

**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**

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## **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 100<sup>th</sup> 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.

### 3) 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 Quali 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.

- Kualii – 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 Kualii 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 Kualii 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:

<http://www.hawaii.edu/apis/ep/e6/e6204.pdf>

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 Mānoa 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.*

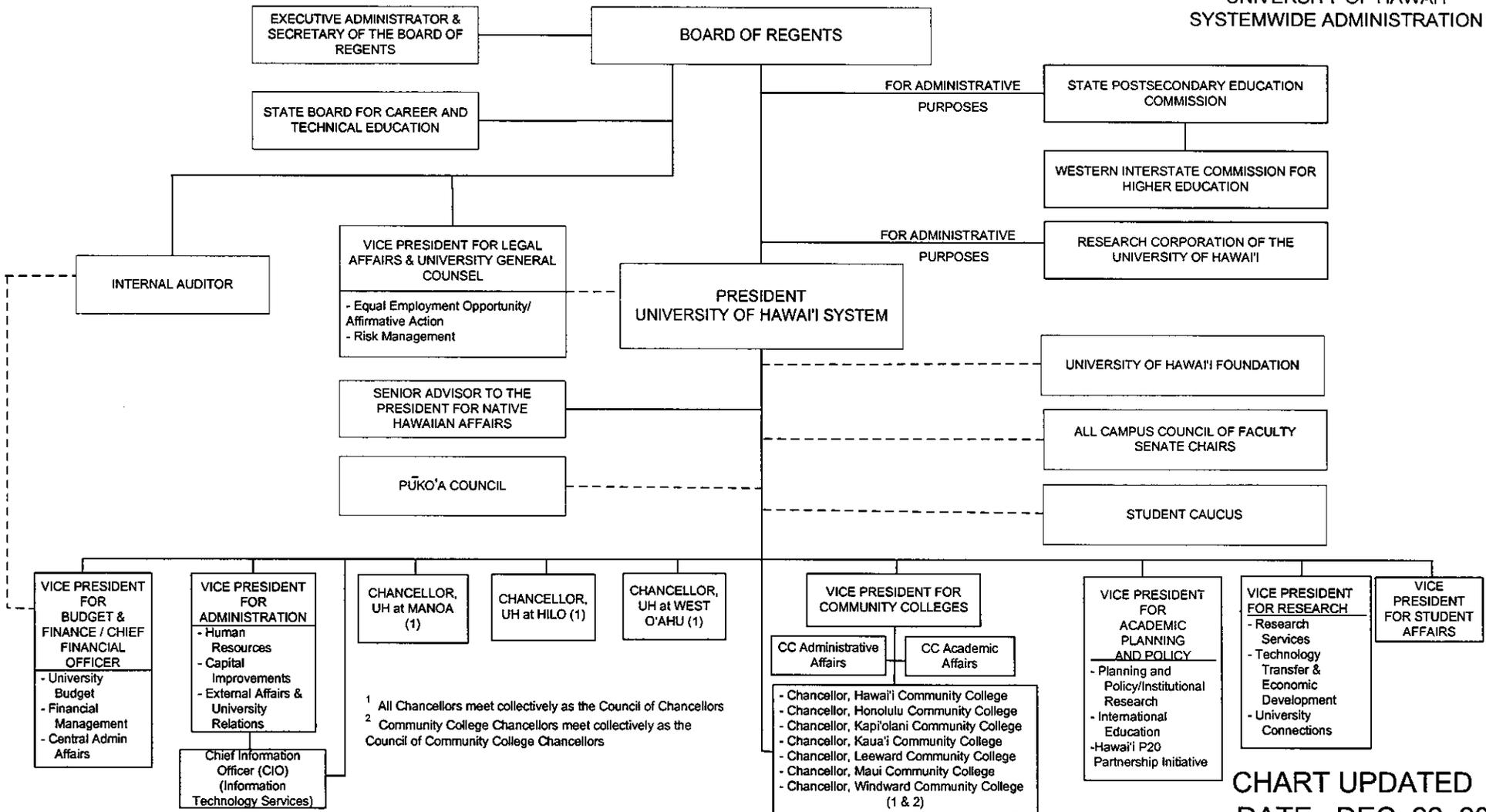
8. *Achieve the revised Centennial Campaign goal for FY 2006-2007, and position the University for a successful and early completion of its \$250 million, mid-2009 goal.*
9. *Finalize and implement plans for the celebration of the Centennial.*
10. *Respond effectively to state audits of the University, 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 HAWAII  
UNIVERSITY OF HAWAII  
SYSTEMWIDE ADMINISTRATION



