

HAWAII
PROMOTING RIGOROUS CAREER AND TECHNICAL
EDUCATION PROGRAMS OF STUDY THROUGH
STATEWIDE ARTICULATION AGREEMENTS

CFDA Number 84.051C

Submitted by

The State Board for Career and Technical Education

by

Dr. Karla A. Jones

State Director for Career and Technical

Office of the State Director for Career and Technical Education

BUDGET NARRATIVE

Year One, Section A

3. Travel: Travel costs of \$22,400 are requested to support two activities. Travel costs for participants in other activities will be covered by the agencies involved in the project. This includes the In-service Workshops for Banking and Transferring Credit where the State will provide airfare for four people from twenty neighbor island high schools to attend (80 participants x \$200rt airfare = \$16,000), as well as airfare for neighbor island Pathway Advisory Council members to attend meetings and for neighbor island faculty to attend standards and/or assessment development workshops.

a. Technical Assistance Meetings: Per instructions in the application procedures, funds are requested to participate in technical assistance meetings with other project grantees and discover common issues, strategies, best practices, and actual or potential barriers to implementation.

The budget request is for the Project Director to attend two technical assistance meetings. Should it be necessary for the secondary and/or postsecondary representatives to attend the Technical Assistance Meetings, the State will cover the cost.

Airfare per person, per meeting: \$1,200, Per diem/ground transportation: \$250 per person/per day

Airfare: 2 meetings x 1 person x \$1,200 = \$2,400

Per diem/ground transportation costs per person: \$250 X 4 days x 2 meetings = \$2,000

Total requested funds for Travel for this activity: \$4,400

b. Performance-based Competitions for Two Programs of Study: One of the purposes of this project is to ascertain the viability of using student performance-based competition

assessments to determine mastery of standards for dual articulated credit. The business and industry Pathway Advisory Councils support this initiative and have urged the development of a competitive assessment for each of the POS in Hawaii's Career Pathway System. Making the competitive performance-based assessment available to all students requires travel to Honolulu (island of Oahu) because of the need for facilities large enough to accommodate such an event. Because Hawaii is an island state, airfare must be provided to students from neighbor islands (Kauai, Lanai, Hawaii, Maui, and Molokai) to travel to the competition site.

During Year One of the project, competitive performance-based assessments will be held for the first two of the four POS selected to be developed and implemented. It is estimated that there will be at least 45 students from the neighbor islands who will participate in each of the POS competitions.

This budget request is to support airfare for 90 neighbor island students to participate in the performance-based assessment competition. Airfare for additional neighbor island students who participate in the event will be funded by the State.

Airfare per person: \$200 Two program of study competitions: 45 students each

$$90 \text{ students} \times \$200 = \$18,000$$

Total requested funds for Travel for this activity: \$18,000

6. Contractual: There are three activities that will involve contracting individuals for services. The total funds requested for these three activities are \$44,800.
 - a. Program of Study Assessment Development: Every POS requires a written assessment to determine the level of student mastery of the industry-validated standards. The assessment must assure that secondary-level students are prepared to transition to a higher-level postsecondary course within their POS. To provide this assurance,

community college faculty are contracted to develop an assessment that factors in postsecondary student learning expectations related to the standards. This assessment is sometimes used for the articulated end-of course(s) assessment at the postsecondary level as well. Written assessments are to be developed for four POS in this project.

The budget request is to contract 14 community college faculty members from within the 4 POS areas to develop 4 end-of-program assessments. The State will cover all meeting expenses, equipment, supplies, and travel.

