

**COST ACCOUNTING STANDARDS BOARD**  
**DISCLOSURE STATEMENT FOR EDUCATIONAL INSTITUTIONS**  
**CASB DS-2**

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<p style="text-align: center;"><b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b></p>	<p style="text-align: center;"><b>GENERAL INSTRUCTIONS</b></p>
<p>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).</p> <p>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.</p> <p>3. Each segment or business unit required to disclose its cost accounting practices should complete the Cover Sheet, the Certification, and Parts I through VI.</p> <p>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.</p> <p>5. The Statement must be signed by an authorized signatory of the reporting unit.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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 to the Government (Also see 48 CFR 9903.202-3).</p> <p>10. Amendments shall be submitted to the same offices to which submission would have to be made were an original Disclosure Statement being filed.</p>	

FORM CASB DS-2 (REV 10/94)

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EDUCATIONAL INSTITUTIONS**

**GENERAL INSTRUCTIONS**

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

**ATTACHMENT - Blank Continuation Sheet**

**FORM CASB DS-2 (REV 10/94)**

<p align="center"><b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b></p>	<p align="center"><b>COVER SHEET AND CERTIFICATION</b></p>
<p>0.1</p>	<p>Educational Institution</p> <p>(a) Name <u>University of Nevada, Reno</u></p> <p>(b) Street Address <u>Controller's Office, Mail Stop 124</u></p> <p>(c) City, State and ZIP Code <u>Reno, NV 89557</u></p> <p>(d) Division or Campus of (if applicable)</p>
<p>0.2</p>	<p>Reporting Unit is: (Mark one.)</p> <p>A. _____ Independently Administered Public Institution</p> <p>B. _____ Independently Administered Nonprofit Institution</p> <p>C. <u> X </u> Administered as Part of a Public System</p> <p>D. _____ Administered as Part of a Nonprofit System</p> <p>E. _____ Other (Specify) _____</p>
<p>0.3</p>	<p>Official to Contact Concerning this Statement:</p> <p>(a) Name and Title Leah M. Gorbet</p> <p>(b) Phone Number (include area code and extension) (775) 784-6726</p>
<p>0.4</p>	<p>Statement Type and Effective Date:</p> <p>A. (Mark type of submission. If a revision, enter number)</p> <p>(a) _____ Original Statement</p> <p>(b) <u> X </u> Amended Statement; Revision No. <u> 3 </u></p> <p>B. Effective Date of this Statement: (Specify) <u> July 1, 2004 </u></p>
<p>0.5</p>	<p>Statement Submitted To (Provide office name, location and telephone number, include area code and extension):</p> <p>A. Cognizant Federal Agency: Department of Health and Human Services Division of Cost Allocation Washington, D.C. 20201 (202) 401-2808</p> <p>B. Cognizant Federal Auditor: Department of Health and Human Services Office of the Inspector General Office of Audit Services, Region IX San Francisco, CA (415) 437-7823</p>

FORM CASB DS-2 (REV 10/94)

**COST ACCOUNTING STANDARDS BOARD  
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**COVER SHEET AND CERTIFICATION**

**CERTIFICATION**

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

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

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

Leah M. Gorbet  
(Print or Type Name)

Controller  
(Title)

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART I - GENERAL INFORMATION</b>
		<b>NAME OF REPORTING UNIT University of Nevada, Reno</b>
Item No.	Item Description	
	<b>Revision # 3 Effective Date July 1, 2004</b> Part I	
1.1.0	<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.)  A. _____ Accrual B. <u>  X  </u> Modified Accrual Basis <sup>1</sup> C. _____ Cash Basis Y. _____ Other <sup>1</sup>	
1.2.0	<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.)  A. <u>  X  </u> Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.) B. _____ Not integrated with financial accounting records (Cost data are accumulated on memorandum records.) C. _____ Combination of A and B	
1.3.0	<u>Unallowable Costs.</u> Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)  A. _____ Specifically identified and recorded separately in the formal financial accounting records. <sup>1</sup> B. _____ Identified in separately maintained accounting records or workpapers. <sup>1</sup> C. _____ Identifiable through use of less formal accounting techniques that permit audit verification. <sup>1</sup> D. <u>  X  </u> Combination of A, B or C <sup>1</sup> E. _____ Determinable by other means. <sup>1</sup>	
1.3.1	Treatment of Unallowable Costs. (Explain on a continuation sheet how unallowable costs and directly associated costs are treated in each allocation base and indirect expense pool, e.g., when allocating costs to a major function or activity; when determining indirect cost rates; or, when a central office or group office allocates costs to a segment.)	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART I - GENERAL INFORMATION</b>
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Item No.	Item Description	
	<b>Revision # 3 Effective Date July 1, 2004</b>	
1.4.0	<u>Cost Accounting Period:</u> <u>July 1 to June 30</u> (Specify the twelve month period used for the accumulation and reporting of costs under Federally sponsored agreements, e.g., 7/1 to 6/30. If the cost accounting period is other than the Institution's fiscal year used for financial accounting and reporting purposes, explain circumstances on a continuation sheet.)	
1.5.0	<u>State Laws or Regulations.</u> Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
1.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><b>Description of Your Accounting System</b></p> <p>The University of Nevada, Reno utilizes the American Management System's Advantage accounting system which is a complete financial management system specifically designed for colleges and universities. In addition to the standard accounting functions of accounts payable, accounts receivable and general ledgers, the system also allows for encumbrance control and fund accounting.</p> <p>Payroll encumbrances and expenses are transactions created by our Human Resource System and are posted to federal grants and contract accounts each pay date via an interface between the HR System and Advantage.</p> <p>Other expenses are recorded when transactions are entered into the Accounts Payable system. Checks for payment of goods or services provided by outside vendors/individuals are issued and sent the day after the expense transaction is entered and accepted by the financial system.</p> <p>To provide for accrual basis reporting for our annual financial statements, the university uses a "thirteenth" accounting period to allow us to identify and process transactions into the correct fiscal year.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
Item No.	Item Description	
1.2.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><b>Integration of Cost Accounting with Financial Accounting</b></p> <p>The financial accounting system utilized by the University of Nevada, Reno includes both real (balance sheet accounts) and nominal accounts (revenue and expense accounts). As revenue and expense transactions are posted to these nominal accounts, the system creates offsets to the balance sheet accounts. The net of revenue and expense is closed to fund balance in the balance sheet annually. Detail revenue and expense transactions in the nominal accounts are maintained by the following categories:</p> <ul style="list-style-type: none"> <li>• Fund</li> <li>• Area (college/school or major organizational unit)</li> <li>• Organization (department and unique project number)</li> <li>• Activity (instruction, research, academic support, institutional support, student services, operation and maintenance of plant, public service, scholarships and fellowships or auxiliary enterprises).</li> <li>• Object of expenditure or revenues source (general category of expense or revenue).</li> <li>• Sub-object or Sub-revenue (more specific identification of type of expense or source of revenue).</li> </ul>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
1.3.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><b>Unallowable Costs</b></p> <p>The university utilizes the following accounts to segregate certain unallowable costs in the accounting records:</p> <ul style="list-style-type: none"> <li>Host/Entertainment Accounts</li> <li>Development/Fund Raising/Public Relations</li> <li>Alumni Relations</li> <li>Convocations/Commencements</li> <li>Student Activities</li> </ul> <p>The following sub-objects of expenditure are utilized to identify certain unallowable costs in the accounting records:</p> <ul style="list-style-type: none"> <li>Interest Expense</li> <li>Advertising</li> <li>Host/Entertainment Expense</li> <li>Prizes and Awards</li> <li>Student Activities</li> <li>Memberships</li> </ul> <p>In addition to the above separately identified accounts and objects of expenditure, accounts are manually reviewed for other unallowable costs described below. All of these types of expenditures are excluded from the university's facilities and administrative cost proposal.</p> <p>Other unallowable cost items are identified through "a manual scrub" of expenditures:</p> <ul style="list-style-type: none"> <li>Bad Debts</li> <li>Contingencies</li> <li>Fines and Penalties</li> <li>Lobbying Costs</li> </ul> <p>A year-end report of summarized expenditures by activity code, by account and account title is reviewed to identify other unallowable costs. In addition, a year-end report of detail expenditures using the legal/administrative expense sub-object is reviewed to identify other unallowable expenditures.</p>	

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1.3.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><b>Unallowable Costs (continued)</b></p> <p>Additionally, each college/school or department has the responsibility of performing “pre-audit” and compliance reviews of all charges made to sponsored project accounts, as well as identifying specific prior approval requirements for individual sponsored projects.</p> <p>An on-line table in the financial accounting system is maintained for each sponsored project which describes unallowable expenditures. The “pre-audit” process involves checking the on-line table for types of unallowable expenditures and reviewing and understanding terms, conditions and restrictions in individual sponsored project award documents relative to expenditures and prior approval requirements for expenditures.</p> <p>Monthly reviews of charges summarized by the formal financial system provide for additional review to insure that no unallowable expenses were charged to a sponsored project account</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
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Item No.	Item Description	
1.3.1	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><b>Treatment of Unallowable Costs</b></p> <p>All unallowable costs identified in accordance with 1.3.0 above are excluded from facilities and administrative (F &amp; A) cost pools in the facilities and administrative cost proposal. For purposes of developing the F &amp; A cost rate, unallowable costs are included in the “other institutional activities” base and are appropriately allocated their share of F &amp; A costs.</p>	

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1.5.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><b>State Laws or Regulations</b></p> <p>Expenditures of state appropriated funds are subject to the “State Administrative Manual” (SAM) related to the use of state funds for travel expenses (SAM Chapter 0200) and Claims and Pre-Audit procedures (SAM Section 2600). The university’s travel policies are detailed in the University Administrative Manual Section 1400. The University Administrative Manual, Sections 1067 and 1068, describe the prohibitions on the use of state funds for hosting expenses and professional licenses and individual memberships.</p>	

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART II - DIRECT COSTS</b>
		<b>NAME OF REPORTING UNIT</b> <b>University of Nevada, Reno</b>
Item No.	Item Description	
	<b>Instructions for Part II</b>	
	Institutions should disclose what costs are, or will be, charged directly to Federally sponsored agreements or similar cost objectives as Direct Costs. It is expected that the disclosed cost accounting practices (as defined at 48 CFR 9903.302-1) for classifying costs either as direct costs or indirect costs will be consistently applied to all costs incurred by the reporting unit.	
2.1.0	<u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For all major categories of cost under each major function or activity such, as instruction, organized research, other sponsored activities and other institutional activities, describe on a continuation sheet, your criteria for determining when costs incurred for the same purpose, in like circumstances, are treated either as direct costs only or as indirect costs only with respect to final cost objectives. Particular emphasis should be placed on items of cost that may be treated as either direct or indirect costs (e.g., Supplies, Materials, Salaries and Wages, Fringe Benefits, etc.) depending upon the purpose of the activity involved. Separate explanations on the criteria governing each direct cost category identified in this Part II are required. Also, list and explain if there are any deviations from the specified criteria.)	
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 of materials which are charged as direct materials and supplies.)	
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	Direct Purchases for Projects are Charged to Projects at: <ul style="list-style-type: none"> <li>A. _____ Actual Invoiced Costs</li> <li>B. <u>  X  </u> Actual Invoiced Costs Net of Discounts Taken</li> <li>Y. _____ Other(s)<sup>1</sup></li> <li>Z. _____ Not Applicable</li> </ul>	
2.3.2	Inventory Requisitions from Central or Common, Institution-owned Inventory. (Identify the inventory valuation method used to charge projects): <ul style="list-style-type: none"> <li>A. _____ First In, First Out</li> <li>B. _____ Last In, First Out</li> <li>C. _____ Average Costs<sup>1</sup></li> <li>D. _____ Predetermined Costs<sup>1</sup></li> <li>Y. <u>  X  </u> Other(s)<sup>1</sup></li> <li>Z. _____ Not Applicable</li> </ul>	

