Progress Report of the University of Hawai‘i System Office

To the Western Association of Schools and Colleges
Accrediting Commission for Senior Colleges and Universities

Submitted by

President David McClain
Office of the President
University of Hawai‘i
Bachman Hall 204
2444 Dole Street
Honolulu, HI 96822

February 2007
(Revised 2/8/07)
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nature of the Institutional Context</td>
<td>1</td>
</tr>
<tr>
<td>2. Report Preparation</td>
<td>2</td>
</tr>
<tr>
<td>3. Response to Issues Identified by the Commission and the Last Visiting Team</td>
<td>2</td>
</tr>
<tr>
<td>Five Issues Highlighted in the Action Letter</td>
<td>4</td>
</tr>
<tr>
<td>• Stability of Leadership</td>
<td>4</td>
</tr>
<tr>
<td>• Monitoring of the System Office Organization</td>
<td>5</td>
</tr>
<tr>
<td>• Improving Financial Budgeting, Accounting and Reporting Systems</td>
<td>9</td>
</tr>
<tr>
<td>• Relations with the Governor and the Legislature</td>
<td>12</td>
</tr>
<tr>
<td>• Impact of Increased Tuition</td>
<td>13</td>
</tr>
<tr>
<td>4. Concluding Statement</td>
<td>14</td>
</tr>
<tr>
<td>5. Documents</td>
<td></td>
</tr>
<tr>
<td>UH System Organizational Chart</td>
<td></td>
</tr>
<tr>
<td>FY 2006-07 UH Appropriated Funds Operating Budget</td>
<td></td>
</tr>
<tr>
<td>[<a href="http://www.hawaii.edu/budget/07allocation1a3.pdf">http://www.hawaii.edu/budget/07allocation1a3.pdf</a>]</td>
<td></td>
</tr>
<tr>
<td>UH Consolidated Financial Statements – Audited</td>
<td></td>
</tr>
<tr>
<td>[<a href="http://www.fmo.hawaii.edu/cfo/reports/UH%20Consolidated%20Financial%20Statements%202005.PDF">http://www.fmo.hawaii.edu/cfo/reports/UH%20Consolidated%20Financial%20Statements%202005.PDF</a>]</td>
<td></td>
</tr>
<tr>
<td>Headcount Enrollment: Fall 2000 – Fall 2006</td>
<td></td>
</tr>
<tr>
<td>Headcount Enrollment by Ethnicity and Academic Level</td>
<td></td>
</tr>
<tr>
<td>Summary Data Form</td>
<td></td>
</tr>
<tr>
<td>Tuition and Fee Schedule</td>
<td></td>
</tr>
<tr>
<td>Data elements: Tables 1-5</td>
<td></td>
</tr>
</tbody>
</table>
Progress Report of the University of Hawai‘i System Office  
To the Western Association of Schools and Colleges  
Accrediting Commission for Senior Colleges and Universities

Nature of the Institutional Context

The University of Hawai‘i (UH) was founded in 1907 as a land-grant institution. The University of Hawai‘i is Hawai‘i’s sole public higher education system. It is governed by a single Board of Regents and is composed of ten campuses. The campuses are differentiated by type and mission:

- **University of Hawai‘i at Mānoa (UHM)**, a doctoral/research university with selective admissions, offering baccalaureate, master’s, and PhD degrees in an array of liberal arts and professional fields and advanced degrees in law, medicine, and architecture, and carrying out organized research activities.

- **University of Hawai‘i at Hilo (UHH)**, a comprehensive, primarily baccalaureate institution with a regional mission, offering baccalaureate degrees in the liberal arts, agriculture, nursing, and business, selected master’s degrees, a professional doctorate in pharmacy, and a doctorate in Hawaiian and Indigenous Language Revitalization.

- **University of Hawai‘i–West O‘ahu (UHWO)**, a comprehensive, primarily baccalaureate institution founded in the liberal arts, serving professional, career-related, and applied fields, based on state and regional needs, committed to providing access through its partnerships and its distance delivery of programs.

- **University of Hawai‘i Community Colleges (UHCC)**, seven open-door, low-tuition institutions spread across the islands, offering associate degrees and certificate programs in academic, technical, and occupational fields.

The president of the university is appointed by the Board of Regents and serves as the chief executive officer of the system. The president is responsible for the educational leadership and administration of the entire UH system, with all other administrators responsible to the president directly or through designated channels.

All ten campuses of the University system are separately accredited by the Western Association of Schools and Colleges (WASC). In addition, nearly 50 University of Hawai‘i academic programs hold separate professional accreditation.
Report Preparation

The first draft of WASC System progress report was authored by Linda Johnsrud, Vice President for Academic Planning and Policy, and Howard Todo, Vice President for Budget and Finance and Chief Financial Officer. After review and approval by the President, the report was circulated for comment to the Board of Regents, the Chancellors, Vice Presidents, senior management, the All-Campus Council of Faculty Senate Chairs (ACCFSC), and the UH System Student Caucus.

Response to the Issues Identified by the Commission and the Last Visiting Team

This is a progress report from the University of Hawai‘i system in response to the recommendations made by the WASC Interim Report Committee in February 2006. The WASC action letter of February 6, 2006, made several recommendations to be addressed in the special visit report.

This progress report responds to the five issues highlighted in the action letter:

- Stability of Leadership
- Monitoring of the System Office Organization
- Improving Financial Budgeting, Accounting and Reporting Systems
- Relations with the Governor and the Legislature
- Impact of Increased Tuition

We begin this report with an update on our current status and new initiatives that are indicative of improving fiscal health and an enhanced leadership environment for the University of Hawai‘i’s ten campuses. Next, we address directly the five areas of concern and the accomplishments to date in addressing those concerns. Finally, we discuss ongoing and future goals of the UH System.

Current Status and New Initiatives

As we enter 2007, the beginning of our 100th year as a University, we have much to celebrate. We are pleased to report that, since mid-2004, we have been able to attract significant additional resources to our enterprise: over $70 million in additional operating funds and over $200 million in new capital improvement funds from state appropriations; a $100 million increase in the volume of research and training grants to over $430 million; and—led by entrepreneur Jay Shidler’s $25 million investment in UH Mānoa’s business school—over $100 million in private gifts to the UH Foundation. The Centennial Campaign, still in its leadership phase, has now raised a total of $160 million towards a goal of $250 million.

As we celebrate the University’s centennial, we are also embarking on several new initiatives to strengthen undergraduate education. Beginning in fall 2007, high performing Hawai‘i high school graduates will be eligible for a Centennial Scholarship that will provide incentives for them to attend any one of our ten campuses. When fully
implemented in four years, the scholarship will represent a commitment of as much as $5 million annually to qualifying Hawai’i graduates. We have also revamped our tuition waiver policy and replaced it with a comprehensive program of opportunity (need-based) and achievement (merit- and service-based) grants that provide another $16 million annually in institutional assistance; another $5 million in scholarships from donations was raised by the UH Foundation.

The University has long had a strong record of access, but we recognize that access is not enough; we must do more to ensure that our students succeed. We are participating in the NASH (National Association of System Heads) and Education Trust initiative focused on expanding access and success, especially for low-income students and students of color. As participants in the initiative, we have committed to set 5 year stretch goals to focus on access (halving gaps in college entry separating low-income and/or minority students from others) and success (halving the graduation rate gaps that separate low-income and/or minority freshmen from other students).

Ensuring access with success also means that the University must reach out and partner with K–12 and early childhood education providers. As partners in our statewide United for Learning: Hawai’i’s P-20 Initiative, we recently received an eight figure grant from a mainland foundation to address the P-3 needs in our state. Also, within our P-20 focus, we have joined with 26 other states in the American Diploma Project, sponsored by Achieve, Inc. (created by the nation's governors and business leaders in 1996 in response to the first National Education Summit). As part of the ADP Network, Hawai’i is committing itself to ensure that every high school graduate is prepared for college and work in the 21st Century. Our immediate focus in the project is to align high school standards with college and work expectations, and to encourage all students to take a more challenging high school curriculum. Finally, our community colleges have been invited to participate in the national Achieving the Dream initiative, also focused on college readiness.

To ensure that the plans and financial decisions of the UH system continue to be aligned with the strategic plan, which covers the years through 2010, the President launched a Second Decade Project, under the leadership of the Vice President for Academic Planning and Policy, to extend our planning to 2020. Based on an analysis of demographic trends and projections by region of the state, the outcomes of the project facilitate decisions about future priorities and campus expansion. The project contributed to the formulation of a public agenda for higher education in Hawai’i that focuses on four priorities:

- Increase the educational capital of the state
- Expand workforce development initiatives
- Assist in diversifying the economy
- Address underserved regions and populations of the state, particularly Native Hawaiians
Our 2007-2009 biennium budget request is grounded in this public agenda for higher education. Chancellors were asked to institute a campus process for development of their budget request addressing the state needs identified in the Second Decade Project as well as the priorities detailed in the campus current Strategic Plan and the System Strategic Plan. The process, which was initiated in January 2006, was inclusive and transparent and required a rigorous and thorough effort by the Chancellors to review their operations and plans with respect to better meeting State needs.

