

Chapter 2 Interchanges and Contracts

2.01 Inter-Institutional Agreements

I. Policy for Obtaining Staff Services from Other UW System Institutions

Universities within the UW System may, at various times and for various reasons, contract with another UW System institution for the services of a staff member. In such situations, the university "buying" the services of the staff member must reimburse the "selling" institution for certain costs, including salary, fringe benefits, supplies and expenses [see Financial Policy Paper #18].

II. Procedures

A. Initiating the Agreement. Before the inter-institutional agreement can become effective, the standard agreement form [see Appendix 2-A] must be completed and approved by the UW-Madison department, Dean or Director, Office of Human Resources and appropriate officials at the other UW institution. The form may be initiated by the UW-Madison department involved or by the other UW institution. In either case, UW-Madison approvals noted above are required.

B. Completing the Agreement Form

i. Top Portion--The top part of the form should specify the names of the departments involved (for example, Mathematics Department, UW-River Falls), the fiscal year and a description of the services provided by the agreement, including the dates and the full names of any persons whose salaries are to be reimbursed by the buying institution (for example, "A seminar entitled, 'How to Prepare an Inter-Institutional Agreement,' provided by Professor John J. Jones on August 30, 1995, at UW-River Falls").

ii. "Institution Buying"/"Institution Selling"--The UW-Madison department should complete either the "institution buying" or "institution selling" side of the form as appropriate. The fringe benefit costs associated with salaries involved in the agreement are reimbursed by the buying institution to the selling institution at the selling institution's extramural support fringe benefit rate.

iii. "Accounting Code" Line

1. If UW-Madison is the buying institution, the "Accounting Code" line should be used to specify the fund, account, UDDS, and activity code of the accounting entity that will pay the bill received from the other institution. Business Services will receive and pay the bill which will be charged to that accounting code.

2. If UW-Madison is the selling institution, salary payment to the employee involved may be handled as part of the employee's regular workload, or, in exceptional cases, on an overload basis. How payment is to be made (i.e., as "part of load" or "overload") should be noted on the Inter-Institutional Agreement Form. In the case of an overload payment, the Accounting Code line of the form **should not** be completed. Business Services will complete the coding, make arrangements to pay the overload to the employee involved and bill the other institution for the services provided. All academic overload payments are made on the "End of Month" payroll, payable the 12th of the month.

3. Duration of Agreements. Separate agreements are required for each fiscal year.

Questions regarding Inter-institutional Agreements should be referred to the appropriate Dean/Director's office, Business Services (262-0063), or the Classified Personnel Office (262-3233).