

UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

PRESIDENT'S OVERVIEW

Testimony Presented Before the
House Committee on Finance

by

David McClain
President
University of Hawaii System

**Testimony of David McClain
President
University of Hawai‘i System
Hearing of the House Finance Committee**

Chair Oshiro and members of the House Finance Committee: Mahalo for this opportunity to present to you the Biennium Budget request approved by our Board of Regents earlier this fall. I will also be providing testimony on the Executive Budget brought forward by the Governor.

Joining me are the chancellors from each of our 10 campuses, along with several other members of my leadership team. Chancellor Denise Konan will present the operating budget request for UH Mānoa; Chancellor Rose Tseng will present the operating budget request for UH Hilo; and Chancellor Gene Awakuni will present the operating budget request for UH West O‘ahu. Vice President for Community Colleges John Morton will present the overall community college operating request, assisted by each of the chancellors of our seven campuses, and by Associate Vice President for Academic Affairs Mike Rota and Associate Vice President for Administration Mike Unebasami. Vice President for Budget and Finance and Chief Financial Officer Howard Todo will present the UH System operating budget request, and Vice President for Administration Sam Callejo will present our systemwide capital improvement budget request. Also joining me today from the UH System are Linda Johnsrud, Vice President for Academic Policy and Planning; Jim Gaines, Vice President for Research; and Darolyn Lendio, Vice President and University General Counsel. Aquarium Director Andrew Rossiter and Small Business Development Center Director Darryl Mleynek are available to answer any questions you may have about their particular budget requests.

Appreciation for Supplemental Budget Support, and the University’s Institutional Priorities

Permit me to take this opportunity to thank the Legislature for your support of our Supplemental Budget request. We requested \$42 million in new operating funds for the 2006-2007 fiscal year and \$187 million for capital improvements. The Legislature approved \$29 million and \$67 million, respectively.

We are indeed grateful for your support and recognition of the University and its mission. The following is a quote from the University System Strategic Plan: “As the only public higher education institution in Hawai‘i, the UH system bears a special responsibility to prepare a highly educated citizenry. In addition, the system supports the creation of quality jobs and the preparation of an educated workforce to fill them. Building on a strong liberal arts foundation, the UH system prepares the full array of workers from technicians, physicians, and scientists to artists, teachers, and marketing specialists—who are needed in a technologically advanced and culturally diverse island state.”

Entering a Second Century

As the University enters its centennial year in 2007, I am very conscious of this responsibility. Indeed, in the last 100 years, I believe no other institution has meant more to the state of Hawai'i than UH—transforming students' lives, and providing our state with an educated citizenry and a well trained workforce, contributing to the diversification of our economy and, most importantly, being a driving force for social justice, both for those who have immigrated to these shores and for the descendants of the first people of these islands, Native Hawaiians.

Today we serve 80,000 students, some 50,000 pursuing credit work and another 30,000 involved in noncredit instruction; all told, one in every dozen adults in this state are on one of our 10 campuses every week.

I'll venture that no other public university has as large an impact on its home state.

However, in order to do our work on behalf of our students over the decades, we've had to steadily improve, and more than once to reinvent and transform ourselves. As we celebrate our 100th year, we recognize the need to continue this process and once again step up our educational efforts. We need to expand our capacity to serve the State's and our students' needs.

Second Decade Project

To help us understand the State's needs for higher education, last year I launched a "Second Decade" project to analyze those needs during the decade after 2010. This study identified the following State needs:

Increase the educational capital of the state

The University addresses Hawai'i's educational pipeline issues by partnering with early childhood and K-12 education providers in order to improve student preparation, participation, and performance from preschool through a lifetime of learning.

To meet this state need, the University must:

- Work with K-12 to reduce remediation
- Increase college going rates
- Increase retention
- Increase transfer from 2 year to 4 year campuses
- Increase production of certificates, associate, and bachelor's degrees

Expand workforce development initiatives

Building on a strong liberal arts foundation, the University prepares the full array of workers who are needed in a technologically advanced and globally competitive island state with special attention to areas of critical need.

To meet this state need, the University must:

- Increase outreach to those not in the workforce
- Increase outreach to those who are under-employed
- Increase access and services for non-traditional students
- Expand program capacity in critical shortage areas

Assist in expanding and diversifying the economy

The University expands knowledge and skills through research and training, and contributes to the expansion of the economy and the creation of quality, living wage jobs.

To meet this state need, the University must:

- Increase education to encourage entrepreneurship
- Increase technology transfer
- Increase responsiveness to training needs

Address underserved regions and populations of the state, particularly Native Hawaiians

The University ensures that the economy and quality of life are enhanced in all parts of the state and that all Hawai'i's citizens have access to the benefits of post-secondary education.

To meet this state need, the University must:

- Increase educational services to western O'ahu (Wai'anae, North Shore, 'Ewa) and West Hawai'i
- Increase student participation and success in all regions of the state, particularly East Hawai'i

Simply stated, we must do more not only to promote access to higher education for the citizens of Hawaii, which has always been a primary goal of the University of Hawaii, but also we must do more to ensure the success of students in completing their educational programs. This includes continuing to reach out to partner with K-12 and early childhood education providers to better prepare students matriculating to our campuses. This "access with success" is critical to the economic, social and intellectual outlook of the State.

Funding and Deferred Maintenance

During the past decade, funding has been a challenge. In fiscal 1995, UH received \$352 million (11.5% of the state's budget). The next year, fiscal 1996, our general funds appropriation was reduced to \$283 million, 9.3% of the state's budget, and we were permitted to keep our tuition (then \$40 million) for the first time; the net effect was a 1996 total of \$323 million, an 8.2% decrease in resources available to UH. This general funds allocation dipped to \$260 million in fiscal 1999 then rose to \$374 million in fiscal 2006, 8.5% of the state's budget.

Likewise, CIP funds were limited, resulting in a \$165 million deferred maintenance backlog. Coupled with a 15% increase in enrollments in the first half of this decade and major increases in research, the university has a severe shortage of facilities for education and research. The University Lab School fire this past June has further exacerbated the need.

In response, our campuses are operating more efficiently, and we're using public private partnerships to expand our facilities. Also, we have recently used the bonding authority

provided by the Legislature to issue \$100 million in revenue bonds to finance housing renovations and repairs and to supplement the \$25 million of General Obligation bond funds provided by the Legislature for the reconstruction of the Frear Hall dormitory. While this will help us work on our backlog of repairs and maintenance in the housing area, and we have committed to paying for these bonds from our revenues, we need the Legislature's support in providing general obligation bond funding for other critical CIP needs of the University of Hawaii.

The Biennium Budget Development Process

The Second Decade project described previously in my testimony was used to inform and provide the environmental context for the Biennium Budget proposal development. Each Chancellor was 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. They were asked to involve their campus faculty governance body as well as students and system-wide groups in the development process. The process built upon the "stocktaking" I instituted to develop the previous Biennium Budget. Each of the Chancellors and each system-wide group made a presentation of their budget proposal to an audience which included me, the Chancellors, the Biennium Budget Advisory Committee (a 25 member committee with system-wide representation from the faculty, students, and staff) and invited representatives from various campus constituencies.

Subsequent to the Stocktaking presentations, the Biennium Budget Advisory Committee held numerous meetings, once or twice a week, over several months, after which an Executive Budget Committee reviewed the proposed budget requests and made recommendations. The Board of Regents then held a special Board workshop on the budget in August. After input from the Regents and me, the Biennium Budget request was approved by the Board of Regents at its September meeting.

Attachment 1 to this testimony is the Biennium Budget Proposal Development memorandum which describes the process in further detail.

The Biennium Budget Request Approved by the Board of Regents

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). It should be noted however, that the University's general fund budget has been reduced by \$3,700,000 in each year to comply with Section 53 of Act 178, SLH 2005 relating to the John A. Burns School of Medicine in Kakaako.

The operating budget request approved by the Board of Regents includes the following items. We've prioritized requests across the System to facilitate your decision making; a spreadsheet outlining our priorities in three tiers is attached with this testimony (Attachment 2.) Also attached (Attachment 3) is a listing of requests by category of State Need as identified above in the Second Decade project, with the addition of a category for infrastructure support services to support the accomplishment of state needs, and a category for technical adjustments.

- Over \$6.1 million at UH Hilo, including \$1.6 million to support its new College of Pharmacy, \$400 thousand for Native Hawaiian initiatives, \$502 thousand for the Imiloa astronomy center, \$450,000 for workforce development and \$1 million in student support funding.
- \$5.4 million for UH West O'ahu, to support projected increased enrollment relating to the new campus at Kapolei.
- Nearly \$24.7 million at our community colleges, including nearly \$6 million for workforce development initiatives, \$3.5 million to provide for planned enrollment growth, \$2.5 million for programs for Native Hawaiians, \$1 million for expansion of services to the Waianae Education Center and \$2.4 million in student support funding.
- \$44.7 million at UH Ma'noa including \$8.5 million for the Kakaako Health and Wellness Center, nearly \$5.6 million for increased student support, \$3.4 million to improve campus facilities operations, maintenance, planning and asset management and \$2.2 million for Native Hawaiian programs.
- The systemwide budget includes \$2.7 million for initiatives to support student success such as the American Diploma Project and funds to promote Science Technology Engineering and Mathematics (STEM) and international education, \$600 thousand to promote University Center in regions of the state without access to a campus, \$1.2 million to provide an online learning infrastructure and \$2.7 million to enhance services to the campuses in the areas of capital improvements, human resources and financial management .
- In the technical adjustments category, we are requesting funding for the 3 month lag in salaries for new positions appropriated by the Legislature for fiscal year 2006-2007. This lag was designed to allow for the time required to fill the new positions. For the 2007-2009 biennium, we will need to fully fund these positions since will be filled by the beginning of the biennium. In addition we are asking for funding for 14 positions restored by the Legislature last session.

Our capital improvement budget calls for the following:

- \$19.0 million to meet health, safety and code requirements
- \$112.4 million to address deferred maintenance

- \$140.4 million to address critically underserved regions and populations of the State
- \$6.2 million for infrastructure improvements
- \$12.8 million for major CIP planning
- \$54.4 million for an information technology center to serve the university system statewide
- \$69.9 million to address workforce development
- \$243.2 million for continuing and initiating facilities projects on several of our campuses, increasing the educational capital of the State; and
- \$39.6 million of funding authorization for projects to be funded by federal funds, private contributions or revolving funds

The Executive Budget

The Governor has proposed to fully fund most of the University's first and second tier priorities of our operating budget requests as well as a portion of the third. Of course we're supportive of that decision, though we would have liked all of the BOR approved budget to be funded.

Increasing continuing operating funding by the magnitude recommended by the Board of Regents for the Biennium Budget for 2007-2009, together with the increases granted by the Legislature in the 2005-2007 and 2003-2005 Bienniums, would result in increasing the University's net annual operating budget by 38.6% over that 6 year period (approximately a 5.6% annual increase over that period.) That is a healthy increase. However, over the same 6 year period state revenues are projected by the Council on Revenues to increase by 63% (the actual increase in the first half of that period has been 39%.) In that context, our requested increase seems modest at about 60% of the rate of increase in state revenues.

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. It also includes \$35 million in general obligation bonds for design and construction at the West O'ahu campus in Kapolei, and an authorization ceiling of \$100 million in special funds to develop the first phase of the campus. Also included are \$4.9 million and \$19.9 in general obligation bond funds for the Waianae Education Center and the UH Hilo Hawaiian Language Building, respectively. In addition, spending authorization is provided for \$36.3 million in federal funds for a US Geological Survey Building at UH Hilo and \$0.8 million in revolving funds for planning additional research laboratory space and at Waahila Faculty Housing.

Included in the BOR-approved budget for CIP, but not included in the Governor's budget, are these projects, which I have listed in order of our priority:

- As indicated previously, health, safety and code projects, deferred maintenance and infrastructure improvements - \$37,664,000
- Planning for Native Hawaiian Success Centers, Systemwide - \$500,000

- Major CIP Planning, Systemwide including student housing renovations and developments at UH Manoa and UH Hilo - \$12,800,000
- Information Technology Center, Systemwide - \$54,429,000
- Temporary Facilities for Nursing Programs, Statewide - \$6,837,000
- Leeward CC, Social Sciences/Teacher Education Facility - \$23,179,000
- Honolulu CC, Advanced Technology Training Center - \$39,886,000
- UH Manoa, New Classroom Building - \$7,518,000
- UH Hilo, Student Services Building Addition and Renovation - \$27,782,000
- Windward CC, Library and Learning Resources Center - \$43,157,000
- Maui CC, Science Building - \$37,141,000
- UH Manoa, College of Education, New Building at UH Lab School to replace the one destroyed by fire - \$49,515,000
- UH Hilo, Campus Center Addition and Renovation - \$2,900,000
- Honolulu CC, Pacific Aerospace Training Center – Reroof Hangar 111 - \$3,288,000
- UH Manoa, Gartley Hall Renovation - \$10,918,000
- UH Manoa, Law School Expansion and Renovation - \$7,241,000
- UH Manoa, Performing Arts Facility and Parking Structure - \$3,599,000
- UH Manoa, Campus Center Complex, Renovation and Addition - \$30,266,000
- UH Hilo, College of Pharmacy Building - \$2,500,000

While we understand the Governor’s need to make choices and set priorities, as the leader of this University I believe that the Legislature should fund the entire CIP budget request approved by the Board of Regents in order to meet our critical facilities needs.

