



COST ACCOUNTING STANDARDS BOARD

DISCLOSURE STATEMENT FOR THE

UNIVERSITY OF NORTH DAKOTA

CASB DS-2

Revision #2

Effective September 30, 2020

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

| | |
|---|-------|
| GENERAL INSTRUCTIONS..... | C-1 |
| COVER SHEET AND CERTIFICATION..... | C-2 |
| PART I General Information..... | I-1 |
| PART II Direct Costs..... | II-1 |
| PART III F & A Costs..... | III-1 |
| PART IV Depreciation..... | IV-1 |
| PART V Other Costs and Credits..... | V-1 |
| PART VI Deferred Compensation and Insurance Costs..... | VI-1 |
| PART VII Central System or Group Expenses..... | VII-1 |

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

GENERAL INSTRUCTIONS

1. This Disclosure Statement has been designed to meet the requirements of Public Law 100-679, and persons completing it are to describe the Educational institution and its cost accounting practices. For complete regulations, instructions and timing requirements concerning submission of the Disclosure Statement, refer to Section 9903.202 of Chapter 99 of Title 48 CFR (48 CFR 9903).

2. Part I of the Statement provides general information concerning each reporting unit (e.g., segments, business units, and central system or group (intermediate administration) offices). Parts II through VI pertain to the types of costs generally incurred by the segment or business unit directly performing under Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). Part VII pertains to the types of costs that are generally incurred by a Central or Group office and are allocated to one or more segments performing under Federally sponsored agreements.

3. Each segment or business unit required to disclose its cost accounting practices should complete the Cover Sheet, the Certification, and Part I through VI.

4. Each central or group office required to disclose its cost accounting practices for measuring, assigning and allocating its costs to segments performing under Federally sponsored agreements should complete the Cover Sheet, the Certification, Part I and Part VII of the Disclosure Statement. Where a central or group office incurs the types of cost covered by Parts IV, V and VI, and the cost amounts allocated to segments performing under Federally sponsored agreements are material, such office(s) should complete Parts IV, V, or VI for such material elements of cost. While a central or group office may have more than one reporting unit submitting Disclosure Statements, only one Statement needs to be submitted to cover the central or group office operations.

5. The Statement must be signed by an authorized signatory of the reporting unit.

6. The Disclosure Statement should be answered by marking the appropriate line or inserting the applicable letter code which describes the segment's (reporting unit's) cost accounting practices.

7. A number of questions in this Statement may need narrative answers requiring more space than is provided. In such instances, the reporting unit should use the attached continuation sheet provided. The continuation sheet may be reproduced locally as needed. The number of the question involved should be indicated and the same coding required to answer the questions in the Statement should be used in presenting the answer on the continuation sheet. Continuation sheets should be inserted at the end of the pertinent Part of the Statement. On each continuation sheet, the reporting unit should enter the next sequential page number for that Part and, on the last continuation sheet used, the words "End of Part" should be inserted after the last entry.

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

COVER SHEET AND CERTIFICATION
UNIVERSITY OF NORTH DAKOTA

8. Where the cost accounting practice being disclosed is clearly set forth in the institution's existing written accounting policies and procedures, such documents may be cited on a continuation sheet and incorporated by reference to the pertinent Disclosure Statement Part. In such cases, the reporting unit should provide the date of issuance and effective date for each accounting policy and/or procedures document cited. Any supplementary comments needed to fully describe the cost accounting practice being disclosed should also be provided.

9. Disclosure Statements must be amended when disclosed practices are changed to comply with a new CAS or when practices are changed with or without agreement of the Government (Also see 48 CFR 9903.202-3).

10. Amendments shall be submitted to the same offices to which submission would have to be made were an original Disclosure Statement being filed.

11. Each amendment should be accompanied by an amended cover sheet (indicating revision number and effective date of the change) and a signed certification. For all resubmissions, on each page, insert "Revision Number ___" and "Effective Date ___" in the Item Description block; and, insert "Revised" under each Item Number amended. Resubmitted Disclosure Statements must be accompanied by similar notations identifying the items which have been changed.

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

COVER SHEET AND CERTIFICATION
UNIVERSITY OF NORTH DAKOTA

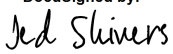
| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|-----------------------|---|
| 0.1 | Educational Institution |
| <u>Revised</u> | (a) Name: University of North Dakota (b) Street Address: Twamley Hall Room 314 (c) City, State and ZIP Code: Grand Forks, ND 58202-8233 (d) Division or Campus of University of North Dakota (if applicable) |
| 0.2 | Reporting Unit is: (Mark one). A. <input checked="" type="checkbox"/> Independently Administered Public Institution B. <input type="checkbox"/> Independently Administered Nonprofit Institution C. <input type="checkbox"/> Administered as Part of a Public System D. <input type="checkbox"/> Administered as Part of a Nonprofit System E. <input type="checkbox"/> Other (Specify) |
| 0.3 <u>Revised</u> | Official to Contact Concerning this Statement: (a) Name and Title: Jed Shivers, Vice President Finance & Operations (b) Phone Number (include area code and extension): (701) 777-3511 |
| 0.4 <u>Revised</u> | Statement Type and Effective Date: A. (Mark type of submission. If a revision, enter number) (a) <input type="checkbox"/> Original Statement (b) <input checked="" type="checkbox"/> Amended Statement; Revision No. <u>2</u> B. Effective Date of this Statement: (Specify) <u>September 30, 2020</u> |
| 0.5 <u>Revised</u> | Statement Submitted to (Provide office name, location and telephone number, include area code and extension): A. Cognizant Federal Agency: <u>Department of Health and Human Services</u> <u>Cost Allocation Services</u> <u>90 7th Street, Suite 4-600</u> <u>San Francisco, CA 94103-6705</u> CAS-SF@psc.hhs.gov Brian.caudill@psc.hhs.gov 415-437-7859 B. Cognizant Federal Auditor: |

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

COVER SHEET AND CERTIFICATION
UNIVERSITY OF NORTH DAKOTA

I certify that to the best of my knowledge and belief, this Statement, as amended, 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 Disclosure Regulations (48 CFR 9903.202) of the Cost Accounting Standards Board under 41 USC subsection 422.

Date of Certification: September 30, 2020

DocuSigned by:

B4C29F9DEA3641A...

Signature

Jed Shivers
Vice President, Finance & Operations
University of North Dakota

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

PART I
GENERAL INFORMATION
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| | Part I – The cost accounting identified herein pertains to the University of North Dakota as a whole. A separate DS-2 was prepared for the Energy & Environmental Research Center, a major segment of UND with slightly different cost accounting processes and procedures. |
| 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 type="checkbox"/> Modified Accrual Basis <u>1/</u></p> <p>C. <input type="checkbox"/> Cash Basis</p> <p>Y. <input checked="" type="checkbox"/> Other <u>1/</u></p> |
| 1.2.0 | <p><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 <u>1/</u></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. <u>1/</u></p> <p>B. <input type="checkbox"/> Identified in separately maintained accounting records or work papers. <u>1/</u></p> <p>C. <input type="checkbox"/> Identifiable through use of less formal accounting techniques that permit audit verification. <u>1/</u></p> <p>D. <input checked="" type="checkbox"/> Combination of A, B or C <u>1/</u></p> <p>E. <input type="checkbox"/> Determinable by other means. <u>1/</u></p> <p><u>1/ See Continuation Sheet</u></p> |

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

PART I
GENERAL INFORMATION
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| 1.3.1 | <p><u>Treatment of Unallowable Costs.</u> (Explain on a continuation sheet how unallowable costs and directly associated costs are treated in each allocation base and F & A expense pool, e.g., when allocating costs to a major function or activity; when determining F & A cost rates; or, when a central office or group office allocates costs to a segment). <u>1/</u></p> |
| 1.4.0 | <p><u>Cost Accounting Period:</u> <u>7/1 to 6/30</u> (Specify the twelve month period used for the accumulation and reporting of costs under Federally sponsored agreements, e.g., 7/1 to 6/30. If the cost accounting period is other than the Institution's fiscal year used for financial accounting and reporting purposes, explain circumstances on a continuation sheet).</p> |
| 1.5.0 | <p><u>State Laws or Regulations.</u> Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs. <u>1/</u></p> <p>1/ See Continuation Sheet</p> |

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

CONTINUATION SHEET PART I
GENERAL INFORMATION
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------------|---|
| 1.1.0 | <u>Item Description of Cost Accounting System</u> |
| <u>Revised</u> | Salary, wage and fringe benefit costs are charged and billed to sponsored agreements on the cash basis throughout the fiscal year. For financial statement reporting at year end, salaries, wages and the related fringe benefits for the last two weeks of June (which are paid in July) are accrued in the fiscal year earned. Expenses paid through the accounts payable system are charged to sponsored programs when the invoices are paid. For financial statement reporting at year end, accounts payable are accrued. Facilities and administrative expense (F&A) is recorded on a nightly basis. |
| 1.2.0 | <u>Integration of Cost Accounting with Financial Accounting</u> |
| <u>Revised</u> | Cost accounting data is generally integrated into the financial records of the institution, except, for the purposes of calculating F & A cost rates, some funds/projects are split via memorandum records. The F & A cost calculation is prepared in accordance with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 (Uniform Guidance). The financial records are maintained in accordance with generally accepted accounting principles. Since the Uniform Guidance requirements do not always match activity definitions as maintained in the accounting system, an analysis of various costs is necessary to accurately identify expenditures per Uniform Guidance definitions. Based on the detailed analysis, costs are then reclassified to fit the Uniform Guidance requirements. Documentation of the analysis and reclassification is maintained as part of the F & A cost proposal files. |
| 1.3.0 | <u>Item Description: Unallowable Costs</u> |
| | <p>In general, unallowable costs as identified in Uniform Guidance and/or grant and contract award documents are recorded in the specific account code for that item. Examples include but are not limited to bad debt expense, entertainment costs and fines and penalties. These represent unallowable costs of an allowable activity.</p> <p>Other unallowable costs such as personal use of institution furnished automobiles or housing and personal living expenses are not formally documented in the accounting system. These are identified through a review of fund/project title, discussions with knowledgeable personnel and/or detailed transaction review.</p> <p>Costs related to unallowable activities are also identified through review of the fund/project title, discussions with knowledgeable personnel and/or detailed transaction review. Documentation of information related to unallowable activities is maintained with the institution's F & A cost proposal working papers.</p> |

