

Office of the Vice President
and Chief Financial Officer
Finance and Accounting Division
University Controller's Office
<http://www.fa.ufl.edu>

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March 7, 2013

Division of Cost Allocation
ATTN: Brian Caudill, Financial Management Systems Analyst
Mid-Atlantic Office
Department of Health and Human Services
7700 Wisconsin Avenue, Suite 2300
Bethesda, MD 20814

To Whom it May Concern:

I have enclosed signed Revisions No.8 through 17 of the University of Florida Disclosure Statement (CASB DS-2). Additionally for your information I have enclosed a document with all revisions. Please feel free to contact me by phone (352) 392-1321 or email at mckee@ufl.edu if you have questions or need additional information.

Sincerely,



Michael V. McKee
Assistant Vice President and University Controller

Enclosures – DS-2, Revisions 8-17
DS-2 Final Version 17, w/all changes

Xc: Matthew Fajack
David Norton
Stephanie Gray
Michael V. McKee
Brad Staats
Brenda Harrell

Final – Version 17

GENERAL INSTRUCTIONS.....	(i)
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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 of more segments performing under Federally sponsored agreements.
3. Each segment or business unit required to disclose its cost accounting practices should complete the Cover Sheet, the Certification, and Parts I through VI.
4. Each central or group office required to disclose its cost accounting practices for measuring, assigning and allocating its costs to segments performing under Federally sponsored agreements should complete the Cover Sheet, the Certification, Part I and Part VII of the Disclosure Statement. Where a central or group office incurs the types of cost covered by Parts IV, V and VI, and the cost amounts allocated to segments performing under Federally sponsored agreements are material, such office(s) should complete Parts IV, V or VI for such material elements of cost. While a central or group office may have more than one reporting unit submitting Disclosure Statements, only one Statement needs to be submitted to cover the central or group office operations.
5. The Statement must be signed by an authorized signatory of the reporting unit.
6. The Disclosure Statement should be answered by marking the appropriate line or inserting the applicable letter code which describes the segment's (reporting unit's) cost accounting practices.
7. A number of questions in this Statement may need narrative answers requiring more space than is provided. In such instances, the reporting unit should use the attached continuation sheet provided. The continuation sheet may be reproduced locally as needed. The number of the question involved should be indicated and the same coding required to answer the questions in the Statement should be used in presenting the answer on the continuation sheet. Continuation sheets should be inserted at the end of the pertinent Part of the Statement. On each continuation sheet, the reporting unit should enter the next sequential page number for that Part and, on the last continuation sheet used, the words "End of Part" should be inserted after the last entry.

8. Where the cost accounting practice being disclosed is clearly set forth in the institution's existing written accounting policies and procedures, such documents may be cited on a continuation sheet and incorporated by reference. In such cases, the reporting unit should provide the date of issuance and effective date for each accounting policy and/or procedures document cited. Alternatively, copies of the relevant parts of such documents may be attached as appendices to the pertinent Disclosure Statement Part. Such continuation sheets and appendices should be labeled and cross-referenced with the applicable Disclosure Statement item number. Any supplementary comments needed to fully describe the cost accounting practice being disclosed should also be provided.
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.

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

**COVER SHEET AND CERTIFICATION
UNIVERSITY OF FLORIDA/UNIVERSITY OF
FLORIDA RESEARCH FOUNDATION, INC.**

Item No.	Item Description Revision #17 Effective Date 11/30/2012
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0.1	<p>Educational Institution</p> <p>(a) <u>Name</u> University of Florida/University of Florida Research Foundation Inc.</p> <p>(b) <u>Street Address</u> P.O. Box 113200</p> <p>(c) <u>City, State and ZIP Code</u> Gainesville, Florida 32611-3200</p> <p>(d) <u>Division or Campus of (if applicable)</u></p>
0.2	<p>Reporting Unit is: (Mark one.)</p> <p>A. <input type="checkbox"/> Independently Administered Public Institution</p> <p>B. <input type="checkbox"/> Independently Administered Nonprofit Institution</p> <p>C. <input type="checkbox"/> Administered as Part of a Public System</p> <p>D. <input type="checkbox"/> Administered as Part of a Nonprofit System</p> <p>E. <input checked="" type="checkbox"/> Other (Specify)</p> <p>The University of Florida is an instrumentality of the State of Florida and part of the State Universities constitutionally authorized by the Florida Board of Governors and operated by the Board of Trustees. The University of Florida Research Foundation, Inc. is a state-created (Florida Statute 1004.28) Direct Support Organization and is a tax-exempt not-for-profit corporation that receives research funds.</p> <p>Official to Contact Concerning this Statement:</p>
0.3	<p>(a) <u>Name and Title</u> Matthew Fajack, Vice President and Chief Financial Officer</p> <p>(b) <u>Phone Number</u> (352) 392-2402</p> <p>Statement Type and Effective Date:</p>
0.4	<p>A. (Mark type of submission. If a revision, enter number)</p> <p>(a) <input type="checkbox"/> Original Statement</p> <p>(b) <input checked="" type="checkbox"/> Amended Statement; Revision No. <u>17</u></p> <p>B. Effective Date of this Statement: (Specify) <u>11/30/2012</u></p> <p>Statement Submitted To (Provide office name, location and telephone number, include area code and extension):</p>
0.5	<p>A. <u>Cognizant Federal Agency:</u> Division of Cost Allocation Mid-Atlantic Office Department of Health and Human Services 7700 Wisconsin Avenue Suite 2300 Bethesda, MD 20814</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	COVER SHEET AND CERTIFICATION UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.
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	<p>B. <u>Cognizant Federal Auditor:</u></p> <p style="margin-left: 40px;"> Regional Inspector General for Audit Services Office of the Inspector General Department of Health and Human Services 101 Marietta Street N.W. Atlanta, GA 30323 (404) 331-2446 </p>
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<p>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</p>	<p>COVER SHEET AND CERTIFICATION UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.</p>
<p>Item No.</p>	<p>Item Description Revision #17 Effective Date 11/30/2012</p>

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 3/7/2013



(Signature)

Matthew Fajack

(Print or Type Name)

Vice President and Chief Financial Officer

(Title)

