How to Process a Sales and Service Agreement

The TEC perspective
Handouts

- UCI Sales and Service Income Guidelines
- Sales and Service Agreement Template
- Sales and Service Activity Information Sheet
- Request to Establish/Change/Link/Delete Fund or Revenue Account Form
Step 1

- Contact PI and obtain additional information/documentation
  - Provide background on the “buyer”
    - Keep in mind about export controls for foreign buyers (Contact Marci Copeland later in the process)
  - Obtain a detailed scope of work
    - Need period of performance
Step 2

• Contact SPA officer (Stella Sung or Wanda Kao)
  • They will make the official determination if the work is Sales and Service or Research Activity
Step 2a

- If Research, then process proposal in KC as usual
- If S&S, then proceed with the next step
  - If foreign buyer, please contact Marci Copeland for export control review
Step 3

- Develop budget with the faculty member (unless Budget Office has already approved a recharge rate)
  - Assess a 29.8% indirect rate in the budget
  - Include Budget Justification
Step 4

• Fill out the Sales and Service Activity Information Sheet
  • Of the 29.8% indirect rate
    • 14.6% will go to the campus
    • The remaining 15.2% will be distributed to the Dean’s Office and Department
      • IDC split will be dependent on administrative effort
      • To be negotiated
  • Route through proper channels (TEC Manager → Director of Finance → Assistant Dean)
Step 4a

- Establish account/funds as needed
- Waiver requests
  - Please be sure you give a thorough justification for the request.
  - Make sure you state that the Dean’s Office and Department also waive IDC for a better case.
    - Must be negotiated beforehand.
Step 5

- Submit documents to the Budget Office for review (specifically Maria Gorginova)
  - Completed S&S Activity Sheet
  - Budget and budget justification
Step 6

- Submit all documents to Risk Management (Alex Tiquia)
  - Filled-out S&S Agreement, SOW, S&S activity sheet, budget and budget justification
  - RM will require written approvals of S&S determination from SPA and approval of rates from the Budget Office.
    - Suggestion, keep one email thread for the approvals to be forwarded to RM.
Step 7

- RM will review and send back a draft of the S&S agreement, ready for signatures
  - Be sure to get faculty approval of agreement before sending it to buyer for signature
  - Once both the faculty and buyer signs, return the partially executed agreement for final signature and execution by RM.
Finished

- Once you receive the fully executed agreement, you are done.
  - Work may officially proceed.
  - Invoice buyer as needed, depending upon terms and conditions of the approved agreement.