HEADCOUNT ENROLLMENT OF CREDIT STUDENTS, BY CAMPUS  
UNIVERSITY OF HAWAI'I  
FALL 2000 TO FALL 2006

FALL SEMESTER	TOTAL		UH AT MĀNOA		UH AT HILO		UH WEST O'AHU		UH COMMUNITY COLLEGES															
	No.	Pct Chg	No.	Pct Chg	No.	Pct Chg	No.	Pct Chg	SUBTOTAL	HAWAI'I	HONOLULU	KAPI'OLANI	KAUA'I	LEEWARD	MAUI	WINDWARD								
									No.	Pct Chg	No.	Pct Chg	No.	Pct Chg	No.	Pct Chg	No.	Pct Chg						
2000 .....	44,579	-4.1	17,263	-2.0	2,874	3.0	665	-3.2	23,777	-6.4	2,090	-8.3	4,487	-5.9	6,760	-6.8	1,052	-7.9	5,259	-5.6	2,678	-6.4	1,451	-4.2
2001 .....	45,994	3.2	17,532	1.6	2,913	1.4	740	11.3	24,809	4.3	2,075	-0.7	4,653	3.7	7,081	4.7	1,185	12.6	5,562	5.8	2,699	0.8	1,554	7.1
2002 2/ .	48,173	4.7	18,706	6.7	3,040	4.4	834	12.7	25,593	3.2	2,182	5.2	4,478	-3.8	7,041	-0.6	1,224	3.3	5,918	6.4	2,989	10.7	1,761	13.3
2003 3/ .	50,317	4.5	19,863	6.2	3,300	8.6	810	-2.9	26,344	2.9	2,346	7.5	4,238	-5.4	7,491	6.4	1,210	-1.1	6,201	4.8	2,985	-0.1	1,873	6.4
2004 .....	50,569	0.5	20,549	3.5	3,288	-0.4	834	3.0	25,898	-1.7	2,440	4.0	4,336	2.3	7,174	-4.2	1,117	-7.7	6,060	-2.3	2,996	0.4	1,775	-5.2
2005 .....	50,157	-0.8	20,644	0.5	3,422	4.1	858	2.9	25,233	-2.6	2,377	-2.6	4,183	-3.5	7,289	1.6	1,059	-5.2	5,709	-5.8	2,903	-3.1	1,713	-3.5
2006 .....	49,990	-0.3	20,357	-1.4	3,507	2.5	866	0.9	25,260	0.1	2,358	-0.8	4,143	-1.0	7,272	-0.2	1,119	5.7	5,746	0.6	2,841	-2.1	1,781	4.0

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.

SOURCE: University of Hawai'i, Institutional Research Office; September 2006.

