

COST ALLOCATION AGREEMENT
STATE AND LOCAL GOVERNMENTS

State of Hawaii
Department of Budget & Finance
P.O. Box 150
Honolulu, HI 96810

DATE: June 2, 2021
FILING REF.: The preced-
ing agreement was dated:
07/16/18 G13320

SECTION I: ALLOCATED COSTS

The central service costs listed in Exhibit A, attached, are approved on a fixed basis and may be included as part of the costs of the State/local departments and agencies indicated during your fiscal year ended June 30, 2019 for further allocation to Federal grants, contracts and other agreements performed at those departments and agencies.

SECTION II: BILLED COSTS

In addition to Section I, which provides for services furnished but not billed, the services listed below are furnished and billed to State/local departments and agencies.

- A. Department of Accounting and General Services
 - Information and Communication Services Division*
 - State Motor Pool
 - Risk Management
 - Building Leases

- B. Office of the Attorney General

- C. Fringe Benefits*

*See special remarks

STATE/LOCALITY: State of Hawaii

AGREEMENT DATE: June 2, 2021

SECTION III: SPECIAL REMARKS

Cost Allocation Plan

Charges for Fringe Benefits cited in Section II are billed only to special (restricted) fund activities including Federal projects. Department/agency indirect cost rate proposals will include any adjustments necessary to segregate these costs in Section I between the following categories: (1) those which are identifiable to direct programs funded from State general funds, and (2) those which are identifiable with administrative functions of the department/agency. Costs identified with category (1) will be included in the direct cost base, and costs identified with category (2) will be considered to be indirect costs.

Data Processing charges will be billed in accordance with rates established by the State and included in the records of the Information and Communications Services Division (ICSD). The variances between billed costs and actual costs must be carried forward in the computation of future billing rates; but no later than the second succeeding year. It is the responsibility of ICSD to notify departments of billing amounts for each department.

Fringe Benefits

Charges for fringe benefits cited in Section II include pension accumulation, pension administration, other post-retirement benefits, social security taxes, Medicare, health, dental, and life insurance, unemployment compensation, and workers compensation.

For charging purposes, the following benefits rates may be used:

	Fixed for the Period 7/1/18 - 6/30/19
Pension Accumulation	19.00%
Pension Administration	0.02%
Other Post-Retirement Benefits	15.98%
Retiree Health Insurance	10.33%
Workers' Compensation	1.59%
Unemployment Compensation	0.08%

All other benefits will be charged based on the actual rates in effect at the time the charges are made.

STATE/LOCALITY: State of Hawaii

AGREEMENT DATE: June 2, 2021

SECTION IV: CONDITIONS

The amounts approved in Section I and the billings for the services listed in Section II are subject to the following conditions:

A. LIMITATIONS: (1) Charges resulting from this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. (2) Such charges represent costs incurred by the State/locality which are legal obligations of the State/locality and are allowable under Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200). (3) The same costs that are treated as indirect costs are not claimed as direct costs. (4) Similar types of costs are accorded consistent accounting treatment. (5) The information provided by the State/locality which was used to establish this Agreement is not later found to be materially incomplete or inaccurate.

B. ACCOUNTING CHANGES: This Agreement is based on the accounting system purported by the State/locality to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from use of this Agreement require prior approval of the authorized representative of the Cognizant Agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from allocated cost to a billed cost. Failure to obtain approval may result in cost disallowances.

C. FIXED AMOUNTS: If fixed amounts are approved in Section I of this Agreement, they are based on an estimate of the costs for the period covered by the Agreement. When the actual costs for this period are determined, adjustments will be made to the amounts of a future year to compensate for the difference between the costs used to establish the fixed amounts and actual costs.

D. BILLED COSTS: Charges for the services listed in Section II will be billed in accordance with rates established by the State/locality. These rates will be based on the estimated costs of providing the services. Adjustments for variances between billed costs and the actual allowable costs of providing the services, as defined by 2 CFR 200, will be made in accordance with procedures agreed to between the State/locality and the Cognizant Agency.

