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)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Mānoa</td>
<td>7,372,495</td>
<td>443,673,191</td>
<td>441,102,494</td>
<td>9,943,192</td>
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<tr>
<td>Hilo</td>
<td>14,135,000</td>
<td>70,910,151</td>
<td>73,784,429</td>
<td>11,260,722</td>
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<tr>
<td>West-O‘ahu</td>
<td>1,726,472</td>
<td>28,890,785</td>
<td>28,365,785</td>
<td>2,251,472</td>
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<tr>
<td>Comm Colleges</td>
<td>3,189,388</td>
<td>191,359,366</td>
<td>191,359,366</td>
<td>3,189,388</td>
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<tr>
<td>Sys Support</td>
<td>3,768,190</td>
<td>50,270,357</td>
<td>50,680,416</td>
<td>3,358,131</td>
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<tr>
<td>Total</td>
<td>30,191,545</td>
<td>785,103,850</td>
<td>785,292,490</td>
<td>30,002,905</td>
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</tbody>
</table>

Tuition rates as approved by BOR on May 21, 2015

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

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

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

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)

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<th>Other NGF</th>
<th>Fed Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>13,392,800</td>
<td>15,497,985</td>
<td>69,524</td>
<td>1,178,695</td>
<td>23,500</td>
<td>30,162,504</td>
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<tr>
<td>Expenditures + Transfers</td>
<td>13,392,800</td>
<td>14,972,985</td>
<td>69,524</td>
<td>800,627</td>
<td>23,500</td>
<td>29,259,436</td>
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<tr>
<td>Projected Rev-Exp/Trf</td>
<td>-</td>
<td>525,000</td>
<td>-</td>
<td>378,068</td>
<td>-</td>
<td>903,068</td>
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</table>
Community Colleges

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)
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. Reallocation of resources for new programs, i.e. System Office of Sustainability
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