

COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT FOR EDUCATIONAL INSTITUTIONS
CASB DS-2
REVISION 11

UTAH STATE UNIVERSITY

JUNE 12, 2015

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

GENERAL INSTRUCTIONS

UTAH STATE UNIVERSITY

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.
 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	
		UTAH STATE UNIVERSITY	
Item No.	Revision No. 11	Item Description	Effective Date 1 January 2016

0.1	Educational Institution (a) Name UTAH STATE UNIVERSITY (b) Street Address 1445 OLD MAIN HILL (c) City, State and ZIP Code LOGAN UT 84322-1445 (d) Division or Campus of (if applicable)
0.2	Reporting Unit is: (Mark one.) A. <input checked="" type="checkbox"/> Independently Administered Public Institution B. <input type="checkbox"/> Independently Administered Nonprofit Institution C. <input type="checkbox"/> Administered as Part of a Public System D. <input type="checkbox"/> Administered as Part of a Nonprofit System E. <input type="checkbox"/> Other (Specify) _____
0.3	Official to Contact Concerning this Statement: (a) Name and Title Danford R. Christensen, Controller, Utah State University (b) Phone Number (include area code and extension) (435) 797-1055
0.4	Statement Type and Effective Date: A. (Mark type of submission. If a revision, enter number) (a) <input type="checkbox"/> Original Statement (b) <input checked="" type="checkbox"/> Amended Statement; Revision No. 11 B. Effective Date of this Statement: (Specify) 1 January 2016
0.5	Statement Submitted To (Provide office name, location and telephone number, include area code and extension): A. Cognizant Federal Agency: <u>Office of Naval Research - Arlington, VA</u> <u>(703) 696-5641</u> B. Cognizant Federal Auditor: <u>Defense Contract Audit Agency (DCAA)</u> <u>Salt Lake City, UT</u> <u>(801) 975-3555</u>

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

COVER SHEET AND CERTIFICATION

UTAH STATE UNIVERSITY

Item No. Revision No. 11 Item Description Effective Date 1 January 2016

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: June 12, 2015


(Signature)

Danford R. Christensen
(Print or Type Name)

Controller, Utah State University
(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
		UTAH STATE UNIVERSITY
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 B. <u> X </u> Modified Accrual Basis¹ C. _____ Cash Basis Y. _____ Other</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.) B. _____ Not integrated with financial accounting records (Cost data are accumulated on memorandum records.) C. <u> X </u> Combination of A and B¹</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 B. _____ Identified in separately maintained accounting records or work papers.¹ C. _____ Identifiable through use of less formal accounting techniques that permit audit verification.¹ D. <u> X </u> Combination of A, B or C¹ E. _____ Determinable by other means.</p>	
1.3.1	<p><u>Treatment of Unallowable Costs.</u> (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</p>	
1.4.0	<p><u>Cost Accounting Period: 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.)</p>	
1.5.0	<p><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.¹</p>	

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I - CONTINUATION SHEET		
		UTAH STATE UNIVERSITY		
Item No.	Revision 11	Item Description	Effective Date	1 January 2016
1.1.0 Revised		<p>Description of Accounting System</p> <p>The recording of expenses charged to Federally sponsored agreements is done on the accrual basis of accounting and in accordance with the accounting guidance and reporting practices applicable to governmental colleges and universities as promulgated by Governmental Accounting Standards Board Statement No. 15. The financial statements are consolidated to include the activity of the Utah State University Research Foundation dba Space Dynamics Laboratory/USU (USURF). However, expenses used for the preparation of facilities and administrative cost calculations are for USU only. The prescribed guidance and practice are outlined in the Governmental Accounting Standards Board (GASB) <i>Statement No. 35 – Basic Financial Statements and Management’s Discussion and Analysis – for Public Colleges and Universities</i> and the <i>Financial Accounting and Reporting Manual</i> published by the National Association of College and University Business Officers.</p> <p>The strict application of accrual accounting to higher education reporting involves certain acceptable modifications to principles. Exceptions for Utah State University include:</p> <ol style="list-style-type: none"> 1. Depreciation on certain assets related to service and auxiliary enterprise activity is recorded in the enterprise units and billed directly to the users as part of the overall rate established for the service provided. 2. Depreciation is recorded in the plant fund for all capital assets beginning July 1, 2000. Effective July 1, 2002 depreciation cost is calculated and allocated for those assets to allow recovery of costs through the University's negotiated facilities and administrative (F&A) cost rate. The depreciation for assets related to service and auxiliary enterprise activity is allocated directly to that area to be used as explained in step #1. 3. Beginning July 1, 2001, Utah State University is utilizing the componentization methodology for depreciating buildings that are research intensive. An outside consultant was contracted to perform a componentization study for research intensive buildings and subdivide overall construction costs into sub-categories, which include: building shell, building services, and fixed equipment. Effective July 1, 2003, the depreciation under the componentization methodology is recovered through the University’s F&A rate. Componentized depreciation was recorded as explained in item 2 above. 4. Annual and sick leave are charged to projects as used. There is no accrual process for recovering the cost of annual or sick leave. 		
1.2.0 Revised		<p>Integration of Cost Accounting with Financial Accounting</p> <p>The financial accounting system is primarily designed to meet fund accounting requirements. The financial accounting system accumulates expenditures according to funding source, program purpose and expense categories. The University receives funds from a variety of sources including State and Federal appropriations; government and private contracts and grants; student fees; gifts; and income from University enterprises such as student housing. The funds are used for a wide range of programs including instruction, research, public service, academic support, institutional support, operation and maintenance of plant, student services, student financial aid, and auxiliary enterprises. Salaries, fringe benefits, materials and supplies, and various other categories of expense may be incurred by each program.</p> <p>Costs charged to sponsored agreements for USU are fully integrated with the University’s financial accounting system. Costs charged to sponsored projects for the USURF are maintained in the USURF accounting system and then blended annually into the University financial statements. Adjustments and reclassifications are needed to recast the information in the University’s financial statements into the cost pools required by 2 CFR 220 (formerly A-21). Also, the usage/depreciation cost pools (buildings and equipment), and some of the costs in the departmental administration cost pool, are not accumulated by the formal accounting system and must therefore be accumulated through cost finding techniques or other calculations. The allocation and development of facilities and administration (F&A) cost rates are accomplished through</p>		

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I - CONTINUATION SHEET		
		UTAH STATE UNIVERSITY		
Item No.	Revision 11	Item Description	Effective Date	1 January 2016
1.2.0 (cont)		cost finding procedures which are a part of the University's F&A cost study. Other systems or records not directly integrated with the financial accounting system include the space inventory system, equipment inventory system, and in-kind cost sharing records. For the F&A cost study, the USURF costs are eliminated. F&A costs incurred at the University on behalf of the USURF become part of the University allocated F&A pool.		
1.3.0		<p>Unallowable Costs — Combination of A and C</p> <p>A. Specifically identified and recorded separately in the formal financial accounting records. — Under University policy, unallowable costs must be identified and charged by the account administrator to specific account codes in the accounting system. The costs recorded in these subcodes are excluded from the direct and F&A costs charged to sponsored agreements. The Contract/Grant Office reviews all capital purchases and foreign travel requests to determine whether the request is authorized under the terms of sponsored agreements. Additionally, expenditures incurred by organizational units whose overall activities are unallowable (e.g., University Development, Alumni Relations, etc.) are identified by the accounting system at the department or account level and removed from the F&A cost pools allocated to sponsored agreements.</p> <p>C. Identifiable through use of less formal accounting techniques that permit audit verification. — Some salary costs for development activities are incurred in the individual deans' offices and are identified and removed through use of specific identification. Reviews to assure compliance with these policies are made by the University's accounting office staff. Additional reviews are performed in the F&A cost proposal preparation to ensure these costs are excluded from the F&A cost pools.</p>		
1.3.1		<p>Treatment of Unallowable Costs</p> <p>Unallowable costs are excluded from charges to Federally sponsored agreements. Unallowable, directly associated costs as defined in CAS 505 are also excluded from charges to Federally sponsored agreements.</p> <p>Unallowable costs and activities are accumulated in the accounting records by department, account, specific identification, or program code. All unallowable costs are classified in the cost pool— Other Institutional Activities (OIA). Facilities costs are allocated to the OIA Pool by occupied space. Administrative costs are allocated to the OIA cost pool using modified total direct costs (MTDC) [See Section 3.5.0].</p>		
1.5.0		<p>State Laws or Regulations</p> <p>The following rules and regulations influence the accounting practices of Utah State University:</p> <ul style="list-style-type: none"> • State Board of Regents policies and procedures • State of Utah Code Annotated with complementing regulations 		
END OF PART I				

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS
		UTAH STATE UNIVERSITY
Item No.	Item Description	
	Instructions for Part II	
	<p>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.</p>	
2.1.0	<p><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.)¹</p>	
2.2.0	<p><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.)¹</p>	
2.3.0	<p><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.)¹</p>	
2.3.1	<p><u>Direct Purchases for Projects are Charged to Projects at:</u></p> <p>A. _____ Actual Invoiced Costs B. <u> X </u> Actual Invoiced Costs Net of Discounts Taken Y. _____ Other(s) Z. _____ Not Applicable</p>	
2.3.2	<p><u>Inventory Requisitions from Central or Common, Institution-owned Inventory.</u> (Identify the inventory valuation method used to charge projects):</p> <p>A. <u> X </u> First In, First Out¹ B. _____ Last In, First Out C. <u> X </u> Average Costs¹ D. _____ Predetermined Costs Y. <u> X </u> Other(s)¹ Z. _____ Not Applicable</p>	
2.4.0	<p><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.)¹</p>	