Accountability and Measuring our Progress

The inclusive, thorough and transparent process I’ve described previously for the development of our budget reflects our commitment to maintain accountability for our operations and the funding provided to us. At the national level, the Spellings Commission and the Council of State Legislatures has reinforced the need for this. We recognize our critical role in fulfilling the State’s higher education needs. Attachment 4, “Performance Goals: Increasing the Educational Capital of the State of Hawaii 2007-2012” reflects our goals in this area. Attachment 5, “Measuring our Progress” highlights and updates a subset of performance indicators in our full which is issued biannually. The next full report will be issued soon and we will provide you a copy at that time.

Other Legislative Requests

Before concluding, permit me to address other legislation on our agenda this session since they impact our ability to more efficiently and effectively manage and finance our operations.

A few days ago we successfully issued \$100 million of revenue bonds under authority granted to us by the Legislature for housing renovations and repairs. Supplementing the general obligation bond funds we receive from the Legislature for CIP, this will help us

complete the Frear Hall dormitory renovation and work on our deferred maintenance backlog. However, much more needs to be done and we have the financial capacity to support much more bonds than we have currently issued. We have submitted legislation to give us authority to issue bonds, the repayment of which will come from our revenues. This will give us the flexibility to supplement the amounts of CIP appropriations provided by the Legislature to the extent that we have the financial capacity. Let me point out that the bond market will determine by its willingness to buy our bonds, whether our bonding capacity and ability to carry and repay the debt are adequate.

Relating to this, we also issued approximately \$130 million of revenue bonds in October which refunded bonds issued originally in 2002 to finance the construction of the John A. Burns School of Medicine in Kakaako. As a result of this refunding, which allowed us to take advantage of current low interest rates, the State and the University will be saving \$8.3 million in debt service payments.

These revenue bond transactions demonstrate our capability and competence in using bonding authority responsibly and in the best interest of the University and the State.

Also in the area of fiscal flexibility, we are requesting restoration of our exemption from Section 103d of the State Procurement code. During the time we had the exemption we instituted processes and developed systems such as “Superquote”, our online procurement system, which allowed us to efficiently perform procurement while maintaining the financial controls required and actually providing greater transparency than under the State’s procurement process. Now that our exemption has been removed, we are forced to use the State’s more time consuming, people intensive and less transparent process. This has exacerbated our shortage of personnel and increased the time required to process contracts and purchases.

Finally, we currently have an extremely capable Board of Regents with a number of individuals with a high level of business and financial expertise as well as higher education experience. This is an integral part of being able to operate and manage the University effectively and with financial prudence. Accordingly, we have submitted legislation for the regent appointment process required with the passage of the Constitutional Amendment to Article X, Section 6 of the State Constitution in the past election.

Conclusion

We believe the Board of Regents-approved Biennium Budget request reflects a responsible and prudent response to the State’s higher education needs, resulting from a most transparent, thorough and inclusive process. At the same time, it results, as our accreditors require, in the alignment of our strategic, academic and budgetary plans. Thank you for your attention, and for your continuing support of the University of Hawai‘i.

Attachments

1. Biennium Budget Proposal Development Memorandum
2. Systemwide Priorities in the Biennium Budget Approved by the Board of Regents
3. General Fund Operating Budget Requests by Category of State Need
4. Performance Goals: Increasing the Educational Capital of the State of Hawaii 2007-2012
5. Measuring Our Progress

UNIVERSITY OF HAWAII
BIENNIIUM OPERATING BUDGET (DETAILS) BY CATEGORY OF STATE NEED
BI 2007 - 2009
GENERAL FUNDS

Date: 09/20/06

CATEGORY	CAMPUS	DESCRIPTION	FY-2007-08		FY-2008-09	
			BOR REQUEST AMOUNT	FTE	BOR REQUEST AMOUNT	FTE
A. Increase Educational Capital of the State	UH Manoa	Faculty Development	4.00	138,520	4.00	238,520
	UH Manoa	Student Learning and Success	35.00	2,500,000	45.00	3,085,000
	UH Manoa	Centennial Hires for Diversity and Excellence	3.00	300,000	5.00	500,000
	UH Manoa	Community Outreach	3.00	195,000	4.00	260,000
	UH Manoa	Kakaako Health and Wellness	20.00	4,100,000	22.00	4,350,000
	UH Manoa	Restore Base Budget	0.00	200,000	0.00	400,000
	UH Manoa	Faculty	3.00	180,000	3.00	180,000
	UH Manoa	Convert Temp to Permanent	1.00	0	1.00	0
	UH Manoa	Faculty	3.00	300,000	3.00	300,000
	UH Manoa	Support	2.00	160,000	2.00	160,000
	UH Manoa	Library Infrastructure	2.00	90,000	2.00	90,000
	UH Manoa	Education and Infrastructure Initiatives	0.00	200,000	0.00	600,000
	UH Manoa	Conversion of Temporary Positions to Permanent	5.00	0	5.00	0
	UH Manoa	Mathematics Education	2.00	120,000	2.00	120,000
	UH Manoa	Restoration of Faculty Positions	3.00	460,000	3.00	400,000
	UH Manoa	Academic Affairs Program Officer #89034T (Transfer to Permanent; No Budget Impact)	1.00	0	1.00	0
	UH Manoa	Restoration of Base Budget	0.00	200,000	0.00	325,000
	UH Manoa	Restoration of Faculty Positions and Salaries	4.00	224,000	4.00	224,000
	UH Manoa	Graduate Assistants and GA Stipend Equity	40.00	750,000	40.00	750,000
	UH Manoa	New Faculty Positions	0.00	0	4.00	500,000
	UH Manoa	Support Staff	0.00	0	2.00	70,000
	UH Manoa	Faculty	0.00	0	4.00	500,000
	UH Manoa	Capacity in Teacher Education: to Accept More Qualified Students	1.00	65,000	2.00	130,000
	UH Manoa	Post-Baccalaureate Student Advising	0.00	0	1.00	50,000
	UH Manoa	IFA Maui Advanced Technology Research Center O&M	0.00	0	0.00	190,000
	UH Manoa	Meet Workload Demands and Strategic Plan Goals	0.00	0	3.00	180,000
	UH Manoa	Academy for Creative Media Faculty	0.00	0	1.00	90,000
	UH Manoa	Honors Program Infrastructure	0.00	0	1.00	300,000
	UH Manoa	Revitalization and Collaborative Integration of Neurosciences	0.00	0	2.00	160,000
	UH Manoa	Faculty	0.00	0	0.00	79,300
	UH Manoa	Classroom Technology	0.00	0	0.00	800,000
	UH Manoa	Special Education	0.00	0	8.00	500,000
	UH Manoa	Center on Disability Studies	0.00	0	2.00	120,000
	UH Manoa	General Education Teaching Workshops	0.00	0	0.00	20,000
	UH Manoa	Computer Upgrades/Replacements	0.00	0	0.00	10,000
	UH Manoa	Access to Collections	0.00	0	6.00	500,000
	UH Manoa	Biology/Marine Biology	0.00	0	3.50	220,000
	UH Manoa	Critical and Current Program New Initiatives	0.00	0	2.50	110,285
	UH Manoa	Environmental Center Initiatives	0.00	0	1.00	65,000
	UH Manoa	Manoa 100 Centennial Celebration	0.00	200,000	0.00	0
	UH Manoa	International Programs	0.00	0	5.00	312,730
	UH Manoa	Faculty in Disaster Management	0.00	0	2.00	160,000
	UH Manoa	Center on Aging Research and Education	0.00	0	1.00	100,000
	UH Manoa	UH Economic Research Organization (UHERO)	0.00	0	2.50	192,500
	UH Manoa	Center For Smart Building and Community Design	0.00	0	1.50	150,000
	UH Hilo	College of Pharmacy	7.00	834,084	7.00	750,000
	UH West Oahu	Admissions and Records Specialist	2.00	128,000	2.00	128,000
	UH West Oahu	Articulation Specialist	1.00	65,000	1.00	65,000
	UH West Oahu	Academic Advising	1.00	60,000	1.00	60,000
	UH West Oahu	Distance Learning Advisor	1.00	60,000	1.00	60,000
	UH West Oahu	Instructional Resources	3.00	185,000	5.00	330,000
	UH West Oahu	Institutional Research Office	0.00	0	3.00	170,000
	UH West Oahu	Chancellor's Office	0.00	0	2.00	130,000
	UH West Oahu	Library Services	0.00	0	0.00	130,000
	UH West Oahu	Vice Chancellor's Office, Support Staff	0.00	0	3.00	125,000
	UH Community Colleges	Improve Student Recruitment and Retention, HCC	3.00	158,140	3.00	158,140
	UH Community Colleges	Improve Academic and Student Support Services, HCC	2.00	91,450	2.00	89,450
	UH Community Colleges	Financial Aid Officer, HCC	1.00	44,724	1.00	44,724
	UH Community Colleges	Establish Media Specialist, HCC	1.00	72,272	1.00	69,772
	UH Community Colleges	Enhance Student Access, Preparation and Success, KCC	2.00	155,756	4.00	363,419
	UH Community Colleges	Enhance the Learning Environment, KCC	1.00	51,384	2.00	345,944
	UH Community Colleges	Expansion of Institutional Research and Assessment, LCC	1.00	108,016	2.00	253,028
	UH Community Colleges	Center for Applied Science and Technology, LCC	4.00	322,708	4.00	252,708

