

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

COVER SHEET AND CERTIFICATION

0.1 Educational Institution

- (a) Name University of Iowa
- (b) Street Address Room 4 Jessup Hall
- (c) City, State and ZIP Code Iowa City, Iowa 52242
- (d) Division or Campus of
(if applicable)

0.2 Reporting Unit is: (Mark one.)

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

0.3 Official to Contact Concerning this Statement:

- (a) Name and Title Ted Welter, Assistant Controller
Terry Johnson, University CFO and Treasurer
- (b) Phone Number (include area code and extension)
Welter (319) 353-2027
Johnson (319) 335-2791

0.4 Statement Type and Effective Date:

- A. (Mark type of submission. If a revision, enter number)
- (a) Original Statement
- (b) Amended Statement; Revision No. 4
- B. Effective Date of this Statement: (Specify) 7/1/2017

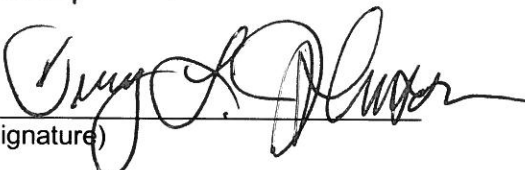
0.5 Statement Submitted To (Provide office name, location and telephone number, include area code and extension):

- A. Cognizant Federal Agency: Department of Health and Human Services
Cost Allocation Services
1300 Young Street, Room 732
Dallas, TX 75202

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 (49 CFR 9903.202) of the Cost Accounting Standards Board under 41 U.S.C. § 422.

Date of Certification: 12/05/2017


(Signature)

Terry Johnson

University Chief Financial Officer and Treasurer

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

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I - GENERAL INFORMATION
		University of Iowa
Item No.	Item Description	
	Part 1	
1.1.0	<p><u>Description of Your Cost Accounting System</u> for recording expenses charged to Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. <input type="checkbox"/> Accrual</p> <p>B. <input checked="" type="checkbox"/> Modified Accrual Basis¹</p> <p>C. <input type="checkbox"/> Cash Basis</p> <p>D. <input type="checkbox"/> Other¹ Modified Cash Basis (except payroll accruals)</p>	
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting.</u> The cost accounting system is: (Mark one. If B or C is marked, describe on a continuation sheet the costs which are accumulated on memorandum records.)</p> <p>A. <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><u>Unallowable Costs.</u> Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)</p> <p>A. <input type="checkbox"/> Specifically identified and recorded separately in the formal financial accounting records.¹</p> <p>B. <input type="checkbox"/> Identified in separately maintained accounting records or work papers.¹</p> <p>C. <input type="checkbox"/> Identifiable through use of less formal accounting techniques that permit audit verification.¹</p> <p>D. <input checked="" type="checkbox"/> Combination of A, B or C¹</p> <p>E. <input type="checkbox"/> Determinable by other means.¹</p> <p>¹ 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 Iowa

Item No.	Item Description
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.)
1.4.1	<u>Cost Accounting Period:</u> <u>07/01 - 06/30</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.

¹ Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART I - GENERAL INFORMATION
		University of Iowa
Item No.	Item Description	
1.1.0	<p><u>Description of Cost Accounting System</u></p> <p>The University cost accounting system is on a modified accrual basis of reporting.</p> <p>Federal cash drawdowns and applicable quarterly reporting (FFR), and the University's report determining the investment income to be remitted to the federal government on average daily cash balances are prepared on a cash basis. Federal Financial Report (FFR) submitted for individual awards are prepared on an modified-accrual basis.</p>	
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting</u></p> <p>Departmental Administration costs are not separately accumulated in the financial accounting system. Departmental Administration is calculated within the cost accounting system using data from the financial accounting system. See continuation sheets for items 3.1.0(d) and 3.4.0 for further discussion of Departmental Administration.</p>	

Item
No.

Item Description

1.3.0 Unallowable Costs

Unallowable costs (entertainment, bad debt expense, etc.) are excluded either in the normal expense monitoring process or in a post accounting process (indirect cost accounting). Unallowable activities such as the Alumni Office are reclassified as other university activities and allocated an appropriate share of administration and space costs.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART I - GENERAL INFORMATION
	University of Iowa

Item No.	Item Description
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1.3.1	<p><u>Treatment of Unallowable Costs</u></p> <p>Unallowable costs of all direct and indirect cost pools are reclassified as other university activities and receive allocations of administration and space costs.</p>
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART I - GENERAL INFORMATION	
		University of Iowa	
Item No.	Item Description		
1.5.0	<p><u>State Laws or Regulations</u></p> <p>The University of Iowa is an institution of the State of Iowa, falling under the jurisdiction of the State Board of Regents. As such, the University is governed by state and federal law, administrative regulations, and State Board of Regents policies, which provide broad direction on University affairs. State regulations are outlined in the <u>Code of Iowa</u>, the <u>Iowa Administrative Code</u> and the <u>Board of Regents' Policy Manual</u>.</p> <p>The University is a participating employer in the Iowa Public Employees' Retirement System (IPERS), which is a cost-sharing, multiple-employer, public employees' retirement system designed as a supplement to Social Security. Every staff member (excl students, House Staff, fellows & Adjunct faculty) with an appointment expected to last at least six months, must participate in a retirement program. IPPERS or University Funded Retirement Plan (TIAA). IPERS is the default retirement program.</p> <p>The IPERS plan is administered by the State of Iowa under the provisions of Chapter 97B of the <u>Code of Iowa</u>. The University's responsibility is limited to payment of contributions, which is a fixed percentage of covered wages. State statute requires contributions of 5.95% by the employee and 8.93% by the University.</p> <p>University employees accumulate vacation and sick leave under the provisions of Chapter 70A of the <u>Code of Iowa</u>. It is the policy of the State to liquidate these accrued benefits under specific circumstances. The State pays for accrued vacation at 100% of the employee's hourly rate upon retirement, death, or termination and, with certain exceptions, for accrued sick leave at 100% of the hourly rate to a maximum of \$2,000 upon retirement.</p> <p>The University incurs costs for staff members who incur medical expenses and/or lose work time as the result of a job related accident or illness. Such expenses are covered in accordance with the Iowa Workers' Compensation Law, as prescribed in Chapter 85 of the <u>Code of Iowa</u>. The costs of workers' compensation are paid by the Workers' Compensation fund of the State of Iowa. The University is assessed quarterly premium payments at a rate per one-hundred dollars of payroll. The rate is established by an actuarial review of annual new claims experience, combined with the commercial rate for the type of business conducted.</p> <p>University staff members, with the exception of most student employees, are covered for unemployment compensation under the provisions of Chapter 96 of the <u>Code of Iowa</u>. The cost of unemployment compensation is paid entirely by the University from funds established by charging the individual departments on the basis of their payroll costs.</p>		

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1.5.0	<p><u>State Laws or Regulations</u> (Cont'd)</p> <p>Chapter 2.2, section 6 of the Board of Regents Policy Manual outlines detailed purchasing regulations. The regulations cover the procurement of all goods and services purchased by the institution, except for capital improvements and related consulting contracts, fire protection, legal service, architects, and engineers. The regulations require that supplies, equipment, and services be purchased by the University on the basis of competitive price quotations whenever feasible. The Board of Regents delegates authority to the University to establish a procedure, based on economy of scale, to administer the purchase of small orders from local vendors.</p> <p>Reimbursements of travel expenses are governed by Chapter 2.2, section 3.F of the Board of Regents Policy Manual. The regulations place limits on reimbursement amounts for mileage, daily meals, and lodging.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART II - DIRECT COSTS
	University of Iowa

