



Budget & Fiscal Planning

UNIVERSITY OF COLORADO **BOULDER**

Rate-Based Service Activities (RBSA) Training



Today's Agenda

Rate Based Service Activity (RBSA)

Overview

Offices and Roles

RBSA Process

Customer Types

Annual Rate Sheet Process

CCO Roles and Reviews

Recording RBSA Revenue

Managing Revenue Accounts



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What are Rate Based Services Activities (RBSAs)?

A Rate-Based Service Activity (RBSA) is a research adjacent auxiliary that sells goods or services on a standardized, per-unit basis to internal and/or external customers.

- RBSAs selling to external customers need to be officially determined by the Office of Contracts and Grants (OCG) Service Contracts team.
- RBSAs must engage with Budget & Fiscal Planning (BFP) in an annual rate setting process.
- RBSAs can generate revenue to sustain researcher funding levels, contribute salary support for retention of highly skilled researchers, and support research across the campus and CU system.
- External customer profits can be utilized for other University approved expenses outside of the RBSA.

RBSA Administration Roles

External customers only

Budget and Fiscal Planning

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

rates@colorado.edu

Office of Contracts and Grants

- Eligibility determination
- Quote template generation
- Contracting, formal proposal, and reps/certs support

ocgservicecontracts@colorado.edu

Campus Controller's Office

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

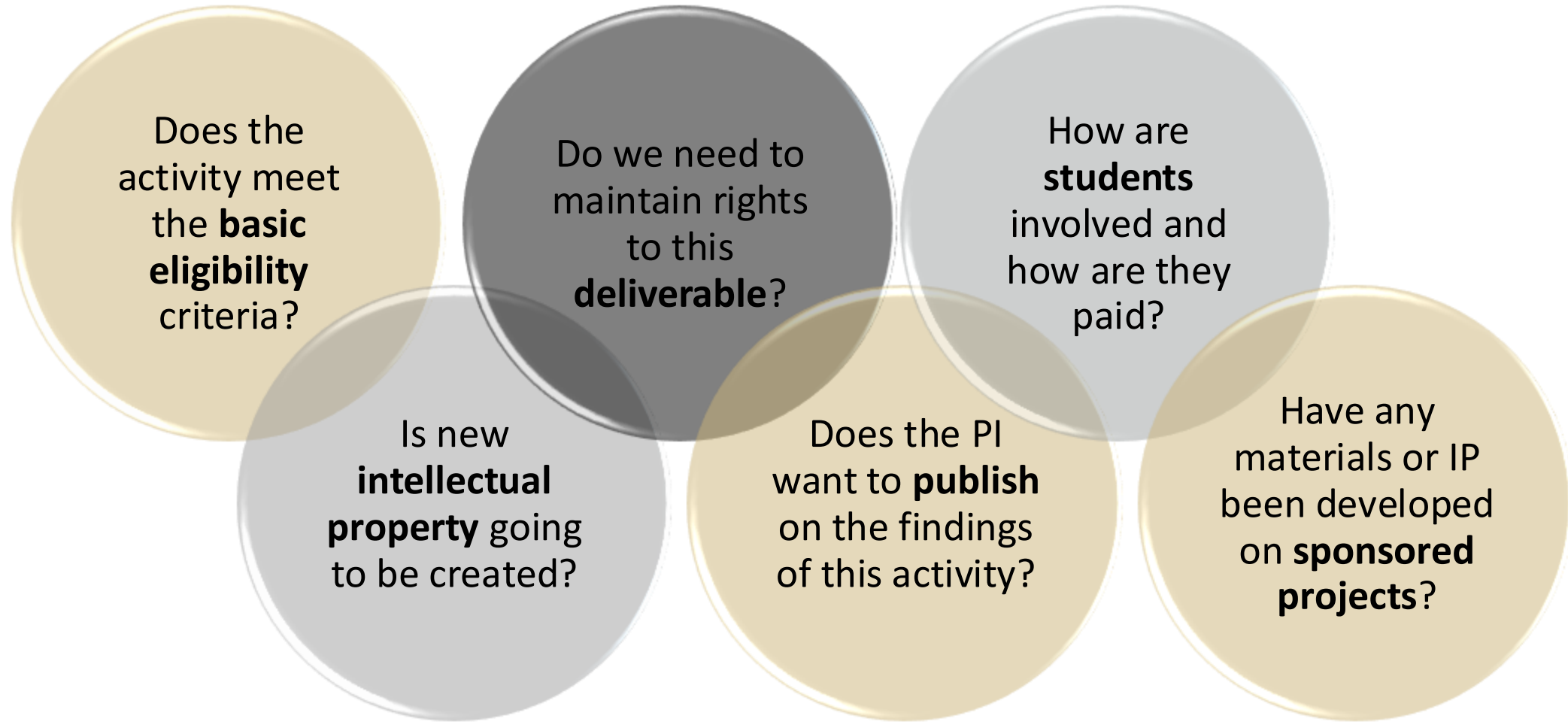
campus.accounting@colorado.edu

Bursar's Cash Mgmt Office

- Payment application
- Vendor financial setup

cashmanagement@colorado.edu

Eligibility Determination for External RBSA



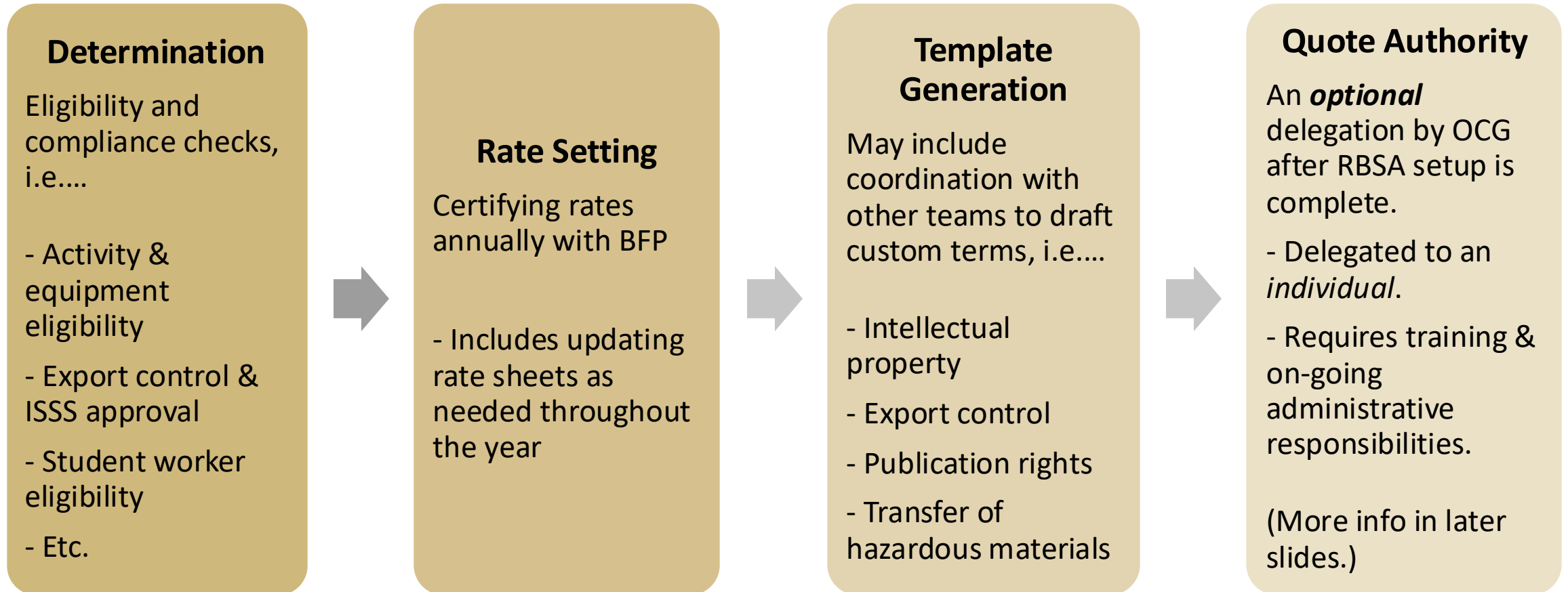
See OCG's website for more info:

<https://www.colorado.edu/ocg/manage-awards/service-activities/service-activity-determinations>



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External RBSA Set Up Process



See OCG's website for more info:

<https://www.colorado.edu/ocg/manage-awards/service-activities/rbsa-setup>

Department Responsibilities for External RBSA

Once an RBSA is set up, campus units have on-going maintenance and compliance responsibilities.

Invoicing and **payment** collection.

