

External Sales of Goods/Services

Last Updated	August 31, 2015
Policy Owner	Aaron Schilz, Operations Manager
Policy Contact	Aaron Schilz 612-624-0650, schil226@umn.edu

- I. Definitions
 - A. The MCC follows all policies, definitions and procedures associated with the conduct of external sales: <http://www.finsys.umn.edu/sales/ext.html>
- II. Requesting Approval to Conduct External Sales
 - A. Requestor (ISO/ESO representative) should state a clear reason for the desire to complete this external sale such as on-going research collaborations that advance:
 1. The research of the lab performing the service and,
 2. The mission of the cancer center in general.
 - B. 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.
- III. Contract for External Services
 - A. All agreements to conduct external services must go through the MCC Finance office for review and approval
 - B. 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
- IV. Process for Establishing External Service Agreement
 - A. ISO/ESO contacts MCC Operations to review the proposed external contract work.
 - B. 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)
 - C. Approval to conduct an external sale is granted, MCC Finance works with the ISO/ESO to finalize a contract.
 - D. Usage and billing information is closely tracked and communicated to MCC Finance on a monthly basis.
 - E. MCC reserves the right to refuse proposed external service agreements.
- V. Forms & Helpful Links
 - A. MCC External Rate Scale (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 + 26-52% F&A
External - Industry	Internal Rate + any subsidies + 63% F&A
External - non-cancer	<i>Not allowed</i>

*All customers/clients must be conducting cancer or cancer-related research

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