



# UNIVERSITY OF HAWAI'I SYSTEM

## TESTIMONY

UOH 800 University of Hawai'i, Community Colleges

Testimony Presented Before the Senate Committee on Higher Education  
and House Committee on Higher Education

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By

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**Budget Request for Fiscal Year 2006-2007**  
**Testimony of the University of Hawai'i, Community Colleges - UOH 800**

I. Introduction:

The program objectives are to develop eligible individuals to higher levels of intellectual, personal, social, and vocational competency by providing formal vocational and technical training and general academic instruction for certificates or degrees, or in preparation for the baccalaureate; and by offering adult continuing education for both personal and vocational purposes.

The University of Hawai'i Community Colleges offer lower division general education courses. Also offered are credit and non-credit technical and occupational education courses to prepare students for entry-level employment or to upgrade current levels of proficiency, and developmental courses to develop and strengthen basic skills needed by students to pursue one of the regular instructional programs. Additionally, the community colleges offer non-credit courses to meet statewide workforce training and other community needs and interests, including short-term, skills upgrading offerings, as well as cultural and performing arts programs to enrich the community.

University of Hawai'i Centers on Maui, Kaua'i, and in West Hawai'i on the island of Hawai'i provide permanent University of Hawai'i presence in those communities that otherwise lack easy access to programs offered elsewhere in the University of Hawai'i system. The University of Hawai'i Centers serve as receiving sites for courses and a limited number of complete degree programs of various University of Hawai'i system campuses. Courses and programs of study delivered at these Centers use a variety of delivery strategies, including distance learning technology, faculty who travel to the Center from their home campus, and faculty from the community served by the Center. University of Hawai'i Centers and distance learning are areas of priority program emphasis for the community colleges.

The University of Hawai'i Community Colleges are also progressing toward the selected offering of four-year baccalaureate degrees. Maui Community College has developed and initiated a four-year baccalaureate program in Applied Business and Information Technology (ABIT). Kapi'olani Community College is progressing toward the development of a four-year advanced Culinary Arts degree.

A variety of services support the instructional program and provide access to the colleges. These services include library, media, computer and learning labs, academic assessment and advising, financial aid, admission services and record keeping, and special support services for disabled, minority, and second-language students.

Administrative support services at each campus provide campus-wide executive leadership, budgetary and financial management, personnel administration, procurement and property management, facilities and grounds maintenance, security, physical facilities planning of both repairs and maintenance and capital improvement projects, and auxiliary services.

Under the Systemwide Administration reorganization approved in June 2005, the University of Hawai'i Community College administrative affairs and academic affairs support units have been placed under the direction of the Vice President for Community Colleges to provide direct support for the community colleges. The administrative affairs and academic affairs systemwide support units coordinate, support, and assist the community colleges in policy formulation, systemwide planning and coordination, effective use of available resources, and administrative, logistical and technical services.

## II. Program Performance Results:

In recent years, credit headcount enrollment for the University of Hawai'i Community Colleges has been relatively stable at the 26,000 level. A decrease in headcount enrollment was experienced in Fall 2005, attributed to the upswing in Hawai'i's economy with potential students electing to work rather than attend school.

University of Hawai'i Community College tuition rates have increased from \$230 per semester in FY 1994 to the current \$588 per semester (\$49/credit -12 credits) in FY 2005, an increase of 156%. The Community College credit headcount enrollment declined from the 28,000 level in Fall 1994 to a low in Fall 2000 of 24,000. However, since Fall 2000, credit headcount enrollment has steadily increased to the current 26,000 level. Some of the initial decreases were the result of policy and procedural changes which, while lowering credit enrollment, were really means of enhancing overall program health. For example, Adult Basic Education equivalent instruction is no longer offered as credit instruction. The community colleges remain committed to the Open Door policy and to providing remediation as needed through non-credit offerings. The community colleges work in coordination with the State Department of Education (DOE) to provide the most basic level of remediation. The community colleges are collaborating with the State Department of Education, whose Adult Schools include Adult Basic Education in their mission, in order to bring needed services to students. Similarly, the movement to provide more workforce training in the form of short-term, non-credit instruction rather than credit instruction, is a factor in the decline of credit enrollments. Thus the decrease in credit enrollments, while a key indicator of "health," must be understood within this broader context of "institutional health."

Non-credit and special program activities fluctuate based on changing needs and emphasis on training, employment preparation, workforce development, and cultural programs. In recent years, the community college non-credit and community service programs have averaged 52,000 registration counts per academic year. Special program activities and theater performances continue to serve the intellectual and cultural needs of local communities.

### III. Problems and Issues:

Providing access to quality postsecondary education for the residents of Hawai'i continues to be the single most important mission for the community colleges, as reflected in the public policy mandated by Act 39, SLH 1964. This is accomplished by providing opportunities for individuals to enroll in liberal arts and career and technical education programs, at moderate cost, in institutions close to where they live and work. Through seven degree-granting campuses, and affiliated University Centers on Maui, Kaua'i, and in West Hawai'i, the community colleges collectively serve approximately 26,000 degree seeking students each semester (52% of the total University of Hawai'i credit headcount enrollment) and offer non-credit, short-term offerings, averaging 52,000 annual registrations in recent years (averaging 57% of the total University of Hawai'i annual non-credit registrations). However, continuing to fulfill this critical mission of open door access within the finite limits of the State's financial resources continues to challenge the community colleges.

