

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

CLEMSON UNIVERSITY

Revision Number 2, Effective Date July 1, 2006

Revision Number 1, Effective Date July 1, 2004

Original Effective Date July 1, 1998

APPENDIX B -- Disclosure Statement (DS-2) for Educational Institutions

FORM APPROVED OMB NUMBER 0348-0055

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

**CLEMSON UNIVERSITY
CLEMSON, SC**

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

**GENERAL INSTRUCTIONS

CLEMSON UNIVERSITY**

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.
8. Where the cost accounting practice being disclosed is clearly set forth in the institution's existing written accounting policies and procedures, such documents may be cited on a continuation sheet and incorporated by reference. In such cases, the reporting unit should provide the date of issuance and effective date for each accounting policy and/or procedures document cited. Alternatively, copies of the relevant parts of such documents may be attached as appendices to the pertinent Disclosure Statement Part. Such continuation sheets and appendices should be labeled and cross-referenced with the applicable Disclosure Statement item number. Any supplementary comments needed to fully describe the cost accounting practice being disclosed should also be provided.
9. Disclosure Statements must be amended when disclosed practices are changed to comply with a new CAS or when practices are changed with or without agreement of the Government (Also see 48 CFR 9903.202-3).
10. Amendments shall be submitted to the same offices to which submission would have to be made were an original Disclosure Statement being filed.
11. Each amendment should be accompanied by an amended cover sheet (indicating revision number and effective date of the change) and a signed certification. For all resubmissions, on each page, insert "Revision Number ____" and "Effective Date ____" in the Item Description block; and, insert "Revised" under each Item Number amended. Resubmitted Disclosure Statements must be accompanied by similar notations identifying the items which have been changed.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		COVER SHEET AND CERTIFICATION CLEMSON UNIVERSITY
0.1	<u>Educational Institution</u> (a) Name; Clemson University (b) Street Address; G06 Sikes Hall (c) City, State, and ZIP Code; Clemson, SC 29634-5301 (d) Division or Campus of (if applicable); NA	
0.2	<u>Reporting Unit is: (Mark one.)</u> A. <input checked="" type="checkbox"/> Independently Administered Public Institution B. <input type="checkbox"/> Independently Administered Nonprofit Institution C. <input type="checkbox"/> Administered as Part of a Public System D. <input type="checkbox"/> Administered as Part of a Nonprofit System E. <input type="checkbox"/> Other (Specify) _____	
0.3	<u>Official to Contact Concerning this Statement:</u> (a) Steve Copeland, Interim Chief Business Officer (b) 864-656-2420	
0.4 Revised	<u>Statement Type and Effective Date:</u> A. (Mark type of submission. If a revision, enter number) (a) <input type="checkbox"/> Original Statement (b) <input checked="" type="checkbox"/> Amended Statement; Revision No. <u>2</u> B. Effective Date of this Statement: (Specify) <u>July 1, 2006</u>	
0.5	<u>Statement Submitted To (Provide office name, location and telephone number, include area code and extension):</u> A. Cognizant Federal Agency: Department of Health and Human Services Division of Cost Allocation 330 Independence Avenue, SW Cohen Building, Room 1067 Washington, DC 20201 Phone: 202-401-2808 B. Cognizant Federal Auditor: Department of Health and Human Services Office of Inspector General Office of Audit Services Region IV Room 3T41 61 Forsyth Street, SW Atlanta, GA 30303-8909 Phone: 404-562-7750	
Revision Number 2, Effective Date 7/1/06		

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

**COVER SHEET AND CERTIFICATION

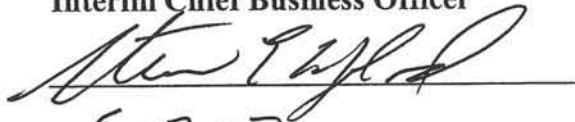
CLEMSON UNIVERSITY**

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.

Name of Officer: Steve Copeland
Title: Interim Chief Business Officer

Signature:



Date of Certification: 5-17-07

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

Revision Number 2, Effective Date 7/1/06

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

Revision Number 2, Effective Date 7/1/01

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #1 PART I - GENERAL INFORMATION CLEMSON UNIVERSITY	
Item No.	Item Description		
1.1.0 Revised	<p><u>Description of Your Cost Accounting System</u></p> <p>Clemson'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 of the Governmental Accounting Standards Board (GASB). With the exception of compensated absences and direct expenses to Federally Sponsored Agreements, the University uses an accrual basis for recording expenses. Compensated absences and direct expenditures are charged to Federally Sponsored Agreements on a cash basis.</p> <p>Indirect costs are charged to sponsored agreements based on predetermined indirect cost rates negotiated with our cognizant Federal Agency, Department of Health and Human Services, Division of Cost Allocation.</p> <p>The University's Vice President for Research has the authority to allow a waiver or reduction in the indirect cost rate in all research, instruction, and public service proposals. However, South Carolina legislation does not allow for waivers or reductions in the indirect cost rate for non-research, Federally funded proposals which anticipate a total award amount of \$200,000 or greater per year.</p>		
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting-Combination of A and B</u></p> <p>The information used to prepare the indirect cost rate proposal and other Federal cost reports is prepared to conform to the provisions of OMB Circular A-21 (A-21), Cost Principles for Educational Institutions. Direct and indirect costs as defined by OMB Circular A-21 and charged to sponsored agreements are fully integrated with the University's financial accounting system. The A-21 definitions of direct and indirect cost pools do not always match the activity definitions that must be used for college and university accounting and reporting. For this reason, a special analysis of financial activity is developed to permit the determination of expenses according to the definitions of direct and indirect cost pools as required by A-21. This analysis traces the expenditures from the accounting records used by the University in detail to the accounting records prepared to support the indirect cost rate proposal based on the provisions of A-21.</p> <p>Cost sharing is identified through specific project numbers within the accounting system. Companion cost share project numbers are set up within the accounting to coordinate with the prime sponsored project number.</p> <p>The State cost allocation amount is captured in a memorandum supplied by the State Budget Office for inclusion in the indirect cost rate proposal. Examples of costs included in this amount are expenses from the State Budget Office, State Treasurer's Office, State Comptroller's General Office, and State Auditor's Office.</p>		
Revision Number 2, Effective Date 7/1/06			

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #1 PART I - GENERAL INFORMATION CLEMSON UNIVERSITY
Item No.	Item Description	
1.3.0	<p><u>Unallowable Costs</u></p> <p>Unallowable costs, as defined by OMB Circular A-21, are determined by two methods: [A] specific identification in the formal accounting records; [C] the use of less formal accounting techniques.</p> <p>The following procedures are used:</p> <p>A. Unallowable direct and indirect costs are specifically identified within the financial accounting system using a combination of department code and/or account code. Section J of A-21 specifically identifies activities that are unallowable as either a direct or an indirect cost. Many of these indirect activities are necessary for the operation of an educational institution and must be supported by the institutional operating budget and recognized in the formal accounting records. These activities are identified and accumulated in the Other Institutional Activities direct cost category. Examples of unallowable activities include the operation of an Alumni Office and Development Office. Examples of specific account codes which are identified as unallowable include advertising and entertainment.</p> <p>Unallowable direct costs are specifically identified within the financial accounting system and are recorded as part of a direct base. These costs are left in the base to draw their share of overhead.</p> <p>C. Less formal accounting techniques such as workpapers and independent analyses are used to identify unallowable costs for the preparation of the University's indirect cost proposal. Specific transactions are reviewed to identify unallowable costs. These unallowable costs are identified in the accounting records and are reported with other unallowable expenses (as identified in section A) as Other Institutional Activities. Appropriate accounting records and supporting documents are maintained for audit and review purposes.</p>	
1.3.1 Revised	<p><u>Treatment of Unallowable Costs</u></p> <p>Unallowable costs identified as described above in section 1.3.0 of continuation sheet #1 may be recorded as either direct (part of a base) or indirect (part of a pool). When unallowables are recorded as part of a direct base, the cost is left in the base to draw its share of indirect costs. When unallowables are recorded as part of an indirect cost pool, the costs are identified and removed from the indirect cost pool. These rules are uniformly applied to each direct base, including service center costs, and every indirect cost pool described in Part III of this disclosure.</p> <p>Unallowable costs/activities that are identified in the indirect cost pool as described above are, as required, reclassified to "Other Institutional Activities", which is a direct cost objective identified in A-21. Expenditures accounted for as "Other Institutional Activities" receive an appropriate allocation of indirect costs through the procedures outlined in A-21 which allocate indirect expenses on the basis of Modified Total Direct Costs (MTDC).</p>	

