

# Common Cost Accounting Manual

## Preface

This manual contains information and instructions to assist in preparing the annual Common Cost Accounting Reports (CCAR) and other related reports for each of the universities comprising the Pennsylvania State System of Higher Education. This manual supersedes previous Common Cost Accounting (CCA) Manuals.

The CCAR provides important financial, student, and faculty information in three formats.

**PCS Categories**—reflect each university’s total cost in the traditional functional expenditures categories (and subcategories). Total Costs related to category 1.0. Instruction are categorized further into Program and Discipline categories. It is important to note that total costs reported in the CCAR must reconcile with the total costs reported in each university’s audited financial statements.

**Program Categories**—reflect each university’s total credit hours produced (CHP), full-time equivalent (FTE) students, FTE faculty, total program cost, cost per FTE student, FTE student/faculty ratio, and direct instructional cost per credit hour, for academic programs offered by the universities. This data is reflected separately for lower, upper, masters, and doctorate levels. Program costs represent the cost of educating students who are enrolled in a certain academic program, i.e., an academic major.

**Discipline Categories**—reflect the same detailed information as Program Categories, but represent only the costs specifically associated with delivering courses within a certain academic discipline.

### I. CCA Expenditure Categories

## Overview

The rationale of the Expenditure Categories is to provide a mechanism that will facilitate organization of data and use of various planning and management tools. Under CCA, the functions of higher education are divided into the following major classifications.

Primary		Support	
1.0	Instruction	4.0	Academic Support
2.0	Research	5.0	Student Service
3.0	Public Service	6.0	Institutional Administration
		7.0	Operations and Maintenance of Plant
		8.0	Scholarships and Fellowships
		9.0	Auxiliary Enterprises

## A. Primary Programs

### 1.0. Instruction Program

The cost center accounting structure is based upon departmental organization, i.e., costs are collected and charged to academic departments (e.g., Biology Department, Mathematics Department, Elementary Education Department). Departmental costs, while important from a financial control point of view, are not the only information required for meaningful inter-institutional comparison. CCA provides an additional entity, the academic degree program, which is another measure of institutional academic output. To collect data on degree program levels requires the translation of costs from the current department structure to a degree program structure.

The instruction program consists of those program elements whose outputs are eligible primarily for credit in meeting specified formal curricular requirements, leading toward a particular postsecondary degree or certificate granted by the institution.

This category should include expenditures for all activities that are part of an institution's instruction program. Expenditures for credit and noncredit courses for academic, vocational, and technical instruction; remedial and tutorial instruction; and regular, special, and extension sessions should be included. Cooperative teacher payments also should be included in instruction and reflected in the discipline that generates the student teaching credits.

Expenditures for departmental research and public service that are not budgeted separately should be included in this classification. This category excludes expenditures for academic administration when the primary assignment is administration, e.g., academic deans. However, expenditures for department chairperson, in which instruction is still an important role of the administrator, are included in this category.

This category includes general academic instruction, community education, and preparatory/remedial instruction.

**1.1. General Academic Instruction.** Includes expenditures for instructional activities that are (1) carried out during the State System fiscal reporting year (Second Session Summer, Fall, Spring, First Session Summer order) in accordance with GASB, (2) associated with academic offerings described by National Center for Education Statistics (NCES) discipline categories 01 through 52 (53 undeclared major), and (3) offered for credit as part of a formal postsecondary education degree or certificate program. Any instructional activity falling within these NCES categories and offered for credit would be included. However, this subcategory does not include instructional offerings that are part of programs leading toward degrees or certificates at levels below the higher education level, such as adult basic education.

**Note:** Release time for a department chairperson, assistant department chair, graduate program coordinator, and internship coordinators is now included in the Instruction in subcategory 1.1. classification rather than Academic Support (4.6.). This change is based upon the assumption that a department chairperson and/or assistant chairperson have, as their primary function,

instruction. Part III, A.1 (Definitions) indicates how the costs are to be distributed.

**1.2. Community Education.** Includes expenditures for instructional activities that do not result in credit toward any formal postsecondary degree or certificate. It includes noncredit instructional offerings carried out by the institution's extension division as well as noncredit offerings that are part of the adult education or continuing education program. This subcategory also includes expenditures for activities associated with programs leading toward an award or certificate at a level below the higher education level, such as adult basic education (GED).

**1.3. Preparatory/Remedial Instruction (only noncredit-generating instructional activities).** Includes expenditures for instructional activities that give students the basic knowledge and skills required by the institution before they can undertake formal academic coursework leading to a postsecondary degree or certificate. Such activities, supplemental to the normal academic program, generally are termed preparatory, remedial, developmental, or special educational services. These instructional offerings may be taken prior to or along with coursework leading to a degree or certificate. Only offerings provided specifically for required preparatory or remedial skills or knowledge should be included in this category. For example, if students may satisfy preparatory requirements by taking offerings provided primarily for other than remedial or preparatory purposes, those offerings should be classified appropriately elsewhere.

