

**Cost Accounting Standards Board  
Resubmitted Disclosure Statement  
(CASB DS-2)**

**For  
Temple University of the  
Commonwealth System of  
Higher Education**

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		INDEX  Temple University (University Segment)
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COST ACCOUNTING STANDARDS BOARD  
DISCLOSURE STATEMENT  
REQUIRED BY PUBLIC LAW 100-679  
EDUCATIONAL INSTITUTIONS

GENERAL INSTRUCTIONS  
Temple University (University Segment)

1. This Disclosure Statement has been designed to meet the requirements of Public Law 100-679, and persons completing it are to describe the educational institution and its cost accounting practices. For complete regulations, instructions and timing requirements concerning submission of the Disclosure Statement, refer to Section 9903-202 of Chapter 99 of Title 48 CFR (48 CFR 9903).

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

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

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

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

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

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

COST ACCOUNTING STANDARDS BOARD  
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EDUCATIONAL INSTITUTIONS

GENERAL INSTRUCTIONS  
Temple University (University Segment)

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

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

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

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

ATTACHMENT – Blank Continuation Sheet

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

COVER SHEET AND CERTIFICATION  
Temple University (University Segment)

0.1

Educational Institution

- (a) Name Temple University (University Segment)
- (b) Street Address 1805 N. Broad Street (038-17)
- (c) City, State and ZIP Code Philadelphia, Pennsylvania 19122-6094
- (d) Division or Campus of Temple University of the Commonwealth System  
(if applicable) of Higher Education

0.2

Reporting Unit is: (Mark one.)

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

0.3

Official to Contact Concerning this Statement:

- (a) Name and Title Timothy C. O'Rourke  
Associate Vice President and Controller
- (b) Phone Number (include area code and extension) (215) 204-7366

0.4

Statement Type and Effective Date:

- A. (Mark type of submission. If a revision, enter number)
- (a)  Original Statement Resubmission
- (b)  Amended Statement; Revision No. \_\_\_\_\_
- B. Effective Date of this Statement: (Specify) July 1, 1997

0.5

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

- A. Cognizant Federal Agency: Department of Health and Human Services  
Washington, D.C. 20201  
(202) 401-2751
- B. Cognizant Federal Auditor: Department of Health and Human Services  
Regional Inspector General for Audit  
P.O. Box 13716  
Philadelphia, Pennsylvania 19101

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: March 9, 2001

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

Martin S. Dorph  
(Print or Type Name)

Vice President, Chief Financial Officer & Treasurer  
(Title)

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

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I – GENERAL INFORMATION
		NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Item Description	
	Part I	
1.1.0	<p><u>Description of Your Cost Accounting System</u> for recording expenses charged to Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A.     <input checked="" type="checkbox"/> Accrual</p> <p>B.     <input type="checkbox"/> Modified Accrual Basis <u>1/</u></p> <p>C.     <input checked="" type="checkbox"/> Cash Basis</p> <p>Y.     <input type="checkbox"/> Other <u>1/</u></p>	
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting.</u> The cost accounting system is: (Mark one. If B or C is marked, describe on a continuation sheet the costs which are accumulated on memorandum records.)</p> <p>A.     <input type="checkbox"/> Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.)</p> <p>B.     <input type="checkbox"/> Not integrated with financial accounting records (Cost data are accumulated on memorandum records.)</p> <p>C.     <input checked="" type="checkbox"/> Combination of A and B</p>	
1.3.0	<p><u>Unallowable Costs.</u> Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)</p> <p>A.     <input type="checkbox"/> Specifically identified and recorded separately in the formal financial accounting records. <u>1/</u></p> <p>B.     <input type="checkbox"/> Identified in separately maintained accounting records or workpapers. <u>1/</u></p> <p>C.     <input type="checkbox"/> Identifiable through use of less formal accounting techniques that permit audit verification. <u>1/</u></p> <p>D.     <input checked="" type="checkbox"/> Combination of A, B or C. <u>1/</u></p> <p>E.     <input type="checkbox"/> Determinable by other means. <u>1/</u></p> <p><u>1/</u> Describe on a Continuation Sheet.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART I – GENERAL INFORMATION NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Item Description	
1.3.1	<p>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.)</p>	
1.4.0	<p><u>Cost Accounting Period:</u> <u>7/1 to 6/30</u> (Specify the twelve month period used for the accumulation and reporting of costs under Federally sponsored agreements, e.g., 7/1 to 6/30. If the cost accounting period is other than the institution's fiscal year used for financial accounting and reporting purposes, explain circumstances on a continuation sheet.)</p>	
1.5.0	<p><u>State Laws or Regulations.</u> Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.</p> <p>NONE</p>	
	<p>1/ Describe on a Continuation Sheet.</p>	



COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART 1 – GENERAL INFORMATION
		NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Description	
1.1.0	<p>Description of Your Cost Accounting System</p> <p>Temple University's cost accounting system is maintained by an integrated financial accounting system. The financial records of the University are maintained in accordance with the standards prescribed by the Financial Accounting Standards Board (FASB). Except for compensated absences and severance pay, the University uses an accrual basis for recording expenses charged to federal agreements.</p>	
1.2.0	<p>Integration of Cost Accounting with Financial Accounting</p> <p>The Cost Accounting system is integrated with the financial accounting system except for the following:</p> <ol style="list-style-type: none"> <li>1. In Fiscal Year 1997 the University adopted an equipment capitalization threshold of \$2,500 in accordance with an agreement with our cognizant agency. Those assets under the threshold will continue to be depreciated in the Financial Accounting System, but will be excluded from depreciation or use allowance in the Facilities and Administrative Rate Proposal.</li> <li>2. Memorandum records are used to separate Departmental Administration from Instruction and Departmental Research.</li> <li>3. Memorandum records are also used to develop cost sharing information.</li> <li>4. Memorandum records are also used to determine the departmental administration cost of faculty.</li> <li>5. Memorandum records are used for Service Center billing systems.</li> <li>6. Memorandum records are used to develop the allocation of Operation and Maintenance cost to individual buildings.</li> </ol>	
1.3.0	<p>Unallowable Costs</p> <p>A. Specifically Identified and Recorded Separately in the Formal Financial Accounting Records.</p> <p>Expressly unallowable costs as defined by OMB Circular A-2 1, Section J, are identified and accumulated in the formal accounting records of the University using designated center or account codes, or a combination thereof.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET Part I –General Information Continuation Sheet
		NAME OF REPORTING UNIT Temple University (University Segment)
ITEM NO.	DESCRIPTION	
1.3.1	<p>B. Identified in Separately Maintained Accounting Records or Work Papers.</p> <p>OMB Circular A-2 1, Section J, identifies specific activities that are unallowable and which must be excluded during the preparation of the University's facilities and administrative rate proposal. Many of these 'activities are necessary for the operation of an educational institution and are supported by the University's operations and recognized in the accounting' records. These types of unallowable activities, such as fund raising, are excluded in their entirety by classifying them with the other unallowable expenses in Other Institutional Activities. These adjustments are made as part of the facilities and administrative rate determination study. Appropriate accounting records and supporting documents are maintained for audit and review purposes.</p> <p>C. Use of Less Formal Accounting Techniques</p> <p>During the preparation of the facilities and administration rate proposal, the formal accounting records are further reviewed to ensure that all unallowable costs, have been properly identified.</p> <p>Treatment of Unallowable Costs</p> <p>Cost Pools</p> <p>The costs of unallowable activities (e.g., fund-raising), are not charged to any sponsored agreement as either a direct or indirect cost. These costs are either treated as part of Other Institutional Activities for determining facilities and administration rates, or included in an administrative pool which is not allocated to sponsored agreements.</p> <p>Unallowable expenses of allowable indirect activities (e.g., housing furnished to officers of the institution) are excluded from indirect cost pools.</p> <p>The limitation on administrative cost reimbursement described in OMB Circular A-2 1, Section G.7.a. (the 26% cap) does not affect the allocation of administrative costs in the University's cost accounting system; however, it does affect the indirect cost reimbursement rates applied to sponsored agreements.</p> <p>Costs which are normally included in an indirect allocation base will remain in that base for rate calculations and allocations, without regard to their allowability on sponsored agreements.</p> <p>End of Part I</p>	

