

COST ALLOCATION AGREEMENT
STATE AND LOCAL GOVERNMENT

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

DATE: April 4, 2026
FILING REF.: The preceding agreement was dated:
May 8, 2025
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 State/local departments and agencies indicated during your fiscal year ended June 30, 2024, 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: April 4, 2026

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 7/1/23 - 6/30/24
Pension Accumulation	24.00%
Pension Administration	0.02%
Other Post-Retirement Benefits	6.67%
Retiree Health Insurance	12.31%
Workers' Compensation	1.08%
Unemployment Compensation	0.45%

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

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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)
Seth S. Colby, Ph.D.
(NAME)

Director of Finance
(TITLE)
April 9, 2026
(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: 2026.04.07 09:25:51
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Director, Cost Allocation Services
(TITLE)
April 4, 2026
(DATE)
HHS Representative: Wanda Rayfield
Telephone: (214) 767-5249

State of Hawaii
FY 2024 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 2021	Roll Forwards	Fixed Costs	
Retirement Fund				453,107		108,992	51,189			621,459	(329,978)	291,481	
Attorney General	28,982			207,552	5,498	1,745	429,313	6,866	23,947	2,402,631	(121,759)	2,280,873	
Governor	1,207			100,637			25,051		2,180,009	3,175,644	(414,464)	2,761,180	
Lieutenant Governor				86,691			7,119		605,558	978,068	(30,919)	947,150	
Business & Econ Dev	16,156			370,531	3,716		190,054			1,108,772	45,136	1,153,908	
Taxation	273,690			142,474	272,702		215,406	2,827		2,134,342	(128,459)	2,005,883	
Agriculture	14,847			252,109	152 3,263		185,344	11,309		945,008	(91,521)	853,487	
Land & Natural Resources	50,715			299,252	12,188	104 2,053	516,327	25,042	278,370	3,392,407	(24,994)	3,367,413	
Transportation	399 101,510			346,066	66 18,807	29 6,371	1,582,204	90,476		2,158,903	(404,831)	1,754,071	
Education	715,522	386,551		377,849	3,566	736 62,722	86,281	655,141		4,286,435	633,918	4,920,352	
State Library System				192		874 1,228	297,135			952,823	(109,136)	843,686	
Charter Schools						716 3,120	161,565			165,648	(27,975)	137,673	
University of Hawaii	268,213			209,475	1,248	23,453	130,142	135,309		1,036,684	62,441	1,099,126	
Defense	17,911			223,688	3,469	1,049	267,996	14,541		766,676	(93,925)	672,752	
Health	165,785	8,340		435,937	19,986	6,831	1,687,832	53,316	12,558	7,073,493	(543,510)	6,529,984	
Hawaiian Home Lands	145 13,865			118,446	4,017		86,022	1,212		375,239	(34,041)	341,198	
Judiciary	113,819	112,322		77,394	27,402	4,859	260,992	12,117		967,941	(84,256)	883,684	
Human Services	192,823			591,135	111,125	5,023	1,226,464	30,697		6,585,955	(207,958)	6,377,997	
Labor	42,190			213,563	12,483	1,461	369,920	3,635	742	2,810,902	(31,594)	2,779,309	
DAGS not CS			166,052						74,412	3,095,632	(340,366)	2,755,266	
DAGS Risk Mgmt						351			6,830	89,970	3,809	93,779	
DAGS Motor Pool										97,687	8,136	105,824	
DAGS Lease-Hemmeter	61								365,632	2,528,726	24,171	2,552,898	
DAGS Lease-Kapolei										2,853,172	(26,825)	2,826,347	
ETS-ICSD-OIMT			206							161,144	2,301,619	(117,294)	2,184,326
DAGS Surplus Property										34,140	2,509	36,650	
B & F not CS				718,535						975,713	(443,649)	532,064	
Comm & Consumer Affairs	18,373			277,898	2,825	1,320	327,129	2,827		2,187,990	(250,481)	1,937,509	
Public Safety	65,147			220,714		6,343	1,549,569	172,469	146,598	3,284,666	(277,452)	3,007,213	
Legislature	7,055	54,365		77,394		1,415	80,185			3,721,519	(987,150)	2,734,368	
Hawaiian Affairs				77,394			24,835			169,402	(41,126)	128,276	
Honolulu County	12	922				40,753	19,138	849,421		975,759	211,364	1,187,122	
Maui County	17,936	61			18,314	9,810	4,607	85,225		202,376	21,349	223,725	
Hawaii County	24				1,250	10,135	4,759	142,580		223,964	3,480	227,444	
Kauai County	51					5,046	2,369	54,528		128,464	(21,795)	106,669	
Health Systems Corporation	774 4,991					7,473	90,278	65,837		168,420	(2,035)	166,385	
Other	7,300	470,960		51,190	2,248	3,539	1,662	10,211,630	6,654	11,029,144	2,856,582	13,885,725	
General Government			1,239							1,239	(891)		
Total Allocated	2,139,440	1,032,661	168,213	5,930,393	523,369	317,845	9,880,886	12,628,218	3,862,455	76,008,632	(1,315,489)	74,693,143	
Direct Billed										2,335,148		2,335,148	
Unallocated				4,704,073	1,281,402				2,556,758	17,949,688		17,949,688	
Cost Adjustments			(2,512,861)	(425,964)						(12,641,914)			
Disallowed				165,524	492,978		9,512,890			12,061,400			
Total Expenditures										95,712,954			