Our legislative package seeks to increase the flexibility of the University. We are seeking authority to initiate and bring to market on our own debt obligations, permitting us to respond more quickly to opportunities in the marketplace. We also are requesting the restoration of our original status, after the constitutional amendment on autonomy was passed, of operating independently of the state government procurement procedures. Finally, we are seeking to emulate best practice in the enabling legislation for the recently-passed constitutional amendment requiring the Governor to select nominees for the Board of Regents from among those provided by an advisory committee.

Taken together, our success in securing resources and launching important new initiatives provides an exciting foundation as we enter into our second century and celebrate our centennial, with the theme of honoring our past, celebrating our present and creating our future.

**Five Issues Highlighted in the Action Letter**

1) **Stability of Leadership**

In the Progress Report of October 2005, we reported that the Board of Regents had moved to secure the professional services of an executive search consultant to assist the BOR with its presidential search process. After consultation with the heads of several search firms, with several national authorities on the roles and responsibilities of system heads, and with constituencies inside and outside the University, the Board of Regents unanimously moved to appoint the then Interim President, David McClain, to an employment contract as President of the University of Hawai‘i, effective March 2006 through July 31, 2009.

The much improved relationship between then Interim President David McClain and the members of the Board of Regents noted in the 2005 report has been sustained and continues to evolve. The President and BOR Chair Kitty Lagareta and newly elected Vice-Chair Ron Migita continue to meet on a weekly or biweekly basis to maintain communication and address issues as they arise. The delegation of authority that began immediately after the appointment of the Interim President has continued. Most recently the BOR delegated to the President authority for all executive/managerial personnel decisions with the exception of the President’s direct reports and certain key/strategic other personnel (e.g., UHM vice chancellors, Institute for Astronomy director). While in the past the BOR acted upon more than 200 personnel decisions, this action reduced their
involvement to approximately 25. Further delegation of other administrative matters is
planned to free the Board’s time for a more substantive, policy agenda.

Several other key appointments have been made at the system level since the 2005 report:

- In March, 2006, Linda Johnsrud was appointed Vice President for Academic
  Planning and Policy, a newly created position that combines the functions
  previously vested in the VP for Academic Affairs and in the AVP for Policy and
  Planning. Dr. Johnsrud had served as interim in both the AVP and the VPAPP
  positions.

- Also in March, 2006, Karen C. Lee was appointed interim Associate Vice
  President for Student Affairs. (The Vice Presidency for Student Affairs is vacant
  pending review.) Ms. Lee previously served as Executive Assistant to the
  President and she continues to report directly to the President. The AVP is
  responsible for system-wide student affairs policies and procedures and student
  life activities.

- In September, 2006, Darolyn Lendio was appointed Vice President for Legal
  Affairs and University General Counsel to replace Walter Kirimitsu after his
  retirement. She brings a strong background in civil and commercial litigation,
  insurance and contract issues and government, municipal and land use law to the
  office of the general counsel.

The search for a permanent Chancellor for UH Mānoa was launched in the summer of
2006. A national search firm was retained to work with the search committee, comprised
of faculty, staff, students, and community leaders. The appointment of a permanent
chancellor should be made by late spring.

As reported in 2005, the number of acting or interim appointments to executive and
managerial positions throughout the system was significant (approximately 50 out of 200
positions). Most were the result of reorganizations and normal turnover; however, the
President charged the Vice-Presidents and Chancellors to reduce the number, and a
progress report is provided to the BOR every six months. Today that number has been
reduced to 39, and fifteen of the 39 are in recruitment. Another eight positions are
pending re-description and/or reorganization with recruitment to follow; recruitment is
planned for six positions in 2007; and ten positions are under review or are not being
recruited for various reasons (e.g., positions to which individuals serving in acting or
interim have return rights).

2) Monitoring of the System Office Organization

The current organization of the UH System, approved by the Board of Regents in June
2005, includes the following positions as direct reports to the President (organization
chart attached): Vice President for Academic Planning and Policy; Vice President for
Community Colleges, Vice President for Budget and Finance/CFO, Vice President for
Administration, Vice President for Research, Vice President for Legal Affairs/UGC, and Vice President for Student Affairs. The three Chancellors of the four-year campuses report directly to the President, and the seven Chancellors of the two year campuses report dually to the President and the Vice President for Community Colleges.

All system executives have current job descriptions, set annual goals and objectives, and are evaluated on an annual basis. A “360” evaluation, conducted by the UH Human Resources Office, provides input from subordinates, peers, and constituents, and is required for each of the vice presidents.

Several groups share in the governance of the 10 campus system providing leadership, communication, and advice on system-wide policies, plans, and practices:

- The Council of Chancellors (a council of all ten chancellors) is convened monthly by the President, and the agenda includes items of system-wide concern that require the attention of the chief executive officer of each campus. Such items include budget priorities and preparation, policy changes that affect the campuses (e.g., financial aid policy, resident status for tuition purposes, electronic communications policy), and matters that require the review and advice of the Chancellors, (e.g., honorary degree candidates, naming opportunities).

- The Council of Chief Academic Officers is convened monthly by the Vice President for Academic Planning and Policy, and the agenda includes items of system-wide academic concern. For example, authorizations to plan new programs are reviewed, common templates for BOR presentations are created and improved data collection and reporting across the system is discussed.

- An ad hoc VP/Chancellors group is convened biweekly by the President to bring the system leadership together with chancellors to address substantive system-wide issues that require focused and sustained attention by both system and campus leaders. This meeting is attended by the six system vice-presidents and the chief information officer together with the three Chancellors from the baccalaureate-granting campuses and two representative Chancellors from the community college campuses (one is from a neighbor island, and one is from O‘ahu). Others included in the meeting: the President of the UH Foundation, the President of the Research Corporation of the University of Hawai‘i (RCUH), and the AVP for External Relations.

- The President convenes the system leadership and staff biweekly (alternate weeks from the VP/Chancellor meetings) to provide up-dates, exchange information, and communicate system level activities and priorities.

- The Council of System-wide Student Affairs Officers is convened about every six weeks by the Office of the Vice President for Student Affairs. The chief student affairs officers from each campus meet to discuss student affairs policies and issues that affect all ten campuses. These include discussions on Banner, the
system-wide student database and registration software, and policies affecting student organizations, financial aid, scholarships, and retention.

- The All Campus Council of Faculty Senate Chairs (ACCFSC) consists of the chairs of all duly constituted faculty senates in the UH system. The purpose of the council is to advise the President of the University and the faculty senates or equivalent organizations on system-wide academic and governance issues; to share information and promote an open, democratic, and collegial discussion of issues of system-wide concern; and to promote the involvement of faculty at all levels of the University in matters of shared governance and academic policy and planning. The ACCFSC meets monthly in conjunction with the Board of Regents meetings. The VP for Academic Planning and Policy serves as the liaison to the Council.

- The Student Caucus consists of two student representatives from each chartered student government from each of the ten campuses. This system-wide student association, which meets monthly together with the Associate Vice President for Student Affairs, discusses issues that affect students across the ten campuses and advocates collectively for the interests and needs of students. The Caucus is a consultative body on behalf of students to the President. It also sends student representatives to testify at the State Legislature on proposed bills that affect students at the University of Hawai‘i. Issues of concern include safety and security on campus, repair and maintenance of buildings and residence halls, and financial assistance for needy students.

- The Pūko‘a Council is comprised of Native Hawaiian faculty, staff, administrators, and students associated with the UH System. Their mission includes increasing the number of Native Hawaiians at the University, promoting excellence in the study of Hawaiian language and culture, advocating for parity for Native Hawaiians and Native Hawaiian serving programs, and enriching the community through Hawaiian cultural values. The Executive Council, consisting of two representatives from each campus, meets a minimum of 4 times a year, and is advisory to the President.

In November 2006, the system leadership (President, Vice-Presidents, CIO, AVP, and assistants to the President) attended a full day retreat to revisit the mission and goals of the system offices and to plan for 2006-2009. The following mission statement was formulated for the UH System Leadership:

On behalf of the Board of Regents, the University of Hawai‘i System ensures that higher education in the state of Hawai‘i affords improvement in the quality of life and the social, economic, and environmental well-being of its citizens, particularly those who in the past have been less well served, including the Native Hawaiians. To accomplish this mission, the System is committed to providing the vision, leadership, and stewardship needed to enable the ten University campuses to advance missions that promote distinctive pathways to excellence,
differentially emphasizing instruction, research, and service while contributing to a coherent response to the needs of a technologically advanced, globally competitive, and culturally diverse island state.

