Service Center Rates - Update on Useful Tools that Assist Departments with Rate Calculations

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Workshop Presenter

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Please ...

• Turn off cell phones.
• Avoid side conversations.
• Please hold your questions until the end
• Sign the attendance roster.
• Complete the evaluation at the end of the workshop.
Workshop Objectives

• Overview
• Useful Tools and Checklists
• Common Issues, Questions, and Myths
Overview –

What are Service Centers/Activities?

• Operating units within the Institution that provide a service or group of services or product or group of products to users – principally within the institution for a fee.

• Provide a good/service, on a recurring basis, to U of I users.

• Want to recover the costs of providing the good/service through charges to users.

• Adding value such as assigned staff and supplies necessary to provide the good/service.
Overview – What are 3E fund types?

<table>
<thead>
<tr>
<th>Fund Types</th>
<th>Fund Ranges</th>
<th>UFAS Ledger</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aux Enterprises/Self-Sup Activities</td>
<td>30</td>
<td>3</td>
</tr>
<tr>
<td>Suspense and System Clearing</td>
<td>3A 300000 - 399999</td>
<td>3</td>
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<tr>
<td>Service and Storeroom Activities</td>
<td>3E 300000 - 399999</td>
<td>3</td>
</tr>
<tr>
<td>Aux Enterprises Not Under Indenture</td>
<td>3J 300000 - 399999</td>
<td>3</td>
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<tr>
<td>Aux Enterprises Under Indenture</td>
<td>3M 300000 - 399999</td>
<td>3</td>
</tr>
<tr>
<td>Departmental Activities</td>
<td>3Q 300000 - 399999</td>
<td>3</td>
</tr>
</tbody>
</table>
Overview – Self-Supporting Policies

• Campus Policy
  – BFPP – Section 13.6 – Storerooms and Service Facilities
  – BFPP – Section 13.6.2 – Urbana-Champaign Service Activities
  – BFPP – Section 22 – Self-Supporting/Revenue Generating Activities

• Federal Policy
  – OMB Circular A-21
Overview –
Office of Government Costing Role

• Review and approve service center rate calculations for funds classified as 3E fund types
• Monitor adherence to University, Federal, and State policies for the UIUC campus
• Gain an understanding of the various service center’s operations
• Provide training and guidance to departments
  – [http://www.obfs.uillinois.edu/training/registration/](http://www.obfs.uillinois.edu/training/registration/)
Useful Tools & Checklists

• Business Objects Reports
  – Service Activity Cash Expenditures.rep
  – Service Activity Fund Balance.rep
  – Service Activity Fixed Assets.rep

• Checklist

• Single Rate Template/Example

• Multiple Rate Template/Example

• Storeroom Rate Template/Example
Business Objects Reports

“Service Activity Cash Expenditures.rep”

– Overview
– Report Prompts
– Expenditures By Fund
– Expenditures By Account
– Detailed Cash Expenditures
Business Objects Reports

“Service Activity Fund Balance.rep”

– Overview
– Report Prompts
– EOY Fund Balance
“Service Activity Fixed Assets.rep”

– Overview
– Query Prompts
– Equipment By Responsible Organization Code
– Fund Type 3E Equipment
– Non 3E Equipment with Entity Codes 3100/3110
– Newly Purchased Equipment
– Depreciation By Otag
– Accumulated Depreciation By Otag
Business Objects Reports

Decision Support – Query Clearinghouse Website

Service Activity Checklist

• Purpose
• Types of Rate Calculations
• Rate Structure
• Operating Expenses
• Unallowable Expenses
• Adjustments/Exclusions from Rate Calculation
• Equipment Depreciation
Service Activity Checklist, Continued

• Projections – Equipment Depreciation on Capitalized Equipment
• Subsidies/General Support
• Customers
• Maintaining Adjusted Fund Balances
• Working Capital Reserve Limitation
• Over/Under Recoveries
• Plant Fund Reserves
Single Rate Template/Example
Multiple Rate Template/Example

• Instructions
• Service Description
• Base
• Rate Summary
• Non-personnel Expenditures
• Salary – FTE
• Equipment Depreciation Summary
  – 3E Equipment
  – Non 3E Equipment
  – New Equipment
• Projections
• Adjusted Fund Balance
Storeroom Rate Template/Example

• Instructions
• Markup Calculation
• Over/Under Recovery
• 3E Equipment
• Non 3E Equipment
• New Equipment
Website / Contacts

Website – coming soon

Contacts –
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Questions / Concerns?