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

CONTINUATION SHEET PART I
GENERAL INFORMATION
UNIVERSITY OF NORTH DAKOTA

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|-----------------------|--|--|---------------------------------|---------------------------|------------------------|---|----------------------------|------------------------------|-----------------------------------|-----------------|-------------------------|---------------|--------------------------------|---------------|-------------------------------------|---------------|-------------------------------|-----------------|------------------------|--|------------------------------------|-----------------|----------------------|--------------|-----------------------|-----------------|-------------------------|----------------|-------------------|----------------|-------|------------|-----------------------------------|-----------------|------------------------|-----------------|------------------------|--------------|-----------------------|
| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.3.1 | <u>Item Description: Treatment of Unallowable Costs</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Unallowable costs are identified as described in section 1.3.0 The unallowable costs are excluded from the indirect cost pools and where appropriate, are reclassified from the functional identity used for financial reporting to Other Institutional Activities, a direct cost base. Per Uniform Guidance, these costs thus receive their allocable share of F & A costs. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.5.0 <u>Revised</u> | <u>State Laws or Regulations</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>There are numerous state laws, regulations and policies that influence the University of North Dakota’s cost accounting practices such as the state administered retirement plan, procurement policies, travel policies, etc. Some of the North Dakota Century Code (NDCC) laws and policies that influence the institution’s cost accounting practices include but are not limited to the following:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">NDCC 15-55-05, and 06</td> <td>Use and Deposits of Bonded Facility Revenues</td> </tr> <tr> <td>NDCC 15-67-01, 04, 05, and 07, 1-08-02, and 04</td> <td>Use and Deposit of Gift Dollars</td> </tr> <tr> <td>NDCC 6-09-07 and 21-04-02</td> <td>Deposit of State Funds</td> </tr> <tr> <td>NDCC 44-08-04 and 05, 15-10-25 and 25.1</td> <td>Travel for State Employees</td> </tr> <tr> <td>NDCC 54-44.1-09 and 54-16-03</td> <td>Expenditure Authorizations/Limits</td> </tr> <tr> <td>NDCC 54-10-01.1</td> <td>Appropriation Transfers</td> </tr> <tr> <td>NDCC 15-55-14</td> <td>Transfers between Institutions</td> </tr> <tr> <td>NDCC 15-10-16</td> <td>Deposits of Specific Income Sources</td> </tr> <tr> <td>NDCC 54-06-09</td> <td>Moving Expense Reimbursements</td> </tr> <tr> <td>NDCC 54-44.4-01</td> <td>Purchasing of Supplies</td> </tr> <tr> <td>NDCC 44-08-01, 54-44.4-05 and 25-16.2-02</td> <td>Bidding Requirements for Purchases</td> </tr> <tr> <td>NDCC 12.1-13-03</td> <td>Conflict of Interest</td> </tr> <tr> <td>NDCC 54-52.2</td> <td>Deferred Compensation</td> </tr> <tr> <td>NDCC 15-10-12.1</td> <td>Gift Funds and Building</td> </tr> <tr> <td>NDCC15-10-12.2</td> <td>Investment Income</td> </tr> <tr> <td>NDCC15-10-16.1</td> <td>Loans</td> </tr> <tr> <td>NDCC 54-52</td> <td>Public Employee Retirement System</td> </tr> <tr> <td>NDCC 54-44.4-02</td> <td>Purchasing and Bidding</td> </tr> <tr> <td>NDCC 15-10-19.1</td> <td>Tuition – Nonresidents</td> </tr> <tr> <td>NDCC 15-10.1</td> <td>Tuition – Reciprocity</td> </tr> </table> <p>North Dakota State Board of Higher Education Policy Manual North Dakota Office of Management and Budget Policy Manual North Dakota University System (NDUS) Procedures Manual North Dakota University System (NDUS) Accounting Manual NDUS Human Resource Policy Manual University of North Dakota Accounting Policies and Procedures University of North Dakota Capital Assets Policies and Procedures</p> <p>End of Part I</p> | NDCC 15-55-05, and 06 | Use and Deposits of Bonded Facility Revenues | NDCC 15-67-01, 04, 05, and 07, 1-08-02, and 04 | Use and Deposit of Gift Dollars | NDCC 6-09-07 and 21-04-02 | Deposit of State Funds | NDCC 44-08-04 and 05, 15-10-25 and 25.1 | Travel for State Employees | NDCC 54-44.1-09 and 54-16-03 | Expenditure Authorizations/Limits | NDCC 54-10-01.1 | Appropriation Transfers | NDCC 15-55-14 | Transfers between Institutions | NDCC 15-10-16 | Deposits of Specific Income Sources | NDCC 54-06-09 | Moving Expense Reimbursements | NDCC 54-44.4-01 | Purchasing of Supplies | NDCC 44-08-01, 54-44.4-05 and 25-16.2-02 | Bidding Requirements for Purchases | NDCC 12.1-13-03 | Conflict of Interest | NDCC 54-52.2 | Deferred Compensation | NDCC 15-10-12.1 | Gift Funds and Building | NDCC15-10-12.2 | Investment Income | NDCC15-10-16.1 | Loans | NDCC 54-52 | Public Employee Retirement System | NDCC 54-44.4-02 | Purchasing and Bidding | NDCC 15-10-19.1 | Tuition – Nonresidents | NDCC 15-10.1 | Tuition – Reciprocity |
| NDCC 15-55-05, and 06 | Use and Deposits of Bonded Facility Revenues | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 15-67-01, 04, 05, and 07, 1-08-02, and 04 | Use and Deposit of Gift Dollars | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 6-09-07 and 21-04-02 | Deposit of State Funds | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 44-08-04 and 05, 15-10-25 and 25.1 | Travel for State Employees | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-44.1-09 and 54-16-03 | Expenditure Authorizations/Limits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-10-01.1 | Appropriation Transfers | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 15-55-14 | Transfers between Institutions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 15-10-16 | Deposits of Specific Income Sources | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-06-09 | Moving Expense Reimbursements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-44.4-01 | Purchasing of Supplies | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 44-08-01, 54-44.4-05 and 25-16.2-02 | Bidding Requirements for Purchases | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 12.1-13-03 | Conflict of Interest | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-52.2 | Deferred Compensation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 15-10-12.1 | Gift Funds and Building | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC15-10-12.2 | Investment Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC15-10-16.1 | Loans | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-52 | Public Employee Retirement System | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 54-44.4-02 | Purchasing and Bidding | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 15-10-19.1 | Tuition – Nonresidents | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NDCC 15-10.1 | Tuition – Reciprocity | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

PART II
DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| | Instructions for Part II |
| | Institutions should disclose what costs are, or will be, charged directly to Federally sponsored agreements or similar cost objectives as Direct Costs. It is expected that the disclosed cost accounting practices (as defined at 48 CFR 9903.302-1) for classifying costs either as direct costs or F & A costs will be consistently applied to all costs incurred by the reporting unit. |
| 2.1.0 | <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 F & A 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 F & A 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). <u>1/</u> |
| 2.2.0 | <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 or materials which are charged as direct materials and supplies). <u>1/</u> |
| 2.3.0 | <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). |
| 2.3.1 | <u>Direct Purchases for Projects are Charged to Projects at:</u> A. <input type="checkbox"/> Actual Invoiced Costs B. <input checked="" type="checkbox"/> Actual Invoiced Costs Net of Discounts Taken Y. <input type="checkbox"/> Other(s) <u>1/</u> Z. <input type="checkbox"/> Not Applicable |
| 2.3.2 | Inventory Requisitions from Central or Common, Institution-owned Inventory. (Identify the inventory valuation method used to charge projects): A. <input type="checkbox"/> First In, First Out B. <input type="checkbox"/> Last In, First Out C. <input type="checkbox"/> Average Costs <u>1/</u> D. <input type="checkbox"/> Predetermined Costs <u>1/</u> Y. <input type="checkbox"/> Other(s) <u>1/</u> Z. <input checked="" type="checkbox"/> Not Applicable <u>1/ See Continuation Sheet</u> |

