

FLORIDA ATLANTIC UNIVERSITY

COST ACCOUNTING STANDARDS BOARD

DISCLOSURE STATEMENT FOR EDUCATIONAL INSTITUTIONS

CASB DS-2

Revision 1

October 2011

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

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**FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011**

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

GENERAL INSTRUCTIONS

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

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. In such cases, the reporting unit should provide the date of issuance and effective date for each accounting policy and/or procedures document cited. Alternatively, copies of the relevant parts of such documents may be attached as appendices to the pertinent Disclosure Statement Part. Such continuation sheets and appendices should be labeled and cross-referenced with the applicable Disclosure Statement item number. Any supplementary comments needed to fully describe the cost accounting practice being disclosed should also be provided.

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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 of 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
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CONTINUATION SHEET

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description |
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COST ACCOUNTING STANDARDS BOARD
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COVER SHEET AND CERTIFICATION

FLORIDA ATLANTIC UNIVERSITY
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0.1 Educational Institution

- (a) Name: Florida Atlantic University
- (b) Street Address: 777 Glades Road
- (c) City, State and ZIP Code: Boca Raton, Florida, 33431
- (d) Division or Campus of: N/A
(if applicable)

0.2 Reporting Unit is: (Mark one.)

- A. Independently Administered Public Institution
- B. Independently Administered Nonprofit Institution
- C. Administered as Part of a Public System
- D. Administered as Part of a Nonprofit System
- E. Other (Specify) _____

0.3 Revised

Official to Contact Concerning this Statement:

- (a) Name and Title: Dennis Crudele, Sr. Vice President for Financial Affairs
- (b) Phone Number (include area code and extension): 561 297 3266
- (a) Name and Title: Barry Rosson, Ph.D., Vice President for Research
- (b) Phone Number (include area code and extension): 561 297 0268

0.4

Revised

Statement Type and Effective Date:

A. (Mark type of submission. If a revision, enter number)

- (a) Original Statement
- (b) Amended Statement; Revision No. 1

B. Effective Date of this Statement: (Specify) October 2011

0.5 Statement Submitted To (Provide office name, location and telephone number, include area code and extension):

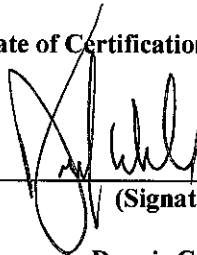
A. Cognizant Federal Agency: Division of Cost Allocation
Dept. of Health and Human Services
Cohen Building, Room 1067
330 Independence Avenue S.W.
Washington, D.C. 20201
(202) 401-2808

B. Cognizant Federal Auditor: Dept. of Health and Human Services
Office of Inspector General
Office of Audit Services, Region IV
Room 3T41
61 Forsyth Street, S.W.
Atlanta, GA 30303-8909
(404) 562-7750

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: October 2011



(Signature)

Dennis Crudele

Sr. Vice President for Financial Affairs
(Title)

Date of Certification: October 2011



(Signature)

Barry Rosson, Ph. D.

Vice President for Research
(Title)

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

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

PART I – GENERAL INFORMATION

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Part I |
| 1.1.0 | <p>Description of Your Cost Accounting System 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. <input type="checkbox"/> Accrual B. <input type="checkbox"/> Modified Accrual Basis ^{1/} C. <input type="checkbox"/> Cash Basis (see continuation sheet) Y. <input checked="" type="checkbox"/> Other ^{1/}</p> |
| 1.2.0 | <p>Integration of Cost Accounting with Financial Accounting. 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. <input type="checkbox"/> Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.) B. <input type="checkbox"/> Not integrated with financial accounting records (Cost data are accumulated on memorandum records.) C. <input checked="" type="checkbox"/> Combination of A and B</p> |
| 1.3.0 | <p>Unallowable Costs. Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)</p> <p>A. <input type="checkbox"/> Specifically identified and recorded separately in the formal financial accounting records. ^{1/} B. <input type="checkbox"/> Identified in separately maintained accounting records or work papers. ^{1/} C. <input type="checkbox"/> Identifiable through use of less formal accounting techniques that permit audit verification. ^{1/} D. <input checked="" type="checkbox"/> Combination of A, B or C ^{1/} E. <input type="checkbox"/> Determinable by other means. ^{1/}</p> |
| 1.3.1 | <p>Treatment of Unallowable Costs. (Explain on a continuation sheet how unallowable costs and directly associated costs are treated in each allocation base and indirect expense pool, e.g., when allocating costs to a major function or activity; when determining indirect cost rates; or, when a central office or group office allocates costs to a segment.)</p> |
| 1.4.0 | <p>Cost Accounting Period: 7/1 to 6/30 (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>State Laws or Regulations. Identify on a continuation sheet any State laws or regulations which influence the institution cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.</p> |
| | <p>^{1/} describe on a Continuation Sheet.</p> |

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PART I – GENERAL INFORMATION
CONTINUATION SHEET

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| Item No. | Item description |
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| 1.1.0 | <p>Description of Cost Accounting System</p> <p>Throughout the year, the University uses a cash basis of accounting for accumulating and charging costs. Exceptions are facilities and administrative (F&A) costs, fringe benefits and service center charges which are charged based on established rates and /or predetermined rates. At fiscal year end, adjustments are made to reflect the University's Financial Statements on an accrual basis. Accrual adjustments on federal agreements are for accounts receivables and accrued liabilities.</p> |
| 1.2.0 | <p>Integration of Cost Accounting with Financial Accounting</p> <p>Direct costs charged to sponsored agreements are fully integrated with the University's financial accounting system.</p> <p>The amounts included in the University's F&A cost pools are based on cost information generated by the financial accounting system. This information is subsequently adjusted and reclassified to the proper cost pools required by Title 2 CFR Part 220. The development of F&A cost rates that include the Faculty Allowance and the Direct Cost Equivalent (DCE) for Departmental Administration (DA) are accomplished through cost finding procedures that are not part of the formal accounting system. Unrestricted expenditures are downloaded from the ledger and a DCE formula is applied to develop most of the DA cost component. Remaining DA costs, Dean's Office, is integrated with the financial records. See Section 3.4.0 Composition of Facilities & Administrative Cost Pools- Departmental Administration.</p> <p>Interest, State University System (SUS) Central Office costs, and statewide central service costs, are not accumulated by the formal accounting system and must therefore be accumulated through cost finding techniques or other calculations (see section 3.1).</p> |
| 1.3.0 | <p><u>Revised</u> Unallowable Costs</p> <p>Most unallowable costs are charged to specific accounts or cost centers in the accounting system. The costs recorded in these accounts and cost centers are excluded from the direct and indirect costs charged to sponsored agreements. Additionally, costs 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 indirect cost pools allocated to sponsored agreements. Cost Centers with potential unallowable costs are screened during the development of the Indirect Cost Rate Proposal. Reviews to assure that unallowable costs are not directly charged to sponsored agreements are made by the Research Accounting office. This same process is used for unallowable cost sharing expenditures.</p> |
| 1.3.1 | <p>Treatment of Unallowable Costs</p> <p>Unallowable costs are excluded from charges to Federally sponsored agreements. As required by CAS 505, where unallowable costs would normally be part of a regular indirect cost allocation base, they will remain in that base. This will be accomplished by classifying unallowable costs as "Other Institutional Activities" and allocating indirect costs to these activities as part of the normal indirect cost allocation process. The classification of unallowable activities as Other Institutional Activities is required by section B.1.d. of Title 2 CFR Part 220. In the interest of consistency, the University has elected to treat all unallowable costs in this manner if the unallowable costs are the types of costs that would be included in the Modified Total Direct Cost (MTDC) base specified in section G.2 of Title 2 CFR Part 220. An exception to this treatment will be made for cost overruns on sponsored agreements. When determining the F&A rate, these costs will remain in the direct cost base of the sponsored projects. Additionally, cost sharing as an unallowable billable cost to the sponsoring agency for indirect cost purposes will remain in the direct base applicable to the allocable sponsored project</p> |

