UH MĀNOA BUDGET UPDATE – Frequently Asked Questions

What is the budget situation for the University of Hawai‘i at Mānoa for the current Fiscal Year?

In the FY 2009 supplemental budget, the Legislature imposed a $4.5M reduction for the University System. Mānoa’s share of this reduction is $2.5M. In addition, a reduction for vacant UH Mānoa positions of $800K was also taken. Effective July 1, 2008, the Governor imposed a $4M restriction on discretionary general funds for the UH System. Mānoa’s share of the restriction is $2.3M for a combined total reduction for the FY of $5.6M. This equated to two percent (2%) of the UH Mānoa units’ total general/TSF allocation base. The reduction was assessed evenly across all campus units and each Dean was responsible for implementing the budget restriction within their unit’s existing operating budget. Given the current state of the economy, we are uncertain if there will be further restrictions imposed for this year’s operating budget.

Given the current economic slowdown, what measures is Mānoa taking to prepare for the potential of additional budget restrictions either this fiscal year or in the upcoming biennium?

The Governor has cautioned all State Departments about the need for sound management and fiscal prudence in addressing expenditures during these uncertain budgetary times. In addition, she has placed a hiring freeze on all State Civil Service positions. This freeze applies to temporary, permanent, and 89-day casual hires. The Governor will consider exceptions to this hiring freeze in cases where there is an urgent and critical need involving public health and/or safety. Any request for an exception must be submitted to the Chancellor via the appropriate Dean/Director and Vice Chancellor, with clear and sound rationale and justification for how the request meets the Governor’s criteria.

In response to the Governor’s message, the Mānoa Chancellor issued FY09 budget execution instructions establishing a review process for granting exceptions for mission-critical personnel requests.

At this time, any request for exemption should be submitted to your respective Dean or Director. If the Dean/Director determines that the request is mission-critical, a written request should be submitted from the Dean/Director to the Chancellor via the appropriate Vice Chancellor. While requests for consideration of mission-critical personnel actions may currently be submitted to the Chancellor for review, we continue to caution Dean/Directors that this is subject to change at any time as more information is provided on the budget situation for the state and our university system. In addition, assurances must be made that the unit has sufficient resources to support position action AND to meet any potential...
restrictions/reductions to the unit’s base budget which may be necessary due to the downturn in the economy.

What is the projected budget situation for FY 2009-11?

We are uncertain what the final budget outcome will be for the FY 2009-11 Biennium years. On January 5, 2009, the Governor’s budget was presented to the Senate Ways and Means Committee and the House Finance Committee. The Governor has recommended a ten percent (10%) reduction in discretionary funds for the University of Hawai‘i. For Mānoa, this means a general fund reduction of $7.7M. A full copy of the Governor’s budget recommendations can be found at http://manoa.hawaii.edu/ovcafo/newbudget/FullProposal010509.pdf and a copy of just the UH portion of the proposal can be found at http://manoa.hawaii.edu/ovcafo/newbudget/UHPortion010509.pdf. The start of the Legislative session is January 21, 2009. At that time, the Legislative body will address the Governor’s budget in context of the State’s economic situation and start deliberations on budget recommendations. This process typically concludes mid-May with the Governor signing off on an official State Budget prior to the start of the new fiscal year, July 2009.

If budget reductions are required either in this current fiscal year (FY09) or in the upcoming biennium (FY09-11), how will Mānoa determine how reductions will be implemented?

The Chancellor has charged two committees to address issues on our strategic plan/academic priorities and decisions regarding budget allocations/reallocations.

The first committee is the Process Committee. This committee was established by the Chancellor in October 2008 and has been meeting weekly to discuss and evaluate the priorities for the Mānoa campus. For more information on this committee and its efforts, please refer to their web site at: http://www.manoa.hawaii.edu/ovcafo/newprocess/index.html

In addition, a Budget Workgroup has been formed and charged with making recommendations to the Chancellor on internal reallocations to address the campus priorities as recommended by the process committee and to make budget recommendations necessary to meet possible budget reductions. The details of this committee can be found on their web site: http://www.manoa.hawaii.edu/ovcafo/newbdgtwkgrp/index.html