COST ACCOUNTING IDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II- DIRECT COSTS
		NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Item Description	
	<p>Instructions for Part II</p> <p>Institutions should disclose what costs are, or will be, charged directly to Federally sponsored agreements or similar cost objectives as Direct Costs. It is expected that the disclosed cost accounting practices (as defined at 48 CFR 9903.302-1) for classifying costs either as direct costs or indirect costs will be consistently applied to all costs incurred by the reporting unit.</p>	
2.1.0	<p><u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For all major categories of cost under each major function or activity such, as instruction, organized research, other sponsored activities and other institutional activities, describe on a continuation sheet, your criteria for determining when costs incurred for the same purpose, in like circumstances, are treated either as direct costs only or as indirect costs only with respect to final cost objectives. Particular emphasis should be placed on items of cost that may be treated as either direct or indirect costs (e.g., Supplies, Materials, Salaries and Wages, Fringe Benefits, etc.) depending upon the purpose of the activity involved. Separate explanations on the criteria governing each direct cost category identified in this Part II are required. Also, list and explain if there are any deviations from the specified criteria.)</p>	
2.2.0	<p><u>Description of Direct Materials.</u> All materials and supplies directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the principal classes of materials which are charged as direct materials and supplies.)</p>	
2.3.0	<p><u>Method of Charging Direct Materials and Supplies.</u> (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p>	
2.3.1	<p>Direct Purchases for Projects are Charged to Projects at:</p> <p>A.    ___           Actual Invoiced Costs  B.    <u>X</u>           Actual Invoiced Costs Net of Discounts Taken  Y.    ___           Other(s) <u>1/</u>  Z.    ___           Not Applicable</p>	
2.3.2	<p>Inventory Requisitions from Central or Common, Institution-owned Inventory.  (Identify the inventory valuation method used to charge projects):</p> <p>A.    <u>X</u>           First In, First Out  B.    ___           Last In, First Out  C.    <u>X</u>           Average Costs <u>1/</u>  D.    ___           Predetermined Costs  Y.    ___           Other(s) <u>1/</u>  Z.    ___           Not Applicable</p> <p><u>1/</u> Describe on a Continuation Sheet.</p>	

COST ACCOUNTING IDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS			
		NAME OF REPORTING UNIT Temple University (University Segment)			
Item No.	Item Description				
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 compensation costs, including applicable fringe benefits costs, if any, within each major institutional function or activity that are charged as direct personal services.)				
2.5.0	<u>Method of Charging Direct Salaries and Wages.</u> (Mark the appropriate line(s) for each Direct Personal Category to identify the method(s) used to charge direct salary and wage costs similar cost objectives. If more than one line is marked in a column, fully describe on a continuation sheet, the applicable methods used.)				
		<u>Direct Personal Services Category</u>			
		<u>Faculty</u>	<u>Staff</u>	<u>Students</u>	<u>Other 1/</u>
		(1)	(2)	(3)	(4)
	A. Payroll Distribution Method (Individual time card/actual hours and rates)	_____	X	X	_____
	B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)	_____	_____	_____	_____
	C. After-the-fact Activity Records (Percentage Distribution of employee activity)	X	X	X	_____
	D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)	_____	_____	_____	_____
	Y. Other(s) <u>1/</u>	_____	_____	_____	_____
	<u>1/</u> 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 Temple University (University Segment)
Item No.	Item Description	
2.5.1	<p>Salary and Wage Cost Distribution Systems.</p> <p>Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO", describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and indirect cost objectives.)</p> <p> <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No </p>	
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 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>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II – DIRECT																														
		NAME OF REPORTING UNIT																														
		Temple University (University Segment)																														
Item No.	Item Description																															
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 contract, 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 type="checkbox"/> Yes  <input checked="" type="checkbox"/> No </p>																															
2.9.0	<p><u>Interorganizational Transfers.</u> This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Materials</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Supplies</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Services</u></th> </tr> <tr> <th></th> <th style="text-align: center;">(1)</th> <th style="text-align: center;">(2)</th> <th style="text-align: center;">(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) 1/</td> <td style="text-align: center;">_____</td> <td style="text-align: center;"><u>  X  </u></td> <td style="text-align: center;"><u>  X  </u></td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable</td> <td style="text-align: center;"><u>  X  </u></td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table> <p>1/ Describe on a Continuation Sheet.</p>					<u>Materials</u>	<u>Supplies</u>	<u>Services</u>		(1)	(2)	(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) 1/	_____	<u>  X  </u>	<u>  X  </u>	Z. Interorganizational transfers are not applicable	<u>  X  </u>	_____	_____
	<u>Materials</u>	<u>Supplies</u>	<u>Services</u>																													
	(1)	(2)	(3)																													
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Y. Other(s) 1/	_____	<u>  X  </u>	<u>  X  </u>																													
Z. Interorganizational transfers are not applicable	<u>  X  </u>	_____	_____																													

<p style="text-align: center;">COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</p>	<p style="text-align: center;">CONTINUATION SHEET Part II – Direct Costs Continuation Sheet</p>
	<p style="text-align: center;">NAME OF REPORTING UNIT Temple University (University Segment)</p>
Item No.	Description
<p>2.1.0</p>	<p>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives</p> <p>The cost principles as defined in OMB Circular A-2 1, section 1, provide the basis for determining and procedures used to identify direct costs. Those costs that can be identified with a particular sponsored program, institutionally supported project or other institutionally supported activity, or that can be easily assigned to a particular sponsored agreement or similar cost objective with a relatively high degree of accuracy are charged direct.</p> <p>Indirect costs are those that cannot be readily identified with a particular sponsored project, institutional activity or other University cost objective. These cost~ include:</p> <p>Facilities:</p> <ol style="list-style-type: none"> <li>1) Depreciation on buildings, capital improvements, and equipment,</li> <li>2) Interest Expenses on buildings, capital improvements, and equipment, (except the interest incurred for recharge center facilities),</li> <li>3) Operation and Maintenance of Plant, and</li> <li>4) Library.</li> </ol> <p>Administration:</p> <ol style="list-style-type: none"> <li>1) General Administration,</li> <li>2) Departmental Administration,</li> <li>3) Sponsored Project Administration, and</li> <li>4) Student Administration and Services.</li> </ol> <p>The University has developed a Direct and Indirect Cost Policy which, to ensure consistent application and to provide staff training, was implemented effective January 1, 1998. Costs incurred for the same purposes and in like circumstances will be treated as either direct or indirect costs. However, costs normally treated as indirect may be treated as direct costs under the following circumstances:</p> <p>(1) Indirect functions which are specifically identified with the project, expressly discussed in the award and allowed by the sponsor's guidelines will be charged direct whenever they are a principal part of the deliverable of the award, such as:</p> <p style="padding-left: 40px;">Extensive data accumulation, analysis, and tabulation Preparation of large reports, manuals or books Extensive travel and meeting arrangements for conferences and seminars</p> <p>(2) Training grants whose project budgets may include costs that are normally indirect. Line items in the budget authorize the direct charging of costs as appropriate when reasonable, specifically identified with the project and budgeted in the award.</p> <p>(3) Planning grants used for preliminary work to determine the feasibility of a proposed line of inquiry, and/or other activities that will facilitate proposal development. Indirect costs for these types of agreements are funded by federal agencies at specified percentages. Project budgets for planning grants include an allowance for direct charging indirect costs specifically identifiable with the project.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET Part II – Direct Costs Continuation Sheet	
		NAME OF REPORTING UNIT Temple University (University Segment)	
Item No.	Description		
2.2.0	<p>(4) Projects that are geographically inaccessible to normal departmental administrative services.</p> <p>(5) Agreements for program funding in which the institution's cost recovery on indirect costs is limited by regulations and statutory requirements like United States Department of Agriculture (USDA) appropriations and State sponsored projects. These mandates may, however, authorize the direct reimbursement for indirect expenses.</p> <p>(6) Projects sponsored by other organizations which specifically require that items normally charged indirect are charged direct.</p> <p>Description of Direct Materials</p> <p>The principal classes of materials and supplies that are charged to federally sponsored agreements and similar cost objectives are:</p> <p>Laboratory supplies, chemical and biological supplies, medical and surgical supplies, gases, educational supplies, gas cylinder rentals, blood and blood products, drugs, food (research and subject related), technical supplies, non capitalized minor equipment, office supplies (see consideration of different purposes and circumstances above), and other recharge center charges.</p>		
2.3.2	<p>Inventory Requisitions from Central or Common, Institution-owned Inventory</p> <p>The Units that maintain inventories that are charged to sponsored agreements are Facilities Management and Duplicating Services. The inventory valuation methods used to charge projects are weighted average cost and first-in-first-out, respectively.</p>		
2.4.0	<p>Description of Direct Personal Services</p> <p>Direct personal services costs consist of individual faculty, staff and student salaries and wages and associated fringe benefits in proportion to their effort on each direct activity. Also included as direct personal service costs are overtime, premium pay, and differential paid to nonexempt employees. Faculty includes department chairpersons, full time faculty (assistant, associate and full professors) and adjunct faculty. Full time faculty are provided the opportunity for tenure in accordance with the University's tenure policy. Staff includes administration, professional, technical, service and clerical employees. Associate and assistant scientists are also included in this category. Students include undergraduate and graduate students working in academic and administrative offices. This category also includes graduate assistants who, with faculty supervision, are engaged in teaching and research. The following table displays the various employment characteristics of faculty, staff and students:</p>		



COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET Part II – Direct Costs Continuation Sheet NAME OF REPORTING UNIT Temple University (University Segment)		
Item No.	Description			
		<u>Faculty</u>	<u>Staff</u>	<u>Students</u>
	FLSA applicability (1)	Exempt	Both	Exempt
	Hourly/Salaried (2)	Salaried	Both	Both
	Benefits (3)			
	Health insurance	Yes	Yes	No
	Life, accident and disability ins.	Yes	Yes	No
	Pension	Yes	Yes	No
	Study leave	Yes	No	No
	FICA	Yes	Yes	See note
	Compensated absences	Yes	Yes	No
	Workers' compensation	Yes	Yes	No
	Tuition remission	Yes	Yes	No
	Postretirement benefits	Yes	Yes	No
	Unemployment compensation	Yes	Yes	No
	Severance pay	Yes	Yes	No
	Pay period (4)	9 or 12 mos.	12 mos.	N/A
	<p>(1) Fair Labor Standards Act. Certain staff such service employees (police, security, maintenance, etc.) and clerical employees are not exempt from FLSA.</p> <p>(2) Certain staff such service employees (police, security, maintenance, etc.) are hourly employees.</p> <p>(3) Benefits are provided to full time faculty and staff. Part time faculty and staff benefits include only the employer share of FICA and an allocation of workers's compensation. The University is also required to pay its share of FICA taxes on wages of students who are not enrolled in classes at the time the wages are earned.</p> <p>(4) The pay period for faculty of the Medical and Dental Schools is 12 months. The pay period for all other faculty is 9 months.</p>			
2.5.0	<p>Method of Charging Direct Salaries and Wages</p> <p>Faculty-The University uses After-the-Fact Activity Records to charge all faculty salaries to federally sponsored agreements or similar cost objectives. Less formal techniques such as departmental reviews are conducted to ensure that salaries of faculty who do not have salaries charged to sponsored agreements are appropriately charged to non-sponsored activities and to facilities and administrative cost pools.</p> <p>Staff-The University uses After-the-Fact Activity Records to charge the base pay of full time staff to federally sponsored agreements or similar cost objectives. Less formal techniques such as departmental reviews are conducted to ensure that the base pay of staff who do not have salaries charged to sponsored agreements are appropriately charged to non-sponsored activities and to facilities and administrative cost pools. For additional pay to full time employees, such as overtime, the University uses actual hours and rates which are approved by authorized individuals on a salary authorization form. Time sheets are used for some staff working on multiple projects in certain research centers and institutes. The hours from these time sheets are converted to effort percentages for after-the-fact activity reporting</p> <p>Students-The University uses After-the-Fact Activity records to charge the salaries of graduate assistants to federally sponsored agreements or similar objectives. For all other students, time sheets or time cards are maintained documenting salaries to direct and indirect activities. Less formal techniques such as departmental reviews are conducted to ensure that salaries of graduate assistants who do not have salaries charged to sponsored agreements are appropriately charged to non-sponsored activities and to facilities and administrative cost pools.</p>			

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2.5.1	<p>The University has a cost sharing policy that requires the substantiation of cost sharing through adequate records. Cost sharing is included in the accounting records and effort reporting system. Separate account codes (object codes in most accounting systems) have been established to accumulate cost sharing, the information from which is used to reclassify such costs from instruction to organized research or other sponsored activities in the F&amp;A Rate Proposal.</p> <p><b>Salary and Wage Cost Distribution Systems</b></p> <p>Those employees whose salaries and wages are directly charged to sponsored agreements are required to complete after-the-fact activity records as described above. In most cases, the salary or wages of an employee who is not working on sponsored agreements or similar cost objectives are assignable to an appropriate indirect cost pool or cost objective, such as Instruction. The personal service expenses attributable to such an employee are included in the appropriate indirect cost accumulation pool or direct allocation base along with the other costs of the pool or base, identified through the financial accounting system by center and account codes. The main exception occurs in academic departments and other organizational units where a calculation which separates allowable administrative expenses from direct instruction and departmental research expenses is used. In that situation an equitable portion of the salaries and wages that would otherwise be classified as departmental administration are treated as a direct cost to ensure consistent costing treatment for all activities of the unit.</p>	
2.5.2	<p><b>Salary and Wage Cost Accumulation System</b></p> <p>I. Accounting Records Used to Accumulate and Record Salaries and Wages</p> <p>The following systems and forms are used to record salaries and wages in each fund.</p> <p>A. Human Resource Information System (HRIS)-Employment HRS Requisition</p> <p>This document identifies the salaries and wages to be paid and the funds to be charged for all employees. This form is used for salary distribution of the initial pay.</p> <p>B. Human Resource Information System-Expense Distribution Change Form</p> <p>This form is used for (i) a change in pay rate, (ii) a change in the employee's job, status, position, classification, or funding source, or (iii) start and stop dates for employees. Using an Employment HRS Requisition, each employee's salary is originally distributed to appropriate funds when the position is entered. Thereafter, departments are required to enter updated employee information, if there are changes.</p> <p>C. Personnel Activity Report</p> <p>Direct salaries and wages are charged through the Human resource Information System update to the financial accounting system. Certification of effort and changes is accomplished through the personnel activity report, which is an after-the-fact activity record that substantiates charges to a sponsored project and other activities.</p> <p>A personnel activity report is generated for all full time employees who have salaries and wages charged to sponsored projects. The personnel activity reports are produced and certified quarterly for employees of the Medical School, semesterly for all non Medical School faculty and quarterly for all other full time employees and graduate assistants. The personnel activity report must be signed by the employee or a responsible official with suitable means of verification that the work was performed by the employee.</p>	

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2.6.0	<p>II. Reconciliation of Salary and Wage Cost Distribution with Payroll Data</p> <p>The University uses its Human Resources Information System (HRIS) to calculate payroll transaction detail. The sum of individual employee's project or activity charges produced by HRIS is reconciled monthly to the general ledger labor charges for that period.</p> <p>Description of Direct Fringe Benefits Costs</p> <p>Fringe benefits that are charged to federally sponsored agreements of similar cost objectives are as follows:</p> <ol style="list-style-type: none"> <li>1. Severance Pay – This includes payments for voluntary and involuntary terminations of employees.</li> <li>2. Compensated Personal Absences- This includes holidays, sick leave, vacation and other paid leaves permitted under University policy (e.g., jury duty).</li> <li>3. FICA - This is the employer's portion of the old age, survivor and disability insurance and medicare taxes.</li> <li>4. Worker's Compensation Insurance - The plan covers employee medical expenses and loss of ncome resulting from work related illness or injury.</li> <li>5. Medical Insurance - The university-paid portion of medical insurance provided to employees includes, health, dental and optical coverage. This category also includes negotiated payments to union health and welfare funds.</li> <li>6. Tuition Remission - Tuition assistance for employees, their spouses and dependents who meet specified eligibility requirements. Tuition costs for employees' spouse and dependents incurred in fiscal years beginning September 30, 1998 will not be claimed.</li> <li>7. Life Insurance - Employees are provided a basic life-insurance policy. Accidental death and dismemberment and disability insurance is also available, the cost of which is borne by both the University and the employee. Additional life insurance is also available at a cost to the employee.</li> <li>8. Pensions - Faculty, administration and clerical employees are offered defined contribution pensions through the University's participation in the Teacher's Insurance and Annuity Association, the College Retirement Equities Fund, and Fidelity Investments. Certain union employees are covered by multi-employer pension plans to which the University contributes. The University also maintains defined benefit pension plans covering certain other employees.</li> <li>9. Postretirement Benefits - Enrolled employees who have attained 62 years of age and have completed 10 years of service receive health care coverage and a small life insurance policy.</li> <li>10. Study leave - Faculty members are provided the opportunity to do research in their chosen field. Leaves are awarded on merit and may encompass a semester or an academic year.</li> </ol>	

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2.6.1	<p data-bbox="313 436 1417 495">11. Unemployment insurance - Covers employees laid-off by the University during the time they are unemployed.</p> <p data-bbox="313 527 1487 678">12. Benefits administration - The Benefits Administration Office is responsible for administering the benefit's program for the entire faculty and staff of the University. This includes counseling employees on issues affecting their benefit decisions, assisting new employees in enrolling in benefit programs, acting as liaison between employees and the insurance companies and participating in the development of benefit rates.</p> <p data-bbox="386 716 1487 835">The University does not separately classify fringe benefits as direct or indirect costs; rather, the costing treatment of a given employee's fringe benefits is consistent with, and in proportion to, the costing treatment of that employee's salary and wages. Direct fringe benefits costs are those that are attributable to an employee's direct personal services costs.</p> <p data-bbox="313 867 779 898"><b>Method of Charging Direct Fringe Benefits</b></p> <p data-bbox="313 930 1487 1142">All compensated personal absences, including sick, holiday, and other (e.g., jury duty) leave costs, as well as costs associated with severance pay, are charged to sponsored agreements or similar objectives on the cash basis of accounting. Leave costs are measured based on actual cost, assigned to the University fiscal year in which leave is taken, and allocated to direct and/or indirect objectives on a prorated basis consistent with the allocation of the employee's salary and wages during the period in which the leave was taken. Health insurance for post doctoral employees is charged directly to sponsored programs and similar objectives on a cash basis.</p> <p data-bbox="313 1178 1498 1486">Except for compensated personal absences and severance pay, all benefit costs are assigned to the fiscal year in which they are accrued and allocated to direct and/or indirect objectives on a prorated basis consistent with the allocation of the employees salary and wages. The University uses average composite fringe benefit rates with a carry-forward adjustment. The rates consist of a full time rate and a part time rate. These benefit costs are assigned to a cost pool for each of the above classes of salaries. A separate rate for each class is developed by dividing the benefits cost pool by the respective salary and wage base. Severance pay is included in the above fringe benefit rates on a cash, rather than an accrual basis. From time to time, the University's cognizant agency requests a benefit rate calculation broken out into smaller classes of employees, presumably to reduce the cost to the government. If such rates are developed and agreed to by the University and the cognizant agency, the method disclosed above will be changed.</p>	