## **2.0. Research**

This category should include all expenditures for activities specifically organized to produce research outcomes, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit or cost center within the institution. This category does not include restricted expenditures except those applied to faculty release time since all faculty workload must be included, and is not limited necessarily to sponsored research since internally supported research programs, if separately budgeted, might be included in this category under the circumstances described above.

**2.1. Individual and Project Research.** Includes expenditures for research activities that are managed with academic departments. Such activities may have been undertaken as the result of a research contract or grant or through a specific allocation of the institution's general resources.

## **3.0. Public Service**

The objective of a public service program is to provide services that are beneficial to groups external to the institution through programs established to make various unique resources and capabilities of higher education available to the public.

This category should include funds expended for activities that are established primarily to provide noninstructional services beneficial to individuals and groups external to the institution. These activities include community service programs (excluding instructional activities) and cooperative extension services. Included in this category are conferences, institutes, general

advisory services, reference bureaus, radio and television, consulting, and similar non-instructional services to particular sectors of the community. This category includes community service, public broadcasting services, and direct patient care.

**3.1. Community Service.** Includes expenditures for activities to provide general community services, excluding instructional activities. Community service activities make various resources and special capabilities that exist within the institution available to the public. Examples include conferences and institutes, general advisory services and reference bureaus, consultation, testing services (e.g., soil testing, carbon dating, and structural testing), and similar activities. The activities included in this subcategory generally are sponsored and managed outside the context of both agricultural and urban extension programs and of the institution's public broadcasting operation.

**3.2. Public Broadcasting Services.** Includes expenditures for operation and maintenance broadcasting services operated outside the context of the institution's instruction, research, and academic support programs. Thus, excluded from this subcategory are broadcasting services conducted primarily in support of instruction (which should be classified in the subcategory "Ancillary Support") and broadcasting services that are operated primarily as a student service activity (which should be classified in the subcategory "Social and Cultural Development").

**3.3. Direct Patient Care.** Includes expenditures for operation and maintenance of clinical nursing services. This should not include expenditures for clinical services provided to students.

## **B. Support Programs**

### **4.0. Academic Support**

The objectives of the academic support program are to provide support services that are an integral part of the operations of the primary programs.

This category should include funds expended primarily to provide support services for the institution's primary missions—instruction, research, and public service. It includes:

- (1) retention, preservation, and display of educational materials, e.g., libraries, museums, and galleries;
- (2) provision of services that directly assist the academic functions of the institution, such as demonstration schools associated with a department, school, or college of education;
- (3) media such as audio-visual services, and technology such as computing support;
- (4) academic administration (including academic deans, but not department chairpersons) and personnel development providing administration support and management direction to the three primary missions; and
- (5) separately budgeted support for course and curriculum development.

This category includes libraries, museums and galleries, educational media services, academic computing support, ancillary support, academic administration, course and curriculum development, and academic personnel development.

**4.1. Libraries.** Includes expenditures for centralized activities that support directly the operation of a catalogued or otherwise classified collection of published materials. This category includes expenditures associated with the Keystone Library Network and other consortia.

**4.2. Museums and Galleries.** Includes expenditures for centralized activities that provide for collection, preservation, and exhibition of historical materials, art objects, scientific displays, etc. Libraries are excluded.

**4.3. Educational Media Services.** Includes expenditures for centralized activities providing audiovisual and other services that aid in transmitting information in support of the institution's instruction, research, and public service programs. This category includes expenditures associated with delivering distance education instruction. Examples are:

- TV and Instructional Electronics
- AV Material Center
- Graphic Arts
- Regional AV Services
- Distance Learning Centers

**4.4. Academic Computing Support.** Includes expenditures for centralized activities that provide computing support to the three primary programs. Excluded from this category is administrative computing support, which is classified as an institutional support program (6.4.). Where a central computing facility exists, the institution determines the percentage of total costs attributed to academic support.

**4.5. Ancillary Support.** Includes expenditures for activities that provide support services to the three primary programs but that are not classified appropriately in any other subcategories. Ancillary support activities usually provide a mechanism through which students can gain practical experience. However, the expenditures of teaching hospitals are excluded. Examples are:

- Organizational Activities Related to Educational Departments
- Demonstration School
- Learning Disabilities Clinic
- Planetarium
- Day Care Services

- Lab School

**4.6. Academic Administration.** Includes expenditures for activities specifically designed and implemented to provide administrative and management support to the academic programs. It includes expenditures of academic deans (including deans of research, deans of graduate schools, and college deans), but does not include expenditures of departmental chairs (which are included in the appropriate primary function categories). Centralized internship coordinators should be included in this category. It also includes expenditures for academic advising. Expenditures associated with the chief academic officer of the institution are not included in this subcategory, but should be classified as institutional support.

**Note:** Release time for department chair, assistant department chairs, graduate program coordinators, and internship coordinators is now included in the Instruction classification rather than Academic Support (4.6.).

Examples are:

- deans
- continuing education administrators and the like
- centralized graduate program coordinators
- centralized internship coordinators

**4.7. Course and Curriculum Development.** Includes expenditures for activities established either to improve significantly or add to the institution's instructional offerings, but only to the extent that such activities are organized formally and/or budgeted separately.