HEADCOUNT ENROLLMENT BY ETHNICITY AND ACADEMIC LEVEL  
UNIVERSITY OF HAWAII  
FALL 2000 TO FALL 2006

ETHNICITY	FALL 2000						FALL 2001						FALL 2002					
	Undergraduate 1/		Graduate 2/		Total		Undergraduate 1/		Graduate 2/		Total		Undergraduate 1/		Graduate 2/		Total	
	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%
TOTAL	38,809	100.0	5,770	100.0	44,579	100.0	40,327	100.0	5,667	100.0	45,994	100.0	42,161	100.0	6,012	100.0	48,173	100.0
Hawaiian/Part-Hawaiian	5,729	14.8	406	7.0	6,135	13.8	5,843	14.5	405	7.1	6,248	13.6	6,134	14.5	421	7.0	6,555	13.6
Filipino	5,831	15.0	265	4.6	6,096	13.7	5,754	14.3	258	4.6	6,012	13.1	6,081	14.4	275	4.6	6,356	13.2
Black	473	1.2	38	0.7	511	1.1	523	1.3	46	0.8	569	1.2	481	1.1	54	0.9	535	1.1
Hispanic	789	2.0	97	1.7	886	2.0	961	2.4	98	1.7	1,059	2.3	933	2.2	110	1.8	1,043	2.2
Pacific Islander 3/	1,006	2.6	99	1.7	1,105	2.5	1,173	2.9	90	1.6	1,263	2.7	1,129	2.7	104	1.7	1,233	2.6
Mixed	4,558	11.7	406	7.0	4,964	11.1	4,810	11.9	383	6.8	5,193	11.3	5,026	11.9	423	7.0	5,449	11.3
All other 4/	20,423	52.6	4,459	77.3	24,882	55.8	21,263	52.7	4,387	77.4	25,650	55.8	22,377	53.1	4,625	76.9	27,002	56.1

ETHNICITY	FALL 2003						FALL 2004						FALL 2005					
	Undergraduate 1/		Graduate 2/		Total		Undergraduate 1/		Graduate 2/		Total		Undergraduate 1/		Graduate 2/		Total	
	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%	No.	V%
TOTAL	44,122	100.0	6,195	100.0	50,317	100.0	44,165	100.0	6,404	100.0	50,569	100.0	43,656	100.0	6,501	100.0	50,157	100.0
Hawaiian/Part-Hawaiian	6,379	14.5	456	7.4	6,835	13.6	6,307	14.3	465	7.3	6,772	13.4	6,396	14.7	505	7.8	6,901	13.8
Filipino	6,177	14.0	279	4.5	6,456	12.8	6,167	14.0	253	4.0	6,420	12.7	6,112	14.0	259	4.0	6,371	12.7
Black	487	1.1	55	0.9	542	1.1	489	1.1	71	1.1	560	1.1	511	1.2	62	1.0	573	1.1
Hispanic	950	2.2	114	1.8	1,064	2.1	945	2.1	118	1.8	1,063	2.1	954	2.2	135	2.1	1,089	2.2
Pacific Islander 3/	1,190	2.7	103	1.7	1,293	2.6	1,420	3.2	132	2.1	1,552	3.1	1,489	3.4	142	2.2	1,631	3.3
Mixed	5,488	12.4	482	7.8	5,970	11.9	5,639	12.8	490	7.7	6,129	12.1	5,285	12.1	477	7.3	5,762	11.5
All other 4/	23,451	53.2	4,706	76.0	28,157	56.0	23,198	52.5	4,875	76.1	28,073	55.5	22,909	52.5	4,921	75.7	27,830	55.5

ETHNICITY	FALL 2006					
	Undergraduate 1/		Graduate 2/		Total	
	No.	V%	No.	V%	No.	V%
TOTAL	43,439	100.0	6,551	100.0	49,990	100.0
Hawaiian/Part-Hawaiian	6,631	15.3	521	8.0	7,152	14.3
Filipino	6,114	14.1	291	4.4	6,405	12.8
Black	498	1.1	70	1.1	568	1.1
Hispanic	1,000	2.3	163	2.5	1,163	2.3
Pacific Islander 3/	1,502	3.5	172	2.6	1,674	3.3
Mixed	5,006	11.5	477	7.3	5,483	11.0
All other 4/	22,688	52.2	4,857	74.1	27,545	55.1

