderbilt.edu/policies/Capitalization_Policy.pdf
VU PCI Compliance Resources https://www4.vanderbilt.edu/pcicompliance/resources.php

Forms
VU Cores Standard Business Plan – required for establishing a new Core
[Add template to Cores website and add link to Cores Website here]
VU Cores Rate Workbook – required for establishing a new Core and annual updates
[Add template to Cores website and add link to Cores Website here]
Annual Certification of Administrative or General Costs in Core Rates
[Add template to Cores website and add link to Cores Website here]
Authorization for Exclusion of Depreciation from Cores Billing Rates
[Add template to Cores website and add link to Cores Website here]
Research Core Agreement
[Add template to Cores website and add link to Cores Website here]
Research Core Agreement – Addendum
[Add template to Cores website and add link to Cores Website here]

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