Hawai'i is facing a skilled worker shortage. The aging of the current workforce and the growth in the economy over the past two years have resulted in approximately 28,000 jobs to be filled annually according to the most recent data reported by Economic Modeling Specialist Incorporated (EMSI). The changing local and world economies are requiring increasing levels of education and training for individuals to be successful. It is anticipated that more than half the jobs to be filled in the State over the next ten years will require education and training beyond high school. Providing access and support to individuals who have recognized the importance of continuing their education, including remedial/developmental education, is increasingly important if the State is to remain competitive in the national and world economy.

However, there are significant structural impediments that must be addressed in order to successfully meet the anticipated demand for qualified workers. There is a need to increase the number of high school graduates who continue their education, a need to increase the number of working adults who continue their education, a need to increase the rate at which students who enroll successfully complete their programs of study, and a need to increase program capacity in fields with worker shortages.

While the State's shortage of qualified teachers and nurses are well reported, it is not widely known that there are significant shortages of qualified individuals to fill less than baccalaureate level technical positions. EMSI reported data indicates a need to fill about 4,000 jobs per year with individuals holding 2-year technical degrees; however, only about 2,200 such degrees are awarded annually by both public and private institutions in the State. This technically prepared worker gap is now being recognized by a number of employer groups as a major barrier to their future success. As high tech employers, the community colleges have also been struggling with the need to employ and retain qualified faculty and staff, to retrain and reeducate the existing workforce, and to renovate and reequip education and training facilities to meet the new demands that employers and students are placing upon us.

The University of Hawai'i Community Colleges have been at the forefront of responding to these changes by eliminating low demand programs and reallocating resources to develop new programs, equip facilities, retrain faculty, and respond to employer's requests for retraining their workforce. The community colleges will continue with this approach to meet the changing needs of the communities, but the current financial environment makes this an increasingly difficult challenge.

Increasing the number of program degree completers is made more difficult when increasing numbers of students are not prepared to enroll and advance in their desired programs of study. Historically, the community colleges have enrolled a significant number of students who have required remedial and/or developmental education to successfully meet their program requirements. This number has grown to more than half the students entering our campuses as more young adults discover the need to acquire a postsecondary degree to be successful. To reduce the number of under prepared new students, the community colleges have been working closely with colleagues at the State Department of Education through the P-20 initiative and the DOE/UHCC Coordinating Council to develop a more rigorous, seamless pathway between the two systems. A critical commitment of professional resources has been made to assure the success of this effort.

The community colleges of the University of Hawai'i are committed to serve as the "Open Door" point of access for the University System. The growing challenge, however, is to maintain an appropriate balance between quality and access. While facing general fund budget reductions over the past decade, the community colleges have placed the highest priority on meeting instructional needs of students. To this end, the community colleges conduct program and course reviews and assessments; consolidate, transfer or terminate programs as required; and deliberately reallocate resources, both human and material, to continue meeting student demand for courses. To accomplish this, the community colleges have had to restrict the replacement of instructional and institutional equipment; kept positions vacant; eliminated or reduced some student and institutional support services; and have fallen behind in the repair and maintenance of facilities.

However, there are limits to our ability to reallocate resources without negatively affecting the access to, and quality of education and training programs.

Besides continuing to provide access, the community colleges of the University of Hawai'i are proud of the continuing commitment to quality. For students pursuing the Associate in Arts degree, this quality is evident in the ability of students to transfer and be successful at UH-Mānoa, UH-Hilo, and UH-West O`ahu. For students enrolled in occupational-technical programs, their successful employment, and the reported satisfaction by their employers attest to the quality and of the programs being offered.

The University of Hawai'i Community College Strategic Plan 2002-2010, adopted by the Board of Regents in 2002, was developed and updated to identify critical State needs and internal operational issues, establish goals, and set the agenda for community college system priorities. This planning effort was the driving force for the development of the Community Colleges' FB 2005-07 and FY 2007 Supplemental operating budget. More specifically, the strategic plan allowed the University of Hawai'i Community Colleges to focus its requests for limited resources on its most important funding priorities.

Funding priorities for the FY 2007 Supplemental budget were built upon urgent needs identified in the strategic planning process with the projected shortfalls in electricity and other utility budgets being the most critical area of concern. If additional funding is not provided, these critical utility shortfalls will threaten the ability of the Community Colleges to meet its primary mission, which is to provide open access to quality post secondary education to all residents of the State. The other critical area of concern is the need for funding to support Program Review/Program Improvement Fund requirements, essential in addressing accreditation issues. There is a need to provide the infrastructure to meet the new program review/assessment processes as well as provide flexible resources to differentially allocate across the colleges according to the needs identified in the program review process.

Funds to support a Rapid Response Workforce Training fund and other workforce and economic development initiatives are also needed to address a major aspect of the Community Colleges' mission; to respond to identified State needs for a diverse, competent, high quality workforce. Support for Native Hawaiian programs continues to be a priority issue for the University and the Community Colleges. Additionally, each community college has identified critical campus needs through the strategic planning/program review process. Funding for these individual campus requests will support the mission of the community colleges in addressing the current educational and training needs of students, businesses, and the community.

