

FORM **IPEDS-F-3**
(11-1-1999)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS
ACTING AS COLLECTING AGENT FOR THE
U.S. DEPARTMENT OF EDUCATION
NATIONAL CENTER FOR EDUCATION STATISTICS

NOTE – The completion of this survey, in a timely and accurate manner, is **MANDATORY** for all institutions which participate or are applicants for participation in any Federal financial assistance program authorized by Title IV of the Higher Education Act of 1965, as amended. The completion of this survey is mandated by 20 U.S.C. 1094(a)(17).

For those institutions not required to complete this survey on the basis of the above requirements, the completion of this survey is voluntary and authorized by P.L. 103-382, National Education Statistics Act of 1994, Sec. 404(a).

Please submit by February 22, 2000

**INTEGRATED POSTSECONDARY
EDUCATION DATA SYSTEM**

**FINANCE SURVEY
(Private For-Profit Institutions)**

Fiscal Year 1999

1. Name of business officer or accountant

2. Name of respondent

3. Telephone (Area code, number, extension)

Please correct any errors in the name, address, and ZIP Code.

4. FAX number

RETURN TO

5. E-Mail address

This report covers financial activity for the 12-month fiscal year beginning

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(Month)

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(Year)

and ending

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(Month)

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(Year)

Fiscal year must end before October 1, 1999.

PURPOSE OF THE SURVEY

The primary purpose of this survey is to collect basic data to describe the financial condition of postsecondary education in the nation; to monitor changes in postsecondary education finance; and to promote research involving institutional financial resources and expenses. The survey is being conducted in compliance with the National Center for Educational Statistics' "mission to collect, analyze, and disseminate statistics and other information related to education in the United States" (P.L. 103-382, National Education Statistics Act of 1994, Sec. 404(a)).

USES OF DATA

Survey results will be used in a variety of ways. For example, they will be used, together with other data, to describe the condition of postsecondary education in the nation. The information will be summarized by various institutional categories to detect any changes over the years in the sources of revenues and types of expenses. Results will allow institutions to compare their financial data to national averages. The data will also be merged with other institutional data, such as enrollment and completions, to provide a valuable national resource for institutional research.

CONTACT INFORMATION

If there are any questions about this form, contact a Bureau of the Census IPEDS representative at 800-622-6193, or FAX number 301-457-1540, 7:30 a.m. to 4:30 p.m. EST.

Changes from the FY 1998 form for FY 1999 Finance Survey

- ▶ In an attempt to address reporting issues of proprietary institutions, IPEDS Finance Form F1-A has been revised to reflect the general financial statements of such institutions. The new form, IPEDS F3, eliminates unnecessary data collection items and supporting schedules, and incorporates terminology consistent with business-type accounting (for example, equity instead of net assets). Be sure to review the form and accompanying instructions before providing the requested information.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1850-0582. The time required to complete this information collection is estimated to average 12 hours per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Information Management Team, Washington, DC 20202-4652. **If you have any comments or concerns regarding the status of your individual submission of this form, write directly to:**

**National Center for Education Statistics/IPEDS
U.S. Department of Education
555 New Jersey Avenue, NW
Washington, DC 20208-5652**

Please read the accompanying instructions before completing this survey form. Report data **ONLY** for the institution in the address label. If data for any other institutions or branch campuses are included in this report because they **CANNOT** be reported separately, please provide a list of these schools in the space provided on page 4.

The definitions and instructions for compiling IPEDS data have been designed to minimize comparability problems. However, postsecondary education institutions differ widely among themselves. As a result of these differences, comparisons of data provided by individual institutions may be misleading.

DO NOT RETURN INSTRUCTIONS

Part A - REVENUES AND INVESTMENT RETURN (Refer to pages 1-2 of the instructions.)
F-3

Line No.	Source of Funds	TOTAL
A01	Tuition and fees <i>(net of amount reported on line AA06)</i>	\$
GOVERNMENT APPROPRIATIONS, GRANTS AND CONTRACTS		
A02	Federal appropriations, grants and contracts	
A03	Through state channels \$	
A04	State and local appropriations, grants and contracts	
PRIVATE GRANTS AND CONTRACTS		
A05	Private grants and contracts	
OTHER REVENUE		
A06	Investment income and investment gains (losses) included in net income	
A07	Sales and services of educational activities	
A08	Sales and services of auxiliary enterprises <i>(net of amount reported on line AA07)</i>	
A09	Other revenue	
A10	Total Revenues and Investments Return <i>(Sum A01, A02, A04 - A09)</i>	

