

COST ALLOCATION AGREEMENT  
STATE AND LOCAL GOVERNMENT

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

DATE: May 2, 2025  
FILING REF.: The preceding agreement was dated:  
08/26/2024  
G13320

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SECTION I: ALLOCATED COSTS

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The central service costs listed in Exhibit A, attached, are approved on a fixed basis and may be included as part of The State/local departments and agencies indicated during your fiscal year ended June 30, 2021, for further allocation to Federal grants, contracts and other agreements performed at those departments and agencies.

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SECTION II: BILLED COSTS

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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: May 2, 2025

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SECTION III: SPECIAL REMARKS

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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  
7/1/20 - 6/30/21

Pension Accumulation	23.78%
Pension Administration	0.01%
Other Post-Retirement Benefits	12.50%
Retiree Health Insurance	11.22%
Workers' Compensation	1.63%
Unemployment Compensation	0.03%

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: May 2, 2025

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SECTION IV: CONDITIONS

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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)  
Luis P. Salaveria  
(NAME)

Director of Finance  
(TITLE)  
June 4, 2025  
(DATE)

BY THE COGNIZANT AGENCY  
ON BEHALF OF THE FEDERAL GOVERNMENT  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
(AGENCY)

Olulola O. Oluborode-S  
(SIGNATURE)  
Olulola Oluborode  
(NAME)  
Digitally signed by  
Olulola O. Oluborode -S  
Date: 2025.05.23  
09:46:44 -04'00'

Director, Cost Allocation Services  
(TITLE)  
May 2, 2025  
(DATE)  
HHS Representative: Wanda Rayfield  
Telephone: (214) 767-5249

**State of Hawaii**  
**FY 2021 StateWide Cost Allocation Plan**  
**Schedule A - Allocated Costs By Department**

Grantee Departments	Building	Equipment	State Procurement								
	Depreciation	Depreciation	Employee Benefits	Legislative Auditor	DAGS Admin	Risk Management	Central Services	Lease Mgt	Records	Office	Accounting
Retirement Fund	2,143	-	-	-	-	-	5,445	-	-	-	-
Attorney General	355,500	-	-	6,838	-	-	1,078,934	69,816	51,953	52,864	87,259
Governor	394,049	-	-	16,469	-	-	505,213	-	451	71,573	2,737
Lieutenant Governor	130,688	-	-	85	-	-	152,822	-	109	71,573	2,366
Business & Econ Dev	124,863	-	-	29,265	-	-	290,433	-	7,352	56,846	95,146
Taxation	427,889	-	-	2,151	-	-	1,127,119	-	11,752	66,015	53,149
Agriculture	6,275	-	-	19,218	-	-	333,654	-	629	56,439	105,038
Land & Natural Resources	453,712	-	-	155,332	-	-	1,422,911	24,934	6,873	(41,628)	322,497
Transportation	8,737	-	-	61,736	-	-	(137,547)	4,987	2,214	(99,722)	358,999
Education	151,309	-	-	156,861	-	-	931,776	24,934	18,092	79,057	534,762
State Library System	-	-	-	-	-	-	637,071	-	-	(6,953)	-
Charter Schools	-	-	-	-	-	-	-	-	-	-	-
University of Hawaii	17,639	-	-	79,011	-	-	97,272	-	6,846	76,933	69,177
Defense	3,746	-	-	186,824	-	-	12,135	9,974	1,148	30,203	91,389
Health	648,796	-	-	118,762	-	-	3,705,127	129,658	66,329	(125,157)	422,247
Hawaiian Home Lands	2,327	-	-	658	-	-	7,526	-	4,072	62,180	71,839
Judiciary	12,026	-	-	-	-	-	98,597	-	-	71,073	254,335
Human Services	937,318	-	-	198,125	-	-	2,576,732	169,553	62,038	(53,818)	453,883
Labor	718,297	-	-	164,447	-	-	1,142,104	19,947	90,584	52,581	107,100
DAGS not CS	107,503	-	-	12,675	2,350,493	-	352,569	44,882	-	-	-
DAGS Risk Mgmt	9,057	-	-	-	36,623	-	31,480	-	-	-	-
DAGS Motor Pool	-	-	-	-	81,444	-	3,230	-	-	-	-
DAGS Lease-Hemmeter	587,626	-	-	-	-	-	1,584,447	-	-	-	-
DAGS Lease-Kapolei	1,147,315	-	-	-	-	-	1,798,326	-	-	-	-
ETS-ICSD-OIIMT	225,177	-	-	-	1,396,939	-	660,817	-	-	-	-
DAGS Surplus Property	-	-	-	-	13,790	-	99,021	-	-	-	-
B & F not CS	11,714	-	-	205,993	-	-	29,758	29,921	-	-	-
Comm & Consumer Affairs	845,649	-	-	21,532	-	-	786,865	29,921	-	56,251	112,346
Public Safety	73,427	-	-	37,425	-	-	180,417	44,882	30,418	(4,523)	189,119
Legislature	2,127,017	-	-	-	-	-	2,509,878	-	-	67,101	7,827
Hawaiian Affairs	-	-	-	-	-	-	-	-	-	68,543	4,996
Honolulu County	-	-	-	-	-	-	-	-	-	74,102	37
Maui County	-	-	-	-	-	-	-	-	-	74,102	85
Hawaii County	-	-	-	-	-	-	-	-	-	74,102	79
Kauai County	-	-	-	-	-	-	-	-	-	74,102	228
Health Systems Corporation	-	-	-	-	-	-	-	-	-	(229)	-
Other	418,022	-	-	54	-	-	1,012,132	-	-	-	9,706
General Government	-	-	-	-	-	-	-	-	-	-	-
Total Allocated	9,947,823	-	-	1,473,458	3,879,289	-	23,036,262	603,409	360,859	903,610	3,356,345
Direct Billed	-	-	-	-	-	-	2,107,285	-	-	1,089,115	-
Unallocated	-	-	-	124,878	-	-	2,202,816	6,854,707	1,437,516	-	-
Cost Adjustments	(10,158,674)	(157,926)	-	-	-	(313,035)	-	-	-	-	-
Disallowed					37,000		2,893,886		49,001	18,803	12,627
Total Expenditures											