**4.8. Academic Personnel Development.** Includes expenditures for activities that provide faculty with opportunities for personal and professional growth and development. Included in this subcategory are sabbaticals, faculty awards, and organized faculty development programs. State System faculty professional development awards should be included in this category.

## 5.0. Student Services

This category includes funds expended for admissions and registrar offices and those activities whose primary purpose is to contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instruction program. It includes expenditures for student activities, cultural events, student newspapers, intramural athletics, student organizations, intercollegiate athletics, counseling and career guidance (excluding informal academic counseling by the faculty), student-aid administration, and student health service. This category includes student services administration, social and cultural development, counseling and career guidance, financial aid administration, student recruitment and admissions, student records, and student health services.

- 5.1. Student Services Administration.** Includes expenditures for organized administrative activities that provide assistance and support (excluding academic support) to the needs and interests of students. This subcategory includes only administrative activities that support more than one subcategory of student activities and/or that provide central administrative services related to various student service activities. This subcategory includes the administration of services provided for particular types of students (e.g., minority students, veterans, and students with disabilities). Excluded from this subcategory are activities of the institution's chief administrative officer for student affairs, whose activities are institution-wide and, therefore, should be classified appropriately as institutional support (6.1.).
- 5.2. Social and Cultural Development.** Includes program-related expenditures for organized activities that provide for students' social and cultural development outside the formal academic program (i.e., for-credit instruction). This subcategory includes cultural events, student newspapers, intramural and intercollegiate athletics, and student organizations. Examples include:
- Commencements and Convocations
  - Minority Affairs Programs
  - Lectures and Concerts
  - Recreation
- 5.3. Counseling and Career Guidance.** Includes expenditures for formally organized placement, career guidance, and personal counseling services for students. This subcategory includes vocational testing and counseling services and activities of the placement office. Examples are:
- Testing and Counseling
  - Employment and Placement
  - Minority Affairs Counseling
- 5.4. Financial Aid Administration.** Includes expenditures for activities that provide financial aid services and assistance to students. This subcategory does not include grants to students, which should be classified as scholarships and fellowships. Expenditures related to financial aid accounting and student loan collection are included in this category.
- 5.5. Student Recruitment and Admissions.** Includes expenditures for activities related to identifying prospective students, promoting attendance at the institution, and processing applications for admission.
- 5.6. Student Records.** Includes expenditures for activities to maintain, handle, and update records for currently enrolled students as well as for students who were enrolled previously.
- 5.7. Student Health Services.** Includes expenditures for student health services.

## 6.0. Institutional Support

Institutional support includes expenditures for activities concerned with management and provides long-range planning for the institution. This category should include expenditures for central executive-level activities, such as the governing board, planning and programming, and legal services; fiscal operations; administrative computing support; space management; employee personnel and records; logistical activities that provide procurement, storerooms, safety, security, printing, and transportation services to the institution; support services to faculty and staff that are not operated as auxiliary enterprises; activities concerned with community and alumni relations; and institutional advancement/development (i.e., fund raising).

Appropriate allocations of institutional support should be made to auxiliary enterprises, and other activities not reported under the Educational and General (E&G) heading of expenditures. This category includes executive management, fiscal management operations, general administration and logistical services, administrative computing support, and public relations and development.

**6.1. Executive Management.** Includes expenditures for all central, executive-level activities concerned with management and long-range planning for the institution (as distinct from planning and management for any one program within the institution). This subcategory includes such operations as executive direction (e.g., governing board), planning and programming, and legal operations. (Includes 1/2 of 1 percent of State System office charges.) Examples are:

- Council of Trustees
- President's Office
- Vice Presidents' Office
- Provost's Office
- Institutional Research Office

**6.2. Fiscal Management Operations.** Includes expenditures for operations related to fiscal control and investments. This subcategory includes the accounting office, bursar, and internal and external audit, and also includes such expenses as allowances for bad debts and short-term interest expenses. Expenditures related to financial aid accounting and student loan collection should be reported in subcategory 5.4., Financial Aid Administration. Examples are:

- General Administration—Business and Financial Office
- Business and Financial Office—Revenue
- Business and Financial Office—Accounting
- Budget Office

**6.3. General Administration and Logistical Services.** Includes expenditures for activities related to general administrative operations and services (with the exception of fiscal operations and administrative computing support). Included in this subcategory are personnel administration, space management, purchasing and maintenance of supplies and materials, and safety services. Services for which departmental use can be monitored, such as postage, telephone, duplicating, printing, and central warehousing, should be charged to the appropriate department and not recorded as centralized costs in general administration. Examples are:

- Personnel Office
- Administrative Services
- Purchasing Office
- Vehicle Operation and Maintenance
- Police
- Safety
  
- Fire Protection

**6.4. Administrative Computing Support.** Includes expenditures for computer services that provide support for institution-wide administrative functions. Academic computing services should be included in subcategory 4.4., Academic Computing Support.