Item No.	Item Description
	Instructions for Part II
	<p>Institutions should disclose what costs are, or will be, charged directly to Federally sponsored agreements or similar cost objectives as Direct Costs. It is expected that the disclosed cost accounting practices (as defined at 48 CFR 9903.302-1) for classifying costs either as direct costs or indirect costs will be consistently applied to all costs incurred by the reporting unit.</p>
2.1.0	<p><u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For all major categories of cost under each major function or activity such as instruction, organized research, other sponsored activities and other institutional activities, describe on a continuation sheet your criteria for determining when costs incurred for the same purpose, in like circumstances, are treated either as direct costs only or as indirect costs only with respect to final cost objectives. Particular emphasis should be placed on items of cost that may be treated as either direct or indirect costs (e.g., Supplies, Materials, Salaries and Wages, Fringe Benefits, etc.) depending upon the purpose of the activity involved. Separate explanations on the criteria governing each direct cost category identified in this Part II are required. Also, list and explain if there are any deviations from the specified criteria.)</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 checked="" type="checkbox"/> Actual Invoiced Costs B. <input checked="" type="checkbox"/> Actual Invoiced Costs Net of Discounts Taken Y. <input checked="" 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 checked="" type="checkbox"/> Average Costs¹ D. <input type="checkbox"/> Predetermined Costs¹ Y. <input 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	<p><u>Description of Direct Personal Services.</u> All personal services directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the personal services compensation costs, including applicable fringe benefit costs, if any, within each major institutional function or activity that are charged as direct personal services.)</p>																																																
2.5.0	<p><u>Method of Charging Direct Salaries and Wages.</u> (Mark the appropriate line(s) for each Direct Personal Services Category to identify the method(s) used to charge direct salary and wage costs to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, fully describe on a continuation sheet, the applicable methods used.)</p> <table style="width: 100%; margin-left: 40px;"> <thead> <tr> <th colspan="2"></th> <th colspan="4" style="text-align: center;"><u>Direct Personal Services Category</u></th> </tr> <tr> <th colspan="2"></th> <th style="text-align: center;"><u>Faculty</u></th> <th style="text-align: center;"><u>Staff</u></th> <th style="text-align: center;"><u>Students</u></th> <th style="text-align: center;"><u>Other¹</u></th> </tr> <tr> <th colspan="2"></th> <th style="text-align: center;">(1)</th> <th style="text-align: center;">(2)</th> <th style="text-align: center;">(3)</th> <th style="text-align: center;">(4)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">A.</td> <td>Payroll Distribution Method (Individual time card/actual hours and rates)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____X_____</td> <td style="text-align: center;">_____X_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">B.</td> <td>Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)</td> <td style="text-align: center;">_____X_____</td> <td style="text-align: center;">_____X_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">C.</td> <td>After-the-fact Activity Records (Percentage Distribution of employee activity)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">D.</td> <td>Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="vertical-align: top;">Y.</td> <td>Other(s)¹</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table>			<u>Direct Personal Services Category</u>						<u>Faculty</u>	<u>Staff</u>	<u>Students</u>	<u>Other¹</u>			(1)	(2)	(3)	(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_____	_____	_____	C.	After-the-fact Activity Records (Percentage Distribution of employee activity)	_____	_____	_____	_____	D.	Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)	_____	_____	_____	_____	Y.	Other(s) ¹	_____	_____	_____	_____
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		University of Iowa
Item No.	Item Description	
2.5.1	<u>Salary and Wage Cost Distribution Systems.</u> Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO" describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and indirect cost objectives.) Rev. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2.5.2	<u>Salary and Wage Cost Accumulation System.</u> (Within each major function or activity, describe, on a continuation sheet, the specific accounting records or memorandum records used to accumulate and record the share of the total salary and wage costs attributable to each employee's direct (Federally sponsored projects, non-sponsored projects or similar cost objectives) and indirect activities. Indicate how the salary and wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records.)	
2.6.0	<u>Description of Direct Fringe Benefits Costs.</u> All fringe benefits that are attributable to direct salaries and wages and are charged directly to Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet <u>all</u> of the different types of fringe benefits which are classified and charged as direct costs, e.g., actual or accrued costs of vacation, holidays, sick leave, sabbatical leave, premium pay, social security, pension plans, post-retirement benefits other than pensions, health insurance, training, tuition, tuition remission, etc.)	
2.6.1	<u>Method of Charging Direct Fringe Benefits.</u> (Describe on a continuation sheet, how each type of fringe benefit cost identified in item 2.6.0 is measured, assigned and allocated (for definitions, See 9903.302-1); first, to the major functions (e.g., instruction, research); and, then to individual projects or direct cost objectives within each function.)	
2.7.0	<u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g., travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.)	

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2.8.0	<p><u>Cost Transfers.</u> When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). (Mark one, if "No", explain on a continuation sheet how the credit differs from the original charge.)</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>																											
2.9.0	<p><u>Interorganizational Transfers.</u> This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-bottom: 1px solid black;">Materials (1)</th> <th style="text-align: center; border-bottom: 1px solid black;">Supplies (2)</th> <th style="text-align: center; border-bottom: 1px solid black;">Services (3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>C. At established catalog or market price or prices based on adequate competition.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Y. Others¹</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable.</td> <td style="text-align: center;">_____ <u>X</u> _____</td> <td style="text-align: center;">_____ <u>X</u> _____</td> <td style="text-align: center;">_____ <u>X</u> _____</td> </tr> </tbody> </table>					Materials (1)	Supplies (2)	Services (3)	A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	C. At established catalog or market price or prices based on adequate competition.	_____	_____	_____	Y. Others ¹	_____	_____	_____	Z. Interorganizational transfers are not applicable.	_____ <u>X</u> _____	_____ <u>X</u> _____	_____ <u>X</u> _____
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2.1.0	<p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p>Costs that can be specifically identified with a particular sponsored agreement with relative ease and a high degree of accuracy are charged directly to the benefiting sponsored agreement. Typical costs charged directly to sponsored agreements are the salaries and wages and related fringe benefits of employees who work on the award, costs of materials, laboratory supplies (e.g., chemicals), telephone toll charges, animals, animal care costs, computer costs, travel costs, specialized shop costs and other items of expense incurred for and directly benefit the sponsored agreement.</p> <p>Costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored agreement are considered indirect costs. The salaries of clerical and administrative staff, and items such as office supplies, postage, local telephone costs, and memberships are normally treated as indirect costs unless the cost directly benefits the Federal sponsored agreement. These costs are allowed as a direct charge when the Principal Investigator includes the cost and justification in the proposal or with additional justification when the cost is incurred.</p>	

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2.2.0	<p><u>Description of Direct Materials</u></p> <p>The following list of materials and supplies are those principal classes charged directly to Federally sponsored agreements or similar cost objectives.</p> <p>Office Supplies - Includes computer supplies, paper supplies, specialized forms and general use office supplies required in the performance of project activities as opposed to those utilized for routine project administration that are considered indirect costs.</p> <p>Books/Periodicals/Subscriptions - Includes resource materials containing information related to teaching and research activities.</p> <p>Non-Capitalized Software - Software purchased for less than \$500,000 per copy and license or has a useful life of less than one year.</p> <p>Non-Capitalized Equipment - Includes tangible personal property costing less than \$5,000, primarily miscellaneous laboratory apparatus and computer accessories.</p> <p>Medical Care Supplies - Includes both disposable and reusable supplies used in medical and dental care, primarily on sponsored agreements involving the use of human subjects.</p> <p>Laboratory Supplies - Includes disposable and reusable materials used for non-clinical activities performed in laboratories including glassware, chemicals, solvents, and liquid reagents.</p> <p>Animals/Animal Supplies - Includes animals and supplies associated with their care utilized for instruction and research purposes.</p> <p>Drugs - Includes commercial drugs and pharmaceuticals dispensed to patients and/or utilized in instruction/research.</p> <p>Food and beverages - Includes food charges associated with sponsored activities (conferences, workshops, etc.) on or off campus involving external participants or specific to the purpose of the award.</p> <p>Other Supplies – Includes supplies and materials not specified in the above mentioned categories.</p>	

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Item No.	Item Description
2.3.1	<p><u>Direct Purchases for Projects are Charged to Projects at:</u></p> <p>Actual Invoiced Costs - Includes vendors who do not offer prompt payment discounts, certain prepaid expenses, credit card purchases, etc.</p> <p>Actual Invoiced Costs Net of Discounts Taken - Includes discounts taken based on prompt payment, educational discounts offered by vendors on selected materials and supplies and cost less trade-in value for equipment.</p> <p>Other - Includes payments made at lower than invoiced costs when the vendor erroneously invoices the University at a price higher than the price specified in a competitively bid contract awarded to the specific vendor. This type of payment is referred to as a "short pay" payment.</p>

