

**COST ACCOUNTING STANDARDS BOARD**  
**DISCLOSURE STATEMENT FOR EDUCATIONAL INSTITUTIONS**  
**CASB DS-2**  
**FOR**  
**THE UNIVERSITY OF VERMONT**  
**Amended Statement**  
**Revision 2**  
**March 30, 2023**

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>	<b>GENERAL INSTRUCTIONS</b>
<p>1. This Disclosure Statement has been designed to meet the requirements of Public Law 100-679, and persons completing it are to describe the Educational institution and its cost accounting practices. For complete regulations, instructions and timing requirements concerning submission of the Disclosure Statement, refer to Section 9903.202 of Chapter 99 of Title 48 CFR (48 CFR 9903).</p> <p>2. Part I of the Statement provides general information concerning each reporting unit (e.g., segments, business units, and central system or group (intermediate administration ) offices). Parts II through VI pertain to the types of costs generally incurred by the segment or business unit directly performing under Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). Part VII pertains to the types of costs that are generally incurred by a Central or Group office and are allocated to one or more segments performing under Federally sponsored agreements.</p> <p>3. Each segment or business unit required to disclose its cost accounting practices should complete the Cover Sheet, the Certification, and Parts I through VI.</p> <p>4. Each central or group office required to disclose its cost accounting practices for measuring, assigning and allocating its costs to segments performing under Federally sponsored agreements should complete the Cover Sheet, the Certification, Part I and Part VII of the Disclosure Statement. Where a central or group office incurs the types of cost covered by Parts IV, V and VI, and the cost amounts allocated to segments performing under Federally sponsored agreements are material, such office(s) should complete Parts IV, V, or VI for such material elements of cost. While a central or group office may have more than one reporting unit submitting Disclosure Statements, only one Statement needs to be submitted to cover the central or group office operations.</p> <p>5. The Statement must be signed by an authorized signatory of the reporting unit.</p> <p>6. The Disclosure Statement should be answered by marking the appropriate line or inserting the applicable letter code which describes the segment's (reporting unit's) cost accounting practices.</p> <p>7. A number of questions in this Statement may need narrative answers requiring more space than is provided. In such instances, the reporting unit should use the attached continuation sheet provided. The continuation sheet may be reproduced locally as needed. The number of the question involved should be indicated and the same coding required to answer the questions in the Statement should be used in presenting the answer on the continuation sheet. Continuation sheets should be inserted at the end of the pertinent Part of the Statement. On each continuation sheet, the reporting unit should enter the next sequential page number for that Part and, on the last continuation sheet used, the words "End of Part" should be inserted after the last entry.</p> <p>8. Where the cost accounting practice being disclosed is clearly set forth in the institution's existing written accounting policies and procedures, such documents may be cited on a continuation sheet and incorporated by reference to the pertinent Disclosure Statement Part. In such cases, the reporting unit should provide the date of issuance and effective date for each accounting policy and/or procedures document cited. Any supplementary comments needed to fully describe the cost accounting practice being disclosed should also be provided.</p> <p>9. Disclosure Statements must be amended when disclosed practices are changed to comply with a new CAS or when practices are changed with or without agreement to the Government (Also see 48 CFR 9903.202-3).</p> <p>10. Amendments shall be submitted to the same offices to which submission would have to be made were an original Disclosure Statement being filed.</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		COVER SHEET AND CERTIFICATION
Revised	Educational Institution	
	(a) Name: University of Vermont and State Agricultural College	
	(b) Street Address: 85 South Prospect Street	
	(c) City, State and ZIP Code: Burlington, VT 05405-0160	
	(d) Division or Campus of (if applicable)	
	Reporting Unit is: (Mark one.)	
	A. <input checked="" type="checkbox"/> Independently Administered Public Institution	
	B. <input type="checkbox"/> Independently Administered Nonprofit Institution	
	C. <input type="checkbox"/> Administered as Part of a Public System	
	D. <input type="checkbox"/> Administered as Part of a Nonprofit System	
E. <input type="checkbox"/> Other (Specify) _____		
Official to Contact Concerning this Statement:		
(a) Name and Title: Claire Burlingham, Controller		
(b) Phone Number: (802) 656-8356		
Statement Type and Effective Date:		
A. (Mark type of submission. If a revision, enter number)		
(a) <input type="checkbox"/> Original Statement		
(b) <input checked="" type="checkbox"/> Amended Statement; Revision No. <u>2</u>		
B. Effective Date of this Statement: (Specify) <u>March 30, 2023</u>		
Statement Submitted To (Provide office name, location and telephone number, include area code and extension):		
A. Cognizant Federal Agency: <b>Division of Cost Allocation Dept of Health and Human Services Cohen Building, Room 1067 330 Independence Avenue S.W. Washington D.C. 20201 (202)401-2808</b>		
B. Cognizant Federal Auditor: <b>Regional Inspector General for Audit Services Dept of Health and Human Services Room 2425 Office of Inspector General John F. Kennedy Federal Building Boston, MA 02203 (617) 565-2689</b>		

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>	<b>COVER SHEET AND CERTIFICATION</b>
	<p style="text-align: center;"><b>CERTIFICATION</b></p> <p>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.</p> <p>Date of Certification: <u>March 30, 2023</u></p> <p>_____</p> <p>(Signature)</p> <p><u>Richard H. Cate</u></p> <p>(Print or Type Name)</p> <p><u>Vice President for Finance and Administration</u></p> <p>(Title)</p> <p>THE PENALTY FOR MAKING A FALSE STATEMENT IN THIS DISCLOSURE IS PRESCRIBED IN 18 U.S.C. § 1001</p>

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART I - GENERAL INFORMATION</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
	Part I	
1.1.0	<p><u>Description of Your Cost Accounting System</u> for recording expenses charged to Federally sponsored agreements (e.g., contracts, grants and cooperative agreements). (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)</p> <p>A. _____ Accrual</p> <p>B. <u>  X  </u> Modified Accrual Basis<sup>1</sup></p> <p>C. _____ Cash Basis</p> <p>Y. _____ Other<sup>1</sup></p>	
1.2.0	<p><u>Integration of Cost Accounting with Financial Accounting.</u> The cost accounting system is: (Mark one. If B or C is marked, describe on a continuation sheet the costs which are accumulated on memorandum records.)</p> <p>A. _____ Integrated with financial accounting records (Subsidiary cost accounts are all controlled by general ledger control accounts.)</p> <p>B. _____ Not integrated with financial accounting records (Cost data are accumulated on memorandum records.)</p> <p>C. <u>  X  </u> Combination of A and B</p>	
1.3.0	<p><u>Unallowable Costs.</u> Costs that are not reimbursable as allowable costs under the terms and conditions of Federally sponsored agreements are: (Mark one)</p> <p>A. _____ Specifically identified and recorded separately in the formal financial accounting records.<sup>1</sup></p> <p>B. _____ Identified in separately maintained accounting records or workpapers.<sup>1</sup></p> <p>C. _____ Identifiable through use of less formal accounting techniques that permit audit verification.<sup>1</sup></p> <p>D. <u>  X  </u> Combination of A, B or C<sup>1</sup></p> <p>E. _____ Determinable by other means.<sup>1</sup></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>	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART I - GENERAL INFORMATION</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
1.4.0	<u>Cost Accounting Period:</u> <u>7/1 to 6/30</u> (Specify the twelve month period used for the accumulation and reporting of costs under Federally sponsored agreements, e.g., 7/1 to 6/30. If the cost accounting period is other than the Institution's fiscal year used for financial accounting and reporting purposes, explain circumstances on a continuation sheet.)	
1.5.0	<u>State Laws or Regulations.</u> Identify on a continuation sheet any State laws or regulations which influence the institution's cost accounting practices, e.g., State administered pension plans, and any applicable statutory limitations or special agreements on allowance of costs.	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART I - GENERAL INFORMATION</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
1.1.0	<p><u>Description of Your Cost Accounting System</u> for recording expenses charged to Federally sponsored agreements:</p> <p>The University's chart of accounts is based on the principles of Fund Accounting. The Chart of Accounts (COA) structure uses "chart fields" (or segments) to record the financial effect of each transaction. The chart fields allow for cost accounting data accumulation and reporting on each federal sponsored agreement. The term "Account" in this document represents a unique set of chart fields called a "Chart String".</p> <p>Direct costs to sponsored agreements are generally charged using the cash basis of accounting. Salary expenses for faculty who earn their salary over nine months but are paid over twelve months are charged on an accrual basis. Other salary expenses are charged on a cash basis. Benefit costs are charged to sponsored agreements based on the University's fringe benefit rates.</p> <p>Indirect cost and fringe benefit rates are based on the University's annual financial statements which include normal year-end accruals for salaries, accounts payable and other costs.</p> <p>(Note: As used in this document, the term "salaries" includes both salaries and wages)</p>	
1.2.0 Revised	<p><u>Describe costs which are accumulated on a memorandum basis:</u></p> <p>In general, all financial transactions are recorded in the University's financial accounting system.</p> <p>The amounts included in the University's indirect cost pools are based on cost information generated by the financial accounting system. However, adjustments and reclassifications are needed to recast the information in the financial statements into the cost pools required by Uniform Guidance. The specific adjustments and reclassifications are listed and explained in the University of Vermont's indirect cost proposals. Also, some of the costs in the departmental administration cost pool are not accumulated by the formal accounting system and must therefore be accumulated by cost analysis techniques. The allocation of indirect costs, and the development of indirect cost rates, is also accomplished through cost analysis procedures that are not part of the formal accounting system.</p>	
1.3.0 Revised	<p><u>Describe how unallowable costs are recorded:</u></p> <p>Unallowable costs such as alcoholic beverages, contributions, donations, fines and penalties, entertainment, flowers and gifts are recorded in specific account codes. Expenditures in these account codes are excluded from the direct and indirect costs charged to federally sponsored agreements.</p> <p>Unallowable activities (e.g., alumni events, commencement, development, and public relations, etc.) are uniquely accounted for and identified by the accounting system. Unallowable activities are removed from the indirect cost pools allocated to Federally sponsored agreements. A review to identify unallowable costs is made during the development of the University's indirect cost proposals.</p>	
1.3.1 Revised	<p><u>Treatment of unallowable costs.</u> (Explain how unallowable costs and directly associated costs are treated in each allocation base and indirect expense pool)</p> <p>Allocation bases include unallowable costs (e.g. unallowable activities noted in 1.3.0). Thus these unallowable costs receive their fair share of general administrative costs.</p> <p>Unallowable costs are removed from facility and administrative pools before such pools are allocated to the major expenditure functions and other F&amp;A pools.</p> <p>Unallowable costs are excluded from the federally funded modified total direct cost bases.</p>	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART II - DIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 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	<u>Criteria for Determining How Costs are Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For all major categories of cost under each major function or activity such, as instruction, organized research, other sponsored activities and other institutional activities, describe on a continuation sheet, your criteria for determining when costs incurred for the same purpose, in like circumstances, are treated either as direct costs only or as indirect costs only with respect to final cost objectives. Particular emphasis should be placed on items of cost that may be treated as either direct or indirect costs (e.g., Supplies, Materials, Salaries and Wages, Fringe Benefits, etc.) depending upon the purpose of the activity involved. Separate explanations on the criteria governing each direct cost category identified in this Part II are required. Also, list and explain if there are any deviations from the specified criteria.)	
2.2.0	<u>Description of Direct Materials.</u> All materials and supplies directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the principal classes of materials which are charged as direct materials and supplies.)	
2.3.0	<u>Method of Charging Direct Materials and Supplies.</u> (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)	
2.3.1	Direct Purchases for Projects are Charged to Projects at: <p>A. _____ Actual Invoiced Costs</p> <p>B. <u>  X  </u> Actual Invoiced Costs Net of Discounts Taken</p> <p>Y. _____ Other(s)<sup>1</sup></p> <p>Z. _____ Not Applicable</p>	
2.3.2	Inventory Requisitions from Central or Common, Institution-owned Inventory. (Identify the inventory valuation method used to charge projects): <p>A. _____ First In, First Out</p> <p>B. _____ Last In, First Out</p> <p>C. _____ Average Costs<sup>1</sup></p> <p>D. _____ Predetermined Costs<sup>1</sup></p> <p>Y. <u>  X  </u> Other(s)<sup>1</sup></p> <p>Z. _____ Not Applicable</p>	

