



UNIVERSITY
of HAWAII®

August 27, 2020

TO: Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means

FROM: David Lassner, President 
University of Hawai'i

SUBJECT: Status of CARES Funding Disbursements and Expenditures

This memorandum provides information about the CARES Higher Education Emergency Relief Fund (HEERF) in response to your request dated August 25, 2020 regarding “Status of CARES Funding Disbursements and Expenditures”.

Please note that, under the CARES law, the funds were awarded directly to each of our ten accredited campus and are expended directly by them. HEERF provided for three sets of awards, so the funds were granted in three separate tranches, as described below, through 30 discrete and individual grants, three to each UH campus. No funds were granted to the University of Hawai'i as a statewide institution.

Q1: *What are the total dollars appropriated, disbursed, and expended to date?*

A1: The following three tables show the dollars appropriated (and received) and fully disbursed or expended by each campus, broken down by the three tranches of funding made available to them. Note that these figures only show completed expenditures and do not reflect funds encumbered or expenditures in progress.

CARES Part 1 - Student Aid	Budget	Expenditures	Unexpended Balance
University of Hawai'i at Mānoa	5,504,934	2,706,084	2,798,850
University of Hawai'i at Hilo	1,497,363	1,147,050	350,313
University of Hawai'i - West O'ahu	697,500	697,500	-
Hawai'i Community College	573,613	454,600	119,013
Honolulu Community College	553,694	385,300	168,394
Kapi'olani Community College	1,011,471	604,900	406,571
Kaua'i Community College	267,842	213,400	54,442
Leeward Community College	1,033,945	745,800	288,145
University of Hawai'i Maui College	593,954	447,200	146,754
Windward Community College	275,549	233,500	42,049
Total	12,009,865	7,635,334	4,374,531

CARES Part 2 - Institutional Portion	Budget	Expenditures	Unexpended Balance
University of Hawai'i at Mānoa	5,504,933	106,241	5,398,692
University of Hawai'i at Hilo	1,497,362	238,340	1,259,022
University of Hawai'i - West O'ahu	697,500	277,686	419,814
Hawai'i Community College	573,613	12,201	561,412
Honolulu Community College	553,693	147,416	406,277
Kapi'olani Community College	1,011,470	-	1,011,470
Kaua'i Community College	267,842	7,623	260,219
Leeward Community College	1,033,944	26,927	1,007,017
University of Hawai'i Maui College	593,953	45,111	548,842
Windward Community College	275,549	68,188	207,361
Total	12,009,859	929,733	11,080,126

CARES Part 3-Minority Serving Institutions	Budget	Expenditures	Unexpended Balance
University of Hawai'i at Mānoa	9,566,804		9,566,804
University of Hawai'i at Hilo	2,691,303	93,893	2,597,410
University of Hawai'i - West O'ahu	1,238,257	30,726	1,207,531
Hawai'i Community College	1,017,101	801	1,016,300
Honolulu Community College	940,828	-	940,828
Kapi'olani Community College	1,700,403	-	1,700,403
Kaua'i Community College	472,524	-	472,524
Leeward Community College	1,775,424	-	1,775,424
University of Hawai'i Maui College	1,041,410	-	1,041,410
Windward Community College	466,753	-	466,753
Total	20,910,807	125,421	20,785,386

Q2. Reason(s) for unspent funds?

A2. Under the CARES statute, Tranche 1 funding can only be awarded directly to students. Much of tranche 1 has already been given to students to address their urgent needs to complete the spring semester. The remainder has been reserved by campuses to be awarded to students during the Fall semester (which began August 24) and even at the beginning of Spring semester to help more students during the continuing financial crisis caused by the economic havoc of the COVID-19 pandemic.

Tranches 2 and 3 are being expended to cover institutional costs associated with addressing the COVID-19 pandemic, which is a continuing expense.

Q3. *What programs/services or other purchases have resulted from the CARES funds?*

A3. Tranche 1 could only be used to make direct awards to students. Tranches 2 and 3 can be used for institutional costs. Tranche 2 can be used for institutional expenses and has been earmarked by campuses to help cover the costs for technology and development for online learning, COVID-19 related medical expenses including the hiring of additional staff for University Health Services, mental health services, cleaning and sanitization supplies, PPE and protective apparel, the “check-in” app being used by faculty and students, costs for physical distancing provisions in classrooms, labs, research facilities, and shared areas, as well as related or similar expenses necessary to continue essential services in the COVID-19 environment. Tranche 3 will be used to cover expenses similar to tranche 2, but can also be used to replace lost revenues or refunds for a variety of costs such as student housing. These expenses are ongoing through the Fall and Spring semesters.

Q4. *Who is being served by the program/services or other purchases?*

A4. Tranche 1 funds went directly to students. Tranches 2 and 3 will be used primarily to support institutional costs associated with address of the COVID-19 pandemic as described above. This enables UH to provide a safe environment for our students and employees as we serve students through technology-based distance learning approaches across the state. It also allows us to safely maintain our \$450m research enterprise that creates thousands of jobs with positive economic impacts across the islands.

Q5. *What metrics of performance have been established to ensure funds will be spent by December 2020?*

A5. The December 2020 deadline for CARES Relief Funds (CRF) provided to the State is not applicable to the CARES HEERF awards to our ten UH campuses. The US Department of Education (USDOE) has provided guidance that the deadline for HEERF expenditures is a year (365 calendar days) from the date of award of the grant to complete performance. There is also an additional 90 days to liquidate obligations. The thirty HEERF grants to UH have variable start dates since each grant represents a discrete application and award. But in general, campuses have until April 2021 to expend the funds, rather than December 2020. The President receives a weekly report on expenditures made from the CARES Act – which is reflected in the tables provided above. We actively monitor each award to ensure that campuses have plans and will expend and liquidate all available funds before the applicable deadlines.

Thank you for your time and consideration in this matter. Should you have any additional questions, please do not hesitate to contact me at 956-9704 or david@hawaii.edu or Michael Ng, Budget Director, at 956-7323 or ng23@hawaii.edu.