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2.7.0	<p>Description of Other Direct Costs</p> <p>The principal classes of other costs which are treated as direct costs when they can be identified specifically with a particular sponsored project, instructional activity, or similar cost object, or can be directly assigned to such activities relatively easily, include:</p> <ul style="list-style-type: none"> <li>• Postage only when program requires substantial mailing</li> <li>• Publications, printing, and copying when directly related to the project scope</li> <li>• Equipment specific to the project</li> <li>• Scientific computer software</li> <li>• Travel expenses – transportation, lodging, per diem, incidentals</li> <li>• Laboratory and other testing services</li> <li>• Equipment repairs and maintenance</li> <li>• Equipment maintenance contracts and service agreements for project specific equipment</li> <li>• Equipment rental</li> <li>• Consulting Fees</li> <li>• Off campus facility rental</li> <li>• Books and periodicals</li> <li>• Recruitment advertising and employee relocation cost when hired specifically to work on a sponsored agreement</li> <li>• Other Outside Services</li> <li>• Computer &amp; Networking Services</li> <li>• Patient Care Costs</li> <li>• Renovations and alterations required by the sponsor</li> <li>• Dues in professional associations</li> <li>• Professional liability insurance (when human subjects are involved)</li> <li>• Subgrants and subcontracts</li> <li>• Recharge and Service Center services</li> <li>• Trainee tuition</li> <li>• Stipends for students if required by the funding agreement</li> <li>• Research participants and subjects</li> </ul>	
2.8.0	<p>Cost Transfers</p> <p>When sponsored agreements or similar cost objectives are credited for cost transfers, the credit amount for direct charges is always based on the same amount or rate originally used to charge or allocate costs to the project. The credit amount for indirect costs is based on the indirect cost rate in effect at the time of the transfer, which in some instances may differ from the indirect cost rate at the time of the original charge. The differences, if any, do not result in a material impact on Federal awards.</p>	

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2.9.0	<p>The University purchases supplies and services from Temple University Hospital. (TUH). Pharmacy charges (except certain vaccines and outpatient pharmacy items), storeroom supplies and food items are billed at the full cost plus a processing or handling charge. All other supplies are billed at the actual cost of the items. All services (except for the cost of residents ) are billed at the actual direct cost of providing the service.</p> <p>TUH employs residents, some of whom perform their rotations for organizations other than TUH. By agreement between the University and TUH, the cost of salaries, benefits and malpractice insurance that is not recovered from these organizations is charged to the University. Salaries and benefits are billed at actual direct cost. Malpractice insurance is billed at the market rates charged to these third party organizations. The University’s practice plan pays for the cost of these residents. As such, none of these costs are charged to federally sponsored agreements.</p> <p>The hospital also bills the University for the rental of non-patient care space associated with the University’s General Clinical Research Center (GCRC) and other jointly used space. This space cost is allocated on a cost per square foot basis. A GCRC patient care per diem ancillary service charge rates, based on the hospital’s Medicare cost reports and negotiated with our cognizant agency, are also billed by the hospital to the University.</p> <p>Group facilities costs (utilities, maintenance, etc.) billed to TUH are included in the rental cost billed back by TUH to the University. No group or central system administrative costs are billed back to the University by TUH.</p> <p style="text-align: center;">End of Part II</p>		

<p style="text-align: center;">COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</p>	<p style="text-align: center;">PART III – INDIRECT COSTS</p>
	<p style="text-align: center;">NAME OF REPORTING UNIT Temple University (University Segment)</p>
<p>Item No.</p>	<p>Item Description</p>
	<p style="text-align: center;">Instructions for Part III</p> <p>Institutions should disclose how the segment’s total indirect costs are identified and accumulated in specific indirect cost categories and allocated to applicable indirect cost pools and service centers within each major function or activity, how service center costs are accumulated and “billed” to users, and the specific indirect cost pools and allocation bases used to calculate the indirect cost rates that are used to allocate accumulated indirect costs to Federally sponsored agreements or similar final cost objectives. A continuation sheet should be used 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 Item 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) <u>1/</u></li> <li>Y. Others (s) <u>1/</u></li> <li>Z. Category or Pool not applicable</li> </ul> <p><u>1/</u> List on a continuation sheet, the category and subgrouping(s) of expense involved and the allocation base(s) used.</p>

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3.1.0	<p><u>Indirect Cost Categories – Accumulation and Allocation.</u> This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, “Accumulation Method,” insert “Yes or “No,” to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution’s formal accounting system. If “No,” describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading “Allocation Base,” enter one of the allocation base codes A through P, Y, or Z, to indicate the base used for allocating the accumulated costs of each indirect cost category to other applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> <table border="1"> <thead> <tr> <th><u>Indirect Cost Category</u></th> <th><u>Accumulation Method</u></th> <th><u>Allocation Base Code</u></th> <th><u>Allocation Sequence</u></th> </tr> </thead> <tbody> <tr> <td>(a) Depreciation/Use Allowances/Interest</td> <td></td> <td></td> <td><u>1</u></td> </tr> <tr> <td>    Building</td> <td><u>Yes</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>    Equipment</td> <td><u>Yes</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>    Capital Improvements to Land <u>1/</u></td> <td><u>Yes</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>    Interest <u>1/</u></td> <td><u>Yes</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>(b) Operation and Maintenance</td> <td><u>Yes</u></td> <td><u>L</u></td> <td><u>2</u></td> </tr> <tr> <td>(c) General Administration and General Expense</td> <td><u>Yes</u></td> <td><u>D</u></td> <td><u>3</u></td> </tr> <tr> <td>(d) Departmental Administration</td> <td><u>No</u></td> <td><u>D</u></td> <td></td> </tr> <tr> <td>(e) Sponsored Projects Administration</td> <td><u>Yes</u></td> <td><u>D</u></td> <td></td> </tr> <tr> <td>(f) Library</td> <td><u>Yes</u></td> <td><u>P</u></td> <td></td> </tr> <tr> <td>(g) Student Administration and Services</td> <td><u>Yes</u></td> <td><u>J</u></td> <td></td> </tr> <tr> <td>(h) Other <u>1/</u></td> <td><u>N/A</u></td> <td><u>N/A</u></td> <td></td> </tr> </tbody> </table> <p><u>1/</u> Describe on a Continuation Sheet.</p>			<u>Indirect Cost Category</u>	<u>Accumulation Method</u>	<u>Allocation Base Code</u>	<u>Allocation Sequence</u>	(a) Depreciation/Use Allowances/Interest			<u>1</u>	Building	<u>Yes</u>	<u>L</u>		Equipment	<u>Yes</u>	<u>L</u>		Capital Improvements to Land <u>1/</u>	<u>Yes</u>	<u>L</u>		Interest <u>1/</u>	<u>Yes</u>	<u>L</u>		(b) Operation and Maintenance	<u>Yes</u>	<u>L</u>	<u>2</u>	(c) General Administration and General Expense	<u>Yes</u>	<u>D</u>	<u>3</u>	(d) Departmental Administration	<u>No</u>	<u>D</u>		(e) Sponsored Projects Administration	<u>Yes</u>	<u>D</u>		(f) Library	<u>Yes</u>	<u>P</u>		(g) Student Administration and Services	<u>Yes</u>	<u>J</u>		(h) Other <u>1/</u>	<u>N/A</u>	<u>N/A</u>	
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3.2.0	<p><u>Service Centers.</u> Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service centers include. “recharge centers” and the "specialized service facilities" defined in Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)</p>						
		(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>C</u>	<u>Y</u>	<u>A</u>	<u>A</u>	<u>Y</u>
(d)	Other service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)						
	<u>Telecommunications</u>	<u>C</u>	<u>A</u>	<u>C</u>	<u>A</u>	<u>A</u>	<u>B</u>
	<u>Duplicating Services</u>	<u>C</u>	<u>B</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 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. Revenue Code:</u> Code "A" - billings (revenues) are compared to actual costs (expenditures) at least annually; Code “B” - billings are compared to actual costs less frequently than annually.						
(6)	<u>Variance Code:</u> Code “A” - Annual variances between billed and actual costs are prorated to users (as credits or charges); Code “B” - variances are carried forward as adjustments to billing rate future periods; Code “C” - annual variances are charged or credited to indirect costs, Code “Y” other (explain on a Continuation Sheet).						