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

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART II - DIRECT COSTS UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE			
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description				
2.4.0	<u>Description of Direct Personal Services.</u> All personal services directly identified with Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet the personal services costs within each major institutional function or activity that are charged as direct personal services.)				
2.5.0 Revised	<u>Method of Charging Direct Salaries and Wages.</u> (Mark the appropriate line(s) for each Direct Personal Services Category to identify the method(s) used to charge direct salary and wage costs to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, fully describe on a continuation sheet, the applicable methods used.)				
		Faculty (1)	Direct Personal Services Category Staff (2)	Students (3)	Other <sup>1</sup> (4)
	A. Payroll Distribution Method (Individual time card/actual hours and rates)	_____	X	X	X
	B. Plan - Confirmation (Budgeted, planned or assigned work activity, updated to reflect significant changes)	X	X	_____	_____
	C. After-the-fact Activity Records (Percentage Distribution of employee activity)	_____	_____	_____	_____
	D. Multiple Confirmation Records (Employee Reports prepared each academic term, to account for employee's activities, direct and indirect charges are certified separately.)	_____	_____	_____	_____
	Y. Other(s) <sup>1</sup>	_____	_____	_____	_____
2.5.1	Salary and Wage Cost Distribution Systems.  Within each major function or activity, are the methods marked in Item 2.5.0 used by all employees compensated by the reporting unit? (If "NO", describe on a continuation sheet, the types of employees not included and describe the methods used to identify and distribute their salary and wage costs to direct and indirect cost objectives.)  X Yes  _____ No				

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART II - DIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
2.5.2	<p>Salary and Wage Cost Accumulation System.</p> <p>(Within each major function or activity, describe, on a continuation sheet, the specific accounting records or memorandum records used to accumulate and record the share of the total salary and wage costs attributable to each employee's direct (Federally sponsored projects, non-sponsored projects or similar cost objectives) and indirect activities. Indicate how the salary and the wage cost distributions are reconciled with the payroll data recorded in the institution's financial accounting records.)</p>	
2.6.0	<p><u>Description of Direct Fringe Benefits Costs.</u> All fringe benefits that are attributable to direct salaries and wages and are charged directly to Federally sponsored agreements or similar cost objectives. (Describe on a continuation sheet <u>all</u> of the different types of fringe benefits which are classified and charged as direct costs, e.g., actual or accrued costs of vacation, holidays, sick leave, sabbatical leave, premium pay, social security, pension plans, post-retirement benefits other than pensions, health insurance, training, tuition, tuition remission, etc.)</p>	
2.6.1	<p>Method of Charging Direct Fringe Benefits. (Describe on a continuation sheet, how each type of fringe benefit cost identified in item 2.6.0. is measured, assigned and allocated (for definitions, See 9903.302-1); first, to the major functions (e.g., instruction, research); and, then to individual projects or direct cost objectives within each function.)</p>	
2.7.0	<p><u>Description of Other Direct Costs.</u> All other items of cost directly identified with Federally sponsored agreements or similar cost objectives. (List on a continuation sheet the principal classes of other costs which are charged directly, e.g., travel, consultants, services, subgrants, subcontracts, malpractice insurance, etc.)</p>	

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Item No.	Revision Number 2, Effective date March 30, 2023 Item Description																											
2.8.0	<p><u>Cost Transfers.</u> When Federally sponsored agreements or similar cost objectives are credited for cost transfers to other projects, grants or contracts, is the credit amount for direct personal services, materials, other direct charges and applicable indirect costs always based on the same amount(s) or rate(s) (e.g., direct labor rate, indirect costs) originally used to charge or allocate costs to the project (Consider transactions where the original charge and the credit occur in different cost accounting periods). (Mark one, if "No", explain on a continuation sheet how the credit differs from original charge.)</p> <p>_____ Yes</p> <p><u>X</u> No</p>																											
2.9.0	<p><u>Interorganizational Transfers.</u> This item is directed only to those materials, supplies, and services which are, or will be transferred to you from other segments of the educational institution. (Mark the appropriate line(s) in each column to indicate the basis used by you as transferee to charge the cost or price of interorganizational transfers or materials, supplies, and services to Federally sponsored agreements or similar cost objectives. If more than one line is marked in a column, explain on a continuation sheet.)</p> <table border="1"> <thead> <tr> <th></th> <th><u>Materials</u> (1)</th> <th><u>Supplies</u> (2)</th> <th><u>Services</u> (3)</th> </tr> </thead> <tbody> <tr> <td>A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>C. At established catalog or market price or prices based on adequate competition.</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Y. Other(s)<sup>1</sup></td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Z. Interorganizational transfers are not applicable.</td> <td><u>X</u></td> <td><u>X</u></td> <td><u>X</u></td> </tr> </tbody> </table>					<u>Materials</u> (1)	<u>Supplies</u> (2)	<u>Services</u> (3)	A. At full cost <u>excluding</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	B. At full cost <u>including</u> indirect costs attributable to group or central office expenses.	_____	_____	_____	C. At established catalog or market price or prices based on adequate competition.	_____	_____	_____	Y. Other(s) <sup>1</sup>	_____	_____	_____	Z. Interorganizational transfers are not applicable.	<u>X</u>	<u>X</u>	<u>X</u>
	<u>Materials</u> (1)	<u>Supplies</u> (2)	<u>Services</u> (3)																									
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<sup>1</sup> Describe on a Continuation Sheet