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

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS			
		NAME OF REPORTING UNIT University of Nevada, Reno			
Item No.	Item Description				
	<b>Revision # 3 Effective Date July 1, 2004</b>				
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	<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.)				
		<u>Direct Personal Services Category</u>			
		<u>Faculty</u> (1)	<u>Staff</u> (2)	<u>Students</u> (3)	<u>Other</u> <sup>1</sup> (4)
	A.	<u>  X  </u>	<u>  X  </u>	<u>  X  </u>	<u>      </u>
		Payroll Distribution Method (Individual time card/actual hours and rates)			
	B.	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
		Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)			
	C.	<u>  X  </u>	<u>  X  </u>	<u>      </u>	<u>      </u>
		After-the-fact Activity Records (Percentage Distribution of employee activity)			
	D.	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
		Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)			
	Y.	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
		Other(s) <sup>1</sup> _____			
2.5.1	Salary and Wage Cost Distribution Systems.				
	Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO", describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and indirect cost objectives.)				
	<u>  X  </u>	Yes			
	<u>      </u>	No			

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART II - DIRECT COSTS</b>
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Item No.	Item Description	
	<b>Revision # 3 Effective Date July 1, 2004</b>	
2.5.2	<p>Salary and Wage Cost Accumulation System.</p> <p>(Within each major function or activity, describe, on a continuation sheet, the specific accounting records or memorandum records used to accumulate and record the share of the total salary and wage costs attributable to each employee's direct (Federally sponsored projects, non-sponsored projects or similar cost objectives) and indirect activities. Indicate how the salary and the wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records.)</p>	
2.6.0	<p><u>Description of Direct Fringe Benefits Costs.</u> All fringe benefits that are attributable to direct salaries and wages and are charged directly to Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet <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.)</p>	
2.6.1	<p>Method of Charging Direct Fringe Benefits. (Describe on a continuation sheet, how each type of fringe benefit cost identified in item 2.6.0. is measured, assigned and allocated (for definitions, See 9903.302-1); first, to the major functions (e.g., instruction, research); and, then to individual projects or direct cost objectives within each function.)</p>	
2.7.0	<p><u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g., travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.)</p>	

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2.8.0	<p><u>Cost Transfers</u>. When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). (Mark one, if "No", explain on a continuation sheet how the credit differs from original charge.)</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>																											
2.9.0	<p><u>Interorganizational Transfers</u>. This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: center;"><u>Materials</u> (1)</th> <th style="text-align: center;"><u>Supplies</u> (2)</th> <th style="text-align: center;"><u>Services</u> (3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>C. At established catalog or market price or prices based on adequate competition.</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Y. Other(s)<sup>1</sup></td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable.</td> <td style="text-align: center;"><u>  X  </u></td> <td style="text-align: center;"><u>  X  </u></td> <td style="text-align: center;"><u>  X  </u></td> </tr> </tbody> </table>					<u>Materials</u> (1)	<u>Supplies</u> (2)	<u>Services</u> (3)	A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	C. At established catalog or market price or prices based on adequate competition.	_____	_____	_____	Y. Other(s) <sup>1</sup>	_____	_____	_____	Z. Interorganizational transfers are not applicable.	<u>  X  </u>	<u>  X  </u>	<u>  X  </u>
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<sup>1</sup> Describe on a Continuation Sheet

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		NAME OF REPORTING UNIT University of Nevada, Reno
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2.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p><b>I. Direct Costs:</b></p> <p>The major categories of direct costs of the university are as follows:</p> <ol style="list-style-type: none"> <li>1. Salaries, Wages and Fringe Benefits</li> <li>2. Contracted Services</li> <li>3. Supplies</li> <li>4. Travel</li> <li>5. Current Services</li> <li>6. Student Aid (Tuition remission and fees)</li> <li>7. Sub-Agreements</li> <li>8. Equipment</li> </ol> <p>The primary direct cost functions of the university are Instruction , Research, Public Service and Other Institutional Activities. Costs incurred to support these activities are treated as direct costs and are charged to federally sponsored agreements when the costs can be specifically identified to a sponsored agreement with relative ease and with a high degree of accuracy, in accordance with the terms and conditions of the award. These costs must meet the allowability criteria established in A-21. If the cost requires agency approval after the award is made, the approval is secured. Each college/school has been delegated the responsibility to review sponsored program costs for allowability (as described in section 1.3.0).</p> <p><b>II. Indirect Costs:</b></p> <p>Indirect costs are general institutional expenditures that are incurred for common or joint objectives benefiting instruction, research, public service, or other institutional activities not specifically identified with a particular sponsored project. These costs include:</p> <ul style="list-style-type: none"> <li>• operation and maintenance</li> <li>• depreciation of buildings and equipment</li> <li>• departmental and college administration</li> <li>• general administration and general expense</li> <li>• sponsored projects administration</li> <li>• student administration and services</li> <li>• library costs</li> <li>• NSHE System Administration cost allocations</li> </ul>	

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2.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives (continued)</p> <p><b>II. Indirect Costs: (continued)</b></p> <p>These indirect costs are allocated to Federally sponsored agreements in accordance with OMB Circular A-21 through application of the university's federally approved Facilities and Administrative costs rate. The allocation of costs is described in Part III.</p> <p><b>III. Guidelines For Charging Administrative and Clerical Costs to Federal Sponsored Projects Effective 1/1/98</b></p> <p><b>Background:</b> On May 8, 1996, the Office of Management and Budget (OMB) revised OMB Circular A-21, "Cost Principles for Educational Institutions," by incorporating four Cost Accounting Standards applicable to all educational institutions, issued by the Cost Accounting Standards Board (CASB) on November 8, 1994, and extending these standards to all federally sponsored agreements. The standards require: 1) that costs be treated consistently, and 2) if an educational institution makes an accounting change that materially impacts sponsored agreement reimbursement, the change and its impact needs to be reported to the U.S. Department of Health and Human Services for review and approval.</p> <p>Further the revision to OMB Circular A-21 replaces the term "indirect costs" with "Facilities and Administrative costs" (F&amp;A) to describe more accurately the various cost components of sponsored agreements.</p> <p>The first cost accounting standard requires that "an educational institution's practices used in estimating costs in pricing a proposal shall be consistent with the educational institution's cost accounting practices used in accumulating and reporting costs." The second standard requires that "all costs incurred for the same purpose, in like circumstances, are either direct costs only or facilities and administrative (F&amp;A) costs only with respect to final cost objectives." The third standard requires that "costs expressly unallowable or mutually agreed to be unallowable shall be identified and excluded from any billing, claim, or proposal applicable to a sponsored agreement." The fourth standard requires that generally, "educational institutions shall use their fiscal year as the cost accounting period."</p> <p>The revision also requires certain large institutions to disclose their cost accounting practices by submission of a Disclosures Statement (DS-2) prescribed by CASB. The disclosure</p>	

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2.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives (continued)</p> <p><b>III. Guidelines For Charging Administrative and Clerical Costs to Federal Sponsored Projects Effective 1/1/98 (continued)</b></p> <p>statement (DS-2) is a 20-page document that provides a summary of an educational institution's cost accounting system for federal grants and contracts. The DS-2 submission is required only for educational institutions receiving more than \$25 million in federally-sponsored agreements during their most recently completed fiscal year.</p> <p>The cost accounting standard with the most significant impact on our cost accounting practices is the second standard which requires consistency in allocating costs incurred for the same purpose. Section C.11. of OMB Circular A-21 states that "all costs incurred for the same purpose, in like circumstances, are either direct costs only or F&amp;A costs only with respect to final cost objectives." However, there are circumstances where it is appropriate to direct charge costs, such as administrative and clerical salaries, when these costs are normally charged indirectly. For example, direct charging of these costs may be appropriate where a major project or activity requires a significant level of administrative or clerical services and individuals involved can be specifically identified with the project or activity. In this example, the administrative or clerical service costs are not incurred for the same purpose and under like circumstances as are administrative and clerical services costs associated with general university functions, such as accounting operations or general administrative activities, which do not result from specifically identifiable requirements.</p> <p>In Section F. <u>Identification and Assignment of F&amp;A Costs</u> of OMB.Circular A-21, Section F.6.b. states: "...care should be exercised to ensure that costs incurred for the same purpose in like circumstances are treated consistently as either direct or F&amp;A costs. For example, salaries of technical staff, laboratory supplies (e.g., chemicals), telephone toll charges, animals, animal care costs, computer costs, travel costs, and specialized shop costs shall be treated as direct cost wherever identifiable to a particular cost objective. Direct charging of these costs may be accomplished through specific identification of individual costs to benefiting cost objectives, or through recharge centers or specialized service facilities, as appropriate under the circumstances. The salaries of administrative and clerical staff should normally be treated as F&amp;A costs. Direct charging of these costs may be appropriate where a major project or activity explicitly budgets for administrative or clerical services and individuals involved can be specifically identified with the project or activity. Items such as office supplies, postage, local telephone costs and memberships shall normally be treated as F&amp;A costs."</p>	

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2.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives (continued)</p> <p><b>IV. FEDERAL INTERPRETATION</b></p> <p>On May 17, 1994 (amended July 13, 1994), OMB issued an interpretation of Section F.6.b in regard to administrative and clerical staff. The memorandum stated that the intent of the provision is:</p> <p>“To establish the principle that the salaries of administrative and clerical staff should usually be treated as indirect costs, but that direct charging of these costs may be appropriate where the nature of the work performed in a <u>particular project requires an extensive amount of administrative or clerical support which is significantly greater than the routine level of such services provided by academic centers.</u> The costs would need to meet the general criteria for direct charging in Section D.1. [of Circular A-21]-- i.e., “be identified specifically with a particular sponsored project...relatively easily with a high degree of accuracy, and the special circumstances requiring direct charging of the services would need to be justified to the satisfaction of the awarding agency in the grant application or contract proposal.”</p> <p>Administrative or clerical services which are normally unallowable would generally include services of administrative faculty and services of state classified employees whose job classification is included in the following: management assistants, account clerks, accounting technicians, program assistants, administrative aids, clerical trainees, word processing or data entry clerks, or any other job classification which implies a clerical nature.</p> <p>In light of these changes to OMB Circular A-21 and the requirement of the application of the four cost accounting standards, the following implementation guidelines have been developed.</p> <p><b><u>Implementation Guidelines:</u></b> In order to comply with OMB Circular A-21 and the OMB official interpretation, the university requires that the following procedures be implemented for all federally sponsored projects including federal pass through sponsored projects, effective January 1, 1998.</p>	