CATEGORY	CAMPUS	DESCRIPTION	FY2007-08		FY2008-09	
			FILE	BOR REQUEST AMOUNT	FILE	BOR REQUEST AMOUNT
			0.00	0	7.00	392,195
	UH Community Colleges	Instructional Program Support, LCC	0.00	0	1.00	70,204
	UH Community Colleges	Website Development, LCC	0.00	0	1.00	66,376
	UH Community Colleges	Marketing - Web Development, WCC	0.00	0	7.00	70,375
	UH Community Colleges	Media Center - Electronic Technician, WCC	0.00	0	7.00	471,588
	UH Community Colleges	Computing and Media Support, HCC	3.00	317,784	12.00	489,672
	UH Community Colleges	Student Services Infrastructure, HCC	8.00	0	1.00	61,504
	UH Community Colleges	Instructional Designer, MCC	5.00	227,824	5.00	227,824
	UH Community Colleges	Counseling and Student Services Support, MCC	0.00	0	1.00	27,156
	UH Community Colleges	Instructional UH1 Chemical Support, MCC	0.00	0	1.00	60,504
	UH Community Colleges	Teaching Learning Center Support, MCC	0.00	0	1.00	113,105
	UH Community Colleges	Equipment Replacement, KauCC	0.00	101,919	0.00	0
	UH Community Colleges	Support for Community College Enrollment Growth, Seward CC	0.00	1,195,594	0.00	2,273,625
	UH Community Colleges	IT'S Online Learning Infrastructure	2.00	606,000	2.00	612,800
	UH Systemwide Programs	Transfer and Articulation, VP Planning and Policy	2.00	330,000	2.00	330,000
	UH Systemwide Programs	Campus Services, VP Student Affairs	0.00	306,000	0.00	503,500
	UH Systemwide Programs	American Diploma Project/College Readiness, VP Planning and Policy	0.00	200,000	0.00	200,000
		Sub-total Increase Educational Capital of the State	182.00	16,326,151	238.00	26,990,461
			0.00	120,000	0.00	120,000
B. Expand Workforce Development	UH Manoa	Director of Lyon Auditorium	2.00	240,000	3.00	360,000
	UH Manoa	Growth of Academic Programs to Meet State Workforce Needs	0.00	0	0.00	125,000
	UH Manoa	Funding For Mentor Teachers	0.00	0	2.00	160,000
	UH Manoa	UH Small Satellite Program	2.00	175,000	4.00	275,000
	UH Hilo	Instructional Positions to Enhance Professional Workforce Development	0.00	0	5.00	243,103
	UH Hilo	Develop Engineering Technology and Counseling Psychology	3.00	400,000	10.00	835,750
	UH West Oahu	Lecturer Funds	0.00	61,320	0.00	129,530
	UH West Oahu	Information Technology	1.00	165,000	2.00	185,000
	UH Community Colleges	Workforce Development - Fire Program, HCC	0.00	56,512	1.00	54,512
	UH Community Colleges	Workforce Development - Aeronautic Maintenance Lease, HCC	0.00	52,000	0.00	468,000
	UH Community Colleges	Workforce Development - Redesign ICS Curriculum, HCC	0.00	0	2.00	302,644
	UH Community Colleges	Workforce Development - Increase Teacher Preparation, KCC	4.00	263,888	10.00	749,272
	UH Community Colleges	Workforce Development - Nursing, KCC	0.00	0	1.00	43,848
	UH Community Colleges	Workforce Development - Off Campus Coordinator for Health Science and Nursing, KCC	3.00	130,784	3.00	150,784
	UH Community Colleges	Workforce Development - Job Placement, LCC	0.00	0	2.00	56,556
	UH Community Colleges	Workforce Development - Disability Services Counselor, WCC	0.00	0	1.00	90,444
	UH Community Colleges	Workforce Development - Food Services Staffing, WCC	0.00	0	2.00	185,308
	UH Community Colleges	Workforce Development - Nursing Program, HCC	6.00	387,980	6.00	387,980
	UH Community Colleges	Workforce Development - Nursing, MCC	0.00	0	3.00	163,512
	UH Community Colleges	Workforce Development - Expansion of Existing Instructional Programs, MCC	0.00	0	2.00	109,008
	UH Community Colleges	Workforce Development - Dental Hygiene and Sustainable Science, MCC	0.00	0	8.00	619,716
	UH Community Colleges	Workforce Development - Electro Optical Engineering Technology, MCC	4.00	324,482	0	52,472
	UH Community Colleges	Workforce Development - Nursing, KauCC	0.00	0	0.00	0
	UH Community Colleges	Workforce Development - Culinary Arts, KauCC	0.00	500,000	0.00	500,000
	UH Community Colleges	Rapid Response Workforce Training Fund, Seward CC	3.00	586,000	3.00	374,000
	UH Systemwide Programs	Hospitality and Tourism Institute	0.00	100,000	0.00	100,000
	UH Systemwide Programs	Promoting STEM Fields	32.00	3,582,976	76.00	7,090,975
		Sub-total Expand Workforce Development				
C. Assist on Economic Diversification	UH Manoa	Faculty	2.00	150,000	2.00	150,000
	UH Manoa	Ocean Observing System for Hawaii	6.00	750,000	6.00	750,000
	UH Manoa	Workshop Supervisor	0.00	40,000	1.00	100,000
	UH Manoa	Pacific Asian Center for Entrepreneurship and E-Business Director	0.00	0	1.00	78,000
	UH Manoa	Core Research Facilities Support	0.00	0	1.00	42,000
	UH Manoa	Hawaii Center for Advance Communications Administration	0.00	267,500	0.00	264,500
	UH Hilo	Hawaii - The Hawaii Astronomy Center	0.00	0	0.00	65,000
	UH Hilo	Cinematic and Digital Production Workshop	1.00	41,250	4.00	203,434
	UH Hilo	Enhance Outreach - Operating North Hawaii Education and Research Center (Phase II)	0.00	267,500	0.00	264,500
	UH Systemwide Programs	Initia - The Hawaii Astronomy Center, System Support	9.00	1,476,250	16.00	1,967,434
		Sub-total Assist on Economic Diversification				

CATEGORY	CAMPUS	DESCRIPTION	FY 2007-08		FY 2008-09		
			BOF REQUEST AMOUNT	FTE	BOF REQUEST AMOUNT	FTE	
D. Address Underserved Regions Populations	UH Manoa	Hawaiian Knowledge Initiative	20.00	1,073,504	22.00	1,137,504	
	UH Manoa	Undergraduate Research Training Coordinator	1.00	45,000	1.00	45,000	
	UH Manoa	Statewide Nursing Faculty Development	0.00	0	2.00	225,000	
	UH Hilo	Tutorial Center for Student Success	3.00	95,000	3.00	190,000	
	UH Hilo	Offering Education to Underrepresented Population Groups	0.00	0	2.00	65,000	
	UH Hilo	Expand Services for Native Hawaiian Students	5.00	172,500	5.00	229,500	
	UH West Oahu	Student Recruitment	1.00	60,000	1.00	60,000	
	UH West Oahu	Human Resources	2.00	135,000	3.00	190,000	
	UH West Oahu	Business Office	2.00	125,000	4.00	250,000	
	UH West Oahu	Facilities Management	1.00	95,000	2.00	145,000	
	UH West Oahu	Pukoa Council Initiatives	2.00	164,480	2.00	164,480	
	UH West Oahu	Vice Chancellor for Academic Affairs	2.00	130,000	2.00	130,000	
	UH Community Colleges	Distance and Blended Learning Infrastructure Support, HCC	3.00	234,500	3.00	234,500	
	UH Community Colleges	Establish the Native Hawaiian Center, HCC	2.00	213,414	5.00	332,700	
	UH Community Colleges	Develop Ocean/Hawaiian Studies, HCC	1.00	59,716	1.00	59,716	
	UH Community Colleges	Distance Learning Infrastructure and Delivery, KCC	3.00	271,392	4.00	189,680	
	UH Community Colleges	Access and Support for Native Hawaiian Students, KCC	4.00	322,378	6.00	361,848	
	UH Community Colleges	Expansion of Educational Services to Waianae Center, LCC	6.00	298,744	12.00	701,108	
	UH Community Colleges	Support for Native Hawaiian Programs, LCC	5.00	293,808	5.00	293,808	
	UH Community Colleges	Hawaiian Program Support, WCC	0.00	20,000	1.00	111,566	
	UH Community Colleges	UH Center WH Operations, HCC	1.00	173,736	1.00	182,796	
	UH Community Colleges	Hawaiian Lifestyles Program Support, HiCC	0.00	0	5.00	232,896	
	UH Community Colleges	Native Hawaiian Programs, KauCC	1.00	78,072	2.00	103,728	
	UH Systemwide Programs	University Centers, VP Planning and Policy	0.00	300,000	0.00	300,000	
	UH Systemwide Programs	Increase Funding for WICHE	0.00	250,000	0.00	250,000	
	UH Systemwide Programs	Technology Support for ADA Requirements	1.00	98,000	1.00	101,400	
			Sub-total Address Underserved Regions Populations	66.00	4,709,244	95.00	6,267,160
	E. Increase Infrastructure Support Services	UH Manoa	Additional Operating Funds	0.00	0	0.00	461,000
		UH Manoa	Campus Master Planner	1.50	100,000	1.50	100,000
		UH Manoa	Campus Renewal Additional Operating and Maintenance Funds	5.00	947,727	5.00	849,613
		UH Manoa	OSHA Safety Specialist	1.00	45,000	1.00	45,000
		UH Manoa	Utility Manager	3.00	200,000	3.00	200,000
		UH Manoa	Student Housing	7.00	252,000	7.00	252,000
UH Manoa		Judiciary Compliance	2.00	113,000	2.00	113,000	
UH Manoa		Budget Planning and Asset Management	6.00	515,000	6.00	515,000	
UH Manoa		Ombuds Office	4.00	350,000	4.00	350,000	
UH Manoa		Personnel Risk Management	2.00	160,000	2.00	160,000	
UH Manoa		IFA Hilo Facilities Operations and Maintenance	0.00	35,000	0.00	35,000	
UH Manoa		Maintain Library Collections	2.00	500,000	2.00	500,000	
UH Manoa		Childrens Center	2.00	500,000	2.00	2,000,000	
UH Manoa		SECE/CS Director	3.00	120,000	3.00	120,000	
UH Manoa		Secretary	1.00	80,000	1.00	80,000	
UH Manoa		Advocacy Office	1.00	35,000	1.00	35,000	
UH Manoa		Replacement of Work Vehicles	0.00	0	1.00	40,000	
UH Manoa		Compliance Officer	0.00	0	0.00	136,000	
UH Manoa		Secretary	0.00	0	1.00	34,560	
UH Manoa		Compliance Tech	0.00	0	1.00	32,000	
UH Manoa		Addressing Health and Safety Issues At Coconut Island	0.00	0	1.00	35,000	
UH Hilo		Enhance Student Success - Operating the Student Life Center (Phase 1)	5.00	153,167	5.00	295,000	
UH Hilo		Enhance Student Success - Operating the Science and Technology Building (Phase 1)	0.00	0	1.50	417,000	
UH Hilo		Increase in Utility Costs	0.00	210,581	0.00	176,583	
UH Hilo		Convert Essential Temporary Staff Positions to Permanent	0.00	0	20.00	599,714	
UH Community Colleges		Equipment Replacement, HCC	20.00	200,000	0.00	0	
UH Community Colleges		Personnel Officer, HCC	1.00	44,724	1.00	200,000	
UH Community Colleges		Routine R&M, Furniture and Equipment Replacement, KCC	0.00	170,000	0.00	44,724	
UH Community Colleges		Support For Business Office, KCC	3.00	93,849	3.00	200,000	
UH Community Colleges		One Stop Online Support Network, KCC	1.00	52,336	1.00	108,864	
UH Community Colleges		Equipment/Motor Vehicle Replacement Funds, WCC	0.00	496,132	0.00	46,348	
UH Community Colleges		Business Office Clerk, WCC	0.00	0	0.00	503,236	
UH Community Colleges		Operations & Maintenance Support - Laborer, WCC	0.00	0	1.00	29,976	
UH Community Colleges	Administrative Affairs Support, HCC	6.00	223,456	6.00	30,876		
UH Community Colleges	Increase Campus Security, MCC	0.00	105,000	0.00	223,456		
UH Community Colleges	Business Office Support, MCC	0.00	0	3.00	105,000		
UH Community Colleges	Operational R&M Funds, KauCC	0.00	100,000	0.00	115,656		
UH Systemwide Programs	Infrastructure, Office of Capital Improvements	1.00	332,816	2.00	100,000		
UH Systemwide Programs	Student Caucus, VP Student Affairs	0.00	100,000	0.00	439,068		
					100,000		

CATEGORY	CAMPUS	DESCRIPTION	FY 2007-08 FTE	FY 2007-08 BOR REQUEST AMOUNT	FY 2008-09 FTE	FY 2008-09 BOR REQUEST AMOUNT
	UH Systemwide Programs	Investigators, University General Council	2.00	188,740	2.00	182,240
	UH Systemwide Programs	Position and Funds for Kualii Project, Financial Management Office	5.00	228,500	9.00	411,300
	UH Systemwide Programs	Consolidate Human Resources and Payroll Systems	3.00	363,000	3.00	307,900
	UH Systemwide Programs	Funding for Additional Positions, OHR	3.00	139,632	3.00	139,632
	UH Systemwide Programs	Internal Reporting and Bond Controller, Financial Management Office	3.50	150,509	3.50	150,509
	UH Systemwide Programs	Positions and Funds for Auditors, Internal Audit	3.00	275,000	3.00	525,000
	UH Systemwide Programs	ODS and Data Warehouse, VP Planning and Policy	2.00	236,000	2.00	149,000
	UH Systemwide Programs	ITS Disaster Recovery Cold Site	0.00	956,000	0.00	308,000
	UH Systemwide Programs	ITS Integrated Data Warehouse, Reporting and Business Intelligence Environment	2.00	633,000	2.00	642,800
	UH Systemwide Programs	Leadership Development, VP Planning and Policy	0.00	133,500	0.00	133,500
	UH Systemwide Programs	International Education, VP Planning and Policy	0.00	210,000	0.00	210,000
	UH Systemwide Programs	Funding for Malinalama	0.00	121,137	0.00	121,137
		Sub-total Increase Infrastructure Support Services	59.00	9,374,906	115.50	12,549,792
F. Technical Adjustments	UH Manoa	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	922,771	0.00	922,771
	UH Manoa	Transfer Faculty Collective Bargaining Funds	0.00	16,737,395	0.00	16,737,395
	UH Hilo	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	372,148	0.00	372,148
	UH Hilo	Transfer Faculty Collective Bargaining Funds	0.00	1,652,768	0.00	1,652,768
	UH West Oahu	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	149,588	0.00	149,588
	UH West Oahu	Transfer Faculty Collective Bargaining Funds	0.00	211,890	0.00	211,890
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, HCC	0.00	12,723	0.00	12,723
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, HCC	0.00	1,271,513	0.00	1,271,513
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, KCC	0.00	109,588	0.00	109,588
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, KCC	0.00	1,761,149	0.00	1,761,149
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, LCC	0.00	167,579	0.00	167,579
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, LCC	0.00	1,283,928	0.00	1,283,928
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, WCC	0.00	19,458	0.00	19,458
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, WCC	0.00	550,136	0.00	550,136
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, HCCC	0.00	187,702	0.00	187,702
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, HCCC	0.00	661,868	0.00	661,868
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, MCCC	0.00	260,911	0.00	260,911
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, MCCC	0.00	770,743	0.00	770,743
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, KAUCG	0.00	53,681	0.00	53,681
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, KAUCG	0.00	506,237	0.00	506,237
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, SyswDC	0.00	27,246	0.00	27,246
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, SyswDC	0.00	121,712	0.00	121,712
	UH Community Colleges	Fund 3 Month Pay Lag for New FY 2007 Positions, SyswDC	0.00	24,481	0.00	24,481
	UH Community Colleges	Transfer Faculty Collective Bargaining Funds, SyswDC	0.00	123,728	0.00	127,166
	Auferia	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	849,984	0.00	849,984
	UH Systemwide Programs	Funding for Resigned Positions	0.00	(25,553,810)	0.00	(25,553,810)
	UH Systemwide Programs	Transfer Faculty Collective Bargaining Funds	0.00	3,257,107	0.00	3,260,545
		Sub-total Technical Adjustments	0.00	3,257,107	0.00	3,260,545
		Total UH General Fund Requests	388.00	38,726,634	590.50	58,116,277