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III – INDIRECT COSTS NAME OF REPORTING UNIT Temple University (University Segment)																														
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3.3.0	<p>Indirect Cost Pools and Allocation Bases</p> <p>(Identify all of the indirect cost pools established for the accumulation of indirect costs, excluding service centers, and the allocation bases used to distribute accumulated indirect costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable indirect cost Pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives.)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 60%;"><u>Indirect Cost Pool</u></th> <th style="text-align: center; width: 40%;"><u>Allocation Base Code</u></th> </tr> </thead> <tbody> <tr> <td colspan="2">A. Instruction</td> </tr> <tr> <td style="padding-left: 40px;">_____ On-Campus</td> <td style="text-align: center;">_____ <u>D</u></td> </tr> <tr> <td style="padding-left: 40px;">_____ Off-Campus</td> <td style="text-align: center;">_____ <u>D</u></td> </tr> <tr> <td style="padding-left: 40px;">_____ Other <u>1/</u></td> <td style="text-align: center;">_____</td> </tr> <tr> <td colspan="2">B. Organized Research</td> </tr> <tr> <td style="padding-left: 40px;">_____ On-Campus</td> <td style="text-align: center;">_____ <u>D</u></td> </tr> <tr> <td style="padding-left: 40px;">_____ Off-Campus</td> <td style="text-align: center;">_____ <u>D</u></td> </tr> <tr> <td style="padding-left: 40px;">_____ Other <u>1/</u></td> <td style="text-align: center;">_____</td> </tr> <tr> <td colspan="2">C. Other Sponsored Activities</td> </tr> <tr> <td style="padding-left: 40px;">_____ On-Campus</td> <td style="text-align: center;">_____ <u>D</u></td> </tr> <tr> <td style="padding-left: 40px;">_____ Off-Campus</td> <td style="text-align: center;">_____ <u>D</u></td> </tr> <tr> <td style="padding-left: 40px;">_____ Other <u>1/</u></td> <td style="text-align: center;">_____</td> </tr> <tr> <td colspan="2">D. Other Institutional Activities <u>1/</u></td> </tr> <tr> <td></td> <td style="text-align: center;">_____</td> </tr> </tbody> </table>		<u>Indirect Cost Pool</u>	<u>Allocation Base Code</u>	A. Instruction		_____ On-Campus	_____ <u>D</u>	_____ Off-Campus	_____ <u>D</u>	_____ Other <u>1/</u>	_____	B. Organized Research		_____ On-Campus	_____ <u>D</u>	_____ Off-Campus	_____ <u>D</u>	_____ Other <u>1/</u>	_____	C. Other Sponsored Activities		_____ On-Campus	_____ <u>D</u>	_____ Off-Campus	_____ <u>D</u>	_____ Other <u>1/</u>	_____	D. Other Institutional Activities <u>1/</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> <p><u>1/</u> Describe on a Continuation Sheet.</p>																															

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III – INDIRECT COSTS NAME OF REPORTING UNIT Temple University (University Segment)
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3.5.0	<p><u>Composition of Allocation Bases.</u> (For each allocation base code used in Items 3.1.0 and 3.3.0, describe on a continuation sheet the makeup of the base. For example, if a modified total direct cost base is used, specify which of the elements of direct cost identified in Part 11, Direct Costs, that are included, e.g., materials, salaries and wages, fringe benefits, travel costs, and excluded, e.g., subcontract costs over first \$25,000. Where applicable, explain if service centers are included or excluded. Specify the benefiting functions and activities included. If any cost objectives are excluded from the allocation base, such cost objectives and the alternate allocation method used should be identified. If an indirect cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study .</p>	
3.6.0	<p><u>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</u>          Are appropriate direct costs of all programs and activities included in the indirect cost allocation bases, regardless of whether allocable indirect costs are fully reimbursed by the sponsoring organizations.</p> <p>A. <u>  X  </u> Yes</p> <p>B. <u>      </u> No <u>1/</u></p>	
	<p><u>1/</u> Describe on a Continuation Sheet</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART III – Indirect Costs Continuation Sheet NAME OF REPORTING UNIT Temple University (University Segement)
Item No.	Description
3.1.0	<p>Indirect Cost Categories - Accumulation and Allocation</p> <p>Indirect cost expenses are recorded and accumulated as expenses in the financial accounting system. However, because the financial accounting system was not created for OMB Circular A-21 and Cost Accounting Standards purposes, some regrouping of the recorded costs is necessary. Such reclassifications are generally based on the function and expense classifications found in the financial accounting system data. The reclassified costs are reconcilable to the University's audited financial statements.</p> <p>Departmental Administration:</p> <p>Administrative expenses of deans' offices are identified in the financial accounting system by center and account. Allowable administrative expenses within academic departments and research units are recorded, but not always separately identified, in the financial accounting system. When these costs are not separately identified, they are accumulated in the facilities and administration rate proposal using data from the financial accounting system, through a calculation that separates allowable administrative expenses from direct instruction and departmental research expenses.</p> <p>The faculty administrative allowance described in OMB Circular A-2 1, Section F.6.a.(2)(a) is not recorded in the financial accounting system, but is calculated in the facilities and administration rate proposal.</p> <p>Student Services:</p> <p>Student services cost at the University level (ie: Admissions, Registrar, etc.) are identified in the accounting records. There are also student services cost in some of the Dean's and other college administration cost centers. These cost centers are examined and student services cost reclassified during the development of the facilities and administration rate proposal.</p> <p>Library:</p> <p>Library costs are allocated in accordance with section F 8 of OMB Circular A-21</p>
3.2.0	<p>Service centers</p> <p>Although service centers, except for Animal Care Facilities, target break-even through budgeting and rate setting, it is seldom that expenses exactly match revenues. Therefore, the University has defined "break-even" for this purpose as net result that falls within a range of plus-or-minus 10% of annual expenses, computed as of the final closing of the books on June 30. If a service center rate produces a profit or loss within the 10% range, the loss must be added or the profit subtracted from the following fiscal year's budget when developing the user rate(s) so the operation will break even over time. When it appears that a service center may end the fiscal year outside the +/- 10% "break even range," the center should attempt to resolve the situation by adjusting user rates before year end.</p> <p>(c)(3)Costs associated with Animal Care Facilities are subsidized by central administration. As such, billing rates have been set to recover less than actual direct cost and do not include indirect costs (depreciation, operation and maintenance). The billed amounts and the subsidy (including indirect costs) are included in the direct cost base in the facilities and administration rate proposal. All users are given the benefit of consistent treatment and no user will be charged more than incurred cost. The University may, at some time in the future, fully cost this center.</p>

<p><b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b></p>		<p><b>CONTINUATION SHEET PART III – Indirect Costs Continuation Sheet NAME OF REPORTING UNIT Temple University (University Segment)</b></p>					
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3.4.0.	<p>Because the Animal Care Facility is subsidized by central administration, the under recovery of cost will not be prorated to users or carried forward. However, if the University decides to fully cost this operation, it will follow the above policy with respect to variances.</p> <p>(d) Facilities Management                    (1)      (2)      (3)      (4)      (5)      (6)  <u>    </u>    <u>C</u>      <u>B</u>      <u>C</u>      <u>A</u>      <u>A</u>      <u>B</u></p> <p>During FY 00, Facilities Management implemented a new job order system called FM. The vendor is AEC Data Systems, Inc. The University has also developed the Facilities Management Costing Procedures (the Procedures) which were scheduled to be implemented beginning in FY 00. There were significant complexities with the implementation of both the Procedures and the new job order system. As such, the Procedures were implemented for FY 01. However, for the Facilities and Administrative Rate Proposal based on FY 99, the University adjusted the Operation and Maintenance cost pool to reflect actual rates for that year.</p> <p>Composition of Indirect and Service Center Cost Pools</p> <p>Indirect Cost</p> <p>(a) Depreciation/ Interest: These expenses are the portion of the value of the institution's buildings, capital improvements to land and buildings, equipment, and the cost of interest on purchases of capital assets which are computed in accordance with OMB Circular A-21 Sections J. 12. and J.22.e.</p> <p>Buildings: The fixed asset system records the capitalized value of buildings, Federally funded value for each, by building number. Any Federally funds are subtracted from the capitalized building value. The net building value is used to calculate building depreciation expense in the facilities and administration rate proposal in accordance with OMB Circular A-2 1, Section J. 12. The building depreciation cost pool is categorized into various sub groups consisting of the componentized depreciation of each building. Interest incurred during the construction period is capitalized and depreciated over the useful life of the building.</p> <p>Equipment: The fixed asset system records the category, funding source and capitalized value of items of equipment. Depreciation on equipment purchased with Federal funds, equipment purchased on non-federal sponsor funds (while such projects are active) and equipment purchased by recharge centers as described in Item No.3.2.0, is excluded from the facilities and administration rate proposal. Equipment subject to depreciation in the proposal is allocated on a straight-line basis.</p> <p>Capital Improvements to Land: Defined as general improvements, these include landscape, irrigation, and sidewalk improvements; external utility systems; and special facilities, such as parking structures. The non-Federal value is used to calculate depreciation on a straight-line basis in accordance with A-2 1.</p>						

