

COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT FOR EDUCATIONAL INSTITUTIONS
CASB DS-2

Effective 8/17/95

University of Alaska Fairbanks

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**COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT
REQUIRED BY PUBLIC LAW 100-679
EDUCATIONAL INSTITUTIONS**

GENERAL INSTRUCTIONS

1. This Disclosure Statement has been designed to meet the requirements of Public Law 100-679, and persons completing it are to describe the Educational institution and its cost accounting practices. For complete regulations, instructions and timing requirements concerning submission of the Disclosure Statement, refer to Section 9903.202 of Chapter 99 of Title 48 CFR (48 CFR 9903).
2. Part I of the Statement provides general information concerning each reporting unit (e.g., segments, business units, and central system or group (intermediate administration) offices). Parts II through VI pertain to the types of costs generally incurred by the segment or business unit directly performing under Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). Part VII pertains to the types of costs that are generally incurred by a Central or Group office and are allocated to one or more segments performing under Federally sponsored agreements.
3. Each segment or business unit required to disclose its cost accounting practices should complete the Cover Sheet, the Certification, and Parts I through VI.
4. Each central or group office required to disclose its cost accounting practices for measuring, assigning and allocating its costs to segments performing under Federally sponsored agreements should complete the Cover Sheet, the Certification, Part I and Part VII of the Disclosure Statement. Where a central or group office incurs the types of cost covered by Parts IV, V and VI, and the cost amounts allocated to segments performing under Federally sponsored agreements are material, such office(s) should complete Parts IV, V, or VI for such material elements of cost. While a central or group office may have more than one reporting unit submitting Disclosure Statements, only one Statement needs to be submitted to cover the central or group office operations.
5. The Statement must be signed by an authorized signatory of the reporting unit.
6. The Disclosure Statement should be answered by marking the appropriate line or inserting the applicable letter code which describes the segment's (reporting unit's) cost accounting practices.
7. A number of questions in this Statement may need narrative answers requiring more space than is provided. In such instances, the reporting unit should use the attached continuation sheet provided. The continuation sheet may be reproduced locally as needed. The number of the question involved should be indicated and the same coding required to answer the questions in the Statement should be used in presenting the answer on the continuation sheet. Continuation sheets should be inserted at the end of the pertinent Part of the Statement. On each continuation sheet, the reporting unit should enter the next sequential page number for that Part and, on the last continuation sheet used, the words "End of Part" should be inserted after the last entry.
8. Where the cost accounting practice being disclosed is clearly set forth in the institution's existing written accounting policies and procedures, such documents may be cited on a continuation sheet and incorporated by reference to the pertinent Disclosure Statement Part. In such cases, the reporting unit should provide the date of issuance and effective date for each accounting policy and/or procedures document cited. Any supplementary comments needed to fully describe the cost accounting practice being disclosed should also be provided.
9. Disclosure Statements must be amended when disclosed practices are changed to comply with a new CAS or when practices are changed with or without agreement to the Government (Also see 48 CFR 9903.202-3).
10. Amendments shall be submitted to the same offices to which submission would have to be made were an original Disclosure Statement being filed.

**COST ACCOUNTING STANDARDS BOARD
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EDUCATIONAL INSTITUTIONS**

GENERAL INSTRUCTIONS

11. Each amendment should be accompanied by an amended cover sheet (indicating revision number and effective date of the change) and a signed certification. For all resubmissions, on each page, insert "Revision Number ____" and "Effective Date ____" in the Item Description block; and, insert "Revised" under each Item Number amended. Resubmitted Disclosure Statements must be accompanied by similar notations identifying the items which have been changed.

ATTACHMENT - Blank Continuation Sheet

**COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT
REQUIRED BY PUBLIC LAW 100-679
EDUCATIONAL INSTITUTIONS**

COVER SHEET AND CERTIFICATION

CERTIFICATION

I certify that to the best of my knowledge and belief this Statement, as amended in the case of a Revision, is the complete and accurate disclosure as of the date of certification shown below by the above-named organization of its cost accounting practices, as required by the Disclosure Regulations (48 CFR 9903.202) of the Cost Accounting Standards Board under 41 U.S.C. § 422.

Date of Certification:

(Signature)

Jim Lynch
(Print or Type Name)

Associate Vice President for Finance
(Title)

THE PENALTY FOR MAKING A FALSE STATEMENT IN THIS DISCLOSURE IS PRESCRIBED IN
18 U.S.C. § 1001

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I - GENERAL INFORMATION NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
	Part I	
1.1.0	<p><u>Description of Your Cost Accounting System</u> for recording expenses charged to Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. _____ Accrual</p> <p>B. _____ Modified Accrual Basis¹</p> <p>C. _____ Cash Basis</p> <p>Y. <u> X </u> Other¹</p>	
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting.</u> The cost accounting system is: (Mark one. If B or C is marked, describe on a continuation sheet the costs which are accumulated on memorandum records.)</p> <p>A. _____ Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.)</p> <p>B. _____ Not integrated with financial accounting records (Cost data are accumulated on memorandum records.)</p> <p>C. <u> X </u> Combination of A and B</p>	
1.3.0	<p><u>Unallowable Costs.</u> Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)</p> <p>A. _____ Specifically identified and recorded separately in the formal financial accounting records.¹</p> <p>B. _____ Identified in separately maintained accounting records or workpapers.¹</p> <p>C. _____ Identifiable through use of less formal accounting techniques that permit audit verification.¹</p> <p>D. <u> X </u> Combination of A, B or C¹</p> <p>E. _____ Determinable by other means.¹</p>	

FORM CASB DS-2 (REV 10/94)

