



Budget & Fiscal Planning

UNIVERSITY OF COLORADO **BOULDER**

Rate-Based Service Activities (RBSA) Rate Sheet Training



Today's agenda

Rate Based Service Activity (RBSA)

Overview Offices and Roles
Customer types
Campus Unit Areas of Engagement

Determining if your activity is an RBSA

External customer considerations
External RBSA Quote Template

Completing the Rate Sheet

Updated Rate Sheet for FY25
Rate sheet process
Information needed

Post Rate Sheet Certification

External RBSA Quote Authority
Bookkeeping and account codes
Fund 78 transfers



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Overview



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What are Rate Based Services Activities (RBSAs)?

Instances in which products-or services, not funded by a sponsored project, are provided at rates based on units of sale

- This includes:
 - Units providing a consistent menu of defined products
 - Common examples: trainings, lab services, or consulting services
 - Internal and/or External customers to CU Boulder
 - Determined as eligible for services by the Office of Contracts and Grants if there are external customers
 - Charge customers with compliant rates certified by BFP
- This does not include:
 - Research activities
 - A single, unique, one-off project for one customer
 - Direct reimbursements wherein the customer funds the purchase of an item used in a service provision (e.g., equipment or parts)
 - Retail-like sales of goods (e.g., t-shirts, advertising space)
 - Units with only internal customers and less than \$10,000 in annual sales

RBSA Administration Roles

External customers only



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- Rate development
- Business model analysis
- Annual rate sheet renewal
- Final rate-sheet certification

rates@colorado.edu



Office of Contracts and Grants

- Activity compliance eligibility determinations
- Quote & agreement template generation
- Contracting and quotation support
- Process management
- Formal proposal support
- Vendor Setup – TC & Reps/Certs
- Compliance reviews

ocgservicecontracts@colorado.edu



Campus Controller's Office

- Speedtype & program setup (Fund 28/29 and Fund 78)
- Accounting support
- Financial compliance reviews

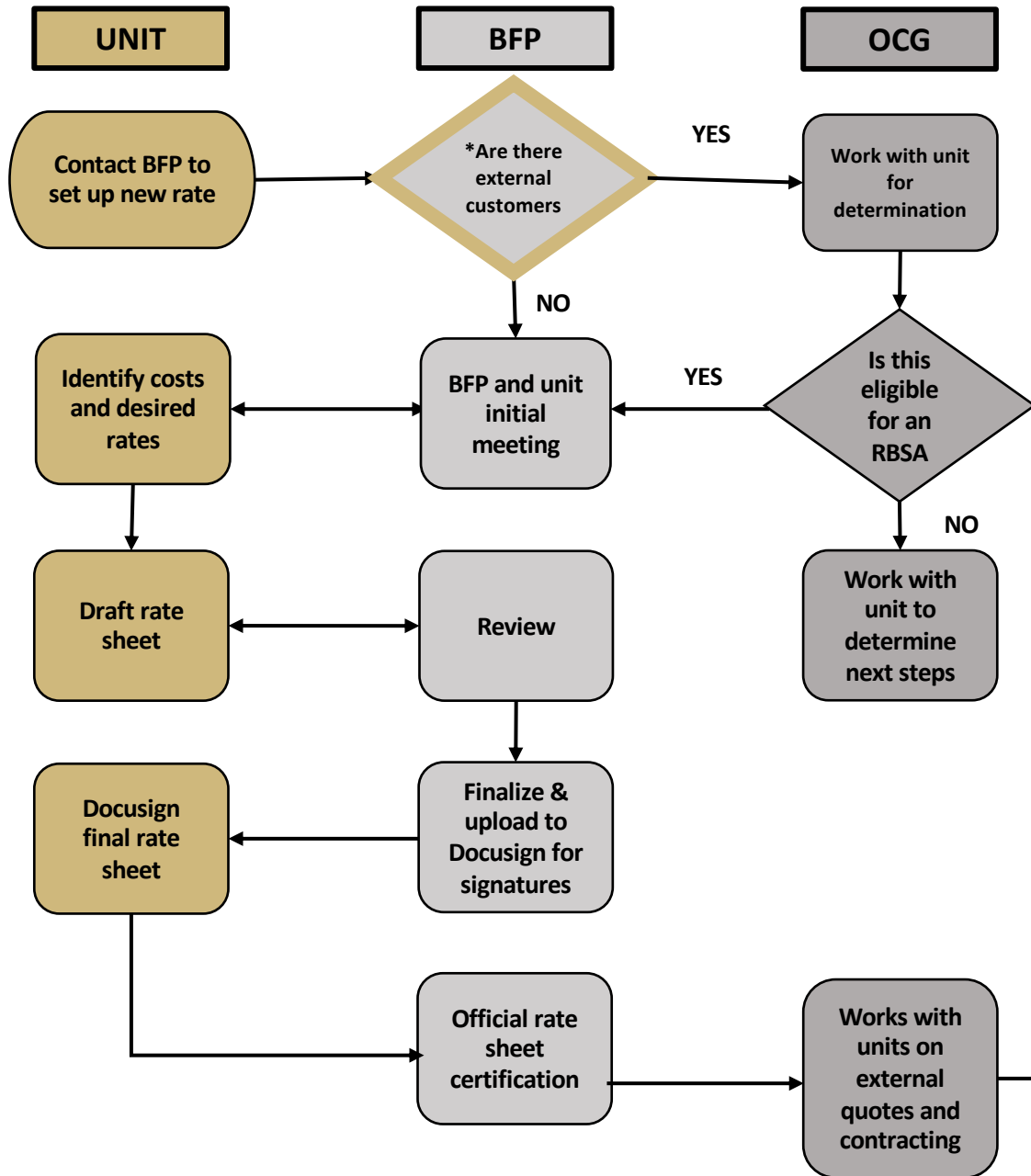
Accounting Support:
fiscalcompliance@colorado.edu
Speedtype Set Up and Support:
accounting@colorado.edu



