



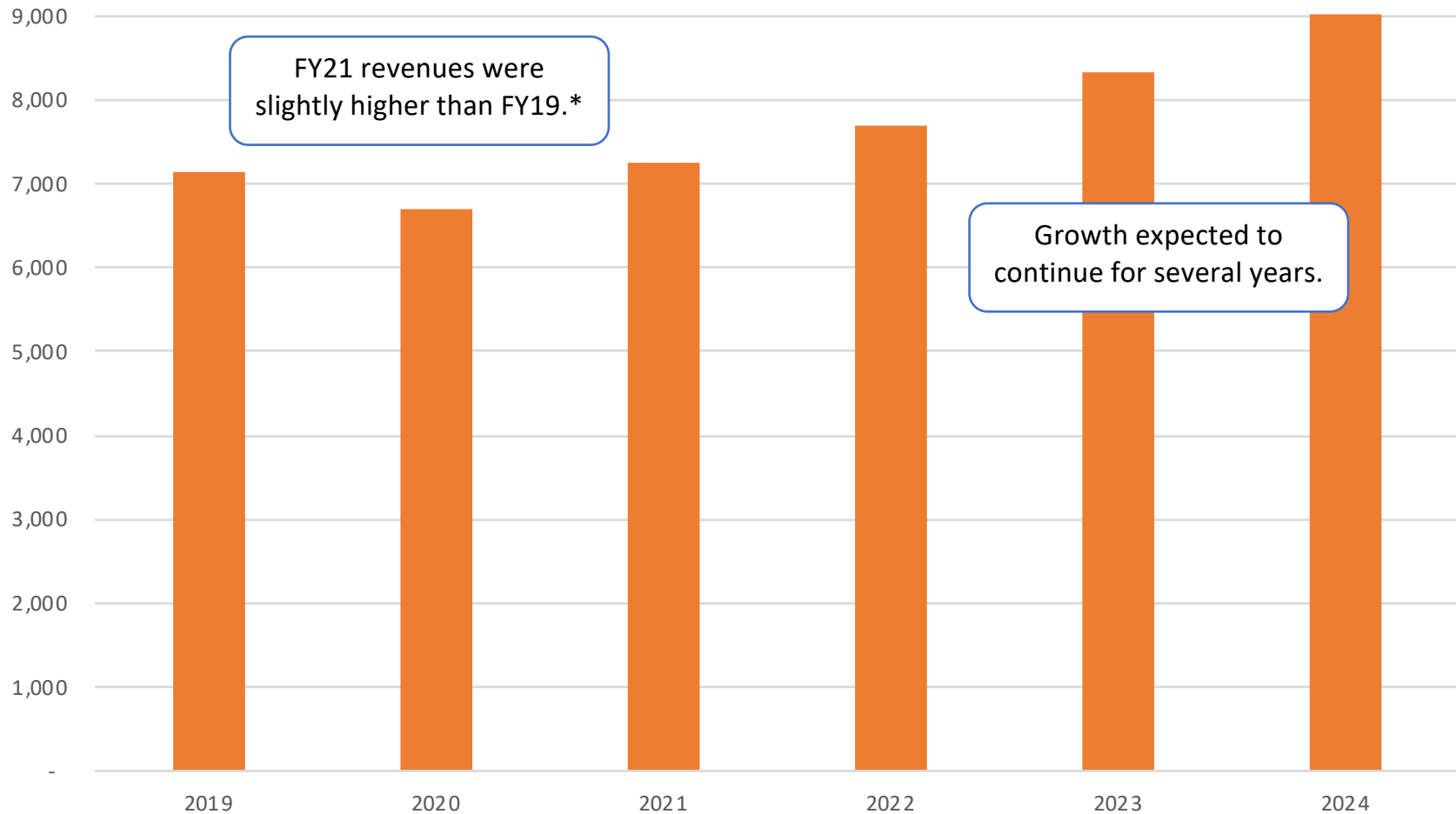
University of Hawai'i Supplemental Operating Budget Request for Fiscal Year 2022-2023

November 4, 2021

Committee on Budget and Finance



State General Fund Revenue ^{* In \$M}



* Income Tax deadline was pushed back from April 2020 to July 2020, resulting in a shift of \$308M from FY20 to FY21

■ General Fund Revenue



General Fund Situation

- Fiscal recovery is underway, but the extent and sustainability is unknown.
- While overall State General Fund revenues look strong, the State is expected to prioritize certain areas of need in the overall State budget that were cut in the past few years:
 - Debt Service (\$300M+)
 - OPEB (\$300M+)
 - Critical positions in public safety
 - Recurring costs funded in FY22 only



ARPA Maintenance of Effort

- The American Rescue Plan Act (ARPA) included a “Maintenance of Effort” provision regarding the Elementary and Secondary School Emergency Relief Fund (ESSER) moneys.
 - Requires State support for elementary, secondary, and postsecondary education in FY22 and FY23 at levels proportionate to overall spending averaged over FY17, FY18, and FY19.
- For FY22, overall State spending was considerably reduced and UH was reduced proportionately.
- For FY23, State appropriations for the DOE and UH should grow in proportion to overall State spending.
- This Maintenance of Effort provision will not apply for FY24 and beyond and no expectation regarding State support should be made.



Budget Request: General Fund Restoration

- Restore General Fund cuts to all campuses
 - \$30.0 million for Mānoa
 - \$1.2 million for JABSOM
 - \$2.28 million for UH-Hilo
 - \$1.08 million for UHWO
 - \$4.6 million for Community Colleges
 - \$3.4 million for Systemwide Support
 - Total of \$42.5 million
- Restore General Fund subsidy for Athletics
 - \$3.6 million for Mānoa and \$400,000 for Hilo



Budget Request: Other Items

- 4 General Funded positions and funds for operational expenses for PISCES (\$550,000)
- Transfer positions associated with Nā Pua Noeau from UOH900 (Systemwide Support) to the various campuses
- Transfer 1 position for Maunakea stewardship from UOH900 to UOH210 (Hilo)
- 5 positions for UHWO Creative Media (\$282,000)
- 10 temporary position counts for Small Business Development Center
- Trade-off ceiling from Community Colleges Special Fund to Community Colleges Revolving Fund (\$25 million in non-General Fund ceiling)



Next Steps

- Recommendation for Committee on Budget and Finance to approve this supplemental operating budget request for subsequent approval by the full Board at its November 18 meeting.
- Following approval by the full Board of Regents, the budget request and associated forms will be transmitted to the Governor and the Legislature, in accord with Chapter 37-68, HRS.