

Historical Data Only in the Official Accounting Records

FIN-ACC-I-380



About This Policy

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Responsible University Office:
Financial Management Services

Responsible University Administrator:
Vice President and Chief Financial Officer

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Related Information

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- * [I-400, Formula for Setting Recharge Center Rates](#)
- * [I-410, Recharge Center Transfers](#)

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Scope

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Policy Statement

All transactions, either cash or accrual basis, should be recorded at historical costs.

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Reason For Policy

The information recorded into the Kualu Financial System (KFS) should be the most accurate reflection of what the costs and revenues are. The basis for the capital assets should be historical. The replacement value of capital assets should be recorded separately and opportunity costs should not be recorded as part of the official accounting records.

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Procedure

The dollars that are recorded into the KFS should have source documents that verify the accuracy of the amount entered into the KFS. There should not be any additional amounts added to the historical costs.

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Definitions

Historical Cost: The net cash paid for an expenditure or the capitalized value of an asset.

Estimated Transaction: An accounting transaction which is probably going to take place and the dollar amount of the transaction can be reasonably estimated.

Accrual Document: A document used to record an accounting transaction that does not affect cash.

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History

The source to this policy is:

Cost Accounting Standards (CAS) 9905.501, Consistency in estimating, accumulating and reporting costs by educational institution, CAS 9905.502, Consistency in allocating costs incurred for the same purpose by educational institutions, and Chief Accountant