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART II - DIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023	
	Item Description	
2.1.0 Revised	<p><u>Criteria for determining how costs are charged to federally sponsored agreements or similar costs objectives:</u></p> <p>The University follows the applicable provisions of Title 2 Part 200 Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal awards (Uniform Guidance) and other pertinent government regulations in order to charge costs to federally sponsored agreements and similar cost objectives.</p> <p>Costs that can be identified specifically with a particular sponsored agreement, an instructional activity, or any other institutional activity, with relative ease and a high degree of accuracy, are charged directly to the benefiting activity or sponsored agreement. Conversely, costs incurred for common or joint objectives that cannot be identified readily and specifically with a particular sponsored agreement, instructional activity or other institutional activity are treated as indirect costs. The University negotiates predetermined F&amp;A rates with the Federal Government and applies the applicable F&amp;A rate to the modified total direct costs on each sponsored agreement.</p> <p>Within academic departments and organized research units, the major cost categories are treated as follows:</p> <p>The portions of salaries and fringe benefits of faculty, research associates, technicians, lab assistants, research fellows and teaching fellows associated with effort on sponsored projects, instructional activities and other direct cost objectives, are treated as direct costs if those costs meet the applicable federal cost principles (OMB Uniform Guidance 200.413). The portions of salaries and fringe benefits of faculty and professional staff associated with administrative activities are treated as indirect costs.</p> <p>Salaries and fringe benefits of administrative and clerical staff are normally treated as indirect costs. These costs are treated as direct costs when all of the following conditions are met:</p> <ul style="list-style-type: none"> <li>• The administrative or clerical services are integral to a project or activity;</li> <li>• The individuals involved can be specifically identified to the project or activity;</li> <li>• The costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency (except as indicated below); and</li> <li>• The costs are not recovered as indirect costs.</li> </ul> <p>For NIH Modular grants, the requirement for explicit budgeting of administrative/clerical salaries is met by listing the administrative/clerical employee or position in the personnel justification, along with the related information required in the justification. The requirement for prior approval of the Federal awarding agency does not apply where the agency has waived the prior approval requirement. If the costs have not been explicitly budgeted and the prior approval requirement has been waived, the costs must be approved internally by a designated University official.</p> <p>The costs of laboratory supplies (e.g., chemicals, glassware), instructional supplies, animals, animal care and other specialized services, travel, consulting services, and the other items enumerated in 2.2.0 and 2.7.0 identifiable to sponsored activities, instruction, or other direct cost objectives in accordance with applicable federal cost principles (OMB Uniform Guidance 200.413) are treated as direct costs.</p>	

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Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
2.1.0 Cont.	<p>The University's policies permit direct charges for office supplies, postage, basic telephone expenses, and memberships only under exceptional circumstances. In implementing these policies, the University relies on the judgment of principal investigators and other responsible officials to determine whether these circumstances exist for a particular project and requires that proposed direct charges for these costs be fully justified to Federal awarding agencies in grant applications and contract proposals. For Federal awards that do not require submission of a project budget to the awarding agency (such as NIH modular grants), the costs must be justified and approved internally by a designated University official. If a need for these costs arises after a project's budget has been approved, a re-budgeting action to permit direct charging the costs to the project requires a justification and approval of a designated University official.</p> <p>Rent and other facility costs of off-campus facilities used to conduct sponsored activities or other direct cost objectives are normally treated as direct costs.</p> <p>As a land grant institution, the University receives formula-funded appropriations from USDA, which prohibit charging of facilities and administrative costs, but allows for direct charging of costs for department administration.</p> <p>Costs normally treated as indirect, such as administrative and clerical salaries, are charged directly to non-federal sponsored agreements if permitted by the sponsor. Since these costs would otherwise have been included in the indirect costs allocable to federally sponsored agreements, this practice reduces the costs of federal programs.</p>	
2.2.0 Revised	<p><u>Description of Direct Materials:</u></p> <p>The principle types of materials and supplies charged directly to federal sponsored agreements and other direct cost objectives include: chemicals, glassware, drugs, animals, gases, tools and other consumable supplies.</p> <p>Non-capitalized computing devices that are essential and allocable to Federal awards are charged directly to the awards regardless of whether they are solely dedicated to the performance of the awards.</p>	
2.3.2 Revised	<p><u>Inventory Requisitions from Central or Common Institution Owned Inventory:</u></p> <p>The Risk Management department purchases chemicals in bulk and sells at cost plus to cover operating costs.</p> <p>The Microcomputer Services Department buys computer hardware and sells at cost plus to cover preparation and installation.</p>	
2.4.0 Revised	<p><u>Description of Direct Personal Services:</u></p> <p>Personal services directly identified with Federally sponsored agreements or similar cost objectives are those associated with faculty, staff researchers, other support staff, research assistants, and student employees. Compensation includes both salaries/wages and related fringe benefits costs when appropriate.</p> <p>Principal Investigators of Federally sponsored agreements are normally members of the faculty.</p> <p>Staff researchers are personnel with non-faculty appointments, such as researchers with PhD or master's degrees, who are directly involved in the conduct of research activities.</p> <p>Other support staff are personnel who are directly involved with Federally sponsored agreements (for example, technicians, and laboratory assistants). The salaries of administrative and clerical staff are normally treated as indirect costs. Salaries and fringe benefits of administrative and clerical staff are charged directly under the conditions described in 2.1.0 A.</p>	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART II - DIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
2.4.0 Cont.	Research assistants and other student employees (usually graduate students) work directly on research projects under the supervision of an investigator.	
2.5.0.A Revised	<u>Method of Charging Direct Salaries and Wages:</u>  In addition to students, the University employs other non-exempt individuals on a temporary basis. The non-exempt temporary employee pay is also charged utilizing individual timecards/actual hours and rates.	
2.5.2 Revised	<u>Salary and Wage Cost Accumulation Base:</u>  Salaried and exempt temporary employees are paid on a semimonthly basis. Responsible officials determine and record the planned (budgeted) salary distribution of each employee based on an estimate of the employee's effort distribution. The planned salary distribution information is used to determine the initial charges for salary costs to sponsored agreements. The salary distribution system identifies the salaries directly charged to sponsored agreements as well as the salaries the University contributes to sponsored agreements as cost sharing.  The Planned-Confirmation system, is used to determine the actual distribution of employee salaries, distributed and confirmed at year-end. Personnel charged to Federally sponsored agreements are required to review the reasonableness of the effort distribution information. When the actual effort has or will differ from the planned distribution, the charges to sponsored agreements are appropriately adjusted in the accounting system.  Non-exempt hourly employees are paid on a bi-weekly basis. Authorized hourly pay rates and prior approval to charge an account are required. The employee submits his/her hours in a University official system and an approval by a responsible official or designee is required. The wages distribution system identifies the wages directly charged to sponsored agreements as well as the wages the University contributes to sponsored agreements as cost sharing.	
2.6.0 Revised	<u>Description of Direct Fringe Benefits Costs:</u>  The following fringe benefits attributable to organized research, instruction and other direct cost objectives are treated as direct costs: <ul style="list-style-type: none"> <li>• Health insurance and health-related programs</li> <li>• Retirement</li> <li>• Retirement health savings plan</li> <li>• FICA</li> <li>• Dental insurance</li> <li>• Worker's compensation insurance</li> <li>• Unemployment insurance</li> <li>• Sabbatical leave</li> <li>• Faculty/staff scholarships</li> <li>• Group life insurance</li> <li>• Group disability, sick/temporary disability, and parental leave</li> <li>• Educators legal liability insurance</li> </ul>	

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2.6.0 Cont.	<p>The administrative expenses associated with the following benefit programs are separately budgeted and included as a fringe benefit cost component:</p> <ul style="list-style-type: none"> <li>• Wellness Program</li> <li>• Fringe benefits administration</li> <li>• Employee Assistance Program</li> <li>• Workers Compensation claims' processing</li> <li>• Training and Staff Development</li> </ul> <p>The allocation of fringe benefit costs is described in Section 2.6.1. Leave costs, (e.g., paid time off, military leave, jury duty leave, and bereavement leave) are charged on the cash basis as part of normal charges for salaries.</p>	
2.6.1 Revised	<p><u>Method of Charging Direct Fringe Benefits:</u></p> <p>The University uses the averaging concept to allocate fringe benefits costs to major functions and to individual projects or direct cost objectives. The averaging concept is implemented through the application of a fringe benefits rate. This rate is fixed for a fiscal year. The rate which is applicable to all funding sources is reflected in the Rate Negotiation Agreement with the Federal cognizant agency. The agreement is the result of a review process which starts with the submission of actual costs for a base year and projections for the next two consecutive years to the Federal cognizant agency. Actual and projected costs are itemized in accordance with the benefit cost components identified in the continuation sheet for DS2 Item 2.6.0. The projected fringe benefits costs are used to determine the fringe benefits rate, which is adjusted by an amount that is carried forward from previous years. The carry-forward provision is a rate adjusting mechanism that accounts for the differences between the projected and the actual fringe benefits costs.</p> <p>The measuring instrument for each fringe benefit cost identified in Item 2.6.0 is actual costs incurred for a base fiscal year. A base year is the most recently closed fiscal year. Actual fringe benefits costs are accumulated in specific fringe benefits expense accounts for rate determination, audit and budgetary control purposes.</p> <p>Fringe benefits costs are allocated to each payroll account based on the applicable composite benefit rate. The appropriate composite benefit rate is multiplied by the salary and wages charged to each payroll account to derive the applicable benefit charges.</p>	

