

WRITTEN ONLY

TESTIMONY BY GEORGINA K. KAWAMURA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
HOUSE BILL NO. 2670, H.D. 1

**LATE**

February 25, 2010

RELATING TO THE UNIVERSITY OF HAWAII

House Bill No. 2670, H.D. 1, increases the annual cap on expenditures from \$3,000,000 to \$5,000,000 regarding expenditures that the University of Hawaii Board of Regents can authorize from the Tuition and Fees special fund for alumni relations and generating private donations.

We have concerns with this bill. Although increased spending for fundraising efforts may add future revenue, the University must still be able to meet its financial obligations that include future salary increases negotiated for the University of Hawaii Professional Assembly. The University needs to take necessary precautions in ensuring that it maintains fiscal stability in its main special fund in light of the economic condition of the State.