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I - GENERAL INFORMATION
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
1.3.1	Treatment of Unallowable Costs. (Explain on a continuation sheet how unallowable costs and directly associated costs are treated in each allocation base and indirect expense pool, e.g., when allocating costs to a major function or activity; when determining indirect cost rates; or, when a central office or group office allocates costs to a segment.)	
1.4.0	<u>Cost Accounting Period:</u> <u>7/1 to 6/30</u> (Specify the twelve month period used for the accumulation and reporting of costs under Federally sponsored agreements, e.g., 7/1 to 6/30. If the cost accounting period is other than the Institution's fiscal year used for financial accounting and reporting purposes, explain circumstances on a continuation sheet.)	
1.5.0	<u>State Laws or Regulations.</u> Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 1</u> PART I - GENERAL INFORMATION
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
1.1.0	<p><u>Description of Cost Accounting System</u> Accrual, except for depreciation expense which is not recorded in the accounting system in accordance with current accounting practices for governmental educational institutions.</p>	
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting</u> Cost accounting is generally integrated with the financial records, except for certain information used to prepare the indirect cost report. The indirect cost report is prepared to conform to OMB Circular A-21 (A-21), Cost Principles for Educational Institutions. The financial records and reports of the University of Alaska are maintained to conform to generally accepted accounting principles for educational institutions and the State of Alaska budget structure. The A-21 definitions of direct and indirect cost pools do not always match the activity definitions that must be used for university accounting and reporting. For this reason, a special analysis of financial activity is developed annually to permit the determination of expenses in accordance with A-21. This analysis reclassifies expenditures from the accounting system into the detail records used to prepare the indirect cost report.</p>	
1.3.0	<p><u>Unallowable Costs</u> Unallowable costs, including directly associated costs, are identified in several ways. Unallowable costs such as advertising, alcoholic beverages, and bad debt expense are identified in the accounting system by specific object codes. Unallowable activities costs, such as alumni, public relations and trustee expenses, are identified in the accounting system by program codes designating that organization (org) account as unallowable.</p> <p>Other unallowable costs are not formally identified in the accounting system, such as personal use of institution furnished automobiles, defense and prosecution of criminal and civil proceedings, and housing and personal living expenses of university officers. This information is obtained by query of responsible individuals; their written response is maintained in the indirect cost working papers.</p> <p>In addition, the Office of Grants and Contracts monitors compliance with provisions of A-21 and federal agency policy, such as determination of allowability of travel costs and pre-agreement costs. Cost transfers are approved by that office prior to processing. Shifting of losses on sponsored agreements to other sponsored agreements is prohibited.</p>	
1.3.1	<p><u>Treatment of Unallowable Costs</u> Unallowable costs are identified as described above and, as required, reclassified from the functional activity classification used in the financial system to "Other Institutional Activities" (OIA), a direct cost objective. Expenditures accounted for as OIA receive an appropriate allocation of indirect costs through the procedures outlined in A-21 which allocate indirect expenses on the basis of Modified Total Direct Costs (MTDC). Space used by offices and departments specifically identified as unallowable is also classified as used by OIA, which causes Depreciation, and Operations and Maintenance expenses to be allocated to this activity. The use of these procedures assures that an appropriate share of indirect costs are allocated to unallowable costs and that other activities are not charged for support costs that benefit unallowable expenses and activities.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 2</u> PART I - GENERAL INFORMATION NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
1.5.0	<p><u>State Laws or Regulations</u> The university is a separate corporation established under the Alaska Constitution. The state has delegated governance, including fiscal management, to the Board of Regents. The following Alaska Statutes may influence the university's cost accounting practices: AS.14.25: Teachers' Retirement System AS.14.40.310: Fiscal Year AS.36.30: State Procurement Code AS.37.07: Executive Budget Act AS.39.35: Public Employees' Retirement System</p> <p>End of Part</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
	Instructions for Part II Institutions should disclose what costs are, or will be, charged directly to Federally sponsored agreements or similar cost objectives as Direct Costs. It is expected that the disclosed cost accounting practices (as defined at 48 CFR 9903.302-1) for classifying costs either as direct costs or indirect costs will be consistently applied to all costs incurred by the reporting unit.	
2.1.0	<u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For all major categories of cost under each major function or activity such, as instruction, organized research, other sponsored activities and other institutional activities, describe on a continuation sheet, your criteria for determining when costs incurred for the same purpose, in like circumstances, are treated either as direct costs only or as indirect costs only with respect to final cost objectives. Particular emphasis should be placed on items of cost that may be treated as either direct or indirect costs (e.g., Supplies, Materials, Salaries and Wages, Fringe Benefits, etc.) depending upon the purpose of the activity involved. Separate explanations on the criteria governing each direct cost category identified in this Part II are required. Also, list and explain if there are any deviations from the specified criteria.)	
2.2.0	<u>Description of Direct Materials.</u> All materials and supplies directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the principal classes of materials which are charged as direct materials and supplies.)	
2.3.0	<u>Method of Charging Direct Materials and Supplies.</u> (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)	
2.3.1	Direct Purchases for Projects are Charged to Projects at: A. _____ Actual Invoiced Costs B. <u> X </u> Actual Invoiced Costs Net of Discounts Taken Y. _____ Other(s) ¹ Z. _____ Not Applicable	
2.3.2	Inventory Requisitions from Central or Common, Institution-owned Inventory. (Identify the inventory valuation method used to charge projects): A. <u> X </u> First In, First Out B. _____ Last In, First Out C. <u> X </u> Average Costs ¹ D. _____ Predetermined Costs ¹ Y. <u> X </u> Other(s) ¹ Z. _____ Not Applicable	

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¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks			
Item No.	Item Description				
2.4.0	<u>Description of Direct Personal Services.</u> All personal services directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the personal services costs within each major institutional function or activity that are charged as direct personal services.)				
2.5.0	<u>Method of Charging Direct Salaries and Wages.</u> (Mark the appropriate line(s) for each Direct Personal Services Category to identify the method(s) used to charge direct salary and wage costs to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, fully describe on a continuation sheet, the applicable methods used.)				
			<u>Direct Personal Services Category</u>		
		<u>Faculty</u> (1)	<u>Staff</u> (2)	<u>Students</u> (3)	<u>Other</u> ¹ (4)
A.	Payroll Distribution Method (Individual time card/actual hours and rates)	_____	_X_	_X_	_____
B.	Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)	_____	_____	_____	_____
C.	After-the-fact Activity Records (Percentage Distribution of employee activity)	_X_	_X_	_X_	_____
D.	Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)	_____	_____	_____	_____
Y.	Other(s) ¹ _____	_____	_____	_____	_____