¹ Describe on a continuation sheet

**COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT
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EDUCATIONAL INSTITUTIONS**

PART II - DIRECT COSTS

UTAH STATE UNIVERSITY

Item No.	Item Description																																										
2.5.0	<p><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.)¹</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2"></th> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;">Direct Personal Services Category</th> </tr> <tr> <th colspan="2"></th> <th style="text-align: center; border-bottom: 1px solid black;">Faculty (1)</th> <th style="text-align: center; border-bottom: 1px solid black;">Staff (2)</th> <th style="text-align: center; border-bottom: 1px solid black;">Students (3)</th> <th style="text-align: center; border-bottom: 1px solid black;">Other¹ (4)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">A.</td> <td>Payroll Distribution Method (Individual time card/actual hours and rates)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> </tr> <tr> <td style="vertical-align: top;">B.</td> <td>Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">C.</td> <td>After-the-fact Activity Records (Percentage Distribution of employee activity)</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">D.</td> <td>Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">Y.</td> <td>Other(s)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table>			Direct Personal Services Category						Faculty (1)	Staff (2)	Students (3)	Other 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)	X	X	X	_____	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)	_____	_____	_____	_____
		Direct Personal Services Category																																									
		Faculty (1)	Staff (2)	Students (3)	Other 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)	X	X	X	_____																																						
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)	_____	_____	_____	_____																																						
2.5.1	<p><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.)</p> <p style="margin-left: 20px;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </p>																																										
2.5.2	<p><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.)¹</p>																																										
2.6.0	<p><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.)¹</p>																																										

¹ Describe on a continuation sheet

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

PART II - DIRECT COSTS

UTAH STATE UNIVERSITY

Item No.	Item Description																														
2.6.1	<p><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.)</p>																														
2.7.0	<p><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.)</p>																														
2.8.0	<p><u>Cost Transfers.</u> 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><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>																														
2.9.0	<p><u>Inter-organizational 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 inter-organizational 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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 45%;"></th> <th style="width: 15%; text-align: center;"><u>Materials</u> (1)</th> <th style="width: 15%; text-align: center;"><u>Supplies</u> (2)</th> <th style="width: 20%; text-align: center;"><u>Services</u> (3)</th> </tr> </thead> <tbody> <tr> <td>A.</td> <td>At full cost <u>excluding</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>B.</td> <td>At full cost <u>including</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>C.</td> <td>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.</td> <td>Other(s)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Z.</td> <td>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.	_____	_____	_____	B.	At full cost <u>including</u> indirect costs attributable to group or central office expenses.	<u> X </u>	<u> X </u>	<u> X </u>	C.	At established catalog or market price or prices based on adequate competition.	_____	_____	_____	Y.	Other(s)	_____	_____	_____	Z.	Interorganizational transfers are not applicable.	_____	_____	_____
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Z.	Interorganizational transfers are not applicable.	_____	_____	_____																											

¹ Describe on a continuation sheet

Item No.	Item Description
2.1.0	<p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p>I Introduction The University’s cost categories for direct costs are:</p> <ul style="list-style-type: none"> • Personal services — salaries, wages, and fringe benefits • Travel • Other direct costs — current expenses • Capital cost <p>The University directly charges these costs to the major functions of the institution which include Organized Research, Other Sponsored Activities, Instruction and Departmental Research, and Other Institutional Activities. The cost accounting criteria described in the following paragraphs are the same for all major functions</p> <p>II The University follows the general guidelines in sections D. and E. of 2 CFR 220 (formerly A-21) in determining the treatment of costs as direct or facilities and administrative (F&A) costs. Accordingly, costs that can be identified specifically with a particular sponsored project, instructional activity, or other institutional activity, or can be directly assigned to such activities relatively easily with a high degree of accuracy, are treated as direct costs. Conversely, costs incurred for common or joint objectives which cannot be identified readily and specifically with a particular sponsored project, instructional activity or other institutional activity, are treated as F&A costs. The University’s F&A costs are consistent with the definitions of specific F&A cost categories in section F. of 2 CFR 220 (formerly A-21).</p> <p>In accordance with current policies and procedures set forth by the University’s Controller’s Office, every effort is made to classify costs incurred for the same purpose, in like circumstances, consistently as either direct or F&A costs.</p> <p>III Additional Criteria for Charging Direct Costs</p> <p>In addition to the general rule described above, the University also uses the following criteria to determine direct charges to sponsored awards:</p> <p>A. The Awarded Budget Allows for the Cost to be Charged to the Award, or the Cost is Permitted Within the Expanded Authority.</p> <p>When proposing for a sponsored agreement, a Principal Investigator (PI) normally submits a detailed budget of direct costs for the award period. This detailed budget usually identifies salaries and wages, equipment, supplies, travel, alterations and renovations, and other direct costs.</p> <p>The University relies primarily on principal investigators to determine whether direct charges for administrative or clerical salaries, office supplies, postage, memberships and similar costs are appropriate for a particular project in accordance with established University policies, and to fully justify these costs to sponsoring agencies in grant applications and contract proposals.</p> <p>The budget lists the individuals who will work on the award and their responsibilities, University base salaries, and projected effort. The award funding reflects this estimated effort and becomes part of the contractual agreement between the University and the sponsor.</p> <p>The University charges directly only costs that are included in the budget or rebudgeted costs allowed under the expanded authority.</p>

¹ Describe on a continuation sheet

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2.1.0 (Cont.)	<p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p>B. The Cost is Allowable and Allocable per 2 CFR 220 (formerly A-21)</p> <p>The University directly charges only costs that are allowable and allocable per 2 CFR 220 (formerly A-21). PI's and department administrators review award costs to ensure they are both allowable and assignable to the project, and the costs comply with 2 CFR 220 (formerly A-21) and other applicable governmental regulations. Any costs expressly disallowed by the terms of an award or by 2 CFR 220 (formerly A-21) which are inadvertently charged directly to a federally sponsored agreement are removed and are funded from University sources.</p> <p>IV Specific Examples of Direct Charging Practices</p> <p>The University may commit to fund a portion of project costs. This committed "cost sharing" represents a redirection of departmental, school, or other University resources from teaching or other academic activities to support sponsored awards. Committed cost sharing expenses are separately budgeted and accounted for by the University under an internal application of University funds. The University includes the committed cost shared expenditures in the appropriate sponsored base, i.e., Organized Research, Other Sponsored Activities, Instruction, or Other Institutional Activity.</p> <p>The University charges certain similar costs as either direct or F&A when they are incurred in unlike circumstances. The following paragraphs provide examples of these costs:</p> <p>The University directly charges certain administrative costs in compliance with 2 CFR 220 (formerly A-21). The University's experience indicates that government agencies do not consistently award specifically identifiable administrative costs thereby creating unlike circumstances. Therefore, the University reviews unlike circumstances on a case by case basis to determine the circumstances of the agency award.</p> <p>To assure consistent treatment of costs between sponsored agreements and non-sponsored agreements, direct charge equivalents (DCE) are used to assign an appropriate amount of departmental general fund expenses (e.g., general support salaries, travel, long-distance telephone expenses, etc.) directly to instruction and other non-sponsored direct cost objectives. DCE's are mathematical formulas that estimate the portion of general fund expenses that should be assigned directly to non-sponsored activities and the portion that should be included in the departmental administration F&A cost pool. (See description of the accumulation of departmental administration expenses in 3.1.0). The use of DCE's is a long established accounting convention at academic institutions designed to help achieve the consistent treatment of costs as required by 2 CFR 220 (formerly A-21) and CAS 502 and, at the same time, recognize the generally accepted accounting practices of the institutions. The formula driven methodology is used to calculate a portion of the DA rate component. A unique DA cost pool is established for each academic department.</p> <p>The University charges renovations to the O&M pool if they are below the capitalization threshold. If the renovation exceeds the threshold, the University charges the renovation to a building account and recovers usage/depreciation. (See current capitalization policy for threshold amounts). The University also directly charges certain renovations to sponsored agreements when the renovation is specifically required to perform the scope of work.</p> <p>The University charges most publications to library accounts. However, the University directly charges certain publications to sponsored agreements when those publications must be readily available to the investigator or staff, and thus not available to the general student population, in order to perform the scope of work or when the publications are unavailable in the libraries.</p> <p>The University directly charges repair and maintenance costs to sponsored agreements when the repair and maintenance costs are specifically required to perform the scope of work.</p>		

