

**Cost Accounting Standards Board**  
**Disclosure Statement for Educational**  
**Institutions**  
**CASB DS-2**

**University of Central Florida**  
**Resubmission No. 3**

**Effective**  
**July 1, 2005**

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

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

**GENERAL INSTRUCTIONS**

1. This Disclosure Statement has been designed to meet the requirements of Public Law 100-679, and persons completing it are to describe the educational institution and its cost accounting practices. For complete regulations, instructions and timing requirements concerning submission of the Disclosure Statement, refer to Section 9903.202 of Chapter 99 of Title 48 CFR (48 CFR 9903).
2. Part I of the Statement provides general information concerning each reporting unit (e.g., segments, business units, and central system or group (intermediate administration) offices). Parts II through VI pertain to the types of costs generally incurred by the segment or business unit directly performing under Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). Part VII pertains to the types of costs that are generally incurred by a central or group office and are allocated to one or more segments performing under Federally sponsored agreements.
3. Each segment or business unit required to disclose its cost accounting practices should complete the Cover Sheet, the Certification, and Parts I through VI.
4. Each central or group office required to disclose its cost accounting practices for measuring, assigning and allocating its costs to segments performing under Federally sponsored agreements should complete the Cover Sheet, the Certification, Part I and Part VII of the Disclosure Statement. Where a central or group office incurs the types of cost covered by Parts IV, V and VI, and the cost amounts allocated to segments performing under Federally sponsored agreements are material, such office(s) should complete Parts IV, V, or VI for such material elements of cost. While a central or group office may have more than one reporting unit submitting Disclosure Statements, only one Statement needs to be submitted to cover the central or group office operations.
5. The Statement must be signed by an authorized signatory of the reporting unit.
6. The Disclosure Statement should be answered by marking the appropriate line or inserting the applicable letter code which describes the segment's (reporting unit's) cost accounting practices.
7. A number of questions in this Statement may need narrative answers requiring more space than is provided. In such instances, the reporting unit should use the attached continuation sheet provided. The continuation sheet may be reproduced locally as needed. The number of the question involved should be indicated and the same coding required to answer the questions in the Statement should be used in presenting the answer on the continuation sheet. Continuation sheets should be inserted at the end of the pertinent Part of the Statement. On each continuation sheet, the reporting unit should enter the next sequential page number for that Part and, on the last continuation sheet used, the words "End of Part" should be inserted after the last entry.

**COST ACCOUNTING STANDARDS BOARD  
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**GENERAL INSTRUCTIONS**

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.

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  
DISCLOSURE STATEMENT  
REQUIRED BY PUBLIC LAW 100-679  
EDUCATIONAL INSTITUTIONS**

**COVER SHEET AND CERTIFICATION**

**0.1**

**Educational Institution**

- (a) **Name** **University of Central Florida**
- (b) **Street Address** **4000 Central Florida Boulevard**
- (c) **City, State and ZIP Code** **Orlando, Florida 32816**
- (d) **Division or Campus of  
(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**

**Official to Contact Concerning this Statement:**

- (a) **Name and Title** **Mr. Randy Foster, Associate Controller**
- (b) **Phone Number (include area code and extension)** **(407) 882-1000**

**0.4**

**Statement Type and Effective Date:**

- A. **(Mark type of submission. If a revision, enter number)**
- (a)  **Original Statement (Resubmission #3)**
- (b)  **Amended Statement; Revision No. \_\_\_\_\_**
- B. **Effective Date of this Statement: (Specify)** **07/01/2005**

**0.5**

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

- A. **Cognizant Federal Agency:** **Dept of Health & Human Services**  
\_\_\_\_\_
- B. **Cognizant Federal Auditor:** **Philip A. Simard**\_\_\_\_\_  
**Director, DCA**\_\_\_\_\_

**CERTIFICATION**

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

Date of Certification: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

Mr. William F. Merck II  
(Print or Type Name)

Vice President Administration & Finance  
(Title)

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

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

**PART I - GENERAL INFORMATION**

NAME OF REPORTING UNIT  
University of Central Florida

Item  
No.

Resubmission No. 3, Effective date July 1, 2005

**Part I**

**1.1.0** 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.)

- A.  Accrual
- B.  Modified Accrual Basis 1/
- C.  Cash Basis
- Y.  Other 1/

**1.2.0** 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.)

- A.  Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.)
- B.  Not integrated with financial accounting records (Cost data are accumulated on memorandum records.)
- C.  Combination of A and B

**1.3.0** Unallowable Costs. Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)

- A.  Specifically identified and recorded separately in the formal financial accounting records. 1/
- B.  Identified in separately maintained accounting records or workpapers. 1/
- C.  Identifiable through use of less formal accounting techniques that permit audit verification. 1/
- D.  Combination of A, B or C 1/
- E.  Determinable by other means. 1/  
1/ Describe on a Continuation Sheet.

**COST ACCOUNTING STANDARDS BOARD  
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**PART I - GENERAL INFORMATION**

**NAME OF REPORTING UNIT**  
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- 1.3.1 **Treatment of Unallowable Costs.** (Explain on a continuation sheet how unallowable costs and directly associated costs are treated in each allocation base and indirect expense pool, e.g., when allocating costs to a major function or activity; when determining indirect cost rates; or, when a central office or group office allocates costs to a segment.)
  
- 1.4.0 **Cost Accounting Period:** \_\_\_ July 1 through June 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.)
  
- 1.5.0 **State Laws or Regulations.** Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.

1/ Describe on a Continuation Sheet.



**COST ACCOUNTING STANDARDS BOARD  
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**CONTINUATION SHEET  
PART I – GENERAL INFORMATION**

**NAME OF REPORTING UNIT**  
University of Central Florida

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**1.1.0**

Description of Cost Accounting System

The University of Central Florida uses a modified accrual basis of accounting for charges to federally sponsored agreements. Most expenses are charged to awards using the cash basis of accounting. Principal exceptions are the use of the indirect cost rate (as described in part III) and the use of a fringe benefit rate for certain employee fringe benefits (as described in Section 2.6.1).

**1.3.0**

Unallowable Costs

The University accounting system accumulates unallowable expenses through the use of account codes. Specific account codes are assigned to each unallowable expense. Activities that are deemed to be unallowable are captured in specific University cost centers and are reclassified to Other Institutional Activity. Direct costs that are generally allowable may be unallowable due to formal cost sharing agreements with sponsoring agencies. These costs are accumulated in separate departments/projects that are included in the appropriate direct cost base to receive an allocation of indirect costs. In addition, direct costs that represents cost overruns on sponsored projects are charged to departments/projects which are identified for inclusion in the appropriate direct cost base.

**1.3.1**

Treatment of Unallowable Costs

Unallowable costs (including directly associated costs) are removed from the indirect cost pools prior to the allocation to benefiting functions. Unallowable activities benefiting from allowable indirect costs are included in the relevant allocation bases and draw their share of indirect costs.