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

PART II
DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------|--|--|--------------|--|-----------------|--|--|--|--|----------------|--------------|-----------------|-----------------|--|--|-----|-----|-----|-----|----|---|---|----------|----------|---|----|---|---|---|---|---|----|--|----------|----------|----------|---|----|--|---|---|---|---|----|--------------------|---|---|---|---|
| 2.4.0 | <u>Description of Direct Personal Services.</u> All personal services directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the personal services costs within each major institutional function or activity that are charged as direct personal services). | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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 border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2"></th> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;"><u>Direct Personal Services Category</u></th> </tr> <tr> <th colspan="2"></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Faculty</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Staff</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Students</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Other 1/</u></th> </tr> <tr> <th colspan="2"></th> <th style="text-align: center; font-size: small;">(1)</th> <th style="text-align: center; font-size: small;">(2)</th> <th style="text-align: center; font-size: small;">(3)</th> <th style="text-align: center; font-size: small;">(4)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">A.</td> <td style="vertical-align: top;">Payroll Distribution Method (Individual time card/actual hours and rates)</td> <td style="text-align: center;">—</td> <td style="text-align: center;"><u>X</u></td> <td style="text-align: center;"><u>X</u></td> <td style="text-align: center;">—</td> </tr> <tr> <td style="vertical-align: top;">B.</td> <td style="vertical-align: top;">Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td style="vertical-align: top;">C.</td> <td style="vertical-align: top;">After-the-fact Activity Records (Percentage Distribution of employee activity) <u>1/</u></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> <td style="text-align: center;">—</td> </tr> <tr> <td style="vertical-align: top;">D.</td> <td style="vertical-align: top;">Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and F & A 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 style="vertical-align: top;">Other(s) <u>1/</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> </tr> </tbody> </table> | | | <u>Direct Personal Services Category</u> | | | | | | <u>Faculty</u> | <u>Staff</u> | <u>Students</u> | <u>Other 1/</u> | | | (1) | (2) | (3) | (4) | A. | Payroll Distribution Method (Individual time card/actual hours and rates) | — | <u>X</u> | <u>X</u> | — | B. | Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes) | — | — | — | — | C. | After-the-fact Activity Records (Percentage Distribution of employee activity) <u>1/</u> | <u>X</u> | <u>X</u> | <u>X</u> | — | D. | Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and F & A charges are certified separately). | — | — | — | — | Y. | Other(s) <u>1/</u> | — | — | — | — |
| | | <u>Direct Personal Services Category</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <u>Faculty</u> | <u>Staff</u> | <u>Students</u> | <u>Other 1/</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | (1) | (2) | (3) | (4) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. | Payroll Distribution Method (Individual time card/actual hours and rates) | — | <u>X</u> | <u>X</u> | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B. | Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes) | — | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C. | After-the-fact Activity Records (Percentage Distribution of employee activity) <u>1/</u> | <u>X</u> | <u>X</u> | <u>X</u> | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D. | Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and F & A charges are certified separately). | — | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Y. | Other(s) <u>1/</u> | — | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2.5.1 | <u>Salary and Wage Cost Distribution Systems</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO", describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and F & A cost objectives).</p> <p><u>X</u> Yes — No</p> <p><u>1/</u> See Continuation Sheet.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

PART II
DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| 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 F & A activities. Indicate how the salary and wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records). <u>1/</u> |
| 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.). <u>1/</u> |
| 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). <u>1/</u> |
| 2.7.0 | <p><u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g., travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.). <u>1/</u></p> <p><u>1/</u> See Continuation Sheet.</p> |

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

PART II
DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------|--|-------------------------|------------------------|-------------------------|------------------------|------------------------|----|---|----------|----------|----------|----|---|---|---|---|----|---|---|---|---|----|--------------------|---|---|---|----|--|---|---|---|
| 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 F & A costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, F & A costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). Mark one, if "No", explain on a continuation sheet how the credit differs from original charge).</p> <p><u>X</u> Yes — 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: 5%;"></th> <th style="width: 45%;"></th> <th style="width: 10%; text-align: center;"><u>Materials</u> (1)</th> <th style="width: 10%; text-align: center;"><u>Supplies</u> (2)</th> <th style="width: 10%; text-align: center;"><u>Services</u> (3)</th> </tr> </thead> <tbody> <tr> <td>A.</td> <td>At full cost <u>excluding</u> F & A costs attributable to group or central office expenses.</td> <td style="text-align: center;"><u>X</u></td> <td style="text-align: center;"><u>X</u></td> <td style="text-align: center;"><u>X</u></td> </tr> <tr> <td>B.</td> <td>At full cost <u>including</u> F & A 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.</td> <td>At established catalog or market price or prices based on adequate competition.</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td>Y.</td> <td>Other(s) <u>1/</u></td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td>Z.</td> <td>Interorganizational transfers are not applicable</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> </tbody> </table> <p><u>1/</u> See Continuation Sheet.</p> | | | <u>Materials</u> (1) | <u>Supplies</u> (2) | <u>Services</u> (3) | A. | At full cost <u>excluding</u> F & A costs attributable to group or central office expenses. | <u>X</u> | <u>X</u> | <u>X</u> | B. | At full cost <u>including</u> F & A costs attributable to group or central office expenses. | — | — | — | C. | At established catalog or market price or prices based on adequate competition. | — | — | — | Y. | Other(s) <u>1/</u> | — | — | — | Z. | Interorganizational transfers are not applicable | — | — | — |
| | | <u>Materials</u> (1) | <u>Supplies</u> (2) | <u>Services</u> (3) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. | At full cost <u>excluding</u> F & A costs attributable to group or central office expenses. | <u>X</u> | <u>X</u> | <u>X</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B. | At full cost <u>including</u> F & A costs attributable to group or central office expenses. | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C. | At established catalog or market price or prices based on adequate competition. | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Y. | Other(s) <u>1/</u> | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Z. | Interorganizational transfers are not applicable | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|-------------------------|--|
| 2.1.0 <u>Revised</u> | <u>Criteria for Determining how Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</u> |
| | <p>Direct costs are charged to sponsored agreements or any other institutional activity when the costs involved are chargeable or assignable based on the relative benefits received or other equitable relationship. Identification with the sponsored work rather than the nature of the goods and services involved is the determining factor in distinguishing direct from F & A costs of sponsored agreements. These costs can be specifically identified to the agreement or any other institutional activity with relative ease and a high degree of accuracy. These costs also meet the allowability criteria as defined in Uniform Guidance. These costs have not been expressly disallowed in the award budget.</p> <p>Salaries, fringe benefits and operating expenditures are generally direct costs when "but for" the project, the cost would not have been incurred. These costs are charged as F & A when incurred for an F & A function (direct versus F & A costs see part 3.4.0).</p> <p>The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:</p> <ol style="list-style-type: none"> (1) Administrative or clerical services are integral to a project or activity; (2) Individuals involved can be specifically identified with the project or activity; (3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and (4) The costs are not also recovered as indirect costs. |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | |
|--------------|--|---|
| 2.1.0 (cont) | <u>Criteria for Charging Costs</u> | |
| | Costs are treated as stated below regardless of function. Identification with the sponsored work rather than the nature of the goods and services involved is the determining factor in distinguishing direct from F & A costs of sponsored agreements. | |
| | <u>Costs Typically Included as Direct</u> | <u>Costs Typically Not Included as Direct Costs (F&A, see 3.4.0)</u> |
| | <p>Salaries and fringe benefits of programmatic personnel who are necessary to meet the goals of the project</p> <p>Scientific and technical equipment (including software, supplies, maintenance agreements and services)</p> <p>Long-distance telephone charges and tele conference service charges</p> <p>Lab supplies</p> <p>Services</p> <p>Animal Care</p> <p>Consultant</p> <p>Subcontracts</p> <p>Travel</p> <p>Tuition Remission</p> <p>Medical Liability (malpractice) insurance</p> | <p>Salaries and fringe benefits of clerical and administrative personnel</p> <p>Memberships</p> <p>Subscriptions, library books, periodicals, etc.</p> <p>Office supplies</p> <p>General and office equipment</p> <p>Postage (for general business use)</p> <p>Repair and maintenance (buildings, grounds, building equipment, remodeling, etc.)</p> <p>Telephone (recurring, installation and maintenance), cell phones, pagers</p> <p>Common infrastructure costs, including data communication connections</p> <p>Utilities</p> <p>Equipment insurance</p> |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| 2.2.0 | <u>Description of Direct Materials</u> |
| | The principal classes of materials that are charged directly to federally sponsored programs and all other direct cost objectives include supplies such as but not limited to chemicals, gases, glassware, other miscellaneous lab supplies, clothing and uniforms, office supplies and reference materials, expendable equipment, and other materials and supplies when directly related to a specific project (see narrative under Section 2.1.0). |
| 2.4.0 | <u>Description of Personal Services</u> |
| | <p>Two categories of people provide personal services at the University of North Dakota:</p> <ul style="list-style-type: none"> • Employees • Consultants (Consultants are normally paid through accounts payable and are covered under Item 2.7.0). <p>Employees are grouped into two major classifications:</p> <ul style="list-style-type: none"> • Faculty • Staff/Students <p>Any of the employees' salaries and wages including the fringe benefits may be charged to a sponsored agreement or to any final cost objective based on the criteria described in Item 2.1.0.</p> <p>Salaries and wages directly identified with federally sponsored agreements or similar cost objectives are those associated with research staff, faculty, technical support personnel, and students who work specifically for the sponsored agreement and all fringe benefits associated with the direct labor. See Section 2.6.0 for the description of the fringe benefits.</p> |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------------------|--|
| 2.5.0 <u>Revised</u> | <u>Payroll Distribution Method</u> |
| | <p>Two mechanisms are used to initially record the payroll distribution for the University of North Dakota. All employees must be set up in the payroll system using a Job Data Hire Form and Position Funding Form generated by the department within which the individual has been hired. The Job Data Hire Form defines the rate of pay, whether the individual is salaried or hourly, and the length of the appointment. The Position Funding Form defines the source of the funds. For salaried employees, the source of funds may be periodically modified using the Position Funding Form.</p> <p><u>Payroll Distribution Method</u></p> <p>Employees paid on an hourly basis record actual time spent on activities. They have a timesheet in the payroll system where they can punch in and out as they work in real time where they can choose funding directly in the timesheet or leave that field blank in which case the funding will default to whatever is in the Department Budget Table. The Department Budget Table is reviewed and updated annually.</p> <p><u>After-the-Fact Activity Records</u></p> <p>Personnel Activity Confirmation Reports (PAC) are used for employees who do not complete a time sheet and work specifically for a sponsored agreement. The form includes all of the projects to be charged as well as the percentage of the salary and the percentage of the level of effort to be charged to each project. The employee or a responsible official (having suitable means of verification of the work performed) signs the Personnel Activity Confirmation Report indicating that the distribution of effort including cost share (changed or not changed) represents a reasonable estimate of actual work performed for the period.</p> |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| 2.5.2 | <u>Salary and Wage Cost Accumulation System</u> |
| | <p>The payroll process is as follows:</p> <ol style="list-style-type: none"> 1. A Position Funding Form is prepared for each employee. This contains fund/project numbers against which the salaries and wages for the individual are charged. A minimum of one unique fund/project number is used for each sponsored agreement and F & A cost function. Hourly employees punch in and out (as noted in 2.5.0) for the distribution of hours/effort based on actual work performed. 2. The fund/project numbers and applicable hours are input into the payroll system. 3. The payroll system charges the funds/projects based on the distribution set forth on the time sheet or Position Funding Form. 4. The payroll system feeds into the general ledger accounting system which records the costs to the appropriate projects or F & A cost functions based on the fund/project number. <p>Any changes made to the payroll after the fact are made to the general ledger accounting system and in the payroll system. For sponsored programs, these changes are supported by a corresponding Personnel Activity Confirmation Report.</p> |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 2.6.0 Revised | <u>Description of Direct Fringe Benefits Costs</u> |
| | <p>The following fringe benefit costs are charged as direct costs to sponsored programs and all other functions of the institution:</p> <ol style="list-style-type: none"> 1. <u>Health Insurance</u> – The premium for health insurance is assessed to the institution per month based on rates determined by the Public Employees Retirement System (PERS). PERS contracts with an insurance company for the purpose of providing this coverage. 2. <u>Life Insurance</u> – Same as health insurance under No. 1 3. <u>Disability Insurance</u> – Two plans are available for disability insurance. The first plan is provided through PERS and applies to employees that are eligible to participate in the PERS retirement plan. The premiums for the PERS disability insurance are part of the percentage paid to PERS defined under No. 4 below. PERS contracts with an insurance company to provide the disability coverage. The second plan is provided through Teachers Insurance and Annuity Association (TIAA) and applies to employees eligible to participate in the TIAA retirement package. The premium is assessed to the institution monthly by TIAA at a percentage of salary. 4. <u>Retirement</u> – TIAA is a defined contribution plan which is available to faculty and certain categories of staff employees. Staff employees who are classified as professional staff, executive or administrators are covered by TIAA. The cost to the institution is based on a percentage of salary/wages for each eligible employee, the amount of which is defined by a contract between the State Board of Higher Education and TIAA. The state Public Employees Retirement System (PERS) is a defined benefits plan which is available to certain categories of staff employees who are classified as support staff, paraprofessionals, or crafts/trades/services. The cost to the institution is based on a percentage of salary for each eligible employee. The percentage is established by PERS. 5. <u>Social Security</u> – paid per mandate by federal law. The cost is the employer’s share for all eligible employees. 6. <u>Workers’ Compensation</u> – The State Workforce Safety & Insurance establishes the rates which are charged for coverage under Workers’ Compensation. The charge is a flexible amount based on a rating schedule which is tied to the job category. The charge is applied to a defined maximum salary per year. This cost is incurred for all employees. 7. <u>Compensated Absences</u> – Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are charged to all funds as part of the normal charges for salaries and wages. 8. <u>Unemployment</u> – Rates for unemployment are established by the ND Job Service. The premium is a flat rate applied against a maximum of salary/wages per year for all employees. 9. <u>Employee Assistance Program</u> – The Employee Assistance Program is provided to all benefited employees and their families at no charge. It is designed to offer assistance in a variety of areas, including marital and parenting concerns, emotional crises, financial and legal difficulties, substance abuse evaluations and work-related problems. |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 2.6.1 Revised | <u>Method of Charging Direct Fringe Benefits</u> |
| | <p>The cost of the premiums and costs for fringe benefits are recorded per pay period and are normally charged to the source of funds that pays the salary/wages of the employee. If multiple sources fund the salary, the costs are prorated.</p> |