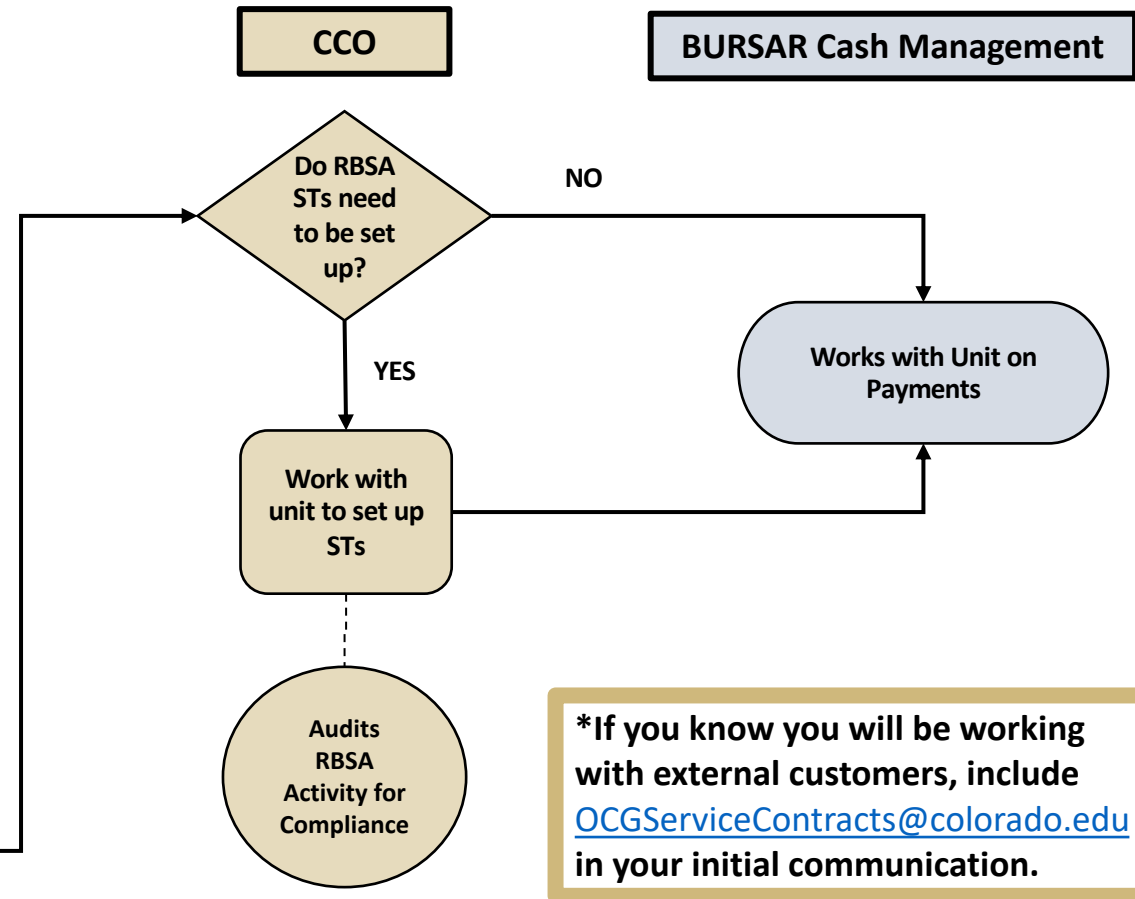
Bursar's Cash Mgmt Office

- Payment application
- Vendor financial setup

cashmanagement@colorado.edu



Process Flowchart for New RBSAs



***If you know you will be working with external customers, include OCGServiceContracts@colorado.edu in your initial communication.**

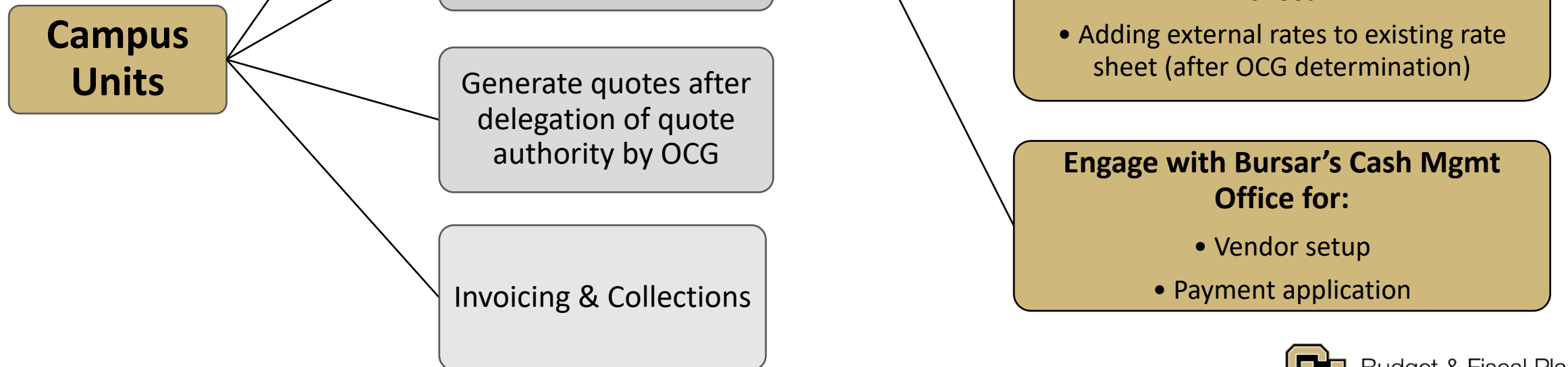
Three customer types

- **Internal Customers:** Units within the CU system. All entities with a Speedtype (other than Fund 80) are internal customers, including grants.
- **External Federal Customers:** Federal agencies or departments who purchase goods or services directly from the University, excluding any grant-based funding arrangements.
- **External Customers (not including Federal):** any customer that is external to CU and not a Federal agency. This includes non-profit and corporate customers. UCB students are considered external customers.

RBSA Restrictions & Guidelines by Customer Type

Customer Type	Rates	Subsidize	Surpluses
<p>Internal/Federal Anyone paying with a CU Procurement card or non-Fund 80 Speedtype or when the federal government is paying directly (not through a grant)</p>	<ul style="list-style-type: none"> Internal rates must be consistent among customers. Rates must cover costs unless subsidized. Can vary between \$0 and 16% above cost Once rate is set, it must apply to all government entities per federal regulation. Federal government rates can not be higher than internal rates. 	<ul style="list-style-type: none"> Can sell below costs (subsidized) Department is responsible for covering all related deficits and/or may cover internal deficit from external revenue. 	<ul style="list-style-type: none"> Surpluses/profits are not allowed as rates can be no higher than cost covering plus the 60-day (16%) reserve. All surpluses are required to be reinvested in the RBSA activity. If surpluses are not reinvested, rates will need to be lowered until the surplus is diminished
<p>External (not including Federal customers) Anyone without a Speedtype or paying with a fund 80 (includes CU faculty, staff, and students acting as private individuals)</p>	<ul style="list-style-type: none"> Cannot be less than internal/federal rates Allowed to have different rates among clients. Stated rate is minimum for year by customer type. No maximum rate 	<ul style="list-style-type: none"> Rates must at least cover costs. No subsidies are allowed. 	<ul style="list-style-type: none"> Any profit is unrestricted in how funds are used. Funds resulting from profit must be transferred to a corresponding Fund 78 before they can be transferred to a different Speedtype for use.