¹ Describe on a continuation sheet

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2.1.0. (cont)	<p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p>V Charging Practice for Non-Federal Awards</p> <p>To the extent that non-federal sponsors allow items of cost normally treated as F&A under federal awards, it is the University's practice to charge such items as direct costs to non-federally sponsored awards. These costs that are identified as direct costs are charged directly to the non-federally sponsored award and an equal amount of costs are reduced from the F&A pool which would normally account for those costs. This reduction to the F&A cost pool eliminates any double counting and is in compliance with CAS9905.502.</p>	
2.2.0	<p>Description of Direct Materials</p> <p>Academic departments and other organizational units often incur similar materials and supplies costs for either direct or F&A objectives. In such departments, when materials and supplies are charged directly to sponsored projects, care is exercised to assure that costs incurred for the same purpose in like circumstances are consistently treated as direct costs for all activities.</p> <p>The principal classes of materials and supplies that are charged to Federally sponsored agreements or similar cost objectives include the following:</p> <p><u>Description</u></p> <ul style="list-style-type: none"> • Laboratory and technical shop supplies • Microfilm, photographic and graphics supplies and services • Project and program supplies • Non capitalized equipment • Computer supplies and software. 	
2.3.2	<p>Inventory Requisitions from Central or Common, Institution -owned Inventory</p> <p>Inventories at Utah State University are valued using several different methods. Examples of the methods being used include First In, First Out (used by Publications Design & Production and Food Services), Average Cost (used by Chemistry Stores and University Stores), and Retail Cost (used by the Bookstore). Although several methods are used, only one method is consistently used for each inventory.</p>	
2.4.0	<p>Description of Direct Personal Services</p> <p>Academic departments and other organizational units often incur similar personal services costs for either direct or F&A objectives. In such departments, when personal services are charged directly to sponsored projects, care is exercised to assure that costs incurred for the same purpose in like circumstances are consistently treated as direct costs for all activities.</p> <p>The principal classes of direct personal service costs directly identified to federal sponsored programs are faculty, research associates, technicians, lab assistants, and graduate students. The direct charges include salaries and fringe benefits. These costs are charged to the direct cost objective to which they are associated. Fringe benefits are applicable for type of employee as defined in section 300 of the University's personnel policy.</p> <p>FACULTY AND OTHER SALARIES</p> <p>Salaries and wages paid at the University's approved rates are allowable costs to federal projects so long as they reflect the level of effort expended on the project and are documented by the University Effort Reporting System. Fringe benefits in accordance with established University policies are allowable and are direct charged.</p>	

¹ Describe on a continuation sheet

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2.4.0 (Cont.)	<p>Description of Direct Personal Services</p> <p>CLERICAL AND ADMINISTRATIVE SALARIES AND WAGES</p> <p>As stated in 2 CFR 220 (formerly A-21), clerical and secretarial salaries should generally be assigned to Federal sponsored agreements as F&A costs. Direct charging of these costs is allowed when the nature of the work performed under a particular project requires an extensive amount of administrative or clerical support which is specifically identified to the individual project. The costs need to meet the federal criteria for direct charging--i.e., "be identified specifically with a particular sponsored project... relatively easily with a high degree of accuracy." Additionally the special circumstances requiring direct charging of the services would need to be justified to the satisfaction of the awarding agency in the grant application or contract proposal.</p> <p>The following examples illustrate some circumstances where direct charging the salaries of administrative or clerical staff may be appropriate.</p> <ul style="list-style-type: none"> • Large, complex programs, such as program projects, environmental research centers, engineering research centers, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions. • Projects which involve extensive data accumulation, analysis and entry, surveying, tabulation, cataloging, searching literature, and reporting. • Projects that require making travel and meeting arrangements for large numbers of participants, such as conducting conferences and seminars. • Projects whose principal focus is the preparation and productions of manuals and large reports, books and monographs (excluding routine progress and technical reports). • Projects that are geographically inaccessible to normal departmental administrative services, such as research field sites that are remote from the campus. • Individual projects requiring project-specific database management; individualized graphics or manuscript preparation; and multiple project-related investigator coordination and communications. 	
2.5.0	<p>Method of Charging Direct Salaries and Wages</p> <p>A Plan-Confirmation method is used for full-time and regular part-time faculty, staff and graduate research assistants. Other students and part-time personnel are charged on an hourly basis. Some campus departments use After-the-Fact Activity records for faculty, staff and students. See continuation sheet for section 2.5.2</p>	
2.5.2	<p>Salary and Wage Cost Accumulation System</p> <p>Individuals employed by the University are compensated through the SunGard Banner – Human Resources module (Banner-HR) either monthly for: 1) a budgeted salary, and 2) extra compensation; or bi-monthly for: 3) hourly wages. After Banner-HR processes the payroll payments, an accounting feed is generated for the SunGard Banner – Financial Reporting module (Banner-Finance) and for preparation of the monthly financial reports. These monthly reports contain sections from Banner-HR maintained by the Offices of Budget & Planning and Human Resources which include the information on labor allocation. Each department is responsible for reviewing this section and making changes to the allocations if necessary.</p>	

¹ Describe on a continuation sheet

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2.5.2 (Cont.)	<p>Salary and Wage Cost Accumulation System</p> <p>Budgeted Salaries (Plan-confirmation Method, see 2.5.0): For salaried employees, annually, each department prepares an Annual Budget Plan which is submitted to the Office of Budget & Planning for review and processing. After the plan has been reviewed and approved, Budget & Planning personnel input the budget information into Banner-HR. After the initial budget update, Banner-HR is also updated through Electronic Employment Action Forms (EPAFs) which are initiated by the departments and reviewed, approved and applied by the Office of Human Resources. From Banner-HR-information, monthly payments to employees are processed and an accounting feed is generated for Banner-Finance and for preparation of the monthly financial reports. If changes to the labor allocation are necessary the department initiates the action to correct the databases for past and future postings. For future labor allocations, the department initiates an EPAF which is reviewed and applied to Banner-HR by the Office of Human Resources. For past labor allocations, the department prepares a salary reallocation form which is forwarded to the Controller's Office for processing.</p> <p>Salary Payroll (After-the-fact Activity Records, See 2.5.0): Each month the department prepares an allocation sheet, based on the current month's activity and enters payroll data into Banner-HR. The allocation sheet is not submitted until after month end, but prior to closing the month's transactions. From Banner-HR-information, monthly payments to employees are processed and an accounting feed is generated for Banner-Finance and for preparation of the monthly financial reports. If changes to the labor allocation are necessary the department initiates the action to correct the databases for past postings. For past labor allocations, the department prepares a salary reallocation form which is forwarded to the Controller's Office for processing.</p> <p>Extra Compensation [Plan-confirmation Method, see 2.5.0]: As necessary for salaried employees and prior to extra service being performed, a Request for Extra Service Compensation (RESC) form is prepared, approved by the employee's home department and college administrators and submitted to the Office of Human Resources for review. Certain RESCs may also require the approval of the Provost and/or the Office of Sponsored Programs. To update Banner-HR with extra service payment information, the hiring department initiates an EPAF which is then matched up with a RESC form, reviewed, approved and applied by the Office of Human Resources. From Banner-HR-information, monthly payments to employees are processed and the accounting feed is generated for posting to Banner-Finance and for preparation of the monthly financial reports. If changes to the labor allocation are necessary, the hiring department initiates the action to correct the databases for past and future postings. For future labor allocations, the hiring department initiates an EPAF which is reviewed and applied to Banner-HR by the Office of Human Resources. For past labor allocations, the hiring department prepares a salary reallocation form which is forwarded to the Controller's Office for processing</p> <p>Hourly Wages (Payroll Distribution Method, See 2.5.0): Initially, for each employee defined as a wage hourly, the departments initiate an EPAF which includes hiring information, labor rates and other pertinent data. The Office of Student Employment then reviews the EPAF and applies it to Banner-HR. Daily time cards are prepared by the employee and submitted to the department administrators. The department summarizes the time cards and semi-monthly enters the time into Banner-HR through electronic time sheets which are approved by the department administrator. From Banner-HR information, semi-monthly payments to employees are processed and an accounting feed is generated for Banner-Finance and for preparation of the monthly financial reports. If changes to the labor allocation are necessary, the department initiates the action to correct the databases for past and future postings. For future labor allocations, the department initiates an EPAF which is reviewed and applied to Banner-HR by the Office of Human Resources. For past labor allocations, the department prepares a salary reallocation form which is forwarded to the Controller's Office for processing.</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - CONTINUATION SHEET										
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2.6.0	<p>Description of Direct Fringe Benefit Costs</p> <p>Fringe benefits are applicable for type of employee as defined in section 300 of the University's personnel policy. The following fringe benefits attributable to organized research, instruction and other direct cost objectives are treated as direct costs:</p> <table border="0"> <tr> <td>TIAA/CREF</td> <td>Short Term Disability</td> </tr> <tr> <td>Utah State Retirement</td> <td>Health and Life Insurance</td> </tr> <tr> <td>Federal Retirement (CSRS and FERS)</td> <td>Long Term Disability</td> </tr> <tr> <td>FICA</td> <td>Worker's Compensation Insurance</td> </tr> <tr> <td>Medicare</td> <td>Unemployment Insurance</td> </tr> </table> <p>Leave costs (e.g., vacation, holiday, sick leave) are included as a part of the normal charges for salaries.</p> <p>Tuition benefits for employees and dependents are not included as a fringe benefit cost but are treated as a reduction to University income.</p>		TIAA/CREF	Short Term Disability	Utah State Retirement	Health and Life Insurance	Federal Retirement (CSRS and FERS)	Long Term Disability	FICA	Worker's Compensation Insurance	Medicare	Unemployment Insurance
TIAA/CREF	Short Term Disability											
Utah State Retirement	Health and Life Insurance											
Federal Retirement (CSRS and FERS)	Long Term Disability											
FICA	Worker's Compensation Insurance											
Medicare	Unemployment Insurance											
2.6.1	<p>Method of Charging Direct Fringe Benefits</p> <p>Benefits are specifically identified with each employee and charged based on level of effort (salaries and wages).</p> <p><u>Retirement (TIAA/CREF and Utah State Retirement).</u> The costs of these retirement programs are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to total related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Retirement (Federal Retirement [CSRS and FERS]).</u> The costs of these retirement programs are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs less the federal contribution to total related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Social Security (FICA and Medicare).</u> The costs for FICA and Medicare are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to total related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Short-term Disability.</u> The costs of short-term disability are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to total related dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Health and Life Insurance.</u> The costs of medical, dental, and life insurance are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p>											