Unallowable direct and indirect activity costs are included in the Other Institutional Activities (OIA) MTDC base if the expense meets the A-21 definition of MTDC.

Expenses incurred under cost sharing agreements and cost overruns are included in the Organized Research, Sponsored Instruction, and Other Sponsored Activities bases, as appropriate.

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**1.5.0**

State Laws or Regulations

Florida Statutes and Constitution

State Senate and House Bills

Florida Attorney General – Formal Opinions

Florida Administrative Codes

Auditor General rules (Tangible Personal Property)

The University participates in the State of Florida Retirement System (FRS). An optional retirement plan is offered to certain professional and faculty employees.

Board of Trustees Rules

University of Central Florida Policies and Procedures

**COST ACCOUNTING STANDARDS BOARD  
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**PART II - DIRECT COSTS**

**NAME OF REPORTING UNIT**  
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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) <u>1/</u>                           |
| 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 <u>1/</u>       |
| D. | <input type="checkbox"/>            | Predetermined Costs <u>1/</u> |
| Y. | <input checked="" type="checkbox"/> | Other(s) <u>1/</u>            |
| Z. | <input type="checkbox"/>            | Not Applicable                |
- 1/ Describe on a Continuation Sheet.

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**PART II - DIRECT COSTS**

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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** 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.)

|   |  | <u>Direct Personal Services Category</u> |              |                 |              |
|---|--|--|--------------|-----------------|--------------|
|   |  | <u>Faculty</u>                           | <u>Staff</u> | <u>Students</u> | <u>Other</u> |
|   |  | (1)                                      | (2)          | (3)             | (4)          |
| <u>1/</u>   |  |  |              |                 |              |
| A. Payroll Distribution Method<br>(Individual time card/actual hours and rates)   |  | _____                                    | _X_          | _X_             | _____        |
| B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)  |  | _____                                    | _____        | _____           | _____        |
| C. After-the-fact Activity Records<br>(Percentage Distribution of employee activity)  |  | _X_                                      | _X_          | _X_             | _____        |
| D. Multiple Confirmation Records<br>(Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.) |  | _____                                    | _____        | _____           | _____        |
| Y. Other(s) <u>1/</u>   |  | _____                                    | _____        | _____           | _____        |

|   |   |
|---|---|
| <b>1/ Describe on a Continuation Sheet.</b>   |   |
| <b>COST ACCOUNTING STANDARDS BOARD<br/>DISCLOSURE STATEMENT<br/>REQUIRED BY PUBLIC LAW 100-679<br/>EDUCATIONAL INSTITUTIONS</b> | <b>PART II - DIRECT COSTS</b>   |
|   | <b>NAME OF REPORTING UNIT<br/>University of Central Florida</b>   |
| <b>Item No.</b>   | <b>Resubmission No. 3, Effective date July 1, 2005</b>  |
| <b>2.5.1</b>  | <b>Salary and Wage Cost Distribution Systems.</b><br><br><b>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.)</b><br><br><input checked="" type="checkbox"/> <b>Yes</b><br><input type="checkbox"/> <b>No</b>   |
| <b>2.5.2</b>  | <b>Salary and Wage Cost Accumulation System.</b><br><br><b>(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.)</b>                           |
| <b>2.6.0</b>  | <b><u>Description of Direct Fringe Benefits Costs.</u> All fringe benefits that are attributable to direct salaries and wages and are charged directly to Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet <u>all</u> of the different types of fringe benefits which are classified and charged as direct costs, e.g., actual or accrued costs of vacation, holidays, sick leave, sabbatical leave, premium pay, social security, pension plans, post-retirement benefits other than pensions, health insurance, training, tuition, tuition remission, etc.)</b> |
| <b>2.6.1</b>  | <b>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.)</b>   |
| <b>2.7.0</b>  | <b><u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g., travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.)</b>  |

|   | <b>COST ACCOUNTING STANDARDS BOARD<br/>DISCLOSURE STATEMENT<br/>REQUIRED BY PUBLIC LAW 100-679<br/>EDUCATIONAL INSTITUTIONS</b>  | <b>PART II - DIRECT COSTS</b>                                  |                        |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
|---|--|--|------------------------|-------------------------|------------------------|------------------------|---|-------|-------|-------|---|-------|-------|-------|--|-------|-------|-------|-----------------------|-------|-------|-------|---|-----|-----|-----|
|   |  | <b>NAME OF REPORTING UNIT</b><br>University of Central Florida |                        |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| <b>Item No.</b>   | Resubmission No. 3, Effective date July 1, 2005  |  |                        |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| 2.8.0   | <p><b><u>Cost Transfers.</u></b> 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 style="margin-left: 40px;"> <input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No         </p>  |  |                        |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| 2.9.0   | <p><b><u>Interorganizational Transfers.</u></b> This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 16.6%; text-align: center;"><u>Materials</u><br/>(1)</th> <th style="width: 16.6%; text-align: center;"><u>Supplies</u><br/>(2)</th> <th style="width: 6.2%; text-align: center;"><u>Services</u><br/>(3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>C. At established catalog or market price or prices based on adequate competition.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Y. Other(s) <u>1/</u></td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable</td> <td style="text-align: center;">_X_</td> <td style="text-align: center;">_X_</td> <td style="text-align: center;">_X_</td> </tr> </tbody> </table> <p><u>1/</u> Describe on a Continuation Sheet.</p> |  |                        | <u>Materials</u><br>(1) | <u>Supplies</u><br>(2) | <u>Services</u><br>(3) | A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses. | _____ | _____ | _____ | B. At full cost <u>including</u> indirect costs attributable to group or central office expenses. | _____ | _____ | _____ | C. At established catalog or market price or prices based on adequate competition. | _____ | _____ | _____ | Y. Other(s) <u>1/</u> | _____ | _____ | _____ | Z. Interorganizational transfers are not applicable | _X_ | _X_ | _X_ |
|   | <u>Materials</u><br>(1)  | <u>Supplies</u><br>(2)   | <u>Services</u><br>(3) |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses. | _____  | _____  | _____                  |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| B. At full cost <u>including</u> indirect costs attributable to group or central office expenses. | _____  | _____  | _____                  |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| C. At established catalog or market price or prices based on adequate competition.                | _____  | _____  | _____                  |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| Y. Other(s) <u>1/</u>   | _____  | _____  | _____                  |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |
| Z. Interorganizational transfers are not applicable   | _X_  | _X_  | _X_                    |                         |                        |                        |   |       |       |       |   |       |       |       |  |       |       |       |                       |       |       |       |   |     |     |     |

**COST ACCOUNTING STANDARDS BOARD  
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**CONTINUATION SHEET  
PART II – DIRECT COSTS**

**NAME OF REPORTING UNIT  
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**Item  
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**2.1.0  
R**

Criteria for Determining How Costs are Charged to Federally Sponsored Agreements

The University of Central Florida defines direct costs as those costs that can be identified with a particular sponsored project, instructional activity, or any other institutional activity, or that can be assigned to such activities relatively easily with a high degree of accuracy. Direct costs are charged to federally sponsored agreements or similar cost objectives when they are:

- 1) Reasonable and necessary for the performance of the project.
- 2) Allocable to the project. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost is allocated to the projects based on the proportional benefit.
- 3) Consistently treated in like circumstances as a direct charge for all other federally funded projects or similar cost objectives.