Three goals were established to guide the priorities of the system:

- To establish and promote the public higher education agenda for the state of Hawai‘i and to measure our progress in meeting the agenda;

- To secure, allocate, and responsibly manage the resources needed to implement and sustain the agenda;

- To ensure that the policies and procedures guiding operational support are coherent, cost effective, service-oriented, and best practice.

We continue to explore ways in which the system-campus roles and relationships can be optimized. The separation of UHM from the UH System is complete in that the Chancellor’s office has been established and the administrative leadership of the campus is well in place. Certain functional services that had been maintained by the system are now present at the campus with system support (e.g., legal services, international student and scholar support, and institutional research).

Information technology services and capital improvements/long range planning are two key functions that remain at the system level because they serve the system and the other nine campuses as well as UHM. In recognition of the scope and demand of UHM in these areas, the President in the November Board of Regents meeting discussed potential new reporting relationships. Capital improvements and long range planning, along with external relations and human resources are under the direction of the Vice President for Administration; in the proposed structure, the VPA would have a dual reporting arrangement (solid line to the President and dotted line to the UHM Chancellor). In the current structure, the Chief Information Officer has a solid line to the Vice President for Administration for operations and a solid line to the President for strategic information technology issues. In the proposed structure, the CIO would be made a Vice President with a solid line to the President and a dotted line to the Chancellor of UHM.

Finally, the current reporting relationship of the Vice President for Legal Affairs is solid to the Board of Regents and dotted to the President; in the proposal, it will be solid to both. In addition, in the current reporting relationship the Executive Secretary for the Board reports only to the Regents; in the proposal, the Executive Secretary would also have a dotted line report to the President. Also, in recognition of the growing importance of public private partnerships, the director of capital improvements would be upgraded to an associate vice president, continuing to report to the VP Administration.

These proposed changes will be formalized with appropriate consultation occurring during the spring semester.
Improving Financial Budgeting, Accounting and Reporting Systems

Budgeting

As previously described, the Second Decade Project has informed the planning and budgeting of the UH system. As a result, for the first time, there is an explicit agenda of four broad state needs which provided the environmental context for the development of the 2007-2009 biennium budget request. The stocktaking process, used for the first time in the 2005-2007 biennium, was refined to address these priorities. All ten campuses and system-wide campus groups (i.e., nursing consortium, student caucus, ACCFSC) were asked to indicate how their request would contribute to addressing the public agenda for higher education. The biennium budget committee, comprised of representatives of all ten campuses, the ACCFSC, and the Student Caucus, made budget decisions and priorities based on state needs.

As campuses presented their requests, they were asked to account for all sources of funds. A six year tuition schedule, beginning in Fall 2006, increases tuition to the projected average rates of peer and regional campuses by the sixth year of the schedule. This will result in increased revenue for the campuses, and each Chancellor was asked to indicate the use of those resources.

The Board of Regents approved a general fund operating budget increase request of $38,726,634 for FY 2007-08 and $58,116,277 for FY 2008-09. Of these amounts, the Governor approved $25,421,393 and $33,999,745 (not including pass through adjustments). On the CIP side, the Governor’s budget proposes $100 million of the $137.6 million requested to meet health, safety and code requirements, address deferred maintenance, and for infrastructure improvements ($160 million in total general obligation bond funding for the 2007-09 fiscal biennium).

The request for both operating and capital improvement support has been presented to the legislature (to the subject matter committees and the finance committees) by the President, Vice Presidents, and the Chancellors. In UH’s testimony, we have emphasized the campus efforts to identify programs and projects designed to meet the needs of the state of Hawai‘i and the importance of investing in the University for the future of the state and its citizens.

We have also made improvements to our BLS (Budget Level Summary) system. In 2002, the University initiated the development of a new web-based financial reporting system (Web-BLS) that was designed to compare budget to actual figures, project ending cash balances, and provide narrative explanations for significant variances and information on issues and problems. Actual implementation of the Web-BLS system began during the 2003-04 fiscal year and various modifications and improvements have been made since then to enhance its accuracy, usefulness, and capabilities. One of the more recent enhancements consists of the expansion of actual expenditure information into 47 separate and unique object of expenditure categories that are summarized from approximately 520 detail expenditure codes. Another enhancement that is scheduled for
production is a consolidated variance report summary. This report will display budget to actual variances and accompanying narrative explanations by means of financing at the campus level. The purpose of this report is to provide campus management with a consolidated source of basic financial data necessary to effectively monitor unit fiscal performance and identify issues and problems for decision-making.

Financial Management

In the area of financial management, there have been a number of major accomplishments since the last WASC visit. These included the implementation of nine enhancements to the University’s web based travel reporting system, eTravel. eTravel takes advantage of technology and enables travel requests to be completed and processed more quickly and accurately since many of the manual functions and computations related to travel reporting can now be accomplished electronically. A planned enhancement to eTravel will allow users to electronically track the status of the travel document. Information Technology Services (ITS) staff is currently working to modify workflow software developed for Kuali to be able to track that status of travel documents. During the year, the University increased the number of electronic payments to vendors and students by using EFT and Automated Clearing House (ACH). We have found that electronic payments are less costly and more efficient than check processing and hope to increase the use of electronic payments. For the fall 2006 semester, approximately, 12,000 refund checks were issued for the period. Our goal is to be able to process all of these refunds electronically.

Other electronic system implementations and enhancements in progress include:

- eCommerce will provide additional payment options to students including the ability to pay tuition on an installment basis, electronic bill presentment, and electronic payments and disbursements. A vendor has been selected and the contract has been signed. The additional payment options will be implemented in several phases during the upcoming academic year.

- Online electronic timesheets will enable student employees to complete their timesheets and submit it to their supervisors and fiscal officers for approval. Upon approval, the data will be transmitted electronically to the payroll office. This project will reduce data entry redundancy and errors associated with data entry. The system is currently being pilot tested and will be released to other programs during 2007.

- University Financial Data Mart has been established allowing users to create ad hoc financial reports from University’s financial management information system (FMIS). In 2006, the Fiscal Services Office offered one-on-one sessions for previously trained Data Mart users to create customized financial reports. Also, a total of 69 individuals from 22 different departments were trained to use Discoverer. Discoverer gives program managers easy access to financial data for planning and management purposes.
- Kuali – The University of Hawai‘i, Cornell University, San Joaquin Delta College, Michigan State University, and the University of Arizona are core partners with Indiana University, the National Association of College and University Business Officers (NACUBO), and the r-smart group to develop the modular financial software based on Indiana University’s financial system. Core partners that were recently added include University of California (UC) Irvine, UC Davis, UC Santa Barbara and Massachusetts Institute of Technology. The Kuali system is projected as the replacement to the University’s financial management information system (FMIS). FMIS is no longer supported by the software vendor it was purchased from. The Kuali project is an exciting opportunity to implement a “best practice” system developed in collaboration with other Universities.

The System successfully completed the sale of its Series 2006A University Refunding Bonds on September 28, 2006. The Series 2006A bonds generated approximately $8.3 million in debt service savings for the State and the University. The Series 2006A bonds refinanced a portion of the University’s outstanding Series 2002A financing, which was the original funding mechanism for the John A. Burns School of Medicine (JABSOM).

The System also successfully issued, in December, $100,000,000 in revenue bonds for construction projects that include Frear Hall redevelopment on the Mānoa campus, and to renovate and repair housing at Mānoa and UH-Hilo as well as expand food-service facilities for students and faculty.

The University is currently finalizing a digital records and signature policy that will allow UH programs to store records in electronic rather than hard copy form in order to reduce record storage and retrieval costs. Additionally, electronic signatures will enable the routing of documents for approval electronically resulting in improved processing times for transactions. Currently, a significant amount of resources, i.e., storage space and staff time is spent on records storage and retrieval. It is anticipated that the switch to digital records storage will result in cost savings as well as provide an easier and more efficient method of retrieving archived records.

Financial Reporting

In the Spring of 2006 after a workshop with the Board of Regents on the finances of the University, we developed and began providing to the Board of Regents quarterly financial status reports. These reports present the Board with an overview of the financial position and results of operations of the University of Hawai‘i’s ten campuses on a combined basis. They include selected balance sheet items and liquidity metrics and statement of revenues, expenses and changes in net assets on an accrual basis compared to prior periods as well as a consolidated funding report on a budgetary basis indicating the status of the University’s various state appropriated, CIP, federal and trust, and non-appropriated funds. Along with these reports, we provide analytical comments explaining significant variances and changes from prior periods.
With regard to external audits, the State Auditor performed Phase I of a System-wide Financial Audit of the University of Hawai‘i System which covered the Mānoa campus. The auditor’s report, which was issued in December 2005 made a number of findings and recommendations. Our written response, which was included in her final report, indicated that while we agreed that there was room for improvement, we did not concur with a number of her findings and recommendations. We provided a detailed response to each item in her report, and we strongly disagreed with her overall conclusion that “the University of Hawai‘i at Mānoa cannot fully ensure fiscal accountability.” For those recommendations where we did concur with the State Auditor, we have taken action and recently provided a report on the implementation status to her.

