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# HOUSE CONCURRENT RESOLUTION

REQUESTING A FINANCIAL AUDIT OF THE SPECIAL FUNDS ADMINISTERED  
BY THE UNIVERSITY OF HAWAII.

1           WHEREAS, special funds are funds that are dedicated or set  
2 aside by law for a specified object or purpose, but special  
3 funds exclude revolving funds and trust funds; and  
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5           WHEREAS, the Auditor normally examines proposed special  
6 funds to determine the extent to which a special fund meets  
7 certain criteria; and  
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9           WHEREAS, this criteria includes the extent to which the  
10 special fund: serves the purposes for which it is being  
11 created; and reflects a clear link between the benefit sought  
12 and changes made upon the users or beneficiaries of the program,  
13 as opposed to serving primarily as a means to provide the  
14 program or users with an automatic means of support that is  
15 removed from the normal budget and appropriations process; and  
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17           WHEREAS, the Auditor's examination also includes an  
18 assessment of the probable effects of the proposed fund and  
19 alternative forms of funding; and  
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21           WHEREAS, the University of Hawaii administers numerous  
22 special funds, at least twenty of which are established by  
23 statute; and  
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25           WHEREAS, the Auditor last conducted an audit of the special  
26 funds of the University of Hawaii in 1992, and the audit  
27 included both special funds that were established by statute and  
28 special funds that were administratively established; now,  
29 therefore,  
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31           BE IT RESOLVED by the House of Representatives of the  
32 Twenty-sixth Legislature of the State of Hawaii, Regular Session



1 of 2011, the Senate concurring, that the Auditor is requested to  
2 conduct a detailed financial audit of the special funds  
3 administered by the University of Hawaii, including  
4 administratively established special funds; and  
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6 BE IT FURTHER RESOLVED that, in addition to the detailed  
7 financial audit request under this measure, the Auditor is also  
8 requested to review each special fund and make a recommendation  
9 on whether the respective special fund satisfies the criteria  
10 established under section 23-11, Hawaii Revised Statutes; and  
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12 BE IT FURTHER RESOLVED that the Auditor is requested to  
13 submit a report of its findings and recommendations, including  
14 any proposed legislation, to the Legislature not later than  
15 twenty days prior to the convening of the Regular Session of  
16 2012; and  
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18 BE IT FURTHER RESOLVED that certified copies of this  
19 Concurrent Resolution be transmitted to the Auditor, the  
20 Chairperson of the Board of Regents of the University of Hawaii,  
21 and the President of the University of Hawaii.  
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23  
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OFFERED BY: 

JAN 26 2011