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| 1.5.0 | <p>State Laws or Regulations</p> <p>State laws and regulations define tangible personal property for recording in the accounting records. State laws and regulations affect state central service costs, travel and self- insurance (see Parts III and VI). University employees participate in the state pension plan. State laws and regulations include: Florida Statutes and Constitution; State Senate and House Bills; Florida Attorney General Opinions; Florida Administrative Codes; Auditor General Rules.</p> <p>End of Part</p> |

COST ACCOUNTING STANDARDS BOARD
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PART II – DIRECT COSTS

FLORIDA ATLANTIC UNIVERSITY
 Revision #1, October 2011

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

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| 2.4.0 | Description of Direct Personal Services. All personal services directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the personal services compensation costs, including applicable fringe benefits costs, if any, within each major institutional function or activity that are charged as direct personal services.) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2.5.0 | <p>Method of Charging Direct Salaries and Wages. (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.)</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="3"></th> <th colspan="4" style="text-align: center;"><u>Direct Personal Services Category</u></th> </tr> <tr> <th style="text-align: center;"><u>Faculty</u></th> <th style="text-align: center;"><u>Staff</u></th> <th style="text-align: center;"><u>Students</u></th> <th style="text-align: center;"><u>Other</u> ^{1/}</th> </tr> <tr> <th style="text-align: center;">(1)</th> <th style="text-align: center;">(2)</th> <th style="text-align: center;">(3)</th> <th style="text-align: center;">(4)</th> </tr> </thead> <tbody> <tr> <td>A. 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;">---</td> </tr> <tr> <td>B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)</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>C. 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>D. 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>Y. Other(s) ^{1/}</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> | | <u>Direct Personal Services Category</u> | | | | <u>Faculty</u> | <u>Staff</u> | <u>Students</u> | <u>Other</u> ^{1/} | (1) | (2) | (3) | (4) | A. Payroll Distribution Method (Individual time card/actual hours and rates) | --- | --- | X | --- | B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes) | --- | --- | --- | --- | C. After-the-fact Activity Records (Percentage Distribution of employee activity) | X | X | X | --- | D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.) | --- | --- | --- | --- | Y. Other(s) ^{1/} | --- | --- | --- | --- |
| | <u>Direct Personal Services Category</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <u>Faculty</u> | | <u>Staff</u> | <u>Students</u> | <u>Other</u> ^{1/} | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (1) | (2) | (3) | (4) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Payroll Distribution Method (Individual time card/actual hours and rates) | --- | --- | X | --- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes) | --- | --- | --- | --- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C. After-the-fact Activity Records (Percentage Distribution of employee activity) | X | X | X | --- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.) | --- | --- | --- | --- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Y. Other(s) ^{1/} | --- | --- | --- | --- | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1/ Describe on a Continuation Sheet. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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PART II – DIRECT COSTS

FLORIDA ATLANTIC UNIVERSITY
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| Item No. | Item description |
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| 2.5.1 | <p>Salary and Wage Cost Distribution Systems.</p> <p>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><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| 2.5.2 | <p>Salary and Wage Cost Accumulation System.</p> <p>(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 wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records.)</p> |
| 2.6.0 | <p>Description of Direct Fringe Benefits Costs. 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 all 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.)</p> |
| 2.6.1 | <p>Method of Charging Direct Fringe Benefits. (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>Description of Other Direct Costs. 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> |

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| 2.8.0 | <p>Cost Transfers. When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). (Mark one, if "No" , explain on a continuation sheet how the credit differs from original charge.)</p> <p><u> </u> Yes <u> X </u> No</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| 2.9.0 | <p>Inter organizational Transfers. 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: 70%;"></th> <th style="text-align: center; width: 10%;">Materials (1)</th> <th style="text-align: center; width: 10%;">Supplies (2)</th> <th style="text-align: center; width: 10%;">Services (3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost excluding indirect costs attributable to group or central office expenses.</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>B. At full cost including indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;"><u> </u></td> <td style="text-align: center;"><u> </u></td> <td style="text-align: center;"><u> X </u></td> </tr> <tr> <td>C. At established catalog or market competition.</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>Y. Other(s) ^{1/}</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>Z. Inter organizational transfers are not applicable</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> </u></td> </tr> </tbody> </table> <p>^{1/} Describe on a Continuation Sheet.</p> | | Materials (1) | Supplies (2) | Services (3) | A. At full cost excluding indirect costs attributable to group or central office expenses. | <u> </u> | <u> </u> | <u> </u> | B. At full cost including indirect costs attributable to group or central office expenses. | <u> </u> | <u> </u> | <u> X </u> | C. At established catalog or market competition. | <u> </u> | <u> </u> | <u> </u> | Y. Other(s) ^{1/} | <u> </u> | <u> </u> | <u> </u> | Z. Inter organizational transfers are not applicable | <u> X </u> | <u> X </u> | <u> </u> |
| | Materials (1) | Supplies (2) | Services (3) | | | | | | | | | | | | | | | | | | | | | | |
| A. At full cost excluding indirect costs attributable to group or central office expenses. | <u> </u> | <u> </u> | <u> </u> | | | | | | | | | | | | | | | | | | | | | | |
| B. At full cost including indirect costs attributable to group or central office expenses. | <u> </u> | <u> </u> | <u> X </u> | | | | | | | | | | | | | | | | | | | | | | |
| C. At established catalog or market competition. | <u> </u> | <u> </u> | <u> </u> | | | | | | | | | | | | | | | | | | | | | | |
| Y. Other(s) ^{1/} | <u> </u> | <u> </u> | <u> </u> | | | | | | | | | | | | | | | | | | | | | | |
| Z. Inter organizational transfers are not applicable | <u> X </u> | <u> X </u> | <u> </u> | | | | | | | | | | | | | | | | | | | | | | |