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

Item No.	Item Description Revision #17 Effective Date 11/30/2012
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Part I	
1.1.0	<p>Description of Your Cost Accounting System for recording expenses charged to Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). (Mark the appropriated lines(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. <input type="checkbox"/> Accrual</p> <p>B. <input type="checkbox"/> Modified Accrual Basis <u>1/</u></p> <p>C. <input type="checkbox"/> Cash Basis</p> <p>Y. <input checked="" type="checkbox"/> Other <u>1/</u></p>
1.2.0	<p>Integration of Cost Accounting with Financial Accounting. The Cost Accounting system is: (Mark one. If B or C is marked, describe on a continuation sheet the costs which are accumulated on memorandum records.)</p> <p>A. <input type="checkbox"/> Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.)</p> <p>B. <input type="checkbox"/> Not integrated with financial accounting records (Cost data are accumulated on memorandum records.)</p> <p>C. <input checked="" type="checkbox"/> Combination of A and B</p>
1.3.0	<p>Unallowable Costs. Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)</p> <p>A. <input type="checkbox"/> Specifically identified and recorded separately in the formal financial accounting records. <u>1/</u></p> <p>B. <input type="checkbox"/> Identified in separately maintained accounting records or workpapers. <u>1/</u>.</p> <p>C. <input type="checkbox"/> Identified through use of less formal accounting techniques that permit audit verification. <u>1/</u></p> <p>D. <input checked="" type="checkbox"/> Combination of A, B or C. <u>1/</u></p> <p>E. <input type="checkbox"/> Determinable by other means. <u>1/</u></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 I - GENERAL INFORMATION UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.
Item No.	Item Description Revision #17 Effective Date 11/30/2012
1.3.1	<u>Treatment of Unallowable Costs.</u> (Explain on a continuation sheet how unallowable costs and directly associated costs are treated in each allocation base and indirect expense pool, e.g. when allocating costs to a major function or activity; when determining indirect cost rates; or, when a central office or group office allocates costs to a segment.)
1.4.0	<u>Cost Accounting Period: 7/1 to 6/30</u> (Specify the twelve month period used for the accumulation and reporting of costs under Federally sponsored agreements, e.g. 7/1 to 6/30. If the cost accounting period is other than the Institution's fiscal year used for financial accounting and reporting purposes, explain circumstances on a continuation sheet.)
1.5.0	<u>State Laws or Regulations.</u> Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART I - GENERAL INFORMATION UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.	
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1.1.0 Description of Cost Accounting System

The University uses a modified cash basis of accounting for charges to Federally sponsored agreements. Most expenses are charged to awards using the cash basis of accounting. Principal exceptions are Vendor Payments originating from the University Accounts Payable System, the use of the F&A rate (as described in Part III) and the use of a fringe benefit rate for employee fringe benefits (as described in Section 2.6.1).

1.2.0 Integration of Cost Accounting with Financial Accounting

The cost accounting system is integrated with the financial accounting records except for the accumulation of department administration costs, the Time and Effort Reporting system, Cost Sharing System and the System used to prepare the F&A rate calculation.

Departmental Administration (DA) costs are not separately accumulated in the financial accounting records. DA costs are calculated using the Direct Cost Equivalent method (DCE) for years beginning July 1, 2003, and information supplied by the effort reporting system for years prior to that date. See section 3.4.0. (d) for a description of the cost pool. The effort reporting system is maintained separately from the financial accounting records to track actual work activity through personnel activity reports as described in section 2.5.0. B.

The F&A rate calculation is performed using a separate software application (CRIS) which uses data downloaded from the financial accounting system, accumulates the pools and bases and performs the allocation of indirect costs to the University's major functions. See Part III for a description of the indirect cost rate methodology.

1.3.0 Unallowable Costs

Certain activities and expenditures may be deemed unallowable under the specific terms of federally sponsored agreements or by regulation, as defined in A-21.

The University accounting system accumulates unallowable expenses through the use of Expense Account codes and through the conduct of a survey of all administrative Cost Centers. Expense Account codes are used to segregate expenses for the purpose of calculating the F&A rate. The responses from the survey are used to fully identify all unallowable expenses.

Activities that are deemed to be unallowable are captured in specific University cost centers and are reclassified to the Other Institutional Activity base or other separately

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART I - GENERAL INFORMATION UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.	
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established cost bases, such as Clinical Practice. These activities include departments such as University Relations, Development Office, Alumni Office, and other miscellaneous functions.

Direct costs that are generally allowable may be unallowable due to formal cost sharing agreements with a sponsoring agency. The University accounting system captures cost sharing expenses in a separate cost-sharing system and includes those expenses in the appropriate direct cost base to receive an allocation of indirect costs. Similarly, direct costs that represent cost overruns on a sponsored project are charged to Cost Centers which have been identified for inclusion in the appropriate direct cost base.

1.3.1 Treatment of Unallowable Costs

I. Indirect Cost Pools

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.

II. Allocation Bases

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.

III. Allocation Bases - Space Related

Space occupied by individuals performing unallowable activities is coded as Other Institutional Activities in the University's on-line Space System.

1.5.0 State Laws or Regulations

A. State Cost Allocation Plan

Cost incurred by offices of the State of Florida as well as the Florida Board of Education beginning July 1, 2003 and its predecessor the State University System Board of Regents prior to July, 2003 are identified in a cost allocation plan that is submitted to, audited, and approved by the cognizant Federal audit agency of the

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART I - GENERAL INFORMATION UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.	
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Florida Board of Education or the University System Board of Regents. Costs allocated to the University of Florida by this plan are recognized in the F&A rate proposal in the appropriate indirect cost pools.

B. State Purchasing Regulations

The University of Florida follows applicable purchasing regulations required by Florida Statutes and Administrative Rules and all regulations established by the State of Florida Board of Governors and the University of Florida Board of Trustees. These regulations have been incorporated into the operating procedures of the university.

C. Travel Regulations

The University of Florida follows institutional travel directives and procedures which are governed by Florida State Statute 112.061. Lodging and incidental expenses are reimbursed at actual costs. The federal General Services Administration (GSA) Schedule for reimbursement of meals is used for foreign travel only.

D. Pension Plans

The University of Florida participates in State of Florida administered retirement plans. These plans include the Florida Retirement System (FRS) Pension Plan, FRS Investment Plan and the State University System Optional Retirement Program (SUSORP). All Regular employees are offered a choice between the FRS Pension Plan and FRS Investment Plan. All faculty and certain administrative and professional employees are also offered the choice of the SUSORP. Any changes to the current plans could influence participation. Certain Professorial employees engaged in the medical professions are eligible to participate in a University of Florida administered Optional Retirement Plan (ORP) for Doctors and Physicians.