We continue to undergo numerous external financial and compliance audits each year, the results of which, and our resulting actions, are reported to the Board of Regents. The annual external audits of our consolidated financial statements have resulted in unqualified opinions from our external auditors that the financial statements are fairly stated in conformity with generally accepted accounting principals.

4) Relations with the Governor and the Legislature

The particular issue of concern raised in the WASC letter of 2006 was the legislative action in the 2005-06 biennium budget to move one occupied position and funding from one campus to another without consultation. Once the state appropriation is allocated to the University, the President has the authority to allocate the monies in keeping with BOR approved priorities. In this case, neither the individual nor the funding was moved. The President has made it clear, however, that the University does not have a monopoly on good ideas. If members of the legislature or the executive branch have recommendations for programs or initiatives they would like the University to consider that are not a part of the BOR approved budget request, they are encouraged to vet the proposal with the President or the appropriate Chancellor, who will in turn discuss it with the President. This protocol has proven to work well. For example, during the supplemental session last spring, the executive branch wished to augment the workforce initiatives in the UH budget request beyond the levels approved by the BOR. The State Director of the Budget contacted the President, who put her in touch with the appropriate Chancellors, and increases in the areas of teacher preparation, nursing, and construction were included in the supplemental budget request.

Similarly, after the legislature approves the budget and the Governor releases the money, the President asks the Chancellors to account for their allocation of funds on their campuses. If they have received monies earmarked for programs or initiatives that were not included in the BOR approved budget, they discuss with the President whether they intend to use the monies as allocated and the rationale for their decision.

In January 2007 the Governor proposed a major Innovations Initiative which includes $30 million to fund new school academies for science and technology operated by
community colleges, college scholarships for science education, and research into the life sciences. The University would be a major player in these initiatives, and the Governor involved the President in these discussions prior to her announcement.

Most leaders in the executive and legislative branch recognize the role of the University in the future of the state, and with few exceptions, honor the necessary balance between autonomy and accountability in the state’s relationship with the University. As noted above, in this year’s legislative package, we are once again seeking exclusion from the state’s procurement code and the authority to issue our own revenue bonds. Each of these measures relies on the legislature’s belief that the University’s administration can be trusted to act responsibly. We intend to continue working on our partnership with the state in order to better serve the state’s citizens.

5) Impact of Increased Tuition

A six year tuition schedule, approved by the Board of Regents in May 2005, went into effect in Fall 2006 (copy attached). Tuition rates for undergraduates, graduate students, and all professional programs were set to match the projected average rates of peer and regional campuses by the sixth year of the schedule. A mid-schedule review of the rates will determine whether the projections are accurate and whether the schedule needs to be modified.

In order to protect the University's strong record of access, need-based financial aid is being significantly expanded to enable low income students and their families to afford the increased tuition at the UH campuses. The Board of Regents approved a revision of the tuition waiver policy and the non-resident tuition differential program that maximizes the financial assistance available for Hawai‘i residents enrolled as students in the UH system and ensures that the revenues made available for financial assistance serve the interests of the University and the taxpayers of the state of Hawai‘i. On the four-year campuses, fifteen percent of their tuition revenues are to be devoted to financial aid, and the allocation to need- and merit-based aid varies with the campus mission. Over the six years of the tuition schedule, tuition is projected to double, and need-based financial aid is projected to quadruple (from $4m to $16m for Hawai‘i residents).

The PowerPoint presentation made to the BOR on the revised student financial assistance program:
http://www.hawaii.edu/offices/app/opp/finaid/financialassistance.pdf

The new Executive Policy implementing the policy:

In fall 2005 the UH system awarded $2m in institutional need-based financial aid; in fall 2006, the first semester of the new tuition schedule, the campuses awarded $3.8m. The estimated increases for each year of the schedule are included in the Executive Policy.
To provide students easier access to student financial assistance (federal, institutional, and private), increased staffing in the financial aid offices was a priority in the supplemental budget. For 2006-07, we sought and received from the legislature, $557,000 to increase financial aid staffing; the campuses have filled 8 positions and are recruiting for 5 more.

We are tracking total headcount enrollment and enrollment by ethnicity to monitor the impact of the increase in tuition. The attached table provides the total fall headcount by campus for 2000 through 2006. After four years of growth (2001-2004), enrollments declined slightly in 2005 (-.8%) and 2006 (-.3%). These flat enrollments are most likely reflective of the strong economy and the low unemployment rate (lowest in the nation); the tuition increase does not appear to have made a significant impact in fall 2006 total enrollment.

Examining the change in the enrollments by underrepresented ethnic groups reveals no disparate impact for either undergraduate or graduate students in the first semester of the tuition increase. In fact, between fall 2005 and fall 2006, each of the groups examined (Hawaiian/Part-Hawaiian, Filipino, Black, Hispanic, and Pacific Islanders) increased or remained stable in their representation among both undergraduate and graduate students.

We are gratified that our efforts to protect access for underrepresented ethnic groups are successful to date; we fully realize that we will have to remain vigilant as the increases compound over the six year schedule. As noted above, we are participating in the NASH/Education Trust initiative focused on expanding access and success, especially for low-income students and students of color. Focused public attention on this goal will ensure that we continue to be proactive in our strategies to protect the access and success of those most vulnerable in our population.

**Concluding Statement**

The progress made on the issues raised by the Commission has served the system well. President McClain, in consultation with the Chancellors and the Vice Presidents, established goals for 2006-07 encompassing three broad arenas: governance and administration, strategic planning, and facilities. These goals provide direction that will continue to improve system functioning in relation to the Board of Regents and the ten campuses. Specific objectives include:

**Governance, Administration, and Accreditation-Related Issues**

1. Insure a successful ACCJC visit to the UHCCs in October 2006, and successful WASC Senior visits to UH Manoa and the UH System in spring 2007.

2. Implement the Devolution Initiative announced in the spring of 2006, to include (a) right-sizing the UH System (b) reform of personnel and other policies to permit (1) greater decentralization of authority and greater transparency and mission-responsiveness in budgeting, planning and finance and (2) a reduction in
the number of interims to less than 15% of the total of executive and managerial personnel; (c) physical relocation of the UH System office away from the UH Mānoa campus; (d) working with the Board, complete the reframing of the BOR office/administration relationship; and (e) exploration of the viability of locating satellite UH System offices on each of the Neighbor Islands.

3. Provide statewide leadership for higher education in Hawai‘i. In particular, launch, advocate for and begin to implement an “Access with Success” initiative, including (a) making continued progress on articulation and transfer among the campuses of the UH System; (b) participation in the American Diploma Project to align DOE and UH curricula in reading, writing and mathematics; (c) develop a program of Centennial Scholarships, including a scholarship for the top 10% (or an equivalent metric) of the high school class in Hawai‘i; and (d) enhance funding and support activity for the P-20 and Gear-Up initiatives, and for Leadership Development programs at the UH System level.

4. Resolve the uncertainties surrounding the relationship between UH and RCUH, and the terms under which projects can be service ordered to RCUH.

Further Implementing the Current Strategic Plan, and Developing a Template for a Strategic Plan for the Period 2011 – 2020

5. Subject to the ongoing progress of the Akaka Bill, continue to explore ways to improve the educational and economic status of Native Hawaiians, as an essential element to the full implementation of the current UH System strategic plan. Develop a stronger relationship with the Office of Hawaiian Affairs that would recognize all that UH already does to support Native Hawaiians.

6. Oversee the implementation of the Supplemental Budget. Achieve the successful development, presentation and promotion of the 2007-2009 biennium budget proposal, and the University’s legislative package, to the Governor and Legislature. Base the proposal on the Access with Success initiative, a focus on state needs, and measurable performance outcomes. Seek broader bonding authority for the University to permit it to respond more quickly to opportunities, e.g. in the area of faculty housing.

7. Sustain the “Second Decade” project as a vehicle to begin putting into place a strategic plan for the years 2011-2020, in order that we can make sensible decisions about desires for a four year campus on Maui, a four year program at West O‘ahu, a build-out of Hawai‘i CC facilities on the West Coast of the Big Island, etc. This initiative addresses the degree of autonomy which should characterize the University, the level of risk taking and entrepreneurship that should be encouraged, and the appropriate role of UH in the State’s economic development.
8. Achieve the revised Centennial Campaign goal for FY 2006-2007, and position the University for a successful and early completion of its $250 million, mid-2009 goal.