Line No.	Student Aid (Schedule AA) <i>(Refer to pages 2-3 of the instructions.)</i>	Allowance (1)	Agency (2)	Rev/Exp (3)
AA01	Pell grants	\$	\$	\$
AA02	Other federal grants			
AA03	State and local grants			
AA04	Institutional grants			
AA05	Total Student Aid <i>(Sum AA01 - AA04)</i>	\$	\$	\$
AA06	Portion of line AA05 applied to tuition and fees	\$		
AA07	Portion of line AA05 applied to auxiliary enterprise revenues	\$		

NOTES

Part B - EXPENSES BY FUNCTION (Refer to pages 3-5 of the instructions.)

Line No.	Item	Amount (whole dollars)						
		TOTAL	Salaries and wages	Benefits	O&M	Depreciation	Interest	All other
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
B01	Instruction	\$	\$	\$	\$	\$	\$	\$
B02	Research							
B03	Public service							
B04	Academic support							
B05	Student services							
B06	Institutional support							
B07	Auxiliary enterprises							
B08	Scholarships and fellowships							
B09	Operation and maintenance of plant				()			
B10	Total Expenses (Sum B01—B09)	\$	\$	\$	\$ 0	\$	\$	\$

Part C – SUMMARY OF CHANGES IN EQUITY (Refer to page 5 of the instructions.)
F-3

Line No.	Item	Amount
C01	Total Revenues (From Part A, line A10)	\$
C02	Total Expenses (From Part B, line B10, column 1)	()
C03	Excess of revenue over expenses (Sum C01 and C02)	\$
C04	Gain or (loss) on sale of plant assets	
C05	Other nonoperating gains or (losses)	
C06	Net income before income taxes and other items (Sum C03 – C05)	\$
C07	Provision for Federal and State income tax (where applicable)	()
C08	Net income before other items (Sum C06 and C07)	\$
C09	Discontinued operations	\$
C10	Extraordinary gain or (loss)	
C11	Cumulative effect of change in accounting principle	
C12	Net income (Sum C08 – C11)	\$
C13	Other changes in equity (from CA05)	
C14	Equity, beginning of year	
C15	Adjustments to beginning net equity	
C16	Equity, End of Year (Sum C12 – C15; should equal D20)	\$
Line No.	Other Changes in Equity (Schedule CA) (Refer to page 5 of the instructions.)	Amount
CA01	Investment by owners	\$
CA02	Distributions to owners	()
CA03	Unrealized gains (losses) on securities and other comprehensive income	
CA04	Other additions to (deductions from) equity	
CA05	Total (Sum CA01 – CA04; balance to line C13)	\$

Part D - BALANCE SHEET INFORMATION (Refer to pages 6-7 of the instructions.)
F-3

Line No.	Assets	Amount
D01	Cash, cash equivalents, and temporary investments	\$
D02	Receivables, net of allowance for uncollectible accounts	
D03	Inventories, prepaid expenses, and deferred charges	
D04	Amounts held by trustees for construction and debt service	
D05	Long-term investments	
D06	Plant, property, and equipment	
D07	Other assets	
D08	Total Assets (Sum D01—D07)	\$
Line No.	Liabilities	Amount
D09	Accounts payable	\$
D10	Deferred revenues and refundable advances	
D11	Post-retirement and post-employment obligations	
D12	Other accrued liabilities	
D13	Bonds, notes, and capital leases payable and other long-term debt, including current portion	
D14	Government grants refundable under student loan programs	
D15	Other liabilities	
D16	Total Liabilities (Sum D09—D15)	
Line No.	Equity	Amount
D17	Stock (common, preferred, treasury, etc.) and additional paid-in-capital	\$
D18	Retained earnings	
D19	Accumulated other comprehensive income	\$
D20	Total Equity (Sum D17 – D19; should equal C16)	\$
D21	Total Liabilities and Equity (Sum D16 and D20; should equal D08)	\$

NOTES

GENERAL INSTRUCTIONS — F3

Please respond to each item on this report in the space provided. The categories of revenues (Part A) and the expense functions and object classifications (Part B), are designed to be consistent with general purpose financial statements. Other changes in net equity (such as gains and losses, changes in accounting principles, and similar items) are reported in a summary of changes in equity (Part C) so that the ending equity amount agrees to the statement of financial position (Part D). IN ALL CASES THE STARTING POINT FOR REPORTING SHOULD BE AMOUNTS REPORTED IN THE GENERAL PURPOSE FINANCIAL STATEMENTS. THE REPORTING ENTITY'S FINANCIAL ACCOUNTING POLICIES AND PROCEDURES SHOULD BE THE BASIS FOR REPORTING IN IPEDS.