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2.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives (continued)</p> <p><b>B. Documenting Approved Personnel Costs</b>  Administrative or clerical salaries charged as direct costs to a federally sponsored project must be identified specifically with the particular sponsored project and be easily measurable with a high degree of accuracy.</p> <p>Principal Investigators or Project Managers should maintain a log that specifies the date and time spent on each <u>non-routine</u> activity by administrative support staff (minimum of one hour to be recorded) charged to a federal grant or contract. The nature of any non-routine tasks should also be defined.</p> <p><b>VII. NON-PERSONNEL COSTS</b></p> <p>In addition to the administrative or clerical personnel cost restrictions, the following requirements for other non-personnel costs must also be adhered to effective January 1, 1998.</p> <p>The following non-personnel costs are generally considered to be <u>unallowable</u> as direct costs to federally sponsored projects:</p> <ul style="list-style-type: none"> <li>Office Supplies</li> <li>Postage</li> <li>Non-long distance telephone charges</li> <li>Memberships</li> </ul> <p>These costs may be allowable as direct costs if they are specifically identified and requested as a part of the project budget and the budget line item is allowed or the cost is specifically approved in writing by the federal agency. The justification to the agency may be acceptable if, for example, the item is necessary solely for the conduct of the project or incurred specifically and exclusively in the conduct of a specific sponsored project.</p> <p>A "Justification for Administrative and Clerical Costs" form (CONT-GC-18) must be completed and submitted with the "Transmittal Sheet" ( OSPA-1 form) for proposals to federal agencies or federal pass-through agencies which include these types of non-personnel costs. This request is reviewed by OSPA personnel to determine if the special circumstances exist to warrant inclusion of the costs in the proposal as direct costs.</p>	

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2.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives (continued)</p> <p>All other non-personnel costs are generally allowable as direct costs on federally sponsored projects when they can be readily identified with a specific sponsored project or when they are incurred for the sole direct technical benefit of the project , subject to the following further restrictions:</p> <ul style="list-style-type: none"> <li>A. Supplies (expendable items with an acquisition cost of less than \$2,000) included as direct costs must be consumed during the course of the project and not be used for other projects or for the multiple activities of project personnel. An inventory of unused supplies must be conducted at the conclusion of the project and provided to the Office of Grants &amp; Contracts.</li> <li>B. Travel costs are only includable as direct costs in so far as they are reimbursed in accordance with general state, university and agency travel policies .</li> <li>C. Student tuition and fees are allowable as direct costs only when specifically and separately budgeted for.</li> <li>D. Sub-agreements are allowable as direct costs only when specifically and separately budgeted for. This includes payments to sub-grantees and/or subcontractors who are performing a portion of the work on a specific sponsored project.</li> <li>E. Equipment (non-expendable capitalized scientific, technical or general purpose equipment with a cost of \$2,000 or more and a useful life of one year or more) is allowable as a direct cost only when specifically and separately budgeted for.</li> </ul> <p>Any non-personnel costs charged to a federally sponsored project are subject to audit, so care should be taken to retain any documentation which supports and clearly associates each expense with the specific federally sponsored project to which it has been charged.</p>	

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2.2.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Materials</p> <p>Various materials and supplies are charged as direct expenses on federally sponsored agreements. Below is a list of the principal classes of materials and supplies:</p> <ol style="list-style-type: none"> <li>1) Computer Supplies</li> <li>2) Field Supplies</li> <li>3) Instructional Supplies **</li> <li>4) Lab Supplies</li> <li>5) Office Supplies **</li> <li>6) Other Miscellaneous Supplies **</li> <li>7) Small Tools and Hardware</li> <li>8) Non-Capitalized Equipment/Furniture **</li> <li>9) Books, Publications, Periodicals and Subscriptions **</li> </ol> <p>** These items are allowable as direct charges to Federally sponsored projects only in specific situations as described in guidelines in Section 2.1.0.</p>	

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2.3.2 revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Inventory Requisitions from Central or Common Institution Owned Inventory</p> <p>Inventory requisitions from central or common institution owned inventory are valued at actual cost when charged to sponsored projects. Actual cost includes the cost of inventory and other allowable costs of operation. The financial activity of each sales or service center of the university must be accounted for in a separate university account. Costs assigned to that account must be essential to and readily identifiable with the provision of goods or services of that sales or service center. Non-current expenditures such as equipment acquisition or facility modification may not be charged to the operating account of a sales or service center. Recharge rates for these sales and service centers are based on allowable costs as defined in OMB Circular A-21 and are stated in measurement units of goods or services which most equitably distribute sales or service center costs related to specific goods or services to users. The measurable units of goods or services to be provided by a sales or service center shall be based on a reasonable annual estimate. Any surplus or deficit in any one fiscal year shall be incorporated as a cost element for the rate calculation for the ensuing fiscal year in order to ultimately achieve a break-even operating account balance. Sales and service center recharge rates are recalculated annually.</p>	

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2.4.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Personal Services</p> <p>The following are charged as direct personal services to federally sponsored agreements or similar cost objectives:</p> <ul style="list-style-type: none"> <li>• Base Compensation (salaries and wages)</li> <li>• Over-time or Supplemental Compensation (when allowed under A21, and institution policy.</li> <li>• Fringe Benefits including Retirement, Health Insurance, Medicare, Unemployment Insurance, FICA, and Workmen’s Compensation Insurance</li> </ul> <p>The different classifications of employees at the University are categorized and described below.</p> <p><b>I. ACADEMIC FACULTY</b></p> <p>Academic Faculty includes instructional, research and library faculty and persons employed in the Cooperative Extension and the Agricultural Experiment Station who are granted academic rank. Academic faculty under contract for the academic year are typically issued “B” contracts. For contractual purposes, the period of the contracts begins one week prior to the semester begin date and ends after final grades are due. For the convenience of the faculty and for the purpose of calculating fringe benefits such as retirement credit, B contract annual salaries are divided into twelve equal monthly payments, the first of which is issued on July 31.</p> <p><b>II. ADMINISTRATIVE FACULTY</b></p> <p>Administrative faculty include the professional staff who are employed in executive, supervisory or professional and administrative support positions. “A” contracts are issued to such year-round faculty members and obligates them for duties throughout the year, except for legal holidays. Faculty on “A” contracts receive monthly payments equal to one-twelfth of their annual salary.</p>	

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2.4.0 Revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Personal Services (continued)</p> <p><b>III. LETTERS OF APPOINTMENT/OVERLOADS</b></p> <p>Although the usual and accepted manner of employing academic and administrative faculty is by “B” or “A” contract respectively, letters of appointment (LOA) may be used for special appointments. LOAs are also used for teaching, research, consulting services and for administrative duties performed during periods when the university is not in regular session that do not fall under the regular “A” or “B” contract guidelines. They are issued only for clearly defined duties that are part-time and temporary. LOAs must be less than 50% FTE, or if greater than 50% FTE must not exceed three months of consecutive service. Hourly LOAs are paid on the basis of a computed hourly rate and actual hours worked. Time sheets are required to justify actual hours worked and accounts to be charged. LOAs less than 50% FTE are not eligible for retirement or health insurance benefits.</p> <p><b>IV. GRADUATE ASSISTANTS</b></p> <p>Graduate assistants include graduate research and graduate teaching assistants who are required to devote the equivalent of 20 hours per week for 17 weeks to university duties for each regular academic semester when holding a half-time appointment. The salary for each academic term is paid in equal monthly installments during the academic term.</p> <p><b>V. CLASSIFIED EMPLOYEES-revised</b></p> <p>Classified employees are part of the State of Nevada personnel system and are typically non-faculty administrative, clerical, or technical positions. These employees are compensated according to statewide compensation schedules consisting of over fifty different salary grades. Each classification within the system is assigned to a salary grade and each grade consists of a range of <b>10</b> steps.</p> <p>Increases from step to step are not automatic but are based on merit and satisfactory performance. The full-time standard work week for classified employees is 40 hours, Monday through Friday, except when an irregular schedule must be followed due to the nature of a particular position. Classified employees are paid one half of their monthly salary on the 10th (covering the period of the 16th to the end of the preceding month) and the 25th (covering the 1st to the 15th) of each month.</p>	

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2.4.0	<p><b>Revision # 3 Effective Date July 1, 2004</b> Description of Direct Personal Services (continued)</p> <p><b>VI. CASUAL LABOR</b></p> <p>Casual labor positions are intended to meet the short term needs of the university from positions which would otherwise be considered classified employees. Regular casual labor positions are limited to a 120 work day period (approximately six months) in any 12 month period. Regular casual labor positions must be filled using the same procedures required for permanent classified positions. There are other types of casual labor positions including 160 hours appointments (limited to 160 cumulative hours or less in a calendar year) and emergency appointments (limited to 1000 cumulative hours or less in a calendar year for use by the Events Center and student registration program only). Casual laborers use the same pay schedules as classified employees. However, they are paid on the basis of a computed hourly rate and actual hours worked. Time sheets are required to justify actual hours worked and accounts to be charged.</p> <p><b>VII. STUDENT EMPLOYEES</b></p> <p>Student employees at the university consist of students who are enrolled in a degree program. Students are employed in a variety of positions at the university and are paid at set hourly rates depending on their job classification. Students are paid for actual hours worked. Time sheets are required to justify actual hours worked and accounts to be charged. The student employee classification also includes work-study students. The work-study program is covered under federal guidelines issued by the U.S. Department of Education and is administered by the financial aid office of the university.</p> <p><b>VIII. RESIDENT PHYSICIANS</b></p> <p>Resident physicians (hereafter referred to as residents) are physicians who are continuing their medical education and training after receipt of the M.D. or D.O. degree by means of educational and clinical experience in university affiliated institutions and organizations. Residents may also provide instructional services to medical students as the resident's experience and education allows. Annual appointments are approved by the president of the university or his designee. Faculty of the School of Medicine are responsible for the supervision and instruction of the residents.</p> <p>The majority of the resident's time is spent in hospitals, clinics, physicians' offices, and other health care facilities throughout Nevada. Therefore, while on university contract, residents may rotate outside the School of Medicine with affiliated and non-affiliated institutions as long as these clinical rotations are approved by the department to which the resident is assigned.</p>	

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2.4.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Personal Services (continued)</p> <p>Contracts are subject to modification during the fiscal year for residents as they rotate between hospitals and other institutions. In such cases, the residents may be paid during the interim period by other institutions or continued on contract at the university depending on the inter-institutional arrangements and the needs of the residency program.</p> <p>Contracts for residents may be terminated by the university at any time during the contract year for reasons of improper moral or ethical conduct for inability to perform to departmental or educational standards and objectives, or because of financial conditions within the School of Medicine. Procedures for notice, hearing and appeal of contract termination, or other actions shall be followed as established by the University of Nevada School of Medicine.</p> <p>The stipend schedule for residents shall be subject to approval by the Board of Regents. A schedule of stipends will be recommended for adoption by the Board of Regents on an annual basis.</p> <p><b>IX. POSTDOCTORAL SCHOLARS</b></p> <p>A Postdoctoral scholar is a temporary advanced scholarly appointment. It is a specialized education and training research position under the direction of a faculty sponsor for the postdoctoral scholar's continuing education and professional growth. The postdoctoral scholar is not precluded from applying for postdoctoral training grants or nationally competitive postdoctoral fellowships. The appointment serves to advance the competence of a person who has recently completed higher professional training marked by a doctoral degree. Those persons excluded from postdoctoral status are registered full-time students, candidates for a degree, visiting scholars who are not at the university for the purpose of receiving further training, or anyone who does not meet the above definition.</p> <p>The duration of a postdoctoral scholar appointment is, in most cases, one or two years. In no case may it exceed five years. The salary range for a postdoctoral scholar is above the graduate assistants and below the assistant professors in the discipline. A separate benefits program is provided for postdoctoral scholars.</p> <p><b>X. OVERTIME OR SUPPLEMENTAL COMPENSATION</b></p> <p>The State of Nevada's personnel rules govern the payment of overtime for all classified employees. All overtime work must be authorized, in advance of the work, by the supervisor.</p>	