Revision Number 2, Effective Date 7/1/06

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #2 PART 1 - GENERAL INFORMATION CLEMSON UNIVERSITY
Item No.	Item Description	
1.3.1 Revised Cont'd	<p><u>Treatment of Unallowable Costs - Continued</u></p> <p>Space used by offices and departments specifically identified as unallowable is also classified as "Other Institutional Activities" which causes Building and Equipment Depreciation Charges, and Operation and Maintenance of Plant Expenses to be allocated to this activity through the use of space statistics. The use of these procedures assures that an appropriate share of indirect costs is allocated to unallowable costs and that other activities are not charged for support costs that benefit unallowable expenses and activities.</p> <p>Salaries in excess of agency specific salary caps are not charged directly to Federally Sponsored Agreements. Additionally, administrative costs in excess of the 26% limit are not allocated to Federally Sponsored Agreements. These costs are not included in the calculation of the administrative component of the indirect rate that is applied to Federally Sponsored Agreements.</p> <p>Cost sharing to Federally Sponsored Agreements is identified and tracked separately and not allocated as either direct or indirect costs to those agreements.</p>	
1.5.0	<p><u>State Laws or Regulations</u></p> <p><u>a. State Accounting Instructions</u></p> <p>Clemson University's fiscal year, which begins on July 1st and ends on June 30th, is established by the State of South Carolina. Financial records and reports of Clemson University are maintained to conform to the generally accepted accounting principles for Colleges and Universities and State of South Carolina accounting and reporting requirements. To comply with this regulation, the University must maintain books and records that do not match the requirements of A-21. In addition, changes in accounting requirements of the State may create the need to revise cost accounting procedures to obtain information needed for the annual indirect cost rate determination. Such changes are addressed in annual planning. Details can be found at the following website: http://www.scstatehouse.net/coderegs/C117.htm.</p> <p><u>b. State Cost Allocation Plan</u></p> <p>Costs incurred by State offices are identified in a Cost Allocation Plan that is submitted to, audited, and approved by the cognizant Federal audit agency of the State. Costs allocated to the University by this Plan are not recognized in the formal accounting system but are recognized for cost accounting purposes in the indirect cost rate proposal. These costs are included in the General Administrative and General Expense indirect cost pool. Examples of costs included in this amount are expenses from the State Budget Office, State Treasurer Office, State Comptroller General Office, and State Auditor Office.</p> <p><u>c. State Purchasing Regulations</u></p> <p>As a component of the State of South Carolina, the University follows State purchasing regulations. These regulations have been incorporated into the operating procedures of the University. However, changes to the regulations made by the State could influence the activities of the Purchasing Department and the acquisition of goods and services. Details can be found at the following website: http://www.scstatehouse.net/code/t11c035.htm.</p> <p><u>d. Travel Regulations</u></p> <p>As a component of the State of South Carolina, the University follows State travel regulations. These regulations have been incorporated into the operating procedures of the University for all travel expenses including the cost of airfare, mileage, lodging, and other subsistence expenses. However, changes to the regulations made by the State could influence the travel of employees as it relates to State contracts for airline travel and/or the use of other travel services. Details can be found at the following website: http://www.myschools.com/offices/finance/documents/TRAVELREGULATIONS.doc.</p>	

Revision Number 2, Effective Date 7/1/06

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #3 PART 1 - GENERAL INFORMATION CLEMSON UNIVERSITY
Item No.	Item Description	
1.5.0 Revised	<p><i>State Laws or Regulations (Continued)</i></p> <p><i>e. <u>Compensated Absences</u></i> Generally all permanent full-time employees and certain part-time employees scheduled to work at least one-half of the agency's workweek are entitled to accrue and carry forward at calendar year-end maximums of 180 days sick leave and 45 days annual leave, except nine-month faculty members who do not accrue annual leave and temporary grant positions who receive 18 personal days with no carry forward. Upon termination of State employment, employees are entitled to be paid for accumulated unused annual leave up to the maximum, but are not entitled to any payment for unused sick leave.</p> <p>The University calculates the gross compensated absences liability based on recorded balances of unused leave. The entire unpaid liability for which the employer expects to compensate employees through paid time off or cash payments is recorded in unrestricted current funds. The liability amount is based on fiscal year-end current salary costs and the cost of the salary-related benefit payments. The annual net change in the liability is recorded in unrestricted current funds in the applicable functional expenditure categories.</p> <p><i>f. <u>Retirement Plans</u></i> Clemson University participates in the South Carolina Retirement System (SCRS), which is a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). This plan is part of a State government pension plan. The plan offers an Optional Retirement Program (ORP) to certain professorial and professional employees. The Optional Retirement Plans are defined contribution retirement plans. Details can be found at the following website: http://www.retirement.sc.gov/orp/.</p> <p><i>g. <u>Property and Casualty Insurance</u></i> Clemson University pays premiums to the State Insurance Reserve Fund (IRF) for property and casualty insurance. Casualty insurance premiums are based on replacement cost and the University is billed for the coverage on an annual basis.</p> <p style="text-align: right;">-End of Part I-</p> <p style="text-align: right;">Revision Number 2, Effective Date 7/1/06</p>	

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item description	
	<p align="center">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><i>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</i> (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><i>Description of Direct Materials.</i> 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><i>Method of Charging Direct Materials and Supplies.</i> (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p>	
2.3.1	<p><i>Direct Purchases for Projects are Charged to Projects at:</i></p> <p>A. ____ Actual Invoiced Costs</p> <p>B. <u> X </u> Actual Invoiced Costs Net of Discounts Taken</p> <p>Y. ____ Other(s) ^{1/}</p> <p>Z. ____ Not Applicable</p>	
2.3.2	<p><i>Inventory Requisitions from Central or Common, Institution-owned Inventory. (Identify the inventory valuation method used to charge projects):</i></p> <p>A. ____ First In, First Out</p> <p>B. ____ Last In, First Out</p> <p>C. <u> X </u> Average Costs ^{1/}</p> <p>D. ____ Predetermined Costs ^{1/}</p> <p>Y. <u> X </u> Other(s) ^{1/}</p> <p>1/ Describe on a Continuation Sheet.</p>	

Revision Number 2, Effective Date 7/1/00

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART II - DIRECT COSTS CLEMSON UNIVERSITY																																								
Item No.	Item description																																								
2.4.0	<i>Description of Direct Personal Services.</i> 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	<i>Method of Charging Direct Salaries and Wages.</i> (Mark the appropriate line(s) for each Direct Personal Services Category to identify the method(s) used to charge direct salary and wage costs to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, fully describe on a continuation sheet, the applicable methods used.) <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td></td> <td colspan="4" style="text-align: center;"><i>Direct Personal Services Category</i></td> </tr> <tr> <td></td> <td style="text-align: center;"><i>Faculty</i></td> <td style="text-align: center;"><i>Staff</i></td> <td style="text-align: center;"><i>Students</i></td> <td style="text-align: center;"><i>Other^{1/}</i></td> </tr> <tr> <td></td> <td style="text-align: center;">(1)</td> <td style="text-align: center;">(2)</td> <td style="text-align: center;">(3)</td> <td style="text-align: center;">(4)</td> </tr> <tr> <td style="padding-left: 20px;">A. Payroll Distribution Method (Individual time card/actual hours and rates)</td> <td style="text-align: center;">—</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">—</td> </tr> <tr> <td style="padding-left: 20px;">B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td style="padding-left: 20px;">C. After-the-fact Activity Records (Percentage Distribution of employee activity)</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td style="text-align: center;">—</td> </tr> <tr> <td style="padding-left: 20px;">D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> <tr> <td style="padding-left: 20px;">Y. Other(s)^{1/}</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> <td style="text-align: center;">—</td> </tr> </table>		<i>Direct Personal Services Category</i>					<i>Faculty</i>	<i>Staff</i>	<i>Students</i>	<i>Other^{1/}</i>		(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) ^{1/}	—	—	—	—
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Y. Other(s) ^{1/}	—	—	—	—																																					
2.5.1	<i>Salary and Wage Cost Distribution Systems:</i> 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.) <div style="display: flex; justify-content: space-between; width: 100%;"> <u> X </u> Yes — No </div>																																								
2.5.2	<i>Salary and Wage Cost Accumulation System:</i> (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.)																																								
^{1/} Describe on a Continuation Sheet.																																									

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item description	
2.6.0	<i>Description of Direct Fringe Benefits Costs.</i> 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 <i>all</i> of the different types of fringe benefits which are classified and charged as direct costs, e.g., actual or accrued costs of vacation, holidays, sick leave, sabbatical leave, premium pay, social security, pension plans, post-retirement benefits other than pensions, health insurance, training, tuition, tuition remission, etc.)	
2.6.1	<i>Method of Charging Direct Fringe Benefits:</i> (Describe on a continuation sheet, how each type of fringe benefit cost identified in item 2.6.0. is measured, assigned and allocated (for definitions, See 9903.302-1); first, to the major functions (e.g., instruction, research); and, then to individual projects or direct cost objectives within each function.)	
2.7.0	<i>Description of Other Direct Costs:</i> 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.)	
2.8.0	<i>Cost Transfers.</i> When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). (Mark one , if "No" , explain on a continuation sheet how the credit differs from original charge.) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Revision Number 2, Effective Date 7/1/00