The University of Central Florida charges costs indirectly to federally sponsored agreements if similar costs are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, instructional activity, or any other institutional activity. Indirect costs include the operation and maintenance of buildings and grounds, the depreciation of buildings and equipment, library costs and other administrative costs.

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**CONTINUATION SHEET  
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**2.1.0  
cont.**

Criteria for Determining How Costs are Charged to Federally Sponsored Agreements

Costs that are normally charged indirectly to federally sponsored agreements or similar cost objectives based on the criteria described above may, in certain circumstances, be charged directly to those objectives. Such circumstances exist when a sponsored project, due to its size and nature, requires administrative or clerical services and/or supplies, postage, or telecommunication costs that are well beyond the core of departmental support routinely provided for departmental activities and those costs can be identified readily and specifically with the project and have been specifically budgeted in the proposal and approved by the sponsoring agency. The existence of unlike circumstances is evaluated on a project by project basis.

Specifically, costs normally charged indirectly may be charged directly when:

- 1) A sponsored project requires dissimilar or unusually high levels of administrative activity associated with unusually large and complex projects such as program projects, cooperative agreements, coordinating centers, and multicenter grants or projects that are geographically inaccessible to normal departmental administrative services.
- 2) Individuals with administrative job classifications are performing work that is specifically related to the distinctive scientific and technical requirements of the work of the sponsored project, such as data collection, maintaining subject/patient data, and conducting phone surveys.
- 3) The size and nature of the project require unique or extensive supplies; postage and telecommunications beyond the normal departmental support, and those costs are justified and approved by the awarding agency.

Direct materials and supplies and other direct costs are charged through the Purchasing system except in the case of interorganizational transfers as described below. The purchasing system is web based and requires a requester and an approver in a department to process a requisition and forward to the Purchasing Office to source to a purchase order.

Direct personal services, salaries and wages, and fringe benefits are all charged through the Human Resources payroll system. A Personnel Action Form (PAF) is processed by a department informing Payroll of where to direct charge employees. A PAF can list one or several cost objectives.

Cost transfers are used to move direct costs to different cost objectives when required.

Interorganizational transfers are used by service centers to direct charge cost objectives for services and supplies provided.



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**2.2.0**

Description of Direct Materials

The principal classes of materials and supplies charged directly to federally sponsored agreements or similar cost objectives include Lab Supplies, Non-Capital Equipment, Special Purpose Computer Software, and Capitalized Technical and Scientific Equipment. Additional supply costs, which are normally charged indirectly, may be charged directly under the circumstances described in 2.1.0.

**2.3.2**

Method of Charging Direct Materials and Supplies

Last Invoice Cost Method – Sponsored projects and similar cost objectives are charged based on the cost as reflected on the last invoice, regardless of the actual cost of the item when it was added to the inventory.

**2.4.0**

Description of Direct Personal Services

Direct compensation costs by major institutional function:

Instruction direct compensation costs include primarily faculty salaries and wages and all miscellaneous fringe categories.

Organized research direct compensation costs include primarily faculty, temporary staff, and student staff salaries and wages and all miscellaneous fringe categories.

Other sponsored activities direct compensation costs include primarily faculty, University Support Personnel System staff, temporary staff, and student staff salaries and wages and all miscellaneous fringe categories.

Other institutional activities direct compensation costs include primarily administrative and professional staff, University Support Personnel System staff, temporary staff and student staff salaries and wages and all miscellaneous fringe categories.

Direct personal service costs consist of salaries and wages plus fringe benefits of Faculty, Administrative & Professional staff, University Support Personnel System staff, Temporary staff, and student staff. Salary and wages are charged directly to benefiting institutional functions and activities based on the payroll distribution system. The following categories are included in fringe benefits and are described in section 2.6.0:

FICA, Health Insurance, Life Insurance, Retirement, Worker's Compensation, Unemployment Compensation, General Liability, Termination Pay

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**2.5.0**

Method of Charging Direct Salaries and Wages

**A. Payroll Distribution Method**

Only non-exempt, temporary or casual staff uses this method of tracking hours worked. Direct charges for hourly employees are based on individual biweekly time cards. Employees submit a time card noting hours worked for each two-week pay period. The number of hours worked from the individual's time card is transferred to the appropriate computer-generated biweekly departmental payroll voucher by account number indicating all employees to be paid for the pay period. The payroll journal is created from data included on the individual personnel appointment. The payroll journal is recorded in the accounting system by the payroll department and computer services department. The payroll system feeds into the accounting system that records the costs to the appropriate departments/projects.

**C. After the fact Activity Records**

Direct charges for faculty and exempt employees are based on the individual personnel appointment for each employee indicating the duration of the appointment for each department/project number. The number of hours worked during the biweekly pay period is transferred to the appropriate computer generated biweekly departmental payroll journal by department/project number indicating all employees to be paid for the pay period. The payroll journal is created from data included on the individual personnel appointment. The payroll journal is recorded in the accounting system by the payroll department and computer services department. The payroll system feeds into the accounting system that records the costs to the appropriate department/project. This determines the initial charge by employee to individual departments/projects.

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**2.5.2**

Salary and Wage Cost Accumulation System

Salaries and wages for instruction, organized research, other sponsored activities, and other institutional activities all use the payroll distribution system to accumulate and record salaries and wages attributable to each direct and indirect activity.

The total number of hours worked by an employee is certified biweekly by the department Administrator for all functions. Based on the information from the personnel system, the biweekly salary is calculated and recorded to the individual departments/projects. The detailed payroll data is forwarded by the Payroll Office to each department for review and reconciliation to departmental records. Departments are required to make any adjustments to the payroll records in a timely manner. The payroll amounts are reconciled to the journals generated by the accounting system by an independent person in the Finance & Accounting section.

**2.6.0**

Description of Direct Fringe Benefits Costs

**Social Security –** Fringe benefits expense represents payments made on behalf of employees in accordance with the provisions of the Federal Insurance Contribution Act. Employees receiving full benefits are covered under OASDI and Medicare portions. The Medicare portion covers certain employees, receiving partial benefits.

**Health Insurance –** This represents payments made to provide health insurance coverage for eligible employees and their dependents under a traditional group health plan provided by the State of Florida. Employees are required to pay a portion of the cost of these plans.