¹ Describe on a continuation sheet

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2.6.1 (Cont.)	<p>Method of Charging Direct Fringe Benefits</p> <p><u>Long-term Disability.</u> The costs for long-term disability are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Worker's Compensation Insurance.</u> The costs for worker's compensation insurance are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Unemployment Insurance.</u> The costs for unemployment insurance are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p> <p><u>Early Retirement.</u> The costs for early retirement, including incentive pay, related insurance benefits, Social Security, and Medicare charges are accumulated and measured in a separate account. A billing rate is established based on a measurement of total costs to related salary dollars.</p> <p>These costs are assigned and allocated to individual projects/accounts based on direct labor charges of eligible employees. Each project/account is assigned to a major function.</p>	
2.7.0	<p>Description of Other Direct Costs</p> <p>Academic departments and other organizational units often incur expenses in these categories for both direct and F&A cost objectives. In such departments, when travel, consultants, services and miscellaneous expenses are charged directly to sponsored projects, care is exercised to assure that costs incurred for the same purpose in like circumstances are consistently treated as direct costs for all activities.</p> <p>Expenses other than personal services and materials and supplies which are direct charged to Federal sponsored agreements or similar cost objectives include but are not limited to the following:</p> <ul style="list-style-type: none"> Subcontracts and subgrants Stipends and student aid (federally sponsored training grants) Printing Professional journals Long distance toll charges Dedicated phone lines Building rental (off campus projects) Data processing Independent contractor/consultant Other miscellaneous expense such as freight, equipment rental and extraordinary postage charges, etc. Capital expenditures Travel <p>For purposes of this disclosure statement, travel and capital equipment are included in this section in addition to other direct costs. For cost categorization and proposal purposes, travel and capital expenditures are categorized separate from other direct costs.</p> <p style="text-align: center;">END OF PART II</p>	

¹ Describe on a continuation sheet

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - FACILITIES & ADMINISTRATIVE COSTS
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	<p style="text-align: center;">Instructions for Part III</p> <p>Institution should disclose how the segment's total direct costs are identified and accumulated in specific F&A 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 F&A cost pools and allocation bases used to calculate the F&A cost rates that are used to allocate accumulated F&A 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 	

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART III - FACILITIES & ADMINISTRATIVE COSTS
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3.1.0		<p>F&A Cost Categories - Accumulation and Allocation. This item is directed at the identification, accumulation and allocation of all F&A costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each F&A 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 F&A 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 F&A cost category to applicable F&A cost categories, F&A 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 F&A cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an F&A cost category listed in this section is not used, insert "NA.")</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="width: 15%; text-align: center; border-bottom: 1px solid black;">Accumulation Method</th> <th style="width: 15%; text-align: center; border-bottom: 1px solid black;">Allocation Base Code</th> <th style="width: 20%; text-align: center; border-bottom: 1px solid black;">Allocation Sequence</th> </tr> </thead> <tbody> <tr> <td>(a) Depreciation/Use Allowance/Interest</td> <td></td> <td></td> <td style="text-align: center;">1</td> </tr> <tr> <td style="padding-left: 20px;">Building</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">L</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Equipment</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">L, Y</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Capital Improvements to Land</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">E, H, J</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Interest</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">L, Y</td> <td></td> </tr> <tr> <td>(b) Operation and Maintenance</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">L, P</td> <td style="text-align: center;">2</td> </tr> <tr> <td>(c) General Administration and General Expense</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">D</td> <td style="text-align: center;">3</td> </tr> <tr> <td>(d) Departmental Administration</td> <td style="text-align: center;">NO</td> <td style="text-align: center;">D</td> <td></td> </tr> <tr> <td>(e) Sponsored Projects Administration</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">D</td> <td></td> </tr> <tr> <td>(f) Library</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">E, H, J, Y</td> <td></td> </tr> <tr> <td>(g) Student Administration and Services</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">A</td> <td></td> </tr> <tr> <td>(h) Other¹</td> <td style="text-align: center;">NA</td> <td style="text-align: center;">NA</td> <td style="text-align: center;">NA</td> </tr> </tbody> </table>		Accumulation Method	Allocation Base Code	Allocation Sequence	(a) Depreciation/Use Allowance/Interest			1	Building	YES	L		Equipment	YES	L, Y		Capital Improvements to Land	YES	E, H, J		Interest	YES	L, Y		(b) Operation and Maintenance	YES	L, P	2	(c) General Administration and General Expense	YES	D	3	(d) Departmental Administration	NO	D		(e) Sponsored Projects Administration	YES	D		(f) Library	YES	E, H, J, Y		(g) Student Administration and Services	YES	A		(h) Other ¹	NA	NA	NA													
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3.2.0 Revised		<p>Service Centers. 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 2 CFR 220 (formerly 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> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 45%;"></th> <th style="width: 5%; text-align: center;">(1)</th> <th style="width: 5%; text-align: center;">(2)¹</th> <th style="width: 5%; text-align: center;">(3)</th> <th style="width: 5%; text-align: center;">(4)</th> <th style="width: 5%; text-align: center;">(5)</th> <th style="width: 5%; text-align: center;">(6)</th> </tr> </thead> <tbody> <tr> <td>A. Lab Animal Research Center</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>B. Distribution Center</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>C. Information Technology Services</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">B</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>D. Publications Design and Production</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>E. Facilities: Mechanical Services</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>F. Facilities: Maintenance Services</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>G. Facilities: Utilities</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>H. Other Service Centers</td> <td style="text-align: center;">Z</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		(1)	(2) ¹	(3)	(4)	(5)	(6)	A. Lab Animal Research Center	A	A	C	A	A	B	B. Distribution Center	C	A	C	A	A	B	C. Information Technology Services	C	A	C	B	A	B	D. Publications Design and Production	C	A	C	A	A	B	E. Facilities: Mechanical Services	C	A	C	A	A	B	F. Facilities: Maintenance Services	C	A	C	A	A	B	G. Facilities: Utilities	C	A	C	A	A	B	H. Other Service Centers	Z							
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART III - FACILITIES & ADMINISTRATIVE COSTS
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3.2.0 (Cont.)	<p><u>Service Centers</u></p> <ol style="list-style-type: none"> 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). 																												
3.3.0	<p><u>F&A Cost Pools and Allocation Bases</u></p> <p>(Identify all of the F&A costs pools established for the accumulation of F&A costs, excluding service centers, and the allocation bases used to distribute accumulated F&A costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable F&A 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 style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">F&A Cost Pools</th> <th style="text-align: center; border-bottom: 1px solid black;">Allocation Base Code</th> </tr> </thead> <tbody> <tr> <td style="padding-left: 20px;">A. Instruction</td> <td></td> </tr> <tr> <td style="padding-left: 40px;"><u> X</u> On-Campus</td> <td style="text-align: center;"><u> D</u></td> </tr> <tr> <td style="padding-left: 40px;"><u> X</u> Off-Campus</td> <td style="text-align: center;"><u> D</u></td> </tr> <tr> <td style="padding-left: 40px;"><u> </u> Other</td> <td style="text-align: center;"><u> </u></td> </tr> <tr> <td style="padding-left: 20px;">B. Organized Research</td> <td></td> </tr> <tr> <td style="padding-left: 40px;"><u> X</u> On-Campus</td> <td style="text-align: center;"><u> D</u></td> </tr> <tr> <td style="padding-left: 40px;"><u> X</u> Off-Campus</td> <td style="text-align: center;"><u> D</u></td> </tr> <tr> <td style="padding-left: 40px;"><u> </u> Other</td> <td style="text-align: center;"><u> </u></td> </tr> <tr> <td style="padding-left: 20px;">C. Other Sponsored Activities</td> <td></td> </tr> <tr> <td style="padding-left: 40px;"><u> X</u> On-Campus</td> <td style="text-align: center;"><u> D</u></td> </tr> <tr> <td style="padding-left: 40px;"><u> X</u> Off-Campus</td> <td style="text-align: center;"><u> D</u></td> </tr> <tr> <td style="padding-left: 40px;"><u> </u> Other</td> <td style="text-align: center;"><u> </u></td> </tr> <tr> <td style="padding-left: 20px;">D. Other Institutional Activities</td> <td></td> </tr> </tbody> </table>	F&A Cost Pools	Allocation Base Code	A. Instruction		<u> X</u> On-Campus	<u> D</u>	<u> X</u> Off-Campus	<u> D</u>	<u> </u> Other	<u> </u>	B. Organized Research		<u> X</u> On-Campus	<u> D</u>	<u> X</u> Off-Campus	<u> D</u>	<u> </u> Other	<u> </u>	C. Other Sponsored Activities		<u> X</u> On-Campus	<u> D</u>	<u> X</u> Off-Campus	<u> D</u>	<u> </u> Other	<u> </u>	D. Other Institutional Activities	
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3.4.0	<p><u>Composition of F&A 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.)¹</p>																												
3.5.0	<p><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 benefitting 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 F&A 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.)¹</p>																												

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - FACILITIES & ADMINISTRATIVE COSTS
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3.6.0	<p>Allocation of F&A Costs to Programs That Pay Less Than Full F&A Costs. Are appropriate direct costs of all programs and activities included in the F&A cost allocation bases, regardless of whether allocable F&A costs are fully reimbursed by the sponsoring organizations?</p> <p>A. <input checked="" type="checkbox"/> Yes</p> <p>B. <input type="checkbox"/> No</p>	