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2.7.0 Revised	<p><u>Description of Other Direct Costs:</u></p> <p>The principal classes of other direct costs charged directly to federally sponsored agreements are as follows:</p> <ul style="list-style-type: none"> <li>• Computing devices</li> <li>• Computer services</li> <li>• Consulting/Professional Services</li> <li>• Equipment Rental</li> <li>• Human Subject Expenses</li> <li>• Inpatient and Outpatient Care</li> <li>• Lease and other facility costs of off-site facilities</li> <li>• Movable Equipment</li> <li>• Photocopying/Printing</li> <li>• Recharge center services</li> <li>• Recruitment</li> <li>• Repairs/Maintenance</li> <li>• Services</li> <li>• Shipping</li> <li>• Subcontracts</li> <li>• Temporary agency help</li> <li>• Travel</li> <li>• Tuition and fee student aid</li> </ul>	
2.8.0	<p><u>Cost Transfers:</u></p> <p>There are three types in a cost transfer:</p> <ul style="list-style-type: none"> <li>• The direct cost item being transferred</li> <li>• Fringe benefits associated with a salary/wage transfer</li> <li>• F&amp;A costs associated with the direct cost transfer</li> </ul> <p>When salaries/wages are transferred in a different accounting period from that in which the original cost was incurred, the associated fringe is transferred at the rate in effect in the current accounting period. The F&amp;A costs are based upon the awarded rate.</p> <p>End of Part II</p>	

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

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

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART III - INDIRECT COSTS UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE																																																					
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3.1.0 Revised	<p><u>Indirect Cost Categories - Accumulation and Allocation.</u> This item is directed at the identification, accumulation and allocation of all indirect costs of the institution. (Under the column heading, "Accumulation Method," insert "Yes" or "No" to indicate if the cost elements included in each indirect cost category are identified, recorded and accumulated in the institution's formal accounting system. If "No," describe on a continuation sheet, how the cost elements included in the indirect cost category are identified and accumulated. Under the column heading "Allocation Base," enter one of the allocation base codes A through P, Y, or Z, to indicate the basis used for allocating the accumulated costs of each indirect cost category to applicable indirect cost categories, indirect cost pools, other institutional activities, specialized service facilities and other service centers. Under the column heading "Allocation Sequence," insert 1, 2, or 3 next to each of the first three indirect cost categories to indicate the sequence of the allocation process. If cross-allocation techniques are used, insert "CA." If an indirect cost category listed in this section is not used, insert "NA.")</p> <table border="1"> <thead> <tr> <th>Indirect Cost Category</th> <th>Accumulation Method</th> <th>Allocation Base Code</th> <th>Allocation Sequence</th> </tr> </thead> <tbody> <tr> <td>(a) Depreciation/Use Allowance/Interest</td> <td></td> <td></td> <td><u>1</u></td> </tr> <tr> <td>    Building</td> <td><u>N</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>    Equipment</td> <td><u>N</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>    Capital Improvements to Land<sup>1</sup></td> <td><u>N</u></td> <td><u>H,J,E</u></td> <td></td> </tr> <tr> <td>    Interest<sup>1</sup></td> <td><u>N</u></td> <td><u>L</u></td> <td></td> </tr> <tr> <td>(b) Operation and Maintenance</td> <td><u>Y</u></td> <td><u>L</u></td> <td><u>2</u></td> </tr> <tr> <td>(c) General Administration and General Expense</td> <td><u>Y</u></td> <td><u>C</u></td> <td><u>3</u></td> </tr> <tr> <td>(d) Departmental Administration</td> <td><u>Y</u></td> <td><u>D</u></td> <td></td> </tr> <tr> <td>(e) Sponsored Projects Administration</td> <td><u>Y</u></td> <td><u>D</u></td> <td></td> </tr> <tr> <td>(f) Library</td> <td><u>Y</u></td> <td><u>H,J</u></td> <td></td> </tr> <tr> <td>(g) Student Administration and Services</td> <td><u>Y</u></td> <td><u>D</u></td> <td></td> </tr> <tr> <td>(h) Other<sup>1</sup></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Indirect Cost Category	Accumulation Method	Allocation Base Code	Allocation Sequence	(a) Depreciation/Use Allowance/Interest			<u>1</u>	Building	<u>N</u>	<u>L</u>		Equipment	<u>N</u>	<u>L</u>		Capital Improvements to Land <sup>1</sup>	<u>N</u>	<u>H,J,E</u>		Interest <sup>1</sup>	<u>N</u>	<u>L</u>		(b) Operation and Maintenance	<u>Y</u>	<u>L</u>	<u>2</u>	(c) General Administration and General Expense	<u>Y</u>	<u>C</u>	<u>3</u>	(d) Departmental Administration	<u>Y</u>	<u>D</u>		(e) Sponsored Projects Administration	<u>Y</u>	<u>D</u>		(f) Library	<u>Y</u>	<u>H,J</u>		(g) Student Administration and Services	<u>Y</u>	<u>D</u>		(h) Other <sup>1</sup>			
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<sup>1</sup> Describe on a Continuation Sheet.

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3.2.0	<p><u>Service Centers.</u> Service centers are departments or functional units which perform specific technical or administrative services primarily for the benefit of other units within a reporting unit. Service Centers include "recharge centers" and the "specialized service facilities" defined in Section J of Circular A-21. (The codes identified below should be inserted on the appropriate line for each service center listed. The column numbers correspond to the paragraphs listed below that provide the codes. Explain on a Continuation Sheet if any of the services are charged to users on a basis other than usage of the services. Enter "Z" in Column 1, if not applicable.)</p> <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><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> </tr> <tr> <td>(b) Business Data Processing</td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> <td><u>*</u></td> </tr> <tr> <td>(c) Animal Care Facilities</td> <td><u>A</u></td> <td><u>B</u></td> <td><u>Y</u></td> <td><u>A</u></td> <td><u>A</u></td> <td><u>Y</u></td> </tr> <tr> <td>(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)</td> <td colspan="6" style="text-align: center;">See Continuation Sheet</td> </tr> <tr> <td></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> </tr> <tr> <td></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> <td><u>      </u></td> </tr> </tbody> </table> <p>(1) <u>Category Code:</u> Use code "A" if the service center costs are billed only as direct costs of final cost objectives; code "B" if billed only to indirect cost categories or indirect cost pools; code "C" if billed to both direct and indirect cost objectives.</p> <p>(2) <u>Burden Code:</u> Code "A" - center receives an allocation of all applicable indirect costs; Code "B" - partial allocation of indirect costs; Code "C" - no allocation of indirect costs.</p> <p>(3) <u>Billing Rate Code:</u> Code "A" - billing rates are based on historical costs; Code "B" - rates are based on projected costs; Code "C" - rates are based on a combination of historical and projected costs; Code "D" - billings are based on the actual costs of the billing period; Code "Y" - other (explain on a Continuation Sheet).</p> <p>(4) <u>User Charges Code:</u> Code "A" - all users are charged at the same billing rates; Code "B" - some users are charged at different rates than other users (explain on a Continuation Sheet).</p> <p>(5) <u>Actual Costs vs. Revenues Code:</u> Code "A" - billings (revenues) are compared to actual costs (expenditures) at least annually; Code "B" - billings are compared to actual costs less frequently than annually.</p> <p>(6) <u>Variance Code:</u> Code "A" - Annual variance between billed and actual cost are prorated to users (as credits or charges); Code "B" - variances are carried forward as adjustments to billing rate of future periods; Code "C" - annual variances are charged or credited to indirect costs; Code "Y" - other (explain on a Continuation Sheet).</p>								(1)	(2)	(3)	(4)	(5)	(6)	(a) Scientific Computer Operations	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	(b) Business Data Processing	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	(c) Animal Care Facilities	<u>A</u>	<u>B</u>	<u>Y</u>	<u>A</u>	<u>A</u>	<u>Y</u>	(d) Other Service Centers with Annual Operating Budgets exceeding \$1,000,000 or that generate significant charges to Federally sponsored agreements either as a direct or indirect cost. (Specify below; use a Continuation Sheet, if necessary)	See Continuation Sheet							<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>		<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
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3.3.0	<p><u>Indirect Cost Pools and Allocation Bases</u></p> <p>(Identify all of the indirect costs pools established for the accumulation of indirect costs, excluding service centers, and the allocation bases used to distribute accumulated indirect costs to Federally sponsored agreements or similar cost objectives within each major function or activity. For all applicable indirect cost pools, enter the applicable Allocation Base Code A through P, Y, or Z, to indicate the basis used for allocating accumulated pool costs to Federally sponsored agreements or similar cost objectives.)</p> <table> <thead> <tr> <th><u>Indirect Cost Pools</u></th> <th><u>Allocation Base Code</u></th> </tr> </thead> <tbody> <tr> <td>A. Instruction</td> <td></td> </tr> <tr> <td><u>  X  </u> On-Campus</td> <td><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Off-Campus</td> <td><u>  D  </u></td> </tr> <tr> <td><u>      </u> Other<sup>1</sup></td> <td><u>      </u></td> </tr> <tr> <td>B. Organized Research</td> <td></td> </tr> <tr> <td><u>  X  </u> On-Campus</td> <td><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Off-Campus</td> <td><u>  D  </u></td> </tr> <tr> <td><u>  X  </u> Other<sup>1</sup></td> <td><u>  D  </u></td> </tr> <tr> <td>C. Other Sponsored Activities</td> <td></td> </tr> <tr> <td><u>      </u> On-Campus</td> <td><u>      </u></td> </tr> <tr> <td><u>      </u> Off-Campus</td> <td><u>      </u></td> </tr> <tr> <td><u>  X  </u> Other<sup>1</sup></td> <td><u>  D  </u></td> </tr> <tr> <td>D. Other Institutional Activities<sup>1</sup></td> <td><u>      </u></td> </tr> </tbody> </table>		<u>Indirect Cost Pools</u>	<u>Allocation Base Code</u>	A. Instruction		<u>  X  </u> On-Campus	<u>  D  </u>	<u>  X  </u> Off-Campus	<u>  D  </u>	<u>      </u> Other <sup>1</sup>	<u>      </u>	B. Organized Research		<u>  X  </u> On-Campus	<u>  D  </u>	<u>  X  </u> Off-Campus	<u>  D  </u>	<u>  X  </u> Other <sup>1</sup>	<u>  D  </u>	C. Other Sponsored Activities		<u>      </u> On-Campus	<u>      </u>	<u>      </u> Off-Campus	<u>      </u>	<u>  X  </u> Other <sup>1</sup>	<u>  D  </u>	D. Other Institutional Activities <sup>1</sup>	<u>      </u>
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<u>  X  </u> On-Campus	<u>  D  </u>																													
<u>  X  </u> Off-Campus	<u>  D  </u>																													
<u>  X  </u> Other <sup>1</sup>	<u>  D  </u>																													
C. Other Sponsored Activities																														
<u>      </u> On-Campus	<u>      </u>																													
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<u>  X  </u> Other <sup>1</sup>	<u>  D  </u>																													
D. Other Institutional Activities <sup>1</sup>	<u>      </u>																													
3.4.0	<p><u>Composition of Indirect Cost Pools.</u> (For each pool identified under Items 3.1.0 and 3.2.0, describe on a continuation sheet the major organizational components, subgroupings of expenses, and elements of cost included.)</p>																													
3.5.0	<p><u>Composition of Allocation Bases.</u> (For each allocation base code used in Items 3.1.0 and 3.3.0, describe on a continuation sheet the makeup of the base. For example, if a modified total direct cost base is used, specify which of the elements of direct cost identified in Part II, Direct Costs, that are included, e.g., materials, salaries and wages, fringe benefits, travel costs, and excluded, e.g., subcontract costs over first \$25,000. Where applicable, explain if service centers are included or excluded. Specify the benefiting functions and activities included. If any cost objectives are excluded from the allocation base, such cost objectives and the alternate allocation method used should be identified. If an indirect cost allocation is based on Cost Analysis Studies, identify the study, and fully describe the study methods and techniques applied, the composition of the specific allocation base used, and the frequency of each recurring study.</p>																													

