



UNIVERSITY
of HAWAII®
HILO

September 23, 2022

To: Chancellor Irwin
Vice Chancellor Gomes
Vice Chancellor Roney
Interim Director Kakugawa-Leong

From: Kalei Rapoza, Interim Vice Chancellor
Interim Vice Chancellor for Administrative Affairs

Digitally signed by Kalei Rapoza,
Interim Vice Chancellor
Date: 2022.09.23 14:18:23 -10'00'

Subject: FY 2022-23 Budget Allocation

This allocation is based on the FY 2022-23 general fund appropriation as well as projected tuition revenue.

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. Vice Chancellors have the delegated authority to make unit allocation decisions based on the UH System Strategic Directions, the UH Hilo Strategic Plan and their internal division and unit priorities

The Budget Allocation for FY 2022-23 include:

- Implementation of high level campus operating budget, as approved by the BOR on September 15, 2022
- Year 3 of the 3 year tuition plan reflecting flat tuition rates, as approved by the BOR in May 2019
- 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
- Collective bargaining augmentation for FY 2022 (retro) and FY 2023 negotiated increases (to be distributed to divisions)
- Adjustment for minimum pay increase for student help
- Re-allocation of \$500,000 from divisions to fund strategic plan action items
- Use of reserves for one-time strategic investments and to partially cover decline in tuition revenue

ADMINISTRATION *Administrative Affairs*

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Modified spending restrictions carried forward as outlined in my July 5, 2022 memorandum, “Restrictions on Expending University Funds for FY 2023” and President Lassner’s July 21, 2022 memorandum, “Amendment to Freeze – Effective Immediately” will be in effect. President Lassner’s amendment removed the requirement of obtaining his approval for recruitments utilizing Research and Training Revolving Funds, (RTRF).

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

c: Lois Fujiyoshi