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - CONTINUATION SHEET	
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3.1.0	<p>Facilities and Administration Categories - Accumulation and Allocation</p> <p>Accumulation Method</p> <p>A. General - The accumulation methods outlined below reflect costs for building, equipment, and capital improvements on the basis of computed depreciation expense. Beginning in fiscal year 2002, the Governmental Accounting Standards Board required depreciation accounting for reporting purposes, the University converted to depreciation in fiscal year 2001. In fiscal year 2002 the University adopted the componentization methodology for depreciating buildings that are research intensive.</p> <p>Building Depreciation (See page III-2) - Building depreciation is computed on capitalized cost of the buildings, less any federal share of buildings using the straight-line method with a half-year convention for projected new building depreciation. New buildings are depreciated over a useful life not to exceed 40 years; building improvements are depreciated over the estimated extension of the building's useful life. (See current capitalization policy for threshold amounts.) The reconciliation between building depreciation per the financial statements and building depreciation per the proposal is included in the F&A cost proposal.</p> <p>Equipment Depreciation (See page III-2) - Equipment depreciation includes the calculated depreciation for all equipment at USU having a unit cost greater than the current capitalization threshold with a useful life of more than one year. (See current equipment depreciation table for useful life by equipment class). Equipment purchased with federal funds is excluded from the depreciation expense in the F&A rate calculation. The reconciliation between equipment depreciation per the financial statements and depreciation expense per the proposal is included in the F&A cost proposal.</p> <p>Capital Improvements to Land (See page III-2) - Capital improvements to land are depreciated. (See current capitalization/depreciation policy for threshold amounts and useful lives.)</p> <p>Interest (See page III-2) - The interest expense in this F&A cost pool is interest on debt associated with buildings, equipment and capital improvements as defined in paragraph J.22.e of 2 CFR 220 (formerly A-21).</p> <p>D. Departmental Administration (See page III-2) - Departmental administration (DA) costs are only partially identified by the accounting system. This cost pool consists of the administrative costs of deans' offices; costs associated with the administrative work of department heads, faculty and other professional research and academic staff; and other departmental support services. The costs of deans' offices are identified by the accounting system. The costs associated with administrative activities of department heads, faculty and other professional academic staff are covered by a standard allowance of 3.6 percent of modified total direct costs specified in paragraph F.6a of 2 CFR 220 (formerly A-21).</p> <p>The remaining departmental support costs include the salaries and fringe benefits of administrative and clerical staff (excluding direct charges for administrative and clerical services under the conditions discussed in 2.1.0), departmental business managers, office supplies, postage, travel associated with administrative activities, etc. This portion of departmental administrations expenses is accumulated through an analysis of departmental general fund accounts and the application of DCE's. As discussed in 2.1.0, DCE's are mathematical formulas that estimate the portion of departmental general fund expenses that should be assigned directly to instruction and other non-sponsored direct cost objectives and the portion that should be included in the departmental administration F&A cost pool.</p> <p>Allocation Base</p> <p>Building Depreciation Allowance and Interest - Depreciation allowance/interest charges are allocated to the individual functions performed in each building on the basis of usable square feet of space, excluding common areas such as hallways, stairwells, and rest rooms.</p>		

¹Describe on a Continuation Sheet.

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3.1.0 (cont.)		<p>Facilities and Administration Categories - Accumulation and Allocation</p> <p>Equipment Depreciation Allowance - Most equipment is assigned to a building and room. The depreciation charge is allocated to the various functions based on the usable square feet of the room to which the equipment is assigned. In the case of equipment not assigned to a building and room, the depreciation charge is summarized by department and allocated to the various functions based on the assignable square footage of the department.</p> <p>Capital Improvements to Land - The capital improvement depreciation allowance/interest charges are allocated to user categories of students and employees on a full-time equivalent bases. The amount allocated to the student category is assigned 100 percent to instruction and the amount assigned to the employee category is assigned based on the major functions of the University in proportion to the salaries and wages of all employees applicable to those functions.</p> <p>Operations and Maintenance - Operation and Maintenance (O & M) costs for the most part are allocated to the individual functions performed in each building on the basis of useable square feet of space, excluding common areas such as hallways, stairwells, and restrooms.</p> <p>In some cases, the O & M costs for research facilities are accounted for separately. In those instances, the O&M for that facility is allocated directly to research.</p> <p>Library - Library costs are allocated first on the basis of users, FTE (full-time equivalent) students, FTE professional employees, and outside users. That portion allocated to FTE students is then allocated to instruction. That portion allocated to FTE professional employees is then allocated to the major functions based on a ratio of salaries and wages of all faculty members and other professional employees. The amount allocated to other users is assigned to other institutional activities.</p> <p>Student Administration and Services - Student Administration and Services is allocated 100 percent to instruction.</p> <p>Service Centers</p> <p><u>Lab Animal Research Center</u> The primary mission of the Lab Animal Research Center (LARC) is to support university animal research, testing, and teaching by providing resources for animal procurement, housing, husbandry and care, health care, and disposal. Space is also provided for researchers to conduct short- and long-term research. The LARC is partially funded from budget provided by the Vice President for Research. This budget is used primarily to pay for salaries.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> The LARC accumulates expenses within the University's formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, fringe benefits, cost of goods sold, depreciation, and other operating expenses). • <u>Estimating Costs</u> The LARC estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, projected billable units, and other known future increases/decreases. • <u>Allocating Costs to Users</u> The LARC allocates costs to users by type of animal and type of research (hazardous versus non-hazardous), with the billable unit being cage per diem. Rates are calculated by dividing projected costs by projected billable units. All users are charged the same rate for the same service. 		
3.2.0 Revised		<p><u>Lab Animal Research Center</u> The primary mission of the Lab Animal Research Center (LARC) is to support university animal research, testing, and teaching by providing resources for animal procurement, housing, husbandry and care, health care, and disposal. Space is also provided for researchers to conduct short- and long-term research. The LARC is partially funded from budget provided by the Vice President for Research. This budget is used primarily to pay for salaries.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> The LARC accumulates expenses within the University's formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, fringe benefits, cost of goods sold, depreciation, and other operating expenses). • <u>Estimating Costs</u> The LARC estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, projected billable units, and other known future increases/decreases. • <u>Allocating Costs to Users</u> The LARC allocates costs to users by type of animal and type of research (hazardous versus non-hazardous), with the billable unit being cage per diem. Rates are calculated by dividing projected costs by projected billable units. All users are charged the same rate for the same service. 		

¹Describe on a Continuation Sheet.

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

PART III - CONTINUATION SHEET

UTAH STATE UNIVERSITY

Item No.	Revision 11	Item Description	Effective Date	1 January 2016
3.2.0 (Cont.)	<ul style="list-style-type: none"> • <u>Reporting Costs</u> The LARC compares billings to actual expenditures at least annually, via SunGard Banner and Eprints (monthly reports generated from Banner warehouse database). • <u>Variance – Billings vs. Expenditures</u> The LARC is partially funded from budget provided by the Vice President for Research. This budget is used primarily to pay for salaries. In the event, the LARC’s revenues were to significantly exceed expenses the variance would be carried forward as an adjustment to future period billing rates. Variances between billings and actual expenditures are deemed to be significant when working capital falls outside the federal government’s guideline of 60 days of working capital allowed for service centers. Most variances will be liquidated in the next future fiscal year. In some cases the LARC is allowed to develop a multi-year plan to liquidate variances. <p><u>Distribution Center</u> The Distribution Center provides mail service, package and express delivery, USPS access and service, and mass mail services to campus departments and students.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> Distribution accumulates expenses within the University’s formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, fringe benefits, cost of goods sold, depreciation, and other operating expenses). • <u>Estimating Costs</u> Distribution estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, USPS published price changes, and other known future increases/decreases. • <u>Allocating Costs to Users</u> Distribution bench marks rates to be slightly below industry standards and bills those rates to users by billable unit. Billable unit is typically piece of mail, with lowering rates as piece count increases, however Distribution also bills some services by labor hour or flat fee (i.e. pickup/delivery fee). All users are charged the same rate for the same service. • <u>Reporting Costs</u> Distribution compares billings to actual expenditures at least annually, via SunGard Banner, Eprints, or Profix (financial report generating software). • <u>Variance – Billings vs. Expenditures</u> Distribution carries forward significant variances between billings and actual expenditures as adjustments to future period billing rates. Variances between billings and actual expenditures are deemed to be significant when working capital falls outside the federal government’s guideline of 60 days of working capital allowed for service centers. Most variances will be liquidated in the next future fiscal year. In some cases Distribution is allowed to develop a multi-year plan to liquidate variances. <p><u>Information Technology Services</u> The Information Technology Service Center (IT) provides a number of services to USU’s main & regional campuses including but not limited to; telecommunications, networking services, email, web services, server hosting, desktop service and support desk, classroom and academic support, and administrative systems support.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> IT accumulates expenses within the University’s formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, fringe benefits, cost of goods sold, depreciation, and other operating expenses). 			

