

UT Southwestern Core Facility Rates

UT Southwestern sponsors numerous core laboratories to provide instrumentation, experimental services, consultation or other services to support faculty research. Institution-Supported Cores (ISCs) are subsidized by the administration; other cores operate under the auspices of Departments or Centers.

Core laboratories charge users for services at recharge rates designed to make the cores cost-neutral. The rates that individual core laboratories charge campus investigators are published and fixed; they cannot be negotiated by individual users. Cores may not initiate services without assurance that the user has the ability to pay, preferably by using a job scheduling system such as iLab. Quantity discounts may be granted but only if quantity of use reduces actual costs accordingly and if the discounts are published and offered to all quantity users. Cores must maintain annual business plans with the Provost's Office as statements of their financial processes.

Charges to UT Southwestern investigators for core services are based on the actual costs of services plus supplies after correction for fractional cost recovery ("recharge"). However, actual costs do not include overhead expenses such as space rental, utilities, administrative support, *etc.*, which are borne by UT Southwestern and in large part derive from state allocations and indirect cost payments from research grants. Because off-campus users do not contribute to these additional necessary costs, they are subject to different recharge rates as described below.

INTERNAL USER RATES ("1X")

Core users with primary (not adjunct) faculty appointments at UT Southwestern or other UT System campuses pay the basic recharge rates described above. Internal users must pay using a UT Southwestern CoA or an equivalent account at another UT System campus. Sources of funds may include grants or contracts to the institution or sub-awards from multi-center research programs, endowment income, internal sources (new investigator start-up funds, *etc.*) Other academic institutions in Texas or elsewhere do not qualify for the 1x rate. "Pass-through" billing schemes in which a UT Southwestern investigator pays the 1X rate for services actually provided to an off-campus user in return for some consideration are not allowed and may constitute a conflict of interest violation by the UT Southwestern investigator.

EXTERNAL NON-PROFIT USERS ("2X")

Core laboratory users from non-profit institutions outside the UT System are charged two-times the rate levied on UT Southwestern investigators. This increased rate corrects for support given to each core laboratory by UT Southwestern and for overhead expenses. These customers thus get services "at cost." Note that off-campus, non-profit clinical users that bill patients or health insurance payers for core services are charged the 3x rate (see below).

EXTERNAL FOR-PROFIT USERS ("3X")

Core laboratory customers from for-profit businesses, clinical or industrial, are charged three-times the UT Southwestern investigator rate. Non-profit clinical operations that bill patients or health insurance for these services are also charged the 3x rate. This increased rate covers all administration, contracting, accounting, and overhead costs associated with running a core laboratory and also ensures that UT Southwestern is not undercutting competing businesses through state subsidy. This rate is generally competitive with commercial services, when they are available, and UT Southwestern core laboratories usually provide higher quality service. Companies based in the BioCenter or Pegasus Park are charged 2.5X.

Core directors are responsible for maintaining these billing policies. Questions should be directed either to the Provost's Office or the Associate Dean for Basic Research.