9. Finalize and implement plans for the celebration of the Centennial.

10. Respond effectively to state audits of the University, including the nine campuses not audited last year, and UH Mānoa Student Housing.

Facilities

11. Oversee the management of the public private partnerships currently under way. Advance the Cancer Research Center of Hawai‘i plans in Kaka‘ako, the campus at UH West O‘ahu, and make progress on our student and faculty housing needs at Mānoa, in Maui, and in Hilo. In addition, advance the efforts to build out Hawai‘i CC on the Big Island, phase II of the JABSOM site in Kaka‘ako, and the next generation science facilities for our leading research areas (e.g., astronomy).

12. Position the University of Hawai‘i to be a leader within the State of Hawai‘i in promoting development which is sustainable by increasing the efficiency of our facilities use and operations. Implement an effective repair and maintenance policy that arrests and reverses the decline in the quality of facilities available to our students, our teaching faculty, and our researchers.

Working together with the Board of Regents, we are optimistic about the future and our ability to address the needs of the state of Hawai‘i. As stated in our mission, the UH system administration is committed to providing the vision, leadership, and stewardship needed to take this university to a higher level of excellence and the state’s citizens to a better quality of life.
STATE OF HAWAI'I
UNIVERSITY OF HAWAI'I
SYSTEMWIDE ADMINISTRATION

BOARD OF REGENTS

FOR ADMINISTRATIVE PURPOSES
STATE POSTSECONDARY EDUCATION COMMISSION

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION

RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAI'I

UNIVERSITY OF HAWAI'I FOUNDATION

ALL CAMPUS COUNCIL OF FACULTY SENATE CHAIRS

STUDENT CAUCUS

EXECUTIVE ADMINISTRATOR & SECRETARY OF THE BOARD OF REGENTS

STATE BOARD FOR CAREER AND TECHNICAL EDUCATION

VICE PRESIDENT FOR LEGAL AFFAIRS & UNIVERSITY GENERAL COUNSEL
- Equal Employment Opportunity/Affirmative Action
- Risk Management

SENIOR ADVISOR TO THE PRESIDENT FOR NATIVE HAWAIIAN AFFAIRS

PŪKO'A COUNCIL

INTERNAL AUDITOR

VICE PRESIDENT FOR BUDGET & FINANCE / CHIEF FINANCIAL OFFICER
- University Budget
- Financial Management
- Central Admin Affairs

VICE PRESIDENT FOR ADMINISTRATION
- Human Resources
- Capital Improvements
- External Affairs & University Relations

Chief Information Officer (CIO) (Information Technology Services)

CHANCELLOR, UH at MANOA (1)
CHANCELLOR, UH at HILO (1)
CHANCELLOR, UH at WEST O'AHU (1)

VICE PRESIDENT FOR COMMUNITY COLLEGES
CC Administrative Affairs
CC Academic Affairs

- Chancellor, Hawai'i Community College
- Chancellor, Honolulu Community College
- Chancellor, Kapi'olani Community College
- Chancellor, Kaua'i Community College
- Chancellor, Leeward Community College
- Chancellor, Maui Community College
- Chancellor, Windward Community College (1 & 2)

Vice President for Academic Planning & Policy
- Planning and Policy/Institutional Research
- International Education
- Hawai'i P20 Partnership Initiative

Vice President for Research Services
- Research
- Technology
- Transfer & Economic Development
- University Connections

Vice President for Student Affairs

1 All Chancellors meet collectively as the Council of Chancellors
2 Community College Chancellors meet collectively as the Council of Community College Chancellors

DATE: DEC. 22, 2006
## HEADCOUNT ENROLLMENT OF CREDIT STUDENTS, BY CAMPUS
### UNIVERSITY OF HAWAI’I
#### FALL 2000 TO FALL 2006

<table>
<thead>
<tr>
<th>FALL SEMESTER</th>
<th>TOTAL</th>
<th>UH AT MĀNOA</th>
<th>UH AT Hilo</th>
<th>UH WEST O’AHU</th>
<th>SUBTOTAL</th>
<th>HAWA’I</th>
<th>HONOLULU</th>
<th>KAPI‘OLANI</th>
<th>KAUA’I</th>
<th>LEEWARD</th>
<th>MAUI</th>
<th>WINDWARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000 ..........</td>
<td>44,579</td>
<td>-4.1</td>
<td>17,263</td>
<td>-2.0</td>
<td>2,874</td>
<td>3.0</td>
<td>665</td>
<td>-3.2</td>
<td>23,777</td>
<td>-6.4</td>
<td>6,760</td>
<td>-6.8</td>
</tr>
<tr>
<td>2001 ..........</td>
<td>45,994</td>
<td>3.2</td>
<td>17,532</td>
<td>1.6</td>
<td>2,913</td>
<td>1.4</td>
<td>740</td>
<td>11.3</td>
<td>24,809</td>
<td>4.3</td>
<td>7,081</td>
<td>4.7</td>
</tr>
<tr>
<td>2002 2/</td>
<td>48,173</td>
<td>4.7</td>
<td>18,706</td>
<td>6.7</td>
<td>3,040</td>
<td>4.4</td>
<td>834</td>
<td>12.7</td>
<td>25,593</td>
<td>3.2</td>
<td>7,041</td>
<td>-0.6</td>
</tr>
<tr>
<td>2003 3/</td>
<td>50,317</td>
<td>4.5</td>
<td>19,863</td>
<td>6.2</td>
<td>3,300</td>
<td>8.6</td>
<td>810</td>
<td>-2.9</td>
<td>26,344</td>
<td>2.9</td>
<td>7,491</td>
<td>6.4</td>
</tr>
<tr>
<td>2004 ..........</td>
<td>50,569</td>
<td>0.5</td>
<td>20,549</td>
<td>3.5</td>
<td>3,288</td>
<td>-0.4</td>
<td>834</td>
<td>3.0</td>
<td>25,898</td>
<td>1.7</td>
<td>7,174</td>
<td>-4.2</td>
</tr>
<tr>
<td>2005 ..........</td>
<td>50,157</td>
<td>-0.8</td>
<td>20,644</td>
<td>0.5</td>
<td>3,422</td>
<td>4.1</td>
<td>858</td>
<td>2.9</td>
<td>25,233</td>
<td>-2.6</td>
<td>7,289</td>
<td>1.6</td>
</tr>
<tr>
<td>2006 ..........</td>
<td>49,990</td>
<td>-0.3</td>
<td>20,357</td>
<td>-1.4</td>
<td>3,507</td>
<td>2.5</td>
<td>866</td>
<td>0.9</td>
<td>25,260</td>
<td>0.1</td>
<td>7,272</td>
<td>-0.2</td>
</tr>
</tbody>
</table>

1/ Includes continuing education credit students at UH Manoa, UH Hilo and Honolulu CC, beginning Fall 1999. Fall 1999 percentage change calculations for these campuses, and for both the UH and UHCC systems, are incomparable to prior years and are not shown.

2/ Migration to new registration system at the UH Community Colleges.

3/ Migration to new registration system at UH Mānoa, UH Hilo and UH-West O’ahu.

Note: Data include special students (concurrents, early admits and auditors) for all years shown.

### Headcount Enrollment by Ethnicity and Academic Level

**University of Hawai'i**

**Fall 2000 to Fall 2006**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Undergraduate 1/</td>
<td>Graduate 2/</td>
<td>Total</td>
<td>Undergraduate 1/</td>
<td>Graduate 2/</td>
<td>Total</td>
</tr>
<tr>
<td>TOTAL</td>
<td>38,809</td>
<td>100.0</td>
<td>5,770</td>
<td>100.0</td>
<td>45,579</td>
<td>100.0</td>
</tr>
<tr>
<td>Hawaiian/Part-Hawaiian</td>
<td>5,729</td>
<td>14.8</td>
<td>406</td>
<td>7.0</td>
<td>6,135</td>
<td>13.8</td>
</tr>
<tr>
<td>Filipino</td>
<td>5,631</td>
<td>15.0</td>
<td>265</td>
<td>4.6</td>
<td>6,096</td>
<td>13.7</td>
</tr>
<tr>
<td>Black</td>
<td>473</td>
<td>1.2</td>
<td>38</td>
<td>0.7</td>
<td>511</td>
<td>1.1</td>
</tr>
<tr>
<td>Hispanic</td>
<td>789</td>
<td>2.0</td>
<td>97</td>
<td>1.7</td>
<td>896</td>
<td>2.0</td>
</tr>
<tr>
<td>Pacific Islander 3/</td>
<td>1,006</td>
<td>2.6</td>
<td>99</td>
<td>1.7</td>
<td>1,105</td>
<td>2.5</td>
</tr>
<tr>
<td>Mixed</td>
<td>4,558</td>
<td>11.7</td>
<td>406</td>
<td>7.0</td>
<td>4,964</td>
<td>11.1</td>
</tr>
<tr>
<td>All other 4/</td>
<td>20,423</td>
<td>52.6</td>
<td>4,459</td>
<td>73.3</td>
<td>24,882</td>
<td>55.8</td>
</tr>
</tbody>
</table>

1/ Includes classified, unclassified, and no data.
2/ Includes classified and unclassified graduate students.
3/ Includes: Guamanian or Chamorro, Micronesian, Samoan, Tongan, and Other/Mixed Pacific Islander.
4/ Includes: American Indian/Alaskan Native, Chinese, Japanese, Korean, Laotian, Mixed Asian/Pacific Islander, Other Asian, Thai, Vietnamese, Caucasian, Portuguese, Middle Easterner, and no data.