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	Instructions for Part II
	<p>Institutions should disclose what costs are, or will be, charged directly to Federally sponsored agreements or similar cost objectives as Direct Costs. It is expected that the disclosed cost accounting practices (as defined at 48 CFR 9903.302-1) for classifying costs either as direct costs or indirect costs will be consistently applied to all costs incurred by the reporting unit.</p>
2.1.0	<p><u>Criteria for Determining How Costs are Charged to Federally Sponsored agreements or similar cost objectives.</u> (For all major categories of cost under each major function or activity such, as instruction, organized research, other sponsored activities and other institutional activities, describe on a continuation sheet, your criteria for determining when costs incurred for the same purpose, in like circumstances, are treated either as direct costs only or as indirect costs only with respect to final cost objectives. Particular emphasis should be placed on items of cost that may be treated as either direct or indirect costs (e.g., Supplies, Materials, Salaries and Wages, Fringe Benefits, etc.) depending upon the purpose of the activity involved. Separate explanations on the criteria governing each direct cost category identified in this Part II are required. Also, list and explain if there are any deviations from the specified criteria.)</p>
2.2.0	<p><u>Description of Direct Materials.</u> All materials and supplies directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the principal classes of materials which are charged as direct materials and supplies.)</p>
2.3.0	<p><u>Method of Charging Direct Materials and Supplies.</u> (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p>
2.3.1	<p>Direct purchases for Projects are Charged to Projects at:</p> <p>A. <input type="checkbox"/> Actual Invoiced Costs B. <input checked="" type="checkbox"/> Actual Invoiced Costs Net of Discounts Taken Y. <input type="checkbox"/> Other(s) 1/ Z. <input type="checkbox"/> Not Applicable</p>
2.3.2	<p>Inventory Requisitions from Central or Common, Institution-owned Inventory. (Identify the inventory valuation method used to charge projects):</p> <p>A. <input type="checkbox"/> First In, First Out B. <input type="checkbox"/> Last In, First Out C. <input type="checkbox"/> Average Costs 1/ D. <input type="checkbox"/> Predetermined Costs 1/ Y. <input checked="" type="checkbox"/> Other (s) 1/ Z. <input type="checkbox"/> Not Applicable</p> <p>1/ Describe on a Continuation Sheet.</p>

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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 costs within each major institutional function or activity that are charged as direct personal services.)																																			
2.5.0	<p>Method of Charging Direct Salaries and Wages. (Mark the appropriate line(s) for each Direct Personal Services Category to identify the method(s) used to charge direct salary and wage costs to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, fully describe on a continuation sheet, the applicable methods used.)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;"><u>Direct Personal Services Category</u></th> </tr> <tr> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">Faculty (1)</th> <th style="text-align: center; border-bottom: 1px solid black;">Staff (2)</th> <th style="text-align: center; border-bottom: 1px solid black;">Students (3)</th> <th style="text-align: center; border-bottom: 1px solid black;">Other (4)</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">A. Payroll Distribution Method (individual time card/actual hours and rates)</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="padding: 5px;">B. Plan-Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="padding: 5px;">C. After-the-fact Activity Records (percentage Distribution of employee activity)</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_X_</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="padding: 5px;">D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="padding: 5px;">Y. Other(s) <u>1/</u></td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> <td style="text-align: center; border-bottom: 1px solid black;">_____</td> </tr> </tbody> </table> <p style="margin-top: 10px;">/1 Describe on a Continuation Sheet</p>		<u>Direct Personal Services Category</u>					Faculty (1)	Staff (2)	Students (3)	Other (4)	A. Payroll Distribution Method (individual time card/actual hours and rates)	_____	_X_	_X_	_____	B. Plan-Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)	_X_	_X_	_X_	_____	C. After-the-fact Activity Records (percentage Distribution of employee activity)	_X_	_X_	_X_	_____	D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)	_____	_____	_____	_____	Y. Other(s) <u>1/</u>	_____	_____	_____	_____
	<u>Direct Personal Services Category</u>																																			
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Y. Other(s) <u>1/</u>	_____	_____	_____	_____																																

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2.5.1	<p><u>Salary and Wage Cost Distribution Systems.</u></p> <p>Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO", describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and indirect cost objectives.)</p> <p style="margin-left: 20px;"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </p>
2.5.2	<p><u>Salary and Wage Cost Accumulation System.</u></p> <p>Within each major function or activity, describe, on a continuation sheet, the specific accounting records or memorandum records used to accumulate and record the share of the total salary and wage costs attributable to each employee's direct (Federally sponsored projects, non-sponsored projects or similar cost objectives) and indirect activities. Indicate how the salary and wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records.)</p>
2.6.0	<p><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 all of the different types of fringe benefits which are classified and charged as direct costs, e.g., actual or accrued costs of vacation, holidays, sick leave, sabbatical leave, premium pay, social security, pension plans, post-retirement benefits other than pensions, health insurance, training, tuition, tuition remission, etc.)</p>
2.6.1	<p><u>Method of Charging Direct Fringe Benefits.</u> Method of Charging Direct Fringe Benefits. (Describe on a continuation sheet, how each type of fringe benefit cost identified in item 2.6.0. is measured, assigned and allocated (for definitions, See 9903.302-1); first, to the major functions (e.g., instruction, research); and, then to individual projects or direct cost objectives within each function.)</p>
2.7.0	<p><u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g. travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.)</p>

Item No.

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2.8.0

Cost Transfers. When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). Mark one, if "No", explain on a continuation sheet how the credit differs from original charge.)

 X Yes (see exception on Continuation Sheet)
 No

2.9.0

Inter-organizational Transfers. This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of inter-organizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)

	Materials (1)	Supplies (2)	Services (3)
A. At full cost excluding indirect costs attributable to group or central office expenses.	<u> </u>	<u> </u>	<u> </u>
B. At full cost including indirect costs attributable to group or central office expenses.	<u> </u>	<u> </u>	<u> </u>
C. At established catalog or market price or prices based on adequate competition.	<u> </u>	<u> </u>	<u> </u>
Y. Other (s) <u> 1/ </u>	<u> </u>	<u> </u>	<u> </u>
Z. Inter-organizational transfers are not applicable	<u> X </u>	<u> X </u>	<u> X </u>

1/ Describe on a Continuation Sheet.

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2.1.0 Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives

Direct Costs

In accordance with OMB Circular A-21, the University of 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 directly 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.
- 4) Allowable under OMB Circular A-21, Section J, agency guidelines and provisions of the specific awards.

Cost Sharing Costs

Mandatory and Voluntary Committed Cost Sharing C/S (as defined in OMB Memorandum M-01-06) must be properly documented and captured in the accounting system. The University of Florida treats both Mandatory and Voluntary Committed Cost Sharing as required. The appropriate C/S amounts are indicated on the internal NOA (Notice of Acceptance) form and C/S Budgets are entered into the Subsidiary Cost Sharing System. The Effort System is used to capture Salaries that are used to meet C/S. Non-salary cost sharing is documented and then entered into the Subsidiary C/S System.

2.1.0 Treatment of NIH Salary Cap

For the purposes of budget development for proposal submissions, the University of Florida uses an internally developed salary and fringe benefits calculator to appropriately calculate the salary amount to direct charge to NIH awards.

Personnel appointments are completed for all faculty. These appointments are reviewed at the Department/College level to assure that salary amounts expected to be charged to a NIH award during the academic year and/or summer do not exceed the NIH cap.

Effective for Summer 2011 Term – UF has implemented an enhanced Effort Certification system that electronically calculates the effect of the NIH salary cap. With the implementation of this capability, the certifier is able to see how his or her total effort in

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furtherance of a specific project is allocated across categories such Direct Charges to Project, Over-the-Cap coverage and/or Cost Sharing.

Indirect Costs

The University of Florida charges costs indirectly to federally sponsored agreements or similar cost objectives when those 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. These costs are allocated to federally sponsored agreements or similar cost objectives in accordance with OMB Circular A-21.