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2.4.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Personal Services (continued)</p> <p>In order to comply with provisions of the state personnel rules, the following is observed:</p> <ul style="list-style-type: none"> <li>A. The university “workweek” is a calendar week, running from 12:01 a.m. Sunday to 12:00 p.m. Saturday.</li> <li>B. Time and one-half pay or compensatory time <u>must</u> be granted to all employees who work over 40 hours in a workweek <u>or</u> who work over 8 hours in a calendar day, except those employees who choose and are approved for a variable workweek. In the case of a variable workweek, overtime will be considered only after working 40 hours in one week. Variable workweek agreements must be in writing and must be agreed upon in advance of the time worked.</li> </ul> <p>The Federal Fair Labor Standards Act requires that time worked in excess of 40 hours in a week shall either be paid or granted compensatory time off at the rate of time and one-half. Compensatory time off may be offered in lieu of paid overtime when it is mutually agreed upon by both the employee and the supervisor. These agreements must be in writing and in advance of the work performed.</p> <p>In order to protect employees from excessive work schedules and to limit an employer’s cost liabilities, state policies dictate that overtime be kept to an absolute minimum. To regulate these activities, the state places restrictions on overtime hours. Paid overtime in excess of 60 hours per calendar year must be reviewed by the appointing authority (typically a dean or equivalent administrator) to determine if there is a workload problem. If the overtime occurs frequently, repetitively, or is the result of an extended increase in workload, prior approval of the respective vice president is required.</p> <p>There are no provisions for compensatory time or overtime for any faculty member. Under the Federal Fair Labor Standards Act, certain employees are exempted from wage and hour requirements. Exemptions are allowed for executive, administrative, and professional employees. Once exempted, these employees are paid on a salaried basis regardless of the number of hours required. Under these types of appointments, entering into an arrangement for compensatory time off or overtime violates their exemption and would seriously jeopardize the underlying basis of their terms and conditions of employment. In special cases, the dean or director may grant special permission for an academic faculty member to teach and receive additional compensation for one additional course per semester. The maximum overload for a full time member of the academic faculty is a three credit course per semester.</p>	

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2.4.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Personal Services (continued)</p> <p>The following guidelines apply to earning additional compensation from university administered funds for providing specialized professional services and shall be interpreted consistently with those guidelines established in OMB <i>Circular A-21</i>.</p> <p>A. "B" contract faculty may earn additional compensation from university administered funds on days they are not already under contract (i.e., semester break, spring recess, and summer).</p> <p>B. The definition of the contract year for purposes of this section is consistent with the definition found in the university Administrative Manual and means all class days during the period identified in the university calendar from the beginning of a semester to the end of a semester, exclusive of Saturdays, Sundays, and holidays.</p> <p>C. "B" contract faculty are permitted to earn a maximum of 50% of their base salary as additional compensation through university administered funds from July 1 through June 30 of each year.</p> <p>D. Rates of compensation for such services are approved by the dean or other appropriate administrator through written proposals in advance of agreements being made final. If the project is interdisciplinary, approval from each dean or administrator is to be obtained. Faculty members may earn no more than their daily rate. The daily rate is calculated by dividing the current academic year base salary by the number of working days in the academic year.</p> <p>E. Payment of additional compensation is made via a separate personnel/payroll action form (PAF).</p>

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2.5.0	<p><b>Revision # 3 Effective Date July 1, 2004</b> Method of Charging Direct Salaries and Wages</p> <p>Faculty and staff are generally salaried positions whose time and effort to federally sponsored projects is certified by after-the-fact personnel activity reports which are required for each academic period or for each supplemental compensation period (if any supplemental compensation payments are charged to Federally sponsored projects).</p> <p>There are classes of part-time and/or temporary faculty and staff who are paid on an hourly rate rather than on a salary. Part-time temporary faculty may be paid on an hourly Letter of Appointment (see section 2.40 for description). Temporary staff, both full time and part time, may be paid using an hourly casual labor position (see section 2.40 for description). Both hourly Letters of Appointment and hourly casual labor positions are paid on the basis of individual time sheets which reflect actual hours worked and rates of compensation.</p> <p>Undergraduate student wages are paid on the basis of individual time sheets which reflect actual hours worked and rates of compensation. Graduate students and post doctoral fellows are paid on a salary. If their salary is paid from federally sponsored projects, their time and effort is certified by the after-the-fact personnel activity records as defined above.</p> <p>To insure compliance with the NIH current faculty salary rate limitation, the Grants Office will produce a report annually each August from the payroll records that reflects all faculty salaries above the salary limit. This report will be sent to all college administrators with faculty members on the list with notification that the faculty member is subject to the rate limitation. It is the responsibility of each college administrator to comply with the salary rate limitation when processing faculty personnel paperwork. The report will also be provided to the Office of Sponsored Projects Administration (OSPA) for their review process on all NIH proposals.</p> <p>The Grants Office will generate another report of all faculty charged to NIH projects. This report will verify that the correct salary rate was used for paying the faculty member. If any faculty member is found in violation of the salary rate cap, their college administrator will be notified to correct the problem. The Grants Office will monitor the account to verify the correction. This report will also be reconciled to the PAR semi-annually to determine that the full salaries expense for research effort is identifiable as part of organized research (included in the Modified Total Direct Cost base) whether or not chargeable on an NIH project.</p>	

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2.5.2	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Salary and Wage Cost Accumulation System</p> <p>To comply with the federal requirement that actual payroll charges to federally sponsored projects reflect actual time and effort devoted to the sponsored activity, it is required that all salaried university employees (faculty, staff, graduate assistants and post-doctoral fellows) devoting any time and effort (including cost sharing effort) to federally sponsored projects complete an “after the fact” Personnel Activity Report (PAR).</p> <p>The Controller’s Office will generate PARs each academic period for all professional and graduate assistant employees and monthly for classified employees who have been paid a salary in whole or in part from grant and contract accounts. The PARs must reflect 100% of the total time and effort for the period being reported. A separate PAR is required for faculty devoting any effort to federally sponsored projects who have received supplemental compensation for that effort for periods outside the spring and fall academic terms (i.e., semester breaks or summer). Such supplemental compensation is limited by institution policy and OMB Circular A-21.</p> <p>These PARs will be sent to those employees to complete and sign and must be returned to the Controller’s Office by the end of the month following the end of the academic term (Jan 31 for fall semester and July 31 for the Spring semester for professional and graduate assistants) or by the end of the month following the month reported for classified employees. A confirmation on the PAR must be signed by the employee and/or a supervisor having firsthand knowledge of all work performed by the employee. If no PAR or payroll adjustment is received by those dates, a second request will submitted to those employees, with a copy to the appropriate department chairperson and dean. The second request will inform that if a PAR or payroll adjustment is not received by the end of the current month (60 days after the applicable PAR reporting period), the Office of Sponsored Projects (OSPA) and the Grants and Contracts Office (G&amp;C) will be notified and will not process any new grant proposals or establish any new grant accounts for the principal investigator or project director responsible for the employee’s PAR, until a PAR or payroll adjustment is completed. If a PAR or payroll adjustment is not subsequently received prior to the closing of a grant or contract account, the salary not certified by a PAR will be moved to a department unrestricted account. In the reconciliation of the percentage of time and effort reported on PARs to the actual percentage of salary paid from a grant or contract account, any variance in which the percentage of salary paid exceeds the percentage of salary certified per a PAR by more than 5% will be considered significant and will require payroll adjustment or justification.</p>	

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2.5.2	<p data-bbox="337 405 829 436"><b>Revision # 3 Effective Date July 1, 2004</b></p> <p data-bbox="337 468 1065 499">Salary and Wage Cost Accumulation System (continued)</p> <p data-bbox="337 541 1433 1014">The Grants Office maintains a cost share report that tracks all documented cost share for the University. Each grant that has required cost share (mandatory and voluntary) is identified separately. When a new grant is set up that includes cost share the Manager, Grants and Contracts will send a memo to the grant principal investigator that describes the documentation required for salary and non-salary items. Cost share is documented either by establishing a specific separate “cost share” account in the university financial system and allocating charges to this account that represent cost share for the related grant account or by memos or reports submitted by the department documenting what is included as cost share for the grant. All in-kind salary must be certified by submitting a personnel activity report. This documentation must include detail expenditures and the actual accounts charged. The information submitted by the department will be included in the Grants Office cost share report which is updated and sent out each month to the appropriate department and colleges.</p>	

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2.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Fringe Benefit Costs</p> <p>The following constitute the types of fringe benefits attributable to personal services and directly identified with federally sponsored projects or similar cost objectives:</p> <ul style="list-style-type: none"> <li>* Retirement benefits/pension plans</li> <li>* Health insurance</li> <li>* Medicare/FICA</li> <li>* Unemployment Compensation Insurance</li> <li>* Workman’s Compensation Insurance</li> <li>* Paid Leave</li> <li>* Resident Physician Benefits</li> <li>* Postdoctoral Scholars Benefits</li> </ul> <p><b>I. RETIREMENT</b></p> <p>Academic and administrative faculty employed on “A” or “B” contracts are not covered by Social Security and do not have the usual FICA deduction taken from their paychecks. Instead, each new eligible faculty member must contribute a percentage of their gross salary to one of the Nevada retirement plans beginning immediately with the effective date of their employment</p> <p>The contribution rate is set by state legislature and may be revised at any legislative session. All new faculty members will participate in the Retirement Plan Alternatives (RPA) if they are not already a member of the Nevada Public Employees Retirement System (PERS). All new faculty who participate in the RPA must choose to make their contributions to one of the RPA investment companies, which currently are: Teachers Insurance &amp; Annuity Association (TIAA/CREF), Variable Annuity Life Insurance Company (VALIC), Fidelity Investments, Twentieth Century, and T. Rowe Price. The faculty member can select from one to four companies. However, at least 20% of their contributions must go to each company they choose.</p> <p>The RPA is a “defined contribution” plan, in contrast to the “defined benefit” plan utilized by PERS. The RPA benefits are based on the age at retirement and the value of the employee’s account (which is largely a function of investment results). No minimum retirement age is required to be attained. There are no loans or in-service withdrawals in this plan.</p> <p>The Nevada Cooperative Extension is a three way partnership between the USDA, the State and the University. Faculty members in Nevada Cooperative Extension, who were former USDA employees, may be members of either the Civil Service Retirement System or the Federal Employees Retirement System, as they were given the option of staying under their Federal retirement system when they became university employees.</p>	

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2.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Fringe Benefit Costs (continued)</p> <p>All eligible classified employees shall participate in PERS. Classified employees who participate in PERS are not covered by social security and do not have the usual FICA deduction taken from their paychecks. There are two contribution plans available to certain members of PERS; the employee/employer paid contribution plan and the employer-paid contribution plan. Retirement benefits are the same under either contribution plan.</p> <p>The employee/employer paid contribution plan provides that members will have a retirement contribution deducted from their gross salary and those contributions will be maintained on account at PERS. In the event that the member terminates employment covered by PERS, those contributions, excluding interest, will be available for refund to the member.</p> <p>The employer-paid contribution plan has the gross salary of the employee adjusted downward but does not have a retirement contribution deduction. The university pays the full retirement contribution based on the adjusted gross salary. The contributions paid on the employees behalf are, for the most part, not refundable in the event of termination; however, some exceptions can be made.</p> <p>Persons working less than half-time (below 50% FTE) and temporary employees working less than 120 days are ineligible for retirement membership; however, they are mandated by federal regulations to participate in the Federal Insurance Contributions Act (FICA) by contributing to both social security and Medicare. Student employees and graduate assistants paid from a wages account are exempt from contributing FICA taxes while school is in session under the following conditions: working 20 hours or less per week, and carrying a minimum of 12 undergraduate credit hours or 8 graduate credit hours during the spring and fall semesters, or 3 undergraduate credit hours or 1 graduate credit hour during each summer session.</p> <p><b>II. HEALTH INSURANCE</b></p> <p>An employee must work at least 80 hours per month to be eligible for health insurance coverage.</p> <p>Faculty members under annual contract are eligible for coverage the first of the month coinciding with or following the hire date.</p>	