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS																									
		CLEMSON UNIVERSITY																									
Item No.	Item description																										
2.9.0	<p><i>Interorganizational Transfers.</i> This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: center;"><i>Materials</i> (1)</th> <th style="text-align: center;"><i>Supplies</i> (2)</th> <th style="text-align: center;"><i>Services</i> (3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost <i>excluding</i> indirect costs attributable to group or central office expenses.</td> <td style="text-align: center;">_X_</td> <td style="text-align: center;">_X_</td> <td style="text-align: center;">_X_</td> </tr> <tr> <td>B. At full cost <i>including</i> 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 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;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table> <p>^{1/} Describe on a Continuation Sheet.</p>				<i>Materials</i> (1)	<i>Supplies</i> (2)	<i>Services</i> (3)	A. At full cost <i>excluding</i> indirect costs attributable to group or central office expenses.	_X_	_X_	_X_	B. At full cost <i>including</i> indirect costs attributable to group or central office expenses.	_____	_____	_____	C. At established catalog or market competition.	_____	_____	_____	Y. Other(s) ^{1/}	_____	_____	_____	Z. Interorganizational transfers are not applicable	_____	_____	_____
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 1 PART II - DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
2.1.0	<p><u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u></p> <p>For all major categories of cost under each major function or activity the following statements apply:</p> <p>Direct costs of Federally Sponsored Agreements or Similar Cost Objectives (referred to as sponsored agreements or projects) are costs that can be identified specifically with a particular project with relative ease and a high degree of accuracy. These direct costs are identified specifically to sponsored projects through the use of individual project/grant numbers within the formal accounting system. Costs are charged to specific projects through mechanisms such as direct payments, internal departmental orders, and service center billing rates. Identification with the project rather than the nature of the goods and services involved is the determining factor in distinguishing whether the cost will be treated as direct or indirect.</p> <p>Direct costs include salaries and wages, applicable fringe benefits, travel, supplies, contractual services, equipment, and other costs necessary for the performance of the project. Cost sharing is also identified to a sponsored project through the use of a companion account whose project number corresponds to the sponsored project's number.</p> <p>To be considered for direct charging the cost must meet all of the following criteria:</p> <ol style="list-style-type: none"> 1. Allowable - Costs must conform to any limitations or exclusions set forth in the sponsored agreement as to types or amounts of cost items. 2. Allocable - A cost is allocable to a particular project if the goods or services involved are chargeable or assignable to the project in accordance with relative benefits received or other equitable relationship. A cost is allocable to a sponsored agreement if it is incurred solely to advance the work under the sponsored agreement or it benefits both the sponsored agreement and other work of the institution in proportions that can be approximated through use of reasonable methods without undue effort or cost. 3. Reasonable - A cost may be considered reasonable if the nature of the goods or services acquired or applied, and the amount involved, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made. Major considerations involved in the determination of the reasonableness of a cost are: (a) whether or not the cost is of a type generally recognized as necessary for the performance of the sponsored agreement; (b) the restraints or requirements imposed by such factors as arm's length bargaining, Federal and State laws and regulations, and sponsored agreement terms and conditions; (c) whether or not the individuals concerned acted with due prudence in the circumstances, considering their responsibilities. 4. Consistently Treated - The cost incurred is not treated as an indirect cost in similar circumstances. A cost will be charged directly if other costs incurred for the same purpose, in like circumstances have been treated as direct costs. The University follows the guidelines in section F.6.b of OMB Circular A-21 which specify the normal treatment of certain costs commonly incurred by academic departments and organized research units. Every effort is made to classify costs incurred for the same purpose, in like circumstances, consistently as either direct or indirect costs. Specific policies have been established by the University to help accomplish this objective. (Sponsored Programs Accounting and Administration Policy Guide, Issued - April, 1998 and revised accordingly as changes have been made, most recent revision September, 2004) Under exceptional circumstances, which the University considers "unlike circumstances", the salary and fringe benefit costs of administrative and clerical staff, office supplies, postage, local telephone costs and memberships may be treated as direct costs when the nature of the work performed under a particular project requires an extensive amount of administrative or clerical support. 	