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| 2.1.0 | <p><u>Revised</u> <u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u></p> <p>The University follows the general guidelines in sections D. and E. of Title 2 CFR Part 220 in determining the treatment of costs as direct or indirect. Direct costs are those 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 easy with a high degree of accuracy. Conversely, costs incurred for common or joint objectives that cannot be identified readily and specifically with a particular sponsored project, instructional activity or other institutional activity, are treated as indirect costs. The University's indirect costs are consistent with the definitions of specific indirect cost categories in section F. of Title 2 CFR Part 220. The University also follows the guidelines in section F.6.b. of Title 2 CFR Part 220 which specify the normal treatment of certain costs commonly incurred by academic departments and organized research units.</p> <p>Every effort is made to classify costs incurred for the same purpose, in like circumstances, consistently as either direct or indirect costs. Specific policies have been established by the University to help accomplish this objective. The size, nature, and complexity of sponsored agreements, while not the final determining factors, play a role in determining the unlike circumstances. Because of the unique requirements of each sponsored agreement, "unlike circumstances" are determined on a case by case basis.</p> <p>Within academic departments and organized research units, major cost categories are treated as follows:</p> <ul style="list-style-type: none"> • Salaries and fringe benefits of faculty and other personnel classifications specified in section 2.4.0 associated with effort on research projects, instructional activities and other direct cost objectives are treated as direct costs. • Salaries and fringe benefits of administrative and clerical staff are normally treated as indirect costs, as required by section F.6.b. of Title 2 CFR Part 220. However, these costs are treated as direct costs when the nature of the work performed under a particular project requires an extensive amount of administrative or clerical support and the costs meet the general criteria for direct charging in Title 2 CFR Part 220 (i.e., can be identified specifically with the project). These situations are considered "unlike circumstances" under CAS 502. The University has established specific policies and procedures (FAU Direct Cost Policy Effective Date 06/21/2010, no policy number assigned) regarding the application of this exception (see CAS exemption comments below). • The costs of direct supplies and materials listed in 2.2.0 and 2.7.0 that are identifiable to organized research activities, other sponsored activities, or other institutional activities are treated as direct costs if they meet the criteria listed in section D.1 of Title 2 CFR Part 220. • Rent and other facility costs of off-campus facilities used to conduct research or other direct cost objectives are also treated as direct costs. • The costs of office supplies, postage, local (basic) telephone costs, subscriptions, and memberships are normally treated as indirect costs except for conditions considered "unlike circumstances" under CAS 502. The University has established specific policies (FAU Direct Cost Policy Effective Date 06/21/2010, no policy number assigned) regarding the application of these special circumstances (see CAS exemption comments below). |

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| 2.2.0 | <p>CAS Exemption: As indicated above, the University's policies permit direct charges for administrative and clerical salaries, office supplies, postage, local telephone expenses, subscriptions, and memberships only under circumstances consistent with section F.6.b. of Title 2 CFR Part 220 and further examples given in Appendix C of Title 2 CFR Part 220. In implementing these policies, the University relies on the judgment of the principal investigators and representatives in the University's Sponsored Research office to determine whether these circumstances exist for a particular project. If the proposed direct charges for these costs are fully justified in the grant applications and the responsible University Sponsored Research representatives concur that the costs are justified, then the costs will be allowed, unless the sponsoring agency specifically disapproves the costs. If the cost meets the criteria for direct charging in the University's policy but was not in the original sponsored agreement budget, it would be direct charged if the University has re-budgeting authority and the cost is justified by the principal investigator and approved by the responsible Sponsored Research representatives. If the University does not have re-budgeting authority, the cost would need to be justified and approved by the sponsoring agency.</p> <p>Where allowable by the sponsoring agency, indirect type costs can be charged direct on nonfederal agreements.</p> <p>Direct Charge Equivalents: To assure consistent treatment of costs between sponsored agreements and non-sponsored activities when developing the F&A rate, "Direct Charge Equivalents" (DCEs) 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. DCEs are mathematical formulas which 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 Department Administration indirect cost pool. (See description of the accumulation of Departmental Administration expenses in 3.1.0.). The use of DCEs is a long established accounting convention at academic institutions that is designed to help achieve consistent treatment of costs as required by Title 2 CFR Part 220 and CAS 502, and at the same time recognize the generally accepted accounting practices of the institutions.</p> <p>Revised</p> <p>Description of Direct Materials</p> <p>The major types of materials and supplies charged directly to sponsored agreements and other direct cost objectives include laboratory supplies (e.g., chemicals, glassware), scientific reprints, audio-visual supplies, books and periodicals, drugs, animals, tools, medical supplies, photographic supplies, shop materials, minor equipment items (i.e., those below \$5,000), computer software, and supplies.</p> <p>Description of Direct Personal Services</p> <p>Personal services are those costs compensated by Florida Atlantic University for services rendered in an employee/employer relationship. These costs are charged through the payroll distribution system based on agreed upon compensation and designated pay periods designated by the University. The distinct classes of direct personal service costs are: Executive Service, Faculty, Administrative Managerial and Professional (AMP) staff, Support Personnel, Temporary staff and Student employees. The following are descriptions of these classes:</p> <ul style="list-style-type: none"> (a) Executive Service positions are defined as specific designated positions responsible for policy-making at the executive level. (b) Faculty positions are assigned the primary responsibility of teaching, research, or public service activities or for administrative responsibility for functions directly related to the academic mission. (c) Administrative, Managerial and Professional (AMP) positions are authorized and established positions whose level of job duties meet the criteria for exemption from the Fair Labor Standards Act. (d) Support Personnel (SP) positions are authorized and established positions for paraprofessional, secretarial, clerical, technical, skilled crafts, service, maintenance and other responsibilities, and are covered by the Fair Labor Standards Act. (e) Temporary positions are not established positions, provide no benefits, and are paid from Other Personnel Support funds. They provide exempt or non-exempt temporary employment (f) Student Employees: not established student positions, that provide no benefits, and are paid from Other Personnel Support funds. They provide exempt and non-exempt temporary employment. <p>The direct charges include salaries and fringe benefits. Salaries and fringe benefits of administrative and clerical staff are charged directly under the conditions described in 2.1.0.</p> |
| 2.4.0 | |