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	<p>Interest: Interest on debt instruments to fund specific construction projects and incurred during the construction period are capitalized as part of the cost of the building. The depreciation is computed as described above for buildings. Annual interest costs incurred after the construction period are identified to the building or campus benefited.</p> <p>(b) Operation and Maintenance: These expenses are incurred for the administration, maintenance, preservation, and protection of the institution's physical plant. They include Facilities Management Department costs incurred for such items as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture and equipment; care of grounds of individual buildings; maintenance and operation of buildings and other plant facilities; facility planning and management; and mail services. Security cost includes the cost of providing a safe environment for faculty, staff, students and visitors. These costs include those of the operation of the Campus Police Department and building security guards. The cost of environmental health and safety covers the cost of the department responsible for chemical, biological, radiation and occupational safety and health, as well as hazardous waste management. Property insurance indemnifies the University from loss or damage to its property, plant and equipment. Maintenance of common grounds include that of sidewalks, gardens, lighting, malls and other areas not related to specific buildings. This cost pool includes supplies, services, and the salaries, wages and benefits of employees. The operation and maintenance expense category includes its allocable share of depreciation, use allowance and interest costs.</p> <p>(c) General Administration and General Expense: These expenses are indirect costs that have been incurred for the general executive and administrative offices of the institution and other expenses of a general character, including corporate administration (president and administrative vice presidents and provost), financial administration, human resources, and information systems. This cost pool includes supplies, services, and the salaries, wages and benefits of employees, plus the allocable share of depreciation, use allowance, interest, and operation and maintenance expenses.</p> <p>(d) Departmental Administration: These expenses are indirect costs that have been incurred for administrative and supporting services that benefit common or joint departmental activities or objectives in academic deans' offices, academic departments and divisions, organized research units, institutes, study centers, and research centers, subject to the limitations and exclusions in OMB Circular A-2 1, F.6.a. and F.6.b. including the special rules regarding treatment of salary and fringe benefits attributable to the 3.6% MTDC administrative allowance for faculty and academic professionals. Administrative expenses of deans' offices are identified in the financial accounting system by function, center and account; such expenses are allocated to the academic departments or functions overseen by the dean on the basis of modified total direct cost. Administrative expenses within academic departments and research units, when not separately identified in the financial accounting system, are accumulated through a calculation that separates allowable administrative expenses from direct instruction and departmental research expenses. This cost pool includes supplies, services, and the salaries, wages and benefits of employees, plus an allocable share of depreciation, use allowance, interest, operation and maintenance, and general administration and general expense.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	CONTINUATION SHEET PART III – Indirect Costs Continuation Segment <hr/> NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Description
	<p>(e) Sponsored Project Administration: These expenses are limited to those indirect costs incurred by separate units established primarily to administer sponsored (Federal and Non-federal) agreements, such as the office of the Vice Provost for Research and Grants and Contracts Accounting. They include the supplies and services of those units, the salaries, wages and benefits expenses of the heads of such units, assistants and immediate staff, plus an allocable share of depreciation, use allowance, interest, operation and maintenance, and general administration and general expense.</p> <p>(f) Library: These expenses are indirect costs that have been incurred for the operation of the library, including supplies, services, salaries, wages, benefits and the cost of books and library materials purchased for the library, plus an allocable share of depreciation, use allowances, interest, operation and maintenance, and general administration and general expense.</p> <p>(g) Student Administration and Services: These expenses are indirect costs that have been incurred for the administration of student affairs and for services to students, including expenses of such activities as deans of students, admissions, registrar, counseling and placement services, student advisers, student health and infirmary services, catalogs, and commencements and convocations, plus an allocable share of depreciation, use allowance, interest, operation and maintenance, general and administration expense.</p> <p>Service Centers</p> <p>(c) Animal Care Facilities: These expenses include the cost of purchasing and the care and feeding of animals used for academic purposes, including supplies (food, bedding, etc.) and the salaries, wages and benefits of employees directly connected to the operation. Also included are the direct administrative costs of the center.</p> <p>(d. 1) Telecommunications: These expenses include the cost of local and long distance telephone calls; the salaries, wages and benefits of staff engaged in the administration of the center, as well as network operations, data communications, and voice messaging; and supplies and services directly connected to the operation of the center. Also included are allocations of depreciation, operation and maintenance and general administration.</p> <p>(d.2) Duplicating Services: These expenses include the cost of salaries, wages benefits, including the center's direct administration. It also includes services and supplies (paper, toner, etc.) directly connected to the operation of the center. Also included are allocations of depreciation and operation and maintenance.</p> <p>(d.3) Facilities Management: These expenses are those that have been incurred for the administration, maintenance, preservation, and protection of the institution's physical plant. They include salaries (including direct administration) supplies and services incurred for such items as janitorial and utility services; repairs and alterations of buildings, furniture and equipment; care of grounds; maintenance and operation of buildings and other plant facilities. Also included is an allocation of depreciation. Those costs above the normal level of service are directly charged to sponsored agreements and other direct and indirect activities. Those costs included within the normal level of service are allocated to the Operation and Maintenance cost pool as described above.</p>

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3.5.0	<p>Composition of Allocation Bases</p> <p>D - Modified Total Direct Cost Basis. All direct salaries and wages, fringe benefits, materials and supplies, services, service center charges, travel, and subgrants and subcontracts up to the first \$25,000 for each subgrant or subcontract are included. Direct equipment, capital expenditures, charges for patient care and tuition remission to non-employees, space rental costs, student financial aid, cost of goods sold, and certain other externally purchased services, as well as the portion of each subgrant and subcontract in excess of \$25,000 are excluded. For the allocation of General and Administrative cost, MTDC includes the cost of Instruction and Departmental Research, Organized Research, Other Sponsored Activities and Other Institutional Activities that are appropriate for the allocation of an item of cost. For example, some G&amp;A costs are allocated only to instruction because those costs benefit the instruction function only. Certain other costs are allocated to the activities of a specific campus because the costs benefit that campus only. Due to the changing nature of higher education, other G&amp;A MTDC bases will be used as appropriate. Certain direct costs are excluded where necessary to avoid a serious inequity in the distribution of indirect costs. For Departmental Administration, MTDC consists of the above bases for academic departments only. For Sponsored Projects Administration MTDC consists of Sponsored Instruction, Organized Research and Other Sponsored Activities.</p> <p>Off-Campus Definition: For all activities performed in facilities not owned by this reporting segment of the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Sponsored agreements will not be subject to more than one facilities and administrative rate. If more than 50 percent of a project is performed off-campus, the off-campus rate will apply to the entire project.</p> <p>J- Number of Students (Full Time Equivalent Basis). This basis is used when allocating student services cost. Only full time equivalent graduate students working on research projects, as identified by the Graduate School, are included in the numerator. Total full time equivalent students make up the denominator.</p> <p>L - Square Footage Basis. All assignable square footage of benefiting direct and indirect activities is included. Common areas such as hallways, stairwells and restrooms are excluded. In all areas, the square footage of a given room is assigned to direct and indirect cost objectives based on a survey of the space usage of the room for the fiscal year.</p> <p>For buildings, depreciation is allocated based on the net assignable square footage by function for each building. Equipment is identified to specific buildings and depreciation is allocated based on net assignable square footage by function for each building. The University is considering allocating depreciation on certain equipment on a room by room basis. Capital improvements to common grounds are allocated in the same manner as item (3) under Operation and Maintenance below.</p> <p>The bases used to allocated Operation and Maintenance cost are:</p> <p>(1) Utilities, building maintenance, housekeeping and other costs of the Facilities Management Department are identified or allocated to specific buildings. Costs accumulated at the building level are allocated based on net assignable square footage by function in each building.</p>	



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	<p>(2) Security and Environmental Health and Safety are allocated to each University building based on its square footage. These costs along with the building costs in item (1) above are allocated based on net assignable square footage by function in each building.</p> <p>(3) Maintenance of common grounds is allocated to user categories of students and employees on a full-time equivalent basis. The amount allocated to the student category is assigned to the instruction function of the institution. The amount allocated to the employee category is further allocated to the major functions of the institution in proportion to the salaries and wages of all employees applicable to those functions.</p> <p>(4) Property insurance is allocated to each building on its cost basis. As with items (2) and (3) above, these costs are allocated based on net assignable square footage by function in each building.</p> <p>P - See 3. 1.0, Library.</p> <p>End of Part III</p>		

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

PART IV – DEPRECIATION AND USE ALLOWANCES

NAME OF REPORTING UNIT  
Temple University (University Segment)