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2.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Fringe Benefit Costs (continued)</p> <p>Faculty members in Nevada Cooperative Extension who are members of a federal retirement program may continue to participate in the federal health and life insurance programs.</p> <p>For all other employees, coverage is effective the first day of the month coinciding with or following 90 continuous days of employment.</p> <p>There are two types (traditional and health maintenance organizations) of health insurance plans eligible employees can choose from. Both types are 100% employer paid for the employee. An employee may not be covered both as an employee and as a dependent; an employee may only be covered as an employee.</p> <p><b>III. MEDICARE</b></p> <p>On April 7, 1986 the Consolidated Omnibus Budget Reconciliation Act of 1986 went into effect, which requires that all new employees hired on or after April 1, 1986 will be required to contribute to the Medicare program. The new employee and the University System will each be required to contribute 1.45% of the employee's salary or wage (up to a maximum) to the program. The Act does not apply to an employee "who was performing substantial and regular service for remuneration for that employer before April 1, 1986.</p> <p>Students who are enrolled and regularly attending classes and who are employed by the university are entirely exempt from the provisions of the Act, including graduate assistants. All other categories of full or part-time employees, including post-doctoral fellows and medical residents, are covered by the provisions of the Act and would be required to contribute the 1.45% if hired on or after April 1, 1986.</p> <p>It has been determined by our General Counsel that persons who have previously been employed on letters of appointment and who are given new letters of appointment are covered by the Act on the date the new appointment is effective (April 1, 1986 or thereafter). Classified employees on a 480 hour appointment who are rehired on a new 480 hour appointment will also be subject to coverage under the Act at the time the new appointment is effective. Classified and unclassified employees not covered under Medicare who transfer directly to the University System from other <u>State</u> agencies without a break in service will not be considered new employees and will not be required to contribute to the Medicare program.</p>	

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2.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Fringe Benefit Costs (continued)</p> <p><b>IV. FICA</b></p> <p>Generally, wages of an employee of a State or local government are subject to tax under FICA unless the employee is a member of a retirement system maintained by the State or a local government entity whose benefits are equal to or better than those benefits provided by social security.</p> <p>Services performed by student employees of a school, college or university are generally exempt from FICA withholding if the services are performed by a student who is enrolled in the institution and regularly attending classes.</p> <p>In Private Letter Ruling 9332005, the Internal Revenue Service (IRS) determined that students qualify for the FICA exemption if the students are taking at least 12 credit hours in a regular semester and are employed through the financial aid office for 20 hours or less per week. In order to ensure that the students qualify for the exemption, the university should have procedures for monitoring the number of credit hours for which the students are enrolled (i.e., especially after the “drop/add” period) and for monitoring the number of work hours per week.</p> <p>Casual laborers, temporary employees, and classified or faculty employees less than .5 FTE are not covered by PERS or RPA. Therefore, the university has an obligation to withhold FICA for such employee’s services.</p> <p><b>V. UNEMPLOYMENT COMPENSATION INSURANCE</b></p> <p>The unemployment compensation insurance program is a benefit program mandated by the State of Nevada to provide unemployment compensation payments to former employees who qualify. Unemployment claims are made to and paid by the Nevada Employment Security Department, which is responsible for administering the unemployment compensation program for the State of Nevada. The university is assessed a fee by the University and Community College System of Nevada (NSHE), which in turn pays the Nevada Employment security department for the actual claims. The fee charged the university is based on a percentage of payroll and is calculated to produce a reserve to cover two years of claims.</p> <p><b>VI. WORKMEN’S COMPENSATION INSURANCE</b></p> <p>All employees are covered for all medical expenses incurred as a result of an occupational injury or illness and may receive disability payments if they are unable to work for five or more consecutive working days as a result of an on-the-job injury.</p>	

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2.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b> Description of Direct Fringe Benefit Costs (continued)</p> <p><b>VI. WORKMEN'S COMPENSATION INSURANCE (continued)</b></p> <p>The University is assessed a fee by the NSHE, which purchases paid retrospectively-rated policies for each policy year from the Employees Insurance Company of Nevada. The rate is calculated to cover the cost of future claims (determined by an external actuarial firm), to provide for the cost of safety and loss programs at each institution and to provide for future premium increases.</p> <p><b>VII. PAID LEAVE</b></p> <p>In addition to the above benefits, university employees also receive fringe benefits in the form of paid leave. The categories of paid leave eligible to employees are as follows:</p> <ul style="list-style-type: none"> <li>A. University Authorized Holidays</li> <li>B. Vacation/Annual Leave</li> <li>C. Sick Leave - Employee and immediate family</li> <li>D. Child Rearing Leave</li> <li>E. Family and Medical Leave</li> <li>F. Civil Leave - Jury duty or subpoenaed witness</li> <li>G. Military Leave</li> <li>H. Sabbatical Leave</li> <li>I. Administrative Leave</li> <li>J. Payment of unused earned vacation/annual leave upon termination</li> <li>K. Payment of unused earned sick leave in excess of 30 days (only for classified employees with ten or more years of service).</li> </ul> <p><b>VIII. RESIDENT PHYSICIAN BENEFITS</b></p> <p>Group health and life insurance, unemployment compensation coverage, and other group insurance plans will not be provided to resident physicians by the university. Group health and life insurance are provided to resident physicians and their dependents by the School of Medicine on a separate contract to be paid from non-university funds.</p> <p>Resident physicians will participate in a 403(b) retirement plan, with contributions of 6.2% of their salary. This amount will be matched by the university. Resident physicians are covered under the State Industrial Insurance System and are subject to Medicare withholding. Malpractice insurance is provided by the university and/or the Veterans Administration while the resident physicians are on contract with the university. Resident physicians also receive vacation and sick leave accruals at the rate of 1-1/4 days per full month of service. There is no carry-over of leave to the next year.</p>	

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2.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Description of Direct Fringe Benefit Costs (continued)</p> <p><b>IX. POSTDOCTORAL SCHOLARS BENEFITS</b></p> <p>A group health insurance plan is made available to postdoctoral scholars. Postdoctoral scholars are covered under the State Industrial Insurance System and are subject to FICA and Medicare withholdings. Postdoctoral scholars also receive vacation and sick leave accruals at the rate of 1-1/4 days per full month of service. There is no carry-over of leave to the next year.</p>	

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2.6.1	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Method of Charging Direct Fringe Benefits</p> <p>Fringe benefits are allocated to research, instruction, public service or other institutional activities based on the salaries charged to those activities.</p> <p>Retirement, health insurance, and Medicare/FICA fringe benefit costs are charged to sponsored agreements or similar cost objectives by identifying specific benefits to specific individual employees on the basis of actual costs to accounts based on the salary distribution of each employee for each pay period.</p> <p>Unemployment compensation and workmen's compensation insurance are budgeted and charged to all accounts on the basis of fees paid to the NSHE. These fees are based on a percentage of payroll and the rate is determined by the NSHE based on the projected costs of future claims and insurance policies purchased and are applied to all salary and wage expenditures (excluding fringe benefits) made to each applicable account for each pay period.</p> <p>Paid leave benefit costs are charged to sponsored agreements or similar cost objectives when the leave is actually taken. Payment of unused earned vacation/annual leave and sick leave (for classified employees only) upon termination is charged when actually paid and is distributed based on the accounts charged for salary when the leave was accrued. All requests for paid leave to be charged to sponsored agreements will be referred by personnel to the Grants Office for review to determine if the charge is appropriate based on the effort expended on the grant during the time the leave was accrued.</p>	

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2.7.0	<p><b>Revision #3 Effective Date July 1, 2004</b></p> <p>The principal classes of other costs directly charged to federal contracts and grants or similar cost objectives are:</p> <p>Travel: Charged directly based on actual airfare and the more restrictive prescribed State/Federal travel regulation per diem rates for subsistence</p> <p>Contracted Services: Charged directly based on actual costs</p> <p>Subagreements: Charged directly based on actual costs</p> <p>Student Aid: Tuition and a specified portion of registration fees are charged directly based on actual costs when student fees are specifically and separately budgeted for in the grant. The charges are allowed only when there is an employer/employee relationship between the student and the university. The Grants Office receives a list of tuition and fee charges to grants each semester and reviews the grants charged to determine if the student is employed and if there is an approved budget line for the tuition and fee charges.</p> <p>Current Operating Expenses: Supplies, including expendable items with a useful life of one year or less, such as laboratory medical and other technical project supplies are charged directly based on actual costs. Supplies and services provided by university recharge centers (central stores, chemistry stores, lab animal care) are billed based on approved rates. The rates are calculated by the recharge center and the calculation and supporting documentation are submitted to the University Business and Finance Office for review and approval. These recharge rates include allowable costs as defined in OMB circular A-21 and are stated in measurement units of goods or services which most equitably distribute sales and service center costs related to specific goods or services to users.</p> <p>Equipment: Charged directly based on actual costs</p>	

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2.8.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Cost Transfers</p> <p>Credits to Contract or Grant Costs:</p> <p>When federal sponsored agreements or similar cost objectives are credited for direct personal services, materials, or other direct charges, the indirect cost rate remains the same as the one utilized when the original charge was made. This also true even when the charge and credit occur in different cost accounting periods.</p>	

