

<b>SOP Title: Core Billing Practices</b>	
<b>SCOPE:</b>	SOP applicable to core administrative officer and financial analyst.
<b>PURPOSE:</b>	To summarize expected core billing timelines and create a standard workflow on managing late billing.

**Billing Expectations:** The following excerpt is from the VUMC Office of Research: Guidelines for Research Shared Resources and Core Facilities (<https://www.vumc.org/oor/vumc-core-administration>)

- A. The importance of timely charging each month cannot be overstated; it allows for proper monitoring by Core staff, users, administrators, and research management. It also facilitates proper accounting practices, timely error correction, allows for on-time filing of Final Status Reports (FSR) to sponsors, and reduces the need for retroactive cost transfers. Core managers are responsible for accurately logging usage of Core Facilities and entering charges in a timely manner.

### **Management of Unbilled Previous Activity after rates have change**

**A. If a core identifies unbilled activity from a previous cycle within 120 days of the rate change:**

- a. Core will bill the rates in effect of the time of activity.
- b. In iLab, the 'add charge' feature should be used to bill the services at the previous rates.
  - i. Comments should be entered clearly identifying the date of service.
- c. **OOR Approval must be given before the core bills the previous activity in iLab.**

**B. If a core identifies unbilled activity from a previous cycle after the 120 days:**

- a. Core will bill the current rates.
- b. If current rates are higher and the core does not prefer the customer to pay, then the core's home department will need to cover the difference.
- c. In iLab, the core will use the service rate list to bill the activity. The core can continue to use the 'add charge' method for previously approved pass-through expenses.
  - i. **Internal Billing Number:** The core will bill the full amount to the customer's billing number in iLab. The department will then process a JE to transfer some of the expense to the core's home department.
  - ii. **External Billing Number:** The core will bill the full amount to the customer's billing number in iLab. The external customer should be notified to only pay a portion of the invoice. The core's home department will then use the existing A/R write off procedures to cover part of the expense.
    1. **NOTIFY OOR of applicable VA Invoices** – We will reduce the amount submitted to the VA Tungsten system so that the department can cover the applicable balance.
  - iii. **VU Billing Numbers:** The core will need to split the charge between the customer's VU Lab Group and the home department's VUMC lab group.
    1. **Recommendation:** After creating the two project requests. Add comment to each project request to document the corresponding service request to document the split.

**Office of Research Documentation:** This SOP will be distributed to each core and home department when the rates are approved annually. The core's administrative officer should communicate billing expectations to core leadership. Any approvals to bill previous rates will be kept on file on the OOR shared drives in the event of an audit. (Core-Admin/ Billing – Rate Adjustment Approvals)