Campus Unit Areas of Engagement



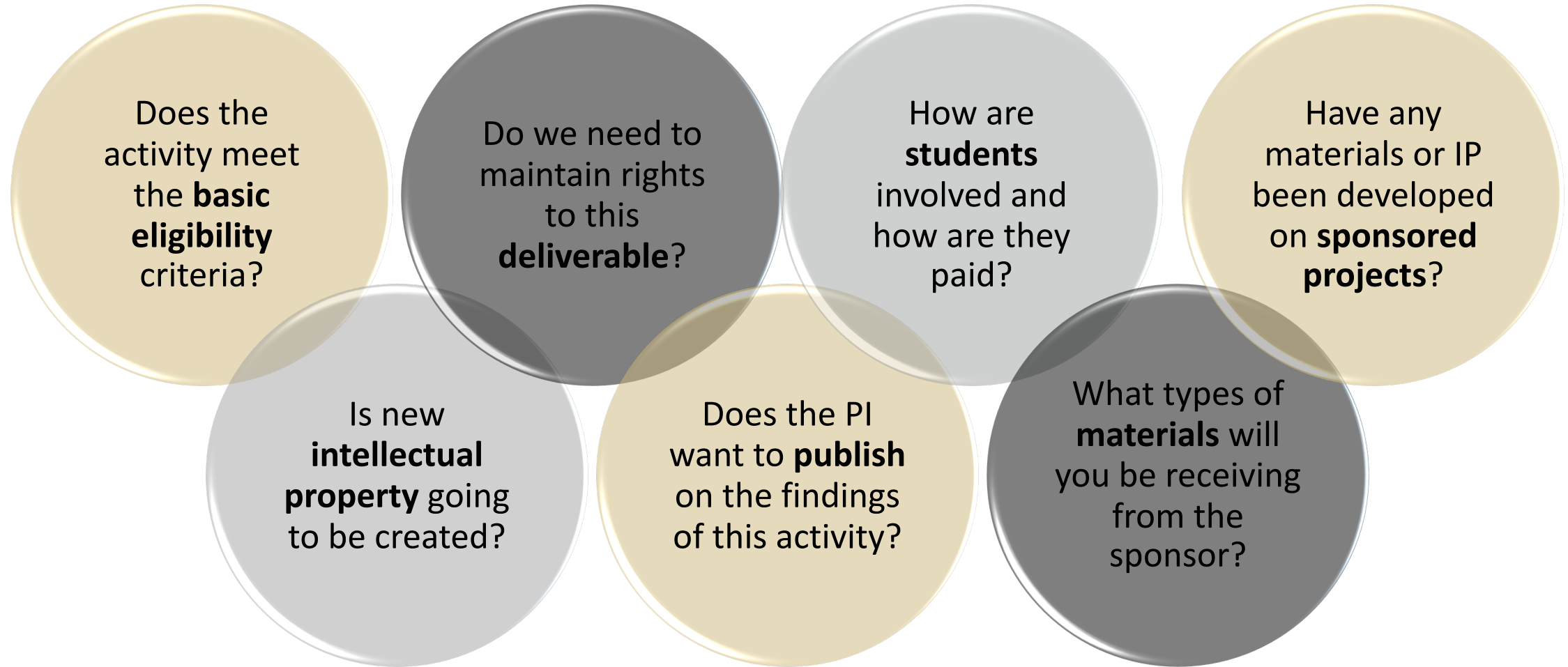


Is the activity Rate Based?