**State of Hawaii**  
**FY 2021 StateWide Cost Allocation Plan**  
**Schedule A - Allocated Costs By Department**

Grantee Departments	Pre-Audit	Internal Audit	ETS-ICSD Charges	Budget and Finance	B&F Financial Administration	Employers Union Trust Fund	Human Resources	Disability Compensation	Pub Safety Protective Svcs	Allocated Costs for Fiscal 2019	Roll Forwards
Retirement Fund	-	-	-	670,449	-	159,324	57,945	-	-	895,305	151,877
Attorney General	30,587	-	-	125,890	3,510	3,030	485,018	4,999	-	2,356,197	163,595
Governor	1,157	-	-	86,225	94	162	27,893	278	2,444,035	3,550,337	2,448,485
Lieutenant Governor	429	66	-	85,819	45	51	10,357	-	768,125	1,222,535	210,063
Business & Econ Dev	20,972	66	-	147,279	2,971	1,207	194,835	1,111	-	972,345	(77,227)
Taxation	354,879	66	-	144,721	209,159	1,717	277,803	1,111	-	2,677,531	295,127
Agriculture	18,668	-	-	150,368	2,494	1,313	222,178	9,720	-	925,993	107,064
Land & Natural Resources	55,850	-	-	230,865	7,664	3,694	597,586	23,050	328,986	3,592,326	439,749
Transportation	95,875	-	-	265,829	10,496	10,256	1,657,204	65,817	7,304	2,312,185	171,074
Education	590,470	206,667	-	293,781	2,050	102,658	111,663	430,726	-	3,634,805	252,836
State Library System	-	-	-	179	-	2,288	365,251	-	-	997,836	42,068
Charter Schools	-	-	-	896	-	4,274	158,061	-	-	163,232	(3,284)
University of Hawaii	233,119	-	-	141,633	586	40,187	147,573	101,086	-	1,011,061	114,108
Defense	32,861	-	-	153,782	4,807	1,717	297,428	13,052	-	839,067	101,139
Health	165,242	-	-	330,337	13,737	12,260	1,990,511	42,767	15,213	7,535,830	968,217
Hawaiian Home Lands	15,098	-	-	98,216	2,313	640	105,675	555	-	371,100	53,331
Judiciary	171,546	11,459	-	72,820	25,209	8,423	321,547	13,330	-	1,060,364	(128,474)
Human Services	222,381	66	-	501,711	64,386	9,040	1,460,887	29,437	823	6,632,560	1,605,317
Labor	39,619	-	-	168,860	6,618	2,051	348,563	5,554	-	2,866,326	106,369
DAGS not CS	-	-	346,736	192	-	-	-	-	80,696	3,295,744	275,630
DAGS Risk Mgmt	-	-	-	-	-	-	-	-	7,572	84,733	5,914
DAGS Motor Pool	-	-	-	-	-	-	-	-	-	84,674	9,224
DAGS Lease-Hemmeter	-	-	-	-	-	-	-	-	405,949	2,578,022	613,201
DAGS Lease-Kapolei	-	-	-	-	-	-	-	-	-	2,945,640	179,671
ETS-ICSD-OIMT	-	-	-	-	-	-	-	-	178,640	2,461,572	(457,354)
DAGS Surplus Property	-	-	-	-	-	-	-	-	-	112,812	4,950
B & F not CS	-	-	-	1,204,623	-	-	-	-	-	1,482,010	(79,004)