The following discussion highlights issues specific to each of the seven campuses.

## Honolulu Community College

Honolulu Community College's goals are: a) to serve as the technical training center for the State of Hawai'i in the College's primary areas of responsibility, including information technology, construction trades technology, environmental technology, early childhood education, cosmetology and esthetics, fashion and public service; b) to serve as the gateway for upward mobility for the citizens of Hawai'i, especially first generation college students and underrepresented minorities; and, c) to provide the courses necessary to educate students in the liberal arts, supporting student aspirations to continue higher education through comprehensive curriculum leading to the completion of educational paths at the associate level or for transfer to the baccalaureate level.

At the heart of the College lies workforce development. The current economic boom coupled with Hawai'i's perennial shortage of workers has created an unsurpassed demand for skilled labor. To this end, the College has been in discussions with several industries to establish new or enhance existing curriculums to produce trained workers in various skill areas. Discussions with construction, defense, information technology, and aviation industry employers and organizations are dynamic and ongoing. With the pending release of the Economic Momentum Commission report, the College hopes to finalize certain plans that will address the shortages in some of the high demand areas.

Although the fiscal outlook remains positive, until workforce development plans are accomplished, the College will remain fiscally prudent in its funding requests. The supplemental budget reflects this prudence as the College's priority requests are targeted toward increasing fixed operational costs, programming for native Hawaiians, obsolete equipment replacement, technical education support, and maintaining accreditation.

The information technology industry's ever changing needs will continue to be one of the college's primary areas of focus. Vanguard technologies, complex infrastructures, and sophisticated machinery demand that the College increases information technology training and education capacities. To ensure that the College remains dynamic and ahead of the training curve, planning and design capital improvements funding for a new science and technology building has been requested. A building of this nature will provide the much needed space and infrastructure to attract industry participants and expand programs.

There are a number of projects that the college continues to work on:

- The Global Learning Network (GLN) is a learning infrastructure system developed by Cisco Systems, McGraw-Hill, and Honolulu Community

College. The GLN is the most advanced e-learning architecture currently available in the world. It is anticipated that the content delivered through this platform will become a viable and favored alternative to textbooks.

- Initial feedback on the first year of operation for the Construction Academy has been positive. The Academy, which was funded by a U.S. Department of Education grant received in December 2004, is in place at eight high schools. The goal of this program is to increase the pipeline of workers entering the construction industry.

### Kapi'olani Community College

Since Fall 2000, Kapi'olani Community College's credit headcount enrollment has increased from 6,760 to 7,300 students in Fall 2005. As enrollment has grown, the College has attempted to continue providing extensive and quality liberal arts and 21st century career programs. Additional State support for the priority areas shown below is essential to enable the College to sustain its efforts.

The College provides the largest number of liberal arts students who transfer into and graduate from UH Mānoa. The College also serves Hawai'i's workforce needs through strong 21st century career programs in business, information technology, culinary arts and hospitality, nursing and health sciences, legal assisting, English as a second language, sign language interpreter education, and paraprofessional and teacher education. Emerging technology programs in new media arts, science, biotechnology, exercise and sport science, and eBusiness provide opportunities for new synergies in career education that advance State economic development opportunities.

Based on comprehensive external evaluations, the College is nationally recognized by four major higher education associations for excellence in student learning. Further, recent institutional effectiveness data shows significant improvement in the quality of student learning experiences since 2002. To sustain excellence in student learning, the College needs support in six priority areas:

- 1) **Campus Repair, Maintenance and Housing:** 20 years of enrollment growth and intensive use of campus facilities, operating budget erosions, and increasing demand for technology integration within all programs, leaves the campus in serious need of additional funding for building maintenance, new classrooms and furniture, equipment, technology, and parking. Further, increased housing accommodation is needed for Neighbor Island and international students.
- 2) **Native Hawaiian Student Success:** The College is inspired by the legacy of Queen Kapi'olani and is committed to the educational success of its Native Hawaiian students. Additional funding to improve the quality of counseling and

academic programs and services for Native Hawaiian students, representing 10% of the student body, is critical for academic success.

3) **Success For Students With Disabilities:** The College anticipates decreases in federal funding for services to students with disabilities. Counseling services and services to provide accommodations to all disabled students must be shifted to non-Federal sources to ensure student success and to comply with federal standards.

4) **Workforce and Economic Development:** The College's 21st Century career programs are strongly aligned with State economic development trajectories. Strengthening career pathway programming with the DOE, expanding remedial and development program to ensure greater access to and success in career programs, strengthening programs for students with limited English proficiency, and developing local and national partnerships for career program enhancement are College priorities.

5) **Long-Term Care Workforce and Industry:** With a rapidly aging demographic profile, the State must focus greater resources on developing a long-term care workforce and industry. The College is well prepared to shape this new career field using its existing expertise, if additional funding is provided to cover basic requirements.

6) **Improved Business Services:** The College has created a successful culture of holistic budgeting and excellence in academic programs. However, staffing for efficient business operations has not kept pace and additional funding for key business services is necessary to sustain critical fiscal support services such as bursar, account receivables, purchasing, etc.

