

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS	COVER SHEET AND CERTIFICATION
	University of Hawaii

Item No.	Item Description
0.1	Educational Institution (a) Name University of Hawaii (b) Street Address 2444 Dole Street, Bachman Hall (c) City, State, and ZIP Code Honolulu, Hawaii 96822 (d) Division or Campus of N/A (if applicable)
0.2	Reporting unit is: (Mark one) A. <input checked="" type="checkbox"/> Independently Administered Public Institution B. <input type="checkbox"/> Independently Administered Nonprofit Institution C. <input type="checkbox"/> Administered as Part of a Public System D. <input type="checkbox"/> Administered as Part of a Nonprofit System E. <input type="checkbox"/> Other (Specify) _____
0.3	Official to Contact Concerning this Statement: (a) Name Yaa-Yin Fong Title Director, Office of Research Services (b) Phone Number (808) 956-7800
0.4	Statement Type and Effective Date: A. (Mark type of submission. If a revision, enter number) (a) <input type="checkbox"/> Original Statement (b) <input checked="" type="checkbox"/> Amended Statement; Revision No. 2 B. Effective Date of this Statement: (Specify) <u>July 1, 2011</u>
0.5	Statement Submitted To (Provide office name, location and telephone number, include area code and extension): A. Cognizant Federal Agency: Department of Health & Human Services B. Cognizant Federal Auditor: Department of Education Office of the Chief Financial Officer 400 Maryland Avenue, S.W. Washington, D.C. 20202 Phone: (202) 401-0085

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CERTIFICATION

I certify that to the best of my knowledge and belief this Statement, as amended in the case of a Revision, is the complete and accurate disclosure as of the date of certification shown below by the above-named organization of its cost accounting practices, as required by the Disclosure Regulations (48 CFR 9903.202) of the Cost Accounting Standards Board under 41 U.S.C. §422.

Date of Certification: JAN 25 2011



(Signature)

James R. Gaines
Vice President for Research

THE PENALTY FOR MAKING A FALSE STATEMENT IN THIS DISCLOSURE IS
PRESCRIBED IN
18 U.S.C. §1001

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5.1.0 Method of Charging Leave Costs

UH has three categories of employees that accrue vacation and sick leave credits under collective bargaining agreements: civil service, faculty on 11-month appointments (Researchers, Specialists and Agents) and administrative, professional and technical (APT). Upon termination, resignation or transfer of an employee to another State agency, UH is responsible for paying the employee's unused accrued vacation credits. UH does not pay for any unused accrued sick leave credits.

UH charges leave costs to sponsored agreements using a hybrid method of cash and accrual basis accounting.

Cash basis

When an employee takes vacation or sick leave while employed on a sponsored agreement, the sponsored project continues to be charged for the employee's salary on the cash basis and the employee's leave credits are reduced.

Accrual basis

To ensure that funds are available to pay for any unused vacation earned by employees while working on sponsored agreements at termination, resignation or transfer, UH maintains an accrued vacation fund, which is funded through fringe benefit assessments on the eligible salaries and wages of employees working on sponsored agreements.

Prior to July 1, 2011, UH maintained separate vacation funds for each category of employee and accordingly assessed separate fringe rates. From July 1, 2011, UH maintains a single accrued vacation fund and assesses the same rate.

RCUH

RCUH requires sponsored agreements to pay employees for any unused vacation when they transfer from one project to another with no break in service. Thus, there will be no accrued vacation liability when an employee terminates or resigns. RCUH does not pay for unused accrued sick leave credits.

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5.1.0 Method of Charging Leave Costs (Continued)

ARL

Accrued vacation for ARL employees hired through UH will be handled in accordance with the policies described under Part 5.1.0, Accrual Basis.

Accrued vacation for ARL employees hired through RCUH will be handled in accordance with the policies described under Part 5.1.0, RCUH.

MHPCC

Non-productive hours, such as vacation and sick leave, are treated as pool costs and distributed semi-monthly to all benefiting task orders in proportion to the percentage of total productive (direct labor) salary and fringe benefit costs for each employee. Non-productive labor charges are reconciled at the close of task order termination and at federal fiscal year end (September 30) to ensure the proper allocation of non-productive hours, including the recordation of the employee's used and unused vacation by task order.