Ensure a **contract** is in place for ***all*** customers (either contact OCG Service Contracts or issue under your quote authority).

Contact OCG Proposals for all formal **proposals** (RFP, RFQ, etc.).

Request **determination** for any new service activities you want to add to your RBSA.

Engage with Cash Management for **vendor** setup and **ACH** payments.

Certify **rates** annually with BFP.

See OCG's website for more info:

<https://www.colorado.edu/ocg/manage-awards/service-activities/rbsa-management>



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Department Responsibilities for Quote Authority

In addition to regular RBSA maintenance, quote authority delegates are responsible for...

Issuing **quotes** to customers.

Logging all quotes issued.

Submitting quote log to OCG Service Contracts **quarterly**.

Reaching out to OCG Service Contracts when contracting **exceeds your authority** (see below).

*Quote authority **does not extend** to all contracting circumstances or service activities, including...*

Customer cannot accept the quote **as-is**.

Service involves **hemp/cannabis**.

Customer is **foreign**.

See OCG's website for more info:

<https://www.colorado.edu/ocg/quote-authority-management>



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Three Customer Types

- **Internal Customers**

- Units within the CU system. **All entities paying with a Speedtype are internal customers, including grants.**

- **External Customers**

- **Federal Customers:** Federal agencies or departments who purchase goods or services directly from the University, **excluding any grant-based funding arrangements.**
- **Non-Federal Customers:** Generally referred to as External customers, any customer that is external to CU and not a Federal agency. This includes non-profit and corporate customers.

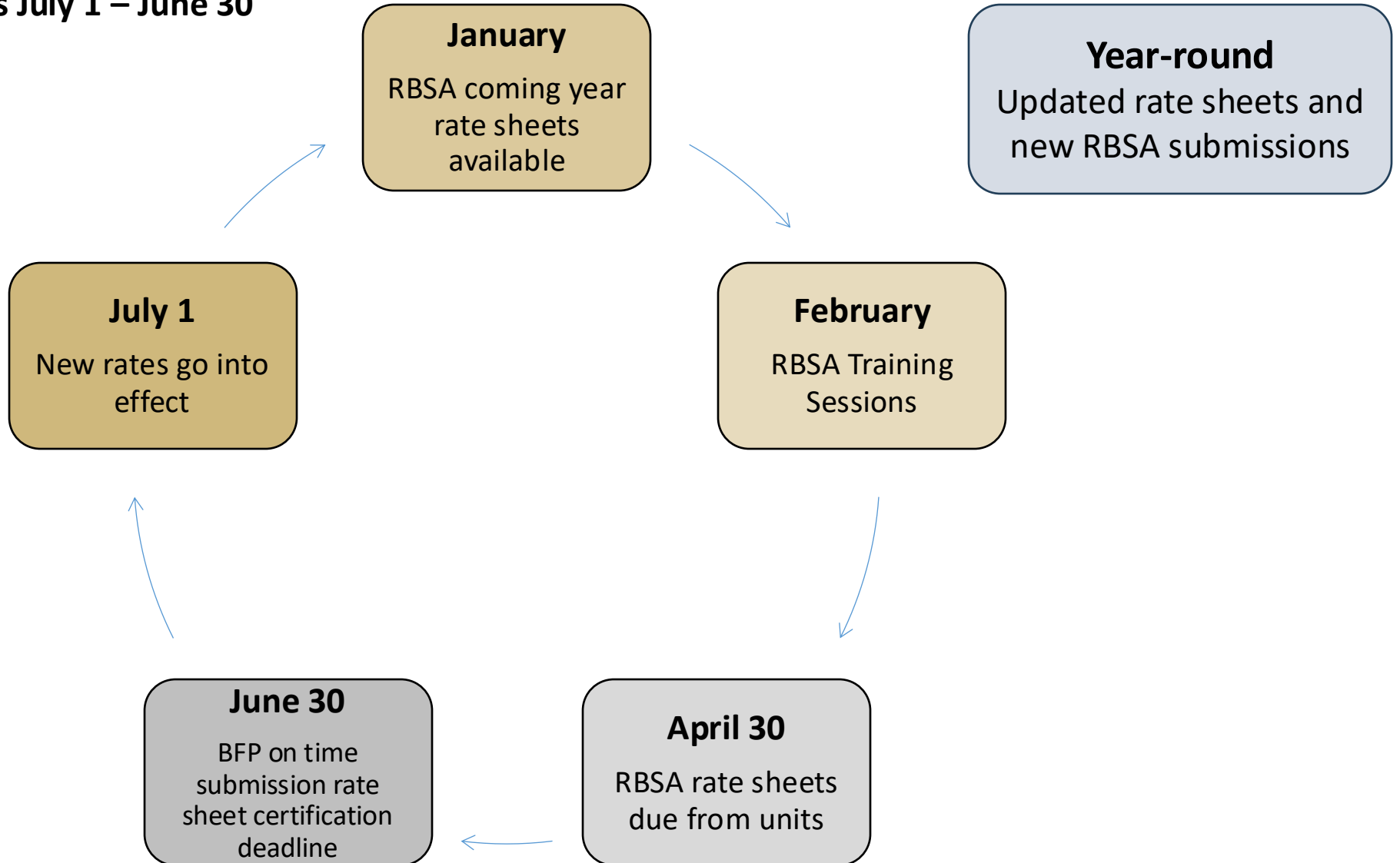
RBSA Restrictions & Guidelines by Customer Type