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¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
2.5.1	<u>Salary and Wage Cost Distribution Systems.</u> Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO", describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and indirect cost objectives.) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2.5.2	<u>Salary and Wage Cost Accumulation System.</u> (Within each major function or activity, describe, on a continuation sheet, the specific accounting records or memorandum records used to accumulate and record the share of the total salary and wage costs attributable to each employee's direct (Federally sponsored projects, non-sponsored projects or similar cost objectives) and indirect activities. Indicate how the salary and the wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records.)	
2.6.0	<u>Description of Direct Fringe Benefits Costs.</u> All fringe benefits that are attributable to direct salaries and wages and are charged directly to Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet <u>all</u> of the different types of fringe benefits which are classified and charged as direct costs, e.g., actual or accrued costs of vacation, holidays, sick leave, sabbatical leave, premium pay, social security, pension plans, post-retirement benefits other than pensions, health insurance, training, tuition, tuition remission, etc.)	
2.6.1	<u>Method of Charging Direct Fringe Benefits.</u> (Describe on a continuation sheet, how each type of fringe benefit cost identified in item 2.6.0. is measured, assigned and allocated (for definitions, See 9903.302-1); first, to the major functions (e.g., instruction, research); and, then to individual projects or direct cost objectives within each function.)	
2.7.0	<u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g., travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.)	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks																										
Item No.	Item Description																											
2.8.0	<p><u>Cost Transfers</u>. When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). (Mark one, if "No", explain on a continuation sheet how the credit differs from original charge.)</p> <p>_____ Yes</p> <p><u> X </u> No</p>																											
2.9.0	<p><u>Interorganizational Transfers</u>. This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: center;"><u>Materials</u> (1)</th> <th style="text-align: center;"><u>Supplies</u> (2)</th> <th style="text-align: center;"><u>Services</u> (3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;"><u> X </u></td> <td style="text-align: center;"><u> X </u></td> <td style="text-align: center;"><u> X </u></td> </tr> <tr> <td>B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>C. At established catalog or market price or prices based on adequate competition.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Y. Other(s)¹ _____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table>					<u>Materials</u> (1)	<u>Supplies</u> (2)	<u>Services</u> (3)	A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.	<u> X </u>	<u> X </u>	<u> X </u>	B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	C. At established catalog or market price or prices based on adequate competition.	_____	_____	_____	Y. Other(s) ¹ _____	_____	_____	_____	Z. Interorganizational transfers are not applicable.	_____	_____	_____
	<u>Materials</u> (1)	<u>Supplies</u> (2)	<u>Services</u> (3)																									
A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.	<u> X </u>	<u> X </u>	<u> X </u>																									
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Y. Other(s) ¹ _____	_____	_____	_____																									
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¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 1 PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
2.1.0	<p><u>Criteria for Determining How Costs are charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> Costs that can be identified specifically with a particular sponsored project, a research or instructional activity, or any other institutional activity, with relative ease and a high degree of accuracy, are charged directly to the benefiting activity or project.</p> <p>The primary direct cost functions of the University of Alaska Fairbanks are Instruction, Research, and Other Institutional Activities. Costs incurred to support these activities, such as salaries and wages, fringe benefits, materials and supplies, travel, subcontracts, recharge center charges, equipment, and other operating expenses are treated as direct costs when identified with the benefiting activity. The procedures used for identification of direct costs apply to all functions and activities, regardless of funding source.</p> <p>The university's general accounting procedures are designed to assure that all costs charged to sponsored projects are reasonable, necessary, allowable, and in accordance with the terms and conditions of the sponsored agreements. Costs are recognized as direct charges to a sponsored project using one or more of the following procedures:</p> <ol style="list-style-type: none"> 1. Specific identification: Costs incurred solely to advance the work under the sponsored agreement. 2. Service/Recharge Center: Costs identified to a particular sponsored project based on actual utilization of services and cost-based charge rates. 3. Proportional allocation: Costs that benefit two or more projects or activities in proportions that can be determined without undue effort or cost. <p>Mandatory and voluntary matching/cost sharing expenses are separately budgeted and accounted for in the accounting records and included in the appropriate direct cost base by function.</p> <p>Costs that are incurred for common and joint objectives and therefore cannot be identified readily and specifically with a particular research project, instructional activity, or any other institutional activity are identified separately in the accounting records and recognized as indirect expenses. Specific organization (org) accounts with corresponding program codes are used to identify activity types within each department and organizational unit. Object codes are used to recognize the type of expenses incurred. Costs which would otherwise be considered direct costs may be charged to indirect cost pools to the extent that such costs are not significant.</p> <p>The general departmental and institutional business expenses include charges such as administrative and clerical salaries, related fringe benefits, office supplies, standard postage, local phone charges, and memberships. However, these costs will be charged to sponsored projects or similar cost objectives as direct costs when:</p> <ol style="list-style-type: none"> 1. The services are required by the project scope, 2. The cost can be accurately identified to the project, 3. The specific type and nature of the services are significantly greater than ordinarily provided by the indirect expense accounts, and 4. The approved project budget clearly describes the need for the services. <p>If an agency permits rebudgeting for these items, the last criteria is not required.</p> <p>(2.1.0 continued on next page)</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 2</u> PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
2.1.0	<p><u>Criteria for Determining How Costs are charged to Federally Sponsored Agreements or Similar Cost Objectives (continued)</u></p> <p>Administrative and clerical support costs will be charged directly to sponsored projects and similar cost objectives for projects that involve:</p> <ol style="list-style-type: none"> 1. Extensive data accumulation, analysis and tabulation, 2. Preparation and production of manuals, large reports or books, 3. Extensive travel and meeting arrangements for large numbers of participants, 4. Management of a project in locations that are remote from campus, 5. Individual projects requiring project-specific database management; individualized graphs or manuscript preparation; human or animal protocol, other project-specific regulatory protocols; and multiple project-related investigator coordination and communications. <p>The examples above are not exhaustive. USDA formula funding under Hatch, McIntire-Stennis, and Smith-Lever allow direct charging of administrative cost. Other special circumstances for direct charging of costs occur when sponsored projects require extraordinary or specific support services that are not provided by the indirect administrative accounts. For example, standard postage to mail a survey which is integral to the project would be charged as a direct cost.</p> <p>The following are situations where different circumstances and purposes exist that result in the direct charging of costs that might otherwise be considered indirect:</p> <p>Research units with federally negotiated unique indirect cost rates and direct costing alternatives, such as the Arctic Region Supercomputing Center and the Geophysical Institute's Poker Flat.</p>	
2.2.0	<p><u>Description of Direct Materials</u></p> <p>Materials and supplies charged to Federally sponsored agreements or similar cost objectives are always directly related to the project.</p> <ol style="list-style-type: none"> 1. Project Supplies 2. Teaching Supplies 3. Professional, Technical and Scientific Supplies 4. Field Camp Supplies 5. Stockroom Supplies 6. Maintenance/Repair Commodities 7. Periodical Subscriptions and Books 8. Other Supplies/Commodities 9. Disposable Equipment 10. Miscellaneous other supplies and materials when readily identifiable to a specific project. Examples would include Medical & Safety Supplies, Hazardous Materials, and Ship Supplies. 	