If revenue, expense, gain, loss, asset, or liability categories in the general purpose financial statements are more aggregated than those required for the IPEDS Survey, please use underlying institutional records to determine the necessary amounts. If revenue, expense, gain, loss, asset, or liability categories are more detailed than those required for the IPEDS Survey, please combine the financial statement amounts and report only the combined number in the IPEDS Survey. Report all data in WHOLE DOLLARS only; omit cents. For any item on the report where exact data do not exist, give estimates.

PERIOD OF THE REPORT

Report finances for the most recent complete fiscal year ending before October 1, 1999. At the bottom of the cover page of this form, indicate the starting month (using 2 digits), starting year, ending month (using 2 digits), and ending year of the fiscal year followed by your institution.

PART A – REVENUES

The revenues reported in Part A should agree to the revenues reported for that category in the institution's general purpose financial statements. All revenue source categories are intended to be consistent with the definitions provided in Chapter 4 (Accounting for Private Colleges and Universities) of the National Association of College and University Business Officers (NACUBO) Financial Accounting and Reporting Manual (FARM), 1990, as modified for changes in generally accepted accounting principles after 1990. To obtain a copy of the FARM, contact the NACUBO Publications Department at 202-861-2560, or use the print-off order form provided on the NACUBO website (www.nacubo.org).

Exclude from revenues (and expenses) internal charges and credits. Internal charges and credits include charges between a parent and a subsidiary only if the two are consolidated in the amounts reported in the IPEDS survey.

PART A – SOURCE OF FUNDS

Please refer to the specific instructions below for more information on the reporting of revenues and investment return.

A01 – Tuition and fees – Although not necessary, it may be helpful to complete Schedule AA before entering an amount on line A01. Enter the amount of tuition and educational fees, net of any allowances applied in the general purpose financial statements. Include in this amount all fees for continuing education programs, conferences, and seminars. (FARM ¶442, 444.1)

GOVERNMENT APPROPRIATIONS, GRANTS AND CONTRACTS

A02 – Federal appropriations, grants and contracts – Enter all amounts received from the Federal Government including a direct appropriation of Congress, and any grants or contracts. An example of a federal appropriation is a federal land-grant appropriation. Federal appropriations received through state channels should be included on line A02 and also reported separately on line A03. (FARM ¶444.2)

Include all revenues from federal agencies that are for specific undertakings such as research projects, training projects, and similar activities, including contributions from federal agencies. If federal Pell and similar student aid grants are treated as agency transactions in your general purpose financial statements, they are excluded from this amount and are included in the Agency column of Schedule AA. If federal Pell and similar student aid grants are treated as student aid expense when awarded to the student, include them on this line and in the Revenue/Expense column of Schedule AA. If federal Pell and similar student aid grants are treated as allowances when awarded to the student, include the grant revenue on this line and in the Allowances column of Schedule AA. (FARM ¶444.3)

A03 – Through State channels – Federal appropriations received through state channels are a subset of line A02 that is reported separately on line A03.

A04 – State and local appropriations, grants and contracts – Enter all amounts received from a state or local government through a direct appropriation of its legislative body, and any grants or contracts. An example of a state or local appropriation that should be entered on line A04 is an annual state or local appropriation for operating expenses of the institution. (FARM ¶444.2)

GENERAL INSTRUCTIONS – F3 – Continued

Include all revenues from state and local government agencies that are for specific undertakings such as research projects, training projects, and similar activities, including contributions from state and local agencies. If state and local grants for student aid are treated in your general purpose financial statements as allowances when awarded to the student, include the grant revenue on this line and in the Allowances column of Schedule AA. If state and local grants for student aid are treated as agency transactions, they are excluded from this amount and are included in the Agency column of Schedule AA. If state and local grants for student aid are treated in your general purpose financial statements as student aid expenses when awarded, include the grant revenue on this line and in the Revenue/Expense column of Schedule AA. (FARM ¶444.3)

PRIVATE GRANTS AND CONTRACTS

A05 – Private grants and contracts – Enter revenues from private (non-governmental) entities including revenue from research or training projects and similar activities. (FARM ¶444.4)

A06 – Investment income and investment gains (losses) included in net income – Enter all investment income including dividends; interest; rents and royalties; gains and losses (realized and unrealized) from holding investments that are included in net income in accordance with Statement of Financial Accounting Standards No. 115; student loan interest; and amounts distributed from irrevocable trusts held by others (collectively referred to as "investment income").

