

OIT Recharge Tutorial

Frequently Asked Questions

What is a recharge?

A recharge is a department, unit or activity which provides goods or services to other departments or units on a regular basis at approved rates. Recharge is used for services that are not centrally funded by OIT. The objective for recharge units is to “break-even” at the end of the fiscal year. A Recharge Unit is NOT an Auxiliary Enterprise. An auxiliary enterprise exists to furnish goods or services to students, faculty, or staff, and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services. *Example: OIT provides telephone services to the consumer for a fee; the revenue associated with the consumer fees should be equal to the cost of operating the recharge service.*

“Fund 17”	Annual Revenue	% Revenue from External Parties	Inventory
Recharge Center	More than \$100,000/yr -OR-	More than 5% -OR-	More than \$50,000

Why do recharges exist?

Offers an alternative funding method/option for providing services that are not, or cannot, be funded centrally.

Who is responsible for recharge?

Responsibility is shared between the IT Business Office (ITBO) and the sponsoring department. The ITBO provides central coordination for all recharge activity in OIT, submits the annual proposal and coordinates central billing(s). Department Managers and /or Directors are responsible for overseeing the recharge services, managing the budget, and coordinating hardware/software upgrade/maintenance schedules, projected labor/staffing needs, and business plans with the ITBO.

Who are recharge customers?

Recharge customers include but are not limited to UAF Departments, activities or projects, as well as external agencies. *Example: External agencies could include NANA, government agencies and other various contractors doing work for or at the University.*

When do I need to prepare recharge proposals?

Recharge business plans are created, reviewed or updated every spring in preparation for the following fiscal year. OIT FY08 approved business plans for recharge submission are due to the ITBO **May 18th, 2007**. Advanced preparation to meet this external deadline is critical. Coordinate with the ITBO for Recharge Proposal Submission.

What can be included in rates?

Recharge center rates can include direct costs and departmental indirect costs **ONLY**. *Examples include staff salaries, materials and supplies consumed in conducting the activity, and fringe benefits.* Rates CANNOT include management overhead, equipment purchases, lease purchase payments, or depreciation expenses.

Helpful Hints

- Recharge revenues/funds can ONLY be used for restricted recharge related expenditures; this means you cannot move recharge funds into other orgs to cover “shortages”, etc.
- You CAN hire a new position mid year or make equipment purchases for upgrades/maintenance, etc., as necessary. If you did not build these changes into your current rates – inform the ITBO, we will review/approve your additional expenditures, and build the costs into next years rates. Just keep us posted!
- Timesheet accounting: Telephone Services: 173003-50256 (Technicians), 173003-50257 (Administrative); Meeting Maker: 173071-60409; Servers: 173047-60408; Software App.: 173074-60420; Video Conferencing: 171002-80168

Additional Recharge Information and Regulations: <http://www.uaf.edu/finsvcs/recharge/index.html>