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

CONTINUATION SHEET
PART II DIRECT COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|---|
| 2.7.0 Revised | <u>Description of Other Direct Costs</u> |
| | <p>Principal classes of other direct costs, based on the institutions object groupings, include but are not limited to:</p> <p>Travel Supplies – IT Software Supply/Material – Professional Food & Clothing Bldg, Grounds, Vehicle Supply Miscellaneous Supplies Office Supplies Postage Printing IT Equipment under \$5,000 Other Equipment under \$5,000 Utilities Insurance Rentals/Leases – Equipment & Other Rentals/Lease – Bldg/Land Repairs IT – Communications Professional Development Operating Fees and Services Participant Support Professional Fees and Services Subcontracts and Subrecipients Medical, Dental and Optical Miscellaneous Expenses Cost of Goods Sold Waivers/Scholarships/Fellowships Nonoperating expenses Capital Assets Land and Buildings Other Capital Payments Equipment over \$5,000 IT Equipment over \$5,000</p> <p>These costs are accumulated using account codes in the university accounting system. The costs are charged based on the criteria set forth in Item 2.1.0 which provides additional detail.</p> <p>End of Part II</p> |

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

PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| | <p style="text-align: center;">Instructions for Part III</p> <p>Institutions should disclose how the segment's total F & A costs are identified and accumulated in specific F & A cost categories and allocated to applicable F & A cost pools and service centers within each major function or activity, how service center costs are accumulated and "billed" to users, and the specific F & A cost pools and allocation bases used to calculate the F & A cost rates that are used to allocate accumulated F & A costs to Federally sponsored agreements or similar final cost objectives. A continuation sheet should be used wherever additional space is required or when a response requires further explanation to ensure clarity and understanding.</p> <p>The following Allocation Base Codes are provided for use in connection with Items 3.1.0 and 3.3.0.</p> <ul style="list-style-type: none"> A. Direct Charge or Allocation B. Total Expenditures C. Modified Total Cost Basis D. Modified Total Direct Cost Basis E. Salaries and Wages F. Salaries, Wages and Fringe Benefits G. Number of Employees (head count) H. Number of Employees (full-time equivalent basis) I. Number of Students (head count) J. Number of Students (full-time equivalent basis) K. Student Hours--classroom and work performed L. Square Footage M. Usage N. Unit of Product O. Total Production P. More than one base (Separate Cost Groupings) <u>1/</u> Y. Other(s) <u>1/</u> Z. Category or Pool not applicable <p><u>1/</u> List on a continuation sheet, the category and subgrouping(s) of expense involved and the allocation base(s) used.</p> |

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

PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--------------------------------|----------------------------|-----------------------------|----------------------------|---------------------------|--|--|---|----------|------------|--|----------|-----------|------------|--|----------|---|------------|--|----------|---------------------|------------|--|----------|-------------------------------|------------|--|------------|--|------------|--|------------|---------------------------------|-----------|--|----------|---------------------------------------|------------|--|----------|-------------|------------|--|----------|---|------------|--|----------|----------------------|-----------|--|---|
| 3.1.0 Revised | <u>F & A Cost Categories – Accumulation and Allocation</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p><u>F & A Cost Categories - Accumulation and Allocation.</u> This item is directed at the identification, accumulation and allocation of all F & A costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each F & A cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the F & A cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each F & A cost category to applicable F & A cost categories, F & A cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three F & A cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an F & A cost category listed in this section is not used, insert "NA").</p> <table border="0" data-bbox="412 919 1299 1396"> <thead> <tr> <th data-bbox="412 940 571 961"><u>F & A Cost Category</u></th> <th data-bbox="956 919 1068 961"><u>Accumulation Method</u></th> <th data-bbox="1081 919 1174 961"><u>Allocation Base Code</u></th> <th data-bbox="1214 919 1299 961"><u>Allocation Sequence</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="412 989 727 1016">(a) Depreciation/Interest</td> <td></td> <td></td> <td data-bbox="1179 989 1192 1016">1</td> </tr> <tr> <td data-bbox="477 1020 574 1047"> Building</td> <td data-bbox="984 1020 1029 1047"><u>YES</u></td> <td></td> <td data-bbox="1179 1020 1192 1047"><u>L</u></td> </tr> <tr> <td data-bbox="477 1052 607 1079"> Equipment</td> <td data-bbox="984 1052 1029 1079"><u>YES</u></td> <td></td> <td data-bbox="1179 1052 1192 1079"><u>L</u></td> </tr> <tr> <td data-bbox="477 1083 854 1110"> Capital Improvements to Land <u>1</u>/</td> <td data-bbox="984 1083 1029 1110"><u>YES</u></td> <td></td> <td data-bbox="1179 1083 1192 1110"><u>P</u></td> </tr> <tr> <td data-bbox="477 1115 607 1142"> Interest <u>1</u>/</td> <td data-bbox="984 1115 1029 1142"><u>YES</u></td> <td></td> <td data-bbox="1179 1115 1192 1142"><u>L</u></td> </tr> <tr> <td data-bbox="412 1146 792 1173">(b) Operation and Maintenance</td> <td data-bbox="984 1146 1029 1173"><u>YES</u></td> <td></td> <td data-bbox="1179 1146 1192 1173"><u>P</u> 2</td> </tr> <tr> <td data-bbox="412 1178 886 1234">(c) General Administration and General Expense</td> <td data-bbox="984 1178 1029 1205"><u>YES</u></td> <td></td> <td data-bbox="1179 1178 1192 1205"><u>C</u> 3</td> </tr> <tr> <td data-bbox="412 1239 813 1266">(d) Departmental Administration</td> <td data-bbox="984 1239 1029 1266"><u>NO</u></td> <td></td> <td data-bbox="1179 1239 1192 1266"><u>D</u></td> </tr> <tr> <td data-bbox="412 1270 875 1297">(e) Sponsored Projects Administration</td> <td data-bbox="984 1270 1029 1297"><u>YES</u></td> <td></td> <td data-bbox="1179 1270 1192 1297"><u>Y</u></td> </tr> <tr> <td data-bbox="412 1302 565 1329">(f) Library</td> <td data-bbox="984 1302 1029 1329"><u>YES</u></td> <td></td> <td data-bbox="1179 1302 1192 1329"><u>P</u></td> </tr> <tr> <td data-bbox="412 1333 891 1360">(g) Student Administration and Services</td> <td data-bbox="984 1333 1029 1360"><u>YES</u></td> <td></td> <td data-bbox="1179 1333 1192 1360"><u>A</u></td> </tr> <tr> <td data-bbox="412 1365 574 1392">(h) Other <u>1</u>/</td> <td data-bbox="984 1365 1029 1392"><u>NA</u></td> <td></td> <td data-bbox="1179 1365 1192 1392">—</td> </tr> </tbody> </table> <p data-bbox="412 1581 1396 1638">SEE ITEM 3.4.0 A THROUGH I FOR THE DESCRIPTION OF COST POOL ACCUMULATION AND ALLOCATION</p> <p data-bbox="412 1734 751 1770"><u>1</u>/ See Continuation Sheet.</p> | <u>F & A Cost Category</u> | <u>Accumulation Method</u> | <u>Allocation Base Code</u> | <u>Allocation Sequence</u> | (a) Depreciation/Interest | | | 1 | Building | <u>YES</u> | | <u>L</u> | Equipment | <u>YES</u> | | <u>L</u> | Capital Improvements to Land <u>1</u> / | <u>YES</u> | | <u>P</u> | Interest <u>1</u> / | <u>YES</u> | | <u>L</u> | (b) Operation and Maintenance | <u>YES</u> | | <u>P</u> 2 | (c) General Administration and General Expense | <u>YES</u> | | <u>C</u> 3 | (d) Departmental Administration | <u>NO</u> | | <u>D</u> | (e) Sponsored Projects Administration | <u>YES</u> | | <u>Y</u> | (f) Library | <u>YES</u> | | <u>P</u> | (g) Student Administration and Services | <u>YES</u> | | <u>A</u> | (h) Other <u>1</u> / | <u>NA</u> | | — |
| <u>F & A Cost Category</u> | <u>Accumulation Method</u> | <u>Allocation Base Code</u> | <u>Allocation Sequence</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) Depreciation/Interest | | | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Building | <u>YES</u> | | <u>L</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Equipment | <u>YES</u> | | <u>L</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital Improvements to Land <u>1</u> / | <u>YES</u> | | <u>P</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest <u>1</u> / | <u>YES</u> | | <u>L</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) Operation and Maintenance | <u>YES</u> | | <u>P</u> 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) General Administration and General Expense | <u>YES</u> | | <u>C</u> 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) Departmental Administration | <u>NO</u> | | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (e) Sponsored Projects Administration | <u>YES</u> | | <u>Y</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (f) Library | <u>YES</u> | | <u>P</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (g) Student Administration and Services | <u>YES</u> | | <u>A</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (h) Other <u>1</u> / | <u>NA</u> | | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|---|---|
| <p>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY LAW 100-679 EDUCATIONAL INSTITUTIONS</p> | <p>PART III F&A COSTS UNIVERSITY OF NORTH DAKOTA</p> |
|---|---|

