

# UNIVERSITY OF HAWAI‘I SYSTEM ANNUAL REPORT



REPORT TO THE 2013 LEGISLATURE

Annual Report on  
University of Hawai'i Risk Management Special Fund  
*(This report provides the revenue and expenditures for the Risk Management  
Special Fund during the fiscal year ending June 30, 2012)*

HRS 304A-2151  
(Act 186, SLH 2003)

December, 2012

**Report to the 2013 Legislature on**  
**University of Hawai'i Risk Management Special Fund**  
**HRS 304A-2151 (Act 186, SLH 2003)**

December, 2012

Act 186, SLH 2003 amended Chapter 304, Hawai'i Revised Statutes, by:

- (a) creating the University of Hawai'i risk management special fund (RMSF); and
- (b) providing the Board of Regents with the authority to approve the indemnification of persons, companies, and government entities, as necessary, to receive research and other funds for educational purposes.

Act 186, SLH 2003 authorized the creation of the University of Hawai'i risk management special fund ("RMSF") effective July 1, 2003. During the fiscal year which ended June 30, 2012, the University of Hawai'i, Office of Risk Management assessed each campus based on numerous factors such as number of students, number of employees, number of automobiles, and square footage of buildings and collected a total of \$1,956,112.00. The University also received \$774,649.52 in reimbursements and -\$117.88 in interest income. These assessments, reimbursements and income were added to the remaining balance of \$2,776,907.46 from FY 2011 for total available funds of \$5,507,551.10 for FY 2012. Total expenditures from the RMSF for FY 2012 were \$2,120,479.13. Payments were made for legal settlements (\$828,526.81), insurance premiums (\$646,024.00), legal expenses (\$415,933.39), replenishment of the Worker's Compensation escrow account (\$168.49) and fire-related expenses resulting from the February 2012 Financial Management Office fire (\$229,826.44).

UNIVERSITY OF HAWAII  
RISK MANAGEMENT SPECIAL FUND  
FY 2012

Beginning Balance, 07/01/2011                      \$ 2,776,907.46

REVENUE

Assessments	\$ 1,956,112.00
Reimbursements	\$ 773,527.87
Fringe Reserve Reimbursement	\$ 1,121.65
Interest Income	\$ (117.88)
Total Available Funds for FY12	<u>\$ 5,507,551.10</u>

EXPENDITURES

Settlements	\$ 828,526.81
Insurance Premiums	\$ 646,024.00
Legal Expenses	\$ 415,933.39
Workers' Compensation Replenishment	\$ 168.49
FMO Fire-Related Expenses	<u>\$ 229,826.44</u>
Expenditure Subtotal	<u>\$ 2,120,479.13</u>

Ending Cash Balance, 06/30/2012                      \$ 3,387,071.97