




UNIVERSITY
of HAWAII®
HILO

Administrative Affairs
Business Management Office

October 1, 2019

To: Chancellor Irwin
Interim Vice Chancellor Hon
Vice Chancellor Gomes
Interim Vice Chancellor Rapoza
Interim Director Kakugawa-Leong

From: 
Lois Fujiyoshi, Executive Director of Budget & Business Management

Subject: FY 2019-20 Budget Allocation, September 29, 2019

This allocation is based on the FY 2019-20 UH Hilo budget allotment from the Governor of the State of Hawaii and projected tuition revenue. It includes UH System adjustments, the Governor's restrictions and adjustments at the campus level. A review will be done in early Spring to determine if further adjustments are needed.

The Budget Allocation to divisions will be used by all budget managers to plan for program activity and associated expenses. Distribution of division allocation to reporting units is determined within each division.

Major adjustments in the Budget Allocation for FY 2019-20 include:

- Implementation of high level campus operating budget, as approved by the BoR on September 26, 2019 and revised to reflect updated tuition revenue projection and additional 5% contingency restriction imposed by the Governor
- Implementation of Year 3 of the BoR approved tuition plan with a 1% resident tuition rate increase as approved by the BOR in July 2016
- Inclusion of the collective bargaining agreement terms for bargaining units 01 and 07 as provided by their respective unit contracts
- Vice Chancellors have the delegated authority to make unit allocation decisions based on the UH System Strategic Directions, the UH Hilo Strategic Plan 2011-15 and their internal division and unit priorities
- Continuation of allocating campus financial assistance in accordance with BoR policy that 12% of total prior year tuition income be allocated to student need-based financial aid and that a minimum of the FY 2013-14 amounts for student non need-based financial aid be satisfied, as revised by Executive Policy in January 2015
- Continuation of sustainability efforts with energy savings used for re-investment in energy saving projects

Page 2

October 1, 2019

- Continuation of tuition funded capital renewal, improvement and modernization projects

All salary savings are included in the allocation distributed to each university division. The administration does not have a central salary reserve fund, and therefore all divisions are responsible for salary adjustments due to promotion, equity, merit or market adjustments. Any division or unit that uses salary savings to purchase equipment must prepare to absorb the cost of future maintenance. It is recommended that salary savings be used for one-time, nonrecurring cost items.

As always, this Initial Budget Allocation is subject to change based on changing environmental conditions, both internal to the University and at the state level. With this possibility, we ask that spending decisions be strategic, with a focus on enrollment and student success, and conservative.

This memo and the allocation will be placed on the Budget Office website.

Attachment