Line A06 should include all investment income and net investment gains (losses) included in net income in your institution's general purpose financial statements. Net investment gains (losses) included in other comprehensive income should be reported on line CA03 and included in line C13.

A07 – Sales and services of educational activities – Enter all revenues derived from the sales of goods or services that are incidental to the conduct of instruction, research or public service, and revenues of activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold. Examples include film rentals, scientific and literary publications, testing services, university presses, dairies, and patient care clinics that are not part of a hospital. (FARM ¶444.5)

A08 – Sales and services of auxiliary enterprises (net) – Although not necessary, it may be helpful to complete Schedule AA before entering an amount on line A08. Enter revenues generated by the auxiliary enterprise operations, net of any allowances applied in the general purpose financial statements. Auxiliary enterprises are operations that exist to furnish a service to students, faculty, or staff, and that charge a fee that is directly related to the cost of the service. Examples are residence halls, food services, student health services, intercollegiate athletics, college unions, college stores, and movie theaters. (FARM ¶444.6)

A09 – Other revenue – Enter all revenue not included on lines A01–A08. Do not include on this line gains or other unusual or nonrecurring items that are required to be included in Part C, such as gains on the sale of plant assets, and extraordinary gains.

A10 – Total revenues and investment return – Enter on this line the sum of lines A01, A02 and A04–A09. Also, report the total in Part C, line C01.

Student Aid (Schedule AA)

For each source on lines AA01–AA04, enter the amounts of resources received that are used for student financial aid purposes. Student aid includes grants-in-aid, trainee stipends, tuition and fee waivers, and prizes to undergraduate students. Student aid does not include amounts provided to students as payments for teaching or research or as fringe benefits.

Within each source, distinguish between amounts that are reported in the general purpose financial statements as allowances (Allowances), agency transactions (Agency), or revenues and expenses (Revenue/Expense). "Allowance" means that the institution displays the financial aid amount as a deduction from tuition and fees or a deduction from auxiliary enterprise revenues in its general purpose financial statements. "Agency" means that the institution eliminates any grant revenue and scholarship expense before preparing its financial statements, even though it may use revenue and expense accounts to track that activity in its general ledger during the year. "Revenue/Expense" means that the institution reports grant revenue, tuition (or auxiliary enterprise) revenue, and scholarship expense for this aid in its financial statements. Instructions for each line of this schedule indicate the categories that most private institutions use in their general purpose financial statements. However, when completing the schedule indicate how your institution reports that type of aid. A properly completed schedule might have amounts reported under all three columns in a single line.

The allowance category is intended to be consistent with the definitions provided in the NACUBO Advisory Report Accounting and Reporting Scholarship Allowances to Tuition and Other Fee Revenues by Higher Education (AR 97-1, January 17, 1997), which is available on the Internet at the NACUBO website (www.nacubo.org). AR 97-1 states:

"A scholarship allowance is the difference between the stated charge for goods and services provided by the institution and the amount which is billed to students and/or third parties making payments on behalf of students. In considering what is or is not revenue, the following rule applies: amounts received to satisfy student tuition and fees will be reported as revenue only once (e.g. student fees, gifts, investment income) and only amounts received from students and third-party payers to satisfy tuition and fees will be recognized as tuition and fee revenue."

GENERAL INSTRUCTIONS – F3 – Continued

Please refer to the specific instructions below for more information on the reporting of student aid in Schedule AA. In addition, a comprehensive example of Schedule AA is available on the Internet at www.census.gov. If you do not have access to the world wide web, you may request a copy of the example by calling 1-800-622-6193.

