Hello,

Please find attached a copy of the oral and written testimony of M. Angelo to the BOR on 2/11/16 regarding the UHM budget model.

Thank you.

2 attachments

- 160211_Angelo_Michael_S_Testimonay_BOR_FINAL.docx (19K)
- Angelo_Michael_S_BOR_Testimony.pptx (52K)
UH Mānoa Faculty Budget Model
Presentation to Board of Regents
2/11/16
UHM Faculty: Budget and Planning Alignment Model (BPAM)

**Funding Sources**
- G-Funds
- S-Funds
- RTRF
- Etc..

**Funding Pool**
- Strategic Investments

**S/C/O**
- School (S)
- College (C)
- Organized research unit (O)

**Cost Centers**
- Infrastructure & utilities
- UHM Chancellor Admin.
- UH System Admin.
- Etc..

**Regent Policies Supported**
-等
Process for allocating funds: Committees

Funding Sources → FUNDING POOL → S/C/O Committee → COST CENTERS

- Strategic Investments
- Exceptions Committee
- Cost Center Committee

S/C/O → Strategic Investments Committee

- Athletics
- Bookstore
- Parking
- Etc..

Campus Budget Allocation Review Committee
Hello and good morning. My name is Michael Angelo and I am the current Chair of the Committee on Administration and Budget (CAB) for the University of Hawai‘i at Mānoa’s faculty Senate (UHM). I would like to thank the BOR for the invitation to speak here today.

I am speaking today on two items: 1.) to inform the BOR that the UHM faculty have not been afforded the opportunity to participate in developing the Chancellor’s current budget allocation model which has become familiarly known as the “spaghetti model”, and 2.) to present a status update on the CAB’s development of a different budget model that we refer to as “BPAM” or the budget and planning alignment model because it aligns the University’s budgetary needs with planning to meet the strategic objectives.”

UH’s Executive Policy (EP) 4.201.B.4 states, “A central objective of UH planning is broad participation of faculty, staff, students and managers resulting in decentralized implementation within common parameters.” Furthermore, EP 4.201.D specifies budget hearings and program reviews as areas that support the University’s planning framework. Thus, faculty participation in budgetary issues and planning is required. The CAB is the arm of the faculty Senate that represents the faculty in the budget process. However, to this date, we have not been afforded the opportunity participate in the development of the Chancellor’s budget model. We have not received information on the status of the model beyond a single meeting with the Chancellor on Oct. 30th, 2015. We have also requested several meetings with the Chancellor to collaborate on the budget model; however, these meeting requests have gone unanswered. We would like to note that the CAB continues to seek collaboration with the UH Administration on the development of a budget model for UH Mānoa and would welcome that development in the near future.

The Mānoa faculty care deeply about the University and we want to do our part to contributing to making it the best it can be. As such, the CAB has been developing its own budget model, which is diagramed on the first page of the pink handouts provided to you. The goal is to allocate funds in a transparent and efficient manner that enables individual schools, colleges, or units, to easily align their strategic objectives and planning with their budgetary needs.

The way the model works is that all of the funds that come into UH Mānoa are placed into a general pool. The allocation of funds throughout the model is determined by several committees, which are shown on the second page of the handouts. Some examples of the bases for allocations include allocations to the school/college/unit based on budgetary and strategic needs and allocations to cost centers based on formulae developed by the committees. The budgetary process proposed differs from the current method implemented at UH Mānoa where budget requests are made to the administration based on the historical allocations. One key advantage of the proposed budget framework is that it provides incentives to increase research dollars, enrollment, and graduation because the funding
allocations to the unit are based on attaining quantifiable objectives. The allocation committees are comprised of different members of the campus community including students, faculty, staff, administrators, departmental chairs. The committee will be governed by a set of policies and procedures that are currently being developed and will have the input of the full campus community. Thus, this budgetary model emphasizes the involvement of the full faculty and supports many of the policies outlined in EP 4.201.

Engaging the entire campus community in the budgetary process provides the most effective solution overall for everyone. To that end, we continue to welcome the opportunity to collaborate with the UH Mānoa Administration on developing a model that best serves the students and the full campus community. We look forward to presenting our budget model as it progresses at a future BOR meeting.

Thank you very much for the opportunity to speak before you today.