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|----------|----------|----------|----------|----------|-----|-----|------------------------------------|----------|---|---|---|---|---|------------------------------|----------|---|---|---|---|---|----------------------------|----------|----------|----------|----------|----------|----------|---|--|--|--|--|--|--|
| 3.2.0 | <u>Service Centers</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revised | <p><u>Service Centers</u>. Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in 2 CFR Subpart E. (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: 50%;"></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>(a) Scientific Computer Operations</td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td>(b) Business Data Processing</td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td>(c) Animal Care Facilities</td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or F&A cost. Included on following page.</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></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 F & A cost categories or F & A cost pools; code "C" if billed to both direct and F & A cost objectives.</p> <p>(2) <u>Burden Code</u>: Code "A"--center receives an allocation of all applicable F & A costs; Code "B"--partial allocation of F & A costs; Code "C"--no allocation of F & A 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. Revenues Code</u>: Code "A"--billings (revenues) are compared to actual costs (expenditures) at least annually; Code "B"--billings are compared to actual costs less frequently than annually.</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"--billings are carried forward as adjustments to billing rate of future periods; Code "C"--annual variances are charged or credited to F & A costs; Code "Y"--other (explain on a Continuation Sheet).</p> | | (1) | (2) | (3) | (4) | (5) | (6) | (a) Scientific Computer Operations | <u>Z</u> | — | — | — | — | — | (b) Business Data Processing | <u>Z</u> | — | — | — | — | — | (c) Animal Care Facilities | <u>C</u> | <u>C</u> | <u>C</u> | <u>A</u> | <u>A</u> | <u>B</u> | (d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or F&A cost. Included on following page. | | | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) Scientific Computer Operations | <u>Z</u> | — | — | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) Business Data Processing | <u>Z</u> | — | — | — | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) Animal Care Facilities | <u>C</u> | <u>C</u> | <u>C</u> | <u>A</u> | <u>A</u> | <u>B</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or F&A cost. Included on following page. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|--|---|
| COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY LAW 100-679 EDUCATIONAL INSTITUTIONS | PART III F&A COSTS UNIVERSITY OF NORTH DAKOTA |
|--|---|

