

Internal Service Charges Directive (ISC Directive)

dated 1 January 2019

The Vice President for Finance and Controlling of ETH Zurich, based on Art. 9 para. 3, Art. 80 para. 4 and Art. 82 para. 3 of the Financial Regulations of ETH Zurich (RSETHZ 245), hereby issues the following directive:

Art. 1 Purpose

Internal service charges support the principle of cost truthfulness. In principle, costs are to be assigned to the unit benefiting from the service.

Art. 2 Definition

¹ Internal service charges (ISC) refer to the process by which one unit of ETH Zurich (service provider) charges another unit (service recipient) for the provision of an expressly requested service.

² Services are charged for which ETH generates internal added value:

- a. Services involving the use of equipment, materials and personnel (e.g. performing measurements, hiring vehicles) or
- b. Services involving the hourly deployment of personnel.

³ Internal service charges do not arise in the following cases:

- a. The recharging of personnel costs as a percentage in accordance with Art. 80 para. 1 to 3 FR
- b. The recharging of material costs in accordance with Art. 81 FR and
- c. Charges for acquisitions from internal shops in accordance with Art. 137 FR.

Art. 3 Service recipients

¹ Within the scope of the internal service charging process, all units of ETH Zurich may in principle be service recipients.

² The service provider may restrict the group of its service recipients as it deems relevant.

³ No internal service charges are performed for service recipients outside of ETH Zurich. Art. 5 para. 3 and Art. 6 para. 6 apply in this regard.

Art. 4 Service providers

¹ The following may be service providers within the scope of the internal service charging process:

- a. Extra-departmental teaching and research facilities
- b. Service departments
- c. Academic departmental facilities (e.g. platforms or workshops).

² An application must be submitted to the Vice President for Finance and Controlling for one of the above-listed parties to be approved for the internal service charging process. The application must contain the following:

- a. A reasoned estimate of the expected transaction volume
- b. A draft copy of a rate catalogue of the services to be charged on the basis of cost and sales planning, taking into consideration the rate requirements under Art. 5.

Art. 5 Rates

¹ For each service, there is precisely one rate that is valid for all internal service recipients.

² The rate catalogue must be saved electronically in SAP/ETHIS.

³ Rates for external users are to be set in accordance with Art. 13 of the Fees Ordinance for the ETH Domain¹.

Art. 6 Charging process

¹ Only services that have been ordered in accordance with Art. 2 para. 2 may be charged.

² The amount charged is calculated based on the rate for the service provided (amount of services received x rate). It is not possible to charge fixed amounts.

³ When approving an application in accordance with Art. 4 para. 2, the Vice President for Finance and Controlling determines whether the internal service charges made by a service provider require approval from the receiving party/service recipient or whether amounts can be charged without approval.

⁴ When an amount is charged under an ISC process which does not require approval from the service recipient, the unit being charged has a right to contest the charge. Any objections must be submitted to the unit issuing the charge by the end of the following month in accordance with Art. 88 FR.

⁵ ISCs are accounted for exclusively under the cost element groups intended for this purpose.

⁶ The regular invoicing process is used for charging external users.

Art. 7 Special regulations for technology platforms

¹ Additional regulations apply for technology platforms as service providers. Within the meaning of this Article, technology platforms refer to the following:

- a. Binning and Rohrer Nanotechnology Center (BRNC)
- b. CSCS Swiss National Supercomputing Centre
- c. ETH Phenomics Center (EPIC)
- d. Functional Genomics Center Zurich (FGCZ)
- e. FIRST-Center for Micro- and Nanoscience
- f. NEXUS Personalized Health Technologies
- g. Scientific Center for Optical and Electron Microscopy (ScopeM).

The Vice President for Finance and Controlling may approve further service providers in accordance with Art. 4 to be included in the charging process under the special regulations for technology platforms within the meaning of this Article.

² Technology platforms carry out an annual total cost and sales planning process. The plan must be approved by the responsible Executive Board member.

³ Rates for technology platforms in accordance with Art. 5 must be drawn up in accordance with the guidelines on recharging costs for technology platforms. These rates are to be calculated in such a way that they cover the defined total costs incurred by the service providers.

⁴ Rates are to be reviewed on an annual basis using the total cost and sales planning. If there are any relevant differences from the required cost coverage (excess cover or shortfall), the rates must be adjusted. Each year, the responsible Executive Board member approves the rate catalogue that will apply in the following year.

⁵ Technology platforms must invoice each service recipient for the services provided at least once per quarter. In special cases, the Accounting department may request that amounts be invoiced on a more frequent basis.

⁶ For each amount charged, the costs are split as follows:

- a. into budget-related amounts, which are charged to the service recipient (by cost element group) and

¹ SR 414.131.7.

- b. into subsidy amounts, which are recorded for information purposes for the service recipient (by cost element group). The subsidy amount may also be zero.

⁷ When booking internal service charges for third-party projects (SNF and EU), in addition to cost-splitting in accordance with para. 6, costs are also split as follows:

- a. into amounts that can be charged to the donor by cost element group (recorded on the PSP element of the third-party project) and
- b. into amounts that cannot be charged to the donor by cost element group (recorded on the cost centre).

⁸ Cost-splitting in accordance with para. 7 is determined by the Accounting department using the guidelines stipulated by the donors.

Art. 9 Entry into force

This directive enters into force on 1 January 2019.

Zurich, 1 October 2018

Dr. Robert Perich

Vice President for Finance and Controlling