



University Operating Budget for Fiscal Year 2015-16

June 2, 2015
Board of Regents



Operating Budget Request

Administration recommends Board of Regents approval of the following operating budget for General Funds (Gen. Fund) and Tuition and Fees Special Fund (TFSF)

Campus	Projected FY16 Beg. Balance	Gen. Fund + TFSF Rev	Gen. Fund + TFSF Exp & Tsfrs	Projected FY16 Ending Balance
Mānoa	7,372,495	443,673,191	441,102,494	9,943,192
Hilo	14,135,000	70,910,151	73,784,429	11,260,722
West-O'ahu	1,726,472	28,890,785	28,365,785	2,251,472
Comm Colleges	3,189,388	191,359,366	191,359,366	3,189,388
Sys Support	3,768,190	50,270,357	50,680,416	3,358,131
Total	30,191,545	785,103,850	785,292,490	30,002,905

Tuition rates as approved by BOR on May 21, 2015

Supporting background information in attached spreadsheets



Legislative FY16 Appropriation Highlights

HB500 HD1 SD1 CD1				
Campus	General Funds	Special Funds (Ceiling)	Federal Funds (Ceiling)	Revolving Fund (Ceiling)
UOH100-Mānoa	194,372,784	361,154,425	6,880,575	65,054,713
UOH110-JABSOM	17,933,214	27,758,949		6,603,547
UOH210-Hilo	31,071,988	45,834,600	443,962	7,251,666
UOH220-SBDC	978,941			
UOH700-West O'ahu	13,190,416	20,272,479	33,544	2,000,000
UOH800-Comm. Coll.	119,990,760	98,453,547	4,428,296	5,044,753
UOH881-Aquaria	647,475	3,117,141		996,499
UOH900-Systemwide	49,389,105	15,899,318	950,311	17,233,795
Total	427,574,683	572,490,459	12,736,688	104,184,973



Budget Overview

1. This presentation focuses primarily on the core Operating Budget:
 - Tuition and Fees Special Fund (TFSF) and General Fund (GF)
2. Uses tuition rate increases as approved by BOR on May 21
3. New General Fund Appropriations
 - \$6.3 M appropriated in UOH900 for performance-based funding:
 - \$3.7 M provided to Mānoa; Campus will invest to meet performance targets
 - Balance of \$2.6 M available for remainder of System
 - \$1.1 M for Title IX / VAWA compliance at System and campus levels
4. Additional information may be found on attached spreadsheets
 - Other funds (RTRF, Other NGF, Appropriated Federal Funds)
 - Budgetary units for UH-Mānoa
 - Campus level for Community Colleges



Mānoa

	General Fund	TFSF	RTRF	Other NGF	Fed Funds	Total
Revenues	219,617,318	224,055,873	29,442,901	134,208,738	2,982,879	610,307,709
Expenditures + Transfers	219,617,318	221,485,176	28,329,559	144,649,315	4,783,377	618,864,746
Projected Rev-Exp/Trf	-	2,570,697	1,113,342	(10,440,577)	(1,800,498)	(8,557,037)

1. Mānoa is projected to meet 5% reserve target by end of FY2019

- Assumes no tuition rate increase after FY2017
- Assumes flat enrollment after FY2017
- Assumes no additional General Funds

2. Tuition increase of \$5.2 M for FY16

- 50% to be invested
- 50% toward reserve requirement



Mānoa – continued

3. Receiving \$3.7 million in general funds from UOH900 to be spent on:

- **Hawai‘i Graduation Initiative (\$1.9 M)**
 - Critical Sections
 - Classroom Upgrades
 - Advisors
 - Technology Upgrades
- **Recruiting a Vibrant, Prepared Student Body (\$500k)**
 - International Recruitment
 - Technology Upgrades
- **Becoming a Sustainable Campus (\$1.3 M)**
 - Energy Management Office
 - Chilled Water Energy Monitoring



