

Procedure 1410 PR.01

Internal Service Providers: Registration and Annual Renewal

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Overview.....	1
Reason for Procedure.....	1
Definitions.....	1
Procedure Sections.....	2
1. Complete the ISP Registration Form.....	2
2. Request Unique Account for ISP Revenues and Expenses.....	2
3. Send Forms to General Accounting.....	2
4. Complete Registration Process.....	2
5. Update Registration Form.....	2
6. Record Retention.....	2

Overview

An Internal Service Provider (ISP) is a unit separately organized to provide goods and/or services to other University Organizational Units or Departments and charge for those goods or services based on the allowable costs of the operation. ISPs may also provide goods and/or services to external customers.

ISP rates must adhere to federal costing principles because the purchasers of those services may charge federal funds.

If the ISP provides services to external users, the ISP must be aware of and comply with regulations regarding use of equipment purchased with federal funds, regulations governing services provided in buildings financed with tax-exempt debt, allowable activities utilizing tax-exempt property and potential sales tax and Unrelated Business Taxable Income (UBTI) consequences of providing services to external users. All of these issues will be considered by the ISP Standards Committee during the registration review process.

Reason for Procedure

This procedure describes the process that an ISP is required to follow to register initially and annually per [Policy 1410](#), Internal Service Providers.

Definitions

Unrelated Business Taxable Income (UBTI)

In limited situations, the University may generate UBTI, which is derived when the University regularly carries on a trade or business activity unrelated to its mission or tax exempt purpose.

Source System Identifier (SSI)

A Source System Identifier (SSI) is a unique JSA identifier, assigned by General Accounting to each ISP, to be used in a specific part of the batch name when the ISP produces the JSA billing transactions for their charges.

Procedure Sections

1. Complete the ISP Registration Form

All units who wish to operate as an ISP must complete an [ISP Registration Form](#). [Instructions](#) have been developed to assist with the completion of this form. Please contact General Accounting at ga.gl@yale.edu with questions about and/or for assistance with the form.

2. Request Unique Account for ISP Revenues and Expenses

[Policy 1410](#), *Internal Service Providers*, requires that ISPs establish a unique account, through which all revenues and expenses of the ISP must flow. The University recommends a unique organizational unit, to capture this activity; however if a department does not feel this structure is appropriate for their ISP, a unique project is acceptable. Therefore, at the time of registration, the ISP should complete forms to request a new organizational unit, if appropriate or operating project if one does not exist. Follow [Procedure 1300 PR.01](#) to request an organizational unit or [Procedure 1302 PR.02](#) for an operating project.

3. Send Forms to General Accounting

The Registration Form must be submitted via e-mail to General Accounting at ga.gl@yale.edu with any attachments (as described in Section 2. above) by the ISP's department administrator. This e-mail will serve as an authorization for the request. General Accounting will forward the registration form with attachments to members of the ISP Standards Committee for review.

4. Complete Registration Process

When the registration is approved, General Accounting will issue a Source System Identifier for the newly registered ISP by e-mail to the ISP's department administrator, which will be used in the batch name of the department JSA when billing internal users. The Source System Identifier and its use are discussed more fully in [Procedure 1410 PR.03](#), *Internal Service Providers: Accounting and Billing*. The receipt of the Source System Identifier will signify the completion of the registration process. The information on the registration form will be included in a Registration Table. That information will be available to University users in the Data Warehouse.

Concerns about a proposed ISP's registration will be referred to the appropriate Dean or Provost by the ISP Standards Committee.

5. Update Registration Form

The registration form must be updated annually by the department and submitted to General Accounting by e-mail to ga.gl@yale.edu during the month of October. General Accounting will notify department administrators by e-mail that registration information should be updated. Significant changes in operation and/or volume of operation should be highlighted in annual registration renewal update. The ISP Standards Committee will review all updated registration forms to determine if there have been any significant changes in an ISP's operation. Significant changes will be reviewed by appropriate subject matter experts on the ISP Standards Committee. The ISP will be contacted as necessary based on ISP Standards Committee review comments.

6. Record Retention

The original ISP registration form, along with proof of ISP Standards Committee review and approval will be maintained in General Accounting. These records will be retained in compliance with Policy [1105](#) Retention of University Financial Records.

Related Information

Policy [1105](#) Retention of University Financial Records

[Policy 1410](#): Internal Service Providers

[Procedure 1410 PR.02](#) Internal Service Providers: Rate Calculations

[Procedure 1410 PR.03](#) Internal Service Providers: Accounting and Billing

[Form 1410 FR.13](#) ISP Registration Form

Contacts

Subject	Contact	Contact Information
Registration & Approval	General Accounting	ga.gl@yale.edu
Internal Service Provider Regulations	GCFA	isp@yale.edu

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