Item No.	Item Description																																																		
4.1.0	<p style="text-align: center;">Part IV</p> <p><u>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use 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 border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 45%;"></th> <th style="text-align: center; border-bottom: 1px solid black;">Depreciation Method (1)</th> <th style="text-align: center; border-bottom: 1px solid black;">Useful Life (2)</th> <th style="text-align: center; border-bottom: 1px solid black;">Property Unit (3)</th> <th style="text-align: center; border-bottom: 1px solid black;">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>B</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>B</u></td> </tr> <tr> <td>(d) Leasehold 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>(e) Equipment</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(f) Furniture and Fixtures</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(g) Automobiles and Trucks</td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> </tr> <tr> <td>(h) 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>B</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></td> <td></td> <td></td> </tr> </tbody> </table> <p><u>Column (1)</u>-Depreciation Method Code A. Straight Line B. Expensed at Acquisition C. Use Allowance Y. Other or more than one method <u>1/</u></p> <p><u>Column (2)</u>-Useful Life Code A. Replacement Experience B. Term of Lease C. Estimated service life D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21 Y. Other or more than one method <u>1/</u></p> <p><u>Column (3)</u>-Property Unit Code A. Individual units are accounted for separately B. Applied to groups of assets with similar service lives C. Applied to groups of assets with varying service lives Y. Other or more than one method <u>1/</u></p> <p><u>Column (4)</u>-Residual Value Code A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method <u>1/</u></p> <p><u>1/</u> Describe on a Continuation Sheet.</p>		Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)	(a) Land Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(b) Buildings	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(c) Building Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(d) Leasehold Improvements	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(e) Equipment	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(f) Furniture and Fixtures	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(g) Automobiles and Trucks	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(h) Tools	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>	(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.)	<u>Z</u>			
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(g) Automobiles and Trucks	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>																																															
(h) Tools	<u>A</u>	<u>C</u>	<u>A</u>	<u>B</u>																																															
(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category and the applicable codes. (Otherwise enter Code Z.)	<u>Z</u>																																																		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV – DEPRECIATION AND USE ALLOWANCES
		NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Item Description	
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 fused in the institution"s financial statements? (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No <u>1/</u></p>	
4.2.0	<p><u>Fully Depreciated Assets.</u> Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. if yes, describe the basis for the 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 agreement costs B. <input checked="" type="checkbox"/> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. <input checked="" type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <input type="checkbox"/> Not accounted for separately, but reflected in the depreciation reserve account Y. <input type="checkbox"/> Other(s) <u>1/</u> Z. <input type="checkbox"/> Not Applicable</p>	
4.4.0	<p><u>Criteria for Capitalization.</u> (Enter (a) the minimum dollar amount of expenditures which are capitalized for acquisition, addition, alteration, donation and improvement of capital assets, and (b) the minimum number of expected life years of assets which are capitalized. If more than one dollar amount or number applies, show the information for the majority of your capitalized assets, and enumerate on a continuation sheet the dollar amounts and/or number of years for each category or subcategory of assets involved which differs from those for the majority of assets.)</p> <p>A. Minimum Dollar Amount    <u>\$2,500</u> B. Minimum Life Years        <u>1 year</u></p>	
4.5.0	<p><u>Group or Mass Purchase.</u> Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> Yes <u>1/</u> B. <input type="checkbox"/> No</p> <p><u>1/</u> Describe on a Continuation Sheet.</p>	

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

CONTINUATION SHEET  
PART IV – Depreciation & Use Allowances- Continuation  
Sheet

NAME OF REPORTING UNIT  
Temple University (University Segment)

Item No.	Description												
4.3.0	<p>Treatment of Gains and Losses on Disposition of Depreciable Property</p> <p>If there is a trade-in the University takes the gain or loss into consideration of the depreciable cost basis of the new items. If there is no trade-in, the gain or loss is included in the depreciation cost pool.</p>												
4.4.0	<p>Criteria for Capitalization</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;">Minimum Amount</th> <th style="text-align: center;">Minimum Life</th> </tr> </thead> <tbody> <tr> <td>Building purchase or donation</td> <td style="text-align: center;">\$1</td> <td style="text-align: center;">40 years</td> </tr> <tr> <td>Building construction</td> <td style="text-align: center;">\$ 50,000</td> <td style="text-align: center;">40 years</td> </tr> <tr> <td>Building Renovation</td> <td style="text-align: center;">\$ 50,000</td> <td style="text-align: center;">20 years</td> </tr> </tbody> </table>		Minimum Amount	Minimum Life	Building purchase or donation	\$1	40 years	Building construction	\$ 50,000	40 years	Building Renovation	\$ 50,000	20 years
	Minimum Amount	Minimum Life											
Building purchase or donation	\$1	40 years											
Building construction	\$ 50,000	40 years											
Building Renovation	\$ 50,000	20 years											
4.5.0	<p>Occasionally the University will capitalize a group purchase of similar items, which individually are less than the capitalization amount indicated in 4.4.0. Generally these are in the form of work stations with component pieces costing less than \$2,500 per unit that, when assembled, functions as a stand-alone working unit. The working units are capitalized as individual units and accounted for as such in the property records.</p> <p>End Part IV</p>												

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART V – OTHER COSTS AND CREDITS
		NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Item Description	
	Part V	
5.1.0	<p><u>Method of Charging Leave Costs.</u> Do you charge vacation, sick, holiday and sabbatical leave costs to sponsored agreements on the cash basis of accounting (i.e., when the leave is taken or paid), or on the accrual basis of accounting (when the leave is earned)? (Mark applicable line(s))</p> <p>A.    <u>  X  </u>            Cash</p> <p>B.    <u>      </u>            Accrual <u>1/</u></p>	
5.2.0	<p><u>Applicable Credits.</u> This item is directed at the treatment of "applicable credits"s as defined in Section C of OMB Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A.    <u>   </u> The credits/receipts are offset against the specific direct or indirect costs to        which they relate.</p> <p>B.    <u>   </u> The credits/receipts are handled as a general adjustment to    the indirect pool.</p> <p>C.    <u>   </u> The credits/receipts are treated as income and are not offset against costs.</p> <p>D.    <u>  X  </u> Combination of methods <u>1/</u></p> <p>Y.    <u>   </u> Other <u>1/</u></p>	
	<p><u>1/</u> Describe on a Continuation Sheet.</p> <p>End Part V</p>	

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

CONTINUATION SHEET  
 PART V- Other Costs and Credits – Continuation Sheet

NAME OF REPORTING UNIT  
 Temple University (University Segment)

Item No.	Description
5.2.0	<p>Applicable Credits</p> <p>All discounts, rebates or allowances are offset against the specific direct or indirect costs to which they relate. In some circumstances certain types of income are appropriately treated as an applicable credit for indirect cost computations. In such circumstances a general adjustment is made to the appropriate cost pool.</p> <p>End of Part V</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 Temple University (University Segment)												
Item No.	Item Description													
	Instructions for Part VI													
	<p>This part covers the measurement and assignment of costs for employee pensions, post retirement benefits other than pensions (including post retirement health benefits) and insurance. Some organizations may incur all of these costs at the main campus level or for public institutions at the governmental unit level, while others may incur them at subordinate organization levels. Still others may incur a portion of these costs at the main campus level and the balance at subordinate organization levels.</p> <p>Where the segment (reporting unit) does not directly incur such costs, the segment should, on a continuation sheet, identify the organizational entity that incurs and records such costs. When the costs allocated to Federally sponsored agreements are material, and the reporting unit does not have access to the information needed to complete an item, the reporting unit should require that entity to complete the applicable portions of this Part VI. (See item 4, page (i), General Instructions)</p> <p><u>Pension Plans.</u></p> <p>6.1.0 Defined-Contribution Pension Plans. Identify the types and number of pension plans whose costs are charged to Federally sponsored agreements. (Mark applicable line(s) and enter number of plans.)</p> <p>6.1.1</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 60%; text-align: center;"><u>Type of Plan</u></th> <th style="width: 30%; text-align: center;"><u>Number of Plans</u></th> </tr> </thead> <tbody> <tr> <td>A.</td> <td>_____ Institution employees participate in State/Local Government Retirement Plan(s)</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>B.</td> <td><u>  X  </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution</td> <td style="text-align: center;"><u>    1    </u></td> </tr> <tr> <td>C.</td> <td>_____ Institution has its own Defined Contribution Plan(s) <u>  1  </u></td> <td style="text-align: center;">_____</td> </tr> </tbody> </table> <p>6.1.2 Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)</p> <p><u>  1  </u> Describe on a Continuation Sheet.</p>			<u>Type of Plan</u>	<u>Number of Plans</u>	A.	_____ Institution employees participate in State/Local Government Retirement Plan(s)	_____	B.	<u>  X  </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	<u>    1    </u>	C.	_____ Institution has its own Defined Contribution Plan(s) <u>  1  </u>	_____
	<u>Type of Plan</u>	<u>Number of Plans</u>												
A.	_____ Institution employees participate in State/Local Government Retirement Plan(s)	_____												
B.	<u>  X  </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	<u>    1    </u>												
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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 Temple University (University Segment)
Item No.	Item Description	
6.2.0	<p><u>Post Retirement Benefits Other Than Pensions- including post retirement health care benefits) (PRBs).</u> (Identify on a continuation sheet all PRB plans whose costs are charged to Federally sponsored agreements. For each plan listed, state the plan name and indicate the approximate number and type of employees covered by each plan.)</p> <p>Z. <input type="checkbox"/> Not Applicable</p>	
6.2.1	<p>Determination of Annual PRB Costs. (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices used, including actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)</p>	
6.3.0	<p>Self-Insurance Programs (Employee Group Insurance). Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> When accrued (book accrual only)  B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund  C. <input type="checkbox"/> When contributions are made to a forfeitable fund  D. <input type="checkbox"/> When the benefits are paid to an employee  E. <input type="checkbox"/> When amounts are paid to an employee welfare plan  Y. <input type="checkbox"/> Other or more than one method <u>1/</u>  Z. <input type="checkbox"/> Not Applicable</p>	
6.4.0	<p><u>Self-Insurance Programs (Worker's Compensation, Liability and Casualty Insurance.)</u></p>	
6.4.1	<p>Worker's Compensation and, Liability. Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)</p> <p>A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves)  B. <input checked="" type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability  C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability  D. <input type="checkbox"/> When funds are set aside or contributions are made to a fund  Y. <input type="checkbox"/> Other or more than one method <u>1/</u>  Z. <input type="checkbox"/> Not Applicable</p> <p><u>1/</u> Describe on a Continuation Sheet.</p>	





COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART VI – DEFERRED COMPENSATION AND INSURANCE COSTS CONTINUATION SHEET
		NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Description	
6.1.2	<p>Defined Benefit Pension Plans</p> <p>A. Retirement Plan for Employees of Temple University AC-4898</p> <p>The Projected Unit Credit actuarial Cost Method is used.</p> <p>Assets are valued using Market Related Value based on five year phase-in and offsetting gains and losses.</p> <p>Basis for changing actuarial assumptions:</p> <p style="padding-left: 40px;">The discount rate for each measurement period is selected based on the rates for high quality fixed income investments available as of the measurement date whose cash flows match the timing and amount of expected benefit payments.</p> <p style="padding-left: 40px;">The expected long-term rate of return on assets reflects the average rate of earnings expected on existing assets and contributions expected to be made during the measurement period. Rates are reviewed periodically.</p> <p style="padding-left: 40px;">The compensation increase rate reflects an estimate of the actual future compensation levels of the individual employees involved.</p> <p style="padding-left: 40px;">Mortality is based on standard published tables appropriate for valuing retirement benefits. Assumptions are changed as new tables become widely used or to adjust old tables for changes in longevity since the most recent table was developed.</p> <p style="padding-left: 40px;">Turnover rates are based on Temple's experience. This experience is reviewed periodically.</p> <p style="padding-left: 40px;">Disablement rates are based on standard published tables appropriate for valuing retirement benefits. The tables used are intended to reflect Temple's experience and are reviewed periodically.</p> <p>Prior Service Cost is amortized on a straight line basis over the average remaining years to expected retirement.</p> <p>Gains and Losses in excess of the greater of 10% of the market related value of plan assets or 10% of the projected benefit obligation are amortized on a straight line basis over the average remaining years to expected retirement.</p> <p>It is Temple's policy to make contributions each year at least equal to the minimum that would be required under ERISA.</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART VI – DEFERRED COMPENSATION AND INSURANCE COSTS CONTINUATION SHEET <hr/> NAME OF REPORTING UNIT Temple University (University Segment)
Item No.	Description
	<p>B. Temple University Pension Plan for Employees of UPGW of A</p> <p>The Projected Unit Credit actuarial Cost Method is used.</p> <p>Basis for changing actuarial assumptions:</p> <p style="padding-left: 40px;">The discount rate for each measurement period is selected based on the rates for high quality fixed income investments available as of the measurement date whose cash flows match the timing and amount of expected benefit payments.</p> <p style="padding-left: 40px;">The expected long-term rate of return on assets reflects the average rate of earnings expected on existing assets and contributions expected to be made during the measurement period. Rates are reviewed periodically.</p> <p style="padding-left: 40px;">Turnover rates are based on Temple's experience. This experience is reviewed periodically.</p> <p style="padding-left: 40px;">Mortality is based on standard published tables appropriate for valuing retirement benefits. Assumptions are changed as new tables become widely used or to adjust old tables for changes in longevity since the most recent table was developed.</p> <p style="padding-left: 40px;">Disablement rates are based standard published tables appropriate for valuing retirement benefits. The tables used are intended to reflect Temple's experience and are reviewed periodically.</p> <p>Prior Service Cost is amortized on a straight line basis over the average remaining years to full expected retirement.</p> <p>Gains and Losses in excess of the greater of 10% of the market related value of plan assets or 10% of the projected benefit obligation are amortized on a straight line basis over the average remaining years to expected retirement. It is Temple's policy to make contributions each year at least equal to the minimum that would be required under ERISA.</p> <p>C. Temple University BUE Pension Plan</p> <p>The Projected Unit Credit Actuarial Cost Method is used.</p> <p>Assets are valued using Market Related Value based on five year phase-in and offsetting gains with losses.</p> <p>Basis for changing actuarial assumptions:</p> <p style="padding-left: 40px;">The discount rate for each measurement period is selected based on the rates for high quality fixed income investments available as of the measurement date whose cash flows match the timing and amount of expected benefit payments.</p> <p style="padding-left: 40px;">The expected long-term rate of return on assets reflects the average rate of earnings expected on existing assets and contributions expected to be made during the measurement period. Rates are reviewed periodically.</p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET PART VI – DEFERRED COMPENSATION AND INSURANCE COSTS CONTINUATION SHEET								
		NAME OF REPORTING UNIT Temple University (University Segment)								
Item No.	Description									
	<p>Turnover rates are based on Temple's experience. This experience is reviewed periodically.</p> <p>Mortality is based on standard published tables appropriate for valuing retirement benefits. Assumptions are changed as new tables become widely used or to adjust old tables for changes in longevity since the most recent table was developed.</p> <p>Disablement rates are based on standard published tables appropriate for valuing retirement benefits. The tables used are intended to reflect Temple's experience and are reviewed periodically.</p> <p>Prior Service is amortized on a straight line basis over the average remaining years to full expected retirement.</p> <p>Gains and Losses in excess of 10% of the market related value of plan assets or 10% of the projected benefit obligation are amortized on a straight line basis over the average remaining years to expected retirement.</p> <p>It is Temple's policy to make contributions each year at least equal to the minimum that would be required under ERISA.</p>									
6.2.0	<p>Post Retirement Benefits Other Than Pensions</p> <p>Name of Plan: Temple University Postretirement Medical and Life Benefit Plan</p> <p>Approximate Number of Union &amp; Non-Union Employees Covered</p> <table border="0"> <tr> <td>Actives</td> <td>1,655</td> </tr> <tr> <td>Disabled</td> <td>79</td> </tr> <tr> <td>Retirees</td> <td>967</td> </tr> <tr> <td>Spouses of Retirees</td> <td>732</td> </tr> </table>		Actives	1,655	Disabled	79	Retirees	967	Spouses of Retirees	732
Actives	1,655									
Disabled	79									
Retirees	967									
Spouses of Retirees	732									
6.2.1	<p>Determination of Annual PRB Cost</p> <p>Annual postretirement benefit costs are determined on an accrual basis in accordance with SFAS 106.</p> <p>The Projected Unit Credit actuarial Cost Method is used.</p> <p>Assets are valued at fair market value.</p> <p>Basis for changing actuarial assumptions:</p> <p>The discount rate for each measurement period is selected based on the rates for high quality fixed income investments available as of the measurement date whose cash flows match the timing and amount of expected benefit payments.</p>									

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

CONTINUATION SHEET  
 PART VI – DEFERRED COMPENSATION AND  
 INSURANCE COSTS CONTINUATION SHEET  
 NAME OF REPORTING UNIT  
 Temple University (University Segment)

Item No.	Description
	<p>The expected long-term rate of return on assets reflects the average rate of earnings expected on existing assets and contributions expected to be made during the measurement period. Rates are reviewed periodically.</p> <p>Per capita medical costs and health care trend rates are based on a combination of Temple's experience and experience derived from other employer data. Rates are reviewed annually.</p> <p>Turnover rates are based on Temple's experience. This experience is reviewed periodically.</p> <p>Mortality is based on standard published tables appropriate for valuing retirement benefits. Assumptions are changed as new tables become widely used or to adjust old tables for changes in longevity since the most recent table was developed.</p> <p>Prior Service Cost is amortized on a straight line basis over the average remaining years to full eligibility for benefits.</p> <p>Gains and Losses in excess of the greater of 10% of assets or 10% of the accumulated postretirement benefit obligations are amortized on a straight line basis over the average remaining years to expected retirement.</p> <p>It is Temple's policy to make contributions each year equal to the net periodic postretirement benefit cost.</p>