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Item No.	Item Description	
2.3.2	<p>Description of Method Used to Value Charges to Projects From Institution-owned Inventories</p> <p>Average Costs - University stores operations typically use the average costing method to charge stores inventory items to sponsored projects or similar cost objectives with a mark-up added to cover operational costs. There are a few stores that have their operational costs funded through other means to keep the cost down, or that apply a mark-up only to external customers such as patients. The "just-in-time" method of delivery of goods is starting to be used to help stores operations achieve additional cost efficiencies through reduction of inventory and spoilage.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART II - DIRECT COSTS
		University of Iowa
Item No.	Item Description	
2.4.0	<p><u>Description of Direct Personal Services</u></p> <p>Personal services compensation costs, including applicable fringe benefits, apply on an institution-wide basis to all major functions of the University.</p> <p>The University classifies its employees as:</p> <ul style="list-style-type: none"> • Faculty • Professional and Scientific staff • Merit staff (bargaining & exempt) • Students <p>Within these primary classifications, appointments can be assigned as different types (permanent, temporary, or hourly) with different terms (fiscal, academic, semester, and temporary). The Human Resource appointment identifies the employee classification type, percent time, base salary and distribution among institution-wide activities. Salary, wage and fringe benefit institutional account classifications are assigned as necessary to comply with various institutional and external reporting requirements.</p> <p>Personal service costs are directly charged to Federally sponsored agreements for work performed, including intra-University consulting when allowed.</p> <p>Fiscal appointments pay employees annual salaries on a monthly basis. Academic appointments pay employees annual salaries incurred during the academic year, paid over a 12 month period.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART II - DIRECT COSTS
		University of Iowa
Item No.	Item Description	
2.5.0	<p><u>Method of Charging Direct Salaries and Wages</u></p> <p>Hourly employees are paid on the basis of employee time records (ETRs) covering a specific pay period. The ETRs include the hours worked for each day within the pay period, the hourly rate of pay, the source of funds to be charged, and the electronic approval of both the employee and the employee's supervisor.</p> <p>Other employees compensated under regular University appointments are paid monthly based on the payroll distribution approved in the current HR appointment. Appointments reflect anticipated effort and are updated to reflect significant changes. The University uses Personnel Activity Reports (PARs) to identify how employee effort is distributed to Federal awards. PARs are prepared annually for all faculty, graduate research assistants, professional and scientific staff and quarterly for all merit staff who are supported partially or wholly from Federally sponsored agreements. The PAR reports are also utilized to verify cost shared effort mandated under specific Federally sponsored agreements. The faculty or authorized departmental personnel are required to distribute salaried effort among all functions (including sponsored agreements) on the PAR report and certify the accuracy of the distribution.</p>	

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

CONTINUATION SHEET
PART II - DIRECT COSTS

University of Iowa

Item No.	Item Description
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET
	PART II - DIRECT COSTS
University of Iowa	

Item No.	Item Description
2.5.2	<p><u>Salary and Wage Cost Accumulation System</u></p> <p>The following description of the University's salary and wage cost accumulation system applies to all of the major functions of the institution as described in Item 2.4.0.</p> <p>The University's payroll system is the repository of all information related to the computation and distribution of an employee's compensation. The information includes the employee's current payroll distribution, the employee's payroll distribution history, the employee's benefits eligibility records, the employee's vacation and sick leave records, the employee's payroll deduction information and other employee information related to appointment or pay status. All payroll documents are stored electronically.</p> <p>The payroll system is interfaced with the University's general ledger through incorporation of the Master File Key (MFK) in the payroll system. The MFK includes all of those elements which identify the assignment of responsibility (i.e., fund, organization, department, sub-department if applicable, grant or program if applicable, and function) and the type of transaction (i.e., revenue, expense, asset, liability). Before a payroll appointment or a payroll distribution change for an individual employee can be successfully entered into the payroll system, the payroll distribution Master File Key (MFK) must be validated against the general ledger valid MFK database.</p> <p>The payroll transactions posted to the University's general ledger via the regular payroll process, through payroll distribution systems or through payroll correction journals are accumulated in a Cumulative Compensation Report on a fiscal year to date basis. This report contains a current month and a cumulative year to date record of salaries, wages, and fringe benefits by either valid MFK or by Employee ID Number. The general ledger can be reconciled to the Cumulative Compensation Report by valid MFK.</p>

Item No.

Item Description

2.6.0 Description of Fringe Benefits Costs

The following information is given to identify and describe those fringe benefits either mandated by federal or state law, required as a condition of employment or provided to the employee at their option where the University contribution is directly charged to Federally sponsored agreements or similar cost objectives.

Benefits Type	Benefit Description	Method of Charging	
		Charged Through Fringe Benefits Rate	Charged directly to University Depts/Employee
Social Security	Costs are incurred in accordance with the provisions of the Federal Insurance Contribution Act (FICA).	X	
Worker's Compensation	Costs are incurred for a staff member who incurs medical expenses and/or loses work time as the result of a job related accident or illness. Expenses are covered in accordance with the Iowa Worker's Compensation Law.	X	
Unemployment Compensation	University staff members, with the exception of most student employees, are covered for unemployment compensation. The purpose of unemployment compensation is to pay the benefits of staff members who lose their job through no fault of their own. The cost of unemployment compensation is paid entirely by the University.	X	
Group Life Insurance	The University provides faculty and staff members with term life insurance coverage. Participation in the program is a condition of employment for permanent faculty and staff members with at least a 50% time appointment at the University. The University funds two times salary up to the \$400,000 maximum coverage amount. Faculty and staff may opt for the minimum amount of coverage which is \$50,000 while participating in the Shared Savings Credit program, or coverage amounts equal to two times, two and one-half times, or three times salary. Premiums are shared between the University and the faculty or staff member for amounts greater than two times salary.	X	
Supplemental Life Insurance	The Supplemental Life Insurance plan allows eligible faculty and staff members to acquire additional life insurance up to three and one-half times their annual budgeted salary subject to certain conditions. Premiums are 100% employee paid.		X
Long-Term Disability and Wraparound Long-Term Disability Insurance	The University provides faculty and staff with long term disability coverage. Participation in the program is a condition of employment for permanent faculty and staff members with at least a 50% time appointment at the University. The disability insurance coverage is 60% pay replacement for a maximum benefit of \$300,000 per year. The University funds the long term disability coverage.	X	

Description of Fringe Benefits Costs (Cont'd)

Benefits Type	Benefit Description	Method of Charging	
		Charged Through Fringe Benefits Rate	Charged directly to University Depts/Employee
Retirement Plans	All faculty and staff members with an appointment expected to last six months or greater must participate in the retirement plan. Staff members may choose either the Iowa Public Employees Retirement System (IPERS) or the University Funded Retirement Plan through Teachers Insurance Annuity Association (TIAA). Under IPERS, the University makes a contribution of 8.93 percent of salary on the staff member's behalf. Under TIAA, the University contributes 6.23% on the first \$4,800 of annual budgeted salary and 10% over \$4,800 of annual budgeted salary on the staff member's behalf who have less than five years of service. The University contribution is 10% on the entire annual budgeted salary of those staff members with more than five years of service. The staff members are also required to contribute to the retirement plan in which they are enrolled.	X	
Waiver of Retirement Premium Insurance	A faculty or staff member who becomes disabled may be entitled to continuation of the retirement premiums based on salary and length of service. The University provides this coverage to all permanent University faculty and staff members with at least a 50% time appointment after one year of continuous service.	X	
Medical Insurance Programs	Medical insurance coverage is available on a voluntary basis. University faculty and staff member with at least a 50% time appointment at the University are eligible for coverage. Coverage is offered under a single, employee/spouse, employee/children or family contract basis. The medical insurance covers hospital, medical/surgical, major medical, and prescription drug coverage into one program. The University pays 100% of single premium cost and 80% of spouse, children, and family premium cost.	X	
Dental Insurance Programs	Dental insurance coverage is available on a voluntary basis. University faculty and staff members with at least a 50% time appointment at the University are eligible for coverage. Coverage is offered under employee only, employee and spouse, employee and children or employee and family options. Coverage is provided through Delta Dental of Iowa. The University pays 100% of single premium cost and 80% of spouse, children and family premium cost.	X	
Accidental Death and Dismemberment Insurance	This insurance program is available to all permanent University faculty and staff members with at least a 50% time appointment at the University. This insurance program provides coverage at all times for a variety of accidents. It covers accidents on or off the job, occurring at home or away, anywhere in the world, when traveling by train, airplane or other conveyances.		X
Death Benefit	The University provides a death benefit equal to one month's salary to any Regular employee (faculty, professional or general service staff) who dies while employed. The cost of this benefit is built into the fringe rate for each employee group.	X	
Flexible Spending Account for Dependent Care	Eligible faculty and staff members have the opportunity to participate in the Flexible Spending Accounts for Dependent Care. A Flexible Spending Account for Dependent Care allows an individual to arrange for a portion of his or her earnings to be deposited in a special account that is then used to pay the dependent care expenses incurred in the course of a year for the custodial care of children or other eligible dependents. The I.R.S. regulations provide that earnings allocated to a Flexible Spending Account are not subject to federal income taxes, state income taxes, or F.I.C.A. taxes. Thus, persons who elect to participate in this plan pay these expenses with income that is not subject to these taxes. This plan is available to all permanent University faculty staff members with at least a 50% time appointment at the University.		X