UNIVERSITY OF HAWAII

Vice President for Budget and Finance and Chief Financial Officer

January 31, 2006

MEMORANDUM

TO: Chancellors
Senior Management Staff
All Campus Council of Faculty Senate Chairs
Pukoa Council
UH Student Caucus
Travel Industry Management Consortium
UH System Library Council
UH System Nursing Committee
UH System Teacher Preparation & Development Group

VIA: David McClain, Interim President

FROM: Howard Todo, VP for Budget & Finance/Chief Financial Officer
Linda Johnsrud, Interim VP for Academic Planning & Policy

David McClain
John Calley
Cinda Johnsrud

SUBJECT: BIENNIUM BUDGET PROPOSAL DEVELOPMENT

The development of the budget for the fiscal biennium 2007-09 is at hand. The development of this biennium budget will strive to adhere to a process which is both transparent and inclusive, and in which information will be widely shared and a concerted effort made to expand the process of input from members of the University community.

The biennium budget preparation process follows the principles set forth in Section 8-3 of the Board of Regents Policies. This document will serve as the budget policy paper prescribed therein.

As we discussed at the December Council of Chancellors meeting, each Chancellor is asked to develop a campus process that addresses state needs, the priorities detailed in the campus current Strategic Plan and the System Strategic Plan, and involves the campus faculty governance body. The preliminary outcomes of the campus budget development process need to be completed by early March. In the case of the community colleges, they will also align their campus-specific proposals as a system to address common goals and priorities. Beginning March 22nd, system-wide "Stocktaking" meetings on the biennium budget will be scheduled.

BIENNIUM BUDGET PROPOSAL DEVELOPMENT

page 2

This year the "Stocktaking" meetings are being designed to better align the biennium budget proposal with identified state needs as summarized in the attached document entitled: "Hawaii's Higher Education Needs." This summary reflects the environmental context for budget building as determined in the analyses conducted for the Second Decade Project. The preliminary results were presented to the Board of Regents at its January 19, 2006 meeting.

Each Chancellor, the Vice President for Community Colleges on behalf of the Community College System and the Vice President for Budget and Finance/Chief Financial Officer on behalf of the system-wide offices is asked to address the following four questions:

- How can your campus/system better meet state needs?
- How can your campus/system increase student participation and success?
- How will you know you have succeeded?
- How will you fund new initiatives?

Each Chancellor/VP will make a 30-minute presentation (with deference to UHM's size and complexity -- 60 minutes). The purpose of the presentations is to permit each campus to explain their campus' biennium budget proposals to all other campuses as a precursor to integrating the individual campus proposals into a system-wide biennium budget proposal.

Other system-wide groups are invited to participate in the stock-taking process. In order to ensure that these proposals may be incorporated into campus budgets as appropriate, other system-wide groups will present their proposals to the Council of Chancellors at a special meeting in early March. Prior to this meeting, each system-wide group is asked to work with each campus to integrate their proposals into the campus budgets. In addition to the questions posed above, system-wide groups are asked to carefully distinguish between those:

- Initiatives that need to be funded and directed at the campus level and the needed levels of funding for each participating campus, and those
- Initiatives that need to be funded at the system level (for reasons of efficiency, effectiveness, etc.) and how those funds are to be managed at the system level.

The Council of Chancellors will then make recommendations as to the priorities and funding for these initiatives at the campus and system levels.

The "Stocktaking" meeting audience will include members of the Biennium Budget Advisory Committee (a committee with system-wide representation from the faculty, students, and staff) and invited representatives from various campus constituencies, e.g., All Campus Council of Faculty Senate Chairs, Student Caucus, and general members of each campus administration, the faculty, students, and staff. The Biennium Budget Advisory Committee's charge is to make recommendations in the formulation of an integrated system-wide biennium budget proposal.

While each campus may adopt a budget building process consistent with their needs and collaborative operating practices, the resulting campus budget proposals are to reflect the following hallmark characteristics:

BIENNIUM BUDGET PROPOSAL DEVELOPMENT

page 3

- Recognition that funding for higher education is a shared responsibility of the state (through state general fund appropriations), students (through tuition), and campuses (through efficiency, reallocation, and/or generating other revenues).
- The campus' responsibility to generate additional revenues and to diversify revenue sources.
- The recognition of a campus' unique missions in association with the campus' responsibility to be accountable for the measurable outcomes of meeting state needs and the campus' strategic plan goals and objectives that concurrently contribute to system strategic plan priorities.
- Recognition of operating cost increases (i.e., cost of increased enrollment, salary increases, and operating and utility costs) in balance with a reasonable amortized rate of growth in the context of the State's projected economic condition and the campus' financial plan that integrates a variety of sources of funding.
- Campus investment in support of statewide and system-wide priorities individually or in collaboration with other campuses.
- Facilities and infrastructure proposals consistent with the campus strategic plans and system priorities and long range plans.

The basic form for submittal of the budget request for purposes of the "Stocktaking" meetings by each campus will be UH Form C and supporting UH Form C-1 (attached) for budget adjustments. These forms include General Funds and Tuition and Fees Special Funds.

For each campus' base operating budget, the campus should go through similar considerations as outlined above, taking into account all sources of funds, including tuition and fees special funds. This should be submitted on UH Form B (attached). This form should be prepared at a senior management level (Chancellor/Vice Chancellor).

Following the "Stocktaking" meetings, the University's system-wide biennium budget proposal will be developed as follows:

By April 17

Biennium Budget Advisory Committee will meet, formulate, and submit its recommendations to the University's Executive Budget Committee whose members shall be the Vice President for Academic Planning and Policy, Vice President for Administration, Vice President for Budget & Finance/Chief Financial Officer, a chancellor from a senior college, a chancellor from a community college, and the Director of Budget.

By May 1

In the context of recommendations received, the University's Executive Budget Committee will formulate a draft system-wide biennium budget proposal which shall be subject to consultation on a system-wide basis.

BIENNIUM BUDGET PROPOSAL DEVELOPMENT

page 4

By May 22

Members of the University community at-large may submit comments to the University Executive Budget Committee regarding the draft on an individual or on a group basis.

By June 15

The University Executive Budget Committee shall submit its recommended biennium budget proposal to the President for consideration. Upon approval, the University Biennium Budget proposal shall be concurrently submitted to the Board of Regents and posted with an appropriate announcement to a publicly accessible website. After determination is made of the items to be included in the biennium budget proposal submitted to the Regents, State Form A will be required for each request.

Attachments

Date: _____

UNIVERSITY OF HAWAII
 Stocktaking Presentation
 FB 2007-09

Program ID/Title: _____
 Chancellor/Vice President: _____

I. Program Profile

Metrics	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
Activity Measures (Fall Sem) (Data to be provided by IRO and University Budget Office) Examples of potential metrics: Student Enrollment (Headcount) Semester Hours Taught Analytical FTE Faculty						
Efficiency Measures (Fall Sem) (Data to be provided by IRO and University Budget Office) Examples of potential metrics: Student-Faculty Ratio SH per FTE Faculty Expenditure per SSH)						
Base Funding (PC) \$						
General Funds (PC) \$						
Tuition and Fees Special Fund (PC) \$						
Total \$						

II. Status of Current Program
 (Description of current program activities and performance)

III. General Fund Growth Rate (Data to be provided by University Budget Office)

	Base		BI 2007-09		Estimated	
	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Council on Revenues (12/16/05)	7.5%	7.1%	5.0%	5.5%	5.2%	4.6%
UH Program Request Ceiling	%	15.0%	10.0%			
	\$					

IV. Summary of New Initiatives

		General Funds		Tuition and Fees Special Funds		Total	
		FY 2007-08	FY 2008-09	FY 2007-08	FY 2008-09	FY 2007-08	FY 2008-09
Request for New Funds (UH Form C-1)	(PC) \$						
Increase Educational Capital of the State	(PC) \$						
Expand Workforce Development	(PC) \$						
Assist in Economic Diversification	(PC) \$						
Address Underserved Regions/Populations	(PC) \$						
Other Urgent Priorities	(PC) \$						
TOTAL	(PC) \$						

V. Effort to Meet State Needs

A. Current efforts and capabilities to address the above budget request categories

B. New or expanded initiatives to address the budget request categories

Hawai'i's Higher Education Needs

1. Increase the educational capital of the state
 - Increase college going rates
 - Increase transfer from 2 year to 4 year campuses
 - Increase production of certificates, associate, and bachelor's degrees
2. Expand workforce development initiatives
 - Increase outreach to those not in the workforce
 - Expand program capacity in critical shortage areas
3. Assist in diversifying the economy
 - Increase education to encourage entrepreneurship
 - Increase technology transfer
 - Increase responsiveness to training needs
4. Address underserved regions and populations of the state, particularly Native Hawaiians
 - Increase educational services to western O'ahu (Wai'anae, North Shore, 'Ewa) and West Hawai'i
 - Increase student participation and success in all regions of the state, particularly East Hawai'i

How can UH expand service to better meet state needs? (examples)

- Build, buy, rent, or lease space
- Use technology-mediated delivery
- Maximize potential of University & Education Centers
- Increase efficiencies
- Public private partnerships
- Creative funding strategies

How can UH increase student participation and success? (examples)

- Work with high schools on college readiness
- Recruit in-state students
- Reduce attrition
- Shorten time to degree
- Increase access to financial aid
- Increase technology-mediated advising

How will we know we have succeeded? (examples)

- Specific measurable outcomes
- Performance indicators tracked over time
- External benchmarks

How will we pay for these initiatives?