Undergraduate Headcount Enrollment
by Underrepresented Ethnic Groups

- Hawaiian/Part-Hawaiian
- Filipino
- Black
- Hispanic
- Pacific Islander
- Mixed

Fall Semester

Headcount

2000 2001 2002 2003 2004 2005 2006
Graduate Headcount Enrollment by Underrepresented Ethnic Groups

- Hawaiian/Part-Hawaiian
- Filipino
- Black
- Hispanic
- Pacific Islander
- Mixed

Fall Semester

Headcount
**INSTITUTION:** UNIVERSITY OF HAWAII  
**PRESIDENT/CEO:** DAVID MCCLAIN, PRESIDENT  
**DATE:** 02/06/2007

**SUMMARY DATA FORM**

1. **YEAR FOUNDED:** 1907

2. **CALENDAR PLAN:** SEMESTER

3. **DEGREE LEVELS OFFERED:**  
   - X Associate  
   - X Bachelors  
   - X Masters  
   - X Doctorate  
   - X Professional

4. **SPONSORSHIP AND CONTROL:**  
   Established in the state of Hawaii constitution as a public 
   corporation under the direction of the Board of Regents.

5. **LAST REPORTED IPEDS DATA FOR ENROLLMENT BY ETHNICITY AND GENDER**

   Use IPEDS definitions for students. Data reported as of October 15, 2005 (date)

<table>
<thead>
<tr>
<th>Enrollment by Category</th>
<th>Total FTE of Students</th>
<th>Total Headcount of Students</th>
<th>Non-Resident Alien Headcount</th>
<th>Black, Non-Hispanic Headcount</th>
<th>Am Indian/Alaska Native Headcount</th>
<th>Asian / Pacific Islander Headcount</th>
<th>Hispanic / Latino Headcount</th>
<th>White/Non-Hispanic Headcount</th>
<th>Ethnicity Unknown Headcount</th>
<th>Total Male Headcount</th>
<th>Total Female Headcount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td>28,019</td>
<td>37,073</td>
<td>1286</td>
<td>445</td>
<td>169</td>
<td>25,147</td>
<td>790</td>
<td>8394</td>
<td>842</td>
<td>15,928</td>
<td>21,145</td>
</tr>
<tr>
<td>Graduate</td>
<td>3907</td>
<td>5575</td>
<td>768</td>
<td>44</td>
<td>20</td>
<td>2483</td>
<td>107</td>
<td>2005</td>
<td>148</td>
<td>2347</td>
<td>3228</td>
</tr>
<tr>
<td>Non-degree **</td>
<td>3480</td>
<td>7509</td>
<td>207</td>
<td>70</td>
<td>31</td>
<td>4985</td>
<td>157</td>
<td>1833</td>
<td>226</td>
<td>2762</td>
<td>4747</td>
</tr>
<tr>
<td>Total</td>
<td>35,406</td>
<td>50,157</td>
<td>2261</td>
<td>559</td>
<td>220</td>
<td>32,615</td>
<td>1054</td>
<td>12,232</td>
<td>1216</td>
<td>21,037</td>
<td>29,120</td>
</tr>
</tbody>
</table>

* If you have used a formula other than FTE = FT + (PT/3), please indicate how you have calculated FTE.
**no data & uncl ug/or included.

6. **LAST 3 YEARS IPEDS DATA FOR 6-YEAR COHORT GRADUATION RATE BY ETHNICITY & GENDER:** NOT APPLICABLE

If you track graduation rates separately for freshman students and for students who transfer in to your institution, please use question 6 to record FRESHMAN GRADUATION RATES and question 7 to record TRANSFER STUDENT GRADUATION RATES.

Please indicate if the data provided in question 6 table below is _____ for freshmen only OR _____ for freshmen and transfer students combined.

<table>
<thead>
<tr>
<th>Freshman Cohort Year (Entering Fall)</th>
<th>Overall Graduation Percentage</th>
<th>Non-Resident Alien %</th>
<th>Black, Non-Hispanic %</th>
<th>Am Indian/Alaska Native %</th>
<th>Asian / Pacific Islander %</th>
<th>Hispanic / Latino %</th>
<th>White/Non-Hispanic %</th>
<th>Ethnicity Unknown %</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOT APPLICABLE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Averages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7. If you track freshman and transfer graduation rates separately (see question 6), please provide

LAST 3 YEARS DATA FOR 6-YEAR COHORT TRANSFER GRADUATION RATE BY ETHNICITY & GENDER: NOT APPLICABLE

<table>
<thead>
<tr>
<th>Transfer Year</th>
<th>Overall Graduation Percentage</th>
<th>Non-Resident Alien %</th>
<th>Black, Non-Hispanic %</th>
<th>Am Indian/Alaska Native %</th>
<th>Asian / Pacific Islander %</th>
<th>Hispanic %</th>
<th>White/Non Hispanic %</th>
<th>Ethnicity Unknown %</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Averages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. CURRENT FACULTY:
Total FTE of faculty: 3337.47 as of 10/31/2006 (date)

Full-time faculty headcount: 3177
% Non-Caucasian: 43.91
% Male: 55.30
% Female: 44.70

Part-time faculty headcount: 400
% Non-Caucasian: 51.00
% Male: 54.00
% Female: 46.00

9. FTE STUDENT TO FTE FACULTY RATIO: 13.81

10. FINANCES:
A. Annual Tuition Rate:
Undergraduate Resident Tuition: SEE ATTACHED
Graduate Resident Tuition: SEE ATTACHED
Undergraduate Non-Resident Tuition:
Graduate Non-Resident Tuition: SEE ATTACHED

B. Total Annual Operating Budget: 1,025,891,576 (FY05 actual expenditures)

C. Percentage from tuition and fees: 11.2%

D. Operating deficit(s) for past 3 years:
423,911,387.03 (FY2004); 456,811,834.63 (FY2005); 490,202,503.66 (FY2006)

E. Current Accumulated Deficit: None

F. Endowment: 59,988,758.96

11. GOVERNING BOARD:
A. Size: 12
B. Meetings a year: 10

12. OFF-CAMPUS LOCATIONS:
A. Number: 12
B. Total Enrollment: 7615 (fall 2006) includes all off-campus enrollments, not only those at UH Centers.

13. ELECTRONICALLY-MEDIATED PROGRAMS (50% or more offered online):
A. Number: 10
B. Total Enrollment: 242
# PER-CREDIT-HOUR AND FULL-TIME SEMESTER TUITION SCHEDULE

