

UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

SB 905

RELATING TO THE UNIVERSITY OF HAWAII

Testimony Presented Before the Senate Committee on Higher Education

February 8, 2005

by

Sam Callejo Vice President for Administration University of Hawai'i

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Chair Hee and Members of the Committee:

The purpose of this bill is to consolidate special and revolving funds at the University of Hawaii to provide greater flexibility and more efficient management of these funds. The University of Hawaii System presently has over 40 special and revolving funds. This bill establishes or amends 6 special or revolving funds while repealing 15 special or revolving funds. The special funds being established or amended are:

- University of Hawaii at Manoa Special Fund
- University of Hawaii at Hilo Special Fund
- University of Hawaii-West Oahu Special Fund
- University of Hawaii Systemwide Support Special Fund
- Community College Special Fund
- West Oahu Development Special Fund

Establishing these campus special funds with broad purposes will provide greater flexibility in establishing new programs without having to create new special funds.

Some of the funds being repealed are outdated and are no longer being used, while others will be consolidated into the 6 established or amended special funds for programmatic purposes. Accounts will be established in the appropriate special funds for the program's continued use. Funds to be repealed are:

- Transcript and Diploma Revolving Fund
- Vocational and Technical Training Projects Revolving Fund

- Animal Research Farm, Waialee, Oahu Revolving Fund
- Child Care Programs Revolving Fund
- Library Special Fund
- Conference Center Revolving Fund
- Conference Center Revolving Fund for Hilo Campus
- University of Hawaii-Hilo Theatre Revolving Fund
- University of Hawaii Community Services Special Fund
- University of Hawaii Alumni Revolving Fund
- University of Hawaii Graduate Application Revolving Fund
- International Exchange Health Care Tourism Revolving Fund
- Seed Distribution Revolving Fund
- Western Governors University Special Fund
- Community College Conference Center Revolving Fund

Consolidation of special and revolving funds is consistent with the streamlining and efficient management of these funds and is in line with the recent Legislative Auditor's Report on special and revolving funds. Consistent with our response to the Auditor, we are suggesting amendments that would reclassify some of our revolving funds to special funds.

A similar proposal with updated language is contained in SB 855 and we would prefer to use the language in that bill.

Thank you for this opportunity to testify in support of this measure.