Contract per faculty member: \$1,200

14 faculty members x \$1,200 = \$16,800

Total requested Contractual funds for this activity: \$16,800

- b. Performance-based Competitions for Two Programs of Study: One of the purposes of this project is to ascertain the viability of using student performance-based competition assessments to determine mastery of credits for dual articulated credit and to carry out the requirements of a formal articulation agreement. The business and industry Pathway Advisory Councils support this initiative and have urged the development of a competitive assessment for each of the POS in Hawaii's Career Pathway System. The performance-based competitions require the development of an activity to use as an assessment vehicle for measuring student attainment of industry-validated standards. These competitive performance-based assessments must be crosswalked to the standards, they must have scoring rubrics, and they must have well-defined rules of competition (eg, production time, final product submission requirements, etc.). These activities occur prior to the event. During the event, it is necessary to have a coordinator to monitor activities, including the judging by business and industry representatives and the concurrence of each participant or participating team with event rules. The first two of the four POS

selected for inclusion in this project will participate in a performance-based competition during Year One of this project. The State will provide all resources, equipment, and supplies needed for this activity.

The budget request is to contract two individuals to prepare performance-based assessments including scoring rubrics, rules of competition, and crosswalking of assessment to standards for two POS and to coordinate the actual event.

Contract per coordinator: \$5,000; two programs of study

$$2 \text{ coordinators} \times \$5,000 = \$10,000$$

Total requested Contractual funds for this activity: \$10,000

- c. Banking and Transferring of Credit: Informal arrangements to bank and transfer credit may be acceptable when a community college is articulating with its "feeder" high schools, but statewide or multi-state agreements require a more sophisticated system to assure that earned dual credit is properly documented and transferable to any college in a timely manner. The requirement for such a system is especially important to states like Hawaii where the use social security numbers of high school students is prohibited and the electronic transfer of records between secondary and postsecondary systems within the state does not exist. With two formal articulated statewide agreements in effect, the partners in this project have determined that the best way to assure the banking and transferring of credit is to include the information on the high school transcript. This activity requires the contracting of a programmer to work with Hawaii State Department of Education personnel to determine system requirements. The state will provide all resources, equipment, and supplies needed for this activity.

The budget request is to contract a programmer to design a program to extract transcript and assessment data. The activity is expected to require 120 hours.

Hourly rate: \$150

120 hours x \$150 = \$18,000

Total requested Contractual funds for this activity: \$18,000

8. Other (meeting space): Meeting room costs of \$41,200 are requested to support four activities. Meeting room costs for other activities in this project will be covered by the agencies involved. This includes meeting facilities for POS assessment development, banking and transfer of credit program development, inter-agency procedural and policy matters, postsecondary horizontal program/course agreements, and all other project-related activities.

a. Programs of Study Standards Development: To determine the transferability of the draft articulation procedures to a variety of POS with varying requirements and the transportability of the procedures to the four-year institutions within the University of Hawaii System or other postsecondary entities desiring articulation, four POS in various levels of development will be included in this project. Formative evaluation of each level of development of each of the POS can then be applied to the successive POS undergoing development. Thus, two of the POS in this project will have developed standards that are going through the Pathway Advisory Council approval process. Using the feedback from the development of these two POS, the remaining two POS included in this project will begin or continue their standards development.

During Year One of the project, standards development for two POS will occur. The process of developing standards involves a series of meetings. This activity requires the use of facilities (\$500) with set up, wiring, computer hook up, power supply connection and electrical services (\$500) for the day-long meetings required. The State will provide all equipment, resources, supplies, and travel for neighbor island representatives to attend the meetings. The State will fund all other standards development meetings.

This budget request is to support meeting space for six meetings of 25 individuals to develop standards for each POS.

Facilities cost per meeting: \$1,000

Six meetings x \$1,000 x 2 POS = \$12,000

Total requested meeting space funds for this activity: \$12,000

- Align not develop*
- b. Pathway Advisory Council (PAC) Meetings: Four POS will be developed in this project. If each of the POS is in a different Pathway, four of the six Pathway Advisory Councils that serve Hawaii's Career Pathway System will be involved in this project. PACs are responsible for the overall development of industry-validated content standards for each POS and the approval of both the standards and the assessment process. PACs are also responsible for the guidance of overall Career Pathway development. PACs are composed of a majority membership of business and industry leaders knowledgeable about the particular Pathway they serve and a minority membership of State workforce agency and secondary and postsecondary representatives, including faculty.

