



Masonic Cancer Center

UNIVERSITY OF MINNESOTA

Comprehensive Cancer Center designated by the National Cancer Institute

ADMINISTRATIVE POLICY

External Sales of Goods/Services

Policy Type:
Operations

Policy Owner(s):
Operations Manager

Policy contacts:
[Aaron Schilz](#)

Revised: 2/5/2018
Reviewed: 2/5/2018
Effective Date: 8/31/15

POLICY STATEMENT

Many MCC ISOs provide services for external entities. This activity requires that additional rules and guidelines be followed in order to comply with UMN policies and to ensure that the priorities of the MCC are considered. As an NCI-designated CCC, the MCC including its ISOs are required to prioritize cancer research whether internal or external. Additionally, when external services are provided, priority must be given to internal cancer researchers. The policy outlined below provides guidance on how to initiate an external sales agreement.

Definitions

The MCC follows all policies, definitions and procedures associated with the conduct of external sales: <http://www.finsys.umn.edu/sales/ext.html>

Requesting Approval to Conduct External Sales

- Requestor (ISO/ESO representative) should state a clear reason for the desire to complete this external sale such as ongoing research collaborations that advance:
 - The research of the lab performing the service and,
 - The mission of the cancer center in general.
- Requestor must provide explanation for how the customer relationship was established. The reason must be other than for lower user costs. Policy states that an ISO/ESO cannot be undercut outside competitors who pay taxes for their operations.

Contract for External Services

- All agreements to conduct external services must go through the MCC Finance office for review and approval
- Contracts may extend for a period of time not to exceed the current fiscal year, unless it is clearly stated that currently quoted prices are subject to change after June 30th of the current fiscal year

Process for Establishing External Service Agreement

- ISO/ESO contacts MCC Operations to review the proposed external contract work.

- Depending on the characteristics of the external researcher/organization, a rate is quoted based on the external rate scale set forth by MCC (see Attachment 1)
- Approval to conduct an external sale is granted, MCC Finance works with the ISO/ESO to finalize a contract.
- Usage and billing information is closely tracked and communicated to MCC Finance on a monthly basis.
- MCC reserves the right to refuse proposed external service agreements.

Forms and Helpful Links

MCC External Rate Scale (Attachment 1)

ATTACHMENT 1

MCC External Rate Scale

Customer/Client Type*	Modification to Rate**
Internal	N/A Internal Rate
External Other Comprehensive Cancer Center	Internal Rate + any subsidies (e.g. from CCSG)
External Other Institution of Higher Education	Internal Rate + any subsidies + 2652% F&A
External Industry	Internal Rate + any subsidies + 63% F&A
External noncancer	<i>Not allowed</i>

*All customers/clients must be conducting cancer or cancerrelated research

**Recommended modifications to internal rate. External rates are subject to revision.