Description of Fringe Benefits Costs (Cont'd)

Benefits Type	Benefit Description	Method of Charging	
		Charged Through Fringe Benefits Rate	Charged directly to University Depts/Employee
Flexible Spending Account for Health/Dental Care	Eligible faculty and staff members have the opportunity to participate in a Flexible Spending Account for Health Care. A Flexible Spending Account for Health/Dental Care allows an individual to arrange for a portion of his or her earnings to be deposited in a special account that is then used to pay the health/dental care expenses incurred in the course of the year for the eligible faculty or staff member and/or other eligible dependents. I.R.S. regulations provide that earnings allocated to a Flexible Spending Account are not subject to federal income taxes, state income taxes, or F.I.C.A. taxes. Thus, persons who elect to participate in this plan pay these expenses with income that is not subject to these taxes. This plan is available to all permanent University faculty and staff members with at least a 50% time appointment at the University.		X
Vacation Accrual	Eligible faculty and staff members are entitled to earn vacation at an accrual rate determined by employee classification. The accrual of vacation is based on the annual entitlement pro-rated at a monthly rate in hours. Maximum accumulation for faculty and staff is twice the annual entitlement. Vacation is charged directly to the appropriate funding source(s) as it is used. The University offers to faculty and staff members the ability to receive and donate accrued vacation leave due to a personal or family catastrophic illness or injury which results in a medical condition for which a physician has certified that the condition is likely to result in a loss of thirty (30) or more work days. All faculty and staff who accrue vacation are eligible to participate. An individual must have exhausted all paid leave and not be receiving any other supplemental payments such as workers' compensation or long term disability in order to be qualified to receive donations. The total donations received by an employee shall not exceed the amount necessary to cover the long term disability waiting period. If the donations are needed due to a family member illness or injury, donations cannot exceed one (1) year. Leave must be donated in increments of one (1) hour or more.		X
Vacation Payout at Termination	Unused vacation accumulated at termination or retirement is paid out from a central administrative account at the employee's hourly rate at the time of separation from the University and is funded through fringe benefit rates.	X	
Sick Leave Accrual	Eligible faculty and staff are entitled to earn sick leave credits at an accrual rate determined by employee classification. The accrual of sick leave credits is based on the annual entitlement pro-rated at a monthly rate in hours. There is no maximum accumulation of sick leave credits; rather the amount accumulated is limited only by length of service, employee classification, and amount of sick leave credits used. Sick leave credits are charged directly to the appropriate funding source(s) as they are used.		X
Sick Leave Payout at Retirement	For qualified retirees, a lump sum payout of up to \$2,000 is provided for unused sick leave. This is paid from a central administrative account and is funded through fringe benefit rates.	X	

Description of Fringe Benefits Costs (Cont'd)

Benefits Type	Benefit Description	Method of Charging	
		Charged Through Fringe Benefits Rate	Charged directly to University Depts/Employee
Employee Holidays	<p>Staff members with permanent or continuous appointments, on a full or part-time basis, are entitled to holiday pay in proportion to their fraction of service. Staff members hired on a temporary, on call, provisional, project or emergency basis, as well as students hired through the Office of Student Financial Aid and students hired in positions reserved specifically for student employees are not entitled to holiday pay. Staff covered by collective bargaining agreements may have benefits different from those described below. Reference should be made to the current agreement for those staff members for precise details. Paid holidays per the Board of Regents policy are as follows: Members of the University staff are eligible for 9 paid holidays a year. The official University holidays include New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday following Thanksgiving, Christmas Day, and an additional day near Christmas designated in the official University calendar.</p>		X
Tuition or Tuition Remission	<p>The University does not provide tuition remission for any employees, students or their spouses or dependents. However, the University provides funds equal to the tuition charge for a single course up to 4 credit hours through a Staff Tuition Assistance Program to eligible staff members who apply for a tuition grant subject to certain rules. This program is funded centrally.</p> <p>Beginning on July 1, 2003, as a result of negotiations with the graduate employee union, COGS, a tuition scholarship program was established that required that all graduate assistants with a 25% or higher appointment are assured a minimum tuition scholarship for fall and spring semesters. The minimum tuition scholarship for fall and spring semesters will be defined in relation to a full time load of nine (9) semester hours, and shall be prorated for a lesser number of credit hours enrolled. While graduate students covered by the COGS agreement are assured a tuition scholarship, all graduate students are eligible for tuition scholarship assuming the following:</p>		X
	<p>The tuition scholarship and other forms of compensation must be consistently provided in each department, in accordance with established institutional and departmental policy, to students performing similar activities conducted in non-sponsored as well as sponsored activities. The COGS agreement establishes the minimum amount that can be charged to funding source for tuition. Up to 100% of the cost of full graduate tuition may be charged to a funding source including grants and contracts, in accordance with departmental policy, unless specifically prohibited by the sponsoring agency. The tuition scholarship charge will not exceed the tuition charged to the graduate assistant.</p> <p>This tuition scholarship is a recognized fringe benefit associated with the appointment as a graduate assistant and should not be confused with other student aid programs. Non-resident students employed for at least one quarter time as a graduate research or teaching assistant are granted in-state tuition rates.</p>		

Description of Fringe Benefits Costs (Cont'd)

Benefits Type	Benefit Description	Method of Charging	
		Charged Through Fringe Benefits Rate	Charged directly to University Depts/Employee
Other Employee Benefits	The University offers a variety of benefits that enhance the health, education, recreation and general well-being of faculty, staff and students that are not charged as a direct cost to Federally sponsored agreements or similar cost objectives.		X
General Benefit Credits	The University provides benefits eligible faculty and staff members with \$90 per month in general benefit credits to be used at their discretion towards the cost of health or dental insurance, the purchase of additional life insurance, the purchase of accidental death and dismemberment insurance, or funding of a dependent care or health care spending account.	X	
Shared Savings Credits	Depending upon the choices a benefits eligible faculty or staff member makes, they may be eligible for Shared Savings Credits which they can use in the same manner as General Benefit Credits. Individuals who waive the University dental coverage may receive a \$25 per month Shared Savings Credit. For individuals whose salary is over \$25,000 and elect to receive only \$50,000 in life insurance may receive a \$40 per month Shared Savings Credit.	X	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART II - DIRECT COSTS
		University of Iowa
Item No.	Item Description	
2.6.0	<u>Description of Fringe Benefits Costs</u> (Cont'd)	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART II - DIRECT COSTS
	University of Iowa