During Year One, the PACs will be implementing the standards approval process for at least two POS as well as approving the assessment process of these standards. The PACs will also begin the process of developing standards for two POS. This activity requires the use of meeting space for the meetings required. The State will provide all equipment, resources, supplies, and travel for neighbor island representatives to attend the meetings. The State will fund any additional PAC meetings that may be required to complete the development and approval process.

This budget request is to support meeting space for four meetings of four PACS to implement the standards development and approval process and the approval of the standards assessment.

Meeting space cost per meeting: \$600

Four meetings at \$600 x four PACs = \$9,600

Total requested meeting space funds for this activity: \$9,600

- c. Performance-based Competitions for Two Programs of Study: One of the purposes of this project is to ascertain the viability of using student performance-based competition assessments to determine mastery of credits for dual articulated credit and to carry out the requirements of a formal articulation agreement. The business and industry Pathway Advisory Councils support this initiative and have urged the development of a competitive assessment for each of the POS in Hawaii's Career Pathway System.

Business plan development was the first performance-based competitions to ascertain student mastery of standards to be implemented. In the five years since, more performance-based competitions for particular POS have been developed and implemented. Such competitions allow students to demonstrate a wide variety of skills and knowledge and involve significant involvement of the business and industry community. The valid and reliable assessment of student mastery of standards is critical to articulation success and this will be assessed in this project.

The implementation of this activity requires proper meeting space and set up of facilities.

The first two of the four POS selected for inclusion in this project will participate in a performance-based competition during Year One of this project. Two large meetings rooms (\$2,000 per room) plus six (three rooms for each POS) smaller meeting rooms (\$500 per room) are required to host two POS competition events. The two large meetings rooms will also require set up, wiring, computer hook up, power supply connection and electrical services (\$2,000 per room). The State will provide all resources, equipment, and supplies needed for this activity.

The budget request is for funds to support meeting space and set up of facilities for two POS performance-based assessment competitions to determine student mastery of validated business and industry standards.

Large room meeting space: \$2,000 per room

Set-up charge for room: \$2,000 per room

Small room meeting space: \$500 per room

2 large meeting rooms at \$2,000 each + set up charge for 2 rooms at \$2,000 each
+ 6 small meeting rooms at \$500 each = \$11,000

Total requested meeting space and set up funds for this activity: \$11,000

- d. Banking and Transferring of Credit: Informal arrangements to bank and transfer credit may be acceptable when a community college is articulating with its "feeder" high schools, but statewide or multi-state agreements require a more sophisticated system to assure that earned dual credit is properly documented and transferable to any college in a timely manner. The requirement for such a system is especially important to states like Hawaii where the use social security numbers of high school students is prohibited and the electronic transfer of records between secondary and postsecondary systems within the state does not exist. With two formal articulated statewide agreements in effect, the partners in this project have determined that the best way to assure the banking and transferring of credit is to include it on the high school transcript.

During Year One, a program will be designed to extract student transcript and assessment data. Following this development, statewide meetings will be conducted to provide inservice training for four diverse users of the system. One statewide meeting will be for counselors, another for registrars, a third for high school CTE coordinators, and a fourth for principals and area complex administrators and resource teachers. All of these groups

need to understand the totality of the system but each group has specific responsibilities and needs that will be addressed during the four different meetings.

The implementation of this activity requires facilities to accommodate each of these four day-long inservice meetings. The State will provide all resources, equipment, supplies, and other facility costs needed for this activity. The State will provide airfare for four people from 20 neighbor-island schools/area complexes to attend these meetings (\$200r/t airfare x 80 individuals = \$16,000).

The budget request is for funds to support facilities for four eight-hour meetings to inservice counselors, CTE coordinators, principals, registrars, and area complex personnel on the use of the program to bank and transfer dual credit earned by high school students.