- Include all sources of funding

Date: _____

UNIVERSITY OF HAWAII
Executive Review of Base Operating Budget
FB 2007-09

Program ID: _____
 Program Title: _____
 Chancellor/Vice President: _____

I. Base Budget Operating Cost Summary

Base Budget FY 2006-07 Act, SLH 2006	
General Fund	0.00
TFSF	0.00
TOTAL	

Permanent Position Counts
 A. Personal Services
 B. Other Current Expenses
 C. Equipment

FB 2007-09 Total Planned Reallocations	
General Fund	0.00
TFSF	0.00
TOTAL	

FB 2007-09 Total Reallocated Base Budget	
Total	0.00
TFSF	0.00
TOTAL	

II. Summary of Issues and Problems Affecting Program Operations

III. Description of Management, Oversight, and Control Systems Currently in place over the Operating Budget (e.g. Program Reviews) and the Resulting Reallocations from the Base Budget

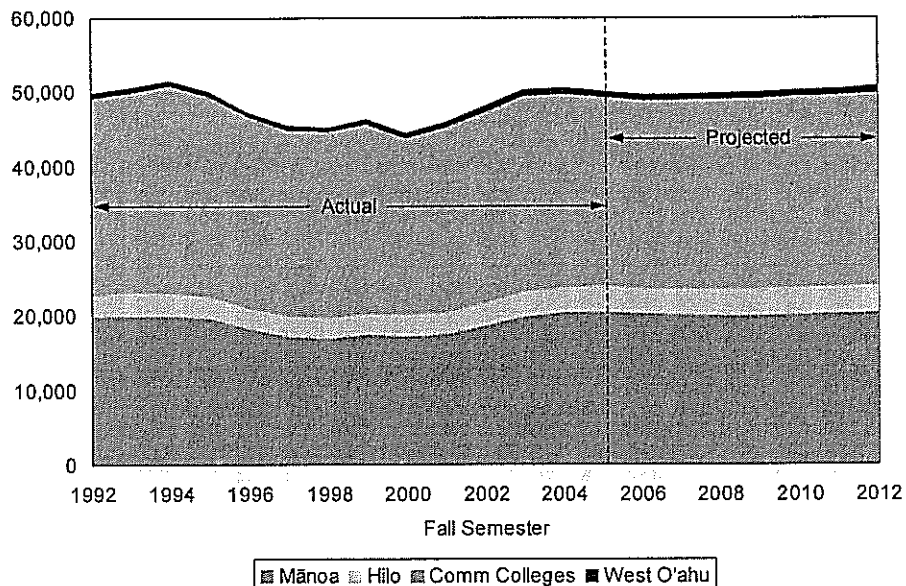
IV. Internally Established or Proposed Program Performance Measures to Assess Program Effectiveness and Efficiency and Support Resource Allocation Decisions

University of Hawai'i

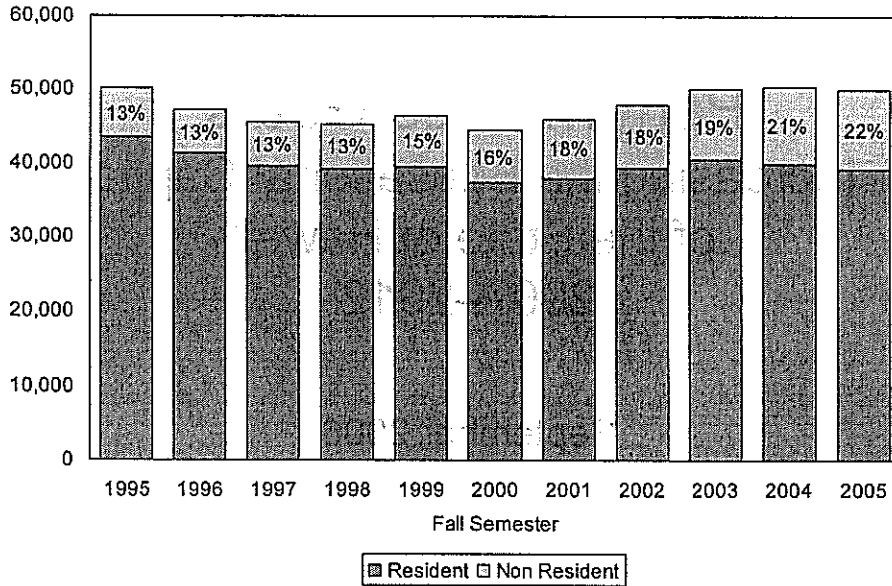
Performance Goals: Increasing the Educational Capital of the State of Hawai'i 2007–2012

September 2006

Historical and Projected Enrollments, by Unit



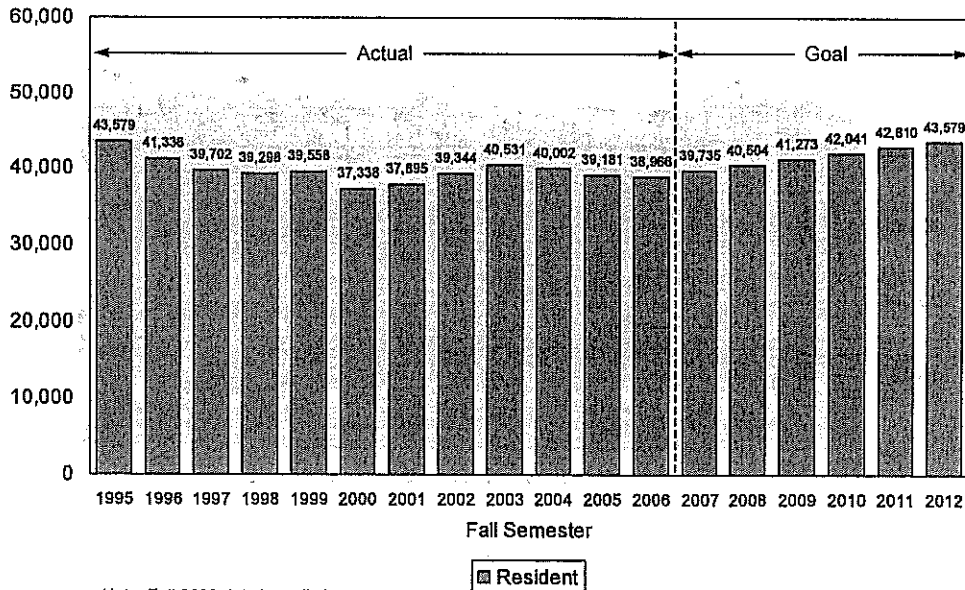
UH System Enrollment, by Residency



09.13.2006

3

Resident Enrollment, UH System GOAL: REACH 1995 LEVELS BY 2012



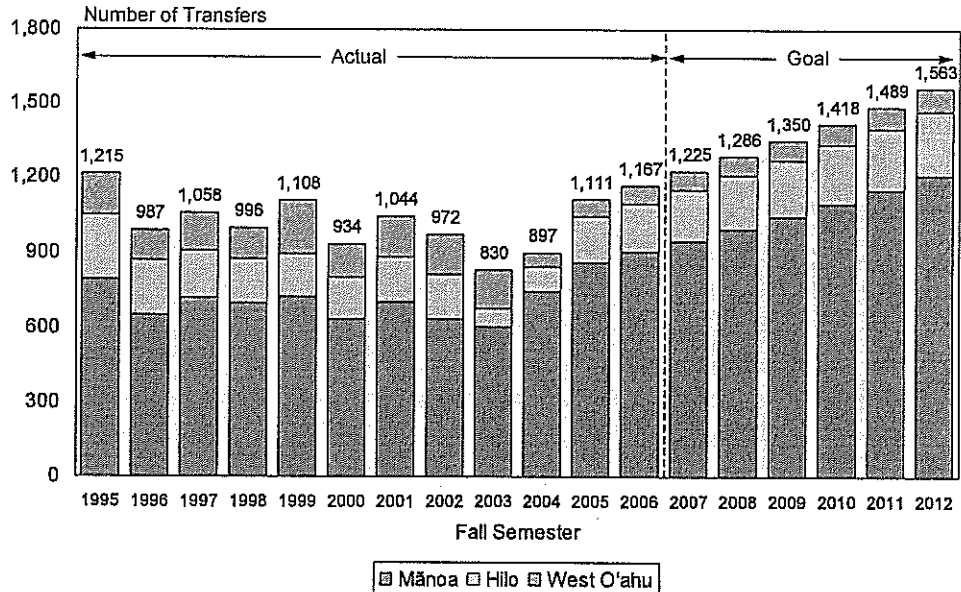
09.13.2006

Note: Fall 2006 data is preliminary.

4

Transfers from the UHCCs into UH Upper Division/4-Year Campuses

GOAL: 5% INCREASE PER YEAR



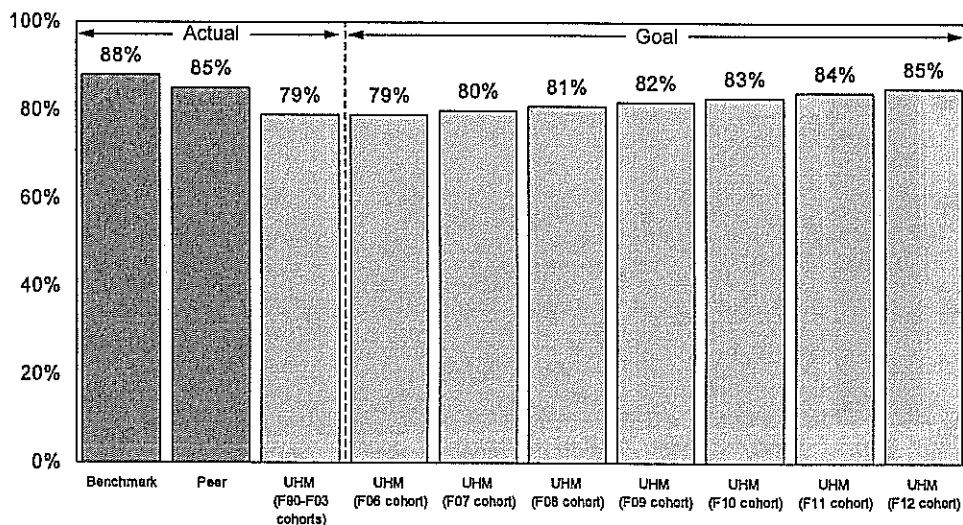
09.13.2006

Note: Does not include students who transfer to institutions outside of the UH system.
Fall 2006 data are estimated.

5

Average One-Year Retention Rates UHM (1990–2003 Cohorts)

GOAL: MATCH PEER LEVELS BY 2012



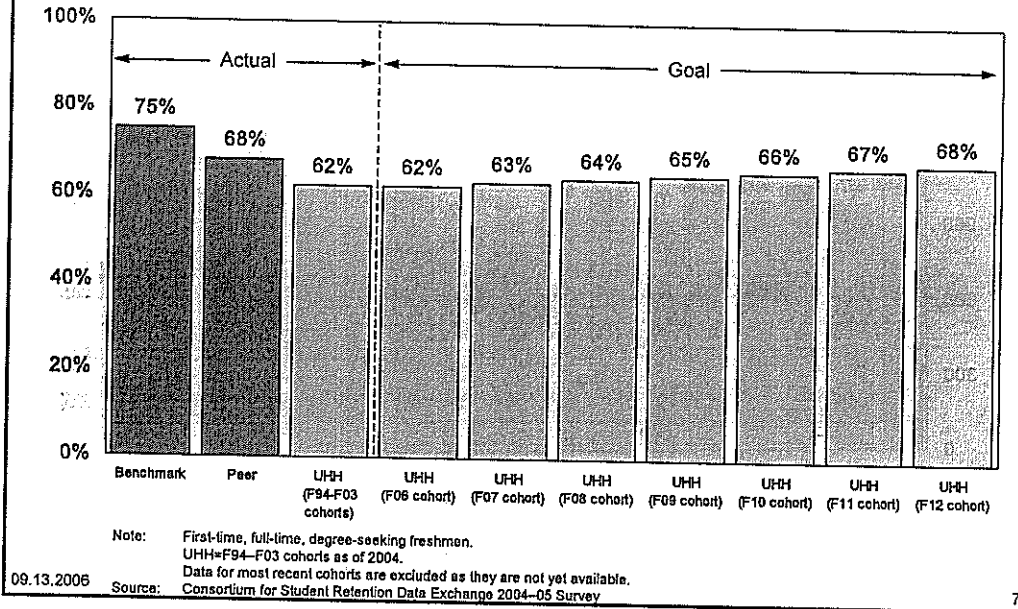
Note: First-time, full-time, degree-seeking freshmen.
UHM=F90-F03 cohorts as of 2004.
Data for most recent cohorts are excluded as they are not yet available.