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¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 3</u> PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
2.3.2	<p><u>Inventory Requisitions from Central or Common, Institution-owned Inventory:</u> The university manages several inventories that may have withdrawals charged to projects:</p> <ol style="list-style-type: none"> 1. School of Fisheries and Ocean Sciences (SFOS) Stockroom Recharge - items priced at average cost plus recharge markup. 2. Geophysical Institute Electronic Supply Shop Recharge - items priced at FIFO cost plus recharge markup. 3. Physical Plant Warehouse Recharge - items priced at average cost (total cost of items on hand divided by number of items) plus recharge markup. 4. Bookstore Auxiliary - inventory is on the "Cost of Goods to Retail" method, projects are charged retail price. 	
2.4.0	<p><u>Description of Direct Personal Services</u> Direct personal services costs consist of salaries and wages plus fringe benefits. See Item 2.6.0 for a description of fringe benefits.</p> <p>Personal services costs are currently categorized by the following job groups:</p> <ol style="list-style-type: none"> 1. Classified - non-union employees in nonexempt positions as defined by the Fair Labor Standards Act and the Alaska Wage and Hour Law. 2. Classified Union - bargaining unit members in nonexempt positions as defined by the Fair Labor Standards Act and the Alaska Wage and Hour Law. 3. Administrative/Professional/Technical (APT) Staff - salaried or exempt positions as defined by the Fair Labor Standards Act. 4. Faculty, 12 Month - exempt employees who have accepted and hold a twelve-month appointment to academic rank or special academic rank. 5. Faculty, General - exempt employees who have accepted and hold a less than twelve-month appointment to academic rank or special academic rank. 6. Faculty, Union (ACCFT), 12 Month - exempt employees who have accepted and hold a twelve-month appointment to academic rank or special academic rank and are members of a bargaining unit. 7. Faculty, Union (ACCFT), General - exempt employees who have accepted and hold a less than twelve-month appointment to academic rank or special academic rank and are members of a bargaining unit. 8. Adjunct Faculty - employees holding temporary assignments which are based solely upon or incorporate scheduled faculty duties. 9. Temporary/FICA Students - employees who have less than a six-month appointment and are not included in any other job group, or employees who are students subject to FICA tax. 10. Extended Temporary - employees exceeding 1039 hours worked in a temporary position. 11. Students - employees who meet the IRS definition of a full-time student and are exempt from FICA tax. 	
2.5.0	<p><u>Method of Charging Direct Salaries and Wages</u> Staff - Nonexempt staff report actual hours on biweekly time sheets. Exempt staff report effort periodically on individual after-the-fact percentage activity reports.</p> <p>Students - Undergraduate students report actual hours worked on biweekly time sheets. Graduate students report effort based on their stipend work assignment on a periodic time sheet. Any additional stipend work assignments and/or time worked on an alternate work assignment are also reported on periodic time sheets.</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 4</u> PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
2.5.2	<p><u>Salary and Wage Cost Accumulation System</u> Salaries and wages are charged based on budget distributions entered on personnel action forms. Exceptions to the budget distribution are entered to the payroll system based on Leave/Effort Reports and Time Sheets.</p> <p>All employees whose salaries are charged directly, in whole or in part, to sponsored agreements or whose salaries are used to meet cost sharing or matching requirements on the agreements are subject to leave/effort reporting requirements. The requirements also apply to other employees who work on two or more activities, and to any employee or group of employees required to submit Leave/Effort Reports by a Dean/Director or supervisor. All non-exempt employees are required to submit a Time Sheet.</p> <p>At the close of each payroll run, a labor distribution is generated by the payroll system which is interfaced with the financial system.</p> <p>After the payroll has been generated, any changes to the labor distribution must be documented with appropriate certifying signatures. Labor reallocations are processed as a separate payroll run, and the labor distribution is interfaced with the financial system. A labor reallocation must be processed through the payroll system within the same fiscal year. Labor reallocations received subsequent to fiscal year close of the payroll system must be processed solely in the financial system via a journal voucher, with appropriate certifying signatures.</p>	
2.6.0	<p><u>Description of Direct Fringe Benefits Costs</u> The following comprise the leave benefits which are recovered from sponsored projects and all other cost objectives through the computed leave benefit rate:</p> <p>A. Compensated absences - annual leave, holidays, sick leave, jury duty, military, and other miscellaneous leave</p> <p>The following comprise the staff benefits which are recovered from sponsored projects and all other cost objectives through the computed staff benefit rate:</p> <p>A. Retirement - PERS, TRS, ORP, pension, medicare and social security B. Health care C. Disability (LTD) and life insurance D. Unemployment E. Workers' compensation F. Employee and dependent tuition waivers G. Labor relations H. Consulting and other costs related to fringe benefits</p>	
2.6.1	<p><u>Method of Charging Direct Fringe Benefits</u> Leave and staff benefits are recovered from sponsored projects and all other cost objectives through the use of leave and staff benefit recharge rates. The leave and staff benefit rates are established on an annual basis through negotiation with our federal cognizant agency based on projected expenses. Any over or under-recovery is carried forward and included in the next rate negotiation cycle.</p> <p>(2.6.1 continued on next page)</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 5 PART II - DIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
2.6.1	<p><u>Method of Charging Direct Fringe Benefits (continued)</u> Employees are grouped according to benefits received and each group has a negotiated leave rate and a negotiated staff benefit rate. Leave rates are applied to base salaries excluding overtime, miscellaneous pay and paid leave. Staff benefit rates are applied to base salaries including overtime, miscellaneous pay, and leave accrual provisions.</p>	
2.7.0	<p><u>Description of Other Direct Costs</u> Other items of cost directly identified with Federally sponsored agreements or similar cost objectives are as follows:</p> <ol style="list-style-type: none"> 1. Travel 2. Sub-agreements 3. Contractual services 4. Recharge activities 5. Equipment 6. Student aid 7. Other miscellaneous charges such as Federal Work Study and matching expenses. 	
2.8.0	<p><u>Cost Transfers</u> When Federally sponsored agreements or similar cost objectives are credited for cost transfers, the credit amount for direct personal services, materials, and other direct charges is always based on the original actual costs. The indirect cost rate applied is the current rate at the time of transfer, which may vary from the original rate.</p> <p>When the purpose of the cost transfer is to remove a specifically disallowed cost, the removal always includes the original amount of indirect costs.</p> <p>End of Part</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
	<p style="text-align: center;">Instructions for Part III</p> <p>Institution should disclose how the segment's total indirect costs are identified and accumulated in specific indirect cost categories and allocated to applicable indirect cost pools and service centers within each major function or activity, how service center costs are accumulated and "billed" to users, and the specific indirect cost pools and allocation bases used to calculate the indirect cost rates that are used to allocate accumulated indirect costs to Federally sponsored agreements or similar final cost objectives. A continuation sheet should be used wherever additional space is required or when a response requires further explanation to ensure clarity and understanding.</p> <p>The following Allocation Base Codes are provided for use in connection with Items 3.1.0 and 3.3.0.</p> <ul style="list-style-type: none"> A. Direct Charge or Allocation B. Total Expenditures C. Modified Total Cost Basis D. Modified Total Direct Cost Basis E. Salaries and Wages F. Salaries, Wages and Fringe Benefits G. Number of Employees (head count) H. Number of Employees (full-time equivalent basis) I. Number of Students (head count) J. Number of Students (full-time equivalent basis) K. Student Hours—classroom and work performed L. Square Footage M. Usage N. Unit of Product O. Total Production P. More than one base (Separate Cost Groupings)¹ Y. Others¹ Z. Category or Pool not applicable 	

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¹ List on a continuation sheet, the category and subgrouping(s) of expense involved and the allocation base(s) used.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks																																																					
Item No.	Item Description																																																						
3.1.0	<p><u>Indirect Cost Categories - Accumulation and Allocation.</u> This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> <table border="1"> <thead> <tr> <th><u>Indirect Cost Category</u></th> <th><u>Accumulation Method</u></th> <th><u>Allocation Base Code</u></th> <th><u>Allocation Sequence</u></th> </tr> </thead> <tbody> <tr> <td>(a) Depreciation/Use Allowance/Interest</td> <td></td> <td></td> <td><u>1</u></td> </tr> <tr> <td> Building</td> <td><u>No</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td> Equipment</td> <td><u>No</u></td> <td><u>M</u></td> <td></td> </tr> <tr> <td> Capital Improvements to Land¹</td> <td><u>No</u></td> <td><u>P</u></td> <td></td> </tr> <tr> <td> Interest¹</td> <td><u>No</u></td> <td><u>Y</u></td> <td></td> </tr> <tr> <td>(b) Operation and Maintenance</td> <td><u>Yes</u></td> <td><u>P</u></td> <td><u>2</u></td> </tr> <tr> <td>(c) General Administration and General Expense</td> <td><u>Yes</u></td> <td><u>C</u></td> <td><u>3</u></td> </tr> <tr> <td>(d) Departmental Administration</td> <td><u>Yes</u></td> <td><u>Y</u></td> <td></td> </tr> <tr> <td>(e) Sponsored Projects Administration</td> <td><u>Yes</u></td> <td><u>Y</u></td> <td></td> </tr> <tr> <td>(f) Library</td> <td><u>Yes</u></td> <td><u>Y</u></td> <td></td> </tr> <tr> <td>(g) Student Administration and Services</td> <td><u>Yes</u></td> <td><u>A</u></td> <td></td> </tr> <tr> <td>(h) Other¹</td> <td><u>NA</u></td> <td><u> </u></td> <td><u> </u></td> </tr> </tbody> </table>			<u>Indirect Cost Category</u>	<u>Accumulation Method</u>	<u>Allocation Base Code</u>	<u>Allocation Sequence</u>	(a) Depreciation/Use Allowance/Interest			<u>1</u>	Building	<u>No</u>	<u>L</u>		Equipment	<u>No</u>	<u>M</u>		Capital Improvements to Land ¹	<u>No</u>	<u>P</u>		Interest ¹	<u>No</u>	<u>Y</u>		(b) Operation and Maintenance	<u>Yes</u>	<u>P</u>	<u>2</u>	(c) General Administration and General Expense	<u>Yes</u>	<u>C</u>	<u>3</u>	(d) Departmental Administration	<u>Yes</u>	<u>Y</u>		(e) Sponsored Projects Administration	<u>Yes</u>	<u>Y</u>		(f) Library	<u>Yes</u>	<u>Y</u>		(g) Student Administration and Services	<u>Yes</u>	<u>A</u>		(h) Other ¹	<u>NA</u>	<u> </u>	<u> </u>
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS					
		NAME OF REPORTING UNIT					
		University of Alaska Fairbanks					
Item No.	Item Description						
3.2.0	<p><u>Service Centers.</u> Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)</p>						
		(1)	(2)	(3)	(4)	(5)	(6)
(a)	Scientific Computer Operations	<u>Z</u>	___	___	___	___	___
(b)	Business Data Processing	<u>Z</u>	___	___	___	___	___
(c)	Animal Care Facilities	<u>Z</u>	___	___	___	___	___
(d)	Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)						
	<u>see continuation sheet #1</u>	___	___	___	___	___	___
	_____	___	___	___	___	___	___
(1)	<u>Category Code:</u> Use code "A" if the service center costs are billed only as direct costs of final cost objectives; code "B" if billed only to indirect cost categories or indirect cost pools; code "C" if billed to both direct and indirect cost objectives.						
(2)	<u>Burden Code:</u> Code "A" - center receives an allocation of all applicable indirect costs; Code "B" - partial allocation of indirect costs; Code "C" - no allocation of indirect costs.						
(3)	<u>Billing Rate Code:</u> Code "A" - billing rates are based on historical costs; Code "B" - rates are based on projected costs; Code "C" - rates are based on a combination of historical and projected costs; Code "D" - billings are based on the actual costs of the billing period; Code "Y" - other (explain on a Continuation Sheet).						
(4)	<u>User Charges Code:</u> Code "A" - all users are charged at the same billing rates; Code "B" - some users are charged at different rates than other users (explain on a Continuation Sheet).						
(5)	<u>Actual Costs vs. Revenues Code:</u> Code "A" - billings (revenues) are compared to actual costs (expenditures) at least annually; Code "B" - billings are compared to actual costs less frequently than annually.						
(6)	<u>Variance Code:</u> Code "A" - Annual variance between billed and actual cost are prorated to users (as credits or charges); Code "B" - variances are carried forward as adjustments to billing rate of future periods; Code "C" - annual variances are charged or credited to indirect costs; Code "Y" - other (explain on a Continuation Sheet).						