Facilities cost per meeting: \$2,150

Four meetings at \$2,150 per meeting = \$8,600

Total requested Facilities funds for this activity: \$8,600

Year Two, Section A

3. Travel: Travel costs of \$28,800 are requested to support two activities. Travel costs for participants in other activities will be covered by the agencies involved in the project. This includes airfare for neighbor island Pathway Advisory Council members to attend meetings and for neighbor island faculty to attend assessment development workshops.

- a. Technical Assistance Meetings: Per instructions in the application procedures, funds are requested to participate in technical assistance meetings with other project grantees and discover common issues, strategies, best practices, and actual or potential barriers to implementation.

The budget request is for the Project Director and the Secondary Lead to attend one meeting and the Project Director and the Postsecondary lead to attend a second meeting.

Should it be necessary for all three representatives to attend the Technical Assistance Meetings, the State will cover the cost.

Airfare per person, per meeting: \$1,200, Per diem/ground transportation: \$250 per person/per day

Airfare: 2 meetings x 2 persons x \$1,200 = \$4,800

Per diem/ground transportation costs per person, per meeting: \$250 X 4 days x 2 people x 2 meetings = \$4,000

Total requested funds for Travel for this activity: \$8,800

- b. Performance-based Competitions for Two Programs of Study: One of the purposes of this project is to ascertain the viability of using student performance-based competition assessments to determine mastery of credits for dual articulated credit. The business and industry Pathway Advisory Councils support this initiative and have urged the development of a competitive assessment for each of the POS in Hawaii's Career Pathway System. Making the competitive performance-based assessment available to all students requires travel to Honolulu (island of Oahu) because there are facilities large enough to accommodate such an event. Because Hawaii is an island state, airfare must be provided to students from neighbor islands (Kauai, Lanai, Hawaii, Maui, and Molokai) to travel to the competition site.
- During Year Two of the project, competitive performance-based assessments will be held for the final two of the four POS selected to be developed and implemented. It is estimated that there will be at least 50 students from the neighbor islands who will participate in each of the POS competitions.

This budget request is to support airfare for 100 neighbor island students to participate in the performance-based assessment competition. Airfare for additional neighbor island students who participate in the event will be funded by the State.

Airfare per person: \$200

$$100 \text{ students} \times \$200 = \$20,000$$

Total requested funds for Travel for this activity: \$20,000

6. Contractual: There are two activities that will involve contracting individuals for services. The total funds requested for these three activities are \$28,000.

- a. Performance-based Competitions for Two Programs of Study: One of the purposes of this project is to ascertain the viability of using student performance-based competition assessments to determine mastery of credits for dual articulated credit and to carry out the requirements of a formal articulation agreement. The business and industry Pathway Advisory Councils support this initiative and have urged the development of a competitive assessment for each of the POS in Hawaii's Career Pathway System. The performance-based competitions require the development of an activity to use as an assessment vehicle for measuring student attainment of industry-validated standards. These competitive performance-based assessments must be crosswalked to the standards, they must scoring rubrics, and they must have well-defined rules of competition (eg, production time, final product submission requirements, etc.). These activities occur prior to the event. During the event, it is necessary to have a coordinator monitoring activities, including the judging by business and industry representatives and the concurrence of each participant or participating team with event rules. The final two of the four POS selected for inclusion in this project will participate in a performance-based competition

during Year Two of this project. The State will provide all resources, equipment, and supplies needed for this activity.

The budget request is to contract two individuals to prepare performance-based assessments including scoring rubrics, rules of competition, and crosswalking of assessment to standards for two POS.