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART III - CONTINUATION SHEET
	UTAH STATE UNIVERSITY

Item No.	Item Description								
3.2.0 (Cont.)	<ul style="list-style-type: none"> • <u>Estimating Costs</u> IT estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, and other known future increases/decreases. • <u>Allocating Costs to Users</u> IT allocates costs to users by service type and billable unit. Due to the variety of services provided by IT, each service may have a unique billable unit. The following list highlights the primary services provided by IT and the respective billable unit. This is not an exhaustive list of all IT services. Rates are calculated by dividing projected costs by projected billable units. <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th style="padding: 2px 5px;"><u>Primary Services</u></th> <th style="padding: 2px 5px;"><u>Billable Unit</u></th> </tr> </thead> <tbody> <tr> <td style="padding: 2px 5px;">Telephone Services</td> <td style="padding: 2px 5px;">Telephone handset</td> </tr> <tr> <td style="padding: 2px 5px;">Enterprise IT Services</td> <td style="padding: 2px 5px;">FTE</td> </tr> <tr> <td style="padding: 2px 5px;">Data Center Services</td> <td style="padding: 2px 5px;">Server rack space</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • <u>Reporting Costs</u> IT compares billings to actual expenditures at least annually, via SunGard Banner and Eprints. • <u>Variance – Billings vs. Expenditures</u> IT carries forward variances between billings and actual expenditures as adjustments to future period billing rates. Due to the complexity of the IT service center, rate adjustments require approval from several levels of University administration. As such, the rate adjustment cycle often extends beyond the next future fiscal year. <p><u>Publications Design and Production</u> Publications Design and Production (PDP) provides printing, copying and publishing services to campus departments, students, and off campus customers.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> PDP accumulates expenses within the University’s formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, fringe benefits, cost of goods sold, depreciation, and other operating expenses). • <u>Estimating Costs</u> PDP estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, projected billable units, and other known future increases/decreases. • <u>Allocating Costs to Users</u> PDP allocates costs to users by billable units and materials cost. Billable units are labor hour and machine hour and materials cost is based on the average cost of current inventory by type (paper, ink, etc). Rates are calculated by dividing projected costs by projected billable units and/or total available units, plus materials cost. PDP uses several software packages to assist in rates calculation including: Parsec – a DOS based MIS system that accumulates time and calculates average hours to complete job by job type; and a SQL server database to track inventory and calculate materials cost. All users are charged the same rate for the same service. • <u>Reporting Costs</u> PDP compares billings to actual expenditures at least annually, via SunGard Banner, Eprints, or Profix (financial report generating software). • <u>Variance – Billings vs. Expenditures</u> PDP carries forward significant variances between billings and actual expenditures as adjustments to future period billing rates. Variances between billings and actual expenditures are deemed to be significant when working capital falls outside the federal government’s guideline of 60 days of working capital allowed for service centers. Most variances will be liquidated in the next future fiscal year. In some cases PDP is allowed to develop a multi-year plan to liquidate variances. 	<u>Primary Services</u>	<u>Billable Unit</u>	Telephone Services	Telephone handset	Enterprise IT Services	FTE	Data Center Services	Server rack space
<u>Primary Services</u>	<u>Billable Unit</u>								
Telephone Services	Telephone handset								
Enterprise IT Services	FTE								
Data Center Services	Server rack space								

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - CONTINUATION SHEET
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3.2.0 (Cont.)	<p><u>Facilities Mechanical & Maintenance Services</u> Facilities Mechanical & Maintenance Services (MMS) provide general operational maintenance services to USU campus departments and buildings including, but not limited to: HVAC, plumbing, electrical, design and construction, repairs and finishes, landscaping, and janitorial.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> MMS accumulates expenses within the University's formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, cost of goods sold, depreciation, and other operating expenses). • <u>Estimating Costs</u> MMS estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, projected billable units, and other known future increases/decreases. • <u>Allocating Costs to Users</u> MMS allocates costs to users by billable unit and materials cost. The billable unit is labor hour and materials cost is based on the cost of inventory plus a warehouse overhead markup. Rates are calculated by dividing projected costs by projected billable units, plus materials cost. All users are charged the same rate for the same service. • <u>Reporting Costs</u> MMS compares billings to actual expenditures at least annually, via SunGard Banner and Eprints. • <u>Variance – Billings vs. Expenditures</u> MMS carries forward significant variances between billings and actual expenditures as adjustments to future period billing rates. Variances between billings and actual expenditures are deemed to be significant when working capital falls outside the federal government's guideline of 60 days of working capital allowed for service centers. Most variances will be liquidated in the next future fiscal year. In some cases MMS is allowed to develop a multi-year plan to liquidate variances. <p><u>Facilities Utility Services</u> Facilities Utility Services (Utilities) provide general utilities to USU campus departments and buildings including, but not limited to: electricity, gas, steam, and water.</p> <ul style="list-style-type: none"> • <u>Accumulating Costs</u> Utilities accumulates expenses within the University's formal accounting system, SunGard Banner, under the Fund, Organization, and Account number format. Each cost center has a unique Fund & Organization in which expenses are accumulated in Accounts (labor, cost of goods sold, depreciation, and other operating expenses). • <u>Estimating Costs</u> Utilities estimates the cost of labor, cost of goods sold, equipment depreciation, and operating supplies based on historical and projected future data, taking into consideration change in labor mix, cost of living increases, new equipment purchases, projected usage, and other known future increases/decreases. • <u>Allocating Costs to Users</u> Utilities allocates costs to users by usage unit. Rates are calculated by dividing projected costs by projected usage units. All users are charged the same rate for the same service. • <u>Reporting Costs</u> Utilities compares billings to actual expenditures at least annually, via SunGard Banner and Eprints. • <u>Variance – Billings vs. Expenditures</u> Utilities carries forward significant variances between billings and actual expenditures as adjustments to future period billing rates. Variances between billings and actual expenditures are deemed to be significant when working capital falls outside the federal government's guideline of 60 days of working capital allowed for service centers. Most variances will be liquidated in the next future fiscal year. In some cases Utilities is allowed to develop a multi-year plan to liquidate variances. 	

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - CONTINUATION SHEET
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3.2.0 (Cont.)	Burden Code F&A costs are allocated to the service centers for F&A cost rate computations. However, service center rates are not burdened with these F&A costs.	
3.4.0	<p>Composition of F&A Cost Pools</p> <p>A. Depreciation/Interest: The expenses under this heading are the portion of the costs of the institution's buildings, capital improvements to land and buildings, equipment and interest on purchases of capital assets which are computed in accordance with 2 CFR 220 (formerly A-21) Section J.12. And J.22.e. Depreciation is recorded in the Plant fund of the formal financial system.</p> <ul style="list-style-type: none"> • Buildings: The University's financial accounting system records the capitalized value of buildings, and the Federal contributions to each, by building number. Depreciation expenses are calculated in accordance with Section J.12 of 2 CFR 220 (formerly A-21). • Equipment - The University's equipment inventory system records use category, funding source and capitalized value of items of equipment as well as depreciation on a monthly basis. This cost pool contains the calculated depreciation for all equipment at USU which meets the current capitalization policy. • Capital Improvements to Land - This cost pool includes the depreciation for improvements categorized as either infrastructure or land improvements (i.e. paved parking areas, fences, sidewalks, etc.). • Interest - Only interest allowable on debt associated with building and equipment assets under the provision of 2 CFR 220 (formerly A-21) Section J.22.e is included as an F&A cost. <p>B. Operations and Maintenance - This pool includes all utilities, custodial, building maintenance, public safety, and other campus O & M costs.</p> <p>C. General Administration and General Expense - The General Administrative and General expense (GA) cost pool is composed of expenditures incurred for the general executive and administrative offices of the University, as well as other expenses of general character which do not relate solely to any main function of the institution (i.e., instruction, sponsored research, public service, other sponsored activities, and other institutional activities).</p> <p>D. Departmental Administration - The expenses under this heading are F&A costs that have been incurred for administrative and supporting services that benefit common or joint departmental activities, subject to the limitations and exclusions in 2 CFR 220 (formerly A-21), F.6.a. and F.6.b, including the special rules regarding treatment of salary and fringe benefits attributable to the 3.6 percent MTDC administrative allowance for faculty and other professionals.</p> <p>Administrative expenses of deans' offices are identified in the financial accounting system by department, account and fund; such expenses are allocated to the academic departments or research units overseen by the dean on the basis of modified total direct cost. See 3.1.0 for additional information concerning the composition of departmental administration expenses.</p> <p>E. Sponsored Projects Administration - Includes costs incurred specifically for sponsored projects and other programs administered by the USU Vice President for Research and the Contracts/Grants Office.</p> <p>F. Library - includes costs that have been incurred for the operation of the library, including the cost of books and library materials purchased for the library. Library expenses are identified in the financial accounting system by function and department.</p> <p>G. Student Services Administration - The Student Services cost pool is comprised of costs incurred for the administration of student affairs and for services to students.</p>	

