



# UNIVERSITY OF HAWAI‘I SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Finance  
February 18, 2009 at 2:30pm

by

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### HB 1740 – RELATING TO FUNDS

Chair Oshiro, Vice Chair Lee and Members of the Committee:

HB 1740 repeals the University of Hawaii’s exemption from assessments on special funds for central services and departmental administrative expenses.

For fiscal year 2008, receipts for University of Hawaii special funds totaled approximately \$318 million. A 5% assessment on these receipts would have resulted in a \$16 million reduction in funds available to the University. The bulk of the special funds revenue can be attributed to the Tuition and Fees Special Fund and the University Revenue Undertakings Special Fund. The revenue for these funds directly impact the services provided to our students, including educational programs, student and faculty housing, the campus center and bookstore operations, and other critical functions. A reduction in funds available to support these operations would have an adverse impact on the quality of services available to our students and faculty.

In addition, the University provides much of its own administrative services internally, via its own Human Resources, Financial Management, Internal Audit and other offices. Assessing the University the same assessment rate as other state agencies that rely more heavily on state central services would place an undue burden on the University.

Accordingly, the University wishes to express its concerns regarding HB 1740.

Thank you for the opportunity to provide testimony on this measure.