Contract per coordinator: \$5,000; two competitive performance-based events

$$2 \text{ coordinators} \times \$5,000 = \$10,000$$

Total requested Contractual funds for this activity: \$10,000

- b. Banking and Transferring of Credit: Informal arrangements to bank and transfer credit may be acceptable when a community college is articulating with its "feeder" high schools, but statewide or multi-state agreements require a more sophisticated system to assure that earned dual credit is properly documented and transferable to any college in a timely manner. The requirement for such a system is especially important to states like Hawaii where the use of social security numbers of high school students is prohibited and the electronic transfer of records between secondary and postsecondary systems within the state does not exist. With two formal articulated statewide agreements in effect, the partners in this project have determined that the best way to assure the banking and transferring of credit is to include it on the high school transcript.

During Year One, the programming will be developed and HSDOE staff will be inserviced on the use of the system. Actual implementation and use of the system is expected to begin Year Two. During this initial implementation, servicing and trouble shooting support must be provided to assure the proper use of the system. The contractor will be expected to be on site at a high school campus when necessary. The State will provide all

resources, equipment and supplies needed for this activity. The State will support airfare for neighbor island campus visits.

The budget request is to contract a programmer to provide servicing and trouble shooting support during the initial implementation of the banking and transferring of credit system.

The activity is expected to require 120 hours.

Hourly rate: \$150

$$120 \text{ hours} \times \$150 = \$18,000$$

Total requested Contractual funds for this activity: \$18,000

8. Other (meeting space): Meeting space costs of \$9,600 are requested to support one activity. Meeting space costs for other activities in this project will be covered by the agencies involved. This includes POS assessment development, inter-agency procedural and policy matters, postsecondary horizontal program/course agreements, and all other project-related activities.
 - a. Pathway Advisory Council (PAC) Meetings: Four POS will be developed in this project. If each of the POS is in a different Pathway, four of the six Pathway Advisory Councils that serve Hawaii's Career Pathway System will be involved in this project. PACs are responsible for the overall development of industry-validated content standards for each POS and the approval of both the standards and the assessment process. PACs are also responsible for the guidance of overall Career Pathway development. PACs are composed of a majority membership of business and industry leaders knowledgeable about the particular Pathway they serve and a minority membership of State workforce agency and secondary and postsecondary representatives, including faculty. During Year Two, the PACs will be implementing the standards approval process for two POS as well as approving the assessment process of these standards. These activities require the use of space for the meetings required. The State will provide all equipment,

resources, supplies, and travel for neighbor island representatives to attend the meetings.

The State will fund any additional PAC meetings that may be required to complete the development and approval process.

This budget request is to support meeting space for four meetings of four PACS to implement the standards development and approval process and the approval of the standards assessment.

Meeting space cost per meeting: \$600

Four meetings at \$600 x four PACs = \$9,600

Total requested meeting space funds for this activity: \$9,600

Year One, Section B

Total non-federal funds total \$43,620 or 34 percent of requested federal funds

1. Personnel: The Project Director will manage project activities and be responsible for all reports, products, and fiscal management.

Project Director, 15 percent of time, \$16,000

Administrative support to prepare documents, letters, and reports.

Clerical, 15 percent of time, \$5,000

2. Fringe Benefits: University of Hawaii fringe benefits are established at 22 percent of salary.

Project Director fringe benefits: \$3,520

Clerical fringe benefits: \$1,100

3. Travel: Banking and Transferring of Credit: Informal arrangements to bank and transfer credit may be acceptable when a community college is articulating with its "feeder" high schools, but statewide or multi-state agreements require a more sophisticated system to assure that earned dual credit is properly documented and transferable to any college in a timely manner. The requirement for such a system is especially important to states like Hawaii

where the use social security numbers of high school students is prohibited and the electronic transfer of records between secondary and postsecondary systems within the state does not exist. With two formal articulated statewide agreements in effect, the partners in this project have determined that the best way to assure the banking and transferring of credit is to include it on the high school transcript.

During Year One, a program will be designed to extract student transcript and assessment data. Following this development, statewide meetings will be conducted to provide inservice training for four diverse users of the system. One statewide meeting will be for counselors, another for registrars, a third for high school CTE coordinators, and a fourth for principals and area complex administrators and resource teachers. All of these groups need to understand the totality of the system but each group has specific responsibilities and needs that will be addressed during the four different meetings.