AA01 – Pell grants – Enter the amount awarded to the institution under the Pell Grant program. Private institutions generally report Pell grants as agency transactions. (FARM ¶443)

AA02 – Other federal grants – Enter the amount awarded to the institution under other federal student aid programs, such as Supplemental Education Opportunity Grants (SEOG), DHHS training grants (aid portion only), DOD grants, Department of Veterans Affairs grants, and the federal portions of the College Work Study Program (FWS) and State Student Incentive Grants (SSIG). Private institutions generally report these grants as allowances when applied to the student's account and as federal grant revenues when received. (FARM ¶442)

AA03 – State and local grants – Enter the amount awarded to the institution under state and local student aid programs, including the state portion of State Student Incentive Grants (SSIG). Private institutions generally report these grants as allowances when disbursed and as state or local grant revenues when received. (FARM ¶442)

AA04 – Institutional grants – Enter the amounts awarded to students from institutional resources. Private institutions generally report these grants as allowances. Only if control over how the resources will be spent passes to the student (for example, the grant is paid directly to the student to use to defray the cost of off-campus housing) is the amount reported as revenue and expense. (FARM ¶442)

AA05 – TOTAL – Enter the sum of lines AA01 AA04 for each column.

AA06 – Portion of line AA05 applied to tuition and fees – In column 1 only, enter the amount of allowances applied to tuition and fees. The amount on this line when added to the amount on line A01 equals gross tuition and fees. (FARM ¶442)

AA07 – Portion of line AA05 applied to auxiliary enterprise revenues – In column 1 only, enter the amount of allowances applied to auxiliary enterprise revenues (e.g., dormitory charges). The amount on this line when added to the amount on line A13 equals gross auxiliary enterprise revenue. (FARM ¶442)

PART B – EXPENSES BY FUNCTIONAL AND NATURAL CLASSIFICATION

Although for-profit institutions are not required to report expenses by functions in their general purpose financial statements, please report expenses by functional categories using your underlying accounting records. Expenses should be assigned to functional categories by direct identification with a function, wherever possible. When direct assignment to functional categories is not possible, an allocation is appropriate. Objective methods of allocating expense are preferable to subjective methods and may be based on financial or nonfinancial data. **The total for expenses on line B10 should agree with the total expenses reported in your general purpose financial statements including interest expense and any other non-operating expense.**

Part B is intended to report expenses by function. All expenses recognized in the general purpose financial statements for the period should be reported using the expense functions provided on lines B01–B09. These functional categories are consistent with Chapter 4 of the NACUBO FARM, 1990, as modified for changes in generally accepted accounting principles after 1990. In addition, Part B provides an expense matrix that requires that each functional expense category (lines B01–B09) be displayed by specified natural expense classifications (columns 2–7). Do not include losses or other unusual or nonrecurring items in Part B (special items including gains and losses should be reported in Part C).

Please refer to the specific instructions below for more information on the reporting of expenses.

Column 1 – Enter the total expense for each applicable functional category listed on lines B01–B08. Line B09 has been shaded to prevent the reporting of operation and maintenance of plant as a separate category. Refer to the instructions for column 4 and line B09 for more instructions. The total for Column 1 should agree with the total expenses reported in the general purpose financial statements.

Columns 2, 3, 5, 6 and 7 – These columns describe the natural classifications of the expenses incurred in each functional category. For each object classification identified in the column headings, enter the amount of expenses for the function identified in the row description. In column 7 enter all other expenses for each function such as expense for supplies, materials, insurance premiums, and purchased services. The sum of amounts in columns 2–7 should equal the amount in column 1 for each row. In completing columns 2–7, internal charges or expense allocations should be reported as described in the following paragraph.

GENERAL INSTRUCTIONS – F3 – Continued

Report the natural expense classification amount in the functional category in which the expense is initially incurred. In column 7 include the internal fee as a reduction of expense in the same functional category. For example, all salaries and wages incurred in auxiliary enterprises should be included in column 2, line B07. If the dining hall (an auxiliary enterprise) performed a service for an instructional department on a fee basis, the charge for this service would be included in the expenses of the instructional department (and thus in the functional category in which all expenses of the instructional department are reported). To eliminate this potential double-counting, the fee charged to the instructional department should be included as a deduction in column 7, line B07. In this manner the sum of columns 2–7 will equal the total functional expense in column 1. (In other words, it is not necessary to determine the portion of salaries and wages included in the charge from the dining hall when reporting the expenses of the instructional department.)

Column 4 – Use column 4 to display the amount of O&M allocated to each expense function in your general purpose financial statements. O&M expenses must be allocated among all functional categories. (FARM ¶451) Line B09 is used to display the cost of O&M by the natural expense classifications. Refer to the instructions for line B09 for more information.

