

SB 624

Testimony

Measure Title: RELATING TO THE UNIVERSITY OF HAWAII.

Report Title: University of Hawaii; Tuition; Expenditures

Description: Specifies that not more than ten per cent of the moneys deposited into the University of Hawaii tuition and fees special fund shall be expended on administrative costs of the University of Hawaii, and the remainder of the moneys shall be expended on student education programs of the University of Hawaii.

Companion:

Package: None

Current Referral: HRE, WAM

Introducer(s): KEITH-AGARAN, KIM, Baker, English



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Higher Education
Thursday, February 7, 2013 at 2:45 p.m.

by

Linda K. Johnsrud

Executive Vice President for Academic Affairs/Provost, University of Hawai'i

SB 624 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Taniguchi, Vice Chair Kahele, and members of the committee:

The University respectfully opposes SB 624, which would specify that at least 90% of tuition revenues be expended “solely for student education programs” and not more than 10% be expended for “administrative costs”.

Tuition revenues and State general fund appropriations together provide the University's core operating funds. The University accepts its responsibility to ensure that tuition is established and spent responsibly for the benefit of students. The University welcomes further dialog with the Legislature regarding the appropriate allocation of costs between these two funding sources, as well as the overall costs and efficiency of University operations.

However, this bill would not effectively address those concerns. Because tuition revenues represent a significant portion of core operating funds, legislative action to specify which expenses may be paid from tuition revenues would add complexity to the University's fiscal operations but would not directly address what costs are reasonably necessary to efficiently operate the University.

We also note that the University generally does not use tuition revenues for central services provided by UH System offices. Tuition revenues are retained and expended by the campuses from which they are generated. The exceptions are the following central service charges, which campuses may pay fully or partially from tuition revenues: information technology services, including student and financial information systems; risk management assessments; and support for UH Foundation fundraising. No tuition funds are used to fund administrative salaries within the UH system offices.

Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 04, 2013 9:32 PM
To: HRETestimony
Cc: teresa.parsons@hawaii.edu
Subject: Submitted testimony for SB624 on Feb 7, 2013 14:45PM

SB624

Submitted on: 2/4/2013

Testimony for HRE on Feb 7, 2013 14:45PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa Parsons	Individual	Support	No

Comments: Senators of the Committee on Higher Education, I concur with this legislation limiting the amount of Special Funds that can be allocated to administrative expenditures. As a graduate student pursuing a PhD, I am concerned when funds intended to assist students is routed to infrastructure/administrative expenses. There is sufficient funding to support the running of the University on a day-to-day basis and other than a small amount for implementing programs, the monies targeted for students should stay within the students to ensure the best opportunities to achieve better jobs through education. I appreciate your time in consideration of this important bill.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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