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks																														
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3.3.0	<p><u>Indirect Cost Pools and Allocation Bases</u></p> <p>(Identify all of the indirect costs pools established for the accumulation of indirect costs, excluding service centers, and the allocation bases used to distribute accumulated indirect costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable indirect cost pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives.)</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Indirect Cost Pools</u></th> <th style="text-align: right;"><u>Allocation Base Code</u></th> </tr> </thead> <tbody> <tr> <td colspan="2">A. Instruction</td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td style="text-align: right;"><u> D </u></td> </tr> <tr> <td><input type="checkbox"/> Off-Campus</td> <td style="text-align: right;"><u> </u></td> </tr> <tr> <td><input type="checkbox"/> Other¹</td> <td style="text-align: right;"><u> </u></td> </tr> <tr> <td colspan="2">B. Organized Research</td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus and Arctic Region Supercomputing Center</td> <td style="text-align: right;"><u> D </u></td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus Ship Operations, Poker Flat</td> <td style="text-align: right;"><u> D </u></td> </tr> <tr> <td><input type="checkbox"/> Other¹</td> <td style="text-align: right;"><u> </u></td> </tr> <tr> <td colspan="2">C. Other Sponsored Activities</td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td style="text-align: right;"><u> D </u></td> </tr> <tr> <td><input type="checkbox"/> Off-Campus</td> <td style="text-align: right;"><u> </u></td> </tr> <tr> <td><input type="checkbox"/> Other¹</td> <td style="text-align: right;"><u> </u></td> </tr> <tr> <td colspan="2">D. Other Institutional Activities¹</td> </tr> <tr> <td><input type="checkbox"/></td> <td style="text-align: right;"><u> </u></td> </tr> </tbody> </table>		<u>Indirect Cost Pools</u>	<u>Allocation Base Code</u>	A. Instruction		<input checked="" type="checkbox"/> On-Campus	<u> D </u>	<input type="checkbox"/> Off-Campus	<u> </u>	<input type="checkbox"/> Other ¹	<u> </u>	B. Organized Research		<input checked="" type="checkbox"/> On-Campus and Arctic Region Supercomputing Center	<u> D </u>	<input checked="" type="checkbox"/> Off-Campus Ship Operations, Poker Flat	<u> D </u>	<input type="checkbox"/> Other ¹	<u> </u>	C. Other Sponsored Activities		<input checked="" type="checkbox"/> On-Campus	<u> D </u>	<input type="checkbox"/> Off-Campus	<u> </u>	<input type="checkbox"/> Other ¹	<u> </u>	D. Other Institutional Activities ¹		<input type="checkbox"/>	<u> </u>
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3.4.0	<p><u>Composition of Indirect Cost Pools.</u> (For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, subgroupings of expenses, and elements of cost included.)</p>																															

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¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
3.5.0	<u>Composition of Allocation Bases.</u> (For each allocation base code used in Items 3.1.0 and 3.3.0, describe on a continuation sheet the makeup of the base. For example, if a modified total direct cost base is used, specify which of the elements of direct cost identified in Part II, Direct Costs, that are included, e.g., materials, salaries and wages, fringe benefits, travel costs, and excluded, e.g., subcontract costs over first \$25,000. Where applicable, explain if service centers are included or excluded. Specify the benefiting functions and activities included. If any cost objectives are excluded from the allocation base, such cost objectives and the alternate allocation method used should be identified. If an indirect cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study.	
3.6.0	<u>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</u> Are appropriate direct costs of all programs and activities included in the indirect cost allocation bases, regardless of whether allocable indirect costs are fully reimbursed by the sponsoring organizations?	
	A. <u> X </u> Yes	
	B. <u> </u> No ¹	