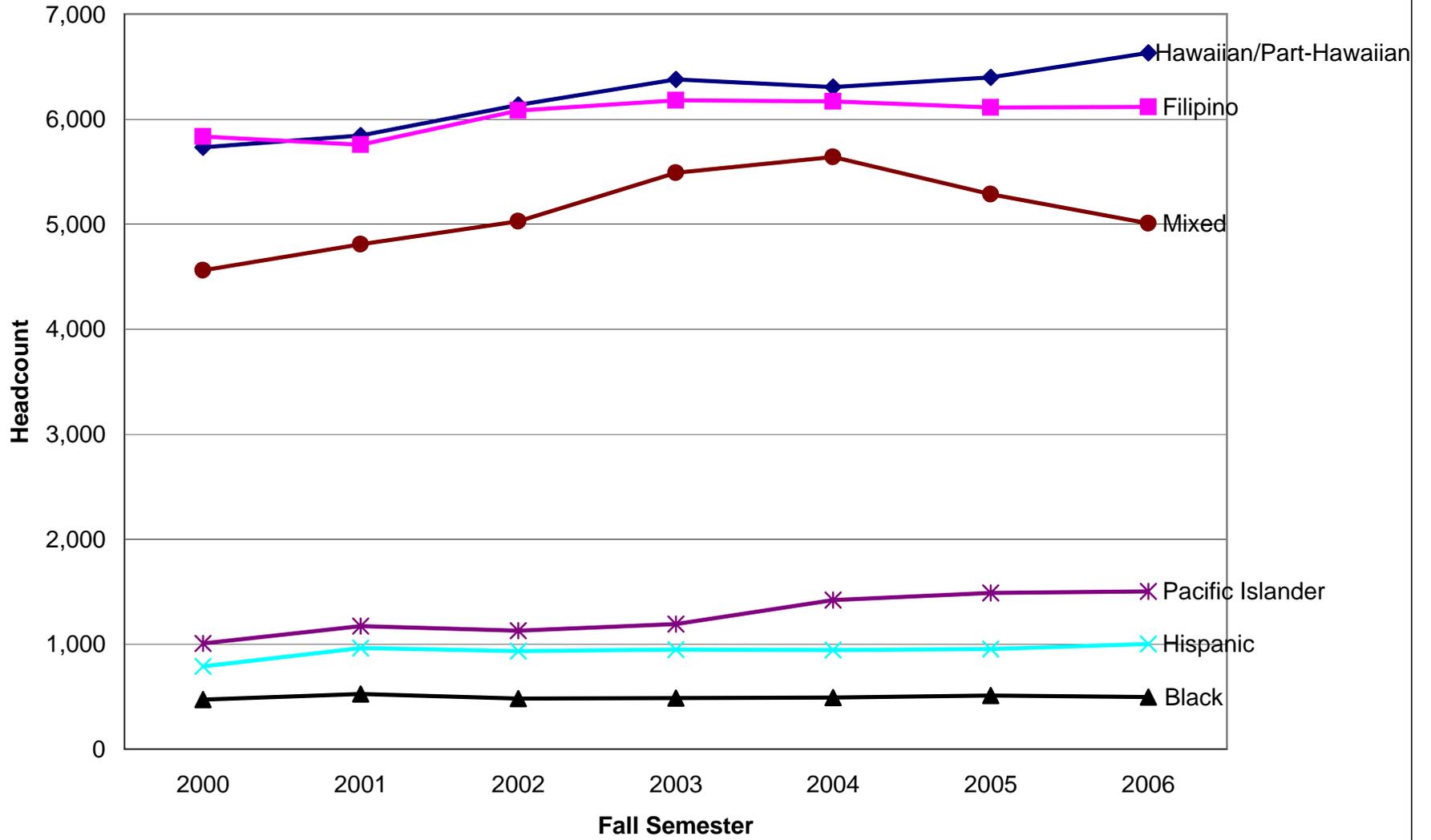
1/ Includes classified, unclassified, and no data.

2/ Includes classified and unclassified graduate students.

