

# Internal Service Provider Operations

Effective: Moved to Policy Library from UPM 11.1(2)

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## Introduction

In order to provide for proper financial controls internal service providers must comply with established fiscal management guidelines. These operations may also be referred to as fee-for-service operations.

## Policy Statement

### Authorization and Rates

In-house operations that provide goods and services are called internal service provider operations. Authorization must be obtained from the Controller's Department (Financial Accounting and Reporting Office) before engaging in a new sale or service activity. Internal service provider operations must follow established guidelines for rate development as well as procedures for doing business both on and off campus. In addition, rates must be reviewed at least annually and adjusted if necessary.

### Internal Sales

Sales of goods or services to other university programs, grants, gifts or projects within Workday Finance are internal service provider transactions. All internal sales, including those to grants, are considered internal sales.

### External Sales

Sales of goods or services to external customers are considered external sales. Students and employees of the university are considered external customers when purchasing goods and services for personal use. All external sales should be processed as ISU University Receivable transactions, except when payment is collected at the point of sale as a Workday record cash sale transaction.

## Resources

### Links

- [Fee-for-Service Operations \(Service Centers\)](#)
- [Selling Departments and Service Center \[Policy in PDF with line number\]](#)