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------------|--|----------|----------|----------|----------|----------|----------|----------|---------------------------|----------------|---|---|---|---|---|--------------------------|----------------|---|---|---|---|---|--------------------------|----------------|---|---|---|---|---|----------------|----------------|---|---|---|---|---|-------------------|---|---|---|----|---|---|
| 3.2.0 (cont) | <u>Service Centers</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>Revised</u> | <p>Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or F&A cost.</p> <table style="margin-left: 40px;"> <thead> <tr> <th></th> <th><u>1</u></th> <th><u>2</u></th> <th><u>3</u></th> <th><u>4</u></th> <th><u>5</u></th> <th><u>6</u></th> </tr> </thead> <tbody> <tr> <td>Facilities-Central Supply</td> <td>C[^]</td> <td>C</td> <td>C</td> <td>A</td> <td>A</td> <td>B</td> </tr> <tr> <td>Facilities-Labor Group 1</td> <td>C[^]</td> <td>C</td> <td>C</td> <td>A</td> <td>A</td> <td>B</td> </tr> <tr> <td>Facilities-Labor Group 2</td> <td>C[^]</td> <td>C</td> <td>C</td> <td>A</td> <td>A</td> <td>B</td> </tr> <tr> <td>Facilities-PDC</td> <td>C[^]</td> <td>C</td> <td>C</td> <td>A</td> <td>A</td> <td>B</td> </tr> <tr> <td>Telecomm Services</td> <td>C</td> <td>C</td> <td>C</td> <td>B*</td> <td>A</td> <td>B</td> </tr> </tbody> </table> <p> [^] Occasionally expenses are direct to projects, but normally charged to F & A cost objectives. [#] Occasionally expenses are billed to F & A cost categories, but normally billed direct to projects. [*] Non-university users are charged higher rates for products or services. The federal government is charged internally through grants and contracts, thus are charged the same rates as other internal users. </p> | | <u>1</u> | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> | <u>6</u> | Facilities-Central Supply | C [^] | C | C | A | A | B | Facilities-Labor Group 1 | C [^] | C | C | A | A | B | Facilities-Labor Group 2 | C [^] | C | C | A | A | B | Facilities-PDC | C [^] | C | C | A | A | B | Telecomm Services | C | C | C | B* | A | B |
| | <u>1</u> | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> | <u>6</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Facilities-Central Supply | C [^] | C | C | A | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Facilities-Labor Group 1 | C [^] | C | C | A | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Facilities-Labor Group 2 | C [^] | C | C | A | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Facilities-PDC | C [^] | C | C | A | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Telecomm Services | C | C | C | B* | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|-----------------------------|-----------------------------|----------------|--|---|----------|--|----------|--|--|-----------------------|--|---|----------|--|----------|--|--|-------------------------------|--|---|----------|--|----------|--|--|---|--|
| 3.3.0 | <u>F & A Cost Pools and Allocation Bases</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>(Identify all of the F & A cost pools established for the accumulation of F & A costs, excluding service centers, and the allocation bases used to distribute accumulated F & A costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable F & A cost pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives).</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 60%;"><u>F & A Cost Pools</u></th> <th style="text-align: left;"><u>Allocation Base Code</u></th> </tr> </thead> <tbody> <tr> <td colspan="2">A. Instruction</td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus</td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td><input type="checkbox"/> Other <u>1/</u></td> <td></td> </tr> <tr> <td colspan="2">B. Organized Research</td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus</td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td><input type="checkbox"/> Other <u>1/</u></td> <td></td> </tr> <tr> <td colspan="2">C. Other Sponsored Activities</td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus</td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td><input type="checkbox"/> Other <u>1/</u></td> <td></td> </tr> <tr> <td colspan="2">D. Other Institutional Activities <u>1/</u></td> </tr> </tbody> </table> | <u>F & A Cost Pools</u> | <u>Allocation Base Code</u> | A. Instruction | | <input checked="" type="checkbox"/> On-Campus | <u>D</u> | <input checked="" type="checkbox"/> Off-Campus | <u>D</u> | <input type="checkbox"/> Other <u>1/</u> | | B. Organized Research | | <input checked="" type="checkbox"/> On-Campus | <u>D</u> | <input checked="" type="checkbox"/> Off-Campus | <u>D</u> | <input type="checkbox"/> Other <u>1/</u> | | C. Other Sponsored Activities | | <input checked="" type="checkbox"/> On-Campus | <u>D</u> | <input checked="" type="checkbox"/> Off-Campus | <u>D</u> | <input type="checkbox"/> Other <u>1/</u> | | D. Other Institutional Activities <u>1/</u> | |
| <u>F & A Cost Pools</u> | <u>Allocation Base Code</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Instruction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> On-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> Off-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> Other <u>1/</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B. Organized Research | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> On-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> Off-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> Other <u>1/</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C. Other Sponsored Activities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> On-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> Off-Campus | <u>D</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> Other <u>1/</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D. Other Institutional Activities <u>1/</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3.4.0 | <u>Composition of F & A Cost Pools</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>(For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, subgroupings of expenses, and elements of cost included). <u>1/</u></p> <p><u>1/</u> See Continuation Sheet..</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| 3.5.0 | <u>Composition of Allocation Bases</u> |
| | <p>(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 F & A cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study). <u>1/</u></p> |
| 3.6.0 | <u>Allocation of F & A Costs to Programs That Pay Less Than Full F & A Costs</u> |
| | <p>Are appropriate direct costs of all programs and activities included in the F & A cost allocation bases, regardless of whether allocable F & A costs are fully reimbursed by the sponsoring organizations?</p> <p>A. <input checked="" type="checkbox"/> Yes</p> <p>B. <input type="checkbox"/> No <u>1/</u></p> <p><u>1/</u> See Continuation Sheet..</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|-------------------------|---|
| 3.4.0 Revised | <u>Composition of F & A Cost Pools</u> |
| | <p>Each of the following Cost Pools contain elements of cost, including salaries and wages, fringe benefits, materials and supplies, and other costs, as listed in Section 2.1.0. Letter description and Allocation Base Codes in () correspond to F & A cost categories as identified in Sections 3.1.0 and 3.2.0.</p> <p><u>3.1.0 F&A COST CATEGORIES-ACCUMULATION AND ALLOCATION</u></p> <p>A - Depreciation/Interest Below is a description of the Depreciation/Interest cost pools and how the costs were allocated.</p> <p><u>A-1 Building Depreciation(L)</u> The total building cost pool contains the costs associated with building that UND reports on year-end financial statements. The total of the Building Depreciation cost pools contains the calculated depreciation charge based on historical cost including extraordinary repairs and replacements or betterments to buildings costing equal to or greater than \$10,000. UND records depreciation for buildings on a straight-line basis with a useful life of 50 years for buildings and their components.</p> <p>Building depreciation is composed of depreciation expense for all University owned buildings and depreciation expense on leasehold improvements for leased buildings.</p> <p>Building depreciation for each building is determined on a building by building basis, and the charges are allocated to cost pools based on the functional use of space for each building. Federally funded depreciation is excluded from the calculation.</p> <p><u>A-2 - Equipment Depreciation(L)</u> The total Equipment Depreciation cost pool contains the calculated depreciation for all equipment at UND with a unit cost of \$5,000 or greater and an expected useful life greater than one year.</p> <p>A depreciation charge is calculated using the straight line method for equipment. Depreciation of equipment purchased with federal and other sponsored funds is excluded from the F&A calculation.</p> <p>Depreciation is identified to the room, department, building and institution and then allocated on the basis of the buildings' functionalized space. Equipment that is located in non-university space is identified to the department and then allocated on the basis of total allowable cost for the department.</p> <p><u>A-3 General Improvement Depreciation(H); F)</u> The total of the Improvement Depreciation cost pool contains the calculated depreciation charge based on historical cost for all extraordinary repairs and replacements or betterments to land and infrastructure costing equal to or greater than \$10,000, if not already capitalized as part of the total cost of the building.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|---|
| 3.4.0 (cont.) | <u>Composition of F & A Cost Pools</u> |
| | <p>General Improvement Depreciation is allocated on an FTE basis according to user categories. Student FTEs are allocated to Instruction and employees are allocated to all functions on the basis of on campus salaries and wages. Depreciation of improvements purchased with federal or other sponsored funds is excluded from the F&A calculation.</p> <p><u>A-4 Building Interest(L)</u> Includes the cost for building interest that UND has incurred for external loans associated with buildings. The interest is allocated to functions based on the use of space within the building.</p> <p>B - Operations and Maintenance Below is a description of the O&M cost pools and how the costs were allocated. This category also includes its allocable share of allocations from the previous cost pool. The majority of costs within the O&M cost pools were allocated based on space statistics. General Improvements Non-Capitalized Plant Fund expenditures are allocated on an FTE basis according to user categories. Student FTEs are allocated to Instruction and employees are allocated to all functions on the basis of salaries and wages.</p> <p><u>B-1 EERC O&M (L)</u> Includes costs directly attributable to EERC buildings and activities. These costs are all borne by EERC fund numbers.</p> <p><u>B-2 All Campus O&M (L)</u> The cost of campus wide operations and maintenance is allocated on the basis of functionalized space. This represents functions that benefit the entire University, including EERC.</p> <p><u>B-3 Main Campus O&M (L)</u> The cost of campus wide operations and maintenance is allocated on the basis of functionalized space. This represents functions that benefit the entire University, excluding EERC.</p> <p><u>B-4 IDR O&M (A)</u> The cost of operations and maintenance identified to instructional areas is allocated directly to Instruction base.</p> <p><u>B-5 OIA O&M (A)</u> The cost of operations and maintenance identified to Other Institutional Activities is allocated directly to OIA base.</p> <p><u>B-6 Property Insurance (L)</u> The cost of property insurance across all campus is allocated on a building-by-building basis.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 3.4.0 (cont.) | <u>Composition of F & A Cost Pools</u> |
| | <p><u>B-7 Non-Capitalized Plant Fund Expenditures (L)</u> The cost of plant expenditures not reaching the capitalization threshold are allocated to other bases by building.</p> <p><u>B-8 Non-Capitalized Plant Fund Land Improvement Expenditures (HJ:F)</u> The cost of land improvements not reaching the capitalization threshold are allocated on an FTE basis according to user categories. Student FTEs are allocated to Instruction and employees are allocated to all functions on the basis of salaries and wages.</p> <p><u>B-9 Steam (L)</u> The cost steam expenses across all campus are allocated on a building-by-building basis.</p> <p><u>B-10 Electricity (L)</u> The cost of electricity expenses across all campus are allocated on a building-by-building basis.</p> <p><u>B-11 Custodial (L)</u> The cost of custodial services across all campus is allocated on the basis of functionalized space. The areas that fund their own custodial services are the EERC and Auxiliaries.</p> <p><u>B-12 Departmental O&M (L)</u> The cost of department paid O&M across all campus is allocated based on the functional use of space of the department.</p> <p><u>B-13 Maintenance (L)</u> The cost of maintenance expense across all campus is allocated on a building-by-building basis.</p> <p>C – General and Administrative Below is a description of each G&A cost pool and how the costs were allocated. This category also includes its allocable share of allocations from the previous cost pools.</p> <p><u>C-1 University Wide Administration(C)</u> Includes all costs associated with the general administration of the university. Examples of departments in this cost pool are the President’s Office, General Counsel, Human Resources, and Payroll. The final costs in this cost pool are net of potentially unallowable costs. Costs from this cost pool are allocated to all the subsequent F&A and direct cost pools based on each cost pool’s Modified Total Costs (MTC).</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 3.4.0 (cont.) | <u>Composition of F & A Cost Pools</u> |
| | <p>D – Departmental Administration(D) These costs are for general support/clerical personnel and are derived using the Direct Charge Equivalent (DCE) methodology. A unique DA cost pool is established for each academic department. Within each of these cost pools, four separate components, in addition to colleges' Deans office are calculated:</p> <p>Components of the Direct Charge Equivalent (DCE) Calculation</p> <p>1) <u>Business Officer Salaries, Wages and Fringe Benefits</u> The Business Officer salaries & wages were determined through a review of the job classifications in the payroll system. Those job classifications that were determined to capture representative administrative positions (e.g. business officers, managers) and were paid using general (unrestricted) funds were categorized as 100 percent departmental administration.</p> <p>2) <u>Clerical Salaries, Wages and Fringe Benefits</u> The Clerical salaries & wages were determined through a review of the job classifications in the payroll system. Those job classifications that were determined to represent administrative/clerical salaries (e.g. secretaries, student help, etc.) and were direct charged to a restricted account, were used to calculate a direct charge equivalent (DCE).</p> <p>3) <u>Faculty & Professional Salaries, Wages and Fringe Benefits</u> The Faculty & Professional salaries & wages were determined through a review of the job classifications in the payroll system. Those Faculty & Professional positions (e.g. professors, department chairs, laboratory directors, scientists, graduate research assistants, etc.) that have been direct charged to a restricted account are used to calculate a direct charge equivalent (DCE).</p> <p>4) <u>Other Non-Operating Expenses</u> The Other Non-Operating Expenses category was determined through a review of the account code descriptions. Those non-salary costs include office supplies, postage, copying, telephone, etc. and other costs incurred to operate the academic units.</p> <p>Direct Charge Equivalent (DCE) Methodology The DCE ratio is defined as Clerical salaries & wages charged on restricted (sponsored) accounts divided by Faculty and Professional salaries & wages charged on restricted (sponsored) accounts. The DCE ratio is computed on a department-by-department basis.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|---|
| 3.4.0 (cont.) | <u>Composition of F & A Cost Pools</u> |
| | <p>The DCE ratio is multiplied by the Faculty and Professional salaries & wages charged on unrestricted accounts. This amount (the direct charge equivalent) is then compared to the unrestricted Clerical salaries & wages. If the unrestricted Clerical salaries & wages are greater than the calculated “direct charge equivalent”, an excess or residual of Clerical salaries & wages exists within the general operating account. This excess is treated as Departmental Administration and is transferred to the DA cost pool. If the calculated direct charge equivalent amount is greater than the amount of unrestricted Clerical salaries & wages, then no transfer is made to the DA cost pool.</p> <p>In calculating the portion of other non-salary costs to DA, we utilized the DCE ratio calculated above and applied it to the unrestricted faculty salaries. Thus, the other non-operating and non-salary expense costs are assumed to “follow the people” in the same proportions. The important assumption underlying this methodology is that the Clerical salaries and wages that support the Faculty and Professional salaries and wages within the general operating account (unrestricted accounts) be in the same proportion as the Clerical salaries and wages that support the Faculty and Professional salaries and wages for sponsored (restricted) accounts. The same principle applies to the Other Expense DA calculation.</p> <p>Faculty Administrative Allowance (FAA) The FAA was computed by taking 3.6% of the total MTDC of each department (minus those amounts transferred from instruction to DA for Business Officers, Clerical salaries and Other DA Expenses). The FAA is transferred from instruction to the DA cost pool, and this revised instruction base is the new base used to allocate DA costs to instruction. The EERC is a single function department of Research. Therefore, we do not use a Direct Charge Equivalent. See this section in the EERC segment disclosure statement for further discussion.</p> <p>E - Sponsored Projects Administration (D) Sponsored Projects Administration includes all costs associated with administering sponsored projects at UND. The VP for Research and Grant & Contract Admin departments account for the majority of expenses in this cost pool. This category also includes its allocable share of allocations from the previous cost pools.</p> <p>The costs of the SPA are allocated to the benefitting functions based on sponsored Modified Total Direct Cost of the functions benefitting from each activity. Approximately 50% of the Grant & Contract Admin department are not allocated to EERC based on services provided.</p> <p>F - Library Library costs include all expenditures associated with running and maintaining the UND library system.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 3.4.0 (cont.) | <u>Composition of F & A Cost Pools</u> |
| | <p>This category includes its allocable share of allocations from the previous cost pools except for Sponsored Projects Administration.</p> <p><u>F-1 Main Library(HJ; E)</u> Library costs include all expenditures throughout the current fiscal year associated with running and maintaining the main campus libraries at UND. Library costs are identified to employees, students, or other users based on full-time equivalent (FTE). Those costs identified to all employees are then allocated to instruction, organized research, other sponsored activities or other institutional activities based on the salaries and wages for each function. Those costs identified to students are allocated to Instruction. The costs identified to other users are allocated to Other Institutional Activities.</p> <p><u>F-2 EERC Library(A)</u> Includes the costs of running the EERC library. These costs are allocated 100% to the EERC cost pool.</p> <p><u>F-3 Medical School Library(HJ; E)</u> Includes the costs of running the Medical School Library. These costs are identified first to either medical faculty and professional or medical students based on FTE Those costs identified to the medical faculty and professional are then allocated to cost pools based on the medical salaries and wages for each cost pool. The costs identified to medical students are allocated to instruction.</p> <p><u>G - Student Services Administration(A)</u> Student Services Administration (SSA) includes all costs of administering programs to benefit the student function, such as Academic Affairs & Provost, Admissions, Student Health Services, and Student Affairs & Admissions. These costs are allocated 100% to the Instruction function. This category includes its allocable share of allocations from the previous cost pools except for Library.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 3.4.0 (cont.) | <u>Composition of F & A Cost Pools</u> |
| | <p><u>3.2.0 SERVICE CENTERS</u> (c) and (d) In general, the following items of cost may be included (but not limited to) in the service centers:</p> <ul style="list-style-type: none"> Salaries Fringe Benefits Travel Supplies – IT Software Supply/Material – Professional Food & Clothing Bldg, Grounds, Vehicle Supply Miscellaneous Supplies Office Supplies Postage Printing IT Equipment under \$5,000 Other Equipment under \$5,000 Utilities Insurance Rentals/Leases – Equipment & Other Rentals/Leases – Bldg/Land Repairs IT – Communications Professional Development Operating Fees and Services Professional Fees and Services Medical, Dental and Optical Miscellaneous Expenses Interest Expense Cost of Goods Sold Depreciation <p>These costs are accumulated using account codes in the university accounting system. They are charged based on the criteria set forth in Item 2.1.0.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------------------|--|
| 3.5.0 Revised | Composition of Allocation Bases |
| | <p>3.1.0 F&A Cost Categories Allocation Based Codes for each F&A Cost Category are identified in Item No. 3.4.0 above.</p> <p>3.3.0 F&A Cost Pools & Allocation Bases</p> <p>Makeup of Allocation Base Codes.</p> <p>A. Direct Charge or Allocation: All allowable costs allocated to a direct function.</p> <p>C. Modified Total Cost: Consists of all salaries and wages, fringe benefits, materials and supplies, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Equipment, capital expenditures, charges for patient care and tuition remission, rental costs (off site buildings), scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 are excluded from the base.</p> <p>D. Modified Total Direct Cost: It consists of all salaries and wages, fringe benefits, materials and supplies, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Equipment, capital expenditures, charges for patient care and tuition remission, rental costs (off site buildings), scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000 are excluded from the base. Service Center charges are included in the base.</p> <p>E. Salaries and Wages: This consists of all salaries and wages of Faculty and Professional Staff.</p> <p>F. Salaries, Wages and Fringe Benefits: This consists of all salaries and wages and fringe benefits of all employees.</p> <p>H. Number of Employees (full-time equivalent basis): The number of FTEs is calculated as follows: The contact time over the course of the year times the number of employees.</p> <p>J. Number of Students (full-time equivalent basis): The undergraduate student FTE is calculated as follows: undergraduate total credit hours divided by 15 (spring and fall) or 12(summer). All three semesters are used to develop the FTE. Graduate student FTE is calculated by summing graduation total credit hours divided by 12. For summer session 9 is the divisor. All three semesters are used to develop the FTE. Professional Student FTE is equal to headcount for full time students and .5 FTE for part time students.</p> |

