

UNIVERSITY OF HAWAI'I SYSTEM ANNUAL REPORT



REPORT TO THE 2012 LEGISLATURE

SEMI-ANNUAL REPORT ON
HAWAI'I CANCER RESEARCH SPECIAL FUND

HRS 304A-2168

April 2012

REPORT TO THE
2012 HAWAI'I STATE LEGISLATURE

Hawai'i Cancer Research Special Fund
Semi-Annual Report for
July 1, 2011 to December 31, 2011

Pursuant to Section 304A-2168 of the Hawai'i Revised Statutes, beginning January 1, 2010, the University of Hawai'i shall submit its semi-annual report to the Hawai'i State Legislature on the moneys in the Hawai'i Cancer Research Special Fund, including deposits, expenditures, and other transactions to ensure fiscal transparency and accountability. The moneys in the special fund are used for the cancer research center's research and operating expenses and capital expenditures.

The following are deposited into the special fund:

- (1) Moneys collected pursuant to section 245-15;
- (2) All other fees, charges, and other moneys received in conjunction with programs of the cancer research center of Hawai'i;
- (3) Transfer from other account of funds; and
- (4) Interest earned or accrued on moneys in the special fund.

Background on the University of Hawai'i Cancer Center

The University of Hawai'i Cancer Center is the only National Cancer Institute-designated center in Hawai'i and the Pacific. The Center's mission is to reduce the burden of cancer through research, education and patient care with an emphasis on the unique ethnic, cultural and environmental characteristics of Hawai'i and the Pacific. The Center is a research organization affiliated with the University of Hawai'i at Mānoa with facilities located in downtown Honolulu and Kaka'ako. A new world-class cancer center is being constructed in Kaka'ako, with a scheduled opening in early 2013. The Center directly employs 300 faculty and staff, with another 200 affiliate members through the UH Cancer Consortium.

The UH Cancer Center was established by the University of Hawai'i Board of Regents in 1981 and prior to 2011, was known as the Cancer Research Center of Hawai'i. In its early development, the Center was supported by the National Cancer Institute Planning and Support Grants and in 1979, a construction grant from the NCI coupled with local matching contributions, supported the building of a five-story structure in downtown Honolulu. In 1996, the Center was designated by the National Cancer Institute and received funding from a Cancer Center Support Grant. Currently, the Center is conducting more than 100 cancer research projects in four interdisciplinary programs.

Hawai'i Cancer Research Special Fund

Cigarette Tax Revenue

07/01/2011 to 12/31/2011

POSTED DATE	PERIOD		AMOUNT
7/5/2011	May-11	\$	1,521,840.00
8/2/2011	Jun-11	\$	1,538,400.00
9/6/2011	Jul-11	\$	1,592,580.00
10/5/2011	Aug-11	\$	1,242,600.00
12/6/2011	Sep-11	\$	1,608,600.00
12/6/2011	Oct-11	\$	1,134,000.00
10/17/2011	Interest	\$	30,788.03
	TOTAL	\$	8,668,808.03

Cigarette Tax Expenditures

07/01/2011 to 12/31/2011

CATEGORY	AMOUNT	EXPLANATION
New Building Expenses	\$1,977,822.25	Capital Expenditures (for new Cancer Center Building at Kaka'ako): architecture costs, engineering costs, insurance costs, RCUH service fee costs, and salary costs for OCI personnel
Personnel	\$484,906.34	Research and Operating Expenditures: support for administration, fiscal, communications, facilities, IT, and faculty
Materials & Supplies	\$258,620.67	Research and Operating Expenditures: lab supplies, office supplies, and facilities/maintenance supplies
Travel & Faculty Relocations	\$116,018.69	Research and Operating Expenditures: travel expenses for EAB Members, travel expenses for faculty through their start-up funds, and relocation expenses for new research Faculty recruits
Printing & Publications	\$ 634.89	Research and Operating Expenditures: printing costs for the Hawaii Science Teachers Association Conference and publication of public notices in the Star Advertiser
Utilities & Communications	\$363,959.29	Research and Operating Expenditures: electric costs, gas costs, water costs, and telephone costs
Rentals	\$490,836.23	Research and Operating Expenditures: rental expenses for the Gold Bond Building, and rental expenses for liquid nitrogen and other gases needed for research purposes
Repairs & Maintenance	\$75,042.43	Research and Operating Expenditures: repairs and maintenance for machinery, equipment, buildings, structures, and grounds
Equipment	\$571,116.81	Research and Operating Expenditures: mouse racks, mouse cages, cryostat machine, and computers for new faculty
Services Fees	\$122,348.82	Research and Operating Expenditures: RCUH mandatory service fees and honorarium payments to EAB (External Advisory Board) Members
Other Costs	\$1,193,597.56	Research and Operating Expenditures: advances to RCUH for FY12 expenses (Facilities/Maintenance, IT, Faculty Start-Up Accounts, Bridge Funds, Program Allocations), and freight, delivery, and postage costs
TOTAL	<u>\$5,654,903.98</u>	