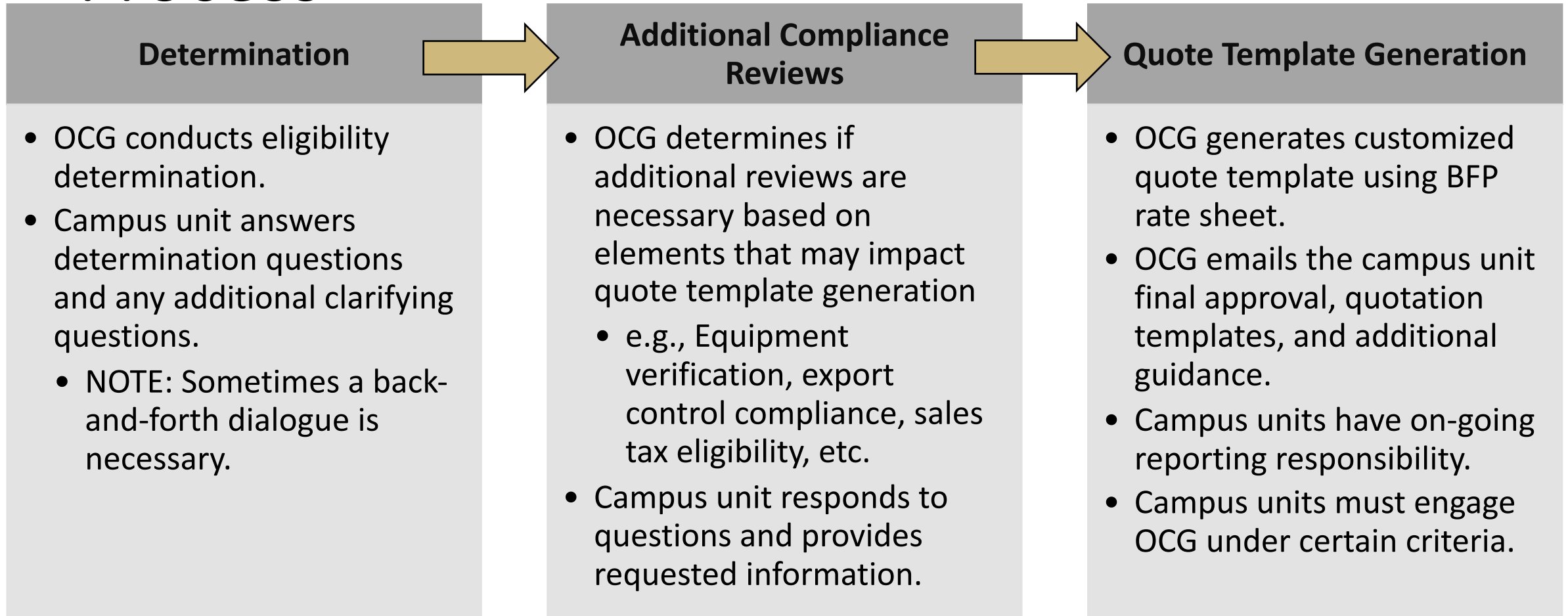


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Eligibility Determination for External RBSA



External RBSA Quote Template Set Up Process





Completing the Rate Sheets



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Why Revise the Rate Sheet?



An opportunity to reduce the administrative burden for RBSAs and BFP



RBSAs can make better informed financial decisions



Feedback from RBSA PIs, activity managers, and finance staff



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RBSA Risk Table

If there is a mix of customer types, use the guideline for the highest risk level

If rates are added at any time, rates must be re-determined by OCG Service Contracts and BFP.

Annual Sales	Internal Customers	Federal Customers	External Customers
Less than \$10K	Risk: Low No rate submission required	Risk: High Rate determination required annually	Risk: High Rate determination required annually
\$10K-\$500K	Risk: Medium Rate determination required at least every two years	Risk: High Rate determination required annually	Risk: High Rate determination required annually
Greater than \$500K	Risk: High Rate determination required annually	Risk: High Rate determination required annually	Risk: High Rate determination required annually

Rate Sheet Completion

Requirements:

- **All rate sheets will need to be updated for FY25** and per risk table guidelines in subsequent years.
- Name and email of PI/Director and Financial Manager
- Project expenses and unit sales by product
- All costs must be captured in the RBSA Speedtype.
 - **Salaries (Benefits are auto calculated in the rate sheet)**
 - Funding distribution directed to the RBSA ST or PETs into the RBSA ST at regular intervals
 - **Operations** – including all fixed and variable-consumables
 - **Capital Equipment**
 - Depreciation (straight line depreciation, contact property@colorado.edu for equipment specific information)
 - Consider future replacement costs if applicable
 - **GAIR** is automatically calculated in the rate sheet
- Projected Subsidies and Transfers
 - Transfer prior-year external profits to Fund 78 Speedtype.
- Units must record revenue in correct account codes
- **BFP will still review 3 years of historical activity for revenues, expenses, subsidies, and transfers**



Post Rate Sheet Certification



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External RBSA Quote Authority

Campus units are responsible for...