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¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 1</u> PART III - INDIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks																																								
Item No.	Item Description																																									
3.1.0	<u>Indirect Cost Categories - Accumulation and Allocation</u> Depreciation/Use Allowances/Interest Accumulation: Depreciation expense is not accumulated in the formal accounting system. The cost of Buildings, Improvements Other Than Buildings, and Equipment is accumulated in the formal accounting system. Detail subsidiary records are maintained and reconciled to the accounting system. Depreciation expense is calculated in the working papers based on the subsidiary detail records. Interest expense is captured in the formal accounting system in aggregate by bond issue. Working papers are used to determine allowable interest. Allowable interest is classified as O & M.																																									
3.2.0	<u>Service Centers</u> Other Service Centers with annual operating budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>(1)</th> <th>(2)</th> <th>(3)</th> <th>(4)</th> <th>(5)</th> <th>(6)</th> </tr> </thead> <tbody> <tr> <td><u>SFOS Ship</u></td> <td><u>A</u></td> <td><u>A</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>A</u></td> <td><u>Y</u></td> </tr> <tr> <td><u>GI Electronic Shop</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>A</u></td> <td><u>Y</u></td> </tr> <tr> <td><u>GI Machine Shop</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>A</u></td> <td><u>Y</u></td> </tr> <tr> <td><u>GI Computer Resource Center</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>C</u></td> <td><u>B</u></td> <td><u>A</u></td> <td><u>Y</u></td> </tr> </tbody> </table> <p>(4) User charges code - some users are charged at different rates than other users: The price charged is generally limited to recovery of the direct cost of providing the product or service, equipment depreciation, and departmental indirect cost.</p> <p>(6) Variance code - other: Prices are set to achieve a targeted break-even for the Recharge Center's normal operating cycle. Accumulated excess/deficit of revenues over expenses will be carried forward each year, and the price of the center's product or service shall be adjusted to eliminate any carryforward amounts.</p>								(1)	(2)	(3)	(4)	(5)	(6)	<u>SFOS Ship</u>	<u>A</u>	<u>A</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>Y</u>	<u>GI Electronic Shop</u>	<u>C</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>Y</u>	<u>GI Machine Shop</u>	<u>C</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>Y</u>	<u>GI Computer Resource Center</u>	<u>C</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>Y</u>
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 2 PART III - INDIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
3.4.0	<p><u>Composition of Indirect Cost Pools</u> Each indirect cost pool includes all salaries and wages, fringe benefits, materials and supplies, services, and travel. Equipment, capital expenditures, charges for patient care and tuition remission, long term rental costs, and scholarships and fellowships, are excluded.</p> <p>3.1.0(a) Depreciation/Use Allowance/Interest</p> <ol style="list-style-type: none"> 1. The capitalized value, less federal funding, is used as the basis for building depreciation. Building valuation and federal funding amounts are determined from subsidiary records which are reconciled to the formal accounting system. 2. Equipment items, less federal funded items and items not in use, are depreciated. Capitalized equipment consists of tangible, nonexpendable personal property with an acquisition cost of \$2,500 or more, and a useful life greater than one year. 3. The capitalized value of Improvements Other Than Buildings (IOTB), less federal funding, is used as the basis for depreciation. Valuation and federal funding amounts are determined from subsidiary records which are reconciled to the formal accounting system. 4. Construction interest is capitalized consistent with generally accepted accounting principles and included above in the building valuation. Other interest on capitalized assets which is determined to be allowable in accordance with OMB Circular A-21, section J.22, is included in the Operations and Maintenance pool. Allowable interest consists of interest paid to an external party which is allocable and associated with the following assets: <ol style="list-style-type: none"> (a) Buildings acquired or completed on or after July 1, 1982. (b) Major reconstruction and remodeling of existing buildings completed on or after July 1, 1982. (c) Acquisition or fabrication of capital equipment completed on or after July 1, 1982, costing \$10,000 or more, if agreed to by the federal cognizant agency. <p>3.1.0(b) Operations and Maintenance Operations and maintenance is subdivided into four pools:</p> <ol style="list-style-type: none"> 1. Costs readily identified with a specific function. This subpool includes costs incurred by organized research units which directly support the research function, property claim payments, certain interest costs, maintenance and repair projects more closely identifiable with a function than a building (such as campus-wide classroom repairs), and receipts from non-university users for space rental (offset against OIA allocation). 2. Costs identified by building. These are primarily custodial and maintenance and repair costs. The building breakdown is per the Physical Plant workorder system. 3. Costs identified with improvements other than buildings. This subpool includes care of grounds, snow removal, and maintenance and repairs to parking lots, street lighting, headbolt heaters, etc. 4. Costs which cannot be identified with a specific function, building, or with improvements other than buildings. This subpool includes Physical Plant administration, utilities, central receiving, fire and security, property insurance, and depreciation expense. <p>3.1.0(c) General and Administrative Costs incurred for the general executive and administrative offices of the campus and other expenses of a general character which do not relate solely to any major function. Includes expenses of the offices of the Chancellor, Vice Chancellor, and Provost, as well as Purchasing, Budget and Cost Records, Business Office, Property Office, Personnel, Post Office and Risk Management. Other expenses include liability insurance, employee governance, and the administrative computing allocation. This expense category also includes an appropriate allocation of operations and maintenance expenses and depreciation.</p> <p>(3.4.0 continued on next page)</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 3</u> PART III - INDIRECT COSTS NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
3.4.0	<p><u>Composition of Indirect Cost Pools (continued)</u></p> <p>3.1.0(d) Departmental Administration Costs incurred for administrative and supporting service that benefit common or joint departmental activities or objectives in academic deans' offices, academic departments and divisions, and organized research units. Includes salaries and fringe benefits attributable to the administrative work (including new bid and proposal preparation but not including costs attributable to preparation of renewal proposals which are normally part of direct cost activities) of faculty and other professional personnel conducting research and/or instruction at the rate of 3.6% of MTDC. Other administrative and supporting expenses include salaries of secretarial and clerical staff, accounting staff, and administrative officers, office supplies, phone rental charges, and memberships. This expense category also includes an appropriate allocation of general and administrative expenses, operations and maintenance expenses, and depreciation.</p> <p>3.1.0(e) Sponsored Projects Administration Costs incurred by the Office of Arctic Research, the Proposal Office (pre award), and the Office of Grants and Contracts (post award). This expense category also includes an appropriate allocation of general and administrative expenses, operations and maintenance expenses, and depreciation.</p> <p>3.1.0(f) Library Costs incurred for the operation of the library, including the cost of books and library materials purchased for the library. This expense category also includes an appropriate allocation of general and administrative expenses, operations and maintenance expenses, and depreciation.</p> <p>3.1.0(g) Student Administration and Services Costs incurred for student recruitment, the Dean of Students office, Health and Counseling, Career Services, Financial Aid, Advising, and Admissions and Records. This expense category also includes an appropriate allocation of general and administrative expenses, operations and maintenance expenses, and depreciation.</p> <p>3.2.0 Service Centers The GI Electronic Shop, GI Machine Shop, and GI Computer Resource Center include all direct costs of providing the products and services, equipment depreciation, and departmental indirect costs. Direct costs include salaries and wages, leave and staff benefits, materials and supplies, services, and travel.</p> <p>The SFOS Ship includes all of the above costs plus a provision for institutional indirect costs. The SFOS Ship has a separately negotiated indirect cost rate.</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 4</u> PART III - INDIRECT COSTS <hr/> NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
3.5.0	<p><u>Composition of Allocation Bases.</u></p> <p>3.1.0(a) Depreciation/Use Allowance/Interest</p> <p>Buildings - Square Footage (L) :</p> <p>All assignable square footage of benefiting direct and indirect activities is included. Nonassignable areas such as stairwells, rest rooms, and mechanical rooms are excluded. The square footage of each room is assigned to direct and indirect cost functions based on a biannual survey of the users of the space.</p> <p>Equipment - Usage (M) :</p> <p>Equipment is allocated to benefiting direct and indirect activities based on the property system record which includes an identifying departmental org code for each item of equipment.</p> <p>Improvements Other Than Buildings (IOTB) - More Than One Base (P) :</p> <p>Generally, depreciation expense is calculated and allocated based on full-time equivalent employees (H) and full-time equivalent students (J). The employee FTE is further allocated to the benefiting direct and indirect activities based upon salaries and wages (E); the student FTE is allocated entirely to instruction. When an Improvement is directly identifiable to a specific activity (i.e. the Seward Marine dock is directly identifiable with SFOS Ship activity), the depreciation is allocated entirely to that activity.</p> <p>Full-time equivalent employees (H) is calculated based on 2080 hours per fiscal year. Full-time equivalent students (J) is calculated based on 15 undergraduate credit hours or 12 graduate credit hours for fall, spring, and summer semesters. Salaries and wages (E) includes direct labor costs plus leave accruals.</p> <p>Interest - Other (Y) :</p> <p>Interest is allocated as part of the Operations and Maintenance pool, see below.</p> <p>3.1.0(b) Operations and Maintenance (O&M) - More Than One Base (P) :</p> <p>Charges readily identified with a specific activity are allocated to that activity (A). Charges identified to a specific building are allocated based on square footage (L) of that building. Charges related to IOTB are allocated based on FTE (H & J), then salaries and wages (E) consistent with depreciation as described above. Expenses which cannot be identified with a specific activity, building or with IOTB are prorated to the benefiting direct and indirect activities based on total square footage serviced by the physical plant.</p> <p>3.1.0(c) General Administration and General Expense (GA) - Modified Total Cost (MTC) Basis (C) :</p> <p>Prorated to all activities except O&M and GA based on MTC. MTC includes all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000. Equipment, capital expenditures, charges for patient care and tuition remission, long term rental costs, scholarships, and fellowships, as well as the portion of each subgrant and subcontract in excess of \$25,000 is excluded.</p> <p>3.1.0(d) Departmental Administration (DA) - Other (Y) :</p> <p>DA is accumulated in the formal accounting system in academic and research unit departmental administrative orgs. For academic units, DA is fully allocated to instruction. For research units, DA is allocated to the benefiting direct activities based on MTDC (D), or in limited cases, specific identification. When a particular cost is determined to benefit only research, instruction, or other institutional activities, it will be specifically identified in the indirect cost working papers.</p> <p>(3.5.0 continued next page)</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 5</u> PART III - INDIRECT COSTS <hr/> NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
3.5.0	<p><u>Composition of Allocation Bases (continued).</u></p> <p>3.1.0(e) Sponsored Projects Administration - Other (Y) : These costs are allocated to the benefiting direct cost functions on the basis of modified total sponsored costs.</p> <p>3.1.0(f) Library - Other (Y) : Costs are prorated to employee, student, and other categories based on circulation count statistics. The employee amount is further allocated to each of the direct functions in proportion to professional salaries and wages. The student amount is fully assigned to the instruction function. The amount allocated to the other user category is fully assigned to other institutional activities.</p> <p>3.1.0(g) Student Administration and Services - Direct Allocation (A) : Student Services expenses are assigned to the instruction function.</p> <p>3.3.0 Modified Total Direct Cost (MTDC) Basis (D) : MTDC includes all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000. Equipment, capital expenditures, charges for patient care and tuition remission, long term rental costs, scholarships, and fellowships, as well as the portion of each subgrant and subcontract in excess of \$25,000 is excluded.</p> <p>End of Part</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCES NAME OF REPORTING UNIT University of Alaska Fairbanks																																																					
Item No.	Item Description																																																						
4.1.0	<p align="center">Part IV</p> <p>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives. (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use allowances are applied to property units; and Code A or B in Column (4) indicating whether or not the estimated residual value is deducted from the total cost of depreciable assets. Enter Code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable)</p> <table border="1"> <thead> <tr> <th>Asset Category</th> <th>Depreciation Method (1)</th> <th>Useful Life (2)</th> <th>Property Unit (3)</th> <th>Residual Value (4)</th> </tr> </thead> <tbody> <tr> <td>(a) Land Improvements</td> <td align="center"><u>A</u></td> <td align="center"><u>C</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(b) Buildings</td> <td align="center"><u>A</u></td> <td align="center"><u>C</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(c) Building Improvements</td> <td align="center"><u>A</u></td> <td align="center"><u>C</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(d) Leasehold Improvements</td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(e) Equipment</td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(f) Furniture and Fixtures</td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(g) Automobiles and Trucks</td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(h) Tools & Physical Plant Machines</td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>A</u></td> <td align="center"><u>B</u></td> </tr> <tr> <td>(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. Otherwise enter Code Z.)</td> <td align="center"><u>Z</u></td> <td align="center">_____</td> <td align="center">_____</td> <td align="center">_____</td> </tr> </tbody> </table>					Asset Category	Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)	(a) Land Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(b) Buildings	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(c) Building Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(d) Leasehold Improvements	<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>	(e) Equipment	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	(f) Furniture and Fixtures	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	(g) Automobiles and Trucks	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	(h) Tools & Physical Plant Machines	<u>A</u>	<u>A</u>	<u>A</u>	<u>B</u>	(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. Otherwise enter Code Z.)	<u>Z</u>	_____	_____	_____
Asset Category	Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)																																																			
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	<p><u>Column (1) - Depreciation Method Code</u></p> <p>A. Straight Line B. Expensed at Acquisition C. Use Allowance Y. Other or more than one method¹</p>	<p><u>Column (2) - Useful Life Code</u></p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21 Y. Other or more than one method¹</p>	<p><u>Column (3) - Property Unit Code</u></p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lives C. Applied to groups of assets with varying service lives Y. Other or more than one method¹</p>	<p><u>Column (4) - Residual Value Code</u></p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method¹</p>																																																			