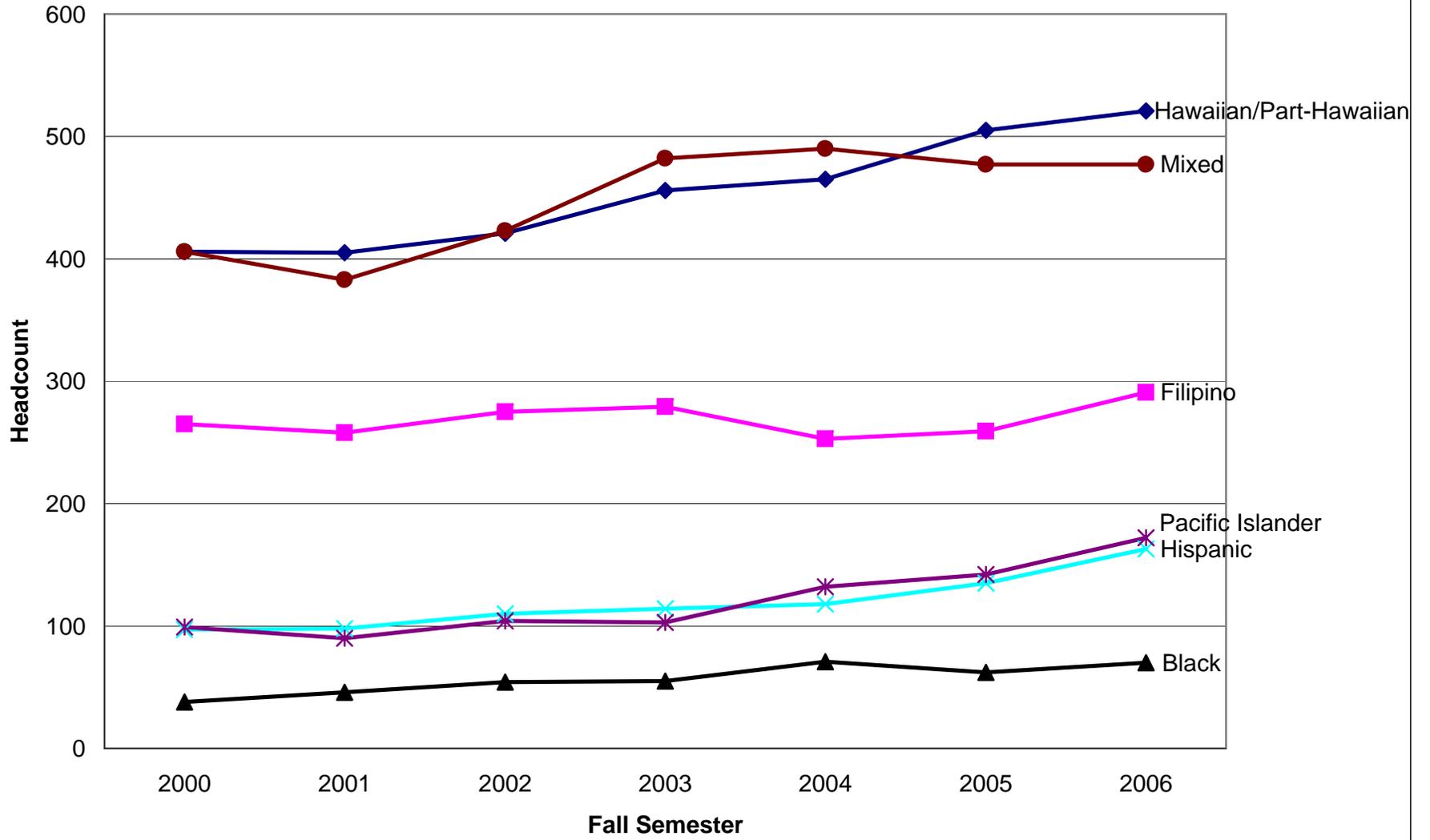
3/ Includes: Guamanian or Chamorro, Micronesian, Samoan, Tongan, and Other/Mixed Pacific Islander.