Annual
updates

Activity
change
updates

Submission of
quarterly
reports

Comply OCG
Engagement
Requirements

Proper RBSA
Accounting

Do not accept payment or conduct work without campus approved quotation or OCG review, as you may be accepting terms on behalf of the university that the university may not be authorized by policy or law to accept!



External RBSA Quote Authority

Reach out to OCGServiceContracts@Colorado.EDU when...

Customer requires agreement, documentation, and/or signature.

Customer requires CU to be set up as a vendor.

Customer redlines/adjusts quotation or PPMS terms and conditions.

Customer requires formal solicitation.

Customer is related to the cannabis industry.

Customer is a foreign entity.

Additional expenses are required outside the standard rates.

Contract turnaround varies depending upon several factors, such as who has drafted the award, the customer's experience negotiating with universities, and OCG workload.



CCO Roles and Review

- Accounting support
- Speedtype & program setup (Fund 28/29 and Fund 78)
- Financial compliance reviews

- Speedtype set up – accounting@colorado.edu
- General accounting support - fiscalcompliance@colorado.edu
- Remote review – after RBSA has been established
 - Order/frequency based on risk level
 - Review business description and plan
 - Rates posted match BFP approved rates
 - Allocation methodology
 - Unallowable expenses
 - Financial review



CCO Compliance Issues-Internal & Federal Customers

- 60-day reserve
- Breakeven rates
- Non-discriminatory rates
- Surplus usage
- Published price list
- Depreciation
- “Flat user” fee
- Departmental surcharges

Recording RBSA revenue

- Internal Customers:

If selling department ST is in Fund	Record revenue if NOT charging contracts	Record revenue if charging contracts and grants
10, 20 (Non-Auxiliary Enterprises), 29	ID revenue account codes 390000-399999	Account code 390123 ID Sales to Grants/Contracts
20 (Auxiliary Enterprises)	Auxiliary Enterprise Revenue account codes 280000-289999	TBD
28, Telecom and Cogen	Service Center account codes 380000-389999	Account code 380101 IN Sales to Grants/Contracts

- External Customers:

Categories for revenue account codes

Account	Account Description	Revenue Category	Fund
325341	325341 -- ISU Sales - RBSA ExtFed Cust	External Federal Revenue	28
325342	325342 -- ISU Sales - RBSA ExtNP Cust	External Nonprofit Revenue	28
325343	325343 -- ISU Sales - RBSA ExtCorp Cust	External Corporate Revenue	28
325191	325191 -- Misc Rev - RBSA ExtFed Cust	External Federal Revenue	29
325192	325192 -- Misc Rev - RBSA ExtNP Cust	External Nonprofit Revenue	29
325193	325193 -- Misc Rev - RBSA ExtCorp Cust	External Corporate Revenue	29

Managing Revenue Accounts

- Email the Office of Cash Management to request bank information for RBSA (cashmanagement@colorado.edu)
 - For electronic bank-to-bank (ACH) transactions
 - Provide the contact as the 'external entity'
- Include department name in invoice numbers, such as **CEASxxxxx**
- For international customers, there is a vendor payment portal (through Flywire)
 - Multiple payment options
 - No fees
- Receiving cash receipt forms in advance is appreciated

Resources

Budget & Fiscal Planning (BFP):

www.colorado.edu/bfp/planning-resources/rate-based-service-activities

rates@colorado.edu

Email FY25 rate sheets to rates@colorado.edu by April 30, 2024

Campus Controller's Office (CCO):

<https://www.colorado.edu/controller/>

Your Campus Accountant: fiscalcompliance@colorado.edu

Speedtype Set Up and Support: accounting@colorado.edu

Depreciation Information: property@colorado.edu

Office of Contracts and Grants (OCG):

www.colorado.edu/ocg/

ocgservicecontracts@colorado.edu

Office of Cash Management (Bursar's Office):

cashmanagement@colorado.edu



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FY25 Rate Sheet Demo



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Questions about RBSA rate setting?

Schedule a meeting with rates@colorado.edu to set up a rate sheet working session.

Questions about external customers?

Reach out to ocgservicecontracts@colorado.edu for a determination

*Email FY25 rate sheets to rates@colorado.edu
by April 30, 2024*