09.13.2006

Source: Consortium for Student Retention Data Exchange 2004-05 Survey

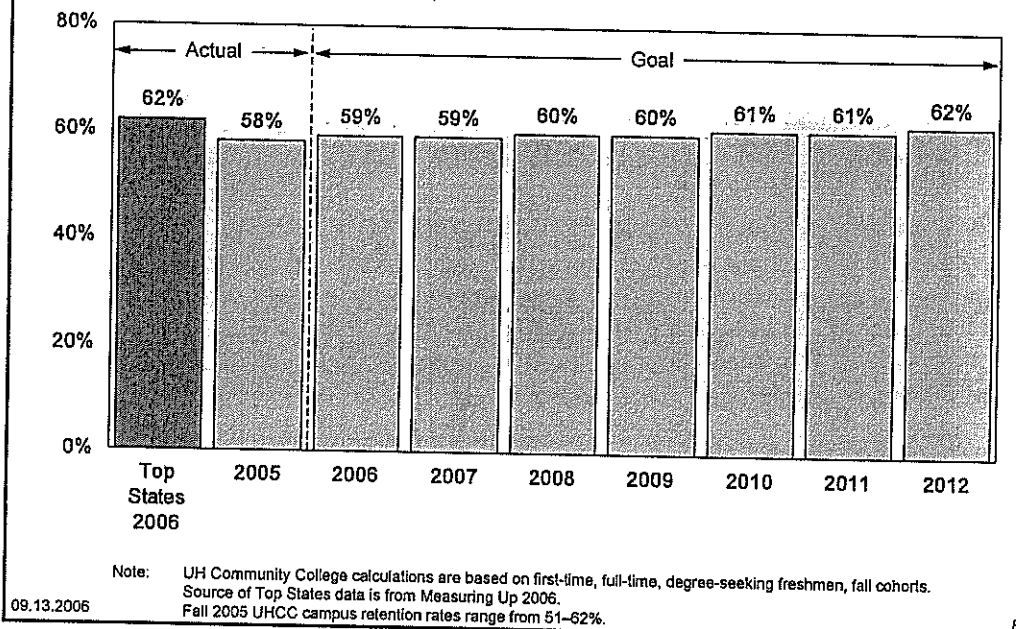
6

Average 1-Year Retention Rates UHH (1994–2003 Cohorts) GOAL: MATCH PEER LEVELS IN 2012



7

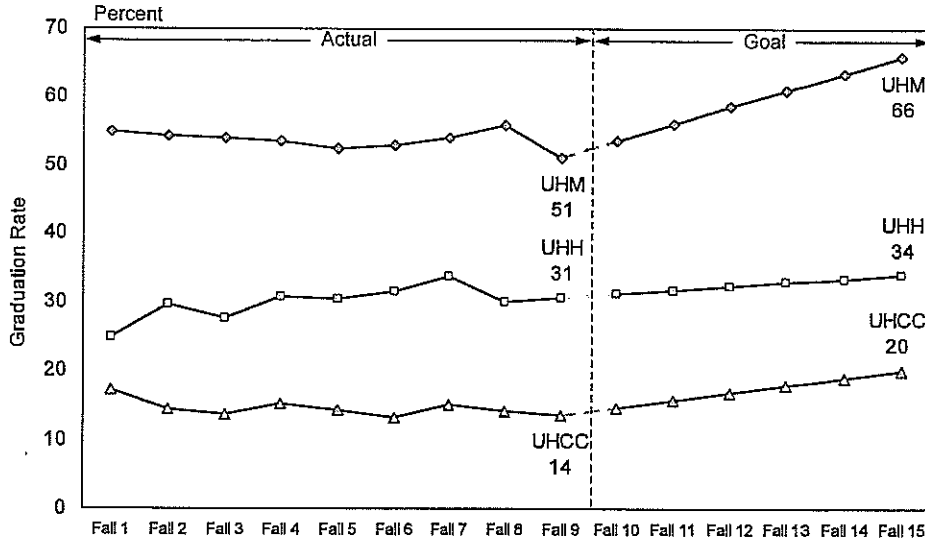
UHCC Retention Rates, 1 Year After Entry GOAL: MATCH TOP STATES BY 2012



8

UH Graduation Rates

GOAL: MATCH PEER LEVELS IN 6 YEARS



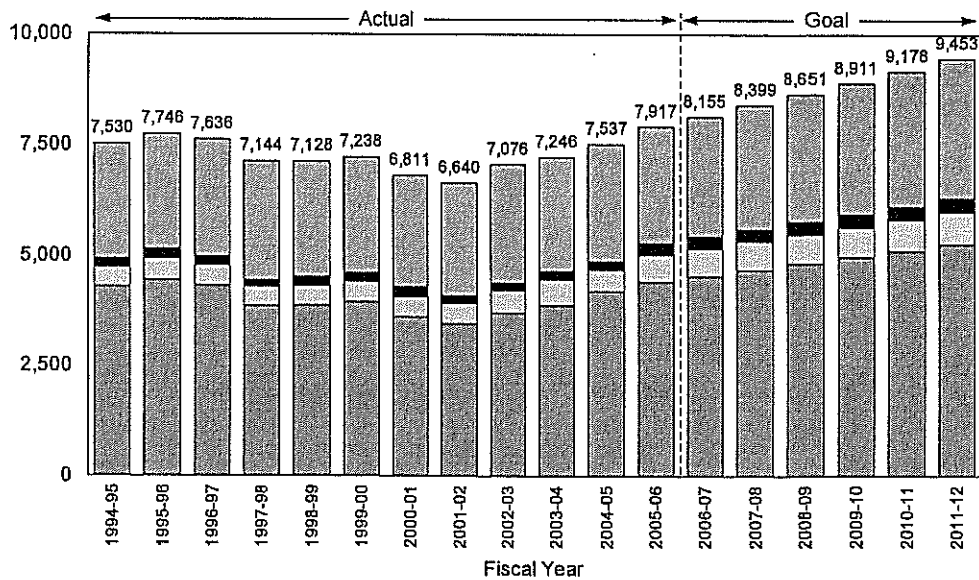
Note: For UH Mānoa and UH Hilo, Fall 1=1991 cohort, Fall 9=1999 cohort. For UH Community Colleges, Fall 1=1994 cohort, Fall 9=2002 cohort. UH West O'ahu data are excluded due to limited cohort years. UHCC goal based on benchmark data.

09.13.2006

9

UH Degrees & Certificates of Achievement Earned

GOAL: 3% INCREASE PER YEAR



Legend: Mānoa, Hilo, West O'ahu, Community Colleges

09.13.2006

Note: FY 2005-06 data are preliminary.

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UNIVERSITY OF HAWAII
 BIENNIUM OPERATING BUDGET SUMMARY BY CAMPUS AND TIERS
 BI 2007 - 2009
 GENERAL FUNDS

Date: 10/09/06

MAJOR UNIT	DEPT TIERS	FY 2007 - 08		FY 2008 - 09	
		FTE	UH REQUEST AMOUNT	FTE	UH REQUEST AMOUNT
UH Manoa	1	70.50	6,229,018	83.50	7,541,904
UH Hilo	1	5.00	792,815	6.50	1,230,241
UH West Oahu	1	6.00	670,908	11.00	1,174,968
UH Community Colleges	1	20.00	3,309,586	38.00	5,756,897
UH Systemwide Programs	1	5.00	2,642,528	6.00	2,759,018
Sub-total Tier 1		106.50	13,644,855	145.00	18,463,028
UH Manoa	2	46.00	5,683,504	50.00	5,997,504
UH Hilo	2	7.00	834,084	7.00	750,000
UH West Oahu	2	10.00	633,000	13.00	833,000
UH Community Colleges	2	35.00	2,889,744	64.00	4,921,915
UH Systemwide Programs	2	22.50	2,185,381	26.50	2,672,981
Sub-total Tier 2		120.50	12,225,713	160.50	15,175,400
UH Manoa	3	85.00	21,901,395	153.00	30,833,780
UH Hilo	3	31.00	2,347,199	43.00	3,463,519
UH West Oahu	3	9.00	891,360	22.00	1,621,360
UH Community Colleges	3	31.00	9,983,304	62.00	11,684,582
Aquaria	3	0.00	24,481	0.00	24,481
UH Systemwide Programs	3	5.00	(22,291,673)	5.00	(23,149,873)
Sub-total Tier 3		161.00	12,856,066	285.00	24,477,849
TOTAL UH REQUESTS		388.00	38,726,634	590.50	58,116,277

UNIVERSITY OF HAWAII
BIENNIUM OPERATING BUDGET (DETAILS) BY CAMPUS AND TIERS
BI 2007 - 2009
GENERAL FUNDS

Date: 10/09/06

MAJOR UNIT	DEPT TIERS	DESCRIPTION	FY 2007-08		FY 2008-09	
			FTE	AMOUNT	FTE	AMOUNT
UH Manoa	1	Campus Security Operating Funds, Auxiliary	0.00	0	0.00	461,000
UH Manoa	1	Centennial Hires for Diversity and Excellence, Chancellor's Office	3.00	300,000	5.00	500,000
UH Manoa	1	Community Outreach, Chancellor's Office	3.00	195,000	4.00	260,000
UH Manoa	1	Campus Master Planner, Chancellors Office	1.50	100,000	1.50	100,000
UH Manoa	1	Campus Renewal Additional Operating and Maintenance Funds, Facilities	5.00	947,727	5.00	849,613
UH Manoa	1	OSHA Safety Specialist, Facilities	1.00	45,000	1.00	45,000
UH Manoa	1	Utility Manager, Chancellor's Office	3.00	200,000	3.00	200,000
UH Manoa	1	Faculty Development	4.00	138,520	4.00	238,520
UH Manoa	1	Renovated Frear Hall Operating Costs, OSA	7.00	252,000	7.00	252,000
UH Manoa	1	Judiciary Compliance, OVCS	2.00	113,000	2.00	113,000
UH Manoa	1	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	922,771	0.00	922,771
UH Manoa	1	Student Learning and Success, Student Services	35.00	2,500,000	45.00	3,085,000
UH Manoa	1	Budget Planning and Asset Management	6.00	515,000	6.00	515,000
		Sub-total Manoa	70.50	6,229,018	83.50	7,541,904
UH Hilo	1	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	372,148	0.00	372,148
UH Hilo	1	Enhance Student Success, Operating Student Life Center	5.00	153,167	5.00	417,000
UH Hilo	1	Enhance Student Success, Operating Science & Technology Building	0.00	0	1.50	176,593
UH Hilo	1	Imiloa - Hawaii's Astronomy Center	0.00	267,500	0.00	264,500
		Sub-total Hilo	5.00	792,815	6.50	1,230,241
UH West Oahu	1	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	149,588	0.00	149,588
UH West Oahu	1	Faculty Positions	5.00	400,000	10.00	835,750
UH West Oahu	1	Lecturer Funds	0.00	61,320	0.00	129,630
UH West Oahu	1	Student Recruiter	1.00	60,000	1.00	60,000
		Sub-total West Oahu	6.00	670,908	11.00	1,174,968
UH Community Colleges	1	Support for Community College Enrollment Growth, Syswd CC	0.00	1,195,594	0.00	2,273,625
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, HCC	0.00	12,723	0.00	12,723
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, KCC	0.00	109,588	0.00	109,588
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, LCC	0.00	167,579	0.00	167,579
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, WCC	0.00	19,458	0.00	19,458
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, HICC	0.00	187,702	0.00	187,702
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, MCC	0.00	260,911	0.00	260,911
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, KauCC	0.00	53,681	0.00	53,681
UH Community Colleges	1	Fund 3 Month Pay Lag for New FY 2007 Positions, Syswd CC	0.00	27,246	0.00	27,246
UH Community Colleges	1	Expansion of Educational Services to Waianae Center, LCC	6.00	298,744	12.00	701,108
UH Community Colleges	1	Workforce Development - Nursing, MCC	6.00	387,980	6.00	387,980
UH Community Colleges	1	Workforce Development - Nursing, KauCC	4.00	324,492	8.00	619,716
UH Community Colleges	1	Workforce Development - Nursing Program, HICC	0.00	0	2.00	186,308
UH Community Colleges	1	Workforce Development - Nursing, KCC	4.00	263,888	10.00	749,272
		Sub-total Community Colleges	20.00	3,309,586	38.00	5,756,897
UH Systemwide Programs	1	Fund 3 Month Pay Lag for New FY 2007 Positions	0.00	123,728	0.00	127,166
UH Systemwide Programs	1	Funding for Restored Positions	0.00	849,984	0.00	849,984
UH Systemwide Programs	1	ITS Online Learning Infrastructure	2.00	606,000	2.00	612,800
UH Systemwide Programs	1	Infrastructure, Office of Capital Improvements	1.00	332,816	2.00	439,068
UH Systemwide Programs	1	Transfer and Articulation, VP Planning and Policy	2.00	330,000	2.00	330,000
UH Systemwide Programs	1	University Centers, VP Planning and Policy	0.00	300,000	0.00	300,000
UH Systemwide Programs	1	Student Caucus, VP Student Affairs	0.00	100,000	0.00	100,000
		Sub-total Systemwide Programs	5.00	2,642,528	6.00	2,759,018
		Total Tier 1 Requests	106.50	13,644,855	145.00	18,463,028

