

December 19, 2012

Vice Chancellor Michael Pazzani
Research and Economic Development

Dear Michael:

Under the terms of the campus' Sales & Service budgetary policy (UCR Policy and Procedure No. 300-66), activities that typically serve the entire campus, are major providers of the applicable service to the campus, whether mandatory (e.g., Telecommunications) or by user preference (e.g. Physical Plant), and have annual income in excess of \$250,000 in addition to Organizational level review are subject to review by the Committee on Sales and Service Activities (COSSA).

Based upon the criteria set forth above, the following activities within your organization have been selected to undergo COSSA review for this budget cycle. Units will be provided an Annual Business Report (ABR) on which to submit their financial performance and rate request. If needed or requested, supplemental materials can be provided to further expand on specific areas.

COSSA will be closely examining any proposed rate increases and how cost savings strategies are being developed and implemented. This will include examining the operation's congruence with campus goals, elimination or additions of product/service lines, along with budget vs. actual performance, rate fluctuations, and financing strategies.

New for this year will be a staggered submission timeline (see below) which overall will allow more time to prepare business proposals. Also, units not requesting a significant rate change, or any other material change, to their business models will be exempt from attending a COSSA meeting. However, budget and rates will be presented to the Committee as a consent item and should any issues arise, a subsequent meeting with the Director may be required. This will allow the Committee to spend more time on operations requesting material changes.

After your units have provided the requested ABRs they will be posted to the web using Microsoft SharePoint. This web-based application will facilitate the COSSA review process by improving the distribution of relevant reports, letters, and action notes.

1. Campus Vivaria Administrative Services

Please provide an Annual Business Report by April 15th. Further, please provide a 5-year plan on how the unit will reach self-sufficiency once the Chancellor's commitment expires.

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