EXPENSES BY FUNCTION/PROGRAM

B01 – Instruction – Enter all instruction expenses of the colleges, schools, departments, and other instructional divisions of the institution and expenses for departmental research and public service that are not separately budgeted. The instruction category includes general academic instruction, occupational and vocational instruction, special session instruction, community education, preparatory and adult basic education, and remedial and tutorial instruction conducted by the teaching faculty for the institution's students. (FARM ¶452.11) Include expenses for both credit and non-credit activities. Exclude expenses for academic administration if the primary function is administration (e.g., academic deans). Such expenses should be entered on line B04.

B02 – Research – Enter all expenses for activities specifically organized to produce research outcomes and either commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution. The category includes institutes and research centers, and individual and project research. Do not report nonresearch sponsored programs (e.g., training programs) on this line. (FARM ¶452.12) Training programs generally are reported in Instruction, line B01.

B03 – Public service – Enter all expenses specifically for public service and for activities established primarily to provide noninstructional services beneficial to groups external to the institution. Examples are seminars and projects provided to the particular sectors of the community. Include expenses for community services, cooperative extension services, and public broadcasting services. (FARM ¶452.13)

B04 – Academic support – Enter expenses for support services that are an integral part of the institution's primary mission of instruction, research, or public service and that are not charged directly to these primary programs. Include expenses for libraries, museums, galleries, audio/visual services, academic development, academic computing support, course and curriculum development, and academic administration. Include expenses for medical, veterinary and dental clinics if their primary purpose is to support the institutional program, that is, they are not part of a hospital. (FARM ¶452.14)

B05 – Student services Enter expenses for admissions, registrar activities and 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 instructional program. Examples are career guidance, counseling, financial aid administration, student records, athletics, and student health services, except when operated as a self-supporting auxiliary enterprise. (FARM ¶452.15)

B06 – Institutional support – Enter all expenses for the day-to-day operational support of the institution. Include expenses for general administrative services, executive direction and planning, legal and fiscal operations, administrative computing support, and public relations/development. (FARM ¶452.16)

B07 – Auxiliary enterprises – Enter expenses of essentially self-supporting operations of the institution that exist to furnish a service to students, faculty, or staff, and that charge a fee that is directly related to, although not necessarily equal to, the cost of the service. Examples are residence halls, food services, student health services, intercollegiate athletics (only if essentially self-supporting), college unions, college stores, faculty and staff parking, and faculty housing. (FARM ¶452.2)

B08 – Scholarships and fellowships – Enter on this line ONLY student aid recognized as expenses in your general purpose financial statements. Whereas in the past, most student awards were recorded as expenses under this classification, most student awards will now be reported as either scholarship allowances or agency transactions. Student awards made from contributed funds or grant funds that are under the control of the institution (the institution decides who gets the award) result in allowances that reduce tuition or auxiliary enterprise revenue. Student awards made from grant funds that are made to students identified by the grantor are considered agency transactions and do not result in either revenues or expenses. Student aid in the form of allowances applied to tuition and fees should be reported in Schedule AA, line AA07 and not included on line B08. Student aid in the form of allowances applied to auxiliary services should be reported in Schedule AA, line AA08 and not included on line B08. (FARM ¶452.17)

GENERAL INSTRUCTIONS – F3 – Continued

According to NACUBO Advisory Report 97-1 (January 17, 1997), scholarships and fellowships are "expenses to the extent that the organization incurs incremental expense in providing goods and services." Thus payments made by the institution to students or third parties in support of the total cost of education are expenses if those payments are made for goods and services NOT provided by the institution. Examples include payments for services to third parties (including students) for off-campus housing or for the cost of board not provided by institutional contract meal plans.

B09 – Operation and maintenance of plant – Expenses for operation and maintenance of plant are expenses for physical plant administration, building maintenance, custodial services, utilities, fire protection, property insurance and similar items. Expenses associated with occupying and maintaining a building should be allocated to specific programs and supporting services. Using your underlying accounting records, enter in column 4 the amount for the operation and maintenance (O&M) of plant expense included in each of the functional expense categories provided in Part B. (FARM ¶453.2)

Column 4 displays the amount of O&M allocated to each expense function. In Column 4, line B09, enter the total amount of O&M allocated to each expense function in the brackets (sum of lines B01 thru B08 of column 4). Use line B09, columns 2, 3, 4, 5, and 7 to display the total accumulated cost of operation and maintenance of plant by natural expense classification. Although not required in the general purpose financial statement presentation, this information is important to maintain education statistics relating to salaries and wages (column 2) and benefits (column 3). Because the total cost of O&M of plant is allocated to other functional categories, the sum of all entries on line B09 should equal zero and no amount is entered in column 1, line B09.