FORM CASB DS-2 (REV 10/94)

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCES NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
4.1.1	Asset Valuations and Useful Lives. Are the asset valuations and useful lives used in your indirect cost proposal consistent with those used in the institution's financial statements? (Mark one.) A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No ¹	
4.2.0	<u>Fully Depreciated Assets.</u> Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.) A. <input type="checkbox"/> Yes B. <input checked="" type="checkbox"/> No	
4.3.0	<u>Treatment of Gains and Losses on Disposition of Depreciable Property.</u> Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.) A. <input checked="" type="checkbox"/> Excluded from determination of sponsored agreements costs B. <input type="checkbox"/> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. <input type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <input type="checkbox"/> Not accounted for separately, but reflected in the depreciation reserve account Y. <input type="checkbox"/> Others ¹ Z. <input type="checkbox"/> Not applicable	
4.4.0	<u>Criteria for Capitalization.</u> (Enter (a) the minimum dollar amount of expenditures which are capitalized for acquisition, addition, alteration, donation and improvement of capital assets, and (b) the minimum number of expected life years of assets which are capitalized. If more than one dollar amount or number applies, show the information for the majority of your capitalized assets, and enumerate on a continuation sheet the dollar amounts and/or number of years for each category or subcategory of assets involved which differs from those for the majority of assets.) A. Minimum Dollar Amount <u>\$2,500</u> B. Minimum Life Years <u>≥ 1</u>	
4.5.0	<u>Group or Mass Purchase.</u> Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.) A. <input type="checkbox"/> Yes ¹ B. <input checked="" type="checkbox"/> No	

FORM CASB DS-2 (REV 10/94)

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 1</u> PART IV - DEPRECIATION AND USE ALLOWANCES <hr/> NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
4.4.0	<p><u>Criteria for Capitalization</u> Equipment and Fixed Equipment are capitalized if their cost is \$2,500 or more, and they have a useful life greater than one year. Buildings and Improvements Other Than Buildings are capitalized if their cost is \$50,000 or more, and they have a useful life greater than fifteen years. Other Capitalizable Assets are capitalized if their cost is \$25,000 or more. Leasehold Improvements are capitalized if their cost is \$50,000 or more.</p> <p>End of Part</p>	

FORM CASB DS-2 (REV 10/94)

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART V - OTHER COSTS AND CREDITS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
	Part V	
5.1.0	<p><u>Method of Charging Leave Costs.</u> Do you charge vacation, sick, holiday and sabbatical leave costs to sponsored agreements on the cash basis of accounting (i.e., when the leave is taken or paid), or on the accrual basis of accounting (when the leave is earned)? (Mark applicable line(s))</p> <p>A. <input type="checkbox"/> Cash B. <input checked="" type="checkbox"/> Accrual¹</p>	
5.2.0	<p><u>Applicable Credits.</u> This item is directed at the treatment of “applicable credits” as defined in Section C of Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A. <input type="checkbox"/> The credits/receipts are offset against the specific direct or indirect costs to which they relate. B. <input type="checkbox"/> The credits/receipts are handled as a general adjustment to the indirect pool. C. <input type="checkbox"/> The credits/receipts are treated as income and are not offset against costs. D. <input checked="" type="checkbox"/> Combination of methods¹ Y. <input type="checkbox"/> Other¹</p>	