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Item No.	Item Description														
2.2.0	<p><u>Description of Direct Material</u> In order to be directly charged a cost must be allowable and allocable to a specific Federally Sponsored Agreement or similar cost objective. The principal classes of materials and supplies that are charged directly to Federally sponsored agreements or similar cost objectives are as follows:</p> <p><u>Scientific, Technical, and Educational Supplies and Materials</u> - Chemicals, cylinder rentals, valves, tubing, fuses, lab safety supplies, etc.</p> <p><u>Computer Software and Supplies</u> - Computer software, license agreement fees, etc.</p> <p>Note: All primary object codes may be subdivided to meet necessary costing objectives.</p>														
2.3.2 Revised	<p><u>Inventory Requisitions from Central or Common, University-owned Inventory.</u> <u>(C. Average Costs and Y. Other)</u></p> <p><u>C. Average Costs</u> For inventory that is valued on an average cost basis, the total inventory value for each stock item is the sum of the costs for that item. The cost of a single unit is computed by dividing the total cost for that item by the number of units that are on hand. The average cost is re-computed whenever there is a change in the number of units on hand or the total cost for an item changes.</p> <p><u>Y. Other</u> The University manages the following inventories that may have withdrawals charged to sponsored projects as follows:</p> <table border="0"> <thead> <tr> <th><u>Category</u></th> <th><u>Method</u></th> </tr> </thead> <tbody> <tr> <td>Maintenance supplies</td> <td>Moving weighted average</td> </tr> <tr> <td>Telecommunications</td> <td>Moving weighted average</td> </tr> <tr> <td>Janitorial and auto supplies</td> <td>Moving weighted average</td> </tr> <tr> <td>Post office</td> <td>Specific identification</td> </tr> <tr> <td>Other</td> <td>Moving weighted average</td> </tr> </tbody> </table>			<u>Category</u>	<u>Method</u>	Maintenance supplies	Moving weighted average	Telecommunications	Moving weighted average	Janitorial and auto supplies	Moving weighted average	Post office	Specific identification	Other	Moving weighted average
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 3 PART II - DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
2.4.0	<p><u>Description of Direct Personal Services</u></p> <p>Personal services charged as direct costs to sponsored agreements plus fringe benefits are described below:</p> <p>Unclassified salaries - Faculty, staff, research associates, and post doctoral fellows Classified salaries - Professional and administrative, technicians, lab assistants Graduate Assistant salaries - Graduate research and teaching assistants Salaries and Wages - Other - Temporary positions, undergraduate students, and hourly graduate students</p> <p>Salaries may be charged to a sponsored project or to any final cost objective as long as they are reasonable for work performed, conform to policies of the University, and meet the criteria of Item 2.1.0. Administrative salaries are only charged directly in accordance with section 2.1.0. Costs of compensation generally include salaries, wages, and benefits.</p> <p>1. <u>Unclassified Salaries - Exempt</u></p> <p>A. <u>Faculty</u> - Faculty are compensated based on a nine-month or twelve-month salary depending on their appointment. Twelve-month faculty are paid biweekly based on their annual salary; nine-month academic-year salaries are paid in 20 equal installments from the period of August 15 – May 16.</p> <p>Summer pay for nine-month faculty - Faculty who are on nine-month salaries are eligible to receive summer pay, which is related to working on a research project or grant. They may also receive payment for teaching classes or other administrative duties. Compensation for an employee whose base period is a semester or academic year, for teaching, sponsored research, and/or other activity performed during the summer months (between academic terms) which is not related to a regular summer session, shall be at the same rate as the base period for the immediately preceding academic year not to exceed 33 1/3% of the nine-month rate for the entire summer. For less than full time or only a part of the summer period, compensation would be adjusted for the appropriate distribution.</p> <p>Faculty are eligible for specific fringe benefits as described in Item 2.6.0.</p> <p>B. <u>Exempt Staff</u> - Exempt Staff may be unclassified or classified and professional or administrative. They are paid an annual salary on a biweekly basis and are not eligible for overtime. They are eligible for specific fringe benefits as described in Item 2.6.0. Annual and sick leave may be accrued, and the accrual rate of annual leave is dependent upon the length of service. Sick leave is a fixed amount of time credited monthly.</p> <p>2. <u>Classified Salaries - Non-Exempt Staff</u> - Non-exempt staff may be professional or administrative. Their annual salary is based on a 37.5 hour work week. They are eligible for overtime only for hours in excess of 40 hours per week at a rate of time and one-half. Non-exempt staff are eligible for a specific package of benefits that are covered in Item 2.6.0. Non-exempt staff accrue annual and sick leave. The rate of accrual for annual leave is dependent upon the length of service, and sick leave is a fixed amount of time credited monthly.</p>	
Revision Number 2, Effective Date 7/1/06		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 4 PART II - DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
2.4.0 Cont'd	<p><u>Description of Direct Personal Services - Continued</u></p> <p>3. <u>Graduate Assistant Salaries</u> Compensation for graduate research and teaching assistants is set by each individual college or department. They are not paid on an hourly basis but a fixed amount for their overall contribution of effort. They are eligible for coverage of worker's compensation and health insurance but not for annual and sick leave.</p> <p>4. <u>Salaries and Wages - Other</u> a. Temporary employees are staff members who work a limited period of time based on their appointment. In some cases, they are eligible for fringe benefits described in 2.6.0. Only temporary grant employees receive personal leave. b. Student employees work in many different types of jobs on campus. In most cases, they are paid an hourly wage and are not eligible for any fringe benefits except worker's compensation.</p> <p>5. <u>Annual, Holiday, and Sick Leave</u> Annual, holiday, and sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these paid absences are not made.</p> <p>6. <u>Dual Employment</u> Dual Employment is defined as an arrangement whereby a State employee is employed and compensated, in addition to the approved, budgeted base period salary, by either the Employee's (Home) Agency or another State Agency for services rendered which are clearly over and above or outside the requirements of the employee's regular job responsibilities.</p>	
2.5.0	<p><u>Method of Charging Direct Salaries and Wages</u></p> <p>A. Direct charges for students, other part-time and full-time employees are based on individual pay sheets. The number of hours from the individual's pay sheet is entered into the appropriate computer generated bi-weekly departmental payroll by University account number indicating all employees to be paid for the pay period. The pay sheet is created from data included on the individual personnel appointment and budget documents originating in the departments and indicate the distribution of each individual's payroll to the appropriate project/grant.</p> <p>C. After-the-fact activity reports are generated to assist in accurately accounting for the total compensated effort of employees who are being paid from sponsored projects. Direct charges for employees are based on individual personnel appointment and budget documents. Departmental payroll pay sheets are computer generated by University account number from the Employee Job earnings distribution in Clemson University Business System. Access is given to departments for adjustment and certification. Review of these reports can lead to payroll corrections to accurately record compensation to the appropriate project/grant.</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 5 PART II - DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
2.5.2	<p><u>Salary and Wage Cost Accumulation System</u></p> <p>For initial payroll distribution for all employees Clemson University accumulates salaries and wages based on the following description:</p> <p>The Human Resources (HR) module of the Clemson University Business System (CUBS) contains "P/R Data Entry" screens. These screens are pre-populated with:</p> <ul style="list-style-type: none">• salary/hours for salaried employees• blank field for hours for hourly employees• the latest chartfield (account) distribution in the system. <p>Based on timesheets and/or chartfield distribution records, personnel with appropriate security and knowledge at either the Departmental or Budget Center level access the "P/R Data Entry" screen and</p> <ul style="list-style-type: none">• update salaried employees hours,• enter hours worked for hourly employees• update chartfield distributions as appropriate. <p>Upon entry completion, the "Create Paysheet Process" is run in CUBS to aggregate all of the entered data. The payroll is calculated and verified for accuracy.</p> <p>The payroll is processed through the HR/Financials interface to produce the journal entries to be posted to the general ledger. Payroll data is summarized by chartfield distribution with separate journal entries being produced for each University Department. Personnel in Accounting Services verify the journal entries produced with payroll confirmation reports from the HR module of CUBS. Upon verification, the journal entries are loaded for overnight processing in the general ledger.</p> <p>The CUBS general ledger edits, checks budget and posts journals according to established business rules. All (Fund 20) sponsored research projects require controlled budgets which may not be exceeded. The edit process verifies that all projects are active and that all elements of the chartfield distribution are valid. The budget checking process verifies that a budget exists (and has not been exceeded) for all chartfield distributions. If there are no edit or budget checking errors the entire departmental journal will post. If edit or budget checking errors exist, the entire departmental journal entry will fail, and a "Journal Errors Report" is produced.</p> <p>University Budget Center personnel review the "Journal Errors Report." If transactions are failing for lack of a budget, the requisite budget lines may be entered and the failing transaction will be cleared in the next overnight posting. If, for sponsored research projects, after consultation with the principal investigator, it is determined that the failing journal entry should be changed or amended, Budget Center personnel must email authorized personnel in Accounting Services to make the change. If successful, the journal entry will be cleared in the next overnight posting. If the journal entry still fails, this procedure is repeated until the journal entry is posted.</p> <p>After the initial charge is in the system, after-the-fact activity reports are used to confirm the allocation of direct charges from the payroll distribution to Federally Sponsored Agreements and similar cost objectives are correct. Any changes made based on activity percentage changes are applied via a journal entry in the accounting system.</p>	
Revision Number 2, Effective Date 7/1/06		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 6 PART II – DIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
2.6.0 Revised	<p><u>Description of Direct Fringe Benefits Costs.</u></p> <p><u>1. Retirement Programs</u></p> <p>a. Social Security – Fringe benefit expense represents payments made on behalf of employees in accordance with the provisions of the Federal Insurance Contributions Act. Employees are covered under the OASDI and Medicare portions. Federal employees are covered only by the Medicare portion. Students enrolled half time or more are exempt from FICA.</p> <p>b. South Carolina Retirement System – This is a cost sharing, multiple employer, public employee retirement system that is part of the State of South Carolina government pension plan. The plan is a defined benefit plan that requires contributions by employees and employer contributions at rates established on an annual basis.</p> <p>c. Optional Retirement Plan – Retirement Plan is available as an option to full-time employees. This is a defined contribution plan that requires contributions by the employee and employer contributions at a flat rate established on an annual basis.</p> <p>d. Police Officer Retirement Plan – A retirement program for permanent police officers, firemen, and other law enforcement officers employed by the State of South Carolina. The plan is a defined benefit plan that requires contributions by employees and employer contributions at rates established on an annual basis.</p> <p><u>2. South Carolina State Insurance Programs</u></p> <p>a. Health Insurance – The State of South Carolina has made group medical insurance available to all eligible employees and his/her eligible dependents. Employees have a choice of enrolling in the State Health Insurance Program, whose administrator is currently Blue Cross/Blue Shield of South Carolina, or a Health Maintenance Organization. The State Health Insurance Program (Blue Cross/Blue Shield) is a self-insured program.</p> <p>b. Dental Insurance – The State of South Carolina provides dental coverage for eligible State employees at no cost.</p> <p>c. Basic Life Insurance/Basic Long-Term Disability – Fringe benefit expense represents payments made for basic life insurance and long-term disability coverage for eligible employees. All regular employees working three-quarter time or more are covered by basic life insurance with accidental death and dismemberment provisions. The amount of basic life insurance is set for active employees enrolled in the State health plan or HMO. Additional coverage is offered with any additional costs covered entirely by the employees.</p> <p><u>3. Other Fringe Benefits</u></p> <p>a. Worker’s Compensation – Fringe benefit expense represents payments made to the State of South Carolina self-insurance fund. Employees are protected under this plan and benefits are paid to cover bodily injury resulting from work-associated injuries.</p> <p>b. Unemployment Compensation – Fringe benefit expense represents payments made to the Unemployment Compensation program as required under the South Carolina Employee Security Act. This program is designed to assist employees who are temporarily unemployed through no fault of their own, are able and available for work, and are unsuccessful in finding work.</p>	
Revision Number 2, Effective Date 7/1/06		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet # 7 PART II - DIRECT COSTS CLEMSON UNIVERSITY																											
Item No.	Item Description																												
2.6.1 Revised	<u>Method of Charging Direct Fringe Benefits</u> The Direct fringe benefits listed in 2.6.0 Continuation Sheet #6 are charged directly to sponsored agreements or similar cost objectives based on fringe benefit rates negotiated annually with Clemson's Federal cognizant agency, the Department of Health and Human Services, Division of Cost Allocation. Also included in the rate are employee tuition remission and termination pay. Fringe benefit costs are projected annually based on 2 year prior's actual costs and adjusted as necessary to reflect anticipated cost changes. Carry-forward adjustments are made in the rate computation to compensate for the 2 year prior's over- or under-recovery. The base for each rate consists of the salaries and wages of each group of employees (listed below). Clemson University calculates and negotiates four (4) fringe benefits rates based on benefit eligibility: 1) 9 Month Faculty 2) 12 Month Administrator/Staff 3) Students 4) Part-Time/Temporary Annual and sick leave are charged directly as taken.																												
	2.7.0 Revised	<u>Description of Other Direct Costs</u> The principal classes of other costs which are charged directly to sponsored agreements or similar cost objectives include but are not limited to the following: <table><tr><td>Travel</td><td>Scholarships/fellowships (student aid)</td></tr><tr><td>Consultants</td><td>Traineeships</td></tr><tr><td>Subcontracts</td><td>Participant costs</td></tr><tr><td>Miscellaneous services</td><td>Graduate Assistant Tuition Remission</td></tr><tr><td>Equipment maintenance contracts</td><td></td></tr><tr><td>Freight, express</td><td></td></tr><tr><td>Space rental</td><td></td></tr><tr><td>Printing, binding</td><td></td></tr><tr><td>Technical equipment/equipment repairs</td><td></td></tr><tr><td>Animal care</td><td></td></tr><tr><td>Recharge center charges</td><td></td></tr><tr><td>Technical supplies</td><td></td></tr><tr><td>Materials</td><td></td></tr></table> <div>- End of Part II -</div>			Travel	Scholarships/fellowships (student aid)	Consultants	Traineeships	Subcontracts	Participant costs	Miscellaneous services	Graduate Assistant Tuition Remission	Equipment maintenance contracts		Freight, express		Space rental		Printing, binding		Technical equipment/equipment repairs		Animal care		Recharge center charges		Technical supplies		Materials
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	PART III - INDIRECT COSTS CLEMSON UNIVERSITY
	Item description
	<p 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 Items 3.1.0 and 3.3.0.</p> <ul style="list-style-type: none"> A. Direct Charge or Allocation B. Total Expenditures C. Modified Total Cost Basis D. Modified Total Direct Cost Basis E. Salaries and Wages F. Salaries, Wages and Fringe Benefits G. Number of Employees (head count) H. Number of Employees (full-time equivalent basis) I. Number of Students (head count) J. Number of Students (full-time equivalent basis) K. Student Hours -- classroom and work performed L. Square Footage M. Usage N. Unit of Product O. Total Production P. More than one base (Separate Cost Groupings) ^{1/} Y. Other(s) ^{1/} Z. Category or Pool not applicable <p>^{1/} List on a continuation sheet, the category and subgrouping(s) of expense involved and the allocation base(s) used.</p> <p align="right">Revision Number 2, Effective Date 7/1/06</p>