Currently, general funds comprise only 49% of Kapi'olani CC's total operating budget. The general funds the College receives is sufficient to cover only 78% of the general fund salaries. The balance of salaries, all costs for instructional lecturers, supplies, equipment, and all other operating expenses are funded by tuition, summer session, continuing education courses, and auxiliary enterprise.

#### Leeward Community College

A quick look at the map of Leeward Community College's service area shows a vast area of Oahu. As Kapolei and surrounding areas are further developed, Leeward CC's enrollment is projected to increase to about 6,600 students in Fall 2008. Currently this serving area contains over 50% of the O'ahu DOE

schools and over 30% of all Native Hawaiians in the state attend schools in Leeward CC's region. Leeward CC has more Native Hawaiians in attendance than any other campus in the UH Community College system. The area also has the highest rates of impoverishment on Oahu, a problem Leeward CC as a community college, is in unique position to address.

In its mission statement, "the special mission of Leeward Community College is to provide teacher training and serve all the residents of our diverse communities, with particular attention to the Hawaiian population." A serious shortage of locally trained teachers has forced the DOE to increasingly rely on recruiting from the mainland. However, 40% of these recruits resign within the first year and 55% within the first two years of employment. Through support of Leeward CC's biennium budget request, the College will be able to contribute significantly to a locally trained teacher workforce and help alleviate the serious local (and national) teacher shortage, thereby addressing a critical workforce need.

A major concern of Leeward Community College is insufficient staff for financial aid. The oversight agency for financial aid officers as well as comparisons with other campuses in the system show how terribly short Leeward CC is in this area. Given the area's poverty rates, financial aid is especially important to our students.

Leeward CC and the system need to focus more on common data elements driving an integrated process of assessment, planning and decision making. The mandate by our accreditation agency (ACCJC) for significantly increased program review, assessment, and institutional research will require substantially expanded expenditures of time and resources.

Years of tight budgets have produced a tremendous backlog of crucial equipment replacements for the academic and vocational disciplines. Increased expenditures in this area are critical in maintaining instructional quality in the College's programs in order to meet workforce demands.

Given the projected growth in our area, Leeward Community College is looking forward to adding a new Social Science building for the campus. This building has planning and design funds appropriated but will need legislative support for the construction of the facility in the future. Also, Leeward CC's buildings are about 35 years old, and our deteriorating facilities are of increasing concern. The College has deferred repair-and-maintenance projects of nearly \$10 million dollars that are slowly being addressed with limited funding. Of equal importance is the construction of a second access road for the safety of the College's 6,000+ students, faculty, and staff. In the event of a major evacuation, rapid egress via the College's single access road is a major safety issue. Continued legislative support for this second access is essential through CIP funding to the State Department of Transportation.

Other funding issues faced by the College include: strengthening various instructional programs, including our Hawaiian Studies, distance education, science and math programs, English Language Institute, and international programs; implementing an equipment replacement and acquisition program; supporting our increasingly complex information technology infrastructure; providing adequate job placement, enrollment management, Web-management, security, and custodial services; and developing new instructional programs, including customized training and courses, to meet the needs of the community and area businesses.

### Windward Community College

As the only University of Hawai'i campus on the windward side of O'ahu, Windward Community College offers the community a quality educational center and a vital cultural resource. Windward CC offers credit programs in the liberal arts and science disciplines leading to transfer to four-year institutions. The Windward CC student population is over 31% Hawaiian/Part-Hawaiian, reflecting the demographics of the neighboring communities. Windward CC provides a desirable alternative for students seeking the personal interaction that faculty and counselors on a small campus can provide.

Merged administratively into Windward Community College, the Employment Training Center (ETC) serves increasing numbers of adults and youth. In response to community needs, the Employment Training Center works actively with the State Department of Labor and Industrial Relations, as well as with other federal, state, city and private agencies to develop and provide short-term workforce training programs.

Windward Community College is grateful for the legislative support that has provided new facilities that have allowed the instructional programs to move out of deteriorating state hospital buildings into environments that truly support learning. In addition, the multi-use facilities provided, such as the campus center and theatre, have positively changed the relationship between the college and the community. The community utilizes campus facilities extensively, and in turn has increased its support for and involvement with the college.

With a focused effort on enrollment management and operating efficiencies, and with the addition of new support positions in the FB 2005-07, Windward has worked to sustain its enrollment while infrastructure and operational costs have continued to increase. Increases in tuition revenues have not been sufficient to support the increase in operating costs. Inadequate support for basic utility costs is a concern that continuously threatens academic operations.

A critical new facility that will cap Windward's transition into a 21<sup>st</sup> century college is the Library/Learning Center. The library is the heart of a quality liberal arts college and therefore represents a critical need. This facility will incorporate the consolidated services of the existing library, learning center, media center and academic computing into one information resource center. With funds appropriated by the legislature in FY 2002, the college has worked with a planning firm to plan an efficient Library/Learning Center that is consistent with the master plan of Windward Community College.