Item No.	Item Description
2.6.0	Description of Fringe Benefits Costs (Cont'd)
Rev.	(Continued on next page)
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART II - DIRECT COSTS University of Iowa
Item No.	Item Description	
2.6.0	<u>Description of Fringe Benefits Costs</u> (Cont'd)	
2.6.1	<p><u>Method of Charging Direct Fringe Benefits</u></p> <p>All fringe benefits costs identified in Item 2.6.0 that are not paid entirely from central administration funds are charged directly to Federally sponsored agreements or to other benefiting University activities within each major function, as described in Item 2.4.0, through the application of fringe benefits rates.</p> <p>Under our methodology, fringe benefits are budgeted and expensed as a percentage of actual salary costs. Each salary Institutional Account is assigned to one of the twelve fringe pools. Fringe charge rates are analyzed and reviewed annually prior to the beginning of the annual budget cycle and adjusted to reflect differences between the rates charged and actual benefits costs as well as future benefits projections. Most of the fringe charge rates are approved by a federal agency (Division of Cost Allocation) prior to the rates being finalized.</p> <p>The actual fringe benefits costs for each employee continue to be accumulated in a central control account to be compared with the rate-based fringe benefits costs charged to individual departmental Master File Keys (MFK's). Charges to individual MFK's appearing on the detail accounting statements appear as lump sum amounts for each applicable institutional account.</p> <p><u>Fringe Benefits Included in Calculation of Pool Rates</u></p> <ul style="list-style-type: none"> Flex Credits Health Insurance Dental Insurance Life Insurance Disability Insurance Unemployment Insurance Waiver of Premium Insurance Workers Compensation Vacation payout at termination Sick Leave payout at retirement - maximum \$2,000 FICA Retirement (TIAA & IPERS) Post Employment Benefits Death Benefit <p><i>Fringe Benefit Pools</i></p> <ol style="list-style-type: none"> 1. Clinical Faculty - Faculty whose primary appointments are in a "clinical department" (having a clinic or clinics where a faculty member treats clinic patients). 2. Non-Clinical Faculty - Faculty whose primary appointments are in non-clinical departments. 3. Professional & Scientific (includes Merit Exempt) - All P&S rank codes - Pxxx, except for PZxx rank codes that apply to UIHC House Staff physicians. All Merit Exempt rank codes. 	

4. SEIU (not negotiated) - All professional employees engaged in tertiary health care at the University of Iowa Hospitals and Clinics as specifically described in the union agreement.
5. General Service Staff (not negotiated) - All Merit Rank Codes - Gxxx (except Merit Exempt)
6. House Staff (not negotiated) - The following rank codes: PZ10, PZ11, PZ12, PZ13, PZ14, PZ15, PZ18, PZ25, and PZ26.
7. Graduate Assistants - The following rank codes: Fx18, Fx19
8. Fellowships - The following rank code: Fx52.
9. Post Docs (Postdoctoral Fellows and Scholars) - The following rank codes: FP01, FP02, and FP03.
10. Temporary - All rank codes included in Faculty, Non-Clinical Faculty, P&S, and General Service Staff categories listed above including PZ rank codes that are not House Staff ranks. Temporary Status (Appointment Type 'T' or 'R' in payroll system)
11. Bi-Weekly Students (not negotiated) - Students hired through Student Financial Aid.
12. Miscellaneous and Extra Compensation - Extra compensation payments eligible for FICA benefits only. This includes bonuses, awards, research subjects, blood donors, and extra compensation.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART II - DIRECT COSTS
		University of Iowa
Item No.	Item Description	
2.7.0	<p><u>Description of Other Direct Costs</u></p> <p>The following listing includes the principal classes of other costs, excluding labor and direct material costs, that are charged directly to Federally sponsored agreements or similar cost objectives:</p> <ul style="list-style-type: none"> • Travel • Equipment • Repair and Maintenance of Buildings and Equipment • Medical Service Costs - Inpatient and Outpatient • Research Subject Participation Costs • Sub-award Costs • Consultant Services Costs • Fellowship and Scholarship Costs (Including stipends, tuition and mandatory student fees, and other student educational allowance costs) • Computing Services • Central Research Facility Services • Publication Costs • Copy Center Costs (Including central and departmental copy centers) • Other Services • Telecommunication Costs • Postage and Freight Costs 	

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

Item No.	Item Description																																																				
3.1.0	<p><u>Indirect Cost Categories - Accumulation and Allocation.</u> This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to other applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Indirect Cost Category</u></th> <th style="text-align: center;"><u>Accumulation Method</u></th> <th style="text-align: center;"><u>Allocation Base Code</u></th> <th style="text-align: center;"><u>Allocation Sequence</u></th> </tr> </thead> <tbody> <tr> <td>(a) Depreciation/Use Allowances/Interest</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td style="text-align: center;"><u>1</u></td> </tr> <tr> <td style="padding-left: 20px;">Building</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Equipment</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Capital Improvements to Land</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Interest</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td></td> </tr> <tr> <td>(b) Operation and Maintenance</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td style="text-align: center;"><u>2</u></td> </tr> <tr> <td>(c) General Administration and General Expense</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>D</u></td> <td style="text-align: center;"><u>3</u></td> </tr> <tr> <td>(d) Departmental Administration</td> <td style="text-align: center;"><u>No</u></td> <td style="text-align: center;"><u>D</u></td> <td></td> </tr> <tr> <td>(e) Sponsored Projects Administration</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>D</u></td> <td></td> </tr> <tr> <td>(f) Library</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>P</u></td> <td></td> </tr> <tr> <td>(g) Student Administration and Services</td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>Y</u></td> <td></td> </tr> <tr> <td>(h) Other</td> <td style="text-align: center;"><u>NA</u></td> <td style="text-align: center;"><u>NA</u></td> <td></td> </tr> </tbody> </table> <p>¹ Describe on a Continuation Sheet.</p>	<u>Indirect Cost Category</u>	<u>Accumulation Method</u>	<u>Allocation Base Code</u>	<u>Allocation Sequence</u>	(a) Depreciation/Use Allowances/Interest	<u>Yes</u>	<u>P</u>	<u>1</u>	Building	<u>Yes</u>	<u>P</u>		Equipment	<u>Yes</u>	<u>P</u>		Capital Improvements to Land	<u>Yes</u>	<u>P</u>		Interest	<u>Yes</u>	<u>P</u>		(b) Operation and Maintenance	<u>Yes</u>	<u>P</u>	<u>2</u>	(c) General Administration and General Expense	<u>Yes</u>	<u>D</u>	<u>3</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 Administration and Services	<u>Yes</u>	<u>Y</u>		(h) Other	<u>NA</u>	<u>NA</u>	
<u>Indirect Cost Category</u>	<u>Accumulation Method</u>	<u>Allocation Base Code</u>	<u>Allocation Sequence</u>																																																		
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(h) Other	<u>NA</u>	<u>NA</u>																																																			

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART III - INDIRECT COSTS
	University of Iowa

Item No.	Item Description
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3.2.0	<p><u>Service Centers</u>. Service centers are department or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in Section J of 2 CFR Part 220 (OMB Circ 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: 10%;"></th> <th style="width: 30%;"></th> <th style="width: 5%; text-align: center;">(1)</th> <th style="width: 5%; text-align: center;">(2)</th> <th style="width: 5%; text-align: center;">(3)</th> <th style="width: 5%; text-align: center;">(4)</th> <th style="width: 5%; text-align: center;">(5)</th> <th style="width: 5%; text-align: center;">(6)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">(a)</td> <td>Animal Resources</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 style="vertical-align: top;">(b)</td> <td>Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements as either a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary.)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td><u>see continuation sheet</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> <td style="text-align: center;">_____</td> </tr> </tbody> </table> <p>(1) <u>Category Code</u>: Use code "A" if the service center costs are billed only as direct costs of final cost objectives; code "B" if billed only to indirect cost categories or indirect cost pools; code "C" if billed to both direct and indirect cost objectives.</p> <p>(2) <u>Burden Code</u>: Code "A" - center receives an allocation of all applicable indirect costs; Code "B" - partial allocation of indirect costs; Code "C" - no allocation of indirect costs.</p> <p>(3) <u>Billing Rate Code</u>: Code "A" - billing rates are based on historical costs; Code "B" - rates are based on projected costs; Code "C" - rates are based on a combination of historical and projected costs; Code "D" - billings are based on the actual costs of the billing period; Code "Y" - other (explain on a Continuation Sheet).</p> <p>(4) <u>User Charges Code</u>: Code "A" - all users are charged at the same billing rates; Code "B" - some users are charged at different rates than other users (explain on a Continuation Sheet).</p> <p>(5) <u>Actual Costs vs. Revenue Code</u>: Code "A" - billings (revenues) are compared to actual costs (expenditures) at least annually; Code "B" - billings are compared to actual costs less frequently than annually.</p> <p>(6) <u>Variance Code</u>: 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)	Animal Resources	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>	(b)	Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements as either a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary.)								<u>see continuation sheet</u>	_____	_____	_____	_____	_____	_____
		(1)	(2)	(3)	(4)	(5)	(6)																										
(a)	Animal Resources	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>																										
(b)	Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements as either a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary.)																																
	<u>see continuation sheet</u>	_____	_____	_____	_____	_____	_____																										