**6.5. Public Relations and Development.** Includes those program elements that have been established or maintain relationships with the general community, the institution's alumni, or other constituents, and to conduct activities related to development and fund raising. Excluded from this subprogram are the program elements established primarily to provide public service to the community. Examples are:

- Development Office
- Public Relations Office
- Alumni Affairs Office

## 7.0. Operations and Maintenance of Plant

The Physical Plant Operations program consists of those activities related to maintaining grounds and facilities, providing utility services, planning, designing, and constructing plant expansions and modifications.

This category should include all expenditures of current operating funds for operation and maintenance of physical plant. Expenditures for operation and maintenance of physical plant should be charged to 9.0., Auxiliary Enterprises. It includes all expenditures for operations established to provide services and maintenance related to grounds and facilities. This category includes physical plant administration; building maintenance; custodial services; utilities; landscape and grounds maintenance; major repairs and renovations (contracted expenditures); and major construction and facility purchase.

**7.1. Physical Plant Administration.** Includes expenditures for administrative activities that support physical plant operations directly. Activities related to the development of plans for plant expansions or modifications, as well as plans for new construction, should be included in this subcategory also. Examples are salaries and expenses of the offices of:

- Director of Physical Plant
- Director of Facilities Planning and Construction
- In-house architects and draftsmen

**7.2. Building Maintenance and Minor Repairs.** Includes expenditures related to minor work performed routinely on a facility to prevent failure of the components of the facility and/or the return of failed components to useful service without complete repair or replacement of the component or a major portion thereof, and routine repair and maintenance of buildings and other structures, including both normally recurring repairs and preventive maintenance. Examples include work orders performed for building maintenance and minor repairs by:

- building trades
- carpentry shop
- electrical shop
- maintenance storeroom
- elevator contracts

**7.3. Custodial Services.** Includes expenditures related to custodial services in E&G buildings.

**7.4. Utilities.** Includes expenditures related to heating, cooling, light and power, gas, water, and any other utilities necessary for operation of the physical plant. Telephone expenses are reported in 6.3., General Administration and Logistical Services. Examples are:

- central heating (including personnel)

- utilities (excluding telephone)

**7.5. Landscape and Grounds Maintenance.** Includes expenditures related to operation and maintenance of landscape and grounds. Examples are:

- grounds keeping
- nursery

**7.6. Major Repairs and Renovations (Contracted Expenditures).** Includes expenditures related to major repairs, maintenance, and renovations. Restricted expenditures funded by the Key '93 appropriation for deferred maintenance should be included in this category. Minor repairs should be classified in subcategory 7.2., Building Maintenance. The distinction between major repairs and minor repairs should be defined by the institution. Universities should attempt to charge major repairs and renovations performed in-house to this category.

**7.7. Major Construction and Facility Purchase.** Includes the construction or purchase costs of facilities that are entirely new and are not replacing or supplanting an existing facility. Examples are:

- parking lot constructed on undeveloped ground.
- purchase of a building for E&G use.

## **8.0. Scholarships, Fellowships, and Waivers**

This category should include expenditures for scholarships and fellowships in the form of grants to students selected by the institution and financed from current unrestricted funds (in accordance with BOG Policy 1996-1). Recipients of a grant are not required to perform a service to the institution as consideration for the grant, nor are they expected to repay the amount of the grant to the funding source. When services are required in exchange for financial assistance, as with university-funded student work-study programs and graduate assistantships, the wages should be classified as expenditures of the department or organizational unit to which the service is rendered. Aid to students in the form of tuition or fee waivers should be included in this category. Tuition or fee waivers granted because of faculty or staff status, or family relationship of students to faculty or staff, should not be recorded in this category, but should be recorded as a compensation expense in each category, as appropriate. This category only includes scholarships and fellowships.

**8.1. Scholarships and Fellowships.** Includes grants and non-employee tuition and fee waivers to undergraduate and graduate students. It does not include stipends.

## **9.0. Auxiliary Enterprises**

An auxiliary enterprise is an operation that exists to furnish goods or services to students, faculty, or staff and charges a fee directly to the users that is intended to cover the costs of providing goods or services. The distinguishing characteristic of auxiliary enterprises is that they are designed to be self-supporting, and application of the definition must be consistent from year to year.

Examples are residence halls, food services, student centers, and student recreational centers. The general public may be served incidentally by auxiliary enterprises.

This category includes all expenditures relating to operation of auxiliary enterprises, including expenditures for operation and maintenance of plant and for institutional support. Also included are other direct and indirect costs, whether charged directly as expenditures or allocated as a proportionate share of costs of other departments or units. This category includes auxiliary enterprises, major repairs and renovations, new construction, and auxiliary enterprises—other.

**9.1. Auxiliary Enterprises.** Includes expenditures for auxiliary enterprise operations primarily intended to furnish services to students, faculty, or staff. Examples are:

- student housing
- student recreation
- student union
- food service administration
- food service—dining hall

**9.3. Major Repairs and Renovations.** Includes expenditures that can be charged to auxiliaries. This subprogram includes all major expenditures for auxiliary facility repairs and renovations, whether performed in-house or by contractors. Minor repairs should be classified in subcategory 9.1, Auxiliary Enterprises. The institution should define the distinction between major repairs and minor repairs.

**9.4. New Construction.** This subprogram includes expenses related to the construction or purchase of facilities that are to be used for auxiliary services.