Costs which 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, supplies, postage, or telecommunications costs, and/or other costs that are normally treated as an indirect cost 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 and approved by the sponsoring agency. In cases where the sponsoring agency has delegated budget approval to the University, University approval is equivalent to agency approval. The existence of unlike circumstances is evaluated on a project-by-project basis.

Some examples where costs normally charged indirectly may be charged directly include:

- Awards that prohibit assessments of any facilities and administrative costs. Expenditures are still required to be reasonable, necessary and allocable to the work being funded.
- Firm fixed-price contracts and subcontracts awarded without a requirement for submission of any cost data to the Agency.
- Large complex programs such as General Clinical Research Centers, Primate Centers, Program Projects, environmental research centers, engineering research centers, and other grants and contracts that entail assembling and managing teams of investigators from a number of institutions.
- Projects which involve extensive data accumulation, analysis and entry, surveying, tabulation, cataloging, searching literature, and reporting (such as epidemiological studies, clinical trials, and retrospective clinical records studies).

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- Projects that require making travel and meeting arrangements for large numbers of participants, such as conferences and seminars.
- Projects whose principal focus is the preparation and production of manuals and large reports, books and monographs (excluding routine progress and technical reports).
- Projects that are geographically inaccessible to normal departmental administrative services, such as research vessels, radio astronomy projects, and other research field sites that are remote from campus.
- Projects requiring project-specific database management; individualized graphics or manuscript preparation; human or animal protocols; and multiple project-related investigator coordination and communications.

These examples are not exhaustive nor are they intended to imply that direct charging of costs normally charged indirectly would always be appropriate for the situations illustrated in the examples.

In addition to the examples above, these normally indirect charges may be assessed directly against non-federal grants and contracts.

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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 (except computers, computer-related items and cell phones), Special Purpose Computer Software, Capitalized Technical and Scientific Equipment, and Animal Purchase Costs. Additional supply costs which are normally charged indirectly may be charged directly under the circumstances described in 2.1.0.

2.3.2 Inventory Requisitions from Central or Common, Institution-owned Inventory Average Costs

Method used by:
**UF Document Services, College of Veterinary Medicine Central Stores,
 Division of Continuing Education, Physical Plant Division, Health Center
 Operations & Services**

Sponsored projects and similar cost objectives are charged the average cost of items on hand. Each time a new purchase is made and received, the average costing method takes the number of new items purchased and adds that amount to the inventory. A recalculation of the average price results each time there is a purchase. The cost of items in inventory (at the last average cost) is recalculated after adding the new items purchased at their unit cost.

First In, First Out (FIFO)

Method used by:
**Computing Network Services – CNS , Division of Housing, Gator1 University ID
 Cards, Environmental Health & Safety, University Presses of Florida, Harn
 Museum Store, Anatomy Biolabs Freezer, Florida Museum of Natural History**

Sponsored projects and similar cost objectives are charged based on the cost of the oldest item on hand. Inventory is valued at the actual cost of the item when it was added to inventory, with the oldest items taken from inventory first.

Last In, First Out (LIFO)

Method used by:
Student Health Center Central Stores, Student Health Center Pharmacy

Sponsored projects and similar cost objectives are charged based on the cost of the most recent item added to inventory. Inventory is valued at the actual cost of the item

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when it was added to inventory, with the most recently purchased items taken from inventory first.

Last Invoice

Method used by:

College of Veterinary Medicine Pharmacy, Reitz Union, Center for Epigenetics (formerly Center for Mammalian Genetics), Office of Academic Technology. College of Dentistry supplies, Chemistry stockroom, Animal Care Services (animal feed), IFAS Bookstore,

Sponsored projects and similar cost objectives are charged based on the cost as reflected on the last invoice for that item. That is, inventory is valued at the last invoice cost, regardless of the actual cost of the item when it was added to inventory.

2.4.0 Description of Direct Personal Services

Direct personal service costs consist of salaries and wages plus fringe benefits of regular full-time Faculty, TEAMS and University Support Personnel System, Temporary staff, and student employees. Salaries and wages are charged directly to benefiting sponsored agreements based on the payroll distribution system.

2.5.0 Method of Charging Direct Salaries and Wages

A Payroll Distribution Method

The majority of non-exempt employees submit either an electronic or physical time card indicating hours worked for each two week pay period. If the employee submits a physical time card, the hours worked are entered by a Time & Labor processor from the individual's time card into the Time & Labor module. Employees who submit electronic time cards enter their own hours worked in Time & Labor. Time worked must be approved in Time & Labor by approvers in each department.

B Planned Confirmation

For all exempt and certain non-exempt employees, standard work hours (based on the employee's FTE) are loaded into Time & Labor for each two week pay period. Exempt employees are only required to record exceptions (e.g. vacation, sick leave, administrative leave) in Time & Labor. Non-exempt employees are required to enter any differences between the standard work hours and actual hours worked, as

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well as exceptions. All time for non-exempt employees and exceptions for exempt employees must be approved in Time & Labor by approvers in each department.

The Time & Labor module feeds into the payroll system. After the payroll is confirmed each pay period, the interface between the payroll system and the accounting system is processed. The accounting system records the costs to the appropriate accounts based on the payroll distribution for each employee which indicates the date range of the distribution for each combination of account numbers that total 100%.

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 Cost Center. The number of hours worked during the bi-weekly pay period is transferred to the appropriate computer-generated bi-weekly departmental payroll voucher by Cost Center indicating all employees to be paid for the pay period. The payroll voucher is created from data included on the individual personnel appointment. The payroll voucher is recorded in the accounting system by the payroll department. The payroll system feeds into the accounting system which records the costs to the appropriate Cost Centers. This determines the initial charge by employee to individual Cost Centers.

All faculty, anyone who taught a class, and all individuals who expend effort on one or more sponsored projects (accordance with OMB Circular A-21), participate in the effort reporting process, which is reported three times per year at the end of each semester. Departments receive after-the-fact personnel activity reports indicating the amount paid by Cost Center. Recipients are directed to make appropriate adjustments to the activity reports based on their actual work activity for significant variations from the actual charges and sign the effort reporting form. Changes noted on the personnel activity reports are processed to the salaries and wages and related fringe benefits expense accounts by the employee's department and are reflected in both the University Payroll and General Ledger systems.

2.5.2 Salary and Wage Cost Accumulation System

After the payroll is confirmed each pay period and the general ledger interfaces have been completed, the detail payroll data is available electronically 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. These cost adjustments are made via a retro distribution process which is a controlled process within the payroll subsystem.