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| 2.6.0 | <p>Leave costs Payment of vacation, holiday, and sick leave as allowed by the University's policies and procedures are included in direct salaries charged as leave time is taken by employees.</p> <p>Terminal leave The accumulated balance of terminated employees' annual vacation and sick leave.</p> <p>Other Pretax Assessment: Reimbursement to the State of Florida of the FICA tax savings of employees' pretax benefits.</p> |
| 2.6.1 | <p>Revised Method of Charging Direct Fringe Benefits Costs Fringe benefits are charged to federally sponsored agreements, instructional activities and other institutional activities based on salaries charged to those activities.</p> <p>Fringe benefit rates developed annually and are determined as follows:</p> <p>Fringe benefit expenses listed in Section 2.6.0 are pooled by employee type listed in Section 2.4.0, i.e., Faculty, Administrative Managerial and Professional (AMP), and Support Personnel (SP). Total costs of the benefits for each pool are divided by the salaries and wages eligible for each type of benefit to develop a fringe rate with the exception of student workers who are subject to FICA payments, in which case, the actual University's share of FICA is charged as a fringe cost. Carry-forwards resulting from variances between the prior year's rates and actual costs are included in rate calculations.</p> <p>Both terminal leave and bonus pay out are made based on a pro-rated computation of multiplying total terminal leave costs by the percentage of salaries and wages for its employee classes Faculty, AMP and SP.</p> |
| 2.7.0 | <p>Description of Other Direct Costs Principal categories of other direct costs include:</p> <ul style="list-style-type: none"> ■ Travel ■ Consulting Services ■ Animals ■ Animal and Patient Care ■ Subject Costs ■ Other Specialized and Technical Services ■ Publication costs ■ Sub-Awards ■ Long Distance Telephone Expenses ■ Equipment ■ Equipment Maintenance ■ Rent and other Facility Costs of Off-Campus Facilities |
| 2.8.0 | <p>Cost Transfers For the vast majority of cost transfers, the amount credited for direct costs and applicable indirect costs is the same as the amount originally charged for these costs. However, if a transfer crosses fiscal years, the indirect cost rates of the new year are used in determining the amount credited to the project. These situations are relatively rare and when they occur they often involve follow-on years of the same project. The University does not believe that this has a material effect on charges to sponsored agreements.</p> <p>End of Part</p> |

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| | <p>Institutions should disclose how the segment's total indirect costs are identified and accumulated in specific indirect cost categories and allocated to applicable indirect cost pools and service centers within each major function or activity, how service center costs are accumulated and "billed" to users, and the specific indirect cost pools and allocation bases used to calculate the indirect cost rates that are used to allocate accumulated indirect costs to Federally sponsored agreements or similar final cost objectives. A continuation sheet should be used wherever additional space is required or when a response requires further explanation to ensure clarity and understanding.</p> <p>The following Allocation Base Codes are provided for use in connection with Items 3.1.0 and 3.3.0.</p> <ul style="list-style-type: none"> A. Direct Charge or Allocation B. Total Expenditures C. Modified Total Cost Basis D. Modified Total Direct Cost Basis E. Salaries and Wages F. Salaries, Wages and Fringe Benefits G. Number of Employees (head count) H. Number of Employees (full-time equivalent basis) I. Number of Students (head count) J. Number of Students (full-time equivalent basis) K. Student Hours -- classroom and work performed L. Square Footage M. Usage N. Unit of Product O. Total Production P. More than one base (Separate Cost Groupings) ^{1/} Y. Other(s) ^{1/} Z. Category or Pool not applicable <p>^{1/} List on a continuation sheet, the category and subgrouping(s) of expense involved and the allocation base(s) used.</p> |

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| 3.1.0 | <p>Indirect Cost Categories - Accumulation and Allocation. This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> | | | |
| | <u>Indirect Cost Category</u> | <u>Accumulation Method</u> | <u>Allocation Base Code</u> | <u>Allocation Sequence</u> |
| | (a) Depreciation/Use/Allow./Interest | | | <u>1</u> |
| | Building | <u>No</u> | <u>L</u> | |
| | Equipment | <u>No</u> | <u>L</u> | |
| | Capital Improvements to Land <u>1/</u> | <u>No</u> | <u>L</u> | |
| | Interest <u>1/</u> | <u>Yes</u> | <u>L</u> | |
| | (b) Operation and Maintenance | <u>Yes</u> | <u>L</u> | <u>2 CA</u> |
| | (c) General Administration and General Expense | <u>Yes</u> | <u>D</u> | <u>3 CA</u> |
| | (d) Departmental Administration | | | |
| | (e) Sponsored Projects Administration | <u>No</u> | <u>D</u> | |
| | (f) Library | <u>Yes</u> | <u>D</u> | |
| | (g) Student Admin. and Services | <u>Yes</u> | <u>H,J</u> | |
| | (h) Other <u>1/</u> | <u>Yes</u> | <u>A</u> | |
| | | _____ | _____ | _____ |
| | <u>1/ Describe on a Continuation Sheet.</u> | | | |

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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 Title 2 CFR Part 220. (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.)

(1) (2) (3) (4) (5) (6)

| | | | | | | |
|----------------------------|----------|----------|----------|----------|----------|----------|
| (a) Telecommunications | <u>C</u> | <u>B</u> | <u>C</u> | <u>A</u> | <u>B</u> | <u>B</u> |
| (b) Physical Plant | <u>C</u> | <u>C</u> | <u>C</u> | <u>A</u> | <u>A</u> | <u>B</u> |
| (c) Animal Care Facilities | <u>B</u> | <u>C</u> | <u>Y</u> | <u>A</u> | <u>A</u> | <u>Y</u> |

(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)

See Continuation Sheet

____ ____ ____ ____ ____ ____
____ ____ ____ ____ ____ ____

- (1) Category Code: 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) Burden Code: 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) Billing Rate Code: 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) User Charges Code: 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) Actual Costs vs. Revenues Code: 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) Variance Code: Code "A" - Annual variances between billed and actual costs 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).