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART III - INDIRECT COSTS
	University of Iowa

Item No.	Item Description
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 Analytical Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study.</p>
3.6.0	<p><u>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</u> Are appropriate direct costs of all programs and activities included in the indirect cost allocation bases, regardless of whether allocable indirect costs are fully reimbursed by the sponsoring organization?</p> <p>A. ___ X ___ Yes</p> <p>B. ___ ___ No¹</p> <p>¹ Describe on a Continuation Sheet.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART III-INDIRECT COSTS
	University of Iowa

Item No.	Item Description
3.1.0	<p><u>Indirect Cost Categories - Accumulation and Allocation</u></p> <p>(d) Departmental Administration</p> <p>Departmental administration is not identified separately in the University's financial records. Departmental administration is derived from unrestricted funds using direct cost equivalent (DCE) methodology. See continuation sheet for section 3.4.0.</p>

Item No.	Item Description						
3.2.0	<u>Service Centers</u>						
Rev.	Other Service Centers with annual operating revenue in excess of \$1,000,000 or billings to Federal grants and contracts in excess of \$200,000.						
	(b) General Stores	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(c) Fleet Services	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(d) Printing and Mail Services	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(e) Biochemistry Stores	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(f) ITS	<u>C</u>	<u>C</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(g) Biomedical Research	<u>A</u>	<u>C</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(h) Laundry	<u>C</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(i) Central Electron Microscopy	<u>A</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>B</u>
	(j) DNA Facility	<u>A</u>	<u>B</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>B</u>
	(k) MRI Recharge Center	<u>A</u>	<u>C</u>	<u>C</u>	<u>B</u>	<u>A</u>	<u>B</u>
	(l) Physiologic Imaging Scanner	<u>A</u>	<u>C</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(m) ICTS Clinical Research Unit	<u>A</u>	<u>C</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	<p>(4) User Charges: Charges per user may vary for volume discounts and for use during low demand periods as offered by the service centers. Special approval is required in most cases. The special rates are made available uniformly to all users. Some user groups receive a discount; however, a center subsidy exists to cover the usage.</p>						
	<p>Notes:</p> <p>Overhead charges recovered from stores and services operations through the internal Administrative Services Overhead Plan are applied as credits to G&A cost pools.</p>						

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS
		University of Iowa
Item No.	Item Description	
3.4.0	<p><u>Composition of Indirect Cost Pools</u></p> <p>Depreciation/Use Allowances/Interest</p> <p>Building Depreciation</p> <p>The Building Depreciation cost pool group includes the following cost pools:</p> <ul style="list-style-type: none"> • Building Depreciation • Campus Improvements <p>Depreciation is calculated for buildings and building components based on estimated useful lives. In the F&A Rate calculation, building depreciation, excluding portions funded from federal sources, is assigned to each building and is allocated to all cost pools on the basis of assignable square footage of each building.</p> <p>Capitalized Campus Improvements are divided into two categories: Campus Improvements – Infrastructure (primarily utility improvements) and Campus Improvements – General. Campus Improvements – Infrastructure are depreciated using an average twenty year useful life. Depreciation is allocated to intermediate utility cost pools supported by subsidiary records. Campus Improvements – General, such as paved parking areas, fences, and sidewalks, also depreciated using a twenty year useful life, are allocated to user categories of students and employees based on FTE. The amount allocated to students is assigned 100% to instruction. The amount allocated to employees is assigned to the major functions of the institution based on total salaries and wages. In the F&A Rate calculation, depreciation of federally funded campus improvements is excluded.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS	
		University of Iowa	
Item No.	Item Description		
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Depreciation/Use Allowances/Interest (Cont'd)</p> <p>Equipment Depreciation This cost pool group includes depreciation charges for equipment with a unit cost of \$5,000 or more and software with a unit cost of \$500,000 or more. The equipment cost pools exclude any portion of the capitalized value funded from Federal and non-Federal sponsored sources. Except for current year library book acquisitions, equipment depreciation charges are calculated directly from the equipment inventory records. In most cases, the depreciation charge for each piece of equipment is identified with the room and building in which the equipment is located. Equipment that cannot be identified to a specific room is assigned to the Non-Matching Equipment cost pool.</p> <p>Current year library book acquisitions are treated as equipment for inventory purposes, and are assigned a one year life, effectively depreciating their full value in the year of acquisition. The library book depreciation (current year expenditures) is included in the Library Cost Pool (see section on Library).</p> <p>The equipment depreciation cost pool group includes the following cost pools:</p> <p>Moveable Equipment Allocated to each building and in most cases, a room, and then to cost pools based on the functional use of space for each building and room.</p> <p>Non-Matching Equipment (Equipment not matched to a room) Allocated to the building where the equipment is located, and then to cost pools based on the functional use of space for the entire building.</p> <p>Equipment in Excluded Space Allocated to the building where the equipment is located, and then to cost pools based on the functional use of space for the entire building.</p> <p>VA Research Equipment Allocated to Organized Research Base.</p> <p>Auxiliary Equipment Allocated to Other Institutional Activity</p> <p>Interest</p> <p>Academic building interest costs are allocated to the specific buildings for which the bonds were issued and interest accumulated. These costs are then allocated to cost pools based on the functional use of space for the entire building.</p>		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS
		University of Iowa
Item No.	Item Description	
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Operation and Maintenance</p> <p>Operation and Maintenance includes all utilities, public safety, and other campus plant operation and maintenance expenditures. This functional category includes the following cost pools:</p> <p>Facilities Services Group Administration includes departments formerly called Facility Planning and Utilization, and Physical Plant Administration. This administrative unit is responsible for the utility enterprises, operation and maintenance of academic buildings and general campus maintenance.</p> <p>Direct Building Costs include current fund operation and maintenance costs directly identified with and charged to specific buildings in accounting resulting from services rendered by the university physical plant shops or external providers.</p> <p>Hospital Direct O&M includes current operation and maintenance costs incurred with the Health Care Fund and identified with specific buildings.</p> <p>Electricity includes costs for electricity provided by the campus Utilities Enterprise. Charges are identified with specific buildings in accordance with meter readings.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET
	PART III - INDIRECT COSTS
University of Iowa	

