

SOUTH DAKOTA SCHOOL OF MINES AND TECHNOLOGY

Policy Manual

SUBJECT: Establishing Use Rates for Research Instrumentation

NUMBER: Policy IX-08

POLICY

SDSM&T faculty and staff are encouraged to participate in sponsored research and in efforts designed to improve the facilities and equipment available to the university. The following procedures describe the guidelines for establishing use rates for equipment.

PROCEDURES

1. Definitions - a use charge is the amount paid either by a university department or outside organization/individual for the use of equipment at SDSM&T for which a use rate has been established. Use charges must be based on actual logged usage. Use rates charged to federally sponsored projects may not exceed those charged to other users.

A use rate is determined by the Administrative Services and approved by the Vice President of Business and Administration or designee, and is based on the equipment cost, useful life, maintenance and other applicable costs as required by OMB Circular A-21. Established and approved rates must be charged for all uses, not just federally supported activities but non-federally supported activities as well.

2. The formal establishment of use rates for equipment will be determined on a case-by-case basis. However, equipment with a value of less than \$5,000 will not be considered for use rate establishment. Other factors to be considered will include the number of externally sponsored projects anticipated which will involve use of the equipment.

The department chair or appropriate official should complete a use rate computation worksheet (Attachment A) and submit it to the Director of Administrative Services or designee. The final decision on whether or not a use rate is established will be made by the Director of Administrative Services or their designee.

3. If a use rate is established for a piece of equipment, the responsible department will be required to do the following:
 - A. Establish a separate account to monitor all activity associated with the equipment based on 1) amount of anticipated usage charges and 2) monetary value of the equipment.

- B. Establish a log system to document all use of the equipment. This log will be considered a permanent record and must include: date, time, duration of use, project and/or account number, and signature of user.
- C. Review the use rate periodically, depending on volume of usage and change in costs, by submitting a new computation worksheet to Administrative Services to determine accuracy of the rate and adequacy of records.