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| 3.3.0 | <p><u>Indirect Cost Pools and Allocation Bases.</u></p> <p>(Identify all of the indirect cost pools established for the accumulation of indirect costs, excluding service centers, and the allocation bases used to distribute accumulated indirect costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable indirect cost pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives.)</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Indirect Cost Pools</u></th> <th style="text-align: right;"><u>Allocation Base Code</u></th> </tr> </thead> <tbody> <tr> <td colspan="2">A. Instruction</td> </tr> <tr> <td><u>X</u> On-Campus</td> <td style="text-align: right;"><u>D</u></td> </tr> <tr> <td><u>X</u> Off-Campus</td> <td style="text-align: right;"><u>D</u></td> </tr> <tr> <td>— Other 1/</td> <td style="text-align: right;">—</td> </tr> <tr> <td colspan="2">B. Organized Research</td> </tr> <tr> <td><u>X</u> On-Campus</td> <td style="text-align: right;"><u>D</u></td> </tr> <tr> <td><u>X</u> Off-Campus</td> <td style="text-align: right;"><u>D</u></td> </tr> <tr> <td>— Other 1/</td> <td style="text-align: right;">—</td> </tr> <tr> <td colspan="2">C. Other Sponsored Activities</td> </tr> <tr> <td><u>X</u> On-Campus</td> <td style="text-align: right;"><u>D</u></td> </tr> <tr> <td><u>X</u> Off-Campus</td> <td style="text-align: right;"><u>D</u></td> </tr> <tr> <td>— Other 1</td> <td style="text-align: right;">—</td> </tr> <tr> <td colspan="2">D. Other Institutional Activities 1/</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>D</u></td> </tr> </tbody> </table> | <u>Indirect Cost Pools</u> | <u>Allocation Base Code</u> | A. Instruction | | <u>X</u> On-Campus | <u>D</u> | <u>X</u> Off-Campus | <u>D</u> | — Other 1/ | — | B. Organized Research | | <u>X</u> On-Campus | <u>D</u> | <u>X</u> Off-Campus | <u>D</u> | — Other 1/ | — | C. Other Sponsored Activities | | <u>X</u> On-Campus | <u>D</u> | <u>X</u> Off-Campus | <u>D</u> | — Other 1 | — | D. Other Institutional Activities 1/ | | | <u>D</u> |
| <u>Indirect Cost Pools</u> | <u>Allocation Base Code</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Instruction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>X</u> On-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>X</u> Off-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| — Other 1/ | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B. Organized Research | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>X</u> On-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>X</u> Off-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| — Other 1/ | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C. Other Sponsored Activities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>X</u> On-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>X</u> Off-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| — Other 1 | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D. Other Institutional Activities 1/ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3.4.0 | <p><u>Composition of Indirect Cost Pools.</u> (For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, sub-groupings of expenses, and elements of cost included.)</p> <p>1/ Describe on a Continuation Sheet.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| 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 benefiting functions and activities included. If any cost objectives are excluded from the allocation base, such cost objectives and the alternate allocation method used should be identified. If an indirect cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study.</p> |
| 3.6.0 | <p><u>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</u> Are appropriate direct costs of all programs and activities included in the indirect cost allocation bases, regardless of whether allocable indirect costs are fully reimbursed by the sponsoring organizations?</p> <p>A. <u> X </u> Yes</p> <p>B. <u> </u> No ^{1/}</p> <p>^{1/} Describe on a Continuation Sheet.</p> |

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PART III – INDIRECT COSTS
CONTINUATION SHEET

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description |
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| 3.1.0 | <p><u>Indirect Cost Categories - Accumulation and Allocation.</u></p> <p>This continuation sheet explains how costs are identified, accumulated and allocated for the indirect cost categories for cost categories.</p> <p>Department Administration costs are accumulated and identified in several ways. Costs incurred in college administration (Dean's Office) are integrated with the financial accounting records and identified by expense class. The faculty allowance and the direct cost equivalent (DCE) is determined and calculated outside of the ledger system via F&A Software. The allocation basis of department administration is MTDC.</p> <p>Refer to the following sections for more detail:</p> <ul style="list-style-type: none"> ● Section 1.2.0, <i>Integration of Cost Accounting with Financial Accounting</i> ● Section 3.4.0, <i>Composition of Indirect Cost Pools:</i> |
| 3.2.0 | <p>Notes explaining rows and columns</p> <p>(c) Animal Care Facilities:</p> <p>(3) Billing rate code - Rates for animal care are based on the lower of historical costs or market.</p> <p>(6) Variance code - Variances between billed and actual costs result in a deficit, which is subsidized by the University.</p> |
| 3.3.0 | <p><u>Indirect Cost Pools and Allocation Bases.</u></p> <p>D. Other Institutional Activities include:</p> <p>Operation of residence halls, dining halls, student unions, intercollegiate athletics, bookstores, faculty housing, student apartments, guest houses, theaters, public museums, and other similar auxiliary enterprises.</p> <p>This definition also includes any other categories of activities, costs of which are 'unallowable' (such as development and fundraising, public relations, etc.) to sponsored agreements, unless otherwise indicated in the agreements.</p> <p>Other Institutional Activities does not consist of activities of the University involved in instruction, departmental research, organized research, and other sponsored activities.</p> |

COST ACCOUNTING STANDARDS BOARD
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| 3.4.0 | <p><u>Revised</u> <u>Composition of Indirect Cost Pools.</u></p> <p>Building Depreciation/Use Allowance and Capital Improvements to Land The cost components of buildings and capital improvements to land that are included for depreciation purposes are as follows: construction materials and labor, consultants, permits and fees, survey/site work, and other miscellaneous fees.</p> <p>Equipment The University uses straight-line depreciation for equipment. The equipment cost pool group contains the calculated depreciation for all equipment at the University with a unit cost greater than \$5,000 and a useful life in excess of one (1) year. The University conducts a wall-to-wall inventory of moveable equipment at least every two (2) years in accordance with Title 2 CFR Part 220. Cost components of equipment purchases that are depreciated are the equipment itself, freight/shipping/handling charges, installation charges, accessories (i.e. parts, materials), and software if purchased on the same Purchase Order as computer equipment.</p> <p>Capital expenditures are classified as follows: Buildings Infrastructure Computer/Data Technology Equipment Furniture and Equipment Software Library Resources Depreciable Art</p> <p>The University excludes all equipment purchased with federal funds from its indirect cost calculation.</p> <p>Interest The University has an account code that captures interest expense. The details related to Interest associated with bonds related to specific building and capital projects are obtained from the State of Florida.</p> <p>Operations and Maintenance The University expenses under this heading are those that have been incurred for the administration, supervision, operation, maintenance, preservation, and protection of the University's physical plant and property. They include expenses such as janitorial and utility services; repairs and ordinary/normal alterations of buildings, furniture and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; earthquake and disaster preparedness; environmental safety; hazardous waste disposal; property, liability and all other insurance relating to property; space and capital leasing; facility planning and management; and central receiving. The operation and maintenance expense category also includes its allocable share of fringe benefit costs, depreciation and use allowances, and interest costs.</p> <p>General Administration and General Expense The expenses under this heading are those that have been incurred for the general executive and administrative offices of the University including those expenses of administrative offices that serve the entire university system: central offices of the University such as the President's, Provost, the offices for institution-wide financial management, business services, budget and planning, personnel management, and safety and risk management; the office of the General Counsel; and the operations of the central administrative management information systems. Also included are statewide allocations incurred by the state of Florida on behalf of the University. This category also includes its allocable share of cross allocations from the previous cost pools.</p> |

