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HILO

Message Regarding UH Hilo Budget Status, Dated: 4/1/11

On Tuesday, March 29, 2011, the Council on Revenues held a special meeting at the request of Governor Abercrombie to revise its forecast for the rest of this fiscal year through June 30th due to the ongoing disaster in Japan. The council's latest projections are for a decrease in general fund revenue collections by 1.6 percent, 2.1 % less than the revenue projections they made on March 10th. They reduced their revenue projection due to lower than anticipated tax collections.

The Governor issued a statement this week that the state of Hawaii would enforce a 10 percent reduction in spending for all departments for the next 3 months, which is the remainder of the fiscal year. Additionally, he stated the state will use the Rainy Day, Hurricane Relief, and "special funds" to fill the projected revenue gap.

We do not yet know exactly how much we need to reduce spending on our campus. The UH System has instructed the campuses to be fiscally cautious and to prepare for restrictions and/or reductions that will be coming. It is imperative that, until we get further information or directions, spending be slowed down and purchases and commitments for discretionary items be curbed. Until we hear otherwise, we ask that each unit defer purchases that are discretionary, that can be made later, and that are not absolutely essential. This applies to expenditures charged to all state appropriated funds (general, special, and revolving).

As soon as we know more information, we will communicate that to the UH Hilo campus. We encourage you to check the Long Range Budget Planning Committee web pages at <http://lrnpc.uhh.hawaii.edu/> for information and to stay in communication with your deans, directors, and vice chancellors.

We want to THANK all of you for working together on the budget challenges over the past few years. UH Hilo faculty, staff, and students have worked very well together as an ohana and as a result, we have protected the instructional core of the campus and direct services to our students.

As we hear additional budget news, we are committed to sharing budget updates with you. Chancellor Straney also plans to hold a campus-wide session regarding the budget at the end of April or beginning of May. We will let you know when that is scheduled.

Dr. Debra L. Fitzsimons
Vice Chancellor of Administrative Affairs

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