### Hawai'i Community College

Hawai'i Community College's goals are consistent with those of the Community College Strategic Plan. In addition to the College's Capital Improvement Project (CIP) requirements, the highest priority for Hawai'i Community College is the delivery of a comprehensive approach to workforce development that will enable a timely response to meet educational and training needs to support economic development for the entire island of Hawai'i. As the only community college serving the entire Big Island, the College plays a crucial role in supporting local industries as well as assisting the County in attracting new ones. The College has successfully worked in partnership with government entities, private agencies and non-profit organizations to assess the workforce training needs of businesses, and to deliver workforce training at all levels, from entry through skill upgrade training in support of local industries.

#### Funds for Campus Operations:

The Hawai'i CC facility is jointly located with UH Hilo and shares both the main campus on Kawili Street and the Manono Campus. As part of its Long Range Development Plan, a permanent Hawai'i CC campus will be built on 120 acres above Komohana Street. In the interim, Hawai'i CC will implement a transition plan that will require continued utilization of the main campus and the Manono campus locations during the transitional period. As part of this transition plan, it is vital that Hawai'i CC control campus operations that are currently handled by UH Hilo (janitorial and maintenance functions, electricity and other utilities, as well as campus security). Funds are needed to allow Hawai'i CC to control the resources required to operate the facilities and services that are currently provided by UH Hilo. There are no funds in the Hawai'i CC budget for these operating costs nor are there sufficient funds available in the UH Hilo budget to handle both.

#### Creation of an Enrollment Management System:

Current staffing is able to provide service to students at a basic level. Additional support is needed to deliver a comprehensive package of services that will facilitate the movement of students from entry level through completion. During the accreditation review process and the College's strategic planning sessions, faculty and staff of the College evaluated the processes that support the students

from entry into the college, through the services designed to support their continuous enrollment and enable them to progress in their chosen fields of study, and services designed to assist their transition from college into the workplace or to additional studies. From this review, the faculty and staff felt the college was lacking in transition services, recommending additional staffing to help students with job placement when they graduate, as well as counseling support for students who plan to transfer to a baccalaureate degree program. Additionally, particular attention must be focused on the needs of students with disabilities.

#### Equipment Replacement:

The equipment request replaces obsolete electronic equipment purchased originally in 1983. This purchase will accommodate the improvement of the College's Electronics AAS program as an articulated A.S. program in response to industry demand. It provides for expansion of the program with transfer opportunities to baccalaureate of science degree granting institutions.

#### Replacement Motor Vehicles:

As the only community college serving the entire Island of Hawai'i, the College has the responsibility of providing education and training opportunities to all residents of the Island. Big Island residents are located in pockets widely dispersed throughout the island, and Hawai'i CC staff must often travel to these sites to provide instructional and related support services. Due to budget shortfalls, however, the College has been unable to replace much-needed motor vehicles. As a result, Hawai'i CC staff must drive vehicles that are over 20 years old and have odometer readings upward of 200,000 miles. These vehicles, while still functioning, are becoming increasingly unsafe to operate, especially when traveling long-distances.

#### Maui Community College

Over the past ten years, the Legislature has been extremely supportive of Maui Community College's physical plant and higher education expansion. During this period, the college has approximately doubled its square footage with the most recent addition of a "state of the art" culinary facility. Maui CC students, faculty, staff and community are extremely grateful for the continuing support. To continue its progress, Maui Community College must address several institutional as well as instructional challenges to ensure student access, services, and accountability. First, the immediate challenge is to finance the rapidly increasing costs of utilities, maintenance and the general operation of the newer facilities. The current utilities shortfall is formidable. Therefore, the College has leveraged partnerships with local, state and federal agencies as well as public/private organizations to address its financial issues. In addition, the College has increased its efforts in the area of energy efficiency and is exploring alternative energy strategies. Maui CC's highest priority is funding to support the utilities shortfall.

Second is the continued need to build on the progress that Maui CC has made in program review. The College has put into place many of the program review matrices; however, there is still work to be done in incorporating student learning outcomes from both external measures (student achievement) to internal measures (assessment of student learning outcomes).

Third, Maui CC's strategic plan, congruent with the University of Hawai'i System's direction, specifically emphasizes workforce development. Community members at the 2<sup>nd</sup> annual Community Forum and campus staff and faculty at the fall 2006 convocation listed workforce development as one of the top priorities. The College has identified several areas within the community, which demand a homegrown workforce. These areas are in Biotechnology, Oral Health Care and Early Childhood. Each of these initiatives has identified strong community partners who will work with the College to build and expand these programs.

Fourth, the College, while it has received generous support to construct new facilities is also faced with a number of facilities that are in dire need of repair. Therefore, the college is requesting additional repair and maintenance funds as well as custodians and maintenance staff to address workload increases due to new facilities.

Fifth, the Native Hawaiian program over the last few years has grown as demand for Hawaiian language and Hawaiian studies has increased. In 2003, Maui CC developed its first academic subject certificate (ASC). This ASC is in Hawaiian Studies. This past year, seven students received this certificate. Maui CC also has a strong Native Hawaiian voice in the form of the La`u`ulu committee. This committee has been instrumental in setting the direction of the Native Hawaiian initiatives. External funding has been secured to assist Native Hawaiian students become competitive in both academic as well as workforce settings. However, external funding is limited in both length of time and scope of operation. State-supported funding will ensure the continued support of our Native Hawaiian students.

As the only institution in the County of Maui representing the University of Hawai'i Community Colleges and the University System, Maui CC and its University Center seek support for growth and progress, to accommodate the higher learning demands of our tri-isle region.