- new dormitory
- student recreation
- student union

**9.5. Auxiliary Enterprises—Other.**

## II. General Standards

### A. Introduction

This outline sets forth the general approach to be used in formatting institutional data. Throughout this project, the overriding constraint must be uniformity in treatment of the data.

### B. Standards

**Submission of Reports.** The expenditure data reported in the CCAR should reconcile to the total unrestricted expenditures plus restricted faculty compensation. The reconciliation form (Appendix B) should be completed and submitted to the State System Finance and Administration Office. Please note that transfers are not to be included in the CCAR. All unrestricted plant fund expenditures, including applicable principal and interest payments, should be recorded in the CCA subcategory most appropriately reflecting the purpose of the expense. Restricted plant fund expenditures supported by the Keystone Recreation, Park and Conservation Fund (Key '93) should also be reflected in CCA.

When reporting expenditures for postretirement benefits and compensated absences, only the current year pay-as-you-go portion should be reported as a CCA expenditure.

In preparing the Personnel Data Module (PDM), all faculty workloads and corresponding compensation should be included regardless of funding source. Since teaching associates generate credit hours, they should be included in the PDM. Their fund cards should include the salaries they are paid, and the account code on the fund card should match the account in the ACM that holds the actual dollars of their compensation.

**Note:** Currently, this guideline is applicable only to Indiana University of Pennsylvania (IUP); under the terms of the APSCUF contract, IUP is the only university that can use teaching associates in the classroom.

Expenditures for Major Object 600 (Services, Supplies, and Other Current Charges) should be targeted to the discipline in which the expense was incurred when appropriate identification can be made. In instances when such identification is not possible or practical, expenditures should be spread to disciplines based upon student credit hour production.

Expenditures in Major Object 700 (Capital Expenditures) should be targeted whenever possible to the discipline in which the expense was incurred. For fixed assets that are shared among two or more disciplines (academic departments), proration of expenditures may be made based upon FTE faculty.

1. **Accounting for Staff**—Staff is defined as everyone at an institution not classified as teaching faculty (Q-4 or Unit 1 faculty, as defined in the APSCUF collective bargaining agreement). Staff should be counted (FTE filled positions based upon Time Work Code [TWC]) as annualized FTE. Only include salaried employees.
2. **Administrators Who Produce Credit**—Twelve-month contract administrators who produce credit hours should have the salary for these credit-producing activities charged to the appropriate department. This methodology should be used in regard to executive administrators, only if there is a corresponding reduction in workload of normal duties or additional compensation; otherwise the instructional salary reflected for executive administrators should be \$1.00. If there is a reduction in

workload, the cost would be proportionate to that workload reduction; if there is additional pay, the cost would be the total additional pay. Contract hours should be the equivalent of the collective bargaining contract requirement for faculty contract hours.

3. **APSCUF Union Release Time**—Release time for faculty members associated with union activities should be charged to subcategory 4.8. Also, faculty awards of all types should be charged to subcategory 4.8.

APSCUF Negotiations  
Release time for APSCUF  
President

4. **Continuing Education**—Continuing education and other instructional activities that are noncredit and, therefore, are not applicable towards a postsecondary degree or certificate should be charged to subcategory 1.2. Community Education.
5. **Elementary Education**—Elementary Education is a program; Secondary Education is not. Use appropriate majors per NCES-CIP Taxonomy.
6. **FTE Student Definition**—For definitions of undergraduate and graduate students by level, see the System's *Data Definition Manual*.

Undergraduate = 30 student hours  
Graduate = 24 student hours

7. **Report Period**—The entire fiscal year (Second Summer Session, Fall, Spring, First Summer Session order). To determine credit hours applicable to an academic session, see the System's *Data Definition Manual*.
8. **Retention of Common Cost Accounting Files**—The following CCA files should be retained by each institution for a period of five years.
  - a. Student file that goes into the Student Data Module (SDM01)
  - b. Personnel file that goes into the Personnel Data Module (PDM01)
  - c. General ledger file
  - d. The last DMM file that goes into DMM02 from which final reports are generated

All other files may be retained or disposed at the discretion of each institution.

9. **Sabbatical Leave—Academic Personnel**—Sabbatical leave costs should be removed from the Personnel Data Module (PDM) and assigned to CCA Code 4.8 prior to running the Account

Crossover Modules (ACM). If this is not done, sabbatical costs will be overstated. Sabbatical leave replacement costs should be charged to the functional areas to which they are assigned.