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
3.6.0	<p><u>Allocation of Indirect Costs to Programs That Pay Less Than Full Indirect Costs.</u> Are appropriate direct costs of all programs and activities included in the indirect cost allocation bases, regardless of whether allocable indirect costs are fully reimbursed by the sponsoring organizations?</p> <p>A.    <u>  X  </u>    Yes</p> <p>B.    <u>      </u>    No<sup>1</sup></p>	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
3.1.0	<u>Indirect Cost Categories – Accumulation and Allocation.</u>	
3.1.0.A Revised	<u>Depreciation/Use Allowances/Interest</u>  <p>Capitalized values are recorded by asset class in the University's financial accounting system. Entries representing capitalized asset values including Federal participation are posted on an annual basis into the University's formal financial accounting system.</p> <p>Depreciation schedules are used to calculate annual depreciation expense by asset class for the University's financial statements. Service life of each asset class is estimated.</p> <p>The capitalization process and asset depreciation schedules are audited as part of the annual financial statements audit by the University's external auditing firm. The estimated lives are disclosed during the review of each depreciation schedule with the auditors.</p> <p>Accumulated depreciation by asset class is posted in the University's financial accounting system.</p> <p><u>Buildings</u></p> <p>Each building owned by the University has a fixed asset value based on original cost and subsequent renovations. Depreciation expense is calculated on a straight-line basis using a 40 year life.</p> <p>Upon componentization of a building, component values are established through a valuation study by an independent valuation consulting firm and subsequent capitalized renovation values are classified within the appropriate component asset classes. The four component classes of a building are the building shell (40 yr life), service systems (25 yr life), interior construction (20 yr life), and fixed equipment (15 yr life). The resultant componentization values are reflected in the University's formal financial accounting system.</p> <p>The University allocates the depreciation expense of each building to the various functions per the net assigned square footage for each function within the building.</p> <p><u>Equipment</u></p> <p>Fixed Equipment -- Depreciation expense is calculated on a straight-line basis using a 15 year life. The value depreciated is net of federal dollars.</p> <p>Movable Equipment – The University performs an analysis of movable equipment to determine the original source of funding (Federally-funded and recharge centers are excluded). Using a composite five year life, depreciation expense is calculated on a straight line basis.</p> <p><u>Research Vessel</u></p> <p>Research Vessel - Depreciation expense is calculated on a straight-line basis using a 30 year life. The value depreciated is net of federal dollars.</p>	

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COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS				PART III - INDIRECT COSTS UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE																															
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description																																		
3.1.0.A Cont.	<u>Capital Improvements to Land</u>  Capital improvement to land is either assigned to a non-depreciable asset class of land or is assigned a 20-year depreciable life. The value is accumulated in a land capital account. The depreciation expense is based on a straight-line method.  <u>Interest</u>  The University interest expense in the indirect cost pool represents external interest on debt associated with building, equipment and capital improvements as defined in 200.499 of the Uniform Guidance. The University’s interest expense is recorded in the accounting system.  Interest expense is treated as a current year expense and is allocated to the various cost groups using two schedules created outside of the University Financial system. One schedule allocates the interest expense on a building by building basis. The second schedule allocates interest expense to non-bldg related capital projects.																																		
	3.2.0 Revised																																		
<u>Service Centers:</u>  (a) Scientific Computer Operations  Vermont Advanced Computing Core provides rapid access to large-scale advanced computing infrastructure while offering responsive technical support to researchers. The technical service is direct charged based on service level. Space costs for the VACC is allocated based on the users usage by functional salaries and wages.  (b) Business Data Processing  The operations of the central administrative management information systems is a typical general and administrative expense. The university includes these expenses in the general and administrative expense cost pool.  (c) Animal Care Facility  This facility has the responsibility for providing goods and services related to the operation of the animal facilities and other veterinary care for animals used in research and teaching projects.  Direct costs include the cost of bedding, immunization, food, cages, and salaries and applicable employee benefits. The indirect costs include space costs. From the direct and indirect costs, a per diem rate is calculated. The primary methodology in developing the per diem rates for the Animal Care Facility is from NCRR’s Cost Analysis and Rate Setting manual for Animal Care Facility.  The Animal Care Facility operates at a loss which is borne by the University. Because the institution absorbs the operating loss of the Animal Care Facility no variances are rolled forward into future years Animal Care rates.																																			
<table><tr><td></td><td>(1)</td><td>(2)</td><td>(3)</td><td>(4)</td><td>(5)</td><td>(6)</td></tr><tr><td>(d) UVM Farm</td><td>C</td><td>B</td><td>C</td><td>A</td><td>A</td><td>B</td></tr><tr><td>Consulting Archeology Program</td><td>C</td><td>B</td><td>C</td><td>A</td><td>A</td><td>B</td></tr><tr><td>PBX Acad/Admin</td><td>C</td><td>B</td><td>C</td><td>A</td><td>A</td><td>B</td></tr></table>									(1)	(2)	(3)	(4)	(5)	(6)	(d) UVM Farm	C	B	C	A	A	B	Consulting Archeology Program	C	B	C	A	A	B	PBX Acad/Admin	C	B	C	A	A	B
	(1)	(2)	(3)	(4)	(5)	(6)																													
(d) UVM Farm	C	B	C	A	A	B																													
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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
3.3.0.B	<p>Organized Research:</p> <p>The University of Vermont has organized research rates for on-campus, off-campus/Burlington, off-campus/outside city and the Vermont Child Health Improvement Program (VCHIP). As with all F&amp;A cost rates, the university uses an MTDC base.</p>	
3.3.0.C	<p>Other Sponsored Project Activities:</p> <p>The University of Vermont has on-campus and off-campus F&amp;A rates for Experiment Station Research and Extension activities.</p> <p>The University also employs public service rates which is analogous to the “other sponsored activities” rate used by some universities. There is an on-campus and off-campus rate for Public Service.</p>	
3.4.0	<u>Composition of Indirect Cost Pools</u>	
3.4.0.A Revised	<p><u>Buildings Depreciation</u></p> <p>The formulation of this cost pool is based on the depreciation expense concept as prescribed by Appendix III (B) of Part 200 of the Uniform Guidance. This pool is allocated by building whenever possible, in accordance with the functional distribution of the building’s net square footage as documented in the University’s space inventory system.</p> <p><u>Equipment Depreciation</u></p> <p>Fixed Equipment - The depreciation expense of fixed equipment is allocated based on the net assigned square footage for each function within the building. For fixed equipment inventoried as part of a building asset valuation study, depreciation expense is allocated by the functional usage of the room.</p> <p>Movable Equipment - The depreciation expense is allocated by the functional usage of the room it resides in. If the movable equipment isn’t assignable to a room i.e. a vehicle, the depreciation expense is allocated to the benefiting functions based on the department’s functional square feet. If a department is not assigned the cost gets allocated to the benefitting functions based on building square feet..</p> <p>Research vessel - The depreciation expense is allocated by the functional usage of the vessel.</p> <p><u>Capital Improvements to land:</u></p> <p>Depreciation expense is allocated based on the assignable square footage of all applicable University buildings including Auxiliary related buildings. Assignable square footage of off-campus buildings are excluded.</p> <p><u>Interest:</u></p> <p>The depreciation expense for capitalized interest incurred on building related capital projects and interest expense associated with completed debt financed capital projects are allocated based on the functional distribution of the building’s net assignable square footage.</p>	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
3.4.0.A Cont.	The depreciation expense for capitalized interest incurred on each non-building related capital project and interest expense associated with each completed debt financed capital project are allocated based on the benefiting function(s) of each project.	
3.4.0.B Revised	<p><u>Operation and Maintenance (O&amp;M):</u></p> <p>The O&amp;M cost group consists of expenses incurred for the administration, supervision, operation, maintenance, preservation, and protection of facilities. These expenses include those incurred for such items as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture and equipment; care of grounds; maintenance and operation of buildings and other plant facilities; security; environmental services; hazardous waste disposal; property, liability and all other insurance relating to property; space and capital leasing; facility planning and development. The O&amp;M cost group also includes its allocable share of fringe benefit costs, depreciation, and interest costs.</p> <p>Operations and Maintenance costs are accumulated into separate sub-pools. Each sub-pool is then allocated based on the assignable square feet of space being supported. Examples of sub-pools and their allocations are 1) waste disposal costs that can be identified to specific spaces served, 2) building administrative costs based on square footage of buildings served, 3) and utility expenses based on actual use (metered) or square footage of buildings served.</p> <p><u>Police and Security Costs.</u> These costs are accumulated in the GL and allocated to each building based on assignable square footage of a building to all University building square footage. The final allocation step is based on functional use percentages of each building.</p> <p><u>Grounds.</u> These operational and maintenance costs affect the campus population at large, and are not identifiable to specific buildings. These costs are accumulated in the GL and allocated to each building based on assignable square footage of a building to all University building square footage. Off-campus buildings are excluded from this distribution base.</p> <p>Auxiliary O&amp;M costs are accumulated in a separate cost pool and allocated to other institutional activities.</p> <p>Per Appendix III (B.4) of Part 200 of the Uniform Guidance, the University includes the utility cost adjustment in the F&amp;A rate proposal for organized research space.</p>	
3.4.0.C Revised	<p><u>General Administration and General Expenses (G&amp;A)</u></p> <p>The G&amp;A cost group consists of expenses incurred for the general executive and administrative offices of the University and other expense of a general character which do not relate solely to any major function of the University, as defined in Uniform Guidance 200.414. Principal components of the G&amp;A pool include: the Office of the President, financial management, business services, budget and planning, purchasing, personnel management, safety and risk management, mail services, legal counsel, and management information systems. The G&amp;A cost group also include its allocable share of fringe benefit costs, depreciation, interest, and O&amp;M. All GA expenses are screened for cost allowability and allocability as mentioned in 1.3.0. The G&amp;A cost group has been divided into the following cost pools:</p> <p><u>General Administration.</u> Costs in such departments as the President's Office, the Vice President for Finance and Administration, Payroll, Human Resources, Computer Operations and Financial Services are aggregated in this cost pool.</p> <p><u>Academic Administration.</u> Costs in such departments as the Provost's office, the faculty senate, and the graduate college are aggregated in this cost pool.</p>	