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| 3.4.0 | <p>Departmental Administration (DA) The expenses under this heading are those that have been incurred for administrative and supporting services that benefit common or joint departmental activities. Costs here include salaries of secretarial and clerical staffs, the salaries of administrative officers and assistants, travel, office supplies, stockrooms, etc. The majority of these costs are determined via the Sponsored Direct Charge Equivalent (DCE) methodology.</p> <p>The DA component consist of: College Administration, Salaries & Wages, the administration at the department level determined through the DCE methodology and includes its allocable share of cross allocations from the previous cost pools.</p> <p>The following describes the DCE methodology used. Expense classes for costs that are normally direct are removed from the DCE cost data and the DCE ratio such as lab and direct cost supplies. This methodology ensures that only appropriate indirect costs are included in the calculation. A unique DA cost pool is established for each academic department. Within these cost pools, five separate components are calculated:</p> <ul style="list-style-type: none"> • Administrative salaries & wages. • General Support salaries & wages. • Faculty and Professional administrative salaries & wages • Prorated share of employee benefits • Other general expenses <p><i>Administrative and General Support salaries & wages</i> The Administrative and General Support salaries and wages (S&W) are determined through a review of the institution's payroll system.</p> <p>These positions are used as a component of DA after being reduced by the DCE. Salaries for these positions are segregated into non-sponsored and sponsored expenses. In a similar manner, the salaries of the Faculty & Professional and Technician positions (F&P and Tech) are likewise segregated and these elements are used to compute the DCE.</p> <p>The DCE ratio is defined as the General Support S&W paid by sponsored funds divided by the Faculty and Professional and Technician S&W paid by the sponsored funds. This ratio is multiplied by the non-sponsored Faculty and Professional and Technician S&W, which is reduced by the Faculty Administrative Allowance. This amount represents the equivalent amount of General Support for the non-sponsored direct activities of the department.</p> <p>The DCE is then subtracted from the non-sponsored General Support S&W, on a department by department basis, and any remaining cost is then transferred to DA as the departmental administration component of General Support.</p> <p>The underlying assumption is both sponsored and non-sponsored F&P and Tech salaries require General Support in the same ratio.</p> |

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| 3.4.0 | <p><i>Faculty & Professional Administrative</i> The Faculty & Professional Administrative S&W is determined by taking the MTDC of the department, less administrative costs, and multiplying by the 3.6% Faculty Administrative Allowance (FAA) allowed by Title 2 CFR Part 220. Fringe Benefits are calculated and the resulting amounts are transferred to DA.</p> <p><i>Employee Benefits</i> Employee Benefits are prorated based upon total non-sponsored S&W. These amounts are discounted by the 3.6% FAA and transferred to the DA cost pool.</p> <p><i>Other General Expense</i> Appropriate expense classes are identified and segregated into sponsored and non-sponsored expense. The sponsored amount is divided by the sponsored salaries to compute the DCE ratio. The ratio is multiplied by the Non-sponsored non-administrative salaries to determine the DCE amount. The DCE is subtracted from the Non-sponsored Other General Cost to determine the DA amount. The amount is further reduced by the 3.6% FAA prior to the transfer to DA.</p> <p>Sponsored Projects Administration The costs under this heading are limited to those incurred by a separate organization established primarily to administer sponsored projects, including activities as grant and contract administration.</p> <p>The offices included are the Office of Sponsored Research, Contracts and Grants, and the VP of Research. Cross allocations from the previous cost pools in accordance with TITLE 2 CFR PART 220 costs step-down have also been included.</p> <p>Library The expenses under this heading are those that have been incurred for the operation of the libraries, including salaries, wages, fringe benefits and the cost of books and library materials purchased for the library, less any income that qualify as applicable credits. Cross allocations from the previous cost pools in accordance with TITLE 2 CFR PART 220 costs step-down have also been included.</p> <p>Student Administration and Services The expenses under this heading are those that have been incurred for the administration of student affairs and for services to students, including expenses of such activities as deans of students, admissions registrar, counseling and placement services, student advisors, student health and infirmary services, catalogs, and commencements and convocations. The administration of student services at Florida Atlantic University may be conducted by almost any instructional department as part of its student support functions. Cross allocations from the previous cost pools in accordance with TITLE 2 CFR PART 220 costs step-down have also been included.</p> |

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| 3.5.0 | <p><u>Composition of Allocation Bases</u></p> <p>Modified Total Direct Costs Consists of all salaries and wages, fringe benefits, materials and supplies, services, and travel. Equipment, capital expenditures, charges for patient care if applicable, and tuition remission, rental costs, scholarships, and fellowships are excluded from modified total direct costs. All sub-grants and subcontracts in excess of the first \$25,000 are excluded.</p> <p>Space The space inventory identifies net assignable square feet by room within a building, department, and cost pool. The University has a perpetual space inventory system and the system files are updated as soon as any new or remodeled space is occupied for its intended activities. Space is recorded by its function use(s) for those departments selected to do a space survey having significant sponsored activity. Non survey space considered joint use is allocated to the benefiting functions based on the salaries and wages profile of the departments. (Salaries and wages are accumulated by account string/account which are classified into TITLE 2 CFR PART 220 cost pool groupings.)</p> <p>Full-Time Equivalent Counts Basis The University has full-time equivalent counts for public, staff, and students' usage of its library facilities.</p> <p>End of Part</p> |

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PART IV – DEPRECIATION AND USE ALLOWANCES