**Life Insurance –** This represents payments made for basic life insurance coverage for eligible employees. All regular employees working one half time or more are covered by basic life insurance with accidental death and dismemberment provisions. The State of Florida determines the amount of life insurance. Basic coverage for employees is paid by the state. Additional coverage is offered with any additional costs covered entirely by the employees.

**Retirement –** This represents payments made to retirement programs on behalf of the employees.

**Worker’s Compensation -** This represents payments made to the State of Florida self-insurance trust fund.

**Unemployment Compensation –** This represents payments made to the unemployment compensation program as required by the State of Florida.

Annual and sick leave are accrued at a rate determined by the State of Florida. These benefits are paid as used and can be accumulated.

Administrative leave is used for items such as jury duty and death in the immediate family. Administrative leave is paid as used.

Tuition remission is allowed at a rate of up to 6 hours a semester as long as the class or degree is work related.

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**2.6.0  
cont.**

Description of Direct Fringe Benefits Costs – continued

General Liability – This represents payments made to the State of Florida to cover General Liability.

Termination Pay – This represents payments made to individuals leaving university service while working on a sponsored project.

**2.6.1**

Method of Charging Direct Fringe Benefits

All fringe benefits listed in 2.6.0 are specifically identified to an individual employee and charged directly to all major functions. The fringe benefits costs identifiable with an individual employee are determined by the individual’s personnel record. Each sponsored project receives its share of actual direct fringe benefits based on the payroll distribution.

**2.7.0**

Description of Other Direct Costs

The main classes of other direct costs charged to Federally sponsored agreements or similar cost objectives include travel, consultants, speakers, advertising, sub contract agreements, educational supplies, equipment, printing, long distance telephone charges, repairs and maintenance and others.

**2.8.0**

Cost Transfers

**R**

Cost transfers involving payroll are always made using the current miscellaneous fringe benefit rates (workman compensation, unemployment compensation, general liability, and termination pool). All other cost transfers, including payroll, payroll fringe, expense, and equipment, are credited using the same amount(s) or rate(s) originally used to charge or allocate the costs.

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Instructions for Part III

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.

The following Allocation Base Codes are provided for use in connection with Items 3.1.0 and 3.3.0.

- 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

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

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**3.1.0**

*Revised*

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 other 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.")

| <u>Indirect Cost Category</u>                  | <u>Accumulation<br/>Method</u> | <u>Allocation<br/>Base Code</u> | <u>Allocation<br/>Sequence</u> |
|--|--------------------------------|---------------------------------|--------------------------------|
| (a) Depreciation/Use Allowances/Interest       |                                |                                 | _1_                            |
| Building                                       | _Y_                            | _L_                             |                                |
| Equipment                                      | _Y_                            | _L_                             |                                |
| Capital Improvements to Land <u>1/</u>         | _Y_                            | _L_                             |                                |
| Interest <u>1/</u>                             | _N_                            | _L_                             |                                |
| (b) Operation and Maintenance                  | _Y_                            | _E_                             | _2_                            |
| (c) General Administration and General Expense | _Y_                            | _D_                             | _3_                            |
| (d) Departmental Administration                | _N_                            | _D_                             |                                |
| (e) Sponsored Projects Administration          | _Y_                            | _D_                             |                                |
| (f) Library                                    | _Y_                            | _J_                             |                                |
| (g) Student Administration and Services        | _Y_                            | _A_                             |                                |
| (h) Other <u>1/</u>                            | _NA_                           | _Z_                             |                                |

1/ Describe on a Continuation Sheet.

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**3.2.0**

Service Centers. Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)

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

(a) Scientific Computer Operations        Z      \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_

(b) Business Data Processing              Z      \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_

(c) Animal Care Facilities                  Z      \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_

(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 attached                                  \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_  
 \_\_\_\_\_                                        \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_    \_\_\_

(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**

Indirect Cost Pools and Allocation Bases

(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.)

Indirect Cost Pools

Allocation  
Base Code

A. Instruction

On-Campus  
 Off-Campus  
 Other 1/

  D    
  D    
  Z  

B. Organized Research

On-Campus  
 Off-Campus  
 Other 1/

  D    
  D    
  D  

C. Other Sponsored Activities

On-Campus  
 Off-Campus  
 Other 1/

  D    
  D    
  Z  

D. Other Institutional Activities 1/

  Z  

**3.4.0**

Composition of Indirect Cost Pools. (For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, subgroupings of expenses, and elements of cost included.)





1/ Describe on a Continuation Sheet.

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**3.1.0a**

The State of Florida has established a program to finance capital projects of its local school districts, community colleges, and public universities. Under this program, the Florida State Board of Education is authorized to issue Public Education Capital Outlay (PECO) bonds on behalf, and for the benefit of, these educational institutions. A particular bond issue may finance several construction projects or items of capital equipment. The amount of interest allocated to each construction project or item of equipment is based on that project's or item's proportional share of the bond proceeds.

The Capital Improvements depreciation is calculated on the basis of the cost of improvements to buildings and built-in equipment, excluding any federal funding, as reported in the University's financial records.

Service Centers

**3.2.0**

Other Service Centers (1) (2) (3) (4) (5) (6)

**3.2.0d**

Computer Services & Telecommunications      C    B    C    A    A    B

Physical Plant                    C    B    C    A    A    B

Major Organization components

Computer Services and Telecommunication is responsible for providing all telecommunications services to the UCF main campus and provide central support for administrative data processing, and instruction and research computing. Computer Services and Telecommunications is comprised of the following components:

- Academic Computing Support
- Administrative Computing
- Document Imaging Group
- Network Operations
- PC Sales & Support
- Systems & Operations
- Teledata Services
- User Services (Help Desk)

Physical Plant is responsible for the care and maintenance of UCF's buildings and infrastructure. Physical Plant is comprised of the following components:

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Alterations & Improvements  
 Grounds  
 HVAC  
 Maintenance  
 Repair  
 Building Services  
 Postal Services  
 Central Receiving

The Composition of Indirect Cost Pools covers the sub-groupings of expenses and elements of cost.

**3.3.0b**  
**R**  
**3.4.0**

The Florida Solar Energy Center is a research facility remote to the University with its own physical plant and administrative offices. A separate F&A rate is developed for this center.

Composition of Indirect Cost Pools

3.1.0 (a) Depreciation/Use Allowance

1. Building Depreciation  
 The building Depreciation is calculated on the basis of the original cost of the buildings and built-in equipment, excluding any Federal funding, as reported in the University's financial records.

2. Equipment Depreciation  
 The equipment depreciation is calculated on the basis of the cost of movable equipment (including installation and preparation costs), excluding any Federal funding, as reported in the University's financial records. Capitalized equipment purchases are excluded from total allowable costs. Current year library book acquisitions are treated as current year expenditures and are included in the Library cost pool. Library books purchased in previous years are not included in the equipment inventory and are not included in the facilities and administration cost calculation.