10. **Sabbatical Leave—Other Personnel**—When a non-instructional employee is granted sabbatical leave, the sabbatical leave costs and the sabbatical leave replacement costs will be charged to the same subcategory(ies) that the person's normal salary and benefits are charged.
11. **Secretaries and Other Support Staff of Academic Departments**—The salaries of these secretaries are to be treated as direct instructional costs. Likewise, the wages of student help assigned to the departments are to be treated as direct instructional costs.
12. **Sick Leave for Instructional Personnel**—When an instructor is placed on sick leave and a replacement is hired, the costs both of the instructor and the replacement should be charged to the appropriate department. The instructor to whom the tasks were assigned originally should retain the tasks. The replacement instructor should not have tasks assigned.
13. **Students with Undeclared Majors**—These students should be classified to major code PRG-5399. Undeclared majors should not be confused with interdisciplinary program majors.
14. **Student Wages**—Only university-funded student wages should be charged to the benefiting department. Student wages and associated benefit expenditures paid from restricted funds and PHEAA matching grants should not be included, e.g., Federal Work-Study.
15. **Summer Session Productivity**—For calculations of summer session productivity through FY 2000/01, use the previous complete summer, regardless how it was divided by fiscal year. Beginning in FY 2001/02, summer session productivity and costs will be divided by fiscal year, based upon the fiscal year in which each summer session is predominantly run.
16. **Central Services**—Centrally provided services such as telephone expenses, postage, and printing should be charged back to using E&G departments, consistent with financial policy. This would include all charge-backs except utilities and computer services.
17. **Auxiliary Charge-back**—Auxiliary charge-backs should include all E&G items plus related utility, steam, grounds keeping, maintenance, and administrative overhead expenses.
18. **Reconciliation to Financial Reporting**—A reconciliation form that reconciles CCA reports with financial statements must be forwarded to the State System Financial Management office. (Appendix B)
19. **Expenditures by Level**
  - a. **Operational Expense**—600 Funds expended in the academic departments are spread across the four levels (lower, upper, master's and doctoral) in the same proportion as the credit hours generated by the department. These funds stay within the departments' instructional activities. No operational expenses should be charged to non-instructional activities.
  - b. **Fixed Assets**—700 Funds expended in the academic departments are spread across the four levels (lower, upper, master's and doctoral) in the same proportion as the FTE faculty assigned to the department. No fixed asset expenditures should be charged to non-instructional activities.

- c. **Support Staff Compensation**—Compensation for support staff assigned to an academic department is spread to the three levels and non-instructional categories in the same proportion as FTE faculty assignments. For this reason, FTE faculty and their compensation for sabbaticals must not appear in the PDM files but must be put in by hand later in ACM and DMM.
- 20. **Program Costs**—The program costs in dollars and FTE faculty are the result of departmental costs and FTE faculty spread to the programs and levels in the same proportion as the credit hours taken.
- 21. **FTE Faculty**—An FTE faculty member is defined as 24 contract hours. Thus, the activity units reported on a faculty member’s TASK card should be the contract hours for an activity not necessarily the same as the credit hours of the activity. For example, if a faculty member teaches only graduate courses, three 3-credit courses will be considered a full load for a semester. Thus, the contract hours for those three courses are four each. Likewise, the faculty contract is the determining factor for student teaching, physical education courses, and courses with labs.
- 22. **Calculation of Non-credit-bearing Workload Contract Hours not addressed directly in the Collective Bargaining Agreement**—The method for determining contract hours for work assignments not addressed in the Collective Bargain Agreement are to be calculated by the following formula. Examples would include tasks paid for by a grant, and extraneous faculty assignments.

$\text{Contract hours} = (\text{Dollars paid}/\text{normal annual salary}) * 24$
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- 23. **Personnel Data Module (PDM)**—Only faculty classified as Q-4, administrators who teach, or graduate assistants who teach should be included in the PDM files. Only Indiana University of Pennsylvania should have graduate assistants who teach.
- 24. **PDM Restrictions**—Only faculty and administrators who are paid by the university should appear in PDM. The exception is Military Science instructors paid from external sources. In the case of credit hours being generated by Military Science programs, input should be .001 for contract hours on the TASK card and .1¢ for the fund card.
- 25. **TASK Records**—TASK records should be included for every TASK for which the university pays the faculty member.

## Addendum

### III. Data Definitions and Instructions

#### A. Definitions

1. These reports can continue to be produced by the NCHEMS computer software that has been used by each respective campus. The reports will be generated at a two-digit CIP code level, which will mean that all academic programs and departments within a specific CIP category will be aggregated by lower division, upper division, and graduate division levels. All data should be saved at the four-digit level so four-digit department or program reports can be produced later if needed.
  - a. Department chair—The distribution of costs for department chair will be as follows depending upon the existence of a graduate program.

With Graduate Program:      Lower = 50%

Upper = 30%

Graduate = 20%

Without Graduate Program:      Lower = 60%

Upper = 40%

2. The specific data items requested are as follows.
  - a. CREDIT.HOURS—the credit hour production by program and discipline (transcribed and can be part of a student's normal academic program that leads to a degree).
  - b. DIR.COST/CR—direct cost per credit hour, which is obtained by dividing either the total program cost or total discipline cost by the respective number of credit hours in that category.
  - c. DIRECT.COST—the total cost for the academic programs or discipline categories.
  - d. FTE.STUDENT/ENROLL.FTE—full-time equivalent students by academic program (ENROLL.FTE) or discipline (FTE.STUDENT).