The implementation of this activity requires facilities to accommodate each of these four day-long inservice meetings. The State will provide all resources, equipment, supplies, and other facility costs needed for this activity. The State will provide airfare for four people from 20 neighbor-island schools/area complexes to attend these meetings.

$\$200/\text{t airfare} \times 80 \text{ individuals} = \$16,000$

5. Supplies: General office supplies including such items as paper, computer cartridge ink, binders and dividers, clips, markers, file holders, and pens/pencils will be provided by the State.

\$2,000

Year Two, Section B

Total non-federal funds total \$27,620 or 35 percent of requested federal funds

1. Personnel: The Project Director will manage project activities and be responsible for all reports, products, and fiscal management.

Project Director, 15 percent of time, \$16,000

Clerical, 15 percent of time, \$5,000

2. Fringe Benefits: University of Hawaii fringe benefits are established at 22 percent of salary.

Project Director fringe benefits: \$3,520

Clerical fringe benefits: \$1,100

5. Supplies: General office supplies including such items as paper, computer cartridge ink, binders and dividers, clips, markers, file holders, and pens/pencils will be provided by the State.

\$2,000

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN #: 1996000354A1

DATE: February 28, 2006

INSTITUTION:
University of Hawaii
2530 Dole Street
Sakamaki D-200
Honolulu

FILING REF.: The preceding
Agreement was dated
March 11, 2005

HI 96822

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: FACILITIES AND ADMINISTRATIVE COST RATES*

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

TYPE	EFFECTIVE PERIOD		RATE (%)	LOCATIONS	APPLICABLE TO
	FROM	TO			
PRED.	07/01/05	06/30/06	36.3	On-Campus	Organized Research
PRED.	07/01/06	06/30/08	38.4	On-Campus	Organized Research
PRED.	07/01/05	06/30/08	20.6	Off-Campus	Organized Research
PRED.	07/01/05	06/30/06	27.3	On-Campus	Instruction
PRED.	07/01/06	06/30/08	27.4	On-Campus	Instruction
PRED.	07/01/05	06/30/08	20.0	Off-Campus	Instruction
PRED.	07/01/05	06/30/06	27.5	On-Campus	Other Spon Act
PRED.	07/01/06	06/30/08	26.9	On-Campus	Other Spon Act
→ PRED.	07/01/05	06/30/08	19.0	Off-Campus	Other Spon Act
PRED.	07/01/05	06/30/06	27.5	On-Campus	Inst. for Astronomy
PRED.	07/01/06	06/30/08	25.4	On-Campus	Inst. for Astronomy
PRED.	07/01/05	06/30/08	19.5	Off-Campus	Inst. for Astronomy
PRED.	07/01/05	06/30/06	5.2	(A)	Direct Projects
PRED.	07/01/06	06/30/08	3.1	(A)	Direct Projects
PRED.	07/01/05	06/30/06	9.1	(B)	(C)
PRED.	07/01/06	06/30/08	9.5	(B)	(C)
PRED.	07/01/06	06/30/07	54.5	Kaka'ako	Organized Research
PRED.	07/01/07	06/30/08	53.5	Kaka'ako	Organized Research
PROV.	07/01/08	UNTIL AMENDED	Use same rates and conditions as those cited for fiscal year ending June 30, 2008.		

- (A) Research Corp. of U.H.
- (B) Applied Research Laboratory
- (C) University Affiliated Research Center

***BASE:**

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

INSTITUTION:
University of Hawaii

AGREEMENT DATE: February 28, 2006

SECTION II: SPECIAL REMARKS

TREATMENT OF FRINGE BENEFITS:

This organization charges the actual cost of each fringe benefit direct to Federal projects. However, it uses a fringe benefit rate which is applied to salaries and wages in budgeting fringe benefit costs under project proposals. The fringe benefits listed below are treated as direct costs.