3. Capital Improvements Depreciation  
 The Capital Improvements depreciation is calculated on the basis of the cost of improvements to buildings and built-in equipment, excluding any federal funding, as reported in the University's financial records.

4. Interest  
 Interest is calculated based on interest incurred by the state on Public Education Capital Outlay (PECO) bonds on behalf of the University of Central Florida. The amount of interest allocated to each construction project or item of equipment is based on that project's or item's proportional share of the bond proceeds.

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**3.4.0  
cont.**

Composition of Indirect Cost Pools – continued

3.1.0 (b) Operation and Maintenance

The 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. They include expenses incurred for such items as janitorial and utility services; repairs and ordinary or 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. The major organizational units and offices included in the operation and maintenance indirect cost pool are Environmental Health and Safety, University Police, Facilities Planning, Postal Services, Central Receiving, and Physical Plant. Additional elements of costs are salaries and wages, and fringe benefits. The operation and maintenance expense category also includes its allocable share of depreciation and use allowances.

In order to better match costs to activities, O&M costs are separated into the following groupings:

O&M – Campus Wide

All costs which are identified as benefiting the entire University. Costs are allocated to all on campus space (excluding auxiliaries).

O&M – Florida Solar Energy Center (FSEC)

All costs that are identified as benefiting the FSEC campus and paid from unrestricted state funds.

O&M – Institute for Simulation and Training (IST)

All costs that are identified as benefiting only IST facilities and paid from unrestricted state funds.

O&M – Center for Research and Education in Optics and Lasers (CREOL)

All costs that are identified as benefiting only CREOL facilities and paid from unrestricted state funds.

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**3.4.0  
cont.**

Composition of Indirect Cost Pools – continued

3.1.0 (b) Operation and Maintenance – continued

Rented Space

All costs associated with the rental of off campus space for use by campus departments where the rent is paid from unrestricted funds.

Auxiliary Space

All costs directly attributable to auxiliary buildings and activities.

3.1.0 (c) 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 expenses incurred by the President's Office, Legal Counsel, University Audits, Administration and Finance, Finance and Accounting, Purchasing, Human Resources, Computer Services, and a portion of the State Central Service Cost Allocations. Additional elements of costs are salaries and wages, fringe benefits, taxes, insurance, audit and other professional fees and other office materials and supplies. This category also includes its allocable share of allocations from the previous cost pools.

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**3.4.0  
cont.**

Composition of Indirect Cost Pools – continued

3.1.0 (d) Departmental Administration

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, deans and assistants, travel, office supplies, stockrooms, etc. The majority of these costs are determined via the Sponsored Direct Charge Equivalent (DCE) methodology.

For purposes of determination of indirect cost rates according to the provisions of OMB Circular A-21, the costs of departments identified as Deans offices are allowable to be considered as 100% departmental administration. The portion of costs incurred by academic departments which are allowable as departmental administration is arrived at by using the Direct Charge Equivalent (DCE) methodology. A unique DA cost pool is established for each academic department. Within each of these cost pools, five separate components are calculated:

- 1) Professional Administrative salaries
- 2) General Support/Clerical salaries and wages
- 3) Faculty and Professional salaries and wages (3.6% FAA allowance per A-21)
- 4) Prorated share of Employee Benefits
- 5) DCE arrived at share of Other General Expenditures

As described below:

Professional Administrative salaries and General Support (Clerical salaries and wages) are determined through a review of the university's payroll system. Job positions for each academic department which are defined as purely administrative (e.g., business managers, accountant, etc.) have been charged to the general operation account to the department and are categorized as 100 percent departmental administration. Job positions in each academic department which are defined as General Support/Clerical (e.g., secretaries, laboratory aides, student help, etc.) or Faculty and Professional (e.g., professors, departmental chairmen, laboratory directors, scientists, graduate and research assistants, etc.) and have been direct charged to sponsored agreements are used to calculate a direct charge equivalent (DCE). The DCE ratio is defined as general support/clerical salaries and wages charged to sponsored agreements divided by faculty and professional salaries and wages charged to sponsored agreements. The DCE ratio is computed on a department by department basis.

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**3.4.0  
cont.**

Composition of Indirect Cost Pools – continued

3.1.0 (d) Departmental Administration – continued

The DCE ratio is compared against the actual general support/clerical salaries and wages and the actual faculty and professional salaries and wages (less and estimate of the 3.6 percent faculty administrative allowance) which have been charged to each departments general operating account.

When the DCE ratio is less than the ratio calculated for the general operating account for a given department, an excess or residual of general support/clerical salaries and wages exists within the general operating account. This excess is treated as pure Departmental Administration and is transferred to the DA cost pool. When the DCE ratio is greater than the ratio calculated for the general operating account, no excess exists and no transfer is made to the DA cost pool.

Faculty and Professional salaries and wages (F&P) are determined by taking the modified total direct costs (MTDC), less the DA salaries and wages simultaneously identified as departmental administration and multiplying by the 3.6 percent Faculty Administrative Allowance (FAA). The salary and wage portion of F&P is then calculated by dividing the FAA by one plus the employee benefit rate. The resulting amount of faculty and professional salaries and wages and benefits is then transferred from the general operating account to the DA cost pool.

A prorated share of Employee Benefits are determined by multiplying the benefit rate for the department by the Professional Administrative and General Support/Clerical salaries and wages reclassified as DA. This amount is then discounted by the 3.6 percent FAA before it is transferred to the DA cost pool.

A share of Other General Expenditures is determined using the Direct Charge Equivalent methodology described above. In this case, a ratio is calculated of other general expenses charged to sponsored agreements over salaries and wages charged to sponsored agreements. This ratio is then compared to the ratio of actual other general expenses over actual salaries and wages (less the 3.6 percent faculty administrative allowance) charged to each department's operating account.