E. USE BY OTHER FEDERAL AGENCIES: This Agreement was executed in accordance with the authority in 2 CFR 200, and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in Paragraph A above. The State/locality may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

BY THE STATE/LOCALITY

State of Hawaii
STATE/LOCALITY)

/s/
(SIGNATURE)
Craig K. Hirai
(NAME)
Director of Finance
(TITLE)
June 7, 2021
(DATE)

BY THE COGNIZANT AGENCY

ON BEHALF OF THE FEDERAL GOVERNMENT
DEPARTMENT OF HEALTH AND HUMAN SERVICES
(AGENCY)
Arif M. Karim -S
(SIGNATURE)
Arif Karim
(NAME)
Director, Cost Allocation Services
(TITLE)
June 2, 2021
(DATE)
HHS Representative Cora Coleman
Telephone (415) 437-7820

Digitally signed by Arif M. Karim -S
Date: 2021.06.03 09:29:14 -05'00'

STATE OF HAWAII
STATEWIDE COST ALLOCATION PLAN
SUMMARY OF FIXED COSTS
FOR FISCAL YEAR 2019

Grantee Departments	Building eciation	Equipment Depreciation	Employee Benefits	Legislative Auditor	DAGS Admin	Risk Management	Central Services	Lease Mgt	Records	State Procurement Office	Accounting
Retirement Fund	4,305						4,619				
Attorney General	368,175			6,722			1,017,665	62,725	15,856	73,357	73,783
Governor	549,943			17,326			467,120	(3,455)	233	83,633	861
Lieutenant Governor	182,697			18			151,188		42	84,832	891
Business & Econ Dev	140,194			22,819			286,974	(3,455)	6,357	62,489	86,205
Taxation	390,707			2,328			903,088		9,706	79,384	66,905
Agriculture	5,862			20,257			307,127		20	63,108	76,088
Land & Natural Resources	472,928			162,267			1,228,660	17,706	2,576	(34,554)	228,135
Transportation	8,983			55,104			101,548	4,229	1,153	(113,693)	321,060
Education	107,606			131,013			696,632	15,028	1,740	129,050	340,438
State Library System							722,138			(4,090)	
Charter Schools											
University of Hawaii	35,071			66,512			92,104		(517)	84,530	38,880
Defense	3,753			192,026			12,567	8,464	797	46,502	71,323
Health	400,266			135,150			3,504,224	102,387	26,292	(102,053)	333,848
Hawaiian Home Lands	4,675			3,034			7,213	4,229	(494)	71,718	54,493
Judiciary	14,775						229,431			81,294	205,277
Human Services	506,305			231,927			1,605,687	193,979	14,650	(106,296)	403,228
Labor	718,573			167,343			1,052,424	26,169	43,207	68,096	84,624
DAGS not CS	115,945			43,899	2,037,207		360,531	21,167			
DAGS Risk Mgmt	9,313				38,999		31,466				
DAGS Motor Pool					87,598		4,405				
DAGS Lease-Hemmeter	582,989						1,580,902				
DAGS Lease-Kapolei	1,139,360						1,407,682				
ETS-ICSD-OIMT	478,551				1,482,726		1,156,147				
DAGS Surplus Property					10,866		91,457				
B & F not CS	87,985			206,037			264,385	21,940			
Comm & Consumer Affairs	974,253			22,418			716,106	32,314	(7,175)	59,718	78,800
Public Safety	75,558			34,790			216,356	42,334	14,802	12,324	125,168
Legislature	2,957,743						2,432,192		(753)	80,786	6,055
Hawaiian Affairs									(348)	85,738	6,571
Honolulu County										80,634	120
Maui County										85,146	1,902
Hawaii County										84,309	282
Kauai County										83,397	92
Health Systems Corporation										633	
Other	967,862						259,060				5,835
	11,304,377			1,520,990	3,657,396		20,911,098	545,761	128,144	1,139,992	2,610,864