TREATMENT OF PAID ABSENCES:

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these paid absences are not made.

DEFINITION OF OFF-CAMPUS: A project is considered off-campus if the activity is conducted at locations other than in University owned or operated facilities and indirect costs associated with physical plant and library are not considered applicable to the project.

DEFINITION OF EQUIPMENT

Equipment is defined as tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

The following fringe benefits are treated as direct costs:

FICA, WORKERS COMPENSATION, HEALTH/DENTAL/LIFE INSURANCE, MEDICARE, UNEMPLOYMENT INSURANCE, RETIREMENT, POST RETIREMENT BENEFITS, AND FACULTY VACATION RESERVE.

INSTITUTION:
University of Hawaii

AGREEMENT DATE: February 28, 2006

SECTION III: GENERAL

A. LIMITATIONS:

The rates in 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. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

B. ACCOUNTING CHANGES:

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the 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 facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

C. FIXED RATES:

If a fixed rate is in this agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

D. USE BY OTHER FEDERAL AGENCIES:

The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-21 Circular, and should be applied to grants, contracts and other agreements covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

BY THE INSTITUTION:
University of Hawaii

(INSTITUTION)

(SIGNATURE)

James R. Gaines

(NAME)

Interim VP for Research

(TITLE)

MAR 8 2006

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Wallace Chan

(NAME)

DIRECTOR, DIVISION OF COST ALLOCATION

(TITLE)

February 28, 2006

(DATE) 2001

HHS REPRESENTATIVE: Janet Turner

Telephone: (415) 437-7820

**UNIVERSITY OF HAWAII
FACILITIES AND ADMINISTRATIVE COST RATES
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006**

**EXHIBIT A
PAGE 1 OF 3**

	ORGANIZED RESEARCH		INSTRUCTION		OTHER SPONSORED ACTIVITIES	
	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS
BUILDING & IMPROVEMENTS	1.8%		0.3%			0.7%
INTEREST EXPENSE	0.2%		0.0%			0.1%
EQUIPMENT USE ALLOWANCE	3.8%		0.6%			1.2%
OPERATIONS & MAINTENANCE	0.4%		0.0%			5.7%
LIBRARY	1.1%		0.6%			0.9%
GENERAL ADMIN	5.2%	5.2%	4.1%	4.1%	5.9%	5.9%
DEPT ADMIN	12.0%	12.5%	13.2%	13.3%	10.0%	10.5%
SPON PROJ ADMIN	2.9%	2.9%	2.6%	2.6%	2.8%	2.6%
STUDENT SERV ADMIN	0.2%		0.1%		0.2%	
ADMIN COMPONENTS	21.2%	20.6%	20.0%	20.0%	19.3%	19.0%
TOTAL	36.3%	20.8%	27.3%	20.0%	27.5%	19.0%

	ORGANIZED RESEARCH IFA		RCUH DIRECT PROJECTS		APPLIED RESEARCH LABORATORY	
	ON-CAMPUS	OFF-CAMPUS				
BUILDING & IMPROVEMENTS	2.6%			0.0%		0.0%
INTEREST EXPENSE	0.0%			0.0%		0.0%
EQUIPMENT USE ALLOWANCE	2.0%			0.0%		0.0%
OPERATIONS & MAINTENANCE	2.8%			0.9%		0.2%
LIBRARY	1.0%			0.0%		0.0%
GENERAL ADMIN	4.6%	4.6%	4.7%		6.5%	
DEPT ADMIN	12.0%	12.0%	0.0%		0.6%	
SPON PROJ ADMIN	2.9%	2.9%	0.0%		1.9%	
STUDENT SERV ADMIN	0.1%	0.1%	0.0%		0.0%	
ADMIN COMPONENTS	19.5%	19.6%	4.7%	4.7%	9.9%	9.8%
TOTAL	27.5%	19.3%	5.2%	5.2%	9.1%	9.1%

CONCUR:

(SIGNATURE)