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| <b>3.4.0</b><br><br><b>cont.</b> | <p><u>Composition of Indirect Cost Pools – continued</u></p> <p><u>3.1.0 (d) Departmental Administration – continued</u><br/> When the DCE ratio for other general expense is less than the ratio calculated for the operating account, an excess or residual of other general expense exists within the general operating account. The excess is treated as pure Departmental Administration and is transferred to the DA cost pool. When the DCE ratio for Other General Expense is greater than the ratio calculated for the general operating account, no excess exists and no transfer is made to the DA cost pool.</p> <p><u>3.1.0 (e) Sponsored Projects Administration</u><br/> The expenses under this heading are limited to those incurred by a separate organizational unit established primarily to administer sponsored projects, including such activities as grant and contract administration, special security purchasing, and editing and publishing of research reports. Additional elements of costs are salaries and wages, fringe benefits, professional fees and other office materials and supplies. The office included is Office of Research and Commercialization. This category also includes its allocable share of allocations from the previous cost pools.</p> <p><u>3.1.0 (f) Library</u><br/> The expenses under this heading are those that have been incurred for the operation of the library, including salaries, wages, fringe benefits and the cost of books and library materials purchased for the library, less any income that qualifies as applicable credits. This category also includes its allocable share of allocations from the previous cost pools.</p> <p><u>3.1.0 (g) Student Administration and Services</u><br/> The expenses under this heading are those that have been incurred for the administration of student affairs and for services to students, including expenses incurred by Student Affairs, Career Resource Center, Student Financial Aid, Student Counseling Center, Veteran Certification, Cooperative Education, Registrar's Office, Student Academic Support, Enrollment and Academic Services, Student Health Services, and a portion of the State Central Service Cost Allocations. Allocated building and equipment usage, operations and maintenance, and general administration costs are also included.</p> |
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| <b>3.5.0</b><br><br><b>R</b> | <p><u>Composition of Allocation Bases</u></p> <p>Throughout this section, where the term Modified Total Direct Costs or MTDC is used (Allocation Code D), the following definition applies:</p> <p>Modified total direct costs consists of all salaries and wages, fringe benefits, materials and supplies, services, travel and subgrants or subcontracts up to \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs exclude equipment, capital expenditures, tuition remission, rental costs of off-site facilities, scholarships and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.</p> <p><u>3.1.0 (a) 1. Building Depreciation (Allocation Base Code L – Square Footage)</u></p> <p>Building depreciation charges are determined for the total cost of each building and allocated based on the net assignable square feet of space utilized. The Facilities Planning Office completes a survey each year to determine net assignable square feet on a room-by-room basis. Nonassignable areas such as stairwells, rest rooms, and mechanical rooms are excluded. (Joint use space is allocated to the benefiting functions based on the salary and wage profile of the departments.)</p> <p>Cost pool groups benefiting from this allocation include Operations and Maintenance, General &amp; Administrative, Departmental Administration, Sponsored Program Administration, Student Services Administration, Library, Instruction, Research, Other Sponsored Activity, and Other Institutional Activity.</p> |
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| <b>3.5.0<br/>cont.<br/>R</b> | <p><u>Composition of Allocation Bases – continued</u></p> <p><u>3.1.0 (a) 2. Equipment Depreciation/Use Allowance (Allocation Base Code L – Square Footage)</u></p> <p>Equipment depreciation charges are determined for the cost of equipment used for each functional activity based on the net assignable square feet of space utilized for all equipment within University surveyed rooms with assignable square feet. The equipment depreciation charges are distributed based on the results of the same space study for buildings described in the preceding paragraph.</p> <p>Depreciation charges determined for the cost of equipment in the unassigned space (hallways, lobbies, etc.) or used in space not included in the annual survey because it is not owned by the University, is distributed based on the assignable square footage of the building in which it resides.</p> <p>Cost pool groups benefiting from this allocation include Operations and Maintenance, General &amp; Administrative, Departmental Administration, Sponsored Program Administration, Student Services Administration, Library, Instruction, Research, Other Sponsored Activity, and Other Institutional Activity.</p> <p><u>3.1.0 (a) 3. Capital Improvements (Allocation Base Code L – Square Footage)</u></p> <p>Capital improvements are allocated in the same manner as Building Depreciation as described in Item 3.5.0, subsection 3.1.0(a)1.</p> <p><u>3.1.0(a) 4. Interest:</u></p> <p>Interest charges are distributed in each building based on assignable square footage.</p> <p>Cost pool groups benefiting from this allocation include Operations and Maintenance, General &amp; Administrative, Departmental Administration, Sponsored Program Administration, Student Services Administration, Library, Instruction, Research, Other Sponsored Activity, and Other Institutional Activity.</p> |
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| <b>3.5.0<br/>cont.</b> | <p><u>Composition of Allocation Bases – continued</u></p> <p><u>3.1.0 (b) Operation and Maintenance (Allocation Base Code E – Salaries and Wages.)</u></p> <p>Net assignable square feet as determined for use charge allocations is used to distribute costs to benefiting activities. See the following for a description of the cost groupings and allocation bases used to allocate costs. Cost groupings are based on the building/areas that benefit from the costs, which have been incurred.</p> <p>Cost pool groups benefiting from this allocation include Gteneral &amp; Administrative, Departmental Administration, Sponsored Program Administration, Student Services Administration, Library, Instruction, Research, Other Sponsored Activity, and Other Institutional Activity.</p> <p><u>O&amp;M – Campus Wide</u><br/>All costs which are identified as benefiting the entire University. Costs are allocated to all on campus space (excluding auxiliaries).</p> <p><u>O&amp;M – Florida Solar Energy Center (FSEC)</u><br/>All costs that are identified as benefiting the FSEC campus and paid from unrestricted state funds.</p> <p><u>O&amp;M – Institute for Simulation and Training (IST)</u><br/>All costs that are identified as benefiting only IST facilities and paid from unrestricted state funds.</p> <p><u>O&amp;M – Center for Research and Education in Optics and Lasers (CREOL)</u><br/>All costs that are identified as benefiting only CREOL facilities and paid from unrestricted state funds.</p> <p><u>Rented Space</u><br/>All costs associated with the rental of off campus space for use by campus departments where the rent is paid from unrestricted funds.</p> <p><u>Auxiliary Space</u><br/>All costs directly attributable to auxiliary buildings and activities.</p> |
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| <b>3.5.0<br/>cont.</b> | <p><u>Composition of Allocation Bases – continued</u></p> <p><u>3.1.0 (c) General Administration and General Expense (Allocation Base Code D – Modified Total Direct Cost)</u></p> <p>The expenses under this heading are those that have been incurred for the general executive and administrative offices of the University, including expenses incurred by the President’s office, offices for institution-wide financial management, business services, budget and planning, personnel management, and safety and risk management. Additional elements of costs are salaries and wages, fringe benefits, taxes, insurance, audit and other professional fees and other office materials and supplies. This category also includes its allocable share of allocations from the previous cost pools.</p> <p>General Administration and General Expense Costs are allocated based on the total MTDC of each benefiting activity. The benefiting functions and activities include:</p> <ul style="list-style-type: none"> <li>Departmental Administration</li> <li>Sponsored Projects Administration</li> <li>Library</li> <li>Student Services Administration</li> <li>Instruction</li> <li>General Organized Research</li> <li>Organized Research – Florida Solar Energy Center (FSEC)</li> <li>Other Sponsored Activities</li> <li>Other Institutional Activities</li> </ul> <p><u>3.1.0 (d) Departmental Administration (Allocation Base Code D – Modified Total Direct Cost)</u></p> <p>Departmental administration costs are allocated to the departments within that college based on each department’s respective modified total direct costs (MTDC). The benefiting functions and activities include:</p> <ul style="list-style-type: none"> <li>Library</li> <li>Student Services Administration</li> <li>Instruction</li> <li>General Organized Research</li> <li>Organized Research – Florida Solar Energy Center (FSEC)</li> <li>Other Sponsored Activities</li> <li>Other Institutional Activities</li> </ul> |
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| <b>3.5.0<br/>cont.</b> | <p><u>Composition of Allocation Bases – continued</u></p> <p><u>3.1.0 (e) Sponsored Research Administration – (Allocation Base Code D – Modified Total Direct Cost)</u></p> <p>The Sponsored Project Administration is allocated to all final cost objectives based on MTDC. The benefiting functions and activities include:</p> <ul style="list-style-type: none"> <li>Instruction</li> <li>General Organized Research</li> <li>Organized Research – Florida Solar Energy Center (FSEC)</li> <li>Other Sponsored Activities</li> <li>Other Institutional Activities</li> </ul> <p><u>3.1.0 (f) Library – (Allocation Base Code P – More than one base)</u></p> <p>Library expenses are allocated using the prescribed OMB Circular A-21 methodology. Actual numbers of students and faculty FTE's for the spring, summer, and fall semesters are provided by the University's Office of Institutional Research &amp; Planning Support. The number of outside users is obtained from records maintained by the Library department. Information relating to faculty and outside users is only available on an annual basis. Student FTE's are available on a semester by semester basis. A weighted average calculation is performed to arrive at an annualized total for Student FTE's. This provides the statistical basis used in the allocation of Library costs to the remaining cost pools. Costs identified to the students are allocated 100 percent to the instruction function (A – direct Allocation). Costs identified to faculty are allocated to the instruction, research and other direct cost pools based upon annual salaries and wages associated with those cost pools (E – Salaries and Wages). Costs identified to outside library users are allocated 100 percent to the Other Institutional Activity cost pool (A – Direct Allocation). The benefiting functions and activities include:</p> <ul style="list-style-type: none"> <li>Instruction</li> <li>General Organized Research</li> <li>Organized Research – Florida Solar Energy Center (FSEC)</li> <li>Other Sponsored Activities</li> <li>Other Institutional Activities</li> </ul> |
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| <b>3.5.0<br/>cont.</b> | <p><u>Composition of Allocation Bases – continued</u></p> <p><u>3.1.0 (g) Student Administration – (Allocation Base Code A – Direct Allocation)</u></p> <p>Per A-21, applicable allocations from other indirect cost pools, and 100% of the direct expense of the Student Services Administration cost pool is allocated to the Instruction cost pool.</p> <p>3.3.0. The indirect cost pools; Instruction On-Campus and Off-Campus, Organized Research On-Campus, Off-Campus, and at FSEC, and Other Sponsored Activities On-Campus and Off-Campus, are all allocated based on MTDC as described at the beginning of this section.</p> |
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**COST ACCOUNTING STANDARDS BOARD  
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**PART IV -  
DEPRECIATION AND USE ALLOWANCES**