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**



**Graduate Headcount Enrollment  
by Underrepresented Ethnic Groups**





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

Transfer Cohort Year (Entering Fall)	Overall Graduation Percentage	Non-Resident Alien %	Black, Non-Hispanic %	Am Indian/Alaska Native %	Asian / Pacific Islander %	Hispanic %	White/Non Hispanic %	Ethnicity Unknown %	Male %	Female %
	NOT APPLICABLE									
Averages										

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:

SEE ATTACHED

A. Annual Tuition Rate: Undergraduate Resident Tuition: \_\_\_\_\_ Undergraduate Non-Resident Tuition: \_\_\_\_\_  
 Graduate Resident Tuition: \_\_\_\_\_ Graduate Non-Resident Tuition: \_\_\_\_\_

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 (FY20<sup>04</sup>); 456,811,834.63 (FY20<sup>05</sup>); 490,202,503.66 (FY20<sup>06</sup>)

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 1/  
 UNIVERSITY OF HAWAII  
 AY 2006-2007 THROUGH 2011-2012 2/  
 (Subject to Change, Excludes Fees)

CAMPUS	ACADEMIC YEAR																							
	2006-2007				2007-2008				2008 - 2009				2009 - 2010				2010 - 2011				2011 - 2012			
	Resident		Non-Resident		Resident		Non-Resident		Resident		Non-Resident		Resident		Non-Resident		Resident		Non-Resident		Resident		Non-Resident	
	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT	Per SH	FT
<b>UH MANOA 3/</b>																								
Undergraduate 4/	180	2,160	508	6,096	214	2,568	600	7,200	248	2,976	692	8,304	282	3,384	784	9,408	316	3,792	876	10,512	350	4,200	968	11,616
Graduate	243	2,916	571	6,852	286	3,432	680	8,160	329	3,948	789	9,468	372	4,464	898	10,776	415	4,980	1,007	12,084	458	5,496	1,116	13,392
Graduate-Nursing	385	4,620	707	8,484	453	5,436	842	10,104	521	6,252	977	11,724	589	7,068	1,112	13,344	657	7,884	1,247	14,964	725	8,700	1,382	16,584
Graduate-CBA Masters 5/	454	5,448	678	8,136	454	5,448	688	8,256	538	6,456	826	9,912	622	7,464	964	11,568	706	8,472	1,102	13,224	790	9,480	1,240	14,880
Graduate - MAcc	412	4,944	647	7,764	454	5,448	688	8,256	538	6,456	826	9,912	622	7,464	964	11,568	706	8,472	1,102	13,224	790	9,480	1,240	14,880
Law - JD	537	6,444	943	11,316	569	6,828	1,020	12,240	601	7,212	1,097	13,164	633	7,596	1,174	14,088	665	7,980	1,251	15,012	697	8,364	1,328	15,936
Law - LLM	993	11,916	993	11,916	1,074	12,888	1,074	12,888	1,155	13,860	1,155	13,860	1,236	14,832	1,236	14,832	1,317	15,804	1,317	15,804	1,398	16,776	1,398	16,776
Medicine	761	9,132	1,461	17,532	852	10,224	1,681	20,172	943	11,316	1,901	22,812	1,034	12,408	2,121	25,452	1,125	13,500	2,341	28,092	1,216	14,592	2,561	30,732
<b>UH HILO 3/</b>																								
Undergraduate	125	1,500	398	4,776	147	1,764	461	5,532	169	2,028	524	6,288	191	2,292	587	7,044	213	2,556	650	7,800	235	2,820	713	8,556
Graduate	208	2,496	480	5,760	236	2,832	544	6,528	264	3,168	608	7,296	292	3,504	672	8,064	320	3,840	736	8,832	348	4,176	800	9,600
Pharmacy 6/					767	9,204	1,513	18,156	849	10,188	1,711	20,532	931	11,172	1,909	22,908	1,013	12,156	2,107	25,284	1,095	13,140	2,305	27,660
<b>UH WEST O'AHU 3/</b>	114	1,368	366	4,392	134	1,608	424	5,088	154	1,848	482	5,784	174	2,088	540	6,480	194	2,328	598	7,176	214	2,568	656	7,872
<b>UH COMMUNITY COLLEGES 7/</b>																								
High 8/	56	672	281	3,372	63	756	320	3,840	71	852	360	4,320	79	948	400	4,800	88	1,056	441	5,292	97	1,164	482	5,784
Low 8/	56	672	249	2,988	63	756	256	3,072	71	852	264	3,168	79	948	272	3,264	88	1,056	281	3,372	97	1,164	290	3,480