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

PART III – INDIRECT COSTS

CLEMSON UNIVERSITY

Item No.	Item description																																																								
3.1.0	<p><i>Indirect Cost Categories – Accumulation and Allocation.</i> This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to other applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> <table border="1"> <thead> <tr> <th><i>Indirect Cost Category</i></th> <th><i>Accumulation Method</i></th> <th><i>Allocation Base Code</i></th> <th><i>Allocation Sequence</i></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>Yes</td> <td>L</td> <td></td> </tr> <tr> <td>Equipment _____</td> <td>Yes</td> <td>L</td> <td></td> </tr> <tr> <td>Capital Improvements</td> <td></td> <td></td> <td></td> </tr> <tr> <td>to Land ^{1/} _____</td> <td>Yes</td> <td>P</td> <td></td> </tr> <tr> <td>Interest ^{1/} _____</td> <td>Yes</td> <td>L</td> <td></td> </tr> <tr> <td>(b) Operation and Maintenance _____</td> <td>Yes</td> <td>L</td> <td><u>2</u></td> </tr> <tr> <td>(c) General Administration and General Expense _____</td> <td>No</td> <td>C</td> <td><u>3</u></td> </tr> <tr> <td>(d) Departmental Administration _____</td> <td>No</td> <td>D</td> <td></td> </tr> <tr> <td>(e) Sponsored Projects Administration _____</td> <td>Yes</td> <td>D</td> <td></td> </tr> <tr> <td>(f) Library _____</td> <td>Yes</td> <td>P</td> <td></td> </tr> <tr> <td>(g) Student Administration and Services _____</td> <td>Yes</td> <td>A</td> <td></td> </tr> <tr> <td>(h) Other ^{1/} _____</td> <td>NA</td> <td></td> <td></td> </tr> </tbody> </table> <p>^{1/} Describe on a Continuation Sheet.</p>	<i>Indirect Cost Category</i>	<i>Accumulation Method</i>	<i>Allocation Base Code</i>	<i>Allocation Sequence</i>	(a) Depreciation/Use Allowances/Interest _____			<u>1</u>	Building _____	Yes	L		Equipment _____	Yes	L		Capital Improvements				to Land ^{1/} _____	Yes	P		Interest ^{1/} _____	Yes	L		(b) Operation and Maintenance _____	Yes	L	<u>2</u>	(c) General Administration and General Expense _____	No	C	<u>3</u>	(d) Departmental Administration _____	No	D		(e) Sponsored Projects Administration _____	Yes	D		(f) Library _____	Yes	P		(g) Student Administration and Services _____	Yes	A		(h) Other ^{1/} _____	NA		
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III – INDIRECT COSTS																																																						
		CLEMSON UNIVERSITY																																																						
Item No.	Item description																																																							
3.2.0	<p>Service Centers. Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)</p> <table border="1"> <thead> <tr> <th></th> <th>(1)</th> <th>(2)</th> <th>(3)</th> <th>(4)</th> <th>(5)</th> <th>(6)</th> </tr> </thead> <tbody> <tr> <td>(a) Scientific Computer Operations</td> <td>Z</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(b) Business Data Processing</td> <td>Z</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(c) Animal Care Facilities</td> <td>A</td> <td>B</td> <td>C</td> <td>B</td> <td>A</td> <td>B</td> </tr> <tr> <td>(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>Computer Center</u></td> <td>C</td> <td>B</td> <td>A</td> <td>A</td> <td>A</td> <td>B</td> </tr> <tr> <td><u>Transportation Services</u></td> <td>C</td> <td>B</td> <td>C</td> <td>A</td> <td>A</td> <td>B</td> </tr> </tbody> </table> <p>(1) Category Code: Use code "A" if the service center costs are billed only as direct costs of final cost objectives; code "B" if billed only to indirect cost categories or indirect cost pools; code "C" if billed to both direct and indirect cost objectives.</p> <p>(2) Burden Code: Code "A" – center receives an allocation of all applicable indirect costs; Code "B" – partial allocation of indirect costs; Code "C" – no allocation of indirect costs.</p> <p>(3) Billing Rate Code: Code "A" – billing rates are based on historical costs; Code "B" – rates are based on projected costs; Code "C" – rates are based on a combination of historical and projected costs; Code "D" – billings are based on the actual costs of the billing period; Code "Y" – other (explain on a Continuation Sheet).</p> <p>(4) User Charges Code: Code "A" – all users are charged at the same billing rates; Code "B" – some users are charged at different rates than other users (explain on a Continuation Sheet).</p> <p>(5) Actual Costs vs. Revenues Code: Code "A" – billings (revenues) are compared to actual costs (expenditures) at least annually; Code "B" – billings are compared to actual costs less frequently than annually.</p> <p>(6) Variance Code: Code "A" – Annual variances between billed and actual costs are prorated to users (as credits or charges); Code "B" – variances are carried forward as adjustments to billing rate of future periods; Code "C" – annual variances are charged or credited to indirect costs; Code "Y" – other (explain on a Continuation Sheet).</p>								(1)	(2)	(3)	(4)	(5)	(6)	(a) Scientific Computer Operations	Z						(b) Business Data Processing	Z						(c) Animal Care Facilities	A	B	C	B	A	B	(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>Computer Center</u>	C	B	A	A	A	B	<u>Transportation Services</u>	C	B	C	A	A	B
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**COST ACCOUNTING STANDARDS BOARD
DISCLOSURE STATEMENT
REQUIRED BY PUBLIC LAW 100-679
EDUCATIONAL INSTITUTIONS**