PER-CREDIT-HOUR AND FULL-TIME SEMESTER TUITION SCHEDULE 1/
UNIVERSITY OF HAWAI'I
AY 2006-2007 THROUGH 2011-2012 2/
(Subject to Change, Excludes Fees)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Non-Resident</td>
<td>Resident</td>
<td>Non-Resident</td>
<td>Resident</td>
<td>Non-Resident</td>
<td>Resident</td>
</tr>
<tr>
<td></td>
<td>Per SH FT</td>
<td>Per SH FT</td>
<td>Per SH FT</td>
<td>Per SH FT</td>
<td>Per SH FT</td>
<td>Per SH FT</td>
<td>Per SH FT</td>
</tr>
<tr>
<td>UH MANOA 3/</td>
<td>Undergraduate</td>
<td>180 1,260</td>
<td>508 6,096</td>
<td>214 2,568</td>
<td>600 7,200</td>
<td>248 2,976</td>
<td>692 8,304</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>243 2,916</td>
<td>571 6,852</td>
<td>288 3,432</td>
<td>680 8,160</td>
<td>326 3,948</td>
<td>789 9,468</td>
</tr>
<tr>
<td></td>
<td>Graduate-Nursing</td>
<td>385 4,620</td>
<td>707 8,484</td>
<td>453 5,436</td>
<td>842 10,104</td>
<td>521 6,252</td>
<td>977 11,724</td>
</tr>
<tr>
<td></td>
<td>Graduate-CBA Masters 5/</td>
<td>454 5,448</td>
<td>678 8,136</td>
<td>454 5,448</td>
<td>688 8,256</td>
<td>538 6,456</td>
<td>826 9,912</td>
</tr>
<tr>
<td></td>
<td>Graduate-MAcc</td>
<td>412 4,944</td>
<td>647 7,764</td>
<td>454 5,448</td>
<td>688 8,256</td>
<td>538 6,456</td>
<td>826 9,912</td>
</tr>
<tr>
<td></td>
<td>Law - JD</td>
<td>537 6,444</td>
<td>943 11,316</td>
<td>569 6,828</td>
<td>1,020 12,240</td>
<td>601 7,212</td>
<td>1,097 13,164</td>
</tr>
<tr>
<td></td>
<td>Law - LLM</td>
<td>993 11,916</td>
<td>993 11,916</td>
<td>1,074 12,888</td>
<td>1,074 12,888</td>
<td>1,155 13,860</td>
<td>1,155 13,860</td>
</tr>
<tr>
<td></td>
<td>Medicine</td>
<td>761 9,132</td>
<td>1,461 17,532</td>
<td>852 10,224</td>
<td>1,681 20,172</td>
<td>943 11,316</td>
<td>1,901 22,812</td>
</tr>
<tr>
<td>UH HILO 3/</td>
<td>Undergraduate</td>
<td>125 1,500</td>
<td>398 4,776</td>
<td>147 1,764</td>
<td>461 5,532</td>
<td>169 2,028</td>
<td>524 6,288</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>208 2,496</td>
<td>480 5,760</td>
<td>236 2,832</td>
<td>544 6,528</td>
<td>264 3,168</td>
<td>658 7,296</td>
</tr>
<tr>
<td></td>
<td>Pharmacy 6/</td>
<td>767 9,204</td>
<td>1,513 18,156</td>
<td>849 10,188</td>
<td>1,711 20,532</td>
<td>933 11,172</td>
<td>1,909 22,908</td>
</tr>
<tr>
<td>UH WEST O'AHU 3/</td>
<td>Undergraduate</td>
<td>114 1,368</td>
<td>366 4,392</td>
<td>134 1,608</td>
<td>424 5,088</td>
<td>154 1,848</td>
<td>482 5,784</td>
</tr>
<tr>
<td>UH COMMUNITY COLLEGES 7/</td>
<td>High 8/</td>
<td>56 672</td>
<td>281 3,372</td>
<td>63 756</td>
<td>320 3,840</td>
<td>71 852</td>
<td>360 4,320</td>
</tr>
<tr>
<td></td>
<td>Low 8/</td>
<td>56 672</td>
<td>249 2,988</td>
<td>63 756</td>
<td>256 3,072</td>
<td>71 852</td>
<td>264 3,168</td>
</tr>
</tbody>
</table>

Note: 1/ Tuition rates are subject to change. Figures listed exclude fees.
2/ With appropriate notification, individual UH Community Colleges may elect to charge up to the UHCC high, but not below the UHCC low.
3/ Full-time (FT) tuition applies to students enrolling for 12 or more credits at UH-Manoa, UH Hilo, and UH West O’ahu. In accordance with University concurrent enrollment policy, students enrolling at multiple institutions/campuses during the same term pay the applicable tuition at each campus.
4/ Undergraduate resident and non-resident nursing and dental hygiene students at UHM enrolled in clinical courses in the regular program and through distance learning also pay a $500 per semester professional fee for no more than six semesters.
5/ The CBA master degrees offered in executive format charge the resident tuition established here plus additional fees delegated to and approved by the President.
6/ The projected entry date for the first class of students at the UH Hilo College of Pharmacy is fall 2007.
7/ Community Colleges tuition is charged on a per-credit basis for all enrolled credits. The full-time amount shown is based on 12 enrolled credits, and shown for comparative purposes only.
8/ Source: Executive Memorandum No. 05-01, May 23, 2005
Table 1
Headcount Enrollment by Level (Fall Term)
University of Hawai‘i
Fall 2001 to Fall 2006

<table>
<thead>
<tr>
<th>Fall Semester</th>
<th>Total Headcount Enrollment</th>
<th>Lower Division Headcount No.</th>
<th>H%</th>
<th>Upper Division Headcount No.</th>
<th>H%</th>
<th>Graduate Headcount No.</th>
<th>H%</th>
<th>Post-Bach (Non-Graduate) Headcount No.</th>
<th>H%</th>
<th>Non-Degree Headcount 1/ No.</th>
<th>H%</th>
<th>Total FTE Headcount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>45,994</td>
<td>27,572</td>
<td>59.9</td>
<td>9,240</td>
<td>20.1</td>
<td>4,629</td>
<td>10.1</td>
<td>1,041</td>
<td>2.3</td>
<td>3,512</td>
<td>7.6</td>
<td>32,554</td>
</tr>
<tr>
<td>2002</td>
<td>48,163</td>
<td>28,205</td>
<td>58.6</td>
<td>9,874</td>
<td>20.5</td>
<td>4,911</td>
<td>10.2</td>
<td>1,114</td>
<td>2.3</td>
<td>4,059</td>
<td>8.4</td>
<td>34,260</td>
</tr>
<tr>
<td>2003</td>
<td>50,410</td>
<td>28,536</td>
<td>56.6</td>
<td>9,349</td>
<td>18.5</td>
<td>5,253</td>
<td>10.4</td>
<td>942</td>
<td>1.9</td>
<td>6,330</td>
<td>12.6</td>
<td>35,232</td>
</tr>
<tr>
<td>2004</td>
<td>50,569</td>
<td>28,271</td>
<td>55.9</td>
<td>9,178</td>
<td>18.1</td>
<td>5,488</td>
<td>10.9</td>
<td>916</td>
<td>1.8</td>
<td>6,716</td>
<td>13.3</td>
<td>35,983</td>
</tr>
<tr>
<td>2005</td>
<td>50,157</td>
<td>25,906</td>
<td>51.6</td>
<td>11,167</td>
<td>22.3</td>
<td>5,575</td>
<td>11.1</td>
<td>925</td>
<td>1.8</td>
<td>6,584</td>
<td>13.1</td>
<td>35,406</td>
</tr>
<tr>
<td>2006 2/</td>
<td>49,990</td>
<td>25,438</td>
<td>50.9</td>
<td>11,110</td>
<td>22.2</td>
<td>5,532</td>
<td>11.1</td>
<td>1,019</td>
<td>2.0</td>
<td>6,891</td>
<td>13.8</td>
<td>35,151</td>
</tr>
</tbody>
</table>

1/ The increase in non-degree headcounts beginning in Fall 2002 is to a great extent due to a change in business practice, rather than an actual increase. Students accepted at or attending any UH campus may register at any UH community college without applying, which results in records with invalid levels. These records are counted in the non-degree headcount, since the campus is the student's secondary campus.

2/ The mix in lower and upper division aggregations may be subject to revision, however total headcount will not change.

Note: Post Bach includes unclassified graduates only. Non-degree includes unclassified undergraduates. FTE is calculated as Full-time + 1/3 Part-time.

Sources: Integrated Postsecondary Education Data System (IPEDS) Enrollment Survey, Fall 1998 to Fall 2005; ODS IRO_Base table for Fall 2006.