Customer Type	Rates	Subsidize	Surpluses
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)	<ul style="list-style-type: none"> • Rates must cover costs unless subsidized • Can vary between \$0 and 16% above cost • Internal rates must be consistent among customers • Federal rates must apply to all government entities per federal regulation • Federal rates cannot 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
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)	<ul style="list-style-type: none"> • Cannot be less than internal/federal rates and must cover costs • Allowed to have different rates among clients • Stated rate is minimum for year for customer type • No maximum rate 	<ul style="list-style-type: none"> • No subsidies are allowed, rates must at least cover costs 	<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.



Annual Rate Sheet Process

Fiscal Year is July 1 – June 30



Rate Sheet Completion

Requirements:

- **Submit rate sheets to rates@colorado.edu by April 30th**
- Projected expenses and unit sales by product
- **All costs must be captured in the RBSA Speedtype**
 - Salaries (Benefits are auto calculated in the rate sheet)
 - Operations – including all fixed and variable-consumables
 - Capital Equipment
 - Depreciation (straight line depreciation, contact property@colorado.edu for equipment specific information)
 - GAIR is automatically calculated in the rate sheet
- Projected Subsidies and Transfers to cover any projected deficit
- **BFP will review 3 years of historical activity for revenues, expenses, subsidies, and transfers**

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 - campus.accounting@colorado.edu
- Financial compliance review
 - Review business description, plan, and rates
 - Risk level
 - Expense allowability
 - 60-day reserve
 - Depreciation
 - Departmental surcharges



Recording RBSA revenue

- Fund 28:

Fund	Revenue Category	Account Description	Account Code
28	Internal Revenue	380101 -- IN SALES TO GRANTS/CONTRACTS	380101
28	External Federal Revenue	325341 -- ISU SALES - RBSA EXTFED CUST	325341
28	External Non-Profit Revenue	325342 -- ISU SALES - RBSA EXTNP CUST	325342
28	External Corporate Revenue	325343 -- ISU SALES - RBSA EXTCORP CUST	325343

- Fund 29:

Fund	Revenue Category	Account Description	Account Code
29	Internal Revenue	390123 -- ID SALES TO GRANTS/CONTRACTS	390123
29	External Federal Revenue	325191 -- MISC REV - RBSA EXTFED CUST	325191
29	External Non-Profit Revenue	325192 -- MISC REV - RBSA EXTNP CUST	325192
29	External Corporate Revenue	325193 -- MISC REV - RBSA EXTCORP CUST	325193

See BFP's website for more info:

<https://www.colorado.edu/bfp/planning-resources/rate-based-service-activities/rbsa-bookkeeping>

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

Campus Controller's Office (CCO):

<https://www.colorado.edu/controller/>
Your Campus Accountant: **campus.accounting@colorado.edu**
Speedtype Set Up and Support: **accounting@colorado.edu**
Depreciation Information: **property@colorado.edu**

Office of Contracts and Grants (OCG):

<https://www.colorado.edu/ocg/manage-awards/service-activities/rbsa-setup>
ocgservicecontracts@colorado.edu

Office of Cash Management (Bursar's Office):

cashmanagement@colorado.edu



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Thank you!
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 rate sheets to rates@colorado.edu **by April 30**