James R. Gaines
James R. Gaines
Interim VP for Research

TITLE

MAR 8 2006

DATE

**UNIVERSITY OF HAWAII
FACILITIES AND ADMINISTRATIVE COST RATES
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2006**

**EXHIBIT A
PAGE 2 OF 3**

	ORGANIZED RESEARCH		INSTRUCTION		OTHER SPONSORED ACTIVITIES	
	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS
BUILDING & IMPROVEMENTS	2.1%		0.4%		0.7%	
INTEREST EXPENSE	2.4%		0.2%		0.3%	
EQUIPMENT USE ALLOWANCE	0.9%		0.1%		0.4%	
OPERATIONS & MAINTENANCE	10.6%		6.1%		5.6%	
LIBRARY	1.2%		0.6%		0.7%	
GENERAL ADMIN	5.2%	5.2%	4.1%	4.1%	5.9%	5.9%
DEPT ADMIN	12.9%	12.5%	13.2%	13.3%	10.6%	10.6%
SPON PROJ ADMIN	2.9%	2.9%	2.6%	2.6%	2.6%	2.6%
STUDENT SERV ADMIN	0.2%		0.1%		0.2%	
ADMIN COMPONENTS	21.2%	20.8%	20.0%	20.0%	19.2%	19.0%
TOTAL	36.4%	20.5%	27.4%	20.0%	26.9%	19.0%

	ORGANIZED RESEARCH IFA		RCUH DIRECT PROJECTS		APPLIED RESEARCH LABORATORY	
	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS	ON-CAMPUS	OFF-CAMPUS
BUILDING & IMPROVEMENTS	0.9%		0.0%		0.1%	
INTEREST EXPENSE	2.2%		0.0%		0.0%	
EQUIPMENT USE ALLOWANCE	0.7%		0.0%		0.1%	
OPERATIONS & MAINTENANCE	1.7%		0.3%		0.3%	
LIBRARY	1.0%		0.0%		0.0%	
GENERAL ADMIN	4.6%	4.6%	2.5%		4.9%	
DEPT ADMIN	12.0%	12.0%	0.0%		1.5%	
SPON PROJ ADMIN	2.9%	2.9%	0.0%		2.3%	
STUDENT SERV ADMIN	0.1%	0.1%	0.0%		0.0%	
ADMIN COMPONENTS	19.5%	19.6%	2.8%	2.8%	9.0%	9.0%
TOTAL	28.4%	19.6%	3.1%		9.5%	

CONCUR:

James R. Gaines

(SIGNATURE)

James R. Gaines

Interim VP for Research

TITLE

MAR 8 2006

DATE

**UNIVERSITY OF HAWAII
 FACILITIES AND ADMINISTRATIVE COST RATES
 FOR RESEARCH PERFORMED ON THE KAKA'AKO CAMPUS
 FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2008**

**EXHIBIT A
 PAGE 3 OF 3**

	KAKA'AKO RESEARCH		KAKA'AKO RESEARCH	
	JULY 1, 2006 - JUNE 30, 2007		JULY 1, 2007 - JUNE 30, 2008	
BUILDING & IMPROVEMENTS		4.0%		3.8%
INTEREST EXPENSE		14.8%		14.1%
EQUIPMENT USE ALLOWANCE		1.8%		1.4%
OPERATIONS & MAINTENANCE		12.6%		12.6%
LIBRARY		0.3%		0.3%
GENERAL ADMIN	5.2%		5.2%	
DEPT ADMIN	12.9%		12.0%	
SPON PROJ ADMIN	2.9%		2.9%	
STUDENT SERV ADMIN	0.2%		0.2%	
ADMIN COMPONENTS	21.2%	<u>21.2%</u>	21.2%	<u>21.2%</u>
TOTAL		54.5%		53.5%

CONCUR:

James R. Gaines

(SIGNATURE)

James R. Gaines
 Interim VP for Research

TITLE

MAR 8 2006

DATE