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2.6.0 Description of Direct Fringe Benefits Costs

The University adopted a Fringe Benefit Pool method for charging employer-paid benefits in July 2009 (see 2.6.1). The major categories of benefits included in the pooled rates follow:

1. FICA OASDI (Social Security) - - Fringe benefit expense represents payments made on behalf of employees in accordance with the provisions of the Federal Insurance Contributions Act.
2. FICA Medicare - Fringe benefit expense represents payments made on behalf of employees in accordance with the provisions of the Federal Insurance Contributions Act.
3. Health Insurance (including graduate assistant and postdoctoral associates health insurance) - Fringe benefit expenses represents payments made to provide health insurance coverage for eligible Faculty, TEAMS and USPS 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 health insurance plans. Certain Health Science Center faculty are eligible for health insurance benefits through an optional plan provided by the Health Science Center.
4. Retirement (employer contributions) - Fringe benefit expense represents payment made to retirement programs on behalf of employees.
5. Life Insurance - - Fringe benefit expense represents payments made for basic life insurance coverage for eligible employees. All regular employees working half time or more are covered by basic life insurance with accidental death and dismemberment provisions. The amount of basic life insurance is determined by the State of Florida. Basic coverage for employees is paid by the University. Additional coverage is offered with any additional costs covered entirely by the employees. Certain Health Science Center faculty are eligible for life insurance benefits through an optional plan provided by the Health Science Center.
6. Clinical disability insurance - Fringe benefit expense represents payment made for certain Health Science Center faculty eligible for disability insurance through an optional plan provided by the Health Science Center.
7. Worker's compensation - Fringe benefit expense represent payments made to the State of Florida Self Insurance Trust fund.
8. Unemployment compensation - Fringe benefit expense represents payment made to the Unemployment Compensation program as required by the State of Florida.

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9. Vacation and sick leave cash-outs – Fringe benefit expense represents payments of eligible vacation and/or sick leave balance cash-outs to employees upon separation from the University or entering Deferred Retirement Option Program.
10. Sick Leave Pool payments – Fringe benefit expense represents approved payments to members of the Sick Leave Pool.
11. Paid Parental Leave payments – Fringe benefit expense represents approved advance leave payments to be used by parents within their six-month parental leave period.

2.6.1 Method of Charging Direct Fringe Benefits

The University adopted a Fringe Benefit Pool (FBP) method of charging fringe benefits in July 2009. Under the FBP method, an average rate was developed for eight employee groups with similar benefits. The rates are revised annually and submitted to our cognizant agency, Department of Health and Human Services, for approval. This provides a simplified method for budgeting and accounting for costs of employer-paid fringe benefits.

The actual fringe benefits are charged to the FBP cost center each pay cycle. After each pay cycle is complete, an allocation is run to charge the departments the FBP rate on their employees' wages. The revenue from the allocation is accumulated in the FBP cost center and is used to pay the actual fringe benefits.

2.7.0 Description of Other Direct Costs

The principal classes of other costs charged directly to Federally sponsored agreements or similar cost objectives include Long Distance Telephone, Travel, Consultants, Tuition, Fees, Duplication and Photocopy, Repairs & Maintenance, Animal Care and other service center recharges, and Subcontracts.

2.8.0 Cost Transfers

Cost transfers of salary and non-salary are based on original rates/charges. Indirect costs also use original rates. Current year Fringe Benefit Rates are used on salary cost transfers.

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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 for 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

Indirect Cost Categories - Accumulation and Allocation.

This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")

<u>Indirect Cost Category</u>	<u>Accumulation Method</u>	<u>Allocation Base Code</u>	<u>Allocation Sequence</u>
(a) Depreciation/Use/Allow./Interest			<u>1 CA</u>
Building <u>1/</u>	<u>Yes</u>	<u>L</u>	
Equipment <u>1/</u>	<u>Yes</u>	<u>P</u>	
Capital Improvements to Land <u>1/</u>	<u>Yes</u>	<u>P</u>	
Interest <u>1/</u>	<u>No</u>	<u>L</u>	
(b) Operation and Maintenance	<u>Yes</u>	<u>P</u>	<u>2 CA</u>
(c) General Administration and General Expense	<u>Yes</u>	<u>P</u>	<u>3 CA</u>
(d) Departmental Administration	<u>No</u>	<u>D</u>	
(e) Sponsored Projects Administration	<u>Yes</u>	<u>D</u>	
(f) Library	<u>Yes</u>	<u>P</u>	
(g) Student Admin. and Services	<u>Yes</u>	<u>J</u>	
(h) Other <u>1/</u>	<u>NA</u>	<u>Z</u>	

1/ Describe on a Continuation Sheet.

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3.2.0	<p>Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 5%;">(1)</th> <th style="width: 5%;">(2)</th> <th style="width: 5%;">(3)</th> <th style="width: 5%;">(4)</th> <th style="width: 5%;">(5)</th> <th style="width: 5%;">(6)</th> </tr> </thead> <tbody> <tr> <td>(a) Scientific Computer Operations</td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(b) Business Data Processing</td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> </tr> <tr> <td>(c) Animal Care Facilities</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(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)</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> <td style="text-align: center;">---</td> </tr> </tbody> </table> <p>(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.</p> <p>(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.</p> <p>(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).</p> <p>(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).</p> <p>(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.</p> <p>(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).</p>		(1)	(2)	(3)	(4)	(5)	(6)	(a) Scientific Computer Operations	<u>C</u>	<u>C</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>	(b) Business Data Processing	<u>Z</u>	---	---	---	---	---	(c) Animal Care Facilities	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>	(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)	---	---	---	---	---	---
	(1)	(2)	(3)	(4)	(5)	(6)																														
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(b) Business Data Processing	<u>Z</u>	---	---	---	---	---																														
(c) Animal Care Facilities	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>																														
(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)	---	---	---	---	---	---																														

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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.)

<u>Indirect Cost Pools</u>	<u>Allocation Base Code</u>
A. Instruction	
<u> X </u> On-Campus	<u> D </u>
<u> X </u> Off-Campus	<u> D </u>
<u> </u> Other 1/	<u> Z </u>
B. Organized Research	
<u> X </u> On-Campus	<u> D </u>
<u> X </u> Off-Campus	<u> D </u>
<u> X </u> Other 1/	<u> D </u>
C. Other Sponsored Activities	
<u> X </u> On-Campus	<u> D </u>
<u> X </u> Off-Campus	<u> D </u>
<u> </u> Other 1/	<u> Z </u>
D. Other Institutional Activities 1/	<u> Z </u>

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, sub-groupings of expenses, and elements of cost included.)

1/ Describe on a Continuation Sheet.

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

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3.1.0 Indirect Cost Categories - Accumulation and Allocation

Accumulation Method

Interest – Accumulated using detailed information from the State of Florida concerning interest expense paid, by building.

Department Administration - See 3.4.0 (d) for description of accumulation method.

Allocation Base Code

Equipment - See 3.5.0 (b) for description of allocation bases.

Capital Improvements to Land - See 3.4.0 (a)3. for description of indirect cost category and 3.5.0 (c) for description of allocation bases.

Interest – See 3.5.0 (j) for description of allocation bases.

Operation and Maintenance - See 3.5.0 (d) for description of allocation bases.

General Administration and General Expense - See 3.5.0 (e) for description of allocation bases.