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| 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.)</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 60%;">Asset Category</th> <th style="text-align: center; width: 10%;">Depreciation Method</th> <th style="text-align: center; width: 10%;">Useful Life</th> <th style="text-align: center; width: 10%;">Property Unit</th> <th style="text-align: center; width: 10%;">Residual Value</th> </tr> <tr> <th></th> <th style="text-align: center;">(1)</th> <th style="text-align: center;">(2)</th> <th style="text-align: center;">(3)</th> <th style="text-align: center;">(4)</th> </tr> </thead> <tbody> <tr> <td>(a) Land Improvements</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;">_B_</td> </tr> <tr> <td>(b) Buildings</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;">_B_</td> </tr> <tr> <td>(c) Building Improvements</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;">_B_</td> </tr> <tr> <td>(d) Leasehold Improvements</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;">_B_</td> </tr> <tr> <td>(e) Equipment</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;">_B_</td> </tr> <tr> <td>(f) Furniture and Fixtures</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;">_B_</td> </tr> <tr> <td>(g) Automobiles and Trucks</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;">_B_</td> </tr> <tr> <td>(h) Tools</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;">_B_</td> </tr> <tr> <td>(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.)</td> <td style="text-align: center;">_Y_</td> <td style="text-align: center;">_Y_</td> <td style="text-align: center;">_Y_</td> <td style="text-align: center;">_Y_</td> </tr> </tbody> </table> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><u>Column (1)--Depreciation Method Code</u></p> <p>A. Straight Line B. Expensed at Acquisition C. Use Allowance Y. Other or more than one method 1/</p> <p>Y. Other or more than one method 1/</p> <p><u>Column (3)--Property Unit Code</u></p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lives C. Applied to groups of assets with varying service lives Y. Other or more than one method 1/</p> <p>1/ Describe on a Continuation Sheet.</p> </td> <td style="width: 50%; vertical-align: top;"> <p><u>Column (2)--Useful Life Code</u></p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21</p> <p><u>Column (4)--Residual Value Code</u></p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method 1/</p> </td> </tr> </table> | Asset Category | Depreciation Method | Useful Life | Property Unit | Residual Value | | (1) | (2) | (3) | (4) | (a) Land Improvements | _A_ | _C_ | _A_ | _B_ | (b) Buildings | _A_ | _C_ | _A_ | _B_ | (c) Building Improvements | _A_ | _C_ | _A_ | _B_ | (d) Leasehold Improvements | _A_ | _C_ | _A_ | _B_ | (e) Equipment | _A_ | _C_ | _A_ | _B_ | (f) Furniture and Fixtures | _A_ | _C_ | _A_ | _B_ | (g) Automobiles and Trucks | _A_ | _C_ | _A_ | _B_ | (h) Tools | _A_ | _C_ | _A_ | _B_ | (i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.) | _Y_ | _Y_ | _Y_ | _Y_ | <p><u>Column (1)--Depreciation Method Code</u></p> <p>A. Straight Line B. Expensed at Acquisition C. Use Allowance Y. Other or more than one method 1/</p> <p>Y. Other or more than one method 1/</p> <p><u>Column (3)--Property Unit Code</u></p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lives C. Applied to groups of assets with varying service lives Y. Other or more than one method 1/</p> <p>1/ Describe on a Continuation Sheet.</p> | <p><u>Column (2)--Useful Life Code</u></p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21</p> <p><u>Column (4)--Residual Value Code</u></p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method 1/</p> |
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| | (1) | (2) | (3) | (4) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) Land Improvements | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) Buildings | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) Building Improvements | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) Leasehold Improvements | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (e) Equipment | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (f) Furniture and Fixtures | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (g) Automobiles and Trucks | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (h) Tools | _A_ | _C_ | _A_ | _B_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.) | _Y_ | _Y_ | _Y_ | _Y_ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 4.1.1 | <p>Asset Valuations and Useful Lives. Are the asset valuations and useful lives used in your indirect cost proposal consistent with those used in the institution's financial statements? (Mark one.) A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No ^{1/}</p> |
| 4.2.0 | <p>Fully Depreciated Assets. Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.) A. <input type="checkbox"/> Yes B. <input checked="" type="checkbox"/> No</p> |
| 4.3.0 | <p>Treatment of Gains and Losses on Disposition of Depreciable Property. Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.) A. <input checked="" type="checkbox"/> Excluded from determination of sponsored agreement costs B. <input type="checkbox"/> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. <input type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <input type="checkbox"/> Not accounted for separately, but reflected in the depreciation reserve account Y. <input type="checkbox"/> Other(s) ^{1/} Z. <input type="checkbox"/> Not applicable</p> |
| 4.4.0 | <p>Revised Criteria for Capitalization. (Enter (a) the minimum dollar amount of expenditures which are capitalized for acquisition, addition, alteration, donation and improvement of capital assets, and (b) the minimum number of expected life years of assets which are capitalized. If more than one dollar amount or number applies, show the information for the majority of your capitalized assets, and enumerate on a continuation sheet the dollar amounts and/or number of years for each category or subcategory of assets involved which differs from those for the majority of assets.) A. Minimum Dollar Amount <input type="text" value="\$5,000.00"/> B. Minimum Life Years <input type="text" value="over 1 year"/></p> |
| 4.5.0 | <p>Group or Mass Purchase. Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.) A. <input type="checkbox"/> Yes ^{1/} B. <input checked="" type="checkbox"/> No</p> |
| <p>^{1/} Describe on a Continuation Sheet.</p> | |

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| Asset Category | <u>Depreciation Method</u> (1) | <u>Useful Life</u> (2) | <u>Property Unit</u> (3) | <u>Residual Value</u> (4) | | | | | | | | | | | | | | | | | |
| (j) Computer Software | A | C | A | B | | | | | | | | | | | | | | | | | |
| (k) Library Resources | A | C | A | B | | | | | | | | | | | | | | | | | |
| (l) Works of Art & Historical Treasures | A | C | A | B | | | | | | | | | | | | | | | | | |
| 4.1.1 | <p>Asset Valuations and Useful Lives</p> <p>The asset valuations used to develop depreciation for the indirect cost proposal are consistent with those used in the University's financial statements. The financial statements do include depreciation expense. In accordance with State laws, rules, and regulations, University policy, and generally accepted accounting principles, the useful lives used to determine depreciation expense are as follows:</p> <table border="0"> <tr> <td>Buildings:</td> <td>25-50 years</td> </tr> <tr> <td>Infrastructure:</td> <td>15-50 years</td> </tr> <tr> <td>Computer/Data Technology Equipment:</td> <td>7-10 years</td> </tr> <tr> <td>Furniture and Equipment:</td> <td>10-20 years</td> </tr> <tr> <td>Software:</td> <td>5 years</td> </tr> <tr> <td>Library Resources:</td> <td>10 years</td> </tr> <tr> <td>Depreciable Art:</td> <td>50 years</td> </tr> </table> <p>End of Part</p> | Buildings: | 25-50 years | Infrastructure: | 15-50 years | Computer/Data Technology Equipment: | 7-10 years | Furniture and Equipment: | 10-20 years | Software: | 5 years | Library Resources: | 10 years | Depreciable Art: | 50 years | | | | | | |
| Buildings: | 25-50 years | | | | | | | | | | | | | | | | | | | | |
| Infrastructure: | 15-50 years | | | | | | | | | | | | | | | | | | | | |
| Computer/Data Technology Equipment: | 7-10 years | | | | | | | | | | | | | | | | | | | | |
| Furniture and Equipment: | 10-20 years | | | | | | | | | | | | | | | | | | | | |
| Software: | 5 years | | | | | | | | | | | | | | | | | | | | |
| Library Resources: | 10 years | | | | | | | | | | | | | | | | | | | | |
| Depreciable Art: | 50 years | | | | | | | | | | | | | | | | | | | | |