Hilo

	General Fund	TFSF	RTRF	Other NGF	Fed Funds	Total
Revenues	32,857,631	38,052,520	1,696,503	10,199,268	315,557	83,121,479
Expenditures + Transfers	32,857,631	40,926,798	1,696,503	10,751,308	315,557	86,547,797
Projected Rev-Exp/Trf	-	(2,874,278)	-	(552,040)	-	(3,426,318)

1. Hilo is operating near 16% “cap” for operating reserve
2. \$2 million budgeted for one-time Capital Renewal & Deferred Maintenance (CRDM)
3. \$875k to be spent for:
 - Financial Aid (\$200k)
 - Student Retention (\$495k)
 - Student Recruitment (\$180k)



Hilo - continued

4. Tuition increase (\$987k) will be used for:

- Additional CRDM (\$493k) ongoing basis
- New program initiatives:
 - Student Success – Building Transitions and Foundations (\$182k)
 - Hawai‘i Papa o Ke Ao (\$205k)
 - Sustainable Energy & Facilities Management (\$106k)



West O‘ahu

	General Fund	TFSF	RTRF	Other NGF	Fed Funds	Total
Revenues	13,392,800	15,497,985	69,524	1,178,695	23,500	30,162,504
Expenditures + Transfers	13,392,800	14,972,985	69,524	800,627	23,500	29,259,436
Projected Rev-Exp/Trf	-	525,000	-	378,068	-	903,068

1. Tuition rate increase (\$596k) will go towards four objectives:

- Support program expansion with a Furniture, Fixtures, & Equipment (FF&E) Reserve Fund (\$300k) for costs not covered under CIP (e.g. to furnish new Admin/Allied Health Building)
- Establish Repair and Maintenance Reserve Fund (\$225k) to avoid future deferred maintenance costs
- Absorb operational deficit (\$56,172)
- Increase support of VCAA International Programs Initiative (\$14,904)



Community Colleges

	General Fund	TFSF	RTRF	Other NGF	Fed Funds	Total
Revenues	124,406,354	66,953,012	2,396,284	22,599,411	2,936,000	219,291,061
Expenditures + Transfers	124,406,354	66,953,012	2,396,284	22,599,411	2,936,000	219,291,061
Projected Rev-Exp/Trf	-	-	-	-	-	-

1. Increase in tuition rate (\$3.1 M) is for the following:

- Health and Safety (\$178k)
- Increase Instructional Capacity (\$297k)
- Improve Student Success (\$486k)
- Enhance the Student Experience (\$462k)
- Upgrade Technology (\$434k)
- Equipment Pool (\$1,238k)



Systemwide Support

	General Fund	TFSF	RTRF	Other NGF	Fed Funds	Total
Revenues	49,590,637	679,720	15,304,527	3,407,760	379,909	69,362,553
Expenditures + Transfers	49,590,637	1,089,779	15,143,738	3,670,698	379,909	69,874,761
Projected Rev-Exp/Trf	-	(410,059)	160,789	(262,938)	-	(512,208)

1. FY16 TFSF operating deficit (\$410,059) to cover cost for Academy of Creative Media's screen room that was anticipated for construction in FY15 but did not occur. FY15 cash is being carried over in anticipation that construction can be done in FY16.
2. Reallocating resources for new programs, i.e. System Office of Sustainability



Performance-Based Funding

1. \$6,360,818 appropriated to UOH900 base budget
 - Unrestricted for FY16
 - Must be used for Performance Funding for FY17
2. \$3,679,078 allocated to Mānoa for FY16; will be invested to address performance targets
3. Performance Targets will be prepared during Summer 2015 based on BOR-approved Strategic Directions and metrics
 - Will leverage internal institutional experience (i.e. Community Colleges), national best practices (i.e. Jane Wellman presentation to BOR), and other factors
4. Remaining balance of \$2,681,740 to be allocated to help campuses meet targets