MAJOR UNIT	DEPT TIERS	DESCRIPTION	FY 2007 - 08		FY 2008 - 09	
			UH REQUEST		UH REQUEST	
			FTE	AMOUNT	FTE	AMOUNT
UH Manoa	2	Ombuds Office, Chancellor's Office	4.00	350,000	4.00	350,000
UH Manoa	2	Personnel Risk Management, Chancellor's Office	2.00	160,000	2.00	160,000
UH Manoa	2	Kakaako Health and Wellness, Medical School	20.00	4,100,000	22.00	4,350,000
UH Manoa	2	Hawaiian Knowledge Initiative, Chancellor's Office	20.00	1,073,504	22.00	1,137,504
		Sub-total Manoa	46.00	5,683,504	50.00	5,997,504
UH Hilo	2	College of Pharmacy	7.00	834,084	7.00	750,000
UH West Oahu	2	Admission/Records Specialist	2.00	128,000	2.00	128,000
UH West Oahu	2	Articulation Specialist	1.00	65,000	1.00	65,000
UH West Oahu	2	Academic Advising	1.00	60,000	1.00	60,000
UH West Oahu	2	Distance Learning Advisor	1.00	60,000	1.00	60,000
UH West Oahu	2	Instructional Resources	3.00	185,000	5.00	330,000
UH West Oahu	2	Human Resources	2.00	135,000	3.00	190,000
		Sub-total West Oahu	10.00	633,000	13.00	833,000
UH Community Colleges	2	Improve Student Recruitment and Retention, HCC	3.00	158,140	3.00	158,140
UH Community Colleges	2	Enhance Student Access, Preparation, and Success, KCC	2.00	155,756	4.00	363,419
UH Community Colleges	2	Equipment/Motor Vehicle Replacement Funds, WCC	0.00	496,132	0.00	503,236
UH Community Colleges	2	Administrative Affairs Support, HiCC	6.00	223,456	6.00	223,456
UH Community Colleges	2	Expansion of Institutional Research and Assessment, LCC	1.00	108,016	2.00	253,028
UH Community Colleges	2	Workforce Development - Disability Services Counselor, WCC	0.00	0	1.00	56,556
UH Community Colleges	2	UH Center WH Operations, HiCC	1.00	173,736	1.00	182,736
UH Community Colleges	2	Operational R&M Fund, KauCC	0.00	100,000	0.00	100,000
UH Community Colleges	2	Workforce Development - Job Placement, LCC	3.00	150,784	3.00	150,784
UH Community Colleges	2	Workforce Development - Food Services Staffing, WCC	0.00	0	2.00	90,444
UH Community Colleges	2	Counseling and Student Services Support, MCC	5.00	227,824	5.00	227,824
UH Community Colleges	2	Native Hawaiian Programs, KauCC	1.00	78,072	2.00	103,728
UH Community Colleges	2	Establish the Native Hawaiian Center, HCC	2.00	213,414	5.00	332,700
UH Community Colleges	2	Hawaiian Lifestyles Program Support, HiCC	0.00	0	5.00	232,896
UH Community Colleges	2	Workforce Development - Culinary Arts, KauCC	0.00	0	1.00	52,472
UH Community Colleges	2	Access & Support for Native Hawaiian Students, KCC	4.00	322,378	6.00	361,848
UH Community Colleges	2	Support for Native Hawaiian Programs, LCC	5.00	293,808	5.00	293,808
UH Community Colleges	2	Workforce Development - Fire Program, HCC	1.00	56,512	1.00	54,512
UH Community Colleges	2	Workforce Development - Increase Teacher Preparation, KCC	0.00	0	2.00	105,024
UH Community Colleges	2	Hawaiian Program Support, WCC	0.00	20,000	1.00	111,556
UH Community Colleges	2	Workforce Development - Expansion of Exist Instr Prog, MCC	0.00	0	3.00	163,512
UH Community Colleges	2	Develop Ocean/Hawaiian Studies, HCC	1.00	59,716	1.00	59,716
UH Community Colleges	2	Workforce Development - Dental Hygiene & Sustainable Science, MCC	0.00	0	3.00	163,512
UH Community Colleges	2	Workforce Development - Electro Optical Engineering, MCC	0.00	0	2.00	109,008
UH Community Colleges	2	Workforce Development - Aeronautic Maintenance Lease, HCC	0.00	52,000	0.00	468,000
		Sub-total Community Colleges	35.00	2,889,744	64.00	4,921,915
UH Systemwide Programs	2	Position and Funds for Kualii Project, Financial Management Office	5.00	228,500	9.00	411,300
UH Systemwide Programs	2	Consolidate Human Resources and Payroll	3.00	363,000	3.00	307,900
UH Systemwide Programs	2	Funding for Additional Positions, OHR	3.00	139,632	3.00	139,632
UH Systemwide Programs	2	Internal Reporting and Bond Controller, Financial Management Office	3.50	150,509	3.50	150,509
UH Systemwide Programs	2	Positions and Funds for Auditors, Internal Audit	3.00	275,000	3.00	525,000
UH Systemwide Programs	2	Campus Services, VP Student Affairs	0.00	306,000	0.00	506,000
UH Systemwide Programs	2	Technology Support for ADA Requirements	1.00	98,000	1.00	101,400
UH Systemwide Programs	2	ODS and Data Warehouse, VP Planning and Policy	2.00	236,000	2.00	149,000
UH Systemwide Programs	2	Investigators, University General Counsel	2.00	188,740	2.00	182,240
UH Systemwide Programs	2	American Diploma Project/College Readiness, VP Planning and Policy	0.00	200,000	0.00	200,000
		Sub-total Systemwide Programs	22.50	2,185,381	26.50	2,672,981
		Sub-total Tier 2 Requests	120.50	12,225,713	160.50	15,175,400

MAJOR UNIT	DEPT TIERS	DESCRIPTION	FY 2007-08		FY 2008-09	
			FTE	AMOUNT	FTE	AMOUNT
UH Manoa	3	Restore Base Budget, Arts and Humanities	0.00	200,000	0.00	400,000
UH Manoa	3	Faculty, Arts and Humanities	3.00	180,000	3.00	180,000
UH Manoa	3	Convert Temp to Permanent, Arts and Humanities	1.00	0	1.00	0
UH Manoa	3	Faculty, Architecture	2.00	150,000	2.00	150,000
UH Manoa	3	Manoa 100 Centennial Celebration, Chancellor's Office	0.00	200,000	0.00	0
UH Manoa	3	Faculty, Engineering	3.00	300,000	3.00	300,000
UH Manoa	3	Support, Engineering	2.00	160,000	2.00	160,000
UH Manoa	3	IFA Hilo Facilities Operations and Maintenance	0.00	35,000	0.00	35,000
UH Manoa	3	Library Infrastructure, Law	2.00	90,000	2.00	90,000
UH Manoa	3	Maintain Library Collections, Library Services	2.00	500,000	2.00	2,000,000
UH Manoa	3	Education and Infrastructure Initiatives, LLL	0.00	200,000	0.00	600,000
UH Manoa	3	Conversion of Temporary Positions to Permanent, Lyon Arboretum	5.00	0	5.00	0
UH Manoa	3	Director of Lyon Arboretum	0.00	120,000	0.00	120,000
UH Manoa	3	Mathematics Education, Natural Sciences	2.00	120,000	2.00	120,000
UH Manoa	3	Restoration of Faculty Positions, Natural Sciences	3.00	400,000	3.00	400,000
UH Manoa	3	Childrens Center, OVCS	3.00	120,000	3.00	120,000
UH Manoa	3	Academic Affairs Program Officer #89034T (Transfer to Permanent; No Budget I	1.00	0	1.00	0
UH Manoa	3	SECE/CS Director, OVCS	1.00	80,000	1.00	80,000
UH Manoa	3	Secretary, OVCS	1.00	35,000	1.00	35,000
UH Manoa	3	Undergraduate Research Training Coordinator, PBRC	1.00	45,000	1.00	45,000
UH Manoa	3	Restoration of Base Budget, Social Sciences	0.00	200,000	0.00	325,000
UH Manoa	3	Restoration of Faculty Positions and Salaries, Social Sciences	4.00	224,000	4.00	224,000
UH Manoa	3	Ocean Observing System for Hawaii, SOEST	6.00	750,000	6.00	750,000
UH Manoa	3	Growth of Academic Programs to Meet State Workforce Needs, TIM	2.00	240,000	3.00	360,000
UH Manoa	3	Graduate Assistants and GA Stipend Equity	40.00	750,000	40.00	750,000
UH Manoa	3	Workshop Supervisor, Architecture	0.00	0	1.00	40,000
UH Manoa	3	New Faculty Positions, CTAHR	0.00	0	4.00	500,000
UH Manoa	3	Support Staff, CBA	0.00	0	2.00	70,000
UH Manoa	3	Pacific Asian Center for Entrepreneurship and Ebusiness Director, CBA	0.00	0	1.00	100,000
UH Manoa	3	Advocacy Office, Chancellor's Office	0.00	0	1.00	40,000
UH Manoa	3	International Programs, Academic Affairs	0.00	0	5.00	312,730
UH Manoa	3	Faculty, CBA	0.00	0	4.00	500,000
UH Manoa	3	Funding For Mentor Teachers, Education	0.00	0	0.00	125,000
UH Manoa	3	Capacity In Teacher Education: to Accept More Qualified Students, Education	1.00	65,000	2.00	130,000
UH Manoa	3	Replacement of Work Vehicles, Facilities	0.00	0	0.00	136,000
UH Manoa	3	Post-Baccalaureate Student Advising, Graduate Division	0.00	0	1.00	50,000
UH Manoa	3	IFA Maui Advanced Technology Research Center O&M	0.00	0	0.00	190,000
UH Manoa	3	Compliance Officer, LAS	0.00	0	1.00	34,560
UH Manoa	3	Meet Workload Demands and Strategic Plan Goals, LLL	0.00	0	3.00	180,000
UH Manoa	3	Statewide Nursing Faculty Development	0.00	0	2.00	225,000
UH Manoa	3	Academy for Creative Media Faculty	0.00	0	1.00	90,000
UH Manoa	3	Honors Program Infrastructure	0.00	0	1.00	300,000
UH Manoa	3	Revitalization and Collaborative Integration of Neurosciences, PBRC	0.00	0	2.00	160,000
UH Manoa	3	Core Research Facilities Support, PBRC	0.00	0	1.00	78,000
UH Manoa	3	Salary for Tenured Faculty Positions, SHAPS	0.00	0	0.00	79,300
UH Manoa	3	Faculty In Disaster Management, Social Sciences	0.00	0	2.00	160,000
UH Manoa	3	UH Small Satellite Program, SOEST	0.00	0	2.00	160,000
UH Manoa	3	Classroom Technology, Academic Affairs	0.00	0	0.00	800,000
UH Manoa	3	Secretary, VCRGE	0.00	0	1.00	32,000
UH Manoa	3	Center on Aging Research and Education, Chancellor's Office	0.00	0	1.00	100,000
UH Manoa	3	Special Education, Education	0.00	0	8.00	500,000
UH Manoa	3	Center on Disability Studies, Education	0.00	0	2.00	120,000
UH Manoa	3	Hawaii Center For Advance Communications Administration, Engineering	0.00	0	1.00	42,000
UH Manoa	3	Compliance Tech, Facilities	0.00	0	1.00	35,000
UH Manoa	3	General Education Teaching Workshops	0.00	0	0.00	20,000
UH Manoa	3	Computer Upgrades/Replacements, General Education	0.00	0	0.00	10,000
UH Manoa	3	Access to Collections, Library Services	0.00	0	6.00	500,000
UH Manoa	3	Biology/Marine Biology, Natural Sciences	0.00	0	3.50	220,000
UH Manoa	3	Critical and Current Program New Initiatives, SHAPS	0.00	0	2.50	110,295
UH Manoa	3	UH Economic Research Organization (UHERO), Social Sciences	0.00	0	2.50	192,500
UH Manoa	3	Center For Smart Building and Community Design, SOEST	0.00	0	1.50	150,000
UH Manoa	3	Addressing Health and Safety Issues At Coconut Island, SOEST	0.00	0	1.00	295,000
UH Manoa	3	Environmental Center Initiatives, WRRRC	0.00	0	1.00	65,000
UH Manoa	3	Transfer Faculty Collective Bargaining Funds	0.00	16,737,395	0.00	16,737,395
		Sub-total Manoa	85.00	21,901,395	153.00	30,833,780