Library - See 3.5.0 (h) for description of allocation bases

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3.2.0 Service Centers

	(1)	(2)	(3)	(4)	(5)	(6)
(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or significant charges to Federally sponsored agreements:						
Telecommunications - Services	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
Off. of Acad. Technology	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
ICBR	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
AMRIS	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
BEBR	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
Ctr for Epigenetics	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
HealthNet	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
Environment, Hlth & Safety (EHS)	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
Clncl & Trans Res Info Prog (CTRIP)	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>

The University of Florida conducts an annual review of Service Center and Recharge Center Billing Rates and Cost Accounting Practices. The codes indicated above reflect this policy.

3.2.0 (column 3) Billing Rate Code

Billing rates are based primarily on historical costs except for the rare occasion when a large cost (such as biennial maintenance charge) is expected to be paid early in the next year. The annual review considers whether or not the service centers are breaking even over time. Allowing an occasional projected cost is done on a case-by-case basis and with the intent of preventing charges to users from varying greatly from year to year.

3.2.0 (column 4) User Charges Code

All Internal Users are charged at the same billing rate. Some internal users (e.g. Students) may be subsidized but all users are counted and subsidies are identified for rate review purposes. Some Service Centers have incidental External Users (external completely from the University). Those External users are sometimes charged a higher rate.

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3.3.0 Indirect Cost Pools and Allocation Bases

B. Other - Agricultural Research and Experiment Centers

A separate indirect cost rate is negotiated and applied to Agricultural Research and Experiment Centers. These centers are located throughout the state and administered through the main campus.

3.4.0 Composition of Indirect Cost Pools

3.4.0(a) Depreciation/Use Allowance/Interest

1. Building Depreciation

The building depreciation is calculated on the basis of the original cost of the buildings and fixed equipment, excluding any Federal funding, as reported in the University's financial records. Costs for each building are recorded based on the components of the building. Components are divided into three major classes, structure, systems and fixed equipment, with more detailed breakdown by type (sub-class) and useful lives.

2. Equipment Depreciation

The equipment depreciation is calculated on the basis of the cost of movable equipment, excluding any Federal funding and/or other grantor funding during the life of the grant, as reported in the University's financial records.

3. Capital Improvements

The Capital Improvements depreciation is calculated on the basis of the cost of improvements not included in building structures, excluding any Federal funding, as reported in the University's financial records.

4. Interest

Interest is compiled using information supplied by the State of Florida and other applicable sources. The interest cost pool is composed of the actual interest paid for buildings at the University of Florida and its off-campus Centers and facilities.

3.4.0(b) Operation and Maintenance

The major organizational units and offices included in the Operation and Maintenance indirect cost pool are:

- Plant operations administration
- Custodial service
- Maintenance
 - Grounds

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- Buildings
- Utilities
- Repairs and Renovations (that are not capitalized)
- Central Receiving
- Hazardous Waste treatment, disposal and related costs
- Police

3.4.0(c) General Administration and General Expense (GA)

The major organizational units and offices included in the General Administration and General Expense indirect cost pool are:

- President's Office
- Business Affairs
- Chief Financial Officer
- Chief Information Officer
- Provost's Office
- Legal Affairs - general
- Finance and Accounting (exclusive of costs relating to sponsored projects administration and student services which are reported in those cost pools respectively)
- Human Resources
- Insurance - general liability
- Records management
- Property
- Internal Auditing
- Computer Networking Services
- Purchasing
- Portion of State Central Service Cost Allocations

Separate General Administration and General Expense indirect cost pool subgroupings are created for the Health Center and the Institute of Food and Agricultural Sciences (IFAS). They include:

Health Center (HC)

- GA portion of Senior Vice President of Health Affairs
- Administrative Services - General
- HC Purchasing (prior to November 2003)
- Computer Network

Institute of Food and Agricultural Sciences (IFAS)

- GA portion of Senior Vice President of Agriculture and Natural Resources
- Business Services
- Planning and Analysis

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- Computer Networking Services

3.4.0(d) Departmental Administration

These costs are at the college and departmental level and include departmental administrative, clerical and general technical support salaries and expenses not directly charged to a cost function such as organized research, instruction or other sponsored activity. The Departmental Administration (DA) cost pool is calculated using the Direct Cost Equivalent (DCE) method for Fiscal Years beginning July 1, 2003. Prior to that date these costs were determined from information provided by the effort reporting system. The percentage effort certified as DA was multiplied by the salaries and wages of the applicable personnel to calculate the pool.

Costs related to administration and support of the Faculty Practice Plan are identified and placed in a separate indirect cost pool which is allocated only to the direct cost base for Clinical Practice.

3.4.0(e) Sponsored Projects Administration

The major offices and expenses included in this indirect cost pool are:

- Vice President of Research
- Office of Research, (excluding those portions relating to Patent and Licensing costs)
- The Division of Sponsored Research
- Satellite Sponsored Research Administration Offices in Engineering, Health Science Center and Agriculture Colleges (IFAS).
- Contract and Grants

3.4.0(f) Library

Library costs include:

- * Library personnel salaries/wages and related fringe benefits
 - * Library operating expenses
 - * Library book purchases
 - * UF's portion of Florida Center for Library Automation Costs

3.4.0(g) Student Administration and Services

The major organizational units and offices included in the Student Services Administration indirect cost pool are:

- * Vice President for Student Affairs

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- * Registrar's Office
- * Admissions
- * Student Services Office
- * Student Financial Affairs
- * University Counseling Center
- * Student Health Services
- * Student Records
- * Services for Special Students
- * Career Planning and Placement
- * Portion of State Central Service Cost Allocations

3.5.0 Composition of Allocation Bases

Throughout this section, where the term Modified Total Direct Costs or MTDC is used (Allocation Code D), the following definition applies:

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, charges for patient care, 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.

3.5.0(a) Depreciation Buildings

Depreciation is determined for the total cost of each building component and allocated based on the net assignable square feet of space utilized. Net assignable square feet are provided on a room-by-room basis by the Facilities Planning Office. An annual survey is conducted to determine actual space utilization on a room-by-room basis. Depreciation for space reported 100% to a single function is allocated to that function. Depreciation for space reported for more than one function is allocated based on the university's annual space survey.

3.5.0(b) Depreciation/Use Allowance Equipment

Depreciation determined for the cost of equipment used for each functional activity is based on the net assignable square feet of space utilized for all equipment within University surveyed rooms with assignable square feet. The equipment depreciation is distributed based on the results of the same space study for buildings described in the preceding paragraph.

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Depreciation determined for the cost of equipment in 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 total costs (direct and indirect) of the department to which it is assigned.

Depreciation determined for the cost of equipment on the University's records, but which is currently listed as lost/stolen or unused is distributed 100% to Other Institutional Activities.

3.5.0(c) Capital Improvements

Depreciation determined for the costs of Capital Improvements is allocated to the benefiting functional activities of staff, graduate workers and students based on FTEs (full-time equivalents). The portion identified to students is distributed 100% to the instruction function. The portion identified to graduate workers and staff is distributed to benefiting cost pools based on salaries and wages.