- e. FTE.FACULTY—the full-time equivalent number of faculty by CIP category for program or discipline.
- f. ST/FAC.RATIO—the student faculty ratio for each CIP category by program and discipline.
- g. PERCENTAGES—the percentage of dollars by each CCA category of the institutional total.
- h. CIP.TITLE—the official title of all CIP categories and program classification structure (CCA) subdivisions.
- i. FTE.STUDENT.COST—The DIRECT.COST divided by ENROLLED.FTE for academic programs and DIRECT.COST divided by FTE.STUDENT for disciplines.
- j. STAFF.COUNT—Annualized FTE positions based on TWC of non-instructional personnel.

## **B. Instructions**

### 1. CREDIT.HOURS

- a. By discipline—CREDIT.HOURS is obtained directly from the ROW run of SDM03, and no further manipulation is required to achieve the printout.
- b. By program—CREDIT.HOURS by program is obtained from the ROW run of SDM03, and is input (along with several other variables) to DMM06/DMM07, which produces discipline and program statistics. One of the statistics is CREDIT.HOUR based upon the ICLM discipline to program matrix.

### 2. DIRECT.COST

- a. By discipline—DIRECT.COST is obtained through the Accounts Cross-Over Module (ACM). During this phase, each institution will convert dollars expended in each cost center to CCA. When all manipulations have been performed and the resulting dollar amounts are correct, they will be forwarded to DMM. No further processing is required in DMM to obtain DIRECT.COST.
- b. By program—DIRECT.COST by program is achieved in the same manner as CREDIT.HOURS by program in 1.b. above, where DIRECT.COST is fed to DMM06/DMM07 and appropriate total costs by program category is achieved.

### 3. DIR.COST/CR

- a. By discipline—DIRECT COST/CR is obtained by dividing the discipline CREDIT.HOURS into DIRECT.COST. This also is done automatically in the DMM06/DMM07 run.
- b. By program—DIRECT COST/CR is obtained by dividing program CREDIT.HOURS into program DIRECT.COST. This also is done automatically in the DMM06/DMM07 run.

### 4. FTE.STU.COST

- a. By discipline—FTE.STU.COST is obtained by dividing DIRECT.COST by FTE.STUDENTS.
  - b. By program—As above, FTE.STU.COST is obtained by dividing DIRECT.COST by ENROLL.FTE.
5. CIP.TITLE
- a. The alphanumeric representatives are the titles of the various CIP and CCA categories and are input manually through DMM01 into the data matrix. The current CIP titles file should be updated to reflect the changes to CCA titles.
6. FTE.STUDENTS/ENROLL.FTE
- a. By discipline—FTE.STUDENTS is obtained by dividing CREDIT.HOURS by 30 for undergraduates, or 24 for graduates.
  - b. By program—ENROLL.FTE will come from the ROW run of SDMO3 and requires no further processing.
7. FTE.FACULTY
- a. By discipline—FTE.FACULTY is a computed value, which indicates full-time equivalent faculty utilized in the academic disciplines by various levels of instruction. It is derived from the PERSON.UNITS (the contract contact hours of faculty) coming from the Personnel Data Module (PDM). These PERSON.UNITS are passed from PDM to DMM where they are divided by 24 (the standard contractual faculty load).
  - b. By program—FTE.FACULTY may be obtained by program by inputting the FTE.FACULTY by department into the DMM06/07 program where it will distribute the faculty effort over all involved programs automatically and proportionally.
8. ST/FAC.RATIO
- a. By discipline—Once the FTE.STUDENTS and FTE.FACULTY by discipline has been computed, divide the latter into the former to get the ST/FAC.RATIO.
  - b. By program—After obtaining ENROLL.FTE from SDM03 to DMM and computing FTE.FACULTY by program, divide the latter into the former to get the ST/FAC.RATIO.
9. STAFF.COUNT
- a. STAFF.COUNT represents the annualized FTE of all personnel employed at an institution other than teaching faculty. This figure will be prepared manually and entered through DMM01. It is probable that you will rely upon your Personnel Office in preparing this data.
10. PERCENTAGES

- a. PERCENTAGES is derived by dividing the institution's grand total figure into every program/discipline/support center DIRECT.COST. The percentage of that activity vis-a-vis the institutional total will be obtained.

**Discipline Categories**

(Two-Digit Code Level)

**Agriculture**

- 1.1.01. Agricultural Business and Production
- 1.1.02. Agricultural Sciences
- 1.1.03. Conservation and Renewable Natural Resources