FORM CASB DS-2 (REV 10/94)

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 1</u> PART V - OTHER COSTS AND CREDITS <hr/> NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
5.1.0	<p><u>Method of Charging Leave Costs</u> Compensated absences, other than sabbatical leave, are charged to all activities on an accrual basis through the use of leave benefit recharge rates. Employees are grouped (i.e. faculty, exempt employees, nonexempt, extended temporary) consistent with the fringe benefit package provided for the job. Separate leave benefit rates are calculated annually for each job group. The rates are applied to base salaries and compared to actual usage by job group. Any over or under-recovery is included in the next rate calculation cycle. See Item 2.6.1.</p> <p>Sabbatical leave is not charged to sponsored programs unless specifically budgeted. Sabbatical leave is expensed on a cash basis and charged to cost functions (research, instruction, administration) consistent with the normal activity of the individual.</p>	
5.2.0	<p><u>Applicable Credits</u> Applicable credits which are specifically identified with a particular expenditure, such as purchase discounts and insurance refunds, are offset against the specific direct or indirect costs to which they relate.</p> <p>Other miscellaneous receipts, such as library fines, are offset to the applicable indirect cost pool. Miscellaneous receipts recorded in sponsored project or other direct cost accounts are considered program receipts and are not offset unless determined to be a reimbursement.</p> <p>End of Part</p>	

FORM CASB DS-2 (REV 10/94)

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
	Instructions for Part VI	
	<p>This part covers the measurement and assignment of costs for employee pensions, post retirement benefits other than pensions (including post retirement health benefits) and insurance. Some organizations may incur all of these costs at the main campus level or for public institutions at the governmental unit level, while others may incur them at subordinate organization levels. Still others may incur a portion of these costs at the main campus level and the balance at subordinate organization levels.</p> <p>Where the segment (reporting unit) does not directly incur such costs, the segment should, on a continuation sheet, identify the organizational entity that incurs and records such costs. When the costs allocated to Federally sponsored agreements are material, the reporting unit should require that entity to complete the applicable portions of this Part IV. (See item 4, page (ii), General Instructions)</p>	
6.1.0	<u>Pension Plans.</u>	
6.1.1	Defined-Contribution Pension Plans. Identify the types and number of pension plans whose costs are charged to Federally sponsored agreements. (Mark applicable line(s) and enter number of plans.)	
	<u>Type of Plan</u>	<u>Number of Plans</u>
	A. _____ Institution employees participate in State/Local Government Retirement Plan(s)	_____
	B. <u> X </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	_____ 3 _____
	C. _____ Institution has its own Defined-Contribution Plan(s) ¹	_____
6.1.2	Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)	

FORM CASB DS-2 (REV 10/94)

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
		NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
6.2.0	<u>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits)(PRBs).</u> (Identify on a continuation sheet all PRB plans whose costs are charged to Federally sponsored agreements. For each plan listed, state the plan name and indicate the approximate number and type of employees covered by each plan.) Z. <input checked="" type="checkbox"/> Not Applicable	
6.2.1	Determination of Annual PRB Costs. (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices uses, including actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.) Not applicable	
6.3.0	<u>Self-Insurance Programs (Employee Group Insurance).</u> Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) A. <input type="checkbox"/> When accrued (book accrual only) B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund C. <input type="checkbox"/> When contributions are made to a forfeitable fund D. <input type="checkbox"/> When the benefits are paid to employee E. <input type="checkbox"/> When amounts are paid to an employee welfare plan Y. <input checked="" type="checkbox"/> Other or more than one method ¹ Z. <input type="checkbox"/> Not Applicable	
6.4.0	<u>Self-Insurance Programs (Worker's Compensation, Liability and Casualty Insurance.)</u>	
6.4.1	Worker's Compensation and Liability. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability D. <input type="checkbox"/> When funds are set aside or contributions are made to a fund Y. <input checked="" type="checkbox"/> Other or more than one method ¹ Z. <input type="checkbox"/> Not Applicable	
6.4.2	Casualty Insurance. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) A. <input type="checkbox"/> When losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on replacement costs C. <input type="checkbox"/> When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles. D. <input type="checkbox"/> Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves) Y. <input checked="" type="checkbox"/> Other or more than one method ¹ Z. <input type="checkbox"/> Not Applicable	

FORM CASB DS-2 (REV 10/94)

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		<u>Continuation Sheet # 1</u> PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS <hr/> NAME OF REPORTING UNIT University of Alaska Fairbanks
Item No.	Item Description	
6.1.2	<u>Defined-Benefit Pension Plan</u> Substantially all regular employees participate in either the Public Employees' Retirement System (PERS) or the Teachers' Retirement System (TRS). Both of these plans are part of the State of Alaska government pension plan.	
6.3.0	<u>Self-Insurance Programs (Employee Group Insurance)</u> The university is self-insured for basic group health and unemployment compensation, as well as long-term disability (LTD) for the 90 through 180 day period. Health and LTD insurance coverage is purchased for amounts in excess of the basic self-insurance program. Group health coverage costs are recorded when the benefits are paid to employees. An additional liability is accrued at full value for incurred but not reported claims. Unemployment and LTD costs are recorded when accrued. All employee group insurance costs are funded through the UA staff benefit recharge rate. See Item 2.6.1.	
6.4.0	<u>Self-Insurance Programs (Workers' Compensation, Liability, and Casualty Insurance)</u> The university is self-insured for basic automobile, workers' compensation, general liability, and property claims. Insurance coverage is purchased for amounts in excess of the basic self-insurance program. Liabilities are established, based on external actuarial estimates, to cover estimates for specific reported losses, estimates for unreported losses based upon past experience modified for current trends, and estimates of expenses for investigating and settling claims. Insurance programs are administered at the system level, the costs are allocated to each major campus.	
6.4.1	<u>Worker's Compensation Coverage</u> The liability is accrued at full value. Costs include claims, premiums, required physical exam costs, the occupational health nurse program, a prorated portion of risk management operational costs and professional fees, and loss prevention costs. These costs, less a credit for estimated interest earnings, are funded through the UA staff benefit recharge rate. See Item 2.6.1. <u>Liability Coverage</u> The liability is accrued at full or undiscounted value. Auto and general liability self-insurance costs include claims, premiums, CDL operator substance abuse testing, a prorated portion of risk management operational costs and professional fees, and loss prevention costs. General liability costs, less a credit for estimated interest earnings, are allocated to the major campuses based on risk exposure adjusted for loss experience. Auto liability costs are allocated similarly except for the CDL operator substance abuse testing which is allocated based on the number of employees tested in the prior fiscal year. <u>Marine Coverage</u> The primary layer of marine coverage is direct charged to the Institute of Marine Science Ship Operations because this activity receives virtually all of the benefit of such coverage, including hull insurance which is required under the ship operations contract. Excess marine coverage applies to broader exposures than basic ship operations; therefore excess marine coverage costs are allocated to all benefited activities as additional general liability costs.	
6.4.2	<u>Property Coverage</u> The liability is accrued based on estimated repair or replacement costs. Property self-insurance costs include claims, premiums, a prorated portion of risk management operational costs and professional fees, and loss prevention costs. These costs, less a credit for estimated interest earnings, are allocated to the major campuses based on risk exposure adjusted for loss experience.	
	End of Part	

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