

POLICY MEMORANDUM

No. III-51

Use of University Equipment and Resources by University Teaching and Research Staff in Non-University Work

The following policy and guidelines are to be followed with regard to using University equipment and resources in non-University work. Non-University work is defined as work that does not follow the process in which the University applied its normal indirect charges.

1. University teaching and research staff may use University equipment and resources in the performance of consultation and other non-University work provided that such use does not conflict with University needs, costs associated with use, maintenance, and replacement of the equipment and resources are reimbursed, and is in the best interest of the University.
2. Prior arrangements must be made for payment for use of University equipment and resources.
3. Faculty and staff members wishing to perform non-University work at the University must submit written requests through their department chair for approval.
4. A formal agreement between the University and the individual or organization for which the work is being performed must be executed by all parties thereto. All service agreement forms must be obtained and submitted through the Office of Sponsored Programs for approval.
5. When the service involves University-related research activity, formal grant or contract documents must be executed and processed through the Office of Sponsored Programs.
6. The service agreement must define and detail the kinds, amounts, and total cost of all University equipment with an acquisition cost of \$5,000 or greater, space, service unit services, and support staff assistance to be used in conjunction with work to be performed.
7. Established rates for external customers will equal or exceed rates charged to internal customers and the federal government. Rate calculations should include the following:
 - a. Equipment use is to be charged at an hourly rate no higher than the percentage allowed by federal regulations [OMB Circular 21 (J)(14)(e)(1)] x acquisition cost with a \$5.00 per hour minimum.
 - b. Direct cost of materials or supplies.
 - c. Space use is to be charged at a rate of \$1.00 per square foot per day for periods of use less than one week. Longer term charges are established by the Office of Administrative Services.
 - d. For service operations, charges will be at the published rate set by each unit.
 - e. Support staff assistance charge will be at the rate of 2.5 times the individual's actual hourly rate.
 - f. Indirect costs.
8. The minimum contractual amount for using University equipment and resources in non-University work is \$500.00.
9. Individual departments initiating the non-University work are responsible for preparation of University invoice documents. Payments must be submitted to the Office of Sponsored Programs and the income will be distributed as follows:

DISTRIBUTION OF INCOME

Cost of Materials and Supplies

The total amount of the actual cost for materials and supplies (100%) will be charged. All amounts collected for this cost category will be returned to the department account(s) which originally purchased the materials and supplies used to perform the work for the service agreement.

Cost of Salaries and Wages

The amount charged for University employee's salary and wage and fringe benefit costs will be 2.5 times their normal rate. The total amount of the actual cost for salary, wages, and fringe benefits that is collected will be returned to the department account(s) from which they were paid. Amounts collected that exceed the actual costs will be allocated to the campus indirect cost recovery account.

Cost of Equipment

Equipment usage is to be charged at an hourly rate no higher than the percentage allowed by federal regulations x acquisition cost with a \$5.00 per hour minimum charge. The total amount billed and collected will be allocated on a 50/50 basis and will be split between the department account(s) that is being used to perform the service agreement and to the campus miscellaneous sources income account. For service operations, charges will be at the published rate set by each unit.

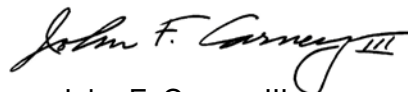
Cost of Space Usage

Space usage is to be charged at a rate of \$1.00 per square foot per day for periods of use less than 1 week in duration. Longer term charges are established by the Administrative Services Office. The total amount billed and collected will be allocated on a 50/50 basis and will be split between the department account that is being used to perform the service agreement and to the campus miscellaneous sources income account.

EFFECTIVE DATE: Immediately

RESPONSIBILITY: Department Chairs, Vice Provost for Global Learning, Vice Provost for Research, and Vice Chancellor for Administrative Services

BASIS: [Business Policy and Procedure Manual, Section 405.](#)



John F. Carney III
Chancellor