PART III – INDIRECT COSTS

CLEMSON UNIVERSITY

Item No.	Item description																												
3.3.0	<p>Indirect Cost Pools and Allocation Bases (Identify all of the indirect cost pools established for the accumulation of indirect costs, excluding service centers, and the allocation bases used to distribute accumulated indirect costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable indirect cost pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives.)</p> <table border="0"> <thead> <tr> <th><i>Indirect Cost Pools</i></th> <th><i>Allocation Base Code</i></th> </tr> </thead> <tbody> <tr> <td colspan="2"><i>A. Instruction</i></td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td>D</td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus</td> <td>D</td> </tr> <tr> <td><input type="checkbox"/> Other ^{1/}</td> <td>_____</td> </tr> <tr> <td colspan="2"><i>B. Organized Research</i></td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td>D</td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus</td> <td>D</td> </tr> <tr> <td><input type="checkbox"/> Other ^{1/}</td> <td>_____</td> </tr> <tr> <td colspan="2"><i>C. Other Sponsored Activities</i></td> </tr> <tr> <td><input checked="" type="checkbox"/> On-Campus</td> <td>D</td> </tr> <tr> <td><input checked="" type="checkbox"/> Off-Campus</td> <td>D</td> </tr> <tr> <td><input type="checkbox"/> Other ^{1/}</td> <td>_____</td> </tr> <tr> <td><i>D. Other Institutional Activities</i> ^{1/}</td> <td>D</td> </tr> </tbody> </table> <p>3.4.0 Composition of Indirect Cost Pools. (For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, subgroupings of expenses, and elements of cost included.)</p> <p>^{1/} Describe on a Continuation Sheet.</p>	<i>Indirect Cost Pools</i>	<i>Allocation Base Code</i>	<i>A. Instruction</i>		<input checked="" type="checkbox"/> On-Campus	D	<input checked="" type="checkbox"/> Off-Campus	D	<input type="checkbox"/> Other ^{1/}	_____	<i>B. Organized Research</i>		<input checked="" type="checkbox"/> On-Campus	D	<input checked="" type="checkbox"/> Off-Campus	D	<input type="checkbox"/> Other ^{1/}	_____	<i>C. Other Sponsored Activities</i>		<input checked="" type="checkbox"/> On-Campus	D	<input checked="" type="checkbox"/> Off-Campus	D	<input type="checkbox"/> Other ^{1/}	_____	<i>D. Other Institutional Activities</i> ^{1/}	D
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100- 679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS
		CLEMSON UNIVERSITY
Item No.	Item description	
3.5.0	<i>Composition of Allocation Bases.</i> (For each allocation base code used in Items 3.1.0 and 3.3.0, describe on a continuation sheet the makeup of the base. For example, if a modified total direct cost base is used, specify which of the elements of direct cost identified in Part II, Direct Costs, that are included, e.g., materials, salaries and wages, fringe benefits, travel costs, and excluded, e.g., subcontract costs over first \$25,000. Where applicable, explain if service centers are included or excluded. Specify the benefiting functions and activities included. If any cost objectives are excluded from the allocation base, such cost objectives and the alternate allocation method used should be identified. If an indirect cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study.	
3.6.0	<i>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</i> 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? A. <input checked="" type="checkbox"/> Yes B. <input type="checkbox"/> No ^{1/} ^{1/} Describe on a Continuation Sheet.	
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #1 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.1.0	<p>Indirect Cost Categories – Accumulation and Allocation</p> <p>(a) Depreciation/Use Allowance/Interest Capital Improvements to Land Capital improvements to land are capitalized and depreciated through CU’s accounting system with a useful life between 15 and 30 years. The depreciation costs for each improvement are accumulated into this cost pool, net of any depreciation related to federal funding. This cost category is identified to various user groups based on the ratio of full-time equivalent (FTE) users in each group. The FTE user groups consist of faculty/staff, students, working students and “other users” which are defined as non-employee and non-student users (i.e. the general public). FTEs are calculated for students based on the number of credit hours in their class load (typically 12 credit hours considered full-time). FTEs are calculated for faculty/staff based on the number of hours worked, typically 40 hours/week considered full-time. The working student FTE is calculated based on a 20-hour work week, as that is considered a full-time workload for a student. Once the costs have been identified and allocated to all the user groups, they are further allocated to final cost objectives using various methods. The costs identified with the student user group are allocated 100% to Instruction. The costs identified with the faculty/staff user group are allocated to final cost objectives based on the respective salaries and wages of each final cost objective. Similarly the costs identified to the working student user group are allocated to final cost objectives based on the respective salaries and wages ratio of each final cost objective. The “other users” category is allocated 100% to the Other Institutional Activities final cost objective.</p> <p>Interest Interest expense from external debt is recorded in CU’s accounting system. CU has a separate tracking system, outside of the formal accounting system, to identify interest cost by building. Interest cost is prorated to each building/capital project based on the ratio of proceeds used for each individual project. Once interest is identified to each building, it is allocated to cost pools based on the functional use of space for each building.</p> <p>(c) General Administration and General Expense Cost Accumulation Method Institution Support costs as defined by generally accepted accounting principles for education institutions are accumulated in the financial records of the University. For purposes of determining indirect cost rates these costs are inclusive of service costs from the state of South Carolina which are allocated to the University by the State and are identified in a state-wide cost allocation plan approved by the Department of Health and Human Services.</p> <p>General administrative costs of the University are costs for departments such as the President’s Office, Human Resources, etc. An analysis of the operating expenses reported in Institutional Support and other categories is performed to identify expenses that are to be reported as General Administrative Expense according to the provisions of OMB Circular A-21. For purposes of determining indirect cost rates the final costs in this cost pool are net of potentially unallowable costs.</p>	
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #2 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.1.0 Cont'd	<p>Indirect Cost Categories – Accumulation and Allocation (cont'd)</p> <p>(d) Departmental Administration Cost Accumulation Method Departmental administration expenses are only partially identified by the accounting system. This cost pool consists of the administrative costs of dean's offices, costs associated with the administrative work of department heads, faculty and other professional research and academic staff; and other departmental support services. The costs of dean's offices are identified by the accounting system. The costs associated with administrative activities of department heads, faculty and other professional academic staff are identified through a calculation of 3.6% of the modified total direct costs associated with these individuals, also known as the faculty administrative allowance (FAA) and defined in paragraph F.6.a.(2) of Circular A-21. The 3.6% calculated costs are transferred from the direct cost pools into the indirect Departmental Administration cost pool. The remaining 96.4% of this cost grouping will remain in the appropriate direct cost bases.</p> <p>The departmental support costs include the salaries and fringe benefits of administrative and clerical staff, departmental business managers, office supplies, postage and other operating expenses associated with administrative activities. This portion of department administration expense is accumulated through an analysis of departmental general fund (non-sponsored) Instruction direct costs. Once identified, a "Direct Charge Equivalent" (DCE) calculation is performed to determine the amount of departmental support that can be transferred from the Instruction direct cost pool to the Department Administration indirect cost pool. A DCE is a calculation of departmental support staff directly paid from sponsored (external) funds, divided by faculty and other professional academic staff directly paid from sponsored (external) funds. This ratio is applied to the non-sponsored faculty and other academic professional wages cost grouping to identify the equivalent dollar amount of departmental support costs that should be left in the Instruction direct cost base (the "direct charge equivalent"). Any remaining costs left in the departmental support (non-sponsored) grouping are transferred to the DA indirect cost pool. The DCE methodology is consistent with the preferred methodology described in the DHHS "Review Guide for Long Form University Indirect Cost Proposals".</p> <p>Job descriptions defined as pure administrative (e.g., departmental business officers) and charged to the general operating (non-sponsored) Instruction accounts of departments are categorized as 100 percent departmental administration.</p> <p>(f) Library Allocation Base Code This cost pool represents the costs of running and maintaining the library system for a fiscal year. This cost category is identified to various user groups based on the ratio of full-time equivalent (FTE) users in each group. The FTE user groups consist of faculty/staff, students, working students and "other users" which are defined as non-employee and non-student users (i.e. the general public). FTEs are calculated for students based on the number of credit hours in their class load (typically 12 credit hours considered full-time). FTEs are calculated for faculty/staff based on the number of hours worked, typically 40 hours/week considered full-time.</p>	
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #3 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.1.0 Cont'd	Indirect Cost Categories – Accumulation and Allocation (cont'd) The working student FTE is calculated based on a 20-hour work week, as that is considered a full-time workload for a student. Once the costs have been identified and allocated to all the user groups, they are further allocated to final cost objectives using various methods. The costs identified with the student user group are allocated 100% to Instruction. The costs identified with the faculty/staff user group is allocated to final cost objectives based on the respective salaries and wages of each final cost objective. Similarly the costs identified to the working student user group are allocated to final cost objectives based on the respective salaries and wages ratio of each final cost objective. The “other users” category is allocated 100% to the Other Institutional Activities final cost objective.	
3.2.0	Service Centers (c) Animal Care Facilities – User Charges Code – Code B Direct charges to federally sponsored programs and University departments are billed at cost based on federal cost principles. Charges to investigators outside of University departments are billed at a higher rate to insure recovery of all costs. (d) Other Service Centers Information Systems Development (1)-C (2)-B (3)-A (4)-A (5)-A (6)-B Telecommunications (1)-C (2)-B (3)-C (4)-A (5)-A (6)-B	
3.3.0	Indirect Cost Pools and Allocation Bases D. Other Institutional Activities – Allocation Base = D Activities of the institution that fit the OMB Circular A-21 definition of Other Institutional Activities are included in this pool. These are activities such as Athletics, University Housing, and Food Services. Also included are unallowable functions such as the Alumni Office, Development Office, Government Affairs, and Public Relations have been classified to Other Institutional Activities and have been allocated a share of facilities and administrative costs. Other unallowable costs were reclassified here.	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #4 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.4.0	Composition of Indirect Cost Pools (a) Depreciation/Use Allowances/Interest 1. Building Depreciation This pool contains calculated depreciation amounts for University buildings and building improvements. 2. Equipment Depreciation This pool contains calculated depreciation amounts for capitalized University equipment. 3. Capital Improvements to Land This pool contains the depreciation costs for capital improvements to land and non-structural improvements (e.g. parking lots, fences, sidewalks, etc.) 4. Interest This cost pool includes interest paid on capital leases associated with buildings and equipment as well as interest from state institutional bonds. (b) Operation and Maintenance (O&M) The cost pool includes expenses incurred for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant. This cost pool also includes its allocable share of building depreciation, equipment depreciation, depreciation for capital improvements to land, and interest expense. The main cost elements included in this pool are: <ul style="list-style-type: none">Salaries & WagesFringe BenefitsSuppliesProfessional servicesUtilities The sub-groupings of this cost pool are detailed below: <ul style="list-style-type: none">Facilities Administration Includes administrative costs for O&M departments such as information technology, training and development, campus planning and environmental health and safety. Costs are assigned to all main campus buildings on the basis of square footage for the building, then allocated based on functional use of space for the buildings.Utilities Includes costs for utility services such as gas, water, sewer and electric. Costs are captured by external meters for each building or directly paid to a utility company, then allocated based on the functional use of space for the buildings.	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #5 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.4.0 Cont'd	Composition of Indirect Cost Pools (cont'd) <ul style="list-style-type: none">▪ Hazardous Waste Disposal Includes costs for hazardous waste disposal such as contractual payments for waste removal and personnel costs related to collection and removal of waste. Costs were assigned to labs based on unit counts or to buildings based on percentage of effort, then allocated based on functional use of the space.▪ Janitorial, Maintenance and Landscape Janitorial and maintenance costs are assigned to the buildings that received the services on the basis of hours worked. Landscape costs are assigned to the buildings that received the services on the basis of square footage for the building. Each of these costs was then allocated based on functional use of space for the buildings.▪ Law Enforcement, Fire and EMS Includes operating costs for Clemson's law enforcement, emergency medical services and fire departments. Costs are assigned to the main campus buildings on the basis of square footage for the building and then allocated based on functional use of space for the buildings.▪ Property Insurance Includes insurance coverage identified to specific buildings. Costs were allocated based on functional use of space for the buildings.▪ Other Includes O&M costs related to specific buildings which were paid by a department, either to external vendors or through inter-departmental charges from the facilities division. Costs are identified to specific buildings and then allocated based on functional use of space for the buildings.▪ Department O&M Includes O&M costs paid for by the department, either to external vendors or through inter-departmental charges from the facilities division. This cost pool is allocated on the functional use of space for the departments where the costs reside.▪ Non-Capital Plant Fund Costs Includes repair and maintenance costs that do not meet Clemson's capitalization requirements. Costs are identified to specific buildings and then allocated based on functional use of space for the buildings.	
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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #6 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.4.0 Cont'd	<p>Composition of Indirect Cost Pools (cont'd)</p> <ul style="list-style-type: none"> ▪ Campus Wide and Cross Allocations Includes costs that cannot be identified to specific buildings or groups of buildings, or benefit all buildings for the main campus. This includes activities such as campus level maintenance projects and depreciation on O&M operating facilities and equipment. Costs are assigned to all the buildings on the basis of square footage for the building and then allocated based on functional use of space for the buildings. <p>(c) General Administration and General Expense Includes all costs associated with the general administration of the University and the University's portion of Statewide allocated costs. Examples of departments in this cost pool are the President's Office, Human Resources, Accounting Services, Procurement Services, Office of Internal Audit, Comptroller's Office, Risk Management, etc. The final costs in this cost pool are net of potentially unallowable costs. This cost pool also contains its allocable share of building depreciation, equipment depreciation, capital improvements to land, interest expense, and operation & maintenance expense.</p> <p>The main cost elements in this cost pool are:</p> <ul style="list-style-type: none"> • Salaries & Wages • Fringe Benefits • Professional Services • Supplies • Travel • Memberships & Subscriptions • Telephone charges <p>(d) Departmental Administration Departmental administration expenses are only partially identified by the accounting system. This cost pool consists of the administrative costs of deans' offices; costs associated with the administrative work of department heads, faculty and other professional research and academic staff; and other departmental support services. See section 3.1.0 for additional information on the composition of the Departmental Administration cost pool. This cost pool also contains its allocable share of building depreciation, equipment depreciation, capital improvements to land, interest expense, operation & maintenance expense, and general administration allocation (including state central service costs).</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #7 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.4.0 Cont'd	<p>Composition of Indirect Cost Pools (cont'd)</p> <p>The main cost elements in this cost pool are:</p> <ul style="list-style-type: none">• Salaries & Wages• Fringe Benefits• Professional Services• Supplies• Travel• Memberships & Subscriptions• Telephone charges <p>(e) Sponsored Projects Administration</p> <p>Sponsored Projects Administration includes all costs associated with administering sponsored projects at Clemson University. The departments in this category include the VP of Research, Sponsored Programs Accounting & Administration, Sponsored Programs, Office of Technology Transfer, Research Services, and Office of Research Compliance. This cost pool also contains its allocable share of building depreciation, equipment depreciation, capital improvements to land, interest expense, operation & maintenance expense, and general administration allocation (including state central service costs).</p> <p>The main cost elements in this cost pool are:</p> <ul style="list-style-type: none">• Salaries & Wages• Fringe Benefits• Professional Services• Supplies• Travel• Memberships & Subscriptions• Telephone charges <p>(f) Library Expense</p> <p>Library costs include all expenditures associated with running and maintaining the Clemson library system. Included are all expenditures incurred for the purchase of new books and periodicals throughout the current fiscal year. The library cost pool is offset by library fine revenue (applicable credits) as prescribed in section C.5 in OMB Circular A-21. This cost pool also contains its allocable share of building depreciation, equipment depreciation, capital improvements to land, interest expense, operation & maintenance expense, and general administration allocation (including state central service costs).</p>	
Revision Number 2, Effective Date 7/1/06		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #8 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.4.0 Cont'd	<p>Composition of Indirect Cost Pools (cont'd)</p> <p>The main cost elements in this cost pool are:</p> <ul style="list-style-type: none"> • Salaries & Wages • Fringe Benefits • Professional Services • Supplies • Library Books and Serials • Memberships & Subscriptions • Telephone charges <p>(g) Student Administration and Services Includes the costs of administering programs to benefit the student function, such as Records/Registration, VP for Student Affairs, Student Development Services, Academic Support Center, and Career Center. This cost pool also contains its allocable share of building depreciation, equipment depreciation, capital improvements to land, interest expense, operation & maintenance expense, and general administration allocation (including state central service costs). These costs are all allocated to the Instruction function.</p> <p>The main cost elements in this cost pool are:</p> <ul style="list-style-type: none"> • Salaries & Wages • Fringe Benefits • Professional Services • Supplies • Travel • Memberships & Subscriptions • Telephone charges <p>Service Centers</p> <p>Animal Care Facility - Includes the costs of running the animal care facility, such as feed for the animals, lab supplies, housing supplies, maintenance supplies, and repairs. Costs are accumulated into various sub groupings identified by separate project numbers.</p> <p>Computer Center - Includes the costs of running the computer center, such as computer technician salaries, contract services, and professional fees. Costs are accumulated into various sub groupings identified by separate project numbers.</p> <p>Transportation Services - Includes the costs of running the transportation service facility, such as repairs and maintenance supplies. Costs are accumulated into a sub grouping identified by a separate project number.</p>	
		Revision Number 2, Effective Date 7/1/06