Note: Tuition rates are subject to change. Figures listed exclude fees.

1/ Unless a special tuition schedule applies, regular day tuition applies to any credit course offered throughout the year for which a General Fund appropriation is authorized.

2/ Tuition rates were approved by the Board of Regents, May 19, 2005, unless otherwise noted. Tuition schedules are subject to change. Fees are not included in figures.

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/ With appropriate notification, individual UH Community Colleges may elect to charge up to the UHCC high, but not below the UHCC low.

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**

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

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**

Fall Semester	Total Headcount Enrollment	Full-Time Headcount		Part-Time Headcount		On-Campus Location		Off-Campus Location 1/	
		No.	H%	No.	H%	No.	H%	No.	H%
2001	45,994	25,835	56.2	20,159	43.8	41,597	90.4	4,397	9.6
2002	48,163	27,308	56.7	20,855	43.3	43,747	90.8	4,416	9.2
2003	50,410	27,643	54.8	22,767	45.2	45,722	90.7	4,688	9.3
2004	50,569	28,689	56.7	21,880	43.3	45,990	90.9	4,579	9.1
2005	50,157	28,030	55.9	22,127	44.1	45,784	91.3	4,373	8.7
2006	49,990	27,732	55.5	22,258	44.5	42,375	84.8	7,615	15.2

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**

Fiscal Year	Total Degrees Granted		Degrees Granted By Level																	
			Less Than 2-Year		Associate		3-yr Certificate 3/		Bachelor		Post-Bac-calaureate		Master		Doctorate		First Profes-sional 1/		Other 2/	
			No.	H%	No.	H%	No.	H%	No.	H%	No.	H%	No.	H%	No.	H%	No.	H%	No.	H%
2000-2001	6,810	100.0	325	4.8	2,209	32.4			2,951	43.3	118	1.7	921	13.5	144	2.1	142	2.1	1	
2001-2002	6,640	100.0	349	5.3	2,204	33.2			2,910	43.8	99	1.5	838	12.6	105	1.6	135	2.0	0	
2002-2003	7,076	100.0	336	4.7	2,375	33.6			3,010	42.5	81	1.1	1,018	14.4	128	1.8	128	1.8	0	
2003-2004	7,246	100.0	300	4.1	2,296	31.7			3,273	45.2	144	2.0	978	13.5	109	1.5	146	2.0	0	
2004-2005	7,537	100.0	324	4.3	2,346	31.1	1	<0.1	3,294	43.7	119	1.6	1,143	15.2	149	2.0	161	2.1	0	
2005-2006	7,917	100.0	340	4.3	2,295	29.0	2	<0.1	3,639	46.0	139	1.8	1,181	14.9	147	1.9	174	2.2	0	

H% = Horizontal percent

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

	Total Faculty Headcount	Full-Time Faculty		Part-Time Faculty		Total Faculty FTE
		N	%	N	%	
Fall 2001	3,979	2,766	69.5%	1,213	30.5%	2,938.99
Fall 2002	4,132	2,874	69.6%	1,258	30.4%	3,045.84
Fall 2003	4,219	2,935	69.6%	1,281	30.4%	3,116.56
Fall 2004	4,294	2,977	69.3%	1,317	30.7%	3,516.22
Fall 2005	4,412	3,076	69.7%	1,336	30.3%	3,661.41
Fall 2006	4,450	3,177	71.4%	1,273	28.6%	3,728.62

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**

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

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.