
WVU POLICY

DIVISION OF FINANCE

INTERDEPARTMENTAL RECHARGE RATE DEVELOPMENT

1. PURPOSE & SCOPE

- 1.1. **Purpose** – The purpose of this policy is to provide guidelines for costing, pricing, and administering university recharge centers to ensure compliance with accounting principles, government regulations, and best practices.
- 1.2. **Scope** – This policy applies to all university departments, including those on divisional campuses and the West Virginia University Research Corporation.

2. POLICY

- 2.1. Recharge centers are responsible for implementing the following costing principles to assure that the billings to university accounts and federal programs are reasonable, allowable, and allocable:
 - Only costs that are allowable and necessary for the effective and efficient operations of the recharge center should be included in recharge center rates.
 - Costs included in the recharge center rates must exclude those funded by federal sources.
 - Billing rates must be designed to recover no more than the allowable cost of goods and services provided.
 - Rates must be documented and established according to standards detailed in the Rate Development Guidelines for Recharge Centers (<https://financialservices.wvu.edu/cost-compliance/recharge-centers>).
 - Recharge center rates cannot discriminate between federal and nonfederal funded activities of the University.
 - Amounts billed to users must be based on their actual usage of the goods and/or services that is measurable and based on benefits received.
 - Rates must be evaluated and adjusted at least biennially, taking into consideration any prior period over/under recoveries, by the department providing the good or service.



- 2.2. Recharge center rates and supporting calculations are to be approved and filed with the Cost & Compliance unit within Financial Projects & Compliance.

3. DEFINITIONS

- 3.1. **RECHARGE CENTER** – An organizational unit or department that provides products and/or services of a specialized nature to other university departments on an ongoing basis, and that recovers the costs of providing these products and/or services through the use of rates to users.

4. RESPONSIBILITIES

- 4.1. **Interpretation** – The responsibility for interpretation of this policy rests with the Senior Associate Vice President for the Division of Finance or designee.
- 4.2. **Application** – All employees are responsible for supporting this policy. It is the responsibility of the dean or director to implement and maintain this policy within their college, department, or unit.
- 4.3. **Procedure Development** – Procedure development rests with the Cost & Compliance unit within Financial Projects & Compliance. For additional information and detail, refer to the Rate Development Guidelines for Recharge Centers (<https://financialservices.wvu.edu/cost-compliance/recharge-centers>).

5. AUTHORITY & REFERENCES

- 5.1. WVU Board of Governors Finance & Administration Rule 5.1 Approvals and Delegation of Authority for Financial and Administrative Matters.

6. SUPERCEDES

- 6.1. This policy supersedes all other Interdepartmental Recharge Rate Development policies, procedures or guidelines at the University to the extent those documents are inconsistent with and fall under the scope of this policy.

Signature: Barbara Weiss Date: 3.7.24

Barbara Weiss
Senior Associate Vice President – Division of Finance