The University of Hawai'i acknowledges that it is not in compliance with section 304A-2168 with regards to its delinquent semi-annual reports for the period January 1, 2010 to June 30, 2011. These reports are included below:

**Cigarette Tax Revenue
01/01/2010 to 06/30/2010**

POSTED DATE	PERIOD	AMOUNT
1/11/2010	Nov-09	\$ 1,409,580.00
1/29/2010	Dec-09	\$ 1,684,920.00
2/26/2010	Jan-10	\$ 1,539,240.00
4/13/2010	Feb-10	\$ 1,206,240.00
4/30/2010	Mar-10	\$ 1,496,880.00
6/1/2010	Apr-10	\$ 1,712,400.00
6/30/2010	May-10	\$ 1,368,240.00
6/30/2010	Interest	\$ 371,498.75
TOTAL		\$ 10,788,998.75

**Cigarette Tax Expenditures
01/01/2010 to 06/30/2010**

CATEGORY	AMOUNT	EXPLANATION
New Building Expenses	\$3,692,913.57	Capital Expenditures (for new Cancer Center Building at Kaka'ako): architecture costs, engineering costs, insurance costs, RCUH service fee costs, and salary costs for OCI personnel
Personnel	\$ 275,875.37	Research and Operating Expenditures: support for administration, fiscal, communications, facilities, IT, and faculty
Materials & Supplies	\$ 229,038.17	Research and Operating Expenditures: lab supplies, office supplies, and facilities/maintenance supplies
Travel & Faculty Relocations	\$121,254.25	Research and Operating Expenditures: travel expenses for faculty and relocation expenses for new research Faculty recruits
Printing & Publications	\$ 4,157.15	Research and Operating Expenditures: printing costs
Utilities & Communications	\$ 247,258.84	Research and Operating Expenditures: electric costs, gas costs, water costs, and telephone costs
Rentals	\$ 471,530.80	Research and Operating Expenditures: rental expenses for the Gold Bond Building, and rental expenses for liquid nitrogen and other gases needed for research purposes
Repairs & Maintenance	\$ 75,108.08	Research and Operating Expenditures: repairs and maintenance for machinery, equipment, buildings, structures, and grounds
Equipment	\$1,161,460.66	Research and Operating Expenditures: lab equipment, mouse racks, and IT equipment
Services Fees	\$808,635.82	Research and Operating Expenditures: legal fees and RCUH mandatory service fees
Other Costs	\$ 3,978,951.14	Research and Operating Expenditures: storage expenses, parking expenses, Shared Resource expenses, legal settlement expenses, and freight, delivery, and postage costs
TOTAL	\$11,066,183.85	

**Cigarette Tax Revenue
07/01/2010 to 12/31/2010**

POSTED DATE	PERIOD	AMOUNT
7/30/2010	Jun-10	\$ 1,847,640.00
9/1/2010	Jul-10	\$ 1,521,000.00
9/30/2010	Aug-10	\$ 1,170,000.00
11/8/2010	Sep-10	\$ 1,583,400.00
12/2/2010	Oct-10	\$ 1,443,600.00
TOTAL		\$ 7,565,640.00