<b>COST ACCOUNTING STANDARDS BOARD  DISCLOSURE STATEMENT  REQUIRED BY PUBLIC LAW 100-679  EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b>
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	<p style="text-align: center;">Instructions for Part III</p> <p>Institution should disclose how the segment's total direct costs are identified and accumulated in specific indirect cost categories and allocated to applicable indirect cost pools and service centers within each major function or activity, how service center costs are accumulated and "billed" to users, and the specific indirect cost pools and allocation bases used to calculate the indirect cost rates that are used to allocate accumulated indirect costs to Federally sponsored agreements or similar final cost objectives. A continuation sheet should be used wherever additional space is required or when a response requires further explanation to ensure clarity and understanding.</p> <p>The following Allocation Base Codes are provided for use in connection with Items 3.1.0 and 3.3.0.</p> <ul style="list-style-type: none"> <li>A. Direct Charge or Allocation</li> <li>B. Total Expenditures</li> <li>C. Modified Total Cost Basis</li> <li>D. Modified Total Direct Cost Basis</li> <li>E. Salaries and Wages</li> <li>F. Salaries, Wages and Fringe Benefits</li> <li>G. Number of Employees (head count)</li> <li>H. Number of Employees (full-time equivalent basis)</li> <li>I. Number of Students (head count)</li> <li>J. Number of Students (full-time equivalent basis)</li> <li>K. Student Hours—classroom and work performed</li> <li>L. Square Footage</li> <li>M. Usage</li> <li>N. Unit of Product</li> <li>O. Total Production</li> <li>P. More than one base (Separate Cost Groupings)<sup>1</sup></li> <li>Y. Others<sup>1</sup></li> <li>Z. Category or Pool not applicable</li> </ul>	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b>																																																	
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3.1.0 Revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><u>Indirect Cost Categories - Accumulation and Allocation.</u> This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> <table style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black; padding: 2px;">Indirect Cost Category</th> <th style="text-align: center; border-bottom: 1px solid black; padding: 2px;">Accumulation Method</th> <th style="text-align: center; border-bottom: 1px solid black; padding: 2px;">Allocation Base Code</th> <th style="text-align: center; border-bottom: 1px solid black; padding: 2px;">Allocation Sequence</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">(a) Depreciation/Use Allowance/Interest</td> <td></td> <td></td> <td style="text-align: center; vertical-align: bottom;">1 <u>CA</u></td> </tr> <tr> <td style="padding: 2px;">    Building</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">L</td> <td></td> </tr> <tr> <td style="padding: 2px;">    Equipment</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">L</td> <td></td> </tr> <tr> <td style="padding: 2px;">    Interest<sup>1</sup></td> <td style="text-align: center;">NA</td> <td style="text-align: center;">Z</td> <td></td> </tr> <tr> <td style="padding: 2px;">(b) Operation and Maintenance</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">L</td> <td style="text-align: center; vertical-align: bottom;">2 <u>CA</u></td> </tr> <tr> <td style="padding: 2px;">(c) General Administration and General Expense</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">C</td> <td style="text-align: center; vertical-align: bottom;">3</td> </tr> <tr> <td style="padding: 2px;">(d) Departmental Administration</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">D</td> <td></td> </tr> <tr> <td style="padding: 2px;">(e) Sponsored Projects Administration</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">C</td> <td></td> </tr> <tr> <td style="padding: 2px;">(f) Library</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">P</td> <td></td> </tr> <tr> <td style="padding: 2px;">(g) Student Administration and Services</td> <td style="text-align: center;">Y</td> <td style="text-align: center;">K</td> <td></td> </tr> <tr> <td style="padding: 2px;">(h) Other<sup>1</sup></td> <td style="text-align: center;">NA</td> <td style="text-align: center;">NA</td> <td></td> </tr> </tbody> </table>			Indirect Cost Category	Accumulation Method	Allocation Base Code	Allocation Sequence	(a) Depreciation/Use Allowance/Interest			1 <u>CA</u>	Building	Y	L		Equipment	Y	L		Interest <sup>1</sup>	NA	Z		(b) Operation and Maintenance	Y	L	2 <u>CA</u>	(c) General Administration and General Expense	Y	C	3	(d) Departmental Administration	Y	D		(e) Sponsored Projects Administration	Y	C		(f) Library	Y	P		(g) Student Administration and Services	Y	K		(h) Other <sup>1</sup>	NA	NA	
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	<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 Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)							
		(1)	(2)	(3)	(4)	(5)	(6)	
	(a)	Scientific Computer Operations	<u>Z</u>	—	—	—	—	
	(b)	Business Data Processing	<u>Z</u>	—	—	—	—	
	(c)	Animal Care Facilities	<u>A</u>	<u>A</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	(d)	<b>Revision effective July 1, 2005</b>						
		Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)						
		<u>Facilities Construction</u>	<u>A</u>	<u>C</u>	<u>D</u>	<u>A</u>	<u>A</u>	<u>B</u>
		<u>Printing Services</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
(1)	<u>Category Code:</u> Use code "A" if the service center costs are billed only as direct costs of final cost objectives; code "B" if billed only to indirect cost categories or indirect cost pools; code "C" if billed to both direct and indirect cost objectives.							
(2)	<u>Burden Code:</u> Code "A" - center receives an allocation of all applicable indirect costs; Code "B" - partial allocation of indirect costs; Code "C" - no allocation of indirect costs.							
(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).							
(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).							
(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.							
(6)	<u>Variance Code:</u> Code "A" - Annual variance between billed and actual cost are prorated to users (as credits or charges); Code "B" - variances are carried forward as adjustments to billing rate of future periods; Code "C" - annual variances are charged or credited to indirect costs; Code "Y" - other (explain on a Continuation Sheet).							

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3.3.0	<p><b>Revision #3 Effective Date July 1, 2004</b>  <u>Indirect Cost Pools and Allocation Bases</u></p> <p>(Identify all of the indirect costs pools established for the accumulation of indirect costs, excluding service centers, and the allocation bases used to distribute accumulated indirect costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable indirect cost pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives.)</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>Indirect Cost Pools</u></th> <th style="text-align: right;"><u>Allocation Base Code</u></th> </tr> </thead> <tbody> <tr> <td colspan="2">A. Instruction</td> </tr> <tr> <td><u>  X  </u> On-Campus</td> <td style="text-align: right;"><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Off-Campus</td> <td style="text-align: right;"><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Other<sup>1</sup></td> <td style="text-align: right;"><u>  Z  </u></td> </tr> <tr> <td colspan="2">B. Organized Research</td> </tr> <tr> <td><u>  X  </u> On-Campus</td> <td style="text-align: right;"><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Off-Campus</td> <td style="text-align: right;"><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Other<sup>1</sup></td> <td style="text-align: right;"><u>  Z  </u></td> </tr> <tr> <td colspan="2">C. Other Sponsored Activities</td> </tr> <tr> <td><u>  X  </u> On-Campus</td> <td style="text-align: right;"><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Off-Campus</td> <td style="text-align: right;"><u>  D  </u></td> </tr> <tr> <td><u>      </u> Other<sup>1</sup></td> <td style="text-align: right;"><u>      </u></td> </tr> <tr> <td colspan="2">D. Other Institutional Activities<sup>1</sup></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>      </u></td> </tr> </tbody> </table>		<u>Indirect Cost Pools</u>	<u>Allocation Base Code</u>	A. Instruction		<u>  X  </u> On-Campus	<u>  D  </u>	<u>  X  </u> Off-Campus	<u>  D  </u>	<u>  X  </u> Other <sup>1</sup>	<u>  Z  </u>	B. Organized Research		<u>  X  </u> On-Campus	<u>  D  </u>	<u>  X  </u> Off-Campus	<u>  D  </u>	<u>  X  </u> Other <sup>1</sup>	<u>  Z  </u>	C. Other Sponsored Activities		<u>  X  </u> On-Campus	<u>  D  </u>	<u>  X  </u> Off-Campus	<u>  D  </u>	<u>      </u> Other <sup>1</sup>	<u>      </u>	D. Other Institutional Activities <sup>1</sup>			<u>      </u>
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3.4.0	<p><u>Composition of Indirect Cost Pools.</u> (For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, subgroupings of expenses, and elements of cost included.)</p>																															
3.5.0	<p><u>Composition of Allocation Bases.</u> (For each allocation base code used in Items 3.1.0 and 3.3.0, describe on a continuation sheet the makeup of the base. For example, if a modified total direct cost base is used, specify which of the elements of direct cost identified in Part II, Direct Costs, that are included, e.g., materials, salaries and wages, fringe benefits, travel costs, and excluded, e.g., subcontract costs over first \$25,000. Where applicable, explain if service centers are included or excluded. Specify the benefiting functions and activities included. If any cost objectives are excluded from the allocation base, such cost objectives and the alternate allocation method used should be identified. If an indirect cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study.)</p>																															

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

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3.6.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p><u>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</u> Are appropriate direct costs of all programs and activities included in the indirect cost allocation bases, regardless of whether allocable indirect costs are fully reimbursed by the sponsoring organizations?</p> <p>A.    <u>  X  </u>    Yes</p> <p>B.    <u>      </u>    No<sup>1</sup></p>	

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

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3.1.0 Revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Indirect Cost Categories - Accumulation and Allocation</p> <p><b>I. Capital Improvements to Land</b></p> <p>Capital Improvements to Land are separately identified and recorded in the university accounting system annually. Depreciation is calculated using a fifteen year useful life with no salvage value. The calculated depreciation is allocated to benefiting functions on a full-time equivalent basis among students and employees. The amount allocated to the student category is assigned to the instruction direct cost function. The amount allocated to the employee category is allocated to the major functions of the university in proportion to the salaries and wages of all employees applicable to those functions. Depreciation for certain specific improvements to land are allocated to benefiting functions on the basis of exclusive use of that improvement.</p> <p><b>II. Library Costs-Revised</b></p> <p>Library costs are separately identified, recorded, and accumulated in the university accounting system. They are allocated to the benefiting functions first on a full time equivalent basis among undergraduate students, graduate students and professional faculty and staff and all other users of library facilities. The amount allocated to the undergraduate student category is further allocated to the instruction direct cost function. The amount allocated to the graduate students is further allocated to instruction, organized research and other sponsored activities on the basis of graduate student working and classroom hours. The amount allocated to professional, faculty and staff is further allocated to instruction, organized research and other sponsored programs on the basis of salaries of the professional faculty and staff by function. The amount allocated to community users is further allocated to the other institutional activities direct cost pool.</p>	

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3.4.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Composition of Indirect Cost Pools</p> <p><b>I. Depreciation/Use Allowances/Interest Building Depreciation</b></p> <p>Buildings consist of all university structures used for operating purposes and include all permanently attached fixtures, machinery and other components that cannot be removed without damaging the buildings. If a component can be removed without damaging the building, it is considered equipment and is not included in the cost of the building. The costs of buildings includes all direct cost of construction including building improvements. Building improvements consist of any significant structured changes including major remodeling, or major repairs or replacements to a building that increases the asset life. A significant structural change is one whose cost is in excess of 5% of the current building value as determined by the university Physical Plant department. The cost of new building's or building improvements are added to the fixed asset inventory subsystem of the financial accounting system annually. Depreciation is calculated by the financial accounting system based on a useful of 40 years for buildings, or on the basis of the remaining useful life of buildings for building improvements, using a salvage value of 5%. Depreciation on buildings or building improvements purchased with federal funds or acquired from federal sources is not included.</p> <p><b>II. Depreciation/Use Allowances/Interest Equipment Depreciation</b></p> <p>Equipment includes all tangible nonexpendable personal property having a useful life of more than one year, and an acquisition cost of \$2,000 or more per unit. Equipment is inventoried at cost and entered in the fixed asset subsystem of the university's financial accounting system, when it is acquired and paid for. Depreciation is calculated by the financial accounting system based on useful lives of 5 to 10 years for different classes of equipment as defined in IRS Publication 534 "Depreciation" and a salvage value of 5%. Depreciation on equipment purchased with or acquired from federal sources is not included in the equipment depreciation indirect cost category.</p> <p><b>III. Depreciation/Use Allowance/Interest Capital Improvements to Land Depreciation</b></p> <p>Capital improvements to land includes the cost of improvements such as streets, pavements, bridges, landscaping, utility distribution systems including major renovation and repair or replacement of the same. The cost of capital improvements to land are added to the fixed assets inventory subsystem of the university's financial accounting system annually. Depreciation is calculated by the financial accounting system on the basis of a fifteen year useful life with no salvage value.</p>	