Comm & Consumer Affairs	19,188	-	-	164,252	2,082	2,209	372,527	1,111	-	2,413,932	568,533
Public Safety	94,987	-	-	160,508	9,771	10,956	1,761,472	105,529	44,661	2,739,048	136,682
Legislature	8,338	77,335	-	72,820	191	1,736	76,451	1,111	-	4,949,805	(93,609)
Hawaiian Affairs	2,553	-	-	72,820	-	682	42,890	-	-	192,485	25,260
Honolulu County	20	-	-	3,367	3	65,775	23,920	581,521	-	748,745	254,801
Maui County	39	-	-	3,367	7	15,834	5,758	73,593	-	172,783	37,507
Hawaii County	31	-	-	3,367	6	16,358	5,949	84,701	-	184,592	51,530
Kauai County	90	-	-	3,367	16	8,144	2,962	43,045	-	131,953	28,250
Health Systems Corporation	-	-	-	-	-	12,084	145,206	57,763	-	214,824	98,826
Other	10,666	689,387	-	64,490	1,127	5,713	2,077	6,906,050	125,761	9,245,185	1,685,805
General Government	-	-	1,428	-	-	-	-	-	-	1,428	-
Total Allocated	2,184,664	985,113	348,163	5,422,833	369,343	503,782	11,277,189	8,597,015	4,407,764	77,656,922	10,367,251
Direct Billed	-	-	-	-	-	-	-	-	-	3,196,400	-
Unallocated	-	-	-	7,250,505	1,246,649	-	-	-	2,838,675	21,955,746	-
Cost Adjustments	-	-	(2,163,257)	(464,896)	-	-	-	-	-	(13,257,788)	-
Disallowed	-	-	-	619,256	548,272	-	10,115,797	102,521	-	14,397,163	-
Total Expenditures										103,948,443	

<b>Grantee Departments</b>	<b>Fixed Costs</b>
Retirement Fund	1,047,182
Attorney General	2,519,791
Governor	5,998,822
Lieutenant Governor	1,432,598
Business & Econ Dev	895,119
Taxation	2,972,658
Agriculture	1,033,056
Land & Natural Resources	4,032,074
Transportation	2,483,260
Education	3,887,642
State Library System	1,039,904
Charter Schools	159,947
University of Hawaii	1,125,169
Defense	940,205
Health	8,504,047
Hawaiian Home Lands	424,431
Judiciary	931,890
Human Services	8,237,878
Labor	2,972,696
DAGS not CS	3,571,373
DAGS Risk Mgmt	90,647
DAGS Motor Pool	93,899
DAGS Lease-Hemmeter	3,191,223
DAGS Lease-Kapolei	3,125,312
ETS-ICSD-OIMT	2,004,218
DAGS Surplus Property	117,761
B & F not CS	1,403,006
Comm & Consumer Affairs	2,982,465
Public Safety	2,875,730
Legislature	4,856,195
Hawaiian Affairs	217,745
Honolulu County	1,003,546
Maui County	210,291
Hawaii County	236,123
Kauai County	160,203
Health Systems Corporation	313,651
Other	10,930,989
General Government	1,428
Total Allocated	88,024,173
Direct Billed	
Unallocated	
Cost Adjustments	
Disallowed	
Total Expenditures	