Institutional Research Office, University of Hawai‘i, January 2007.
Table 2
Headcount Enrollment by Status and Location (Fall Term)
University of Hawai‘i
Fall 2001 to Fall 2006

<table>
<thead>
<tr>
<th>Fall Semester</th>
<th>Total Headcount Enrollment</th>
<th>Full-Time Headcount No.</th>
<th>Full-Time Headcount H%</th>
<th>Part-Time Headcount No.</th>
<th>Part-Time Headcount H%</th>
<th>On-Campus Location No.</th>
<th>On-Campus Location H%</th>
<th>Off-Campus Location No.</th>
<th>Off-Campus Location H%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>45,994</td>
<td>25,835</td>
<td>56.2</td>
<td>20,159</td>
<td>43.8</td>
<td>41,597</td>
<td>90.4</td>
<td>4,397</td>
<td>9.6</td>
</tr>
<tr>
<td>2002</td>
<td>48,163</td>
<td>27,308</td>
<td>56.7</td>
<td>20,855</td>
<td>43.3</td>
<td>43,747</td>
<td>90.8</td>
<td>4,416</td>
<td>9.2</td>
</tr>
<tr>
<td>2003</td>
<td>50,410</td>
<td>27,643</td>
<td>54.8</td>
<td>22,767</td>
<td>45.2</td>
<td>45,722</td>
<td>90.7</td>
<td>4,688</td>
<td>9.3</td>
</tr>
<tr>
<td>2004</td>
<td>50,569</td>
<td>28,689</td>
<td>56.7</td>
<td>21,880</td>
<td>43.3</td>
<td>45,990</td>
<td>90.9</td>
<td>4,579</td>
<td>9.1</td>
</tr>
<tr>
<td>2005</td>
<td>50,157</td>
<td>28,030</td>
<td>55.9</td>
<td>22,127</td>
<td>44.1</td>
<td>45,784</td>
<td>91.3</td>
<td>4,373</td>
<td>8.7</td>
</tr>
<tr>
<td>2006</td>
<td>49,990</td>
<td>27,732</td>
<td>55.5</td>
<td>22,258</td>
<td>44.5</td>
<td>42,375</td>
<td>84.8</td>
<td>7,615</td>
<td>15.2</td>
</tr>
</tbody>
</table>

1/ Beginning Fall 2005, off-campus is defined as any student taking at least one distance learning class. In Fall 2006, a new database attribute enabled enhanced identification of off-campus classes, and thus a different extraction methodology from previous years. The increase in students taking off-campus classes in Fall 2006 may have been driven by this enhanced identification as well as actual increases.

Sources: Integrated Postsecondary Education Data System (IPEDS) Enrollment Survey, Fall 1999 to Fall 2005; ODS IRO Base table for Fall 2006.
### Table 3

**Degrees and Certificates Granted by Level (Fiscal Year)**

**University of Hawai'i**

**Fiscal Year 2000-01 to Fiscal Year 2005-06**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Degrees Granted</th>
<th>Degrees Granted By Level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000-2001</td>
<td>6,810 100.0</td>
<td>325  4.8</td>
</tr>
<tr>
<td>2001-2002</td>
<td>6,640 100.0</td>
<td>349  5.3</td>
</tr>
<tr>
<td>2002-2003</td>
<td>7,076 100.0</td>
<td>336  4.7</td>
</tr>
<tr>
<td>2003-2004</td>
<td>7,246 100.0</td>
<td>300  4.1</td>
</tr>
<tr>
<td>2004-2005</td>
<td>7,537 100.0</td>
<td>324  4.3</td>
</tr>
<tr>
<td>2005-2006</td>
<td>7,917 100.0</td>
<td>340  4.3</td>
</tr>
</tbody>
</table>

H% = Horizontal percent

1/ Counts for first-professional degrees include the Architecture doctorate (ArchD). The ArchD is a first-professional degree at Mānoa, but is not recognized as such by IPEDS. Therefore, counts shown here may differ slightly from those reported in Mānoa's IPEDS surveys.

2/ Counts in "Other" category are degrees without level information. These degrees are not reported in the IPEDS completion surveys. The data are provided here, but have not been included in the total degree count.

3/ Third year Advanced Professional Certificate approved by the UH Board of Regents in July 2003, effective Spring 2004

Source: IPEDS Completion Surveys; "Degrees and Certificates Earned" MAPS reports.

Institutional Research Office, University of Hawai'i, January 2007.
## Table 4
### Faculty by Employment Status
**University of Hawai‘i**
**Fall 2001 to Fall 2006**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Faculty Headcount</th>
<th>Full-Time Faculty</th>
<th>Part-Time Faculty</th>
<th>Total Faculty FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Fall 2001</td>
<td>3,979</td>
<td>2,766</td>
<td>69.5%</td>
<td>1,213</td>
</tr>
<tr>
<td>Fall 2002</td>
<td>4,132</td>
<td>2,874</td>
<td>69.6%</td>
<td>1,258</td>
</tr>
<tr>
<td>Fall 2003</td>
<td>4,219</td>
<td>2,935</td>
<td>69.6%</td>
<td>1,281</td>
</tr>
<tr>
<td>Fall 2004</td>
<td>4,294</td>
<td>2,977</td>
<td>69.3%</td>
<td>1,317</td>
</tr>
<tr>
<td>Fall 2005</td>
<td>4,412</td>
<td>3,076</td>
<td>69.7%</td>
<td>1,336</td>
</tr>
<tr>
<td>Fall 2006</td>
<td>4,450</td>
<td>3,177</td>
<td>71.4%</td>
<td>1,273</td>
</tr>
</tbody>
</table>

Note: Data were extracted from Office of Human Resources Data Warehouse, therefore, figures may differ from reports such as those reported from IPEDS. Beginning Fall 2004, computed FTE for lecturers were included. Fall 2004 headcount data modified to move lecturers from full time to part time count.

Sources:
Up to and including Fall 2003: "Faculty and Staff Report, University of Hawai‘i" MAPS reports.
Beginning Fall 2004: Office of Human Resources, University of Hawai‘i.

Institutional Research Office, University of Hawai‘i, February 2007.
### Table 5

**Key Financial Ratios**

**University of Hawai‘i**

**FYE June 30, 2000 to FYE June 30, 2005**

<table>
<thead>
<tr>
<th></th>
<th>FYE 06/30/00</th>
<th>FYE 06/30/01</th>
<th>FYE 06/30/02 1/</th>
<th>FYE 06/30/03</th>
<th>FYE 06/30/04</th>
<th>FYE 06/30/05</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UH System</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on Net Assets (chg in NA/beg NA)</td>
<td>20.47%</td>
<td>3.61%</td>
<td>-5.99%</td>
<td>12.86%</td>
<td>2.05%</td>
<td>11.20%</td>
</tr>
<tr>
<td>Net Income Ratio (chg in NA/tl Rev)</td>
<td>1.64%</td>
<td>0.32%</td>
<td>-13.27%</td>
<td>22.86%</td>
<td>3.74%</td>
<td>19.67%</td>
</tr>
<tr>
<td>Operating Income Ratio (Op Rev/Op Exp)</td>
<td>103.88%</td>
<td>109.90%</td>
<td>47.25%</td>
<td>52.59%</td>
<td>54.65%</td>
<td>54.28%</td>
</tr>
<tr>
<td>Viability Ratio: (NA[Unrestr+Expendable Restr]/LT debt)</td>
<td>N/A</td>
<td>N/A</td>
<td>212.41%</td>
<td>214.56%</td>
<td>172.05%</td>
<td>141.68%</td>
</tr>
<tr>
<td>Instructional Expenditures per FTE Student 2/</td>
<td>$5,917</td>
<td>$5,709</td>
<td>$5,430</td>
<td>$5,851</td>
<td>$5,562</td>
<td>$5,580</td>
</tr>
<tr>
<td>Estimated Full Instructional Expenditure per FTE Student 2/</td>
<td>$8,917</td>
<td>$8,707</td>
<td>$8,714</td>
<td>$8,823</td>
<td>$8,308</td>
<td>$8,273</td>
</tr>
<tr>
<td>Tuition and Fees per FTE Student 2/</td>
<td>$2,716</td>
<td>$2,764</td>
<td>$2,018</td>
<td>$1,987</td>
<td>$2,128</td>
<td>$2,142</td>
</tr>
</tbody>
</table>

*Note: formulas for financial ratios have changed.*

1/ Beginning in FYE 06/30/02, the University reports on a consolidated basis in accordance with GASB 34/35. Accordingly, operating income does not include certain nonoperating revenues, such as State Appropriations. FYE 06/30/02 amounts, as previously reported, have been restated to reflect this change.

2/ Figures are in constant dollars based on inflation measured by the Higher Education Price Index (HEPI) developed by Research Associates of Washington, D.C. In 2005, Commonfund Institute assumed management of the Index. *Note: Some figures may have changed from previous reports due to updates in HEPI.* Systemwide data are included here.

**Instruction** includes all expenditures for the teaching function including department administration, and research and public service that are not separately budgeted. **Full Instructional Expenditures** equal expenditures for instruction and student services plus a prorated share of associated support expenditures, as per the methodology developed by Research Associates of Washington, D.C. A full explanation of the methodology is available upon request to the University of Hawai‘i Institutional Research Office.

**Tuition and Fees** includes all tuition and fees (including student activity fees) assessed students for education purposes. This category reports gross tuition revenues including institutionally administered financial aid. From FYE 06/30/02, discounts and allowances are deducted from tuition and fees revenues per IPEDS guidelines. **FTE student** is the sum of the fall count of full-time students plus one-third of the fall part-time student count.

Sources:
- Revenues and Expenditures: Peer Comparisons, University of Hawai‘i MAPS Report.
- NCES on-line IPEDS Peer Analysis System.
- General Accounting and Loan Collection, University of Hawai‘i; Institutional Research Office, University of Hawai‘i, February 2007.