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
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3.4.0.C Cont.	<p>Once the GA cost pools are determined, the GA cost pools are allocated as follows:</p> <ol style="list-style-type: none"> <li>1. General Administration Costs. Costs are allocated to all functions of the University in direct proportion to their respective Modified Total Cost; namely, Libraries, Departmental Administration, Sponsored Projects Administration, Student Services, Instruction, Organized Research, and Other Institutional Activities.</li> <li>2. Academic Administration Costs. Costs are allocated to all academic functions of the University in direct proportion to their respective Modified Total Cost; namely, Libraries, Departmental Administration, Instruction, Organized Research, and Other Sponsored Activities.</li> </ol>	
3.4.0.D	<p><u>Departmental Administration Cost Pool:</u></p> <p>The expenses under this heading are those that have been incurred for administrative and supporting services that benefit common or joint departmental activities. Costs here include salaries of secretarial and clerical staffs, the salaries of administrative officers, deans and assistants, travel, office supplies, stockrooms, etc. A portion of these costs are determined via the Direct Charge Equivalent (DCE) methodology. This category also includes its allocable share of allocations from the previous cost pools (including depreciation, interest, O&amp;M, and general administration)</p> <p>In each application of departmental administration costs, the expenses are screened for cost allowability and allocability. All unallowable and unallocable are reclassified to the Other Institutional Activities cost group.</p> <p>For purposes of calculating indirect cost rates, all administrative costs of Dean's offices are allowed to be classified as departmental administration (DA). The administrative costs incurred by academic departments that are allowable as DA are arrived at by using the DCE methodology. A unique DA cost pool is established for each academic department. Within each of these cost pools, five separate components are calculated:</p> <ol style="list-style-type: none"> <li>1. Professional Administrative salaries</li> <li>2. General Support/Clerical salaries and wages</li> <li>3. Faculty and Professional salaries and wages (3.6% FAA allowance)</li> <li>4. Prorated share of Employee Benefits</li> <li>5. Prorated share of other operating supplies and expense</li> </ol> <p>Professional Administrative salaries and General Support/Clerical salaries and wages are determined through a review of the University's payroll system. Job positions for each academic department that are defined as purely administrative (e.g., business managers, accountants, etc.) have been charged to the general operating account of the department and are categorized as 100 percent departmental administration. Job positions in each academic department which are defined as General Support/Clerical (e.g., secretaries, laboratory aides, student help, etc.) or Faculty and Professional (e.g., professors, departmental chairperson, laboratory directors, scientists, graduate and research assistants, etc.) and have been direct charged to sponsored agreements are used to calculate a DCE. The DCE ratio is defined as general support/clerical salaries and wages charged to sponsored agreements divided by faculty and professional salaries and wages charged to sponsored agreements. The DCE is computed on a department-by-department basis.</p> <p>The DCE ratio is compared against the actual general support/clerical salaries and wages and the actual faculty and professional salaries and wages (less the 3.6 percent faculty administrative allowance) which have been charged to each department's general operating chart string.</p>	

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART III - INDIRECT COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
3.4.0.E Revised	<p><u>Sponsored Projects Administration (SPA) cost group:</u></p> <p>The SPA cost group consists of expenses incurred by separate organizations established primarily to administer sponsored projects, as defined in appendix III (B.7) of Part 200 of the Uniform Guidance. The primary University offices included in the SPA cost group are the Sponsored Project Administrative functions of the Office of the Vice President of Research and Financial and Cost Accounting Services of the Division of Finance and Administration. The SPA cost group also includes its allocable share of fringe benefit costs, depreciation, interest, O&amp;M, and G&amp;A.</p> <p>SPA is allocated based on the MTDC of the sponsored agreements within each major function of the institution. The MTDC for this purpose consists of the same cost elements of GA and DA.</p> <p>In each case above the accounts are screened for cost allowability and allocability.</p> <p><u>Library Cost Group:</u></p> <p>Library costs are accumulated and pooled by Library Dean's office, the Howe library and the Dana Medical library. These costs are screened for cost allowability and allocability as mentioned in 1.3.0. A cost pool is created for each of these cost pools.</p> <p>Cross-allocation of depreciation expense, interest expense, O&amp;M expense and general administration expense are added to these cost pools. A credit is applied to the Dana Medical Library cost pool to net a reimbursement from the University of Vermont Medical Group (an affiliated organization) for their use of the University's Dana Medical library. The original basis for the reimbursed amount was a usage study of the Dana Medical Library. On an annual basis, the credit amount is adjusted to reflect any change to the operating budget of the Dana Medical library.</p> <p>The University allocates its library costs based on campus user FTE's. The pool amount allocated to the student population is assigned fully to instruction. The faculty and staff portion is allocated to instruction, organized research, experiment station, public service, and extension based on faculty and staff salaries and wages of those direct cost objectives.</p> <p><u>Student services cost pool:</u></p> <p>The student services cost pool is comprised of expenditures associated with Vice President for Student Affairs, Student Financial Services, Admissions, Registrar, Counseling Center, Career Development Center, Student Health Center, and other allowable costs. Cross-allocation of depreciation expense, interest expense, O&amp;M expense and general administration expense are added to finalize the student services cost pool.</p> <p>These costs are fully allocated to the instruction rate and are screened for cost allowability and allocability as stated in 1.3.0.</p>	
3.5.0 Revised	<p><u>Composition of allocation base:</u></p> <p>Modified Total Direct Cost Base: consists of salaries and wages, fringe benefits, materials and supplies, services, travel and sub-awards up to \$25,000 each. These costs do not include capital expenditures (buildings, individual items of equipment; alterations and renovations); hospitalization and other fees associated with patient care whether the services are obtained from owned, related or third party hospital or other medical facility; stipends, tuition, scholarships and fellowships, participants support costs and the portion of each subaward in excess of \$25,000.</p>	