#### Kaua'i Community College

The mission of Kaua'i Community College is to provide access to quality, post-secondary education which responds to Kaua'i's identified needs and results in student learning. Through a continuous process of assessment and evaluation using input from our students and community members, the faculty and staff of Kaua'i CC have determined priorities for each program and for the college.

Employer and graduate focus groups supplement the regular community advisory committees, which are a vital link to business needs for our career technical program. The Kaua'i Comprehensive Economic Development Strategy (CEDS) document has also been an important source of direction.

Challenges for Kaua'i continue to be shortages in health services, teaching and education related services, and social services. The growth areas defined in the CEDS are:

- Agriculture & Food
- Healthcare & Wellness
- Sports & Recreation
- Arts & Culture
- High Technology
- Renewable Energy

At the same time, the continuing strength of the visitor industry, requires a sustained effort in business and culinary arts.

Through transfer level programs and the University Center, the College extends opportunities for the community beyond community college degrees and certificates to baccalaureate and graduate level credentials. This greater access is particularly important for the growing high technology arena, which has needs ranging from technicians to scientists. The College has been particularly successful in using internships to connect students with employers and real world experience beyond the scope of the classroom.

Fundamental to Kaua'i Community College's ability to respond to these challenges are infrastructure needs, including the constantly rising electricity and now water costs. The College has worked aggressively to contain energy usage. Kaua'i CC is most grateful for recent CIP funding which has allowed the College to add significantly to instructional facilities, including the expansion and renovation of the Culinary facility and the Technology Center. At the same time, the energy demands of these buildings, in particular, has been significant. The campus has been retrofitted with more energy efficient lights, the aging and inefficient chiller system has been replaced, and computerized controls have been installed. Night classes have been consolidated to minimize the number of buildings, which must be cooled and lighted. In fact, the College has been able to keep actual electrical KWH usage fairly stable, despite the addition of building space on campus. However, the actual cost continues to rise because of the continuing rise in the fuel adjustment charge.

A second infrastructure need, which was part of the original biennium budget request for FB 2005-2007 and continues to be a top priority requirement, is equipment replacement funding. Career and technical programs, such as Electronics and Transportation technologies, have been especially hard pressed by the budget reductions of the past decade. Kaua'i CC must be able to train

students on the kind of equipment that will be used the field. Although the College has been fortunate thus far in the constant search for grant and other external funding, a stable and consistent budget is essential for effective long range planning. In the area of information technologies, all operations of the college, from facilities maintenance to academic support, are dependent upon reliable computing support and high speed connections to centralized databases located on Oahu. Sufficient computer hardware, software and training support are essential tools on the 21<sup>st</sup> century campus. For the neighbor island campuses, they are the difference between being active parts of the University system and being afterthoughts.

### Summary

The open-door, low tuition philosophy is the single most critical factor which allows the University of Hawai'i Community Colleges to counsel, educate and train a large number of Hawai'i residents to become highly productive individuals. For many residents of Hawai'i, especially first generation college students, educationally and economically disadvantaged individuals, and under-represented minorities, the community colleges serve as the primary gateway for upward mobility. Without this opportunity, post-secondary education and training would not be available to many residents of Hawai'i, with a resultant negative impact to the general economic condition of the State. General fund support for the University of Hawai'i Community Colleges must be increased to properly maintain the open access mission as a critical investment for the future of the State of Hawai'i.

IV. Expenditures for Fiscal Year 2005-2006:

	Act 178/05 FY 2006	Collective Bargaining	Transfer In/(Out)	(Restriction)/ Specific Apprn	Net Allocation	Est Total Expend
Personal Services	(1,676.85) 99,447,919	625,968	4,829,873	0	(1,676.85) 104,903,760	(1,676.85) 104,903,760
Current Expenses	29,383,267	0	0	0	29,383,267	29,383,267
Equipment	1,644,913	0	0	0	1,644,913	1,644,913
Motor Vehicles	0	0	0	0	0	0
<b>Total</b>	<u>130,476,099</u>	<u>625,968</u>	<u>4,829,873</u>	<u>0</u>	<u>135,931,940</u>	<u>135,931,940</u>
Less						
Special Funds	(77.50) 43,684,229	0	0	0	(77.50) 43,684,229	(77.50) 43,684,229
Federal Funds	(15.60) 3,540,927	0	0	0	(15.60) 3,540,927	(15.60) 3,540,927
Revolving Funds	(4.50) 4,848,882	0	0	0	(4.50) 4,848,882	(4.50) 4,848,882
General Funds	(1,579.25) 78,402,061	625,968	4,829,873	0	(1,579.25) 83,857,902	(1,579.25) 83,857,902

V. Supplemental Budget Requests for Fiscal Year 2006-2007:

	<u>Act 178/05 FY 2007</u>	<u>BOR Budget Request/Transfer FY 2007</u>	<u>BOR Supplemental Request FY 2007</u>
Personal Services	(1,688.85) 99,934,277	(98.25) 5,575,126	(1,787.10) 105,509,403
Current Expense	29,748,235	10,175,895	39,924,130
Equipment	1,718,834	337,006	2,055,840
Motor Vehicles	40,000	90,000	130,000
Total	<u>131,441,346</u>	<u>16,178,027</u>	<u>147,619,373</u>
Less			
Special Funds	(77.50) 43,684,229	2,893,283	(77.50) 46,577,512
Federal Funds	(15.60) 3,540,927	0	(15.60) 3,540,927
Revolving Funds	(4.50) 4,848,882	0	(4.50) 4,848,882
General Funds	(1,591.25) 79,367,308	(98.25) 13,284,744	(1,689.50) 92,652,052