**NAME OF REPORTING UNIT  
University of Central Florida**

**Item  
No.**

**Resubmission No. 3, Effective date July 1, 2005**

**Part IV**

**4.1.0  
Revised**

**Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives. (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use allowances are applied to property units; and Code A or B in Column (4) indicating whether or not the estimated residual value is deducted from the total cost of depreciable assets. Enter Code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable.)**

| <u>Asset Category</u>   | <u>Depreciation Method</u><br>(1) | <u>Useful Life</u><br>(2) | <u>Property Unit</u><br>(3) | <u>Residual Value</u><br>(4) |
|---|-----------------------------------|---------------------------|-----------------------------|------------------------------|
| (a) Land Improvements   | <u>Z</u>                          | <u>    </u>               | <u>    </u>                 | <u>    </u>                  |
| (b) Buildings   | <u>A</u>                          | <u>C</u>                  | <u>A</u>                    | <u>B</u>                     |
| (c) Building Improvements   | <u>A</u>                          | <u>C</u>                  | <u>A</u>                    | <u>B</u>                     |
| (d) Leasehold Improvements  | <u>A</u>                          | <u>Y</u>                  | <u>A</u>                    | <u>B</u>                     |
| (e) Equipment   | <u>A</u>                          | <u>C</u>                  | <u>B</u>                    | <u>B</u>                     |
| (f) Furniture and Fixtures  | <u>A</u>                          | <u>C</u>                  | <u>B</u>                    | <u>B</u>                     |
| (g) Automobiles and Trucks  | <u>A</u>                          | <u>C</u>                  | <u>B</u>                    | <u>B</u>                     |
| (h) Tools   | <u>A</u>                          | <u>C</u>                  | <u>B</u>                    | <u>B</u>                     |
| (i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.) | <u>Y</u>                          | <u>    </u>               | <u>    </u>                 | <u>    </u>                  |

**Column (1)--Depreciation Method Code**

- A. Straight Line
- B. Expensed at Acquisition
- C. Use Allowance
- Y. Other or more than one method 1/

**Column (3)--Property Unit Code**

- 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/

1/ Describe on a Continuation Sheet.

**Column (2)--Useful Life Code**

- A. Replacement Experience
- B. Term of Lease
- C. Estimated service life
- D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21
- Y. Other or more than one method 1/

**Column (4)--Residual Value Code**

- A. Residual value is deducted
- B. Residual value is not deducted
- Y. Other or more than one method 1/



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PART IV -  
DEPRECIATION AND USE ALLOWANCES

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4.1.1  
*Revised*

**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.  Yes  
B.  No <sup>1/</sup>

4.2.0

**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.  Yes  
B.  No

4.3.0  
*Revised*

**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.  Excluded from determination of sponsored agreement costs  
B.  Credited or charged currently to the same pools to which the depreciation of the assets was originally charged  
C.  Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved  
D.  Not accounted for separately, but reflected in the depreciation reserve account  
Y.  Other(s) <sup>1/</sup>  
Z.  Not applicable

4.4.0  
*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 1000  
B. Minimum Life Years 2

4.5.0

**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.  Yes <sup>1/</sup>  
B.  No

<sup>1/</sup> Describe on a Continuation Sheet.

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**CONTINUATION SHEET  
PART IV – DEPRECIATION/USE ALLOWANCE**

**NAME OF REPORTING UNIT  
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**4.1.0d**  
*Revised*

Leasehold improvements are assigned a useful life equal to the shorter of (1) the remaining lease term, or (2) the estimated useful life of the improvement.