3.5.0(d) Operation and Maintenance (O&M)

Net assignable square feet as determined from the annual space study 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 buildings/areas that benefit from the costs which have been incurred.

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 - Health Center

All costs which are identified as benefiting Health Center buildings.

O&M – Institute of Food & Agricultural Sciences (IFAS)

All costs which are identified as benefiting IFAS buildings.

O&M – Agricultural Research and Experiment Stations (AREC)

All costs which are identified as benefiting AREC buildings.

O&M – Education and General Budget

All costs which are identified as benefiting buildings supported by the Education & General Budget.

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O&M - Repair and Renovations (not capitalized)

All repair and renovations (not capitalized) costs which are identified to a specific building.

O&M – Metered Buildings

All O&M costs which are identified as being specific to a metered building.

O&M – Department Paid

All O&M costs which are identified as being paid by a department. These costs are distributed based on the net assignable square footage of each department.

3.5.0(e) General Administrations and General Expenses

Allocation base code for all groupings - Modified Total Direct Costs (MTDC)

General Administrations and General Expenses Main grouping - Costs are allocated based on the total MTDC of each benefiting activity. The benefiting functions and activities include:

- * General Administration subgroups
- * Departmental Administration
- * Sponsored Projects Administration
- * Library
- * Student Services Administration
- * Instruction
- * Organized Research
- * AREC Organized Research
- * Other Sponsored Activities
- * Other Institutional Activities
- * Clinical Practice

General Administrations and General Expenses Health Center grouping - Costs are allocated to all benefiting activities related to Health Center Departments based on the total MTDC of each activity. The benefiting functions and activities include:

- * Departmental Administration
- * Library
- * Sponsored Projects Administration
- * Instruction
- * Organized Research
- * Other Sponsored Activities

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- * Other Institutional Activities
- * Clinical Practice

General Administrations and General Expenses IFAS grouping - Costs are allocated to all benefiting activities related to IFAS departments based on the total MTDC of each activity. The benefiting functions and activities include:

- * Departmental Administration
- * Sponsored Projects Administration
- * Instruction
- * Organized Research
- * AREC Organized Research
- * Other Sponsored Activities
- * Other Institutional Activities

3.5.0(f) Departmental Administration

College administration costs are allocated to the departments within that college based on the total departmental costs (MTDC).

Departmental administration (DA) is allocated to the benefiting direct cost activities based on the total MTDC costs of each department

3.5.0(g) Sponsored Project Administration

Allocation base code for all groupings - Modified Total Direct Costs (MTDC)

The Main Sponsored Project Administration grouping (Post-Award) is allocated to all sponsored projects based on modified total direct costs. The benefiting functions and activities include:

- Sponsored Instruction
- Organized Research
- AREC Organized Research
- Other Sponsored Activities

The DSR Sponsored Project Administration grouping (Pre-Award) is allocated to all sponsored projects for departments, other than IFAS or Engineering, served by this subgroup based on modified total direct costs. The benefiting functions and activities include:

- Sponsored Instruction
- Organized Research
- AREC Organized Research
- Other Sponsored Activities

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3.5.0(h) Library

Library costs are accumulated in four cost pool groups and allocated on a two step basis. UF has a Main Library that services all of campus and three specialized libraries; Marston – for science and agriculture; Law – for the College of Law; and, two Medical Libraries for the health related professions. For each grouping, the costs are first allocated between the three user categories; Students FTE's, Faculty and Professional FTE's and Other Users. Each of these user categories are then distributed as follows:

Library costs attributed to faculty and professional users are allocated to benefiting functions based on on-campus salary and wages. The benefiting functions and activities include:

- Instruction
- Organized Research
- Other Sponsored Activities
- Other Institutional Activities

Library costs attributed to student users are allocated 100% to Instruction.

Other users (e.g., public) at 5% allocated 100% to Other Institutional Activities.

3.5.0(i) Student Administration

Student Administration costs are accumulated in a single cost pool and allocated on a two step basis. First the costs are allocated between two user categories; Students and Working Graduates based on full-time equivalents (FTEs). Each of these user categories are then distributed as follows:

Student Administration costs attributed to student users are allocated 100% to Instruction.

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4.1.0 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 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>	<u>Useful Life</u>	<u>Property Unit</u>	<u>Residual Value</u>
(a) Land Improvements	A	A	C	B
(b) Buildings	A	A	Y	B
(c) Building Improvements	A	A	Y	B
(d) Leasehold Improvements	A	A	Y	B
(e) Computers, Scientific & Technical Equipment	A	A	A	B
(f) Furniture and Fixtures	A	A	A	B
(g) Automobiles and Trucks	A	A	A	B
(h) Tools	A	A	A	B
(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.)	Z			

Column (1) – Depreciation Method Code
A. Straight Line
B. Expensed at Acquisition
C. Use Allowance
Y. Other or more than one method 1/

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

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

Column (4) Residual Value Code
A. Residual value is deducted
B. Residual value is not deducted
Y. Other or more than one method 1/

1/ Describe on a Continuation Sheet

4.1.1 Asset Valuations and Useful Lives. Are the asset valuations and useful lives used in your indirect cost proposal consistent with those used in the institution's financial statements? (Mark one.)

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4.2.0	<p>A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No <u>1/</u></p> <p>Fully Depreciated Assets. Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.)</p>
4.3.0	<p>A. <input type="checkbox"/> Yes B. <input checked="" type="checkbox"/> No</p> <p>Treatment of Gains and Losses on Disposition of Depreciable Property. Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p>
4.4.0	<p>A. <input checked="" type="checkbox"/> Excluded from determination of sponsored agreement costs B. <input type="checkbox"/> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. <input checked="" type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <input type="checkbox"/> Not accounted for separately, but reserve account reflected in the depreciation Y. <input type="checkbox"/> Other(s) <u>1/</u> Z. <input type="checkbox"/> Not applicable</p> <p>Criteria for Capitalization.</p> <p>(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.</p> <p>A. Minimum Dollar Amount \$500 (Pre-7/1/99); <u>\$1,000 (Post-6/30/99); \$5,000 (Post 6/30/2011)</u> B. Minimum Life Years <u>1 year or more</u></p>
4.5.0	<p>Group or Mass Purchase. Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.)</p> <p>A. <input type="checkbox"/> Yes <u>1/</u> B. <input checked="" type="checkbox"/> No <u>1/ Describe on a Continuation Sheet.</u></p>

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4.3.0.C Treatment of Gains and Losses on Disposition of Depreciable Property

Per University of Florida policy, Allowance for Trade-Ins is used to adjust acquisition cost of newly purchased equipment