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

PART V – OTHER COSTS AND CREDITS

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part V | |
| 5.1.0 | <p>Method of Charging Leave Costs. 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>Applicable Credits. This item is directed at the treatment of "applicable credits" as defined in Section C of OMB Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A. <input type="checkbox"/> The credits/receipts are offset against the specific direct or indirect costs to which they relate. B. <input type="checkbox"/> The credits/receipts are handled as a general adjustment to the indirect pool. C. <input type="checkbox"/> The credits/receipts are treated as income and are not offset against costs. D. <input checked="" type="checkbox"/> Combination of methods ^{1/} Y. <input type="checkbox"/> Other</p> |
| <p><u>1/</u> Describe on a Continuation Sheet.</p> | |

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

PART VI – DEFERRED COMPENSATION AND
INSURANCE COSTS

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description | | | | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------|-----------------------------------------------------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------------------------------|---|
| | <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, and the reporting unit does not have access to the information needed to complete an item, the reporting unit should require that entity to complete the applicable portions of this Part VI. (See item 4, page (i), General Instructions)</p> | | | | | | | | |
| 6.1.0 | <p><u>Pension Plans.</u></p> | | | | | | | | |
| | <p>Defined-Contribution Pension Plans. Identify the types and number of pension plans whose costs are charged to Federally sponsored agreements. (Mark applicable line(s) and enter number of plans.)</p> | | | | | | | | |
| 6.1.1 | <p><u>Revised</u></p> | | | | | | | | |
| | <table border="0"> <thead> <tr> <th data-bbox="235 840 941 882">Type of Plan</th> <th data-bbox="941 840 1557 882">Number of Plans</th> </tr> </thead> <tbody> <tr> <td data-bbox="235 882 941 945">A. <input checked="" type="checkbox"/> Institution employees participate in State/Local Government Retirement Plan(s)</td> <td data-bbox="941 882 1557 945" style="text-align: center;">1</td> </tr> <tr> <td data-bbox="235 945 941 1113">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</td> <td data-bbox="941 945 1557 1113" style="text-align: center;">1</td> </tr> <tr> <td data-bbox="235 1113 941 1218">C. <input type="checkbox"/> Institution has its own Defined-Contribution Plan(s) ^{1/}</td> <td data-bbox="941 1113 1557 1218" style="text-align: center;">—</td> </tr> </tbody> </table> | Type of Plan | Number of Plans | 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) ^{1/} | — |
| Type of Plan | Number of Plans | | | | | | | | |
| 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) ^{1/} | — | | | | | | | | |
| 6.1.2 | <p>Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)</p> | | | | | | | | |
| | <p>^{1/} Describe on a Continuation Sheet.</p> | | | | | | | | |

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

PART VI – DEFERRED COMPENSATION AND
INSURANCE COSTS

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.2.0 | <p>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs). (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>Determination of Annual PRB Costs. (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices used, 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.)</p> |
| 6.3.0 | <p>Self-Insurance Programs (Employee Group Insurance). Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When accrued (book accrual only) B. <input type="checkbox"/> When contributions are made to a non-forfeitable fund C. <input type="checkbox"/> When contributions are made to a forfeitable fund D. <input type="checkbox"/> When the benefits are paid to an employee E. <input type="checkbox"/> When amounts are paid to an employee welfare plan Y. <input checked="" type="checkbox"/> Other or more than one method ^{1/} Z. <input type="checkbox"/> Not Applicable</p> |
| 6.4.0 | <p>Self-Insurance Programs (Worker's Compensation, Liability and Casualty Insurance.)</p> |
| 6.4.1 | <p>Worker's Compensation and Liability. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability D. <input type="checkbox"/> When funds are set aside or contributions are made to a fund Y. <input checked="" type="checkbox"/> Other or more than one method ^{1/} Z. <input type="checkbox"/> Not Applicable</p> |
| 6.4.2 | <p>Casualty Insurance. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on replacement costs C. <input type="checkbox"/> When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles. D. <input type="checkbox"/> Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves) Y. <input checked="" type="checkbox"/> Other or more than one method ^{1/} Z. <input type="checkbox"/> Not Applicable</p> |

^{1/}Describe on a Continuation Sheet.

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

PART VI – DEFERRED COMPENSATION
AND INSURANCE COSTS
CONTINUATION SHEET

FLORIDA ATLANTIC UNIVERSITY
Revision #1, October 2011

| Item No. | Item description |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.3.0 | <p>The State of Florida self-insures for health insurance. The University pays premiums to the State for its share of the coverage which goes into the health insurance trust fund. The costs for these charges are incorporated into the established fringe benefits percent of the employees' salaries and wages at the University.</p> |
| 6.4.1 | <p>The state of Florida self-insures for workers compensation. The University pays a premium to the State for its share of the coverage, which goes into a State self-insurance fund. The costs for these charges are incorporated into the established fringe benefits percent of the employees' salaries and wages at the University. The rates are based on estimated costs as a percentage of the employee salaries and wages. Carry forward adjustments are made to future rates to compensate for variances between estimated and actual rates for each year.</p> |
| 6.4.2 | <p>For workers compensation, the University also pays for the initial period of worker compensation benefits as stipulated by state regulations.</p> <p>Revised The state of Florida self-insures for liability coverage up to a stipulated amount per incident. The University pays a premium to the state for its share of the coverage. The University may also pay an insurance premium to an insurance company for liability coverage above the stipulated amount. Both premiums are included in the GA indirect cost pool.</p> <p>The automobile and casualty insurance premium paid to the state are included in the GA indirect cost pool.</p> <p>The liability insurance premium paid to the state is included in the GA indirect cost pool.</p> <p>End of Part</p> |