

UNIVERSITY OF HAWAI‘I SYSTEM ANNUAL REPORT



REPORT TO THE 2016 LEGISLATURE

Annual Report on
University of Hawai'i Uncollectible Accounts
FY2015

HRS § 40-82

November 2015

THE UNIVERSITY OF HAWAI‘I SYSTEM
ANNUAL REPORT TO THE LEGISLATURE FOR FISCAL YEAR 2015
SUMMARIZING UNCOLLECTABLE ACCOUNTS

Chapter 40-82, Hawai‘i Revised Statutes
November 2015

The University of Hawai‘i submits its annual report summarizing uncollectable delinquent accounts pursuant to Hawai‘i Revised Statutes (“HRS”) § 40-82(d).

HRS § 40-82 authorizes the University General Counsel (“UGC”) to review uncollectable accounts, and if the UGC finds the account to be uncollectable, such accounts may be entered into a special record and be deleted from the accounts receivable records of the University, whereupon, the University is relieved from any further accountability for their collection. HRS § 40-82(c).

HRS § 40-82 defines uncollectable account as an account which has been delinquent for at least two consecutive years and: (1) the debtor or party causing damage to property belonging to the State is no longer within the jurisdiction of the State; (2) the debtor or party causing damage to property belonging to the State cannot be located; (3) the party causing damage to property belonging to the State is unknown or cannot be identified; (4) the debtor has filed bankruptcy and has listed the State as a creditor; or (5) any other account as may be deemed by the UGC to be uneconomical or impractical to collect. The statute further provides that any account entered in the special record shall be transferred to the current accounts receivable if the UGC finds that the facts as alleged and presented were not true, or that the account has become collectable.

During Fiscal Year 2015, the University of Hawai‘i requested and was approved by the UGC for write-off of uncollectable accounts summarized in the following table:

Debtor Account Category	Number of Accounts	Debt Amounts
Debtor Account Balance Less \$500	46	10,894.08
Debtor Filed For Bankruptcy Relief	24	39,409.97
Debtor Deceased	3	4,712.64
Debtor Acct Records Destroyed in Building Fire on 02/12/12 (85% of records were eight years or older)	105	176,271.46
TOTALS	178	\$ 231,288.15