**4.1.0i**  
*Revised*

| <u>Asset Category</u> | Depreciation<br>Method<br>(1) | Useful<br>Life<br>(2) | Property<br>Unit<br>(3) | Residual<br>Value<br>(4) |
|-----------------------|-------------------------------|-----------------------|-------------------------|--------------------------|
| Infrastructure        | A                             | C                     | A                       | B                        |

**COST ACCOUNTING STANDARDS BOARD  
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**PART V - OTHER COSTS AND CREDITS**

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**Part V**

**5.1.0 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))**

A.  Cash

B.  Accrual 1/

**5.2.0 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.)**

A.  The credits/receipts are offset against the specific direct or indirect costs to which they relate.

B.  The credits/receipts are handled as a general adjustment to the indirect pool.

C.  The credits/receipts are treated as income and are not offset against costs.

D.  Combination of methods 1/

Y.  Other 1/

1/ Describe on a Continuation Sheet.

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**PART VI - DEFERRED COMPENSATION AND  
INSURANCE COSTS**

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**Instructions for Part VI**

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.

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)

**6.1.0 Pension Plans.**

**6.1.1 Defined-Contribution Pension Plans. Identify the types and number of pension plans whose costs are charged to Federally sponsored agreements. (Mark applicable line(s) and enter number of plans.)**

**Type of Plan**

**Number of Plans**

A.  X  Institution employees participate in State/Local Government Retirement Plan(s)  1

B.   Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution

C.   Institution has its own Defined-Contribution Plan(s)  1/

**6.1.2 Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)**

1/ Describe on a Continuation Sheet.

**COST ACCOUNTING STANDARDS BOARD  
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**PART VI - DEFERRED COMPENSATION AND  
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| 6.2.0    | <p><b><u>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs).</u></b> (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><b>Determination of Annual PRB Costs.</b> (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><b><u>Self-Insurance Programs (Employee Group Insurance).</u></b> 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)<br/>           B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund<br/>           C. <input type="checkbox"/> When contributions are made to a forfeitable fund<br/>           D. <input type="checkbox"/> When the benefits are paid to an employee<br/>           E. <input type="checkbox"/> When amounts are paid to an employee welfare plan<br/>           Y. <input type="checkbox"/> Other or more than one method <u>1/</u><br/>           Z. <input checked="" type="checkbox"/> Not Applicable</p>   |
| 6.4.0    | <p><b><u>Self-Insurance Programs (Worker's Compensation, Liability and Casualty Insurance.)</u></b></p>  |
| 6.4.1    | <p><b>Worker's Compensation and Liability.</b> 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)<br/>           B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability<br/>           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<br/>           D. <input checked="" type="checkbox"/> When funds are set aside or contributions are made to a fund<br/>           Y. <input type="checkbox"/> Other or more than one method <u>1/</u><br/>           Z. <input type="checkbox"/> Not Applicable</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**

**NAME OF REPORTING UNIT**  
University of Central Florida

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6.4.2

**Casualty Insurance. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)**

- A.  When losses are incurred (no provision for reserves)
- B.  When provisions for reserves are recorded based on replacement costs
- C.  When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles.
- D.  Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves)
- Y.  Other or more than one method 1/
- Z.  Not Applicable

1/ Describe on a Continuation Sheet.

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| <b>COST ACCOUNTING STANDARDS BOARD<br/>DISCLOSURE STATEMENT<br/>REQUIRED BY PUBLIC LAW 100-679<br/>EDUCATIONAL INSTITUTIONS</b> | <b>PART VII - CENTRAL SYSTEM OR GROUP<br/>EXPENSES</b> |
|   | <b>NAME OF REPORTING UNIT<br/>SUS of FL</b>            |

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|  | <p><b>DISCLOSURE BY CENTRAL SYSTEM OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE.</b></p> <p><b>Instructions for Part VII</b></p> <p>This part should be completed <u>only</u> by the central system office or a group office of an educational system when that office is responsible for administering two or more segments, where it allocates its costs to such segments and where at least one of the segments is required to file Parts I through VI of the Disclosure Statement.</p> <p>The reporting unit (central system or group office) should disclose how costs of services provided by the reporting unit are, or will be, accumulated and allocated to applicable segments of the institution. For a central system office, disclosure should cover the entire institution. For a group office, disclosure should cover all of the subordinate organizations administered by that group office.</p> <p><b>7.1.0 <u>Organizational Structure.</u></b></p> <p>On a continuation sheet, list all segments of the university or university system, including hospitals, Federally Funded Research and Development Centers (FFRDC's), Government-owned Contractor-operated (GOCO) facilities, and lower-tier group offices serviced by the reporting unit.</p> <p><b>7.2.0 <u>Cost Accumulation and Allocation.</u></b></p> <p>On a continuation sheet, provide a description of:</p> <p>A. The services provided to segments of the university or university system (including hospitals, FFRDC's, GOCO facilities, etc.), in brief.</p> <p>B. How the costs of the services are identified and accumulated.</p> <p>C. The basis used to allocate the accumulated costs to the benefitting segments.</p> <p>D. Any costs that are transferred from a segment <u>to</u> the central system office or the intermediate administrative office, and which are reallocated to another segment(s). If none, so state.</p> <p>E. Any fixed management fees that are charged to a segment(s) in lieu of a prorata or allocation basis and the basis of such charges. If none, so state.</p> |
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| <p align="center"><b>COST ACCOUNTING STANDARDS BOARD<br/>DISCLOSURE STATEMENT<br/>REQUIRED BY PUBLIC LAW 100-679<br/>EDUCATIONAL INSTITUTIONS</b></p> |  | <p align="center"><b>CONTINUATION SHEET</b></p> <p align="center"><b>PART VII – CENTRAL SYSTEM OR GROUP<br/>EXPENSES</b></p> |
|   |  | <p align="center"><b>NAME OF REPORTING UNIT<br/>SUS of FL</b></p>  |
| <p><b>Item<br/>No.</b></p>  | <p align="center"><b>Resubmission No. 3, Effective date July 1, 2005</b></p>   |  |
| <p><b>7.2.0</b></p>   | <p><u>Cost Accumulation and Allocation (Cont.):</u></p> <p><u>The Board of Regents' costs</u> were allocated in the following manner: The IRM support services at the Board are allocated to the different departments according to their proportion of expenditures in the data processing category. Then, each department's total expenditures are allocated to the University.</p> <p>Half of the expenditures in the Chancellor's department, and all expenditures directly from the Vice Chancellor of Public Affairs are deducted as unallowable costs. Expenditures from the Office of the Chancellor, Vice Chancellor of Budgets and Finance and Vice Chancellor of Public Affairs were allocated to the Universities using the same percentage determined from the state wide cost allocation from the EOG. All expenditures for the Office of Human Resources are allocated to the Universities using the count of authorized positions/fte manyears. The expenditures from Capital Programs are distributed according to the number of open capital projects at the University, and Academics' expenditures are allocated to the Universities by the number of full time-equivalent enrollment. Actual expenditures for the base year are compared with the actual expenditures for the current year to establish a roll forward differential figure. This figure is added or subtracted from the current year expenditures.</p> <p>D. No costs were transferred from a segment to the central system office.</p> <p>E. No fixed management fee was charged to a segment.</p> |  |