B10 – Total Expenses – Enter on this line the sum of lines B01–B09 for each column. Report the total expenses (column 1) in Part C, line C02.

PART C – SUMMARY OF CHANGES IN EQUITY

C01 – Total Revenues – Enter the total revenues from Part A, line A10. The amount entered should represent all revenues reported for the fiscal period and agree with the revenues recognized in your general purpose financial statements.

C02 – Total Expenses – Enter the total expenses from Part B, line B10, column 1. The amount should agree with the total expenses recognized in your general purpose financial statements.

C03 – Excess of revenue over expenses – Enter the sum of lines C01 and C02.

C04 – Gain or (loss) on sale of plant assets – Enter the net gain or loss on the sale of plant, property and equipment reported in your general purpose financial statements. (FARM ¶407.4)

C05 – Other nonoperating gains or (losses) – Enter any gains or losses recognized in your general purpose financial statements other than those reported on lines C04, C09 C11, or on line A06 (Investment income). (FARM ¶460.1)

C06 – Net income before income taxes and other items – Enter the sum of lines C03–C05.

C07 – Provision for Federal and State income tax (where applicable) – Include income tax expense, where applicable, on this line.

C08 – Net income before other items –
Enter the sum of lines C06 and C07.

C09 – Discontinued operations – Enter amounts for discontinued operations (if any) reported in your general purpose financial statements. (FARM ¶460.4)

C10 – Extraordinary gain or (loss) – Enter amounts for extraordinary items (if any) reported in your general purpose financial statements. (FARM ¶460.2)

C11 – Cumulative effect of change(s) in accounting principle – Enter amounts reported as the cumulative effect of change(s) in accounting principle (if any) reported in your general purpose financial statements. (FARM ¶460.3)

C12 – Net income – Enter the sum of lines C08–C11. This amount should agree with the amount reported as net income in your general purpose financial statements.

C13 – Other changes in equity (from Schedule CA) – Complete Schedule CA and enter the total from line CA05 of Schedule CA.

C14 – Equity, beginning of the year – The amount reported on this line should correspond to the total equity at the beginning of the reporting period.

C15 – Adjustments to beginning net equity – Enter any unrealized gains (losses) on investments and any other adjustments to beginning net equity not reported elsewhere. This includes adjustments for retroactive application of changes in accounting principle and prior period adjustments.

C16 – Equity, end of the year – Enter the sum of lines C12–C15. This amount should equal the total equity reported in your general purpose financial statements and agree with the amount reported in Part D on line D20.

Other Changes In Equity (Schedule CA)

CA01 – Investment by owners – Enter on this line the total amount of additional capital contributions made by owners.

CA02 – Distributions to owners – Enter on this line the total amount of withdrawals by owners.

CA03 – Unrealized gains (losses) on securities and other comprehensive income Enter on this line the amount of unrealized gains (losses) on investments and other comprehensive income. This includes any unrealized gains or losses on available-for-sale securities (SFAS No. 115), gains or losses resulting from currency translation adjustments, and any unrealized appreciation included in "cumulative comprehensive income excluded from net income" on the balance sheet.

CA04 – Other additions to (deductions from) owners' equity – Enter the total amount of any changes in equity not reported in lines CA01–CA03.

CA05 – Total – Enter the sum of lines CA01–CA04.

GENERAL INSTRUCTIONS – F3 – Continued

PART D – BALANCE SHEET

ASSETS

D01 – Cash, cash equivalents, and temporary investments – Enter amounts for cash, cash equivalents, and temporary investments that are available for near-term operations. Cash equivalents are short term, highly liquid investments that are (1) readily converted to known amounts of cash, and (2) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Examples are U.S. Treasury bills, certificates of deposit, bankers acceptances, repurchase agreements, and commercial paper. Include amounts for currency on hand and deposits held by financial institutions that can be added to or withdrawn without limitation, such as demand deposits. Temporary investments should be distinguished from long-term investments based on the intention of the organization regarding the term of investment rather than the nature of the investment itself. Thus, cash and cash equivalents that are held temporarily until appropriate long-term investments are identified should be excluded from this line and reported on line D05 (Long-term investments). Similarly, cash equivalents strategically invested and reinvested for long-term purposes should be excluded from this line and reported on line D05. (FARM ¶402)

D02 – Receivables (net of allowance for uncollectible amounts) – Enter on this line amounts receivable for all purposes, including billings for educational and general programs and auxiliary enterprise activities; student loans receivable; government appropriations receivable; amounts receivable on grants and contracts; accrued dividends and interest receivable; claims against vendors; advances to employees; and reimbursements receivable from affiliated organizations. All amounts receivable should be reported net of an allowance for uncollectible accounts.