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3.4.0 Revised	<p><b>Revision # 3 Effective Date July 1, 2004</b> Composition of Indirect Cost Pools (continued)</p> <p><b>IV. Operation and Maintenance</b></p> <p>Operation and maintenance costs include all costs of our main Reno campus incurred for the administration, supervision, operation, maintenance, preservation and protection of the university's physical plant. They include such items as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture and equipment; care of the grounds; maintenance and operation of buildings and other plant facilities; security including the university police and property insurance. Unreimbursed operation and maintenance costs of our Stead campus were allocated to other sponsored activities and other institution activities conducted at that campus.</p> <p><b>V. General Administration and General Expense-Revised</b></p> <p>General administration and general expense includes allowable expenditures which benefit all functions of the university that have been incurred in performing executive, managerial, and supervisory activities related to the institutional administration, such as preparing institution wide budgets, administering personnel policies, purchasing, accounting payroll facilities management, communications, fidelity and liability insurance, radiological and toxicological safety, campus computing services and affirmative action. The university organizational units included in the general administration and general expense indirect cost category are the President's Office, Executive Vice President and Provost, Planning, Budget, and Analysis, Human Resources, Facilities Management, University Relations, Information Technology, Faculty Senate, Mail Services and Affirmative Action.</p> <p>In addition the general administration and general expense indirect cost category includes an allocation of general administrative and general expenses incurred by the Nevada System of Higher Education System Administration (NSHE) which includes the Chancellor's Office and System Computing Services; expenses incurred by the Business Center North function, which provides purchasing, fix asset management, payroll and state classified personnel and administrative services to other institutions within the NSHE; and expenses incurred by the University of Nevada, Reno Controller's Office which provides accounting support services to both the university and NSHE System Administration. Business Center North general and administrative expenses are allocated to all institutions of the NSHE it services on the basis of operating expenses of those benefiting institutions. Chancellor's Office general administration expenses including system administration, Board of Regents, general counsel, internal audit, finance and administration are allocated to all institutions of the NSHE on the basis of operating expenses.</p>	

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3.4.0 Revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Composition of Indirect Cost Pools (continued)</p> <p>System Computing Services expenses include administrative computing services and are allocated to all institutions of the <b>NSHE</b> on the basis of benefiting institution usage statistics. Controller's Office expenses are allocated to the University of Nevada, Reno and NSHE System Administration on the basis of operating expenses.</p> <p>The general administration and general expense indirect cost pool also includes its allowable share of operation and maintenance expenses and depreciation expense.</p> <p><b>VI. Departmental Administration</b></p> <p>Departmental administration is composed of dean's office expense, departmental support costs and an allowance for administrative effort of faculty department heads and other professional staff conducting research, instruction and other sponsored activities. The allowance is 3.6% of modified total direct costs.</p> <p>Dean's office expenses attributable to their administrative functions were allocated to departments on the basis of modified total direct costs. Departmental support costs include salaries, wages and fringe benefits of clerical and administrative classified employees along with general operating expenses which jointly benefit all functions of each department.</p> <p>The department administration indirect cost pool also includes its allowable share of general administration and general expenses, operation and maintenance expenses and depreciation expense.</p> <p><b>VII. Sponsored Projects Administration-Revised</b></p> <p>Sponsored Projects administration costs include salaries and fringe benefits and operating costs of the Vice President for Research, Office of Sponsored Projects, Center for Research Design and Statistics, Technology Transfer, and Human Research Protection.</p> <p>The sponsored projects administration indirect cost pool also includes its allocable share of general administration and general expenses, operation and maintenance expense and depreciation expense.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
3.4.0 Revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Composition of Indirect Cost Pools (continued)</p> <p><b>VIII. Library-Revised</b></p> <p>The cost components of the library indirect cost pool consist of those expenses that have been incurred for the operation of the libraries, including salaries, wages and fringe benefits, library book depreciation and the non-capitalized cost of books and library materials purchased for the library.</p> <p>This indirect cost pool also includes its allowable share of general administration and general expenses, operation and maintenance expenses and depreciation expense.</p> <p><b>Student Administration and Services-Revised</b></p> <p>The cost components of the student administration and services indirect cost pool consist of those that have been incurred for the administration of student affairs and for services to students. The university's organizational units that are included in the student administration and services indirect cost pool are the, Vice- President for Student Services, Admissions and Records, Outreach Services, Student Financial Services, Student Judicial Services, Escort Services, Student Development, Academic Support Services, Academic Advisement and Counseling Services, and the Student Affairs Office of the School of Medicine. In addition, costs incurred for catalogs and schedules are included in this indirect cost pool. This indirect cost pool also includes it's allocable share of general administration and general expenses, operation and maintenance expenses and depreciation expense.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
3.5.0 revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Composition of Allocation Bases</p> <p><b>I. Depreciation/Use Allowances/Interest Building Depreciation Allocation Base Code-L-Square Footage</b></p> <p>Building depreciation expense is allocated to the major activities based on net usable square footage data obtained from the space inventory which is maintained by the office of Facilities Services. Building depreciation is allocated building by building on the basis of net usable square footage of major activities performed in each building. Space surveys will be conducted in the academic departments to verify actual space utilization in the base year of each Facilities and Administration cost rate proposal.</p> <p>Building depreciation for College of Agriculture buildings, whose space is initially allocated to the research function, is further allocated between research and other sponsored activities on the basis of modified total costs related to the College of Agriculture research function and the College of Agriculture Experiment Station because of the inability to identify building use for either function specifically.</p> <p><b>II. Depreciation/Use Allowances/Interest Equipment Depreciation Allocation Base Code-L-Square Footage</b></p> <p>Equipment depreciation expense is allocated to the major activities based on net usable square footage data obtained from the space inventory which is maintained by the office of Facilities Services. Equipment depreciation is allocated building by building on the basis of net usable square footage of major activities performed in each building. Space surveys will be conducted in the academic departments to verify actual space utilization in the base year of each Facilities and Administrative rate proposal cost rate.</p> <p><b>III. Depreciation/Use Allowances/Interest Capital Improvements To Land Depreciation Allocation Base-P-More Than One Base</b></p> <p>Capital improvements to land depreciation is allocated to benefiting functions on a full-time equivalent basis of students and employees. The amount allocated to the employee category is in turn allocated to the major functions of the university in proportion to the salaries and wages of all employees applicable to those functions. Depreciation for certain specific improvements to land are allocated to benefiting functions on the basis of exclusive use of that improvement.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
3.5.0 revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Composition of Allocation Bases</p> <p><b>IV. Operation and Maintenance-Revised Allocation Base Code-L-Square Footage</b></p> <p>Operation and maintenance expense for the Reno campus is allocated to the major activities based on net usable square footage data obtained from the space inventory which is maintained by the office of Facilities Services. Square footage is adjusted to eliminate space occupied by activities charged directly for operation and maintenance expenditures including the ASUN Bookstore, Wolfs Den snack bar, residence halls, dining commons, Lawlor Events Center, the University Inn, the University Press and System Computing Services.</p> <p><b>V. Departmental Administration Allocation Base Code-D-Modified Total Direct Cost Basis</b></p> <p>Departmental administration costs are allocated to the direct cost functions of each department on the basis of modified total direct costs by function. Modified total direct costs consist of salaries and wages, fringe benefits, materials and supplies, services, travel and subgrants and subcontracts up to \$25,000 each.</p> <p><b>VI. General Administration and General Expense-Revised Allocation Base Code-D-Modified Total Cost Basis</b></p> <p>General administration and general expense costs are allocated to benefiting functions based on the basis of modified total cost by function. Modified total costs consist with salaries and wages, fringe benefits, materials and supplies, services, travel and subgrants and subcontracts up to \$25,000 each.</p> <p><b>VII. Sponsored Projects Administration-Revised Allocation Base Code-D-Modified Total Cost Basis</b></p> <p>Sponsored projects administration costs are allocated to all benefiting functions on the basis of modified total costs consisting of salaries and wages, fringe benefits, materials and supplies, services, travel and subgrants and subcontracts up to \$25,000 each.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
3.5.0 revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Composition of Allocation Bases (continued)</p> <p><b>Library-Revised</b> <b>Allocation Base Code-P-More Than One Base</b></p> <p>Library costs are allocated to the benefiting functions first on a full-time equivalent basis among undergraduate students, graduate students and professional faculty and staff and all other users of library facilities. The amount allocated to the undergraduate student category is further allocated to the instruction direct cost function. The amount allocated to graduate students is further allocated to instruction, organized research and other sponsored activities on the basis of graduate student working and classroom hours. The amount allocated to professional faculty and staff is further allocated to instruction; organized research and other sponsored programs on the basis of salaries of the professional faculty and staff by function. The amount allocated to community users is further allocated to the other institutional activities direct cost pool.</p> <p><b>Student Administration and Services</b> <b>Allocation Base Code-K-Student Hours - Classroom and Work Performed</b></p> <p>An analysis of the financial records is done to estimate the total hours worked by students on the various functions. Total wages of graduate students by function are divided by an average graduate student wage to estimate the total hours worked by graduate students by function. Total wages of undergraduate students by function are divided by an average undergraduate student wage to estimate the total hours worked by undergraduate students by function. Student credits are taken from enrollment reports and an extension was made to arrive at total estimated student classroom hours. The estimated classroom hours are added to the estimated working hours for the instruction function. Student administration and services costs are then allocated to the instruction function on the basis of instruction student working hours and total student classroom hours as a percentage of total student working and classroom hours. Student administration and services costs are allocated to all other direct cost functions on the basis of student working hours by function, other than instruction; as a percentage of total student working and classroom hours.</p>	

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART IV - DEPRECIATION AND USE ALLOWANCES</b>																																																							
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4.1.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p style="text-align: center;">Part IV</p> <p><b>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</b> (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use allowances are applied to property units; and Code A or B in Column (4) indicating whether or not the estimated residual value is deducted from the total cost of depreciable assets. Enter Code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 45%; text-align: left;">Asset Category</th> <th style="width: 10%; text-align: center;">Depreciation Method (1)</th> <th style="width: 10%; text-align: center;">Useful Life (2)</th> <th style="width: 10%; text-align: center;">Property Unit (3)</th> <th style="width: 10%; text-align: center;">Residual Value (4)</th> </tr> </thead> <tbody> <tr> <td>(a) Land Improvements</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(b) Buildings</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> </tr> <tr> <td>(c) Building Improvements</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> </tr> <tr> <td>(d) Leasehold Improvements</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> </tr> <tr> <td>(e) Equipment</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> </tr> <tr> <td>(f) Furniture and Fixtures</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> </tr> <tr> <td>(g) Automobiles and Trucks</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> </tr> <tr> <td>(g) Tools</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>A</u></td> </tr> <tr> <td>(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. Otherwise enter Code Z.)</td> <td style="text-align: center;"><u>Z</u></td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table> <table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><u>Column (1) - Depreciation Method Code</u></p> <p>A. Straight Line            B. Expensed at Acquisition            C. Use Allowance            Y. Other or more than one method<sup>1</sup></p> <p><u>Column (3) - Property Unit Code</u></p> <p>A. Individual units are accounted for separately            B. Applied to groups of assets with similar service lines            C. Applied to groups of assets with varying service lives            Y. Other or more than one method<sup>1</sup></p> </td> <td style="width: 50%; vertical-align: top;"> <p><u>Column (2) - Useful Life Code</u></p> <p>A. Replacement Experience            B. Term of Lease            C. Estimated service life            D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21            Y. Other or more than one method<sup>1</sup></p> <p><u>Column (4) - Residual Value Code</u></p> <p>A. Residual value is deducted            B. Residual value is not deducted            Y. 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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCES NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
	<b>Revision # 3 Effective Date July 1, 2004</b>	
4.1.1	<p>Asset Valuations and Useful Lives. Are the asset valuations and useful lives used in your indirect cost proposal consistent with those used in the institution's financial statements? (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No<sup>1</sup></p>	
4.2.0	<p><u>Fully Depreciated Assets.</u> Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.)</p> <p>A. <input type="checkbox"/> Yes B. <input checked="" type="checkbox"/> No</p>	
4.3.0	<p><u>Treatment of Gains and Losses on Disposition of Depreciable Property.</u> Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. <input 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 checked="" type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <input type="checkbox"/> Not accounted for separately, but reflected in the depreciation reserve account Y. <input type="checkbox"/> Others<sup>1</sup> 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>\$2,000</u> B. Minimum Life Years            <u>1</u></p>	
4.5.0	<p><u>Group or Mass Purchase.</u> Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.)</p> <p>A. <input type="checkbox"/> Yes<sup>1</sup> B. <input checked="" type="checkbox"/> No</p>	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>CONTINUATION SHEET</b>
		<b>NAME OF REPORTING UNIT University of Nevada, Reno</b>
Item No.	Item Description	
4.4.0	<p data-bbox="337 428 829 459"><b>Revision # 3 Effective Date July 1, 2004</b></p> <p data-bbox="337 489 667 520">Criteria for Capitalization</p> <p data-bbox="337 564 1435 894">The university's current threshold for capitalization of the majority of capital assets is \$2,000. All land, building and building improvement costs are capitalized and are generally significantly greater than \$2,000. Building improvements consist of significant structural changes including major remodeling, or major repairs or replacements to a building that increase the asset life and whose cost is in excess of 5% of the current building value as determined by the university Physical Plant department. Improvements to land other than buildings includes streets, payments, landscaping and utility distribution systems including major renovation and repair or replacement of the same and are capitalized when costs exceed \$25,000.</p>	