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3.5.0 Cont.	<p>Salaries and Wages: represents all salaries and wages associated with each functional category such as Organized Research.</p> <p>Net Assignable Square footage. Based on the Federal Construction Council standards, the net assignable square footage definition is the sum of all areas on all floors of a building assigned to, or available for assignment to, an occupant or specific use. This definition is applied to each room within the building. The basis for measurement to compute the assignable area is by physically measuring or scaling measurements from the inside faces of surfaces that form the boundaries of the designated areas.</p> <p>Space Functional Use Inventory. Functional usage is determined on a room-by-room basis through a space inventory and functional use survey, which assigns a specific percentage of use for each function performed in each room. When evaluating the functional use of a room, care is taken to ensure that the space classification is consistent with the functional classification of the expenditure accounts that funded the activities in the room. A detailed description of the space inventory and functional use survey is included in the University's indirect cost proposals.</p> <p>End of Part III</p>	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART IV - DEPRECIATION AND USE ALLOWANCES UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>																																																			
Item No.	Revision Number 2, Effective date March 30, 2023																																																				
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4.1.0 Revised	<p style="text-align: center;">Part IV</p> <p><u>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u> (For each asset category listed below, enter a code from A through C in Column (1) describing the method of depreciation; a code from A through D in Column (2) describing the basis for determining useful life; a code from A through C in Column (3) describing how depreciation methods or use allowances are applied to property units; and Code A or B in Column (4) indicating whether or not the estimated residual value is deducted from the total cost of depreciable assets. Enter Code Y in each column of an asset category where another or more than one method applies. Enter Code Z in Column (1) only, if an asset category is not applicable)</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 40%;">Asset Category</th> <th style="text-align: center; width: 10%;">Depreciation Method (1)</th> <th style="text-align: center; width: 10%;">Useful Life (2)</th> <th style="text-align: center; width: 10%;">Property Unit (3)</th> <th style="text-align: center; width: 10%;">Residual Value (4)</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;">Y</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;">B</td><td style="text-align: center;"></td><td style="text-align: center;"></td><td style="text-align: center;"></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 style="text-align: center;"></td><td style="text-align: center;"></td><td style="text-align: center;"></td></tr> </tbody> </table> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 48%;"> <p><u>Column (1) - Depreciation Method Code</u></p> <p>A. Straight Line B. Expensed at Acquisition C. Use Allowance Y. Other or more than one method<sup>1</sup></p> </div> <div style="width: 48%;"> <p><u>Column (2) - Useful Life Code</u></p> <p>A. Replacement Experience B. Term of Lease C. Estimated service life D. As prescribed for use allowance by Office of Management and Budget Circular No. A-21 Y. Other or more than one method<sup>1</sup></p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 48%;"> <p><u>Column (3) - Property Unit Code</u></p> <p>A. Individual units are accounted for separately B. Applied to groups of assets with similar service lines C. Applied to groups of assets with varying service lives Y. Other or more than one method<sup>1</sup></p> </div> <div style="width: 48%;"> <p><u>Column (4) - Residual Value Code</u></p> <p>A. Residual value is deducted B. Residual value is not deducted Y. Other or more than one method<sup>1</sup></p> </div> </div>			Asset Category	Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)	(a) Land Improvements	A	C	A	B	(b) Buildings	A	C	A	B	(c) Building Improvements	A	C	A	B	(d) Leasehold Improvements	A	Y	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	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			
Asset Category	Depreciation Method (1)	Useful Life (2)	Property Unit (3)	Residual Value (4)																																																	
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<sup>1</sup> Describe on a Continuation Sheet.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		PART IV - DEPRECIATION AND USE ALLOWANCES UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
4.1.1	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.)  A. <u>  X  </u> Yes B. <u>      </u> No <sup>1</sup>	
4.2.0	<u>Fully Depreciated Assets.</u> Is a usage charge for fully depreciated assets charged to Federally sponsored agreements or similar cost objectives? (Mark one. If yes, describe the basis for the charge on a continuation sheet.)  A. <u>      </u> Yes B. <u>  X  </u> No	
4.3.0 Revised	<u>Treatment of Gains and Losses on Disposition of Depreciable Property.</u> Gains and losses are: (Mark the appropriate line(s) and if more than one is marked, explain on a continuation sheet.)  A. <u>  X  </u> Excluded from determination of sponsored agreements costs B. <u>  X  </u> Credited or charged currently to the same pools to which the depreciation of the assets was originally charged C. <u>      </u> Taken into consideration in the depreciation cost basis of the new items, where trade-in is involved D. <u>      </u> Not accounted for separately, but reflected in the depreciation reserve account Y. <u>      </u> Others <sup>1</sup> Z. <u>      </u> Not applicable	
4.4.0	<u>Criteria for Capitalization.</u> (Enter (a) the minimum dollar amount of expenditures which are capitalized for acquisition, addition, alteration, donation and improvement of capital assets, and (b) the minimum number of expected life years of assets which are capitalized. If more than one dollar amount or number applies, show the information for the majority of your capitalized assets, and enumerate on a continuation sheet the dollar amounts and/or number of years for each category or subcategory of assets involved which differs from those for the majority of assets.)  A. Minimum Dollar Amount <u>  \$5,000  </u> B. Minimum Life Years <u>  &gt;1 year life  </u>	
4.5.0	<u>Group or Mass Purchase.</u> Are group or mass purchases (initial complement) of similar items, which individually are less than the capitalization amount indicated above, capitalized? (Mark one.)  A. <u>      </u> Yes <sup>1</sup> B. <u>  X  </u> No	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART IV - DEPRECIATION AND USE ALLOWANCES</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
4.1.0 Revised	<u>Depreciation Charged to Federally Sponsored Agreements or Similar Cost Objectives.</u>  Leasehold improvements are depreciated over the estimated service life or the remaining term of the lease, whichever is less.	
4.3.0 Revised	<u>Treatment of Gains and Losses on Disposition of Depreciable Property.</u>  In accordance with OMB Uniform Guidance 200.443, the University has excluded gains and losses on the disposal of depreciable property from the determination of sponsored agreement cost. Uniform Guidance requires that gains and losses be treated as credits or expenses to asset cost groupings in which the property was included.	
4.4.0 Revised	<u>Criteria for Capitalization:</u>  For the University's financial statement, building and moveable equipment assets which cost \$100,000 or more are capitalized. All acquired land and land improvements with finite lives which cost \$25,000 or more are capitalized. Building improvements and fixed equipment which costs \$25,000 or more are capitalized. Movable equipment costing \$5,000 or more and a life exceeding 1 year is not capitalized but is identified as a depreciable asset.	
	End of Part IV	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART V - OTHER COSTS AND CREDITS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
	Part V	
5.1.0	<p><u>Method of Charging Leave Costs.</u> Do you charge vacation, sick, holiday and sabbatical leave costs to sponsored agreements on the cash basis of accounting (i.e., when the leave is taken or paid), or on the accrual basis of accounting (when the leave is earned)? (Mark applicable line(s))</p> <p>A.    <u>  X  </u>    Cash  B.    <u>      </u>    Accrual<sup>1</sup></p>	
5.2.0 Revised	<p><u>Applicable Credits.</u> This item is directed at the treatment of “applicable credits” as defined in Section C of Circular A-21 and other incidental receipts (e.g., purchase discounts, insurance refunds, library fees and fines, parking fees, etc.). (Indicate how the principal types of credits and incidental receipts the institution receives are usually handled.)</p> <p>A.    <u>      </u>    The credits/receipts are offset against the specific direct or indirect costs to which they relate.  B.    <u>      </u>    The credits/receipts are handled as a general adjustment to the indirect pool.  C.    <u>      </u>    The credits/receipts are treated as income and are not offset against costs.  D.    <u>  X  </u>    Combination of methods<sup>1</sup>  Y.    <u>      </u>    Other<sup>1</sup></p>	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART V - OTHER COSTS AND CREDITS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
5.2.0 Revised	<p><u>Applicable Credits:</u></p> <p>Applicable credits related to a purchase such as a purchase discount is credited against the specific direct or indirect cost to which it relates. The Federal portion of rebates from vendor purchasing agreements, such as the University's Purchasing card program, are remitted to the Federal Government annually at the close of the fiscal year. Other applicable credits such as library fines, returned check fees, incidental computer revenues, Medicare Part D rebate and miscellaneous Accounting Office revenues are offset against the specific expenditures to which they relate before allocation to the F&amp;A cost pool. In addition, a credit from an outside organization which utilizes our library is applied (see Section 3.4.0-F) before its allocation to the F&amp;A rate calculation.</p> <p>End of Part V</p>	

FORM CASB DS-2 (REV 10/94)