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Part V	
5.1.0	<p><u>Method of Charging Leave Costs.</u> Do you charge vacation, sick, holiday and sabbatical leave costs to sponsored agreements on the cash basis of accounting (i.e., when the leave is taken or paid), or on the accrual basis of accounting (when the leave is earned)? (Mark applicable line(s))</p> <p>A. <input checked="" type="checkbox"/> Cash</p> <p>B. <input checked="" type="checkbox"/> Accrual 1/</p>
5.2.0.	<p><u>Applicable Credits.</u> This item is directed at the treatment of "applicable credits" as defined in Section C of OMB Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A. <input checked="" type="checkbox"/> The credits/receipts are offset against the specific direct or indirect costs to which they relate.</p> <p>B. <input type="checkbox"/> The credits/receipts are handled as a general adjustment to the indirect pool.</p> <p>C. <input type="checkbox"/> The credits/receipts are treated as income and are not offset against costs.</p> <p>D. <input type="checkbox"/> Combination of methods 1/</p> <p>Y. <input type="checkbox"/> Other 1/</p> <p>1/ Describe on a Continuation Sheet</p>

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5.1.0 Method of Charging Leave Costs

The University of Florida adopted a Fringe Benefit Pool (FBP) method of charging fringe benefits in July 2009. The actual fringe benefits are charged to the FBP cost center each pay cycle. After each pay cycle is complete, an allocation is run to charge the departments the FBP rate on their employees' wages. The revenue from the allocation is accumulated in the FBP cost center and is used to pay the actual fringe benefits. The FBP includes accrued leave for leave due at termination. Other types of leave are charged to the appropriate cost center as used.

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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. <input checked="" type="checkbox"/>	Institution employees participate in State/Local Government Retirement Plan(s)	<u>2</u>
B. <input type="checkbox"/>	Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	<u>0</u>
C. <input checked="" type="checkbox"/>	Institution has its own Defined-Contribution Plan(s) <u>1</u> /	<u>1</u>

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.

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6.2.0	<p><u>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs).</u> (Identify on a continuation sheet all PRB plans whose costs are charged to Federally sponsored agreements. For each plan listed, state the plan name and indicate the approximate number and type of employees covered by each plan.)</p> <p>z. <input checked="" type="checkbox"/> Not Applicable</p>
6.2.1	<p>Determination of Annual PRB Costs. (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices used, including actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)</p>
6.3.0	<p><u>Self-Insurance Programs (Employee Group Insurance).</u> Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When accrued (book accrual only) B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund C. <input type="checkbox"/> When contributions are made to a forfeitable fund D. <input checked="" type="checkbox"/> When the benefits are paid to an employee E. <input type="checkbox"/> When amounts are paid to an employee welfare plan Y. <input type="checkbox"/> Other or more than one method 1/ Z. <input type="checkbox"/> Not Applicable</p>
6.4.0	<p><u>Self-Insurance Programs(Worker's Compensation, Liability and Casualty Insurance.)</u></p>
6.4.1	<p>Worker's Compensation and Liability. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability D. <input checked="" type="checkbox"/> When funds are set aside or contributions are made to a fund Y. <input type="checkbox"/> Other or more than one method 1/ Z. <input type="checkbox"/> Not Applicable</p> <p>1/ Describe on a Continuation Sheet</p>

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6.4.2	<p>Casualty Insurance. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When losses are incurred (no provision for reserves)</p> <p>B. <input type="checkbox"/> When provisions for reserves are recorded based on replacement costs</p> <p>C. <input type="checkbox"/> When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles.</p> <p>D. <input type="checkbox"/> Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves)</p> <p>Y. <input type="checkbox"/> Other or more than one method 1/</p> <p>Z. <input checked="" type="checkbox"/> Not applicable</p> <p>1/ Describe on a Continuation Sheet</p>
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC	
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6.1.1 Defined-Contribution Pension Plan

The University of Florida has a defined contribution plan for the Health Center for contributions from our Academic Enrichment Fund employees (funded by the Faculty Practice Plans).

6.1.2 Defined-Benefit Pension Plan

The University of Florida's Defined-Benefit Pension Plan is part of a State government pension plan and therefore this is not applicable.

<p>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</p>	<p>PART VII - CENTRAL SYSTEM OR GROUP EXPENSES UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.</p>
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	<p>DISCLOSURE BY CENTRAL SYSTEM OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE.</p> <p>Instruction for Part VII</p> <p>This part should be completed only by the central system office or a group office of an educational system when that office is responsible for administering two or more segments, where it allocates its costs to such segments and where at least one of the segments is required to file Parts I through VI of the Disclosure Statement.</p> <p>The reporting unit (central system or group office) should disclose how costs of services provided by the reporting unit are, or will be, accumulated and allocated to applicable segments of the institution. For a central system office, disclosure should cover the entire institution. For a group office, disclosure should cover all of the subordinate organizations administered by that group office.</p> <p>7.1.0 <u>Organizational Structure</u></p> <p>On a continuation sheet, list all segments of the university or university system, including hospitals, Federally Funded Research and Development Centers (FFRDC's), Government- owned Contractor-operated (GOCO) facilities, and lower-tier group offices serviced by the reporting unit.</p> <p>7.2.0 <u>Cost Accumulation and Allocation</u></p> <p>On a continuation sheet, provide a description of:</p> <ul style="list-style-type: none"> A. The services provided to segments of the university or university system (including hospitals, FFRDC's, GOCO facilities, etc.), in brief. B. How the costs of the services are identified and accumulated. C. The basis used to allocate the accumulated costs to the benefiting segments. D. Any costs that are transferred from a segment to the central system office or the intermediate administrative office, and which are reallocated to another segment(s). If none, so state. 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.
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART VII - CENTRAL SYSTEM OR GROUP EXPENSES UNIVERSITY OF FLORIDA/UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.	
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7.1.0 Organizational Structure

The State University System of Florida (SUS) consists of the following: The Florida Board of Governors, which provides support for the state universities, University of Florida, Florida State University, Florida A & M University, University of Central Florida, University of South Florida, Florida Atlantic University, University of West Florida, Florida International University, University of North Florida, Florida Gulf Coast University and New College.

7.2.0 Cost Accumulation and Allocation

- A. **SUS Central Office** - The services provided the Universities by the Florida Board of Governors are many in scope. The Chancellor is the prime spokesperson to the Legislature for information regarding the SUS. The Board office coordinates the SUS budget, academic programs and directs public affairs and governmental relations, and exercises regulatory authority.
- B. **State Central Service Costs** - The primary source of costing comes from the State-Wide Cost Allocation Plan distributed by the Department of Financial Services of the State of Florida. This plan incorporates all non billed state wide support functions allocated to each state agency including State Universities.
- C. **Interest** – 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 typically finances several capital projects. The amount of interest allocated to each capital project is based on that project’s proportional share of the bond proceeds. The interest cost included in Facilities and Administrative Cost proposals is limited to interest on capital projects completed on or after July 1, 1982 as required by section J26, OMB Circular A-21. In addition, this cost is supported by a separate cost allocation plan as required by section C6, OMB Circular A-21, and is submitted annually to the Division of Cost Allocation, US Department of Health and Human Services.
- D. **Transferred Costs** – NONE

Fixed Management Fees Charged to Segments - NONE