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

CONTINUATION SHEET PART III
F&A COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|---------------|--|
| 3.5.0 (cont.) | Composition of Allocation Bases |
| | <p>L. Square Footage: It represents the net assignable square footage by building. All common area space (restrooms, lounges, waiting areas, unusable rooms, rooms under construction, etc.) is excluded.</p> <p>P. More than one base: When this code is used, look to section 3.4.0 on the continuation sheet for details of the applicable F & A cost category</p> <p>Y. Other: Modified Total Direct Cost of Sponsored Programs.</p> <p>End of Part III</p> |

| | |
|---|---|
| <p>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY LAW 100-679 EDUCATIONAL INSTITUTIONS</p> | <p>PART IV DEPRECIATION UNIVERSITY OF NORTH DAKOTA</p> |
|---|---|

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--------------------|----------------------------|--------------------------|----------------------|--------------------------|-----------------------|---|---|---|---|---------------|---|---|---|---|---------------------------|---|---|---|---|----------------------------|---|---|---|---|---------------|---|---|---|---|----------------------------|---|---|---|---|----------------------------|---|---|---|---|-----------|---|-----|-----|-----|--|---|-----|-----|-----|---|--|--|--|
| 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 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="text-align: left;">Asset Category</th> <th style="text-align: center;">Depreciation Method (1)</th> <th style="text-align: center;">Useful Life (2)</th> <th style="text-align: center;">Property Unit (3)</th> <th style="text-align: center;">Residual Value (4) 1/</th> </tr> </thead> <tbody> <tr> <td>(a) Land Improvements</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(b) Buildings</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(c) Building Improvements</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(d) Leasehold Improvements</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(e) Equipment</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(f) Furniture and Fixtures</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(g) Automobiles and Trucks</td> <td style="text-align: center;">A</td> <td style="text-align: center;">C</td> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> </tr> <tr> <td>(h) Tools</td> <td style="text-align: center;">A</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> <tr> <td>(I) Enter Code Y on this line if the other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable Code Z.</td> <td style="text-align: center;">Z</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><u>Column (1)</u>--Depreciation Method Code</p> <p>A. Straight Line B. Expensed at Acquisition Y. Other or more than one method 1/</p> </td> <td style="width: 50%; vertical-align: top;"> <p><u>Column (2)</u>--Useful Life Code</p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life Y. Other or more than one method 1/</p> </td> </tr> <tr> <td style="vertical-align: top;"> <p><u>Column (3)</u>--Property Unit Code</p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lines C. Applied to groups of assets with varying service lines Y. Other or more than one method 1/</p> </td> <td style="vertical-align: top;"> <p><u>Column (4)</u>--Residual Value Code</p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method 1/</p> </td> </tr> </table> <p style="margin-top: 20px;">1/ See Continuation Sheet.</p> | Asset Category | Depreciation Method (1) | Useful Life (2) | Property Unit (3) | Residual Value (4) 1/ | (a) Land Improvements | A | C | A | B | (b) Buildings | A | C | A | B | (c) Building Improvements | A | C | A | B | (d) Leasehold Improvements | A | C | A | B | (e) Equipment | A | C | A | B | (f) Furniture and Fixtures | A | C | A | B | (g) Automobiles and Trucks | A | C | A | B | (h) Tools | A | N/A | N/A | N/A | (I) Enter Code Y on this line if the other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable Code Z. | Z | N/A | N/A | N/A | <p><u>Column (1)</u>--Depreciation Method Code</p> <p>A. Straight Line B. Expensed at Acquisition Y. Other or more than one method 1/</p> | <p><u>Column (2)</u>--Useful Life Code</p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life Y. Other or more than one method 1/</p> | <p><u>Column (3)</u>--Property Unit Code</p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lines C. Applied to groups of assets with varying service lines Y. Other or more than one method 1/</p> | <p><u>Column (4)</u>--Residual Value Code</p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method 1/</p> |
| Asset Category | Depreciation Method (1) | Useful Life (2) | Property Unit (3) | Residual Value (4) 1/ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) Land Improvements | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) Buildings | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) Building Improvements | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) Leasehold Improvements | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (e) Equipment | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (f) Furniture and Fixtures | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (g) Automobiles and Trucks | A | C | A | B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (h) Tools | A | N/A | N/A | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (I) Enter Code Y on this line if the other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable Code Z. | Z | N/A | N/A | N/A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><u>Column (1)</u>--Depreciation Method Code</p> <p>A. Straight Line B. Expensed at Acquisition Y. Other or more than one method 1/</p> | <p><u>Column (2)</u>--Useful Life Code</p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life Y. Other or more than one method 1/</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><u>Column (3)</u>--Property Unit Code</p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lines C. Applied to groups of assets with varying service lines Y. Other or more than one method 1/</p> | <p><u>Column (4)</u>--Residual Value Code</p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method 1/</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|----------|--|
| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
| 4.1.1 | |

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

PART IV
DEPRECIATION
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| | <p><u>Asset Valuations and Useful Lives.</u> Are the asset valuations and useful lives used in your F & A 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"/> No <u>1/</u></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 change 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 agreements costs B. <input type="checkbox"/> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. <input type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <input type="checkbox"/> Not accounted for separately, but reflected in the depreciation reserve account Y. <input type="checkbox"/> Other(s) <u>1/</u> 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>A. Minimum Dollar Amount <u>\$5,000</u> B. Minimum Life Years <u>more than 1 year 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 type="checkbox"/> Yes <u>1/</u> B. <input checked="" type="checkbox"/> No</p> <p><u>1/</u> See Continuation Sheet.</p> |