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
	<p align="center"><b>Instructions for Part VI</b></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, the reporting unit should require that entity to complete the applicable portions of this Part IV. (See item 4, page (i), General Instructions)</p>	
6.1.0	<u>Pension Plans.</u>	
6.1.1 Revised	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.)	
	<u>Type of Plan</u>  A.     _____ Institution employees participate in State/Local Government Retirement Plan(s)  B. <u>  X  </u> Institution uses TIAA/CREF plan or other defined contribution plan that is managed by an organization not affiliated with the institution  C.     _____ Institution has its own Defined-Contribution Plan(s) <sup>1</sup>	<u>Number of Plans</u>  _____  _____ <u>  2  </u> _____  _____
6.1.2	Defined-Benefit Pension Plan. (For each defined-benefit plan (other than plans that are part of a State or Local government pension plan) describe on a continuation sheet the actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)	
6.2.0	<u>Post Retirement Benefits Other Than Pensions (including post retirement health care benefits)(PRBs).</u> (Identify on a continuation sheet all PRB plans whose costs are charged to Federally sponsored agreements. For each plan listed, state the plan name and indicate the approximate number and type of employees covered by each plan.)  Z. [   ] Not Applicable	

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS</b>
		<b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
6.2.1	Determination of Annual PRB Costs. (On a continuation sheet, indicate whether PRB costs charged to Federally sponsored agreements are determined on the cash or accrual basis of accounting. If costs are accrued, describe the accounting practices uses, including actuarial cost method, the asset valuation method, the criteria for changing actuarial assumptions and computations, the amortization periods for prior service costs, the amortization periods for actuarial gains and losses, and the funding policy.)	
6.3.0 Revised	<u>Self-Insurance Programs (Employee Group Insurance).</u> Costs of the self-insurance programs are charged to Federally sponsored agreements or similar cost objectives: (Mark one.)  A. <input type="checkbox"/> When accrued (book accrual only) B. <input type="checkbox"/> When contributions are made to a nonforfeitable fund C. <input type="checkbox"/> When contributions are made to a forfeitable fund D. <input type="checkbox"/> When the benefits are paid to employee E. <input type="checkbox"/> When amounts are paid to an employee welfare plan Y. <input checked="" type="checkbox"/> Other or more than one method <sup>1</sup> Z. <input type="checkbox"/> Not Applicable	
6.4.0	<u>Self-Insurance Programs</u> (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 are made to a fund Y. <input checked="" type="checkbox"/> Other or more than one method <sup>1</sup> 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 checked="" type="checkbox"/> Other or more than one method <sup>1</sup> Z. <input type="checkbox"/> Not Applicable	

FORM CASB DS-2 (REV 10/94)

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

<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
6.1.0	<u>Pension Plans</u>	
6.1.1 Revised	<p>Defined Contribution Plans:</p> <p>A. University of Vermont and State Agricultural College Retirement Savings Plan</p> <p>The University is the Administrators of a 403(b) retirement plan for faculty and staff. There are three groups eligible for the 403(b) plan:</p> <ol style="list-style-type: none"> <li>1. Staff members with three or more years of service at 75% FTE or greater. The University contributes 10% of base salary as long as the employee contributes at least 2%. The waiting period (three years) is waived for any staff member who is at least 75% and who prior to their University employment was an active participant in a TIAA-CREF retirement plan or who came to the University directly from a nonprofit employer and held a vested interest in the retirement plan of that employer or who left the University with at least three years of service and are now returning within two years of that departure.</li> <li>2. Faculty at or above the rank of Assistant Professor and Officers of Administration who are at least 75% FTE. The University immediately contributes 10% for all faculty and officers in this class as long as they contribute at least 3% of salary.</li> <li>3. Faculty below the rank of Assistant Professor with at least four consecutive semesters of service at 75% FTE or greater. The University contributes 10% of salary as long as the faculty member contributes at least 3%.</li> </ol> <p>The University offers a wide variety of investment alternatives which provide flexibility for risk, growth, or security. The following investment groups are available for plan participants to use in selecting their investment alternatives:</p> <ul style="list-style-type: none"> <li>• TIAA/CREF</li> <li>• Fidelity Group</li> </ul> <p>B. Retiree Health Savings Plan (RHSP)</p> <p>This RHSP plan helps employees pay for qualified healthcare expenses in a tax-advantaged way during their retirement. The University makes regular tax-free contributions to the plans of active, benefits-eligible faculty and staff hired on or after January 1, 2012. One year of service is required for an active benefits-eligible employee to be eligible to receive this benefit. Contributions will be made up to a maximum of 30 years.</p> <p>The UVM contribution is subject to a 15-year eligible service requirement and is not accessible prior to the attainment of age 65. Faculty and staff who terminate employment at UVM prior to attaining 15 years of benefits-eligible service will forfeit the entirety of the University contribution. The forfeited University contributions will offset future costs of this plan.</p> <p>C. The Federal Thrift Savings Plan.</p> <p>Civil Service employees in the extension system are eligible for the Federal Thrift Savings Plan. All participants are eligible to participate in a Thrift Savings Plan, a tax-sheltered savings plan to which they make contributions. This is a Section 401(k) plan administered by the Federal Government.</p>	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS</b> <b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
6.1.2 Revised	<u>Defined Benefit Plans:</u>  The University does not have defined benefit pension plans.	
6.2.0 Revised	<u>Post-Retirement Benefits Other than Pensions:</u>  The University provides three major post-retirement benefits to retired faculty and staff who meet certain conditions when they retire. Those benefits are medical insurance, dental insurance and life insurance.  There are three groups of retirees eligible for benefits. Those who retired before July 1, 1993 after age 55 and having completed 10 years of full-time employment. Those who retired after June 30, 1993 and who were hired prior to July 1, 1997 and who retire after age 55 with 10 years of full-time service. Those hired after June 30, 1997 who retire after age 60 with at least 15 years of full-time service.  The dental plan is the same plan as provided to active employees and base coverage is provided at no cost to the retiree or spouse. Retirees who elect the High Option coverage are responsible for the full difference between the base and high option plans.  Life insurance is provided, on a noncontributory basis, at the pre-retirement level up to \$50,000 until age 65, when it reduces by 50%. Coverage ends at age 70.  There are currently approximately 2,600 retirees with medical insurance. There are currently approximately 1,650 retirees with dental insurance. There are approximately 125 retirees with life insurance.  Retirees eligible for medical insurance coverage who retired prior to July 1, 1993 are provided coverage at no cost to themselves or their spouse. Otherwise, a premium is required. Coverage is essentially the same as for active employees until the retiree and/or the spouse qualifies for Medicare, at which time the retiree or spouse becomes eligible for the Medicare Advantage Plan. The Medicare Advantage Plan must follow rules set by Medicare, and provides coverage for additional benefits not covered by Original Medicare like vision and hearing services. The retiree must pay the cost of Medicare Part B coverage.	
6.2.1 Revised	<u>Determination of Annual PRB Costs:</u>  The University of Vermont's Post Retirement Plan costs are calculated using actuarial methods and assumptions consistent with Government Accounting Board Standard No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, as follows:  <u>Actuarial Cost Method</u>  Entry Age Normal as required by GASB 75  <u>Asset Valuation Method</u>  Not Applicable  <u>Criteria for Changing Actuarial Assumptions and Computations</u>  Actuarial assumptions and computations are selected by the University, with the concurrence of the plan's actuary. Each significant assumption used reflects the best estimate solely with respect to that assumption. During each evaluation cycle, assumptions are reviewed and modified to reflect economic and demographic conditions.	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VI - DEFERRED COMPENSATION AND INSURANCE COSTS</b>
		<b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023 Item Description	
6.2.1 Cont.	<u>Funding Policy</u>  The University of Vermont accounts for its postemployment benefit plan in accordance with GASB 75. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.	
6.4.0 Revised	<u>Self-Insurance Programs (Employee Group Insurance).</u>  A self-insurance program for Dental insurance was established on July 1, 2012. All claims are financed through the dental claim reserves, which are funded annually based on expected losses derived from past experience. The dental claim reserve is funded by the fringe benefit rates.  A self-insurance program for Medical insurance was established on January 1, 2016. All claims are financed through the medical claim reserves, which are funded annually based on expected losses derived from past experience. The medical claim reserve is funded by the fringe benefit rates.	
6.4.1	<u>Workers Compensation, Liability &amp; Casualty Insurance:</u>  All claims within the University's self-insured retention are financed through the workers compensation, liability, property or automobile claims reserves, which are funded annually based on expected losses derived from past experience. The workers compensation reserve and the cost of excess workers compensation premium are funded through the fringe benefit rates. The liability and property reserves and the cost of excess premiums are funded by charging various University building chart strings. Automobile insurance claims reserves are funded by directly charging the operating budget of departments which own and operate vehicles.	
	End of Part VI	

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<b>COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS</b>		<b>PART VII - CENTRAL SYSTEM OR GROUP EXPENSES</b>
		<b>UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE</b>
Item No.	Revision Number 2, Effective date March 30, 2023	
	Item Description	
	<p>DISCLOSURE BY CENTRAL SYSTEM OFFICE, OR GROUP (INTERMEDIATE ADMINISTRATION) OFFICE, AS APPLICABLE.</p> <p>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 benefitting segments.</p> <p>D. Any costs that are transferred from a segment <u>to</u> the central system office or the intermediate administrative office, and which are reallocated to another segment(s). If none, so state.</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> <p>Part VII is not applicable to the University of Vermont.</p> <p>End of Part VII</p>	

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