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #9 PART III – INDIRECT COSTS CLEMSON UNIVERSITY	
Item No.	Item Description		
3.5.0	<p>Composition of Allocation Bases</p> <p>A. Direct Charge or Allocation Student Services are allocated 100% to the instruction function.</p> <p>C. Modified Total Costs All salaries and wages, fringe benefits, materials and supplies, services, service center charges, travel, and subcontracts up to the first \$25,000 of each subcontract are included. Equipment, capital expenditures, rental costs, student financial aid, participant support costs, and cost of goods sold as well as the portion of each subcontract in excess of \$25,000 are excluded.</p> <p>D. Modified Total Direct Costs All direct salaries and wages, fringe benefits, materials and supplies, services, service center charges, travel, and subcontracts up to the first \$25,000 for each subcontract are included. Direct equipment, capital expenditures, rental costs, student financial aid, participant support costs, and cost of goods sold, as well as the portion of each subcontract in excess of \$25,000 are excluded.</p> <p>L. Square Footage Depreciation, Interest, and Operations and Maintenance Expense (facilities costs) are allocated to cost pools based on the functional use of space. In order to make these allocations the University conducted a space inventory to determine the functional use of the space.</p> <p>Faculty offices were surveyed to determine the occupant of the room. The functional usage for these offices was assigned by analyzing the statistics of the salaries and wages of faculty on a department-by-department basis.</p> <p>Assignable space that was determined to be vacant is included in the Other Institutional Activities category. Space that was determined to be unusable or unassignable (e.g. hallways, restrooms, stairwells, etc.) was excluded from the calculation and does not receive an allocation of facilities costs.</p>		
Revision Number 2, Effective Date 7/1/06			

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #10 PART III – INDIRECT COSTS CLEMSON UNIVERSITY
Item No.	Item Description	
3.5.0 Cont'd	<p>Composition of Allocation Bases (cont'd)</p> <p>P. More than one base</p> <p>Capital Improvements to Land are first identified to full-time equivalent user groups. The FTE user groups consist of faculty/staff, students, working students and “other users” which are defined as non-employee and non-student users (i.e. the general public). FTEs are calculated for students based on the number of credit hours in their class load (typically 12 credit hours considered full-time). FTEs are calculated for faculty/staff based on the number of hours worked, typically 40 hours/week considered full-time. The working student FTE is calculated based on a 20-hour work week, as that is considered a full-time workload for a student. Once the costs have been identified and allocated to all the user groups, they are further allocated to final cost objectives using various methods. The costs identified with the student user group are allocated 100% to Instruction. The costs identified with the faculty/staff user group is allocated to final cost objectives based on the respective salaries and wages of each final cost objective. Similarly the costs identified to the working student user group are allocated to final cost objectives based on the respective salaries and wages ratio of each final cost objective. The “other users” category is allocated 100% to the Other Institutional Activities final cost objective.</p> <p>This cost category is identified to various user groups based on the ratio of full-time equivalent (FTE) users in each group. The FTE user groups consist of faculty/staff, students, working students and “other users” which are defined as non-employee and non-student users (i.e. the general public). FTEs are calculated for students based on the number of credit hours in their class load (typically 12 credit hours considered full-time). FTEs are calculated for faculty/staff based on the number of hours worked, typically 40 hours/week considered full-time. The working student FTE is calculated based on a 20-hour work week, as that is considered a full-time workload for a student. Once the costs have been identified and allocated to all the user groups, they are further allocated to final cost objectives using various methods. The costs identified with the student user group are allocated 100% to Instruction. The costs identified with the faculty/staff user group is allocated to final cost objectives based on the respective salaries and wages of each final cost objective. Similarly the costs identified to the working student user group are allocated to final cost objectives based on the respective salaries and wages ratio of each final cost objective. The “other users” category is allocated 100% to the Other Institutional Activities final cost objective.</p> <p>- End of Part III -</p>	
Revision Number 2, Effective Date 7/1/06		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCES																																																			
		CLEMSON UNIVERSITY																																																			
Item No.	Item description																																																				
4.1.0	<div style="text-align: center; margin-bottom: 10px;">Part IV</div> <p><i>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</i> (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use allowances are applied to property units; and Code A or B in Column (4) indicating whether or not the estimated residual value is deducted from the total cost of depreciable assets. Enter Code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable.)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><i>Asset Category</i></th> <th style="text-align: center;"><i>Depreciation Method (1)</i></th> <th style="text-align: center;"><i>Useful Life (2)</i></th> <th style="text-align: center;"><i>Property Unit (3)</i></th> <th style="text-align: center;"><i>Residual Value (4)</i></th> </tr> </thead> <tbody> <tr><td>(a) Land Improvements</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(b) Buildings</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(c) Building Improvements</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(d) Leasehold Improvements</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(e) Equipment</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(f) Furniture and Fixtures</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(g) Automobiles and Trucks</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</td></tr> <tr><td>(h) Tools</td><td style="text-align: center;">A</td><td style="text-align: center;">C</td><td style="text-align: center;">A</td><td style="text-align: center;">B</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;">Z</td><td></td><td></td><td></td></tr> </tbody> </table> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 48%;"> <p><i>Column (1) -- Depreciation Method Code</i></p> <p>A. Straight Line</p> <p>B. Expensed at Acquisition</p> <p>C. Use Allowance</p> <p>Y. Other or more than one method ^{1/}</p> </div> <div style="width: 48%;"> <p><i>Column (2) -- Useful Life Codes</i></p> <p>A. Replacement Experience</p> <p>B. Term of Lease</p> <p>C. Estimated services life</p> <p>D. As prescribed for use allowance by Office of Management and Budget Circular No. A- 21</p> <p>Y. Other or more than one method ^{1/}</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 48%;"> <p><i>Column (3) -- Property Unit Code</i></p> <p>A. Individual units are accounted for separately</p> <p>B. Applied to groups of assets with similar service lives</p> <p>C. Applied to groups of assets with varying service lives</p> <p>Y. Other or more than one method ^{1/}</p> </div> <div style="width: 48%;"> <p><i>Column (4) -- Residual Value Code</i></p> <p>A. Residual value is deducted</p> <p>B. Residual value is not deducted</p> <p>Y. Other or more than one method ^{1/}</p> </div> </div> <p style="margin-top: 20px;">^{1/} Describe on a Continuation Sheet</p>			<i>Asset Category</i>	<i>Depreciation Method (1)</i>	<i>Useful Life (2)</i>	<i>Property Unit (3)</i>	<i>Residual Value (4)</i>	(a) Land Improvements	A	C	A	B	(b) Buildings	A	C	A	B	(c) Building Improvements	A	C	A	B	(d) Leasehold Improvements	A	C	A	B	(e) Equipment	A	C	A	B	(f) Furniture and Fixtures	A	C	A	B	(g) Automobiles and Trucks	A	C	A	B	(h) Tools	A	C	A	B	(i) Enter Code Y on this line if other asset categories are used and enumerate on a continuation sheet each such asset category; and the applicable codes. (Otherwise enter Code Z.)	Z			
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Revision Number 2, Effective Date 7/1/06