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART V - OTHER COSTS AND CREDITS</b>
		<b>NAME OF REPORTING UNIT</b> <b>University of Nevada, Reno</b>
Item No.	Item Description	
	<b>Revision # 3 Effective Date July 1, 2004</b>	
	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            B.    <input type="checkbox"/>    Accrual<sup>1</sup></p>	
5.2.0	<p><u>Applicable Credits.</u> This item is directed at the treatment of "applicable credits" as defined in Section C of Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A.    <input checked="" type="checkbox"/>    The credits/receipts are offset against the specific direct or indirect costs to which they relate.            B.    <input type="checkbox"/>    The credits/receipts are handled as a general adjustment to the indirect pool.            C.    <input type="checkbox"/>    The credits/receipts are treated as income and are not offset against costs.            D.    <input type="checkbox"/>    Combination of methods<sup>1</sup>            Y.    <input type="checkbox"/>    Other<sup>1</sup></p>	

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

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
5.2.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Applicable credits</p> <p><u>Stale dated checks</u>-All checks will be considered stale dated after they have been outstanding for a period in excess of six months of their issue date. Stale dated checks will be removed from the bank outstanding check list and put into a liability account for stale dated checks. This will be done on a monthly basis.</p> <p>The liability account will be reviewed quarterly to determine the checks drawn from grant accounts. A list of these checks will be submitted to the Grants Office for review to determine if the account is still active. If the grant is still active the check will be transferred back to that account. If the grant account is closed the check will be deposited to the unclaimed property-grants and contracts account. The balance in this account will be forwarded to the appropriate granting agency every 6 months.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS NAME OF REPORTING UNIT												
Item No.	Item Description													
	<b>Revision # 3 Effective Date July 1, 2004</b>													
	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 IV. (See item 4, page (i), General Instructions)</p>													
6.1.0	<u>Pension Plans.</u>													
6.1.1 revised	<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="text-align: left; width: 5%;"></th> <th style="text-align: left; width: 70%;"><u>Type of Plan</u></th> <th style="text-align: right; width: 25%;"><u>Number of Plans</u></th> </tr> </thead> <tbody> <tr> <td>A.</td> <td><input checked="" type="checkbox"/> Institution employees participate in State/Local Government Retirement Plan(s)</td> <td style="text-align: right;">2</td> </tr> <tr> <td>B.</td> <td><input checked="" type="checkbox"/> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution</td> <td style="text-align: right;">1 plan 3 vendors</td> </tr> <tr> <td>C.</td> <td><input type="checkbox"/> Institution has its own Defined-Contribution Plan(s)<sup>1</sup></td> <td style="text-align: right;">_____</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)	2	B.	<input checked="" type="checkbox"/> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	1 plan 3 vendors	C.	<input type="checkbox"/> Institution has its own Defined-Contribution Plan(s) <sup>1</sup>	_____
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B.	<input checked="" type="checkbox"/> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	1 plan 3 vendors												
C.	<input type="checkbox"/> Institution has its own Defined-Contribution Plan(s) <sup>1</sup>	_____												
6.1.2	<p>Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)</p>													
6.2.0	<p><u>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits)(PRBs).</u> (Identify on a continuation sheet all PRB plans whose costs are charged to Federally sponsored agreements. For each plan listed, state the plan name and indicate the approximate number and type of employees covered by each plan.)</p> <p>Z. [ X ] Not Applicable</p>													

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

<b>COST ACCOUNTING STANDARDS BOARD  DISCLOSURE STATEMENT  REQUIRED BY PUBLIC LAW 100-679  EDUCATIONAL INSTITUTIONS</b>		<b>PART VI - DEFERRED COMPENSATION AND  INSURANCE COSTS</b>
		<b>NAME OF REPORTING UNIT  University of Nevada, Reno</b>
Item No.	Item Description	
	<b>Revision # 3 Effective Date July 1, 2004</b>	
6.2.1	Determination of Annual PRB Costs. (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices uses, 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.)	
6.3.0	<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>A. <input type="checkbox"/> When accrued (book accrual only)</p> <p>B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund</p> <p>C. <input checked="" type="checkbox"/> When contributions are made to a forfeitable fund</p> <p>D. <input type="checkbox"/> When the benefits are paid to employee</p> <p>E. <input type="checkbox"/> When amounts are paid to an employee welfare plan</p> <p>Y. <input type="checkbox"/> Other or more than one method<sup>1</sup></p> <p>Z. <input type="checkbox"/> Not Applicable</p>	
6.4.0	<u>Self-Insurance Programs (Worker's Compensation, Liability and Casualty Insurance.)</u>	
6.4.1	Worker's Compensation and Liability. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) <p>A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves)</p> <p>B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability</p> <p>C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability</p> <p>D. <input checked="" type="checkbox"/> When funds are set aside or contributions are made to a fund</p> <p>Y. <input type="checkbox"/> Other or more than one method<sup>1</sup></p> <p>Z. <input type="checkbox"/> Not Applicable</p>	
6.4.2	Casualty Insurance. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) <p>A. <input type="checkbox"/> When losses are incurred (no provision for reserves)</p> <p>B. <input checked="" type="checkbox"/> When provisions for reserves are recorded based on replacement costs</p> <p>C. <input type="checkbox"/> When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles.</p> <p>D. <input type="checkbox"/> Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves)</p> <p>Y. <input type="checkbox"/> Other or more than one method<sup>1</sup></p> <p>Z. <input type="checkbox"/> Not Applicable</p>	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VII - CENTRAL SYSTEM OR GROUP EXPENSES</b>
		<b>NAME OF REPORTING UNIT University of Nevada, Reno</b>
Item No.	Item Description	
	<p style="text-align: center;">DISCLOSURE BY CENTRAL SYSTEM OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE.</p> <p style="text-align: center;">Instructions for Part VII</p> <p>This part should be completed <u>only</u> by the central system office or a group office of an educational system when that office is responsible for administering two or more segments, where it allocates its costs to such segments and where at least one of the segments is required to file Parts I through VI of the Disclosure Statement.</p> <p>The reporting unit (central system or group office) should disclose how costs of services provided by the reporting unit are, or will be, accumulated and allocated to applicable segments of the institution. For a central system office, disclosure should cover the entire institution. For a group office, disclosure should cover all of the subordinate organizations administered by that group office.</p>	
7.1.0	<p><u>Organizational Structure.</u></p> <p>On a continuation sheet, list all segments of the university or university system, including hospitals, Federally Funded Research and Development Centers (FFRDC's), Government-owned Contractor-operated (GOCO) facilities, and lower-tier group offices serviced by the reporting unit.</p>	
7.2.0	<p><u>Cost Accumulation and Allocation.</u></p> <p>On a continuation sheet, provide a description of:</p> <ul style="list-style-type: none"> <li>A. The services provided to segments of the university or university system (including hospitals, FFRDC's, GOCO facilities, etc.), in brief.</li> <li>B. How the costs of the services are identified and accumulated.</li> <li>C. The basis used to allocate the accumulated costs to the benefitting segments.</li> <li>D. Any costs that are transferred from a segment <u>to</u> the central system office or the intermediate administrative office, and which are reallocated to another segment(s). If none, so state.</li> <li>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.</li> </ul>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
7.1.0 revised	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Organizational Structure</p> <p>The Nevada System of Higher Education (NSHE) is comprised of the following entities:</p> <ul style="list-style-type: none"> <li>University of Nevada, Reno</li> <li>University of Nevada, Las Vegas</li> <li>Desert Research Institute</li> <li>Community College of Southern Nevada</li> <li>Truckee Meadows Community College</li> <li>Western Nevada Community College</li> <li>Great Basin College</li> <li>System Administration</li> <li>Nevada State College</li> </ul>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
		NAME OF REPORTING UNIT University of Nevada, Reno
Item No.	Item Description	
7.2.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Cost Accumulation and Allocation</p> <p>I. System Administration provides administrative services to all institutions within the NSHE. Services are provided by both the Chancellor's Office and System Computing Services. The Chancellor's Office provides general administrative services including general counsel, internal audit, external relations, banking and investments, budgeting and finance, academic planning and policies. System Computing Services provide academic and administrative computing support, however, only administrative computing costs are allocated.</p> <p>Shared services are also provided by Cost Centers located in the Northern and Southern parts of the state (Business Center North - BCN and Business Center South - BCS). The shared services provided include:</p> <ul style="list-style-type: none"> <li>Payroll Services</li> <li>Purchasing Services</li> <li>Personnel Services</li> </ul> <p>II. System costs are accumulated via direct charging to separately identified accounts for System Administration including separate accounts for the Chancellor's Office and for System Computing Services administrative computing. The costs are also accumulated via direct charging to separately identified accounts for Business Center North on the books of the University of Nevada, Reno and for Business Center South on the books of the University of Nevada, Las Vegas. Equipment depreciation and building depreciation for System Administration and Business Center North activities derived from the fixed asset subsystem of the financial accounting system are added to the costs accumulated via direct costing.</p>	
revised	<p>III. BCN costs are allocated to all institutions in the northern part of the state on the basis of total current fund expenditures of each institution, the number of employees at each institution and the purchasing activity count for each institution. Chancellor's Office costs are allocated to all institutions in the NSHE on the basis of total current fund expenditures of each institution. System Computing Services Administrative Computing costs are allocated to all institutions on the basis of FTE for both students and employees at each institution.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET
Item No.	Item Description	
7.2.0	<p><b>Revision # 3 Effective Date July 1, 2004</b></p> <p>Cost Accumulation and Allocation (continued)</p> <p>IV. There are not costs transferred from a segment to the central system office or the intermediate administration office which are reallocated to other segments.</p> <p>V. There are no fixed management fees that are charged to a segment in lieu of a proration or allocation basis and the basis of such charges.</p> <p>VI. System Administration manages pools established for payment of unemployment and workers' compensation claims for all institutions that are part of the system. Each institution in the system is assessed a fee to cover unemployment and workers compensation costs. The System then pays the Nevada Employment Security Department for actual unemployment claims and purchases insurance to cover workers' compensation claims. (See Section 2.60 for description of these fees)</p>	