D03 – Inventories, prepaid expenses, and deferred charges – Enter the sum of amounts for inventories, prepaid expenses, and deferred charges. For inventories, include amounts for merchandise inventory held for resale, for example, items held for sale by a bookstore or a dining service. Include supplies and other inventoried items for internal use if recognized as an asset in the general purpose financial statements. For prepaid expenses and deferred charges, include amounts paid in advance of services received and expenses deferred because benefits relate to future rather than to current period activities. Examples include prepaid rent, prepaid insurance, bond issue costs, pension costs or other outflows applicable to future periods. (FARM ¶406.1–406.2)

D04 – Amounts held by trustees for construction and debt service – Include cash and investments held by trustees in accordance with agreements that limit expenditure of those amounts to purchase of plant, property, or equipment or to payment of principal and interest on bonds and notes payable or other long-term debt.

D05 – Long-term investments – Enter the amount for all assets held for long-term investment.

D06 – Plant, property, and equipment – Enter the amount for the balances of land, buildings, equipment, and construction in progress, combined and net of accumulated depreciation. (FARM ¶407)

D07 – Other assets – Enter on this line the total of all assets not reported on lines D01–D06.

D08 – Total Assets – Enter the sum of lines D01–D07.

LIABILITIES

D09 – Accounts payable – Enter the total of accounts payable to suppliers. (FARM ¶420.2)

D10 – Deferred revenues and refundable advances – Enter short-term deferrals and advances including student deposits, advances from third parties for services not yet performed, short-term advances on grants or contracts (including those from the government), and refunds due third parties for amounts previously received. Advances from the Federal Government to be used to make loans to students should be excluded from this line and reported on line D15 (Government grants refundable under student loan programs). (FARM ¶420.3)

D11 – Post-retirement and post-employment obligations – Enter on this line the amounts for pension obligations, post-retirement healthcare benefit obligations, severance obligations, and similar post-retirement and post-employment obligations. (FARM ¶421.4–421.6)

D12 – Other accrued liabilities – Enter on this line amounts for any accrued liabilities not included on lines D09– D11, including accrued interest payable, salary and benefit (payroll) accruals, and similar accrued expenses. (FARM ¶420.2)

D13 – Bonds, notes, and capital leases payable and other long-term debt, including current portion – Enter amounts for all long-term debt obligations including bonds payable, mortgages payable, capital leases payable, and long-term notes payable. (FARM ¶421.3, 421.7) If the current portion of long-term debt is separately reported in your general purpose financial statements, include that amount on this line as well.

D14 – Government grants refundable under student loan programs – Enter the amounts advanced to the institution by a governmental entity for purposes of making loans to students (if recognized as a liability in the general purpose financial statements).

D15 – Other liabilities – Enter the total of all liabilities **not** included on lines D09–D14.

D16 – Total liabilities – Enter the sum of lines D09–D15.

GENERAL INSTRUCTIONS – F3 – Continued

EQUITY

D17 – Stock (common, preferred, treasury, etc) and additional paid-in-capital – Enter on this line the amount of capital stock and additional paid-in-capital. Include all capital stock (i.e., common, preferred, treasury) and donated capital.

D18 – Retained earnings – Enter the total amount of earnings that have not been distributed to stockholders. Retained earnings is the portion of a corporation's equity that represents cumulative net income, less losses and dividends.

D19 – Accumulated other comprehensive income – Enter on this line the total amount of cumulative comprehensive income excluded from net income. Accumulated other comprehensive income is the company's change in total stockholders' equity from

all sources other than from the owners of the business and net income. This includes foreign currency translation adjustments and unrealized gains or losses on certain investments (i.e., debt or equity securities classified as available-for-sale). (SFAS No.s 115 and 130).

D20 – Total equity – Enter the sum of lines D17 D19. This amount should equal the amount reported in Part C, line C16.

D21 –Total liabilities and owners' equity – Enter the sum of lines D16 and D20. This amount should equal the amount reported on line D08.

SPECIAL INSTRUCTIONS FOR COMBINED DATA AND RELATED INSTITUTIONS

If the institution named on this report is part of a system (or other group of related institutions or branches), use the flowchart below to determine how the institutions should report.