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

CONTINUATION SHEET PART IV
DEPRECIATION
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|--|
| 4.1.0 | <p><u>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives</u></p> <p>Based on the historical experience of this institution, there is no residual value of assets.</p> <p>Tools that are less than the capitalization threshold as noted in 4.4.0 are expensed at acquisition.</p> |
| 4.4.0 | <p><u>Criteria for Capitalization</u></p> <p>An expenditure that results in the acquisition of a defined “unit of property” is capitalized per the criteria for capitalization, excluding library and museum or art collections. Extraordinary repairs and replacements or betterments to land and buildings costing more than \$10,000 that extend life and significantly increase value are capitalized.</p> <p>End of Part IV</p> |

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

PART V
OTHER COSTS AND CREDITS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| | 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"/> Accrual <u>1</u>/</p> |
| 5.2.0 | <p><u>Applicable Credits.</u> This item is directed at the treatment of "applicable credits" as defined in 2 CFR 200.406 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled).</p> <p>A. <input type="checkbox"/> The credits/receipts are offset against the specific direct or F & A costs to which they relate.</p> <p>B. <input type="checkbox"/> The credits/receipts are handled as a general adjustment to the F & A pool.</p> <p>C. <input type="checkbox"/> The credits/receipts are treated as income and are not offset against costs.</p> <p>D. <input checked="" type="checkbox"/> Combination of methods <u>1</u>/</p> <p>Y. <input type="checkbox"/> Other <u>1</u>/</p> <p><u>1</u>/ See Continuation Sheet.</p> |

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

CONTINUATION SHEET PART V
OTHER COSTS AND CREDITS UNIVERSITY
OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|--|
| 5.2.0 | <p><u>Applicable Credits.</u> The credits/receipts are handled as a general adjustment to the specific F & A cost pool to which the applicable credit relates. Other incidental receipts such as purchase discounts and refunds are offset against the specific direct or F & A costs to which they relate.</p> <p>End of Part V</p> |

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

PART VI
DEFERRED COMPENSATION AND
INSURANCE COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 | | | | | | | | | | | | |
|--|--|------------------------|---------------------|------------------------|--|--|----------|--|--|----------|-----------------------------|---|--|
| | Instructions for Part VI | | | | | | | | | | | | |
| | <p>This part covers the measurement and assignment of costs for employee pensions, post retirement benefits other than pensions (including post retirement health benefits) and insurance. Some organizations may incur all of these costs at the main campus level or for public institutions at the governmental unit level, while others may incur them at subordinate organization levels. Still others may incur a portion of these costs at the main campus level and the balance at subordinate organization levels.</p> <p>Where the segment (reporting unit) does not directly incur such costs, the segment should, on a continuation sheet, identify the organizational entity that incurs and records such costs. When the costs allocated to Federally sponsored agreements are material, the reporting unit should require that entity to complete the applicable portions of this Part VI. (See item 4, page (I), General Instructions)</p> | | | | | | | | | | | | |
| 6.1.0 | <u>Pension Plans</u> | | | | | | | | | | | | |
| 6.1.1 | <p>Defined-Contribution Pension Plans. Identify the types and number of pension plans whose costs are charged to Federally sponsored agreements. (Mark applicable line(s) and enter number of plans).</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 70%; 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 style="text-align: center;">A. <input checked="" type="checkbox"/></td> <td>Institution employees participate in State/Local Government Retirement Plan(s)</td> <td style="text-align: center;"><u>1</u></td> </tr> <tr> <td style="text-align: center;">B. <input checked="" type="checkbox"/></td> <td>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 style="text-align: center;">C. <input type="checkbox"/></td> <td>Institution has its own Defined-Contribution Plan(s) <u>1</u>/</td> <td></td> </tr> </tbody> </table> | | <u>Type of Plan</u> | <u>Number of Plans</u> | A. <input checked="" type="checkbox"/> | Institution employees participate in State/Local Government Retirement Plan(s) | <u>1</u> | B. <input checked="" type="checkbox"/> | Institution uses TIAA plan or other defined contribution plan that is managed by an organization not affiliated with the institution | <u>1</u> | C. <input type="checkbox"/> | Institution has its own Defined-Contribution Plan(s) <u>1</u> / | |
| | <u>Type of Plan</u> | <u>Number of Plans</u> | | | | | | | | | | | |
| A. <input checked="" type="checkbox"/> | Institution employees participate in State/Local Government Retirement Plan(s) | <u>1</u> | | | | | | | | | | | |
| B. <input checked="" type="checkbox"/> | Institution uses TIAA plan or other defined contribution plan that is managed by an organization not affiliated with the institution | <u>1</u> | | | | | | | | | | | |
| C. <input type="checkbox"/> | Institution has its own Defined-Contribution Plan(s) <u>1</u> / | | | | | | | | | | | | |
| 6.1.2 | <p><u>Defined-Benefit Pension Plan.</u> (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy).</p> <p><u>1</u>/ See Continuation Sheet.</p> | | | | | | | | | | | | |

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

PART VI
DEFERRED COMPENSATION AND
INSURANCE COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|-------------------------|--|
| 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>A. <input checked="" type="checkbox"/> Not Applicable</p> |
| 6.2.1 | <p><u>Determination of Annual PRB Costs.</u> (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices used, including actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy).</p> |
| 6.3.0 | <p><u>Self-Insurance Programs (Employee Group Insurance).</u> Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one).</p> <p>A. <input type="checkbox"/> When accrued (book accrual only) B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund C. <input type="checkbox"/> When contributions are made to a forfeitable fund D. <input type="checkbox"/> When the benefits are paid to employee E. <input type="checkbox"/> When amounts are paid to an employee welfare plan Y. <input type="checkbox"/> Other or more than one method <u>1</u>/ Z. <input checked="" 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 <u>Revised</u> | <p><u>Worker's Compensation and Liability.</u> Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one).</p> <p>A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability D. <input type="checkbox"/> When funds are set aside or contributions are made to a fund Y. <input type="checkbox"/> Other or more than one method <u>1</u>/ Z. <input checked="" type="checkbox"/> Not Applicable</p> <p><u>1</u>/ See Continuation Sheet.</p> |

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

CONTINUATION SHEET PART VI
DEFERRED COMPENSATION AND
INSURANCE COSTS
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|---|
| 6.2.0 | <u>Post Retirement Benefits Other Than Pensions</u> |
| | <p>Post retirement benefits are not provided as a part of the normal retirement process.</p> <p>Post retirement benefits are paid per the specific terms of an individual's early retirement agreement, if applicable. Benefits may include any of those listed under Section 2.6.0. As of June, 2006, payment for various benefits are scheduled for eight individuals (mostly faculty) affected by early retirement buyouts. The majority of these are for continuation of health insurance for a defined period of time. These costs are not a direct charge against sponsored programs.</p> <p>End of Part VI</p> |

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

PART VII
CENTRAL SYSTEM OR GROUP EXPENSES
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|--|
| | <p style="text-align: center;">DISCLOSURE BY CENTRAL SYSTEM OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE</p> <p style="text-align: center;">Instruction for Part VII</p> <p>This part should be completed only by the central system office or a group office of an educational system when that office is responsible for administering two or more segments, where it allocates its costs to such segments and where at least one of the segments is required to file Parts I through VI of the Disclosure Statement.</p> <p>The reporting unit (central system or group office) should disclose how costs of services provided by the reporting unit are, or will be accumulated and allocated to applicable segments of the institution. For a group office, disclosure should cover all of the subordinate organizations administered by the group office.</p> <p>7.1.0 <u>Organizational Structure.</u></p> <p>7.2.0 <u>Cost Accumulation and Allocation</u></p> <p>On a continuation sheet, provide a description of:</p> <ul style="list-style-type: none"> A. The services provided to segments of the university or university system (including hospitals, FFRDC=s, GOCO facilities, etc.), in brief. B. How the costs of the services are identified and accumulated. C. The basis used to allocate the accumulated costs to the benefiting segments. D. Any costs that are transferred from a segment to the central system office or the intermediate administrative office, and which are reallocated to another segment(s). If none, so state. E. Any fixed management fees that are charged to a segment(s) in lieu of a prorata or allocation basis and the basis of such charges. If none, so state. |

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

CONTINUATION SHEET PART VII
CENTRAL SYSTEM OR GROUP EXPENSES
UNIVERSITY OF NORTH DAKOTA

| Item No. | Item Description – Revision Number 2, Effective September 30, 2020 |
|----------|--|
| 7.1.0 | <p><u>Organizational Structure</u></p> <p>The University of North Dakota is an entity of the State of North Dakota. The University is subject to management and supervision by the State Board of Higher Education as established in the North Dakota Constitution. Oversight by the Board is facilitated by the operations of the North Dakota University System Office.</p> <p>The Energy & Environmental Research Center is a division of the University reporting directly to the President of the institution. Based on differences in function and financial activity, the Energy Center has been identified as a separate segment for the purposes of Cost Accounting Standards disclosure.</p> <p>The University of North Dakota is the administrative host site for computing for the North Dakota University System (NDUS). Funding for base services for the NDUS is provided to the University as part of the state appropriation. Additional assessments may be made to all NDUS institutions to fund activities beyond the base appropriation (for example, software development).</p> |
| 7.2.0 | <p><u>Cost Accumulation and Allocation</u></p> <p>A. The University of North Dakota provides the following services (see Item 3.4.0): Operations and Maintenance General Administration Sponsored Projects Administration Library</p> <p>B. Costs of the services referenced above are identified and accumulated by fund/dept/project. In instances where the fund data is not sufficient, memorandum records may be used are maintained with the documentation of the institutions facilities and administration cost proposal.</p> <p>C. Accumulated costs are allocated to the benefiting campus segments based on modified total direct costs (MTDC) excluding the depreciation and operations and maintenance cost pools. This allocation is part of the facilities and administration cost rate calculation.</p> <p>D. None.</p> <p>E. None.</p> <p>End of Part VII</p> |