**Architecture and Environmental Design**

- 1.1.04. Architecture and Related Programs

**Area and Ethnic Studies**

- 1.1.05. Area, Ethnic, and Cultural Studies

**Communications**

- 1.1.09. Communications
- 1.1.10. Communications Technologies

**Computer and Information Sciences**

- 1.1.11. Computer and Information Sciences

**Consumer, Personal, and Miscellaneous Services**

- 1.1.12. Personal and Miscellaneous Services

**Education**

- 1.1.13. Education

**Engineering**

- 1.1.14. Engineering
- 1.1.15. Engineering-Related Technologies

## **Foreign Languages**

1.1.16. Foreign Languages and Literatures

## **Home Economics**

1.1.19. Home Economics

1.1.20. Vocational Home Economics

## **Law**

1.1.22. Law and Legal Studies

## **Letters**

1.1.23. English Language and Literature/Letters

## **Liberal/General Studies**

1.1.24. Liberal Arts and Sciences, General Studies and Humanities

## **Library and Archival Sciences**

1.1.25. Library Science

## **Life Sciences**

1.1.26. Biological Science/Life Sciences

## **Mathematics**

1.1.27. Mathematics

## **Military Sciences**

1.1.29. Military Technologies

## **Multi/Interdisciplinary Studies**

1.1.30. Multi/Interdisciplinary Studies

## **Parks and Recreation**

1.1.31. Parks, Recreation, Leisure, and Fitness Studies

## **Philosophy, Religion, and Theology**

1.1.38. Philosophy and Religion

1.1.39. Theological Studies and Religious Vocations

**Physical Sciences**

1.1.40. Physical Sciences

1.1.41. Science Technologies

**Psychology**

1.1.42. Psychology

**Public Affairs and Protective Services**

1.1.43. Protective Services

1.1.44. Public Administration and Services

**Social Sciences**

1.1.45. Social Sciences and History

**Trade and Industrial**

1.1.46. Construction Trades

1.1.47. Mechanics and Repairers

1.1.48. Precision Production Trades

1.1.49. Transportation and Material Moving Workers

**Visual and Performing Arts**

1.1.50. Visual and Performing Arts

**Health**

1.1.51. Health Professions and Related Sciences

**Business**

1.1.52. Business Management and Administrative Services

**Source:** "A Classification of Instructional Programs," National Center for Education Statistics

**Program Categories**

(Two-Digit Code Level)

Only those programs approved at the university should be used.

**Agriculture**

PRG.01. Agricultural Business and Production

PRG.02. Agricultural Sciences

PRG.03. Conservation and Renewable Natural Resources

**Architecture and Environmental Design**

PRG.04. Architecture and Related Programs

**Area and Ethnic Studies**

PRG.05. Area, Ethnic, and Cultural Studies

**Communications**

PRG.09. Communications

PRG.10. Communications Technologies

**Computer and Information Sciences**

PRG.11. Computer and Information Sciences

**Consumer, Personal, and Miscellaneous Services**

PRG.12. Personal and Miscellaneous Services

**Education**

PRG.13. Education

**Engineering**

PRG.14. Engineering

PRG.15. Engineering-Related Technologies

**Foreign Languages**

PRG.16. Foreign Languages and Literatures

**Home Economics**

PRG.19. Home Economics

PRG.20. Vocational Home Economics

**Law**

PRG.22. Law and Legal Studies

**Letters**

PRG.23. English Language and Literature/Letters

**Liberal/General Studies**

PRG.24. Liberal Arts and Sciences, General Studies and Humanities

**Library and Archival Sciences**

PRG.25. Library Science

**Life Sciences**

PRG.26. Biological Science/Life Sciences

**Mathematics**

PRG.27. Mathematics

**Military Sciences**

PRG.29. Military Technologies

**Multi/Interdisciplinary Studies**

PRG.30. Multi/Interdisciplinary Studies

**Parks and Recreation**

PRG.31. Parks, Recreation, Leisure and Fitness Studies

## **Philosophy, Religion, and Theology**

PRG.38. Philosophy and Religion

PRG.39. Theological Studies and Religious Vocations

## **Physical Sciences**

PRG.40. Physical Sciences

PRG.41. Science Technologies

## **Psychology**

PRG.42. Psychology

## **Public Affairs and Protective Services**

PRG.43. Protective Services

PRG.44. Public Administration and Services

## **Social Sciences**

PRG.45. Social Sciences and History

## **Trade and Industrial**

PRG.46. Construction Trades

PRG.47. Mechanics and Repairers

PRG.48. Precision Production Trades

PRG.49. Transportation and Material Moving Workers

## **Visual and Performing Arts**

PRG.50. Visual and Performing Arts

## **Health**

PRG.50. Health Professions and Related Sciences

## **Business**

PRG.51. Business Management and Administrative Services

**Undeclared**

PRG.53. Undeclared

**Source:** "A Classification of Instructional Programs," National Center for Education Statistics

<b>Common Cost Accounting Reconciliation</b>	
<b>University Name:</b>	<b>FY:</b>
The Common Cost Accounting Report reconciles to financial statements as follows:	
<b>Current Fund Expenditures:</b>	
1. Unrestricted Educational and General	\$
2. Postretirement	\$ ( )
3. Compensated Absences	\$ ( )
4. Unrestricted Auxiliary Enterprise	\$
5. Restricted Q-4 (Faculty) Salary and Benefits	\$
6. Total Current Fund Expenditures (Line 1+2+3+4+5)	\$
<b>Plant Fund Expenditures:</b>	
7. Unrestricted Unexpended Plant	\$
8. Unrestricted Renewal and Replacement	\$
9. Unrestricted Principal Payments on Debt	\$
10. Net Interest Expense Payments	\$
11. Key '93 Expense for Deferred Maintenance	\$
12. Total Plant Fund Expenditures (Lines 7+8+9+10+11)	\$
<b>Total Common Cost Accounting Expenditures (Lines 4+10)</b>	<b>\$</b>