**Cigarette Tax Expenditures
07/01/2010 to 12/31/2010**

CATEGORY	AMOUNT	EXPLANATION
New Building Expenses	\$2,001,778.11	Capital Expenditures (for new Cancer Center Building at Kaka'ako): architecture costs, engineering costs, insurance costs, RCUH service fee costs, and salary costs for OCI personnel
Personnel	\$63,328.90	Research and Operating Expenditures: support for administration, fiscal, communications, facilities, IT, and faculty
Materials & Supplies	\$140,896.57	Research and Operating Expenditures: lab supplies, office supplies, and facilities/maintenance supplies
Travel & Faculty Relocations	\$170,651.28	Research and Operating Expenditures: travel expenses for faculty and relocation expenses for new research Faculty recruits
Printing & Publications	\$1,850.28	Research and Operating Expenditures: printing and publication costs
Utilities & Communications	\$157,262.07	Research and Operating Expenditures: electric costs, gas costs, water costs, and telephone costs
Rentals	\$478,074.19	Research and Operating Expenditures: rental expenses for the Gold Bond Building, and rental expenses for liquid nitrogen and other gases needed for research purposes
Repairs & Maintenance	\$114,924.22	Research and Operating Expenditures: repairs and maintenance for machinery, equipment, buildings, structures, and grounds
Equipment	\$197,191.52	Research and Operating Expenditures: lab equipment and IT equipment
Services Fees	\$44,716.55	Research and Operating Expenditures: RCUH mandatory service fees and honorarium payments to EAB (External Advisory Board) Members and others
Other Costs	\$2,569,425.63	Research and Operating Expenditures: parking expenses, Townsend Hawaii LLC expenses, and freight, delivery, and postage costs
TOTAL	<u>\$5,940,099.32</u>	

Cigarette Tax Revenue
01/01/2011 to 06/30/2011

POSTED DATE	PERIOD	AMOUNT
1/5/2011	Nov-10	\$ 1,312,200.00
1/31/2011	Dec-10	\$ 1,612,200.00
2/28/2011	Jan-11	\$ 1,365,000.00
4/5/2011	Feb-11	\$ 1,420,200.00
4/30/2011	Mar-11	\$ 1,637,400.00
6/1/2011	Apr-11	\$ 1,370,400.00
6/30/2011	Interest	\$ 252,180.25
TOTAL		\$ 8,969,580.25

Cigarette Tax Expenditures
01/01/2011 to 06/30/2011

CATEGORY	AMOUNT	EXPLANATION
New Building Expenses	\$6,466,391.44	Capital Expenditures (for new Cancer Center Building at Kaka'ako): architecture costs, engineering costs, insurance costs, RCUH service fee costs, and salary costs for OCI personnel
Personnel	\$3,842,220.70	Research and Operating Expenditures: support for administration, fiscal, communications, facilities, IT, and faculty
Materials & Supplies	\$117,331.64	Research and Operating Expenditures: lab supplies, office supplies, and facilities/maintenance supplies
Travel & Faculty Relocations	\$178,018.84	Research and Operating Expenditures: travel expenses for faculty and relocation expenses for new research Faculty recruits
Printing & Publications	\$5,745.00	Research and Operating Expenditures: printing and publication costs
Utilities & Communications	\$201,018.95	Research and Operating Expenditures: electric costs, gas costs, water costs, and telephone costs
Rentals	\$492,553.71	Research and Operating Expenditures: rental expenses for the Gold Bond Building, and rental expenses for liquid nitrogen and other gases needed for research purposes
Repairs & Maintenance	\$33,767.74	Research and Operating Expenditures: repairs and maintenance for machinery, equipment, buildings, structures, and grounds
Equipment	\$92,343.83	Research and Operating Expenditures: lap equipment and IT equipment
Services Fees	\$156,726.18	Research and Operating Expenditures: RCUH mandatory service fees and honorarium payments to EAB (External Advisory Board) members
Other Costs	\$1,986,262.68	Research and Operating Expenditures: advances to RCUH for FY11 expenses (Facilities/Maintenance, IT, Faculty Start-Up Accounts, Program Allocations), Shared Resource expenses, and freight, delivery, and postage costs
TOTAL	<u><u>\$13,572,380.71</u></u>	