Workload or Program Request:

The University of Hawai'i Board of Regents Supplemental Budget for the Community Colleges program includes the following general fund budget requests to meet a number of high priority requirements, including:

Utilities Shortfalls - \$2,399,677

The Community Colleges require additional funding to meet projected shortfalls in its electricity, water, and sewer budgets for FY 2007. Electricity costs have risen steadily over the years due to increases in the cost of oil and some growth in consumption. This situation is expected to worsen as all utility rates (electricity, water, sewer) are expected to further increase in the future.

Program Review/Program Improvement Fund – 9.25 FTE and \$1,683,243

The Community Colleges require funding to directly support accreditation program review/assessment processes at the campuses as well as flexible resources to differentially allocate across the colleges according to the needs identified in the program review process.

Rapid Response Workforce Development Training Fund – 1.00 FTE and \$1,054,492

The Community Colleges require a centralized pool of funds to provide immediate response in meeting identified workforce training needs at the campuses. Each college works closely with industry and employers to provide critically needed workforce training which is essential in promoting economic development in Hawai'i.

Support for Native Hawaiian Programs – 16.00 FTE and \$847,581

Support for Native Hawaiian programs has been a high priority concern for the Community Colleges and the University as a whole. The Community Colleges seek to promote a broader understanding of the host culture by building Hawaiian Studies Programs at the various campuses. The requested funding will help build programs devoted to developing essential, project oriented curricula and support programs for Hawaiian Studies.

Individual Campus Requests - 72.00 FTE and \$7,247,323

In addition to these high priority community college systemwide requests, each community college has also identified critical individual campus needs through the strategic planning/program review process. These budget request items reflect critical needs for each campus to meet institutional goals and objectives. Funding for these individual campus requests will support the mission of the community colleges in addressing the current educational and training needs of students, businesses, the community, and the State of Hawai'i.

Attached is a detailed listing of the general fund budget requests approved by the Board of Regents for the Community Colleges.

The BOR budget also includes a University of Hawai'i internal transfer of general funds to cover additional payroll requirements in the amount of \$52,428.

Additionally, the Community College BOR budget includes a request for an increase in the Tuition and Fees Special Fund expenditures ceiling to accommodate a 14.29% tuition rate increase for resident students and a 2.89% increase for non-resident students that was approved by the BOR for FY 2007.

VI. Program Restrictions:

Not applicable

VII. Capital Improvement Program (CIP) Requests for Fiscal Biennium 2005-2007:

The Capital Improvement Program request will be covered in a separate testimony.

VIII. Proposed Lapses of Capital Improvements Program Projects:

The Capital Improvement Program request will be covered in a separate testimony.



University of Hawaii - Community Colleges  
 BOR BUDGET - GENERAL FUNDED BUDGET REQUESTS  
 Sorted by Campus  
 FY 2007 Supplemental Operating Budget

