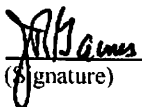


COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		COVER SHEET AND CERTIFICATION
		University of Hawaii
Item No.	Item Description	
0.1	Educational Institution (a) Name University of Hawaii (b) Street Address 2444 Dole Street, Bachman Hall (c) City, State, and ZIP Code Honolulu, Hawaii 96822 (d) Division or Campus of (if applicable) N/A	
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. <u>3</u> B. Effective Date of this Statement: (Specify) <u>July 1, 2013</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	

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
	<p>CERTIFICATION</p> <p>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.</p> <p>Date of Certification: <u> AUG 26 2013 </u></p> <p style="text-align: center;">  _____ (Signature) </p> <p style="text-align: center;"> James R. Gaines Vice President for Research </p> <p style="text-align: center; margin-top: 100px;"> THE PENALTY FOR MAKING A FALSE STATEMENT IN THIS DISCLOSURE IS PRESCRIBED IN 18 U.S.C. §1001 </p>

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET University of Hawaii
Item No.	Item Description	

2.5.2 Salary and Wage Accumulation System (Continued)

allocation of the employee's payroll to his direct and indirect activities are true and correct based on the employee's effort. UH requires a monthly FTE certification, signed by the PI and FO, to document effort. The PI and FO are also responsible for correcting the PNF and payroll allocation, if necessary.

The policies and procedures for documenting personnel costs are explained under APM Section A8.948 – Documentation Requirements for Personnel Costs Charged Directly to Federally Sponsored Agreements.

Time cards and/or scan sheet certified on a semi-monthly basis are used to allocate costs to sponsored agreements for student employees and casual hires.

ARL

All ARL employees, as a condition of their full-time employment by the ARL, account for 100% of their ARL and non-ARL effort regardless of whether they are hired through UH or RCUH in the ARL timekeeping system. Actual semi-monthly payroll, including fringe benefits, is allocated to benefiting task orders, other ARL activities and non-ARL activities in proportion to the percentage of recorded direct labor hours for an individual employee.

Accrued vacation for employees hired through UH will be handled in accordance with the UH policies described under Section 5.1.0 of this disclosure statement.

Accrued vacation for employees hired through RCUH will be handled in accordance with the RCUH policies described under Section 5.1.0 of this disclosure statement.

MHPCC

All MHPCC employees account for 100% of their effort based on actual direct labor hours performed and leave hours taken in the MHPCC timekeeping system. Actual semi-monthly payroll, including fringe benefits, is allocated to benefiting task orders in proportion to the percentage of recorded direct labor hours for an individual employee.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET University of Hawaii
Item No.	Item Description	

2.5.2 Salary and Wage Accumulation System (Continued)

MHPCC (Continued)

Effective July 1, 2013, leave, such as vacation and sick leave, for MHPCC employees will be handled in accordance with the policies described under Part 5.1.0, RCUH.

Cost Sharing

As discussed in part 1.2.0, UH records cost sharing information in a separate database. When the salaries and wages of a UH employee are cost shared, the employee's name, unique UH ID number, source of funds, committed FTE, and committed period are recorded on the Cost Sharing Record Form. This information is inputted in the database under the FMIS project account and the salary data is accumulated automatically.

Effort associated with cost shared employees that are paid via timesheet and/or scan sheet are maintained in separate workpapers. The workpapers are used to support the effort attributed to these sources in the cost sharing database.

As discussed in Part 1.2.0, the Cost Sharing Account Summary is used to match the cost shared fringe benefits to the sponsored agreement.

IFA ARS

As discussed in Part 2.1.0 and 2.5.0, administrative and clerical salaries and fringe benefits are grouped into four cost centers and allocated to sponsored agreements on the basis of MTDC.

RCUH

At the end of each pay period, all employees submit timesheets, which are keypunched in the RCUH payroll accounting system. Salary and wage cost distribution detail is captured in the Payroll & Fringe Report and summarized in the Payroll & Fringe Benefit Summary. Totals from the Summary are keypunched into the financial accounting system and simultaneously posted to the General Ledger.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET University of Hawaii
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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, transfer of an employee to another State agency or transfer to another position within UH with a different means of financing, UH is responsible for paying the employee's unused accrued vacation credits. UH does not pay for any unused accrued sick leave credits.

UH charge 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 maintain 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 the employee terminates or resigns. RCUH does not pay for unused accrued sick leave credits, unless they meet the eligibility requirements specified in RCUH Policy 3.640 RCUH Sick Leave - Accumulated Sick Leave at Termination. Terminating employees may be eligible for a partial payout or contribution to their Supplemental Retirement Annuity or Tax Deferred Annuity.

COST ACCOUNTING STANDARDS BOARD DISCLOSURE STATEMENT REQUIRED BY PUBLIC LAW 100-679 EDUCATIONAL INSTITUTIONS		CONTINUATION SHEET University of Hawaii
Item No.	Item Description	

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 UH policies described under Part 5.1.0.

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

MHPCC

Effective July 1, 2013, leave, such as vacation and sick leave, for MHPCC employees will be handled in accordance with the policies described under Part 5.1.0, RCUH.