Item No.	Item Description
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Operation and Maintenance (Cont'd)</p> <p>Steam includes costs for general heating, hot water and in a few cases for air conditioning or chilled water.</p> <p>Water includes costs for water provided by the university's water plant and is allocated to each building as measured by water meters at each building.</p> <p>Chilled Water includes costs for chilled water supplied by area chilled water plants. Each building has a water flow meter determining number of gallons consumed each month. Additional temperature sensors are used to determine the change in water temperature at the building entry point to the time chilled water exits the building. The usage and temperature readings subsequently are converted into MMBTU's using a calculation compliant with industry standards.</p> <p>Fire Protection includes costs of the University's fire protection agreement with the City of Iowa City. The total cost is allocated to individual buildings on the basis of gross square feet.</p> <p>Refuse Disposal includes costs of the University's trash collection and disposal service. Physical Plant personnel maintain records of quantities collected per building and costs are allocated accordingly.</p> <p>Sewer includes costs negotiated with the City of Iowa City for sewer service. Allocations to individual buildings are based upon metered water consumption per building.</p> <p>Waste Incinerator includes costs of the operation of the university's waste incinerator. Allocations are made to buildings based upon the volume of waste per building.</p> <p>Purchased Utilities includes costs of utilities purchased directly from the local utility for specific buildings. These costs are distributed to the specific buildings as billed by the utility company.</p> <p>Oakdale Utilities includes costs for utilities provided by Oakdale Utility Systems. These costs are allocated to the Oakdale campus buildings on the basis of direct utility costs.</p> <p>General Campus O & M includes general campus maintenance of grounds, streets, sidewalks, etc. of the main campus. Costs are allocated to all main campus buildings on the basis of net assignable square feet.</p> <p>Hospital General O&M includes general operation and maintenance costs of the hospital group not identified to specific hospital buildings. These costs are allocated to hospital buildings on the basis of net assignable square feet.</p> <p>Hospital Research O&M includes operation and maintenance costs of the hospital group identified to specific research space.</p> <p>Oakdale O&M includes general campus maintenance to the Oakdale Campus. The costs are allocated to the buildings on the Oakdale Campus on the basis of net assignable square feet.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS
		University of Iowa
Item No.	Item Description	
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Operation and Maintenance (Cont'd)</p> <p>Auxiliary O&M includes operational and maintenance costs of auxiliary buildings. The costs are allocated to other institutional activities.</p> <p>Public Safety (Security) includes the costs of the University's central security department. These costs are allocated to benefiting functions on the basis of net assignable space.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS
		University of Iowa
Item No.	Item Description	
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>General Administration and General Expense</p> <p>General Administration includes all costs associated with general and academic administration. This functional category includes the following cost pools:</p> <p>Mail Carriers includes costs of the University's central mail service department. These costs are allocated to recipient cost pools based on institution-wide salaries and wages.</p> <p>Business includes the costs of central administration and support services that are business related. These costs are allocated to the other cost pools, indirect and direct, on a modified total direct cost basis (MTDC).</p> <p>Personnel includes the costs of central administration and support services that are personnel related. These costs are allocated to the other cost pools, indirect and direct, on a modified total direct cost basis (MTDC).</p> <p>Environmental Health includes the costs of the Occupational Health Office. These costs are allocated to other cost pools, indirect and direct, on a modified total direct cost basis (MTDC).</p> <p>Academic Administration includes the cost of the central administrative offices related to the academic functions of the University. These costs are allocated to instruction, research and other sponsored activity on a modified total direct cost basis (MTDC).</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS	
		University of Iowa	
Item No.	Item Description		
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Departmental Administration</p> <p>Departmental Administration includes all costs incurred for the administration and supporting services that benefit more than one functional activity for an academic department or unit. The departmental cost pool group contains a separate cost pool for each academic department or unit.</p> <p>Effective July 1, 1997, the cost pool group for college administration has been combined with the departmental administration cost pool group. The costs of the Graduate College are allocated to the remaining college cost pools based on modified total direct costs (MTDC). Costs for each college administrative cost pool are allocated to that college's departments or units based on MTDC.</p> <p>In addition to the pro-rated college administrative costs allocated to each DA cost pool, there are four other cost components:</p> <ul style="list-style-type: none"> • 3.6% faculty/professional administrative allowance. • Professional administrative salaries and wages. • General support salaries and wages. • Other expenses including fringe benefit costs. <p>The University uses the Direct Charge Equivalent (DCE) methodology as permitted in the "Review Guide for Long Form University Indirect Cost Proposals", DHHS, DCA, January, 1995.</p> <p>Each DA cost pool will also receive an appropriate share of depreciation use allowance, operation and maintenance expenses, and general administration. The DA cost pools are allocated to the appropriate functions of each department based on MTDC.</p>		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART III - INDIRECT COSTS
	University of Iowa

Item No.	Item Description
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Sponsored Projects Administration</p> <p>Sponsored Projects Administration includes all costs in central administration offices specifically for the administration of sponsored projects. These costs are allocated on an MTDC basis for "sponsored" accounts for each direct cost function. All "sponsored" accounts are identified as organized research, instruction, or other sponsored activities.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART III - INDIRECT COSTS
	University of Iowa

Item No.	Item Description
3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Library</p> <p>Library book acquisitions are part of the library cost pool and are allocated on the same basis as other library costs. The library cost pool includes the operating costs for all campus libraries, including the costs of books (library book acquisitions). Library costs are allocated in two steps. The first allocation, on the basis of FTE, is to students, faculty and professional staff, and other users. The costs allocated to students are assigned 100% to instruction. The costs allocated to faculty and professional staff are assigned to instruction, research, and other sponsored activity on a salary and wage basis. The costs allocated to other users are assigned 100% to other institutional activity.</p> <p>An adjustment for library fines and fees is credited to the Library cost pool.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART III - INDIRECT COSTS
	University of Iowa

Item No.	Item Description
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3.4.0	<p><u>Composition of Indirect Cost Pools</u> (Cont'd)</p> <p>Student Administration and Services</p> <p>Student Administration and Services include costs of programs that predominantly benefit students. These costs are allocated exclusively to the instruction cost pool.</p>
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART III - INDIRECT COSTS
		University of Iowa
Item No.	Item Description	
3.5.0	<p><u>Composition of Allocation Bases</u></p> <p>Modified Total Direct Cost Base (D) This base includes all direct salaries and wages, fringe benefits, materials and supplies, services, travel, and the first \$25,000 of each subcontract and subgrant. Equipment, capital expenditures, charges for patient care and tuition remission, facilities rental costs, scholarships and fellowships, and the portion of each subcontract and subgrant in excess of \$25,000 are excluded from this base. Service Center cost centers are excluded.</p> <p>Salaries and Wages (E) This base represents institution-wide salaries and wages applicable to the benefiting major functions.</p> <p>Square Footage (L) All assignable square footage of benefiting direct and indirect activities is included. Common areas, restrooms, hallways and elevators are excluded from the calculation of net assignable square footage. Space in a building used exclusively in the conduct of a single function is assigned to that function. All other space is considered joint use space and is assigned to functions based on salaries and wages.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART IV - DEPRECIATION AND USE ALLOWANCES
	University of Iowa

Item No.	Item Description																																																		
	Part IV																																																		
4.1.0	<p><u>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use allowance are applied to property units; and Code A or B in Column (4) indicating whether or not the estimated residual value is deducted from the total cost of depreciable assets. Enter code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable.)</p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;"></th> <th style="text-align: center;">Depreciation <u>Method</u> (1)</th> <th style="text-align: center;">Useful <u>Life</u> (2)</th> <th style="text-align: center;">Property <u>Unit</u> (3)</th> <th style="text-align: center;">Residual <u>Value</u> (4)</th> </tr> </thead> <tbody> <tr> <td>Rev. (a) Land Improvements</td> <td style="text-align: center;"><u>A</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>B</u></td> </tr> <tr> <td>Rev. (b) Buildings</td> <td style="text-align: center;"><u>A</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>B</u></td> </tr> <tr> <td>Rev. (c) Building Improvements</td> <td style="text-align: center;"><u>A</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>B</u></td> </tr> <tr> <td>Rev. (d) Leasehold Improvements</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>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(e) Equipment</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(f) Furniture and Fixtures</td> <td style="text-align: center;"><u>A</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>B</u></td> </tr> <tr> <td>(g) Automobiles and Trucks</td> <td style="text-align: center;"><u>A</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>B</u></td> </tr> <tr> <td>(i) Infrastructure</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(j) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.)</td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;"><u>Z</u></td> </tr> </tbody> </table>		Depreciation <u>Method</u> (1)	Useful <u>Life</u> (2)	Property <u>Unit</u> (3)	Residual <u>Value</u> (4)	Rev. (a) Land Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	Rev. (b) Buildings	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	Rev. (c) Building Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	Rev. (d) Leasehold Improvements	<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>	(e) Equipment	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(f) Furniture and Fixtures	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(g) Automobiles and Trucks	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(i) Infrastructure	A	C	A	B	(j) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.)	<u>Z</u>	<u>Z</u>	<u>Z</u>	<u>Z</u>
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCES
		University of Iowa
Item No.	Item Description	
4.1.1	<p><u>Asset Valuations and Useful Lives.</u> Are the asset valuations and useful lives used in your indirect cost proposal consistent with those used in the institution's financial statements? (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No¹</p>	
4.2.0	<p><u>Fully Depreciated Assets.</u> Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.)</p> <p>A. <input type="checkbox"/> Yes B. <input checked="" type="checkbox"/> No</p>	
4.3.0	<p><u>Treatment of Gains and Losses on Disposition of Depreciable Property.</u> Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. <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 reflected in the depreciation reserve account Y. <input type="checkbox"/> Other(s)¹ Z. <input type="checkbox"/> Not applicable</p>	
4.4.0	<p><u>Criteria for Capitalization.</u> (Enter (a) the minimum dollar amount of expenditures which are capitalized for acquisition, addition, alteration, donation and improvement of capital assets, and (b) the minimum number of expected life years of assets which are capitalized. If more than one dollar amount or number applies, show the information for the majority of your capitalized assets, and enumerate on a continuation sheet the dollar amounts and/or number of years for each category or subcategory of assets involved which differs from those for the majority of assets.)</p> <p>Rev. A. Minimum Dollar Amount <u>5,000</u> B. Minimum Life Years <u>1</u></p>	
4.5.0	<p><u>Group or Mass Purchase.</u> Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> Yes¹ B. <input checked="" type="checkbox"/> No</p>	
	<p>¹ Describe on a Continuation Sheet.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART IV - DEPRECIATION AND USE ALLOWANCES
Item No.	Item Description
Rev: 4.4.0	<p><u>Criteria for Capitalization (continued).</u> Capitalized Software</p> <p>University of Iowa (excluding UI Hospitals & Clinics)</p> <p>A. Minimum Dollar Amount <u>500,000</u></p> <p>B. Minimum Life Years <u>1</u></p> <p>UI Hospitals & Clinics</p> <p>A. Minimum Dollar Amount <u>5,000</u></p> <p>B. Minimum Life Years <u>1</u></p>
4.5.0	<p>Group or Mass Purchase at UI Hospitals & Clinics (UIHC). Items that are individually under the \$5,000 threshold but purchased in multiple quantity in connection with a construction or major remodeling project are grouped together and capitalized as one single asset.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART V - OTHER COSTS AND CREDITS
		University of Iowa
Item No.	Item Description	
	Part V	
5.1.0	<p><u>Method of Charging Leave Costs.</u> Do you charge vacation, sick, holiday and sabbatical leave costs to sponsored agreements on the cash basis of accounting (i.e., when the leave is taken or paid), or on the accrual basis of accounting (when the leave is earned)? (Mark applicable line(s))</p> <p>A. <input checked="" type="checkbox"/> Cash</p> <p>B. <input type="checkbox"/> Accrual¹</p>	
5.2.0	<p><u>Applicable Credits.</u> This item is directed at the treatment of "applicable credits" as defined in Section C of 2 CFR Part 220 (OMB Circ 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 usually receives are 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 cost 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 methods¹</p> <p>Y. <input type="checkbox"/> Other¹</p>	
	¹ Describe on a Continuation Sheet.	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
	University of Iowa