12/8/2005

MOF: A						BOR Budget FY 2007	
UH System Goal/Obj	CC Goal/Obj	Campus Priority	Campus	Program ID	Description of Item(s)	FTE	\$
<b>Honolulu Community College</b>							
2-3	E-1	1	Hon	303	Increase Technological Support	2.00	102,676
4-2	E-6	2	Hon	305	Additional Security Support	0.00	50,000
4-1	D-4	3	Hon	305	Faculty and Staff Professional Development	0.00	50,000
4-2	E-6	4	Hon	305	Aeronautic Maintenance Program (AERO) Lease	0.00	324,000
2-3	E-3	5	Hon	301	Equipment Replacement	0.00	100,000
1-1	A-2	6	Hon	304	Improve Student Recruitment & Retention	3.00	121,944
2-3	E-2	7	Hon	301	Distance & Blended Learning Infrastructure Support	3.00	231,404
1-1	A-5	8	Hon	303	Improve Academic and Student Support Services	1.00	41,762
3-1	A-7	9	Hon	304	Recruit and Serve International Students	1.00	39,753
4-1	D-2	10	Hon	301	Teaching Load Reduction	0.00	103,965
<b>SUBTOTAL</b>						<b>10.00</b>	<b>1,165,504</b>
<b>Kapi'olani Community College</b>							
4-2	E-6	1	Kap	315	R&M Funds/Furniture Replacements	0.00	400,000
1-1	A-2	2	Kap	314	Improve Student Support Services	3.00	229,363
5-2	E-6	3	Kap	315	Support Campus Business & Training Processes	1.00	57,325
4-1	E-6	4	Kap	315	Support for Business Office	2.00	64,770
4-1	D-4	5	Kap	315	Professional Development	0.00	50,000
2-2	B-2	6	Kap	311	UH/DOE Collaboration	1.00	71,381
2-2	C-1	7	Kap	311	Workforce Development	3.00	126,663
1-1	A-1	8	Kap	311	Strengthen Developmental Education	2.00	93,166
2-3	E-2	9	Kap	313	Distance Learning Infrastructure	2.00	93,881
2-2	C-1	10	Kap	311	Workforce Development-Respiratory Therapy	1.00	59,088
2-2	C-1	11	Kap	311	Long Term Care Program	2.50	250,000
<b>SUBTOTAL</b>						<b>17.50</b>	<b>1,495,637</b>
<b>Leeward Community College</b>							
2-2	C-1	1	Lee	321	Associate of Arts in Teacher Training	3.00	200,036
4-2	E-6	2	Lee	325	Centralized Alarm System	0.00	125,000
4-2	E-6	3	Lee	325	Support for Campus Security	1.00	32,985
2-3	E-3	4	Lee	321	Equipment for Academic Programs	0.00	159,000
2-3	A-2	5	Lee	324	Financial Aid Personnel	2.00	100,000
3-1	A-7	6	Lee	321	English Language Institute	1.00	36,550
2-2	C-1	7	Lee	324	Support for Workforce Development - Job Placement	3.00	155,233
5-1	E-5	8	Lee	325	Marketing	1.00	62,635
2-2	E-1	9	Lee	323	Digital Media Support	0.00	70,000
<b>SUBTOTAL</b>						<b>11.00</b>	<b>941,439</b>
<b>Windward Community College</b>							
2-3	E-1	1	Win	333	Technological Support for College Programs	3.50	167,580
4-2	E-6	2	Win	335	Critical Campus Infrastructure	1.00	176,939
2-3	E-3	3	Win	333	Equipment Replacement Funds	0.00	81,097
<b>SUBTOTAL</b>						<b>4.50</b>	<b>425,616</b>
<b>Hawai'i Community College</b>							
4-2	E-6	1	Haw	405	Funds for Campus Operations	19.00	2,200,000
1-1	A-2	2	Haw	404	Creation of an Enrollment Management System	2.00	87,768
2-3	E-3	3	Haw	401	Equipment Replacement	0.00	31,313
1-1	A-3	4	Haw	404	Support for Students with Disabilities	1.00	50,892
4-2	E-6	5	Haw	405	Replacement Motor Vehicles	0.00	90,000
<b>SUBTOTAL</b>						<b>22.00</b>	<b>2,459,973</b>
<b>Maui Community College</b>							
2-2	C-1	1	Mau	501	New Program Expansion-Workforce Development Programs	3.00	184,766
4-2	E-6	2	Mau	505	New Facility Support	3.00	217,876
<b>SUBTOTAL</b>						<b>6.00</b>	<b>402,642</b>
<b>Kaua'i Community College</b>							
2-3	E-1	1	Kau	603	Improve Technological Infrastructure and Staffing	1.00	130,106
2-3	E-3	2	Kau	601	Equipment Replacement	0.00	226,406
<b>SUBTOTAL</b>						<b>1.00</b>	<b>356,512</b>
<b>CC Systemwide</b>							
4-2	E-6	1	CCSWS	800	Utilities Shortfall (Campus budget)	0.00	2,399,677
1-1	A-5	2	CCSWS	800	Program Review/Program Improvement Fund (Campus - partial)	9.25	1,683,243
2-2	C-1	3	CCSWS	800	Rapid Response Workforce Development Fund	1.00	1,054,492
3-2	A-4	4	CCSWS	800	Support for Native Hawaiian Programs (Campus budget)	16.00	847,581
<b>SUBTOTAL</b>						<b>26.25</b>	<b>5,984,993</b>
<b>TOTAL BUDGET REQUEST</b>						<b>98.25</b>	<b>13,232,316</b>
<b>Transfers</b>							
		-	CCSWS	906	Funds Transfer - Secretary VP CC	0.00	52,428
<b>GRAND TOTAL</b>						<b>98.25</b>	<b>13,284,744</b>

University of Hawaii - Community Colleges  
 EXECUTIVE BUDGET - SPECIAL FUNDED BUDGET REQUESTS  
 FY 2007 Supplemental Operating Budget

12/8/2005

<b>MOF: B</b>						<b>BOR Budget FY 2007</b>	
UH System Goal/ Obj	CC Goal/ Obj	Campus Priority	Campus	Program ID	Description of Item(s)	FTE	\$
<b>Tuition &amp; Fees Special Fund (TFSF) Ceiling Increase</b>							
			Hon	305	Tuition & Fees Special Fund Expenditure Ceiling Increase		443,761
			Kap	315	Tuition & Fees Special Fund Expenditure Ceiling Increase		766,596
			Lee	325	Tuition & Fees Special Fund Expenditure Ceiling Increase		661,214
			Win	335	Tuition & Fees Special Fund Expenditure Ceiling Increase		197,722
			Haw	405	Tuition & Fees Special Fund Expenditure Ceiling Increase		294,283
			Mau	505	Tuition & Fees Special Fund Expenditure Ceiling Increase		321,507
			Kau	605	Tuition & Fees Special Fund Expenditure Ceiling Increase		130,263
			CCSWS	906	Tuition & Fees Special Fund Expenditure Ceiling Increase		77,937
<b>TOTAL</b>						<b>0.00</b>	<b>2,893,283</b>

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