¹Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - CONTINUATION SHEET	
		UTAH STATE UNIVERSITY	
Item No.	Item Description		
3.4.0 (Cont.)	H. Service Centers – Service Centers are comprised of costs incurred to operate the center and include but are not limited to labor, fringe benefits, cost of goods sold, equipment depreciation, and operating supplies. Service Center costs are not included as F&A costs in the cost proposal, but are eliminated against billings in the interdepartmental elimination entry detailed in the cost proposal work papers. Any remaining costs exceeding the elimination are reported as a direct cost in the Other Institutional Activities base.		
3.5.0	<p>Composition of Allocation Bases</p> <p>A. Student Services - Student services is allocated 100 percent to the instruction function.</p> <p>D. Modified Total Direct Cost Basis - Modified Total Direct Costs (MTDC) consists of salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). The following cost elements are excluded from the MTDC base: equipment that meets the University's capitalization threshold, other capital expenditures, charges for patient care and tuition remission, space rental costs, scholarships and fellowships, and the portion of each subgrant and subcontract in excess of \$25,000.</p> <p>E. Salaries and Wages (Capital Improvements to Land) - Total of all salaries and wages paid to University employees.</p> <p>E. Salaries and Wages (Library) - Total of all salaries and wages paid to budgeted employees (as defined in the University's personnel policy).</p> <p>H. Number of Employees (Full-time Equivalent Basis) - These costs are allocated based on the number of full-time equivalent (FTE) employees and then to the benefiting functions in proportion to the salaries and wages of all employees applicable to those functions.</p> <p>J. Number of Students (Full-time Equivalent Basis) - These costs are allocated based on the number of FTE students and then directly to the instruction function.</p> <p>L. Square Footage - All usable square footage benefiting direct and F&A activities is included. Common areas such as hallways, stairwells, and restrooms are excluded. The square footage of a given room is assigned to direct and F&A cost objectives based on a survey of the space usage of the room during the fiscal year.</p> <p>P. More than One Base (Separate Cost Groupings) - Operations and maintenance costs are allocated based on square footage on the same basis as building usage/depreciation except for those research facilities where the O & M costs are accounted for separately. Where the O & M costs are separately accounted for, the costs are directly allocated to the function of the facility.</p> <p>Y. Equipment and Interest - Most equipment is assigned to a building and room. The depreciation charge is allocated to the various functions based on the usable square feet of the room to which the equipment is assigned. In the case of equipment not assigned to a building and room, the depreciation charge is summarized by department and allocated to the various functions based on the assignable square footage of the department.</p> <p>Y. Library - The other users category for library is allocated to other institutional activities in accordance with section F.8. of 2 CFR 220 (formerly A-21).</p> <p>Final Distribution Base - The final distribution base (i.e., the base used to allocate the accumulated F&A costs of each major function to sponsored agreements within that function) is also MTDC and consists of the same cost elements as the base for allocating the administrative cost pools noted above.</p> <p style="text-align: center;">END OF PART III</p>		

¹Describe on a Continuation Sheet.

Item No.	Item Description																																																		
4.1.0	<p style="text-align: center;">Part IV</p> <p><u>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (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)¹</p> <table style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 35%;"></th> <th style="text-align: center; width: 15%;">Depreciation Method (1)</th> <th style="text-align: center; width: 15%;">Useful Life (2)</th> <th style="text-align: center; width: 15%;">Property Unit (3)</th> <th style="text-align: center; width: 15%;">Residual Value (4)</th> </tr> </thead> <tbody> <tr> <td>A. Land Improvements</td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> A,C </u></td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> B </u></td> </tr> <tr> <td>B. Buildings</td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> A,C </u></td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> B </u></td> </tr> <tr> <td>C. Building Improvements</td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> A,C </u></td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> B </u></td> </tr> <tr> <td>D. Leasehold Improvements</td> <td style="text-align: center;"><u> Z </u></td> <td style="text-align: center;"><u> </u></td> <td style="text-align: center;"><u> </u></td> <td style="text-align: center;"><u> B </u></td> </tr> <tr> <td>E. Equipment</td> <td style="text-align: center;"><u> A </u></td> <td style="text-align: center;"><u> A,C </u></td> <td style="text-align: center;"><u> A,B </u></td> <td style="text-align: center;"><u> B </u></td> </tr> <tr> <td>F. Furniture and Fixtures</td> <td style="text-align: center;"><u> Z </u></td> <td style="text-align: center;"><u> </u></td> <td style="text-align: center;"><u> </u></td> <td style="text-align: center;"><u> </u></td> </tr> <tr> <td>G. 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Otherwise enter Code Z.)</p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <p><u>Column (1) - Depreciation Method Code</u></p> <ul style="list-style-type: none"> A. Straight Line B. Expensed at Acquisition C. Use Allowance D. Other or more than one method </div> <div style="width: 45%;"> <p><u>Column (2) - Useful Life Code</u></p> <ul style="list-style-type: none"> A. Replacement Experience B. Term of Lease C. Estimated service life D. As prescribed for use allowance by 2 CFR 220 (formerly A-21) </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <p><u>Column (3) - Property Unit Code</u></p> <ul style="list-style-type: none"> 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 method </div> <div style="width: 45%;"> <p><u>Column (4) - Residual Value Code</u></p> <ul style="list-style-type: none"> A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method </div> </div> <p style="margin-top: 10px;"><u>Asset Valuations and Useful Lives.</u> 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).</p> <ul style="list-style-type: none"> A. <u> X </u> Yes¹ B. <u> </u> No 		Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)	A. Land Improvements	<u> A </u>	<u> A,C </u>	<u> A </u>	<u> B </u>	B. Buildings	<u> A </u>	<u> A,C </u>	<u> A </u>	<u> B </u>	C. Building Improvements	<u> A </u>	<u> A,C </u>	<u> A </u>	<u> B </u>	D. Leasehold Improvements	<u> Z </u>	<u> </u>	<u> </u>	<u> B </u>	E. Equipment	<u> A </u>	<u> A,C </u>	<u> A,B </u>	<u> B </u>	F. Furniture and Fixtures	<u> Z </u>	<u> </u>	<u> </u>	<u> </u>	G. Automobiles and Trucks	<u> Z </u>	<u> </u>	<u> </u>	<u> </u>	H. Tools	<u> Z </u>	<u> </u>	<u> </u>	<u> </u>	I. Enter Code Y on this line	<u> Z </u>	<u> </u>	<u> </u>	<u> </u>
	Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)																																															
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4.1.1	<p><u>Asset Valuations and Useful Lives.</u> 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).</p> <ul style="list-style-type: none"> A. <u> X </u> Yes¹ B. <u> </u> No 																																																		

¹Describe on a continuation sheet.
FORM CASB DS-2 (REV 10/94)

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCE
		UTAH STATE UNIVERSITY
Item No.	Item Description	
4.2.0	<p><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.)</p> <p>A. _____ Yes B. <u> X </u> No</p>	
4.3.0	<p><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.)</p> <p>A. _____ Excluded from determination of sponsored agreements costs B. <u> X¹ </u> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. _____ Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. _____ Not accounted for separately, but reflected in the depreciation reserve account Y. _____ Others Z. _____ Not applicable</p>	
4.4.0	<p><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.)¹</p> <p>A. Minimum Dollar Amount <u> \$5,000 </u> B. Minimum Life Years <u> >1 year </u></p>	
4.5.0	<p><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.)</p> <p>A. <u> X </u> Yes¹ B. _____ No</p>	

¹Describe on a continuation sheet.
FORM CASB DS-2 (REV 10/94)

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - CONTINUATION SHEET
		UTAH STATE UNIVERSITY
Item No.	Item Description	
4.1.0	<p>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p>For F&A cost purposes, the University follows the guidelines as prescribed for use allowance by 2 CFR 220 (formerly A-21).</p> <p>For computing rates associated with service enterprise functions, the University uses straight line depreciation based on replacement experience from three different sources with the major source being Johns Hopkins University's schedule of estimated life for various items of equipment and criteria from the State of Utah. Some modifications have been made to make the Johns Hopkins schedule more applicable to Utah State University's useful life experience. Generally, the University does not hold service enterprises responsible for the costs associated with land improvements, buildings, and building improvements. However in some instances the service enterprise is financially responsible for these types of costs. When the service enterprise is held financially responsible for the costs, an estimated service life is used to depreciate the improvements or cost of the building.</p> <p>Furniture and fixtures, automobiles and trucks, and tools are all included in the equipment category.</p>	
4.1.1	<p>Asset Valuation and Useful Lives</p> <p>The asset valuations in USU's F&A cost proposal are the same as those used in USU's financial statements. The depreciation method and useful lives used for F&A cost proposal purposes are the same as those used in USU's financial statements.</p>	
4.3.0	<p>Treatment of Gains and Losses on Disposition of Depreciable Property</p> <p>For F&A cost purposes, any recovery of cost from the disposal of an asset accrues to the disposing department. The capital asset is removed from the capital inventory lists and no additional depreciation allowance is computed.</p> <p>Gains or losses from the disposal of capital assets in the service enterprises accrue to the service enterprise. These gains or losses impact the computation of the service enterprise rates accordingly.</p>	
4.4.0	<p>Criteria for Capitalization</p> <p>Refer to current capitalization policies for capitalization thresholds for equipment, buildings, renovations to buildings, land improvements, and infrastructure.</p>	
4.5.0	<p>Group or Mass Purchase</p> <p>Group purchases made for the Athletic Department and some group purchases for Service or Auxiliary facilities, such as theater chairs in the Fine Arts Center, collapsible chairs and tables for the Taggart Student Center and etc. are capitalized. This practice has little or no impact on federal funds.</p>	
END OF PART IV		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART V - OTHER COSTS AND CREDITS
		UTAH STATE UNIVERSITY
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 checked="" type="checkbox"/> Cash B. <input type="checkbox"/> Accrual</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 2 CFR 220 (formerly 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 checked="" 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 type="checkbox"/> Combination of methods Y. <input type="checkbox"/> Other</p>	
	END OF PART V	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
UTAH STATE UNIVERSITY	