STATE OF HAWAII
STATEWIDE COST ALLOCATION PLAN
SUMMARY OF FIXED COSTS
FOR FISCAL YEAR 2019

Grantee Departments	Pre-Audit	Internal Audit	ETS-ICSD Charges	Budget and Finance	B&F Financial Administration	Employers Union Trust Fund	Human Resources	Governor-CS	Disability Compensation	Pub Safety Protective Svcs	Total Fixed
Retirement Fund				495,478		105,562	55,194				\$665,158
Attorney General	36,159			202,475	7,004	2,050	461,984		3,150		\$2,331,105
Governor	1,338			122,385	274	111	34,875		185		\$1,274,829
Lieutenant Governor	389			140,427	102	1	1,616			392,878	\$955,081
Business & Econ Dev	21,518			168,329	4,484	779	190,986		(7,024)	72,649	\$1,053,304
Taxation	431,197	(80,312)		185,676	348,832	1,197	266,758		659		\$2,606,125
Agriculture	25,976			185,921	5,611	759	180,160		6,870		\$877,759
Land & Natural Resources	76,772			289,342	16,726	2,217	516,533		19,081	296,339	\$3,294,728
Transportation	121,721			234,144	24,020	6,389	1,448,655		38,958	7,190	\$2,259,461
Education	448,696	542,754		315,399	4,132	63,044	(45,868)		292,049	(46,953)	\$2,994,760
State Library System						1,431	313,615				\$1,033,094
Charter Schools						3,464	175,844				\$179,308
University of Hawaii	170,377			196,039	1,178	24,848	184,809		83,505		\$977,336
Defense	20,833			211,083	4,240	1,088	262,934		6,733		\$842,343
Health	191,156			169,033	29,550	8,025	1,855,948		26,636	37,495	\$6,717,957
Hawaiian Home Lands	19,224			104,065	4,527	405	92,330		372		\$365,791
Judiciary	216,731	201,669		120,996	49,445	5,218	269,125		7,920		\$1,401,881
Human Services	416,859			663,630	159,665	5,777	1,298,970		16,429		\$5,410,810
Labor	(18,955)			207,419	(21,243)	1,262	337,871		3,082		\$2,669,872
DAGS not CS			135,557	3,988						83,204	\$2,801,498
DAGS Risk Mgmt										7,454	\$87,232
DAGS Motor Pool											\$92,003
DAGS Lease-Hemmeter											\$2,163,891
DAGS Lease-Kapolei											\$2,547,042
ETS-ICSD-OIMT										335,358	\$3,452,782
DAGS Surplus Property											\$102,323
B & F not CS			(4,323)	347,502							\$923,526
Comm & Consumer Affairs	24,476	50,406		129,986	4,479	1,632	368,555		16,242		\$2,472,210
Public Safety	168,763			187,639	29,428	7,620	1,698,273		72,070	46,975	\$2,732,100
Legislature	6,377	57,430		120,996	380	528	46,119		(81)		\$5,707,772
Hawaiian Affairs	1,753			120,996		461	49,121		557		\$264,849
Honolulu County	66			1,698	13	42,014	21,999		427,569		\$574,113
Maui County	(45,035)			1,698	(6,248)	10,429	5,444		57,423		\$110,759
Hawaii County	120			1,698	29	10,645	5,560		55,503		\$158,146
Kauai County	73			1,698	14	5,295	2,775		26,370		\$119,714
Health Systems Corporation						1,525	88,486		15,128		\$105,772
Other	9,343	94,632		89,544	2,364	3,669	1,910		7,108,550	233,898	\$8,776,667
	<u>\$2,345,927</u>	<u>\$866,579</u>	<u>131,234</u>	<u>5,019,284</u>	<u>669,006</u>	<u>317,445</u>	<u>10,190,581</u>		<u>8,277,936</u>	<u>1,466,487</u>	<u>\$71,103,101</u>