Item No.	Item Description												
	Instructions for Part VI												
	<p>This part covers the measurement and assignment of costs for employee pensions, post retirement benefits other than pensions (including post retirement health benefits) and insurance. Some organizations may incur all of these costs at the main campus level or for public institutions at the governmental unit level, while others may incur them at subordinate organization levels. Still others may incur a portion of these costs at the main campus level and the balance at subordinate organization levels.</p> <p>Where the segment (reporting unit) does not directly incur such costs, the segment should, on a continuation sheet, identify the organizational entity that incurs and records such costs. When the costs allocated to Federally sponsored agreements are material, and the reporting unit does not have access to the information needed to complete an item, the reporting unit should require that entity to complete the applicable portions of this Part VI. (See item 4, page (I), General Instructions)</p> <p><u>Pension Plans.</u></p>												
6.1.0	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.)												
6.1.1	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 75%; text-align: center;"><u>Type of Plan</u></th> <th style="width: 20%; text-align: center;"><u>Number of Plans</u></th> </tr> </thead> <tbody> <tr> <td>A.</td> <td>_____ Institution employees participate in State/Local Government Retirement Plan(s)</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>B.</td> <td><u> X </u> Institution uses TIAA plan or other defined-contribution plan that is managed by an organization not affiliated with the institution</td> <td style="text-align: center;"><u> 1 </u></td> </tr> <tr> <td>C.</td> <td>_____ Institution has its own Defined-Contribution Plan(s)¹</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table>		<u>Type of Plan</u>	<u>Number of Plans</u>	A.	_____ Institution employees participate in State/Local Government Retirement Plan(s)	_____	B.	<u> X </u> Institution uses TIAA plan or other defined-contribution plan that is managed by an organization not affiliated with the institution	<u> 1 </u>	C.	_____ Institution has its own Defined-Contribution Plan(s) ¹	_____
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6.1.2	Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)												
	¹ Describe on a Continuation Sheet.												

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
	University of Iowa

Item No.	Item Description
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 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)</p> <p>B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund</p> <p>C. <input checked="" type="checkbox"/> When contributions are made to a forfeitable fund</p> <p>D. <input type="checkbox"/> When the benefits are paid to an employee</p> <p>E. <input type="checkbox"/> When amounts are paid to an employee welfare plan</p> <p>Y. <input type="checkbox"/> Other or more than one method¹</p> <p>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)</p> <p>B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability</p> <p>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</p> <p>D. <input checked="" type="checkbox"/> When funds are set aside or contributions are made to a fund</p> <p>Y. <input type="checkbox"/> Other or more than one method¹</p> <p>Z. <input type="checkbox"/> Not Applicable</p> <p>¹ Describe on a Continuation Sheet.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
		University of Iowa
Item No.	Item Description	
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. _____ When losses are incurred (no provision for reserves)</p> <p>B. _____ When provisions for reserves are recorded based on replacement costs</p> <p>C. _____ When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles.</p> <p>D. <u> X </u> Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves)</p> <p>Y. _____ Other or more than one method¹</p> <p>Z. _____ Not Applicable</p>	
	¹ Describe on a Continuation Sheet.	

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 Iowa

Item No.	Item Description			
6.2.0	Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs)			
	A. <u>Benefits Available:</u> The University offers post employment benefits to qualified individuals. Early retirees, regular retirees, and terminated employees may continue participation in the following:			
Rev.	<u>Type of</u>	<u>Early Benefit</u>	<u>Regular Retirement</u>	<u>Termination</u>
	University of Iowa Health Insurance	X	X	X
	University of Iowa Dental Insurance	X	X	X
	TIAA	X		
	IPERS	X		
	B. <u>Regular Retirement:</u> For post employment benefits of retirees, the University contributes toward the cost of University of Iowa health insurance equal to the cost of the major medical insurance. Benefits are financed centrally by the institution on a pay-as-you-go cash basis.			

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 Iowa

Item No.	Item Description
6.2.0 Rev.	<p data-bbox="337 384 1419 447">Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs) (Cont'd)</p> <p data-bbox="337 478 906 510">C. <u>Early Retirement & Phased Retirement:</u></p> <p data-bbox="435 541 1409 604">See Exhibit 4 for a complete description of the current early retirement and phased retirement programs approved for University of Iowa faculty and staff.</p> <p data-bbox="435 636 1500 751">Benefits for early retirement and phased retirement programs are funded on a pay-as-you-go cash basis. Generally, benefits are financed from the salary source(s) of the individual at the time of retirement. However, some colleges have identified a single source of funds to support all early incentive retirement benefits from their college.</p> <p data-bbox="337 783 586 814">D. <u>Termination:</u></p> <p data-bbox="435 846 1484 940">The University continues terminated employees' benefits for health and dental, insurance under the Consolidated Omnibus Budget Reconciliation Act of 1985, modified by the Tax Reform Act and the Budget Reconciliation Act of 1986.</p> <p data-bbox="435 972 1484 1035">No University costs are associated with the premiums, but claims are the responsibility of the University since the insurance plans are self-insured.</p>

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 Iowa

Item
No.

Item Description

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Item No.	Item Description
6.2.1	<p><u>Determination of Annual PRB Costs</u></p> <p>The annual PRB costs are determined on the cash basis.</p>

<p>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</p>	<p>PART VII - CENTRAL SYSTEM OR GROUP EXPENSES</p> <p>University of Iowa</p>
Item No.	Item Description
	<p style="text-align: center;">DISCLOSURE BY CENTRAL ADMINISTRATION OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE.</p> <p style="text-align: center;">Instructions for Part VII</p> <p>This part should be completed <u>only</u> by the central system office or a group office of an educational system when that office is responsible for administering two or more segments, where it allocates its costs to such segments and where at least one of the segments is required to file Parts I through VI of the Disclosure Statement.</p> <p>The reporting unit (central system or group office) should disclose how costs of services provided by the reporting unit are, or will be, accumulated and allocated to applicable segments of the institution. For a central system office, disclosure should cover the entire institution. For a group office, disclosure should cover all of the subordinate organizations administered by that group office.</p> <p><u>Organizational Structure.</u></p> <p>7.1.0 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><u>Cost Accumulation and Allocation.</u></p> <p>7.2.0 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 <u>to</u> 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 pro rata or allocation basis and the basis of such charges. If none, so state.