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 (i), General Instructions)</p>												
6.1.0	<u>Pension Plans</u> ¹												
6.1.1	<p><u>Defined-Contribution Pension Plans.</u> 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.)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 10%;"><u>Type of Plan</u></th> <th style="width: 80%;"></th> <th style="text-align: right; width: 10%;"><u>Number of Plans</u></th> </tr> </thead> <tbody> <tr> <td>A.</td> <td><input checked="" type="checkbox"/> Institution employees participate in State/Local Government Retirement Plan(s).</td> <td style="text-align: right;">1</td> </tr> <tr> <td>B.</td> <td><input checked="" type="checkbox"/> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution</td> <td style="text-align: right;">1</td> </tr> <tr> <td>C.</td> <td><input type="checkbox"/> Institution has its own Defined-Contribution Plan(s)</td> <td></td> </tr> </tbody> </table>	<u>Type of Plan</u>		<u>Number of Plans</u>	A.	<input checked="" type="checkbox"/> Institution employees participate in State/Local Government Retirement Plan(s).	1	B.	<input checked="" type="checkbox"/> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	1	C.	<input type="checkbox"/> Institution has its own Defined-Contribution Plan(s)	
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6.1.2	<p><u>Defined-Benefit Pension Plan.</u> (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.)¹</p>												
6.2.0	<p><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.)</p> <p>Z. <input checked="" type="checkbox"/> Not Applicable</p>												
6.2.1	<p><u>Determination of Annual PRB Costs.</u> (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.)¹</p>												

¹Describe on a continuation sheet.
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
	UTAH STATE UNIVERSITY

Item No.	Item Description
6.3.0	<p><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.)</p> <p>A. _____ When accrued (book accrual only) B. <u> X </u> When contributions are made to a non-forfeitable fund C. _____ When contributions are made to a forfeitable fund D. _____ When the benefits are paid to employee E. _____ When amounts are paid to an employee welfare plan Y. _____ Other or more than one method¹ Z. _____ Not Applicable</p>
6.4.0	<p><u>Self-Insurance Programs</u> (Worker's Compensation, Liability and Casualty Insurance.)</p>
6.4.1	<p><u>Worker's Compensation and Liability</u>. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)¹</p> <p>A. _____ When claims are paid or losses are incurred (no provision for reserves) B. _____ When provisions for reserves are recorded based on the present value of the liability C. _____ When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability D. _____ When funds are set aside or contributions are made to a fund Y. _____ Other or more than one method¹ Z. <u> X </u> Not Applicable</p>
6.4.2	<p><u>Casualty Insurance</u>. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. _____ When losses are incurred (no provision for reserves) B. _____ When provisions for reserves are recorded based on replacement costs C. _____ 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. _____ Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves) Y. _____ Other or more than one method Z. <u> X </u> Not Applicable</p>

¹Describe on a continuation sheet.
FORM CASB DS-2 (REV 10/94)

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VI - CONTINUATION SHEET
		UTAH STATE UNIVERSITY
Item No.	Item Description	
6.1.0	<p>Pension Plans - Overview: As required by state law, eligible non-exempt employees of the University (as defined by the U.S. Fair Labor Standards Act) are covered by the Utah State Retirement Systems. Eligible exempt employees (as defined by the U.S. Fair Labor Standards Act) are covered by the Teachers Insurance and Annuity Association (TIAA) and/or College Retirement Equities Fund (CREF).</p> <p>Utah Retirement Systems plans include multiple-employer, cost sharing, defined benefit plans and 401(k) defined contribution plans. The defined benefit plans provide defined benefits based on years of service and highest average salaries. The defined contribution plans provide benefits based on total contributions and the accumulated earnings. The plans are administered by the state of Utah. These systems cover substantially all eligible public employees of the state of Utah, educational employees and employees of participating local governmental entities. Under all Utah Retirement Systems plans in which the University employees participate, the pension benefit is vested at the end of four years. The amount credited as the individual's contribution is vested at the time the contribution is made. For employees in the contributory plan for FY 96, the University contributed at a rate of 14.65 percent of gross earnings. Of this, 6 percent is credited as the individual's contribution and 8.65 percent is considered the University's matching contribution. For employees in the State and School System - Noncontributory plan for FY 96, the University contributed 14.47 percent of gross earnings. Of this, 1.5 percent is contributed to a 401(k) plan and 12.97 percent is credited as the University's contribution. For the employees in the Utah Public Safety with Social Security System - contributions are adjusted from time to time and will, therefore, vary from year to year. For current contribution rates, refer to the audited financial statements for Utah State University.</p> <p>The Utah Retirement Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board whose members are appointed by the Governor.</p> <p>Educators Mutual Insurance Association (EMIA) provides a 401(k) defined contribution plan that can be utilized by employees on the Utah Retirement State and School System - noncontributory plan. This contribution is in lieu of the amount that would have been contributed to the Utah Retirement Systems' 401(k) plan. The contribution made by the University is reported in the audited financial statements. Contributions by the University become vested at the time the contribution is made.</p> <p>TIAA and/or CREF provide individual retirement fund contracts with each participating employee. Benefits provided to retired employees are based on the value of individual contracts and the estimated life expectancy of the employee at retirement. Contributions by the University to the employee's contract become vested at the time the contribution is made.</p>	
6.1.2	<p>Defined-Benefit Pension Plan The institution has no non-state defined benefit pension plans.</p>	
6.2.1	<p>Determination of Annual PRB Costs There are no PRBs charged directly to Federally sponsored agreements.</p>	
6.4.1	<p>Worker's Compensation and Liability The University is not self-insured for worker's compensation and liability. Worker's compensation and liability insurance is provided by the state of Utah and billed to the University as a premium for insurance. In turn, the University allocates the premium costs as a fringe benefit (see Continuation Sheet Section 2.6.1).</p>	
6.4.2	<p>Casualty Insurance The University is not self-insured for casualty insurance. Casualty insurance is provided by the Utah State Risk Management Fund charges the University a premium for this coverage. No Federally funded sponsored agreements are directly charged for this coverage.</p>	
END OF PART VI		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VII - CENTRAL SYSTEM OR GROUP EXPENSES	
		UTAH STATE UNIVERSITY	
Item No.	Revision 11	Item Description	Effective Date 1 January 2016
		<p>DISCLOSURE BY CENTRAL SYSTEM OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE.</p> <p style="text-align: center;">Instructions for Part VII</p> <p>This part should be completed <u>only</u> by the central system office or a group office of an educational system when that office is responsible for administering two or more segments, where it allocates its costs to such segments and where at least one of the segments is required to file Parts I through VI of the Disclosure Statement.</p> <p>The reporting unit (central system or group office) should disclose how costs of services provided by the reporting unit are, or will be, accumulated and allocated to applicable segments of the institution. For a central system office, disclosure should cover the entire institution. For a group office, disclosure should cover all of the subordinate organizations administered by that group office.</p> <p>7.1.0 <u>Organizational Structure.</u></p> <p>On a continuation sheet, list all segments of the university or university system, including hospitals, Federally Funded Research and Development Centers (FFRDC's), Government-owned Contractor-operated (GOCO) facilities, and lower-tier group offices serviced by the reporting unit.¹</p> <p>7.2.0 <u>Cost Accumulation and Allocation.</u></p> <p>On a continuation sheet, provide a description of:¹</p> <p>A. _____ The services provided to segments of the university or university system (including hospitals, FFRDC's, GOCO facilities, etc.), in brief.</p> <p>B. _____ How the costs of the services are identified and accumulated.</p> <p>C. _____ The basis used to allocate the accumulated costs to the benefitting segments.</p> <p>D. _____ Any costs that are transferred from a segment <u>to</u> the central system office or the intermediate administrative office, and which are reallocated to another segment(s). If none, so state.</p> <p>E. _____ Any fixed management fees that are charged to a segment(s) in lieu of a prorated or allocation basis and the basis of such charges. If none, so state.</p>	

¹Describe on a continuation sheet.
FORM CASB DS-2 (REV 10/94)

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VII – CONTINUATION SHEET	
		UTAH STATE UNIVERSITY	
Item No.	Revision 11	Item Description	Effective Date
		<p>Disclosure by Central System Office, or Group (Intermediate Administration) Office, as Applicable</p> <p>The University does not receive an assessment or allocation of costs from a central office system or a group office of an educational system.</p>	
7.1.0 Revised		<p>Organizational Structure</p> <p>The University has one segment, Utah State University Research Foundation (USURF).</p>	
7.2.0 Revised		<p>Cost Accumulation and Allocation</p> <p>A. The University may own and rent space occupied by USURF. Employees of USURF may occupy some space on the University campus and use some equipment owned by the University. Employees of USURF may have access to University library facilities. Some of the general administration duties and sponsored projects administration duties are shared between the University and USURF.</p> <p>B. The above services are identified and accumulated using the following methods:</p> <ol style="list-style-type: none"> 1. Building depreciation, equipment depreciation, and operations and maintenance are allocated to USURF based on a space survey of the buildings on the USU campus being used by USURF. Rent paid by USURF to USU for USU owned buildings at the research park is direct charged through a service account and is included in the respective Foundation's internal rate. The operations and maintenance for the Jake Garn building at the research park is separately identified and allocated to USURF based on percentage of space occupied. 2. In the event USURF employees use the Library, Library usage is allocated based on employee FTE at the respective Foundation. 3. General administration and sponsored project administration is reviewed on an account by account basis to determine costs that benefit both USU and USURF. These amounts are then allocated based on the methods prescribed in 2 CFR 220 (formerly A-21). <p>C. Refer to section (B) for allocation methods.</p> <p>D. There are no costs transferred to the central system office and reallocated to another segment. There is only one segment.</p> <p>E. There are no fixed management fees charged to USURF.</p> <p style="text-align: center;">END OF PART VII</p>	