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

PART IV - DEPRECIATION AND USE ALLOWANCES

CLEMSON UNIVERSITY

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 used in the institution's financial statements? (Mark one.)</p> <p>A. <input checked="" type="checkbox"/> Yes</p> <p>B. <input type="checkbox"/> No ^{1/}</p>
4.2.0	<p>Fully Depreciated Assets. Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.)</p> <p>A. <input type="checkbox"/> Yes</p> <p>B. <input checked="" type="checkbox"/> No</p>
4.3.0	<p>Treatment of Gains and Losses on Disposition of Depreciable Property. Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. <input checked="" type="checkbox"/> Excluded from determination of sponsored agreement costs</p> <p>B. <input type="checkbox"/> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged</p> <p>C. <input type="checkbox"/> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved;</p> <p>D. <input type="checkbox"/> Not accounted for separately, but reflected in the depreciation reserve account</p> <p>Y. <input type="checkbox"/> Other(s) ^{1/}</p> <p>Z. <input type="checkbox"/> Not applicable</p>
4.4.0	<p>Criteria for Capitalization. (Enter (a) the minimum dollar amount of expenditures which are capitalized for acquisition, addition, alteration, donation and improvement of capital assets, and (b) the minimum number of expected life years of assets which are capitalized. If more than one dollar amount or number applies, show the information for the majority of your capitalized assets, and enumerate on a continuation sheet the dollar amounts and/or number of years for each category or subcategory of assets involved which differs from those for the majority of assets.)</p> <p>A. Minimum Dollar Amount <u>\$5,000</u></p> <p>B. Minimum Life Years <u>1 year</u></p>
4.5.0	<p>Group or Mass Purchase. Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalize? (Mark one.)</p> <p>A. <input type="checkbox"/> Yes</p> <p>B. <input checked="" type="checkbox"/> No ^{1/}</p>
<p>^{1/} Describe on a Continuation Sheet</p>	

Revision Number 2, Effective Date 7/1/06

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #1 PART IV – DEPRECIATION AND USE ALLOWANCES CLEMSON UNIVERSITY
Item No.	Item Description	
4.1.0	Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives <p>Clemson University's financial statement footnote categorizes capital assets as land improvements, construction in progress, utilities and other non-structural improvements, buildings and improvements, computer software, equipment, and vehicles. Leasehold improvements are included in building improvements costs and furniture and fixtures and tools are included in the equipment costs in Clemson's financials.</p> <p>Clemson uses a componentized method for some buildings with useful lives of the components ranging from 20 to 50 years. There were 19 buildings which met the criteria requirements of at least 20,000 total square feet and at least 25% research space. Buildings that are not componentized are depreciated with a useful life of 40 years.</p>	
4.4.0	Criteria for Capitalization <p>Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. The University follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions and renovations and other improvements that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The University capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of one year and depreciable land improvements, buildings and improvements, and intangible assets, including internally developed software, costing in excess of \$100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of \$5,000, are charged to operating expenses in the year in which the expense was incurred.</p> <p>Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 40 years for buildings and improvements and land improvements and 6 to 20 years for machinery, equipment, and vehicles. Internally developed software is depreciated using the straight-line method over a three year period. A full year of depreciation is taken the year the asset is placed in service and no depreciation is taken in the year of disposition.</p>	
4.5.0	Group or Mass Purchase <p>Group or mass purchases of similar items, which individually are less than the capitalization amount indicated in section 4.4.0 are not capitalized.</p> <p>If multiple items are used to fabricate a product, and the total amount of the items exceeds the capitalization threshold (\$5,000), the final product is capitalized even though no individual item exceeds \$5,000.</p> <p style="text-align: center;">- End of Part IV -</p>	
		Revision Number 2, Effective Date 7/1/06

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART V - OTHER COSTS AND CREDITS CLEMSON UNIVERSITY
Item No.	Item description	
	Part V	
5.1.0	<p><i>Method of Charging Leave Costs.</i> Do you charge vacation, sick, holiday and sabbatical leave costs to sponsored agreements on the cash basis of accounting (i.e., when the leave is taken or paid), or on the accrual basis of accounting (when the leave is earned)? (Mark applicable line(s))</p> <p>A. <input checked="" type="checkbox"/> Cash B. <input type="checkbox"/> Accrual ^{1/}</p>	
5.2.0	<p><i>Applicable Credits.</i> This item is directed at the treatment of "applicable credits" as defined in Section C of OMB Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A. <input checked="" type="checkbox"/> The credits/receipts are offset against the specific direct or indirect costs to which they relate. B. <input type="checkbox"/> The credits/receipts are handled as a general adjustment to the indirect pool. C. <input type="checkbox"/> The credits/receipts are treated as income and are not offset against costs. D. <input type="checkbox"/> Combination of methods ^{1/} Y. <input type="checkbox"/> Other ^{1/}</p> <p>^{1/} Describe on a Continuation Sheet.</p> <p style="text-align: center;">- End of Part V -</p>	
Revision Number 2, Effective Date 7/1/06		

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

**PART VI - DEFERRED COMPENSATION AND INSURANCE
COSTS**

CLEMSON UNIVERSITY

Item No.	Item description								
	<p align="center">Instructions for Part VI</p> <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>								
6.1.0	Pension Plans.								
6.1.1 Revised	<p>Defined-Contribution Pension Plans: Identify the types and number of pension plans whose costs are charged to Federally sponsored agreements. (Mark applicable line(s) and enter number of plans.)</p> <table border="0"> <thead> <tr> <th>Type of Plan</th> <th>Number of Plans</th> </tr> </thead> <tbody> <tr> <td>A. <u> X </u> Institution employees participate in State/Local Government Retirement Plan(s)</td> <td align="center"><u> 1 </u></td> </tr> <tr> <td>B. <u> </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution</td> <td align="center"><u> </u></td> </tr> <tr> <td>C. <u> </u> Institution has its own Defined-Contribution Plan(s) ^{1/}</td> <td align="center"><u> </u></td> </tr> </tbody> </table>	Type of Plan	Number of Plans	A. <u> X </u> Institution employees participate in State/Local Government Retirement Plan(s)	<u> 1 </u>	B. <u> </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution	<u> </u>	C. <u> </u> Institution has its own Defined-Contribution Plan(s) ^{1/}	<u> </u>
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C. <u> </u> Institution has its own Defined-Contribution Plan(s) ^{1/}	<u> </u>								
6.1.2	<p>Defined-Benefit Pension Plan: (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)</p>								
6.2.0	<p>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs): (Identify on a continuation sheet all PRB plans whose costs are charged to Federally sponsored agreements. For each plan listed, state the plan name and indicate the approximate number and type of employees covered by each plan.)</p> <p>Z. [X] Not Applicable</p> <p>^{1/} Describe on a Continuation Sheet.</p>								

Revision Number 2, Effective Date 7/1/06

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS
		CLEMSON UNIVERSITY
Item No.	Item description	
6.2.1	Determination of Annual PRB Cost: (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.)	
6.3.0	Self-Insurance Programs (Employee Group Insurance): Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) A. <input type="checkbox"/> When accrued (book accrual only) B. <input type="checkbox"/> When contributions are made to a non forfeitable 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 ^{1/} Z. <input checked="" type="checkbox"/> Not Applicable	
6.4.0	Self-Insurance Programs (Worker's Compensation, Liability and Casualty Insurance.)	
6.4.1	Worker's Compensation and Liability: Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) A. <input type="checkbox"/> When claims are paid or losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on the present value of the liability C. <input type="checkbox"/> When provisions for reserves are recorded based on the full or undiscounted value, as contrasted with present value, of the liability D. <input type="checkbox"/> When funds are set aside or contributions made to a fund Y. <input checked="" type="checkbox"/> Other or more than one method ^{1/} Z. <input type="checkbox"/> Not Applicable	
6.4.2	Casualty Insurance: Costs of such self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.) A. <input type="checkbox"/> When losses are incurred (no provision for reserves) B. <input type="checkbox"/> When provisions for reserves are recorded based on replacement costs C. <input type="checkbox"/> When provisions for reserves are recorded based on reproduction costs new less observed depreciation (market value) excluding the value of land and other indestructibles. D. <input type="checkbox"/> Losses are charged to fund balance with no charge to contracts and grants (no provision for reserves) Y. <input type="checkbox"/> Other or more than one method ^{1/} Z. <input checked="" type="checkbox"/> Not Applicable	
	^{1/} Describe on a Continuation Sheet.	
Revision Number 2, Effective Date 7/1/06		

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		Continuation Sheet #1 PART VI-DEFERRED COMP. AND INSURANCE Clemson University
Item No.	Item Description	
6.2.0	<u>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits) (PRBs)</u> These benefits (post retirement benefits other than pensions) are provided through annual appropriations by the South Carolina General Assembly to the University for its active employees and to the State Budget and Control Board for all participating State retirees. The costs of these benefits are not charged to Federally Sponsored Agreements or similar cost objectives.	
6.4.1	<u>Workers' Compensation and Liability</u> Clemson University participates in a self-insured trust fund for Worker's Compensation maintained by the State of South Carolina. Worker's Compensation premiums are based on loss experience for the previous year and loss exposure for the number of employees covered under the program. Rates are charged on a percentage basis each pay period. Clemson University participates in a self-insured program of professional liability insurance for its employees that was established by the State of South Carolina. The program insures the employees to the extent that they are not immune from liability for damages arising out of the performance of their duties or in any way connected therewith. The Program is administered by the State of South Carolina Department of Administrative Services as a Self-Insurance Fund.	
	- End of Part VI -	
	Revision Number 2, Effective Date 7/1/06	

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