

1.300 Revolving Accounts

I. Revolving Accounts

Revolving accounts are University of Hawai'i (UH) accounts that are self-sustaining, income-generating projects established for the purpose of supporting a Specialized Service Facility, a Recharge Center, or Other Sales and Service activities, as defined below. Revolving accounts should relate to and promote the non-profit research and training mission of UH and cannot be used to generate profit. The use of revolving accounts to manage extramurally funded awards is strictly prohibited. The establishment and management of revolving accounts must comply with UH Administrative Procedure (AP) [12.204](#) Revolving Account Service Orders to RCUH and applicable UH policies.

- A. Specialized Service Facilities** – An institutional service involving the use of highly complex or specialized facilities that support grants, contracts or other sponsored agreements and intramural-funded activities on an ongoing basis. A specialized service facility that does not generate at least \$250,000 of revenue per year will be considered a recharge center.
- B. Recharge Centers** – An institutional service providing goods or services on a fee-for-service basis that supports grants, contracts, or other sponsored agreements and intramural-funded activities on an ongoing basis but which generates less than \$250,000 of revenue per year.
- C. Other Sales and Services** – Activities which generate income by providing special expertise or services to support research and training activities. Typical types of Revolving Accounts classified under the Sales and Services category include projects for conferences and training, publication sales, services providing access to research data, production of commodities in limited quantities for use in research and training activities, and other specialized research services.

The Principal Investigator (PI)/Project Manager (PM) and Fiscal Administrator (FA) are responsible for the day-to-day operational and financial management of the revolving account. The dean or director is responsible for the overall operation of the revolving account, including securing funds to eliminate deficits.

RCUH indirect cost will be assessed to accounts in accordance with the Internal Agreement between UH and RCUH. Refer to [Policy 4.610](#) Indirect Cost Rates for the applicable rate.

II. Advance Funding

The purpose of the advance funding is to assist a project at start-up, if needed. The advance funding of revolving accounts is limited to a maximum of two months of operating expenses.

Project shall not have a continuous deficit, with “continuous” defined as six months or more. RCUH may request immediate reimbursement of a deficit balance by submitting an invoice to PI/PM/FA.

III. Relevant Document

[Policy 4.610](#) Indirect Cost Rates

UH AP [12.204](#) Revolving Account Service Orders to RCUH

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