MAJOR UNIT	DEPT TIERS	DESCRIPTION	FY 2007-08		FY 2008-09	
			FTE	AMOUNT	FTE	AMOUNT
UH Hilo	3	Instructional Positions to Enhance Professional Workforce Development	2.00	175,000	4.00	275,000
UH Hilo	3	Increase in Utilities Costs	0.00	210,681	0.00	539,714
UH Hilo	3	Tutorial Center for Student Success	3.00	95,000	3.00	190,000
UH Hilo	3	Offering Education Programs to Underrepresented Population Groups	0.00	0	2.00	65,000
UH Hilo	3	Develop Engineering Technology and Counseling Psychology	0.00	0	5.00	243,103
UH Hilo	3	Cinematic & Digital Production Workshop	0.00	0	0.00	65,000
UH Hilo	3	Enhance Outreach - Operating the North Hawai'i Education Center	1.00	41,250	4.00	203,434
UH Hilo	3	Convert Essential Temporary Staff Positions to Permanent	20.00	0	20.00	0
UH Hilo	3	Expand Services for Native Hawaiian Students	5.00	172,500	5.00	229,500
UH Hilo	3	Transfer Faculty Collective Bargaining Funds	0.00	1,652,768	0.00	1,652,768
		Sub-total Hilo	31.00	2,347,199	43.00	3,463,519
UH West Oahu	3	Business Office	2.00	125,000	4.00	250,000
UH West Oahu	3	Facilities Management	1.00	95,000	2.00	145,000
UH West Oahu	3	Puko'a Council Initiative	2.00	164,480	2.00	164,480
UH West Oahu	3	Information Technology	2.00	165,000	2.00	165,000
UH West Oahu	3	Vice Chancellor for Academic Affairs	2.00	130,000	2.00	130,000
UH West Oahu	3	Institutional Research Office	0.00	0	3.00	170,000
UH West Oahu	3	Chancellor's Office	0.00	0	2.00	130,000
UH West Oahu	3	Library Services	0.00	0	2.00	130,000
UH West Oahu	3	Vice Chancellor's Office Support Staff	0.00	0	3.00	125,000
UH West Oahu	3	Transfer Faculty Collective Bargaining Funds	0.00	211,880	0.00	211,880
		Sub-total West Oahu	9.00	891,360	22.00	1,621,360
UH Community Colleges	3	Rapid Response Workforce Training Fund, Syswd CC	0.00	500,000	0.00	500,000
UH Community Colleges	3	Improve Academic and Student Support Services , HCC	2.00	91,450	2.00	89,450
UH Community Colleges	3	Distance Learning Infrastructure & Delivery, KCC	3.00	271,392	4.00	169,680
UH Community Colleges	3	Increase Campus Security , MCC	0.00	105,000	0.00	105,000
UH Community Colleges	3	Distance & Blended Learning Infrastructure Support , HCC	3.00	234,500	3.00	234,500
UH Community Colleges	3	Routine R&M Funds & Furniture/Equipment Replacements , KCC	0.00	170,000	0.00	200,000
UH Community Colleges	3	Computing & Media Support , HiCC	3.00	381,976	7.00	471,588
UH Community Colleges	3	Instructional Designer , MCC	0.00	0	1.00	61,504
UH Community Colleges	3	Equipment Replacement, KauCC	0.00	101,919	0.00	113,106
UH Community Colleges	3	Financial Aids Officer, HCC	1.00	44,724	1.00	44,724
UH Community Colleges	3	Enhance the Learning Environment, KCC	1.00	51,384	2.00	345,944
UH Community Colleges	3	Center for Applied Science and Technology, LCC	4.00	322,708	4.00	252,708
UH Community Colleges	3	Marketing - Web Development, WCC	0.00	0	1.00	66,376
UH Community Colleges	3	Student Services Infrastructure, HiCC	8.00	317,784	12.00	489,672
UH Community Colleges	3	Support for Business Office, KCC	3.00	93,849	3.00	108,864
UH Community Colleges	3	Instructional Program Support, LCC	0.00	0	7.00	392,196
UH Community Colleges	3	Media Center - Electronic Technician, WCC	0.00	0	1.00	70,376
UH Community Colleges	3	Business Office Support, MCC	0.00	0	3.00	115,656
UH Community Colleges	3	Equipment Replacement, HCC	0.00	200,000	0.00	200,000
UH Community Colleges	3	One-Stop Online Support Network, KCC	1.00	52,336	1.00	46,348
UH Community Colleges	3	Website Development, LCC	0.00	0	1.00	70,204
UH Community Colleges	3	Business Office Clerk, WCC	0.00	0	1.00	29,976
UH Community Colleges	3	Instructional Unit Clerical Support, MCC	0.00	0	1.00	27,156
UH Community Colleges	3	Personnel Officer, HCC	1.00	44,724	1.00	44,724
UH Community Colleges	3	Operations & Maintenance Support - Laborer, WCC	0.00	0	1.00	30,876
UH Community Colleges	3	Teaching Learning Center Support, MCC	0.00	0	1.00	60,504
UH Community Colleges	3	Establish Media Specialist, HCC	1.00	72,272	1.00	69,772
UH Community Colleges	3	Workforce Development - Off-Campus Coordinator for Health Sciences, KCC	0.00	0	1.00	43,848
UH Community Colleges	3	Workforce Development - Redesign ICS Curriculum, HCC	0.00	0	2.00	302,544
UH Community Colleges	3	Transfer Faculty Collective Bargaining Funds	0.00	6,927,286	0.00	6,927,286
		Sub-total Community Colleges	31.00	9,983,304	62.00	11,684,582
Aquaria	3	Transfer Faculty Collective Bargaining Funds	0.00	24,481	0.00	24,481
UH Systemwide Programs	3	ITS Disaster Recovery Cold Site	0.00	958,000	0.00	308,000
UH Systemwide Programs	3	ITS Integrated Data Warehouse, Reporting and Business Intelligence Environme	2.00	636,000	2.00	642,800
UH Systemwide Programs	3	Leadership Development, VP Planning and Policy	0.00	133,500	0.00	133,500
UH Systemwide Programs	3	Hospitality and Tourism Institute	3.00	586,000	3.00	374,000
UH Systemwide Programs	3	Increase Funding for WICHE	0.00	250,000	0.00	250,000
UH Systemwide Programs	3	International Education, VP Planning and Policy	0.00	210,000	0.00	210,000
UH Systemwide Programs	3	Promoting STEM Fields, VP Planning and Policy	0.00	100,000	0.00	100,000

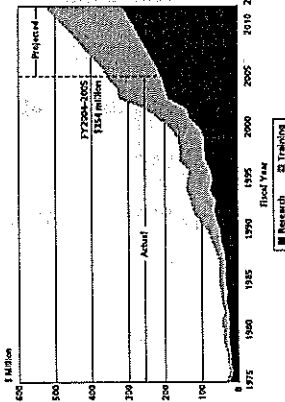
MAJOR UNIT	DEPT TIERS	DESCRIPTION	FY 2007 - 08		FY 2008 - 09	
			UH REQUEST		UH REQUEST	
			FTE	AMOUNT	FTE	AMOUNT
UH Systemwide Programs	3	Imiloa - The Hawaii Astronomy Center, System Support	0.00	267,500	0.00	264,500
UH Systemwide Programs	3	Funding for Malamalama	0.00	121,137	0.00	121,137
UH Systemwide Programs	3	Transfer Faculty Collective Bargaining Funds	0.00	(25,553,810)	0.00	(25,553,810)
		Sub-total Systemwide Programs	5.00	(22,291,673)	5.00	(23,149,873)
		Sub-total Tier 3 Requests	161.00	12,856,066	285.00	24,477,849
		TOTAL UH REQUESTS	388.00	38,726,834	590.50	58,116,277

Economic Impact

Research and Training Funds

For the seventh year in a row, the University of Hawai'i received record support for research and training. Extramural funds—grants and contracts from federal, state, private, and foreign sources—reached \$354 million for FY 2005, an almost 8 percent increase over the previous fiscal year and an increase of 2.5 times the support received a decade ago.

UH Office of Research Services
Extramural Fund Support, Past and Projected

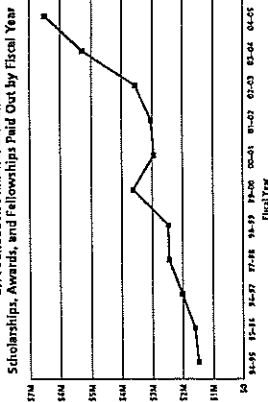


Philanthropy

Student Aid

Over the past decade, the amount of financial assistance provided to students by the UH Foundation has grown dramatically. The amount of aid awarded more than quadrupled from \$1.5M in FY 1995 to \$6.5M in FY 2005. A total of \$35.0M in scholarships, awards, and fellowships was disbursed during the 11 year period.

UH Foundation Student Assistance
Scholarships, Awards, and Fellowships Paid Out by Fiscal Year

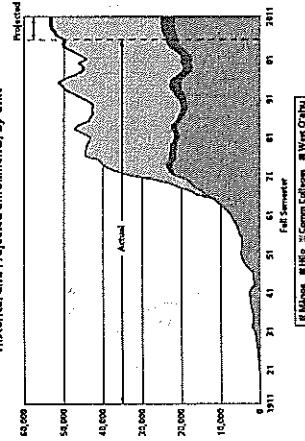


Participation

Historical and Projected Enrollment

Rapid enrollment growth in the post-war era was followed by an extended period of more stable enrollment. Expanded access helped the UH system post modest overall gains from the early 1970s through the 1990s. Between fall 2000 and fall 2004, enrollment increased 13.4 percent and is projected to reach 52,400 by fall 2011.

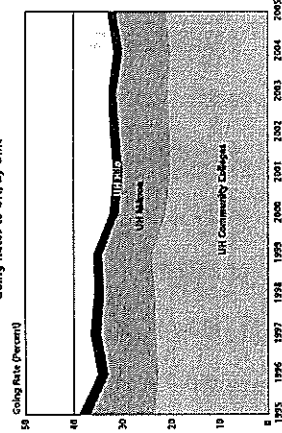
Historical and Projected Enrollments, by Unit



Going Rates

After reaching a historical low of 31.7 percent in fall 2001, the going rate of recent Hawai'i high school graduates into the UH campuses increased to 33.0 percent in fall 2005. UH system going rates averaged 47 percent in the 1970s, 36 percent in the 1980s, 37 percent in the 1990s, and 32 percent so far this decade.

Going Rates to UH, by Unit



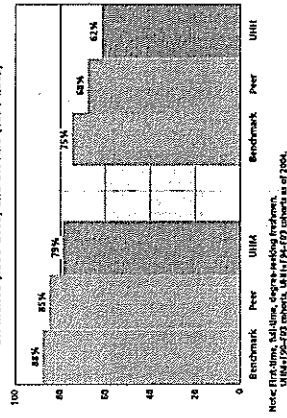
Note: The going rate is the percentage of Hawai'i high school graduates entering the University of Hawai'i without delay upon graduation from high school.

Student Performance

Retention and Transfer Rates

The average one-year retention rate for first-time students at UH Manoa and UH Hilo is lower than the average rates for peer and benchmark groups. The one-year retention rate for UH Manoa has decreased from a high of 82.7 percent in 1990 to 75.0 percent in 2003. The UH Hilo retention rate has fluctuated between 1994 and 2003, dipping from 63.5 percent in 1994 to a low of 56.7 percent in 1998 before reaching a high of 66.0 percent in 2003.

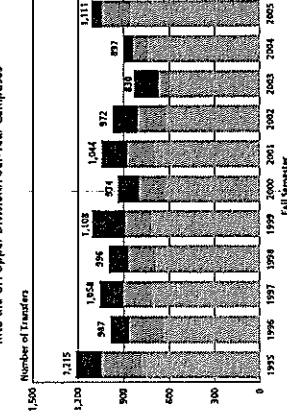
Average One-Year Retention Rates
UH Manoa (1990-2003) and UH Hilo (1994-2003)



Note: First-time, full-time, degree-seeking freshmen, UH Manoa and UH Hilo, fall semester, by year from fall 2004.

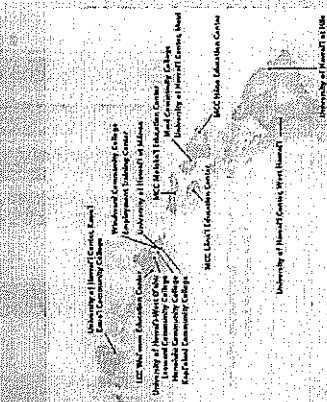
Source: UH Office of Research Services, UH System, 2004-05 Survey

Transfers from the UH Community Colleges
into the UH Upper Division/Four-Year Campuses



Note: The going rate is the percentage of Hawai'i high school graduates entering the University of Hawai'i without delay upon graduation from high school.

UNIVERSITY OF HAWAII MEASURING OUR PROGRESS



Office of Academic Planning and Policy University of Hawai'i

December 2005

This brochure highlights and updates a subset of UH performance indicators. A complete report entitled *Measuring Our Progress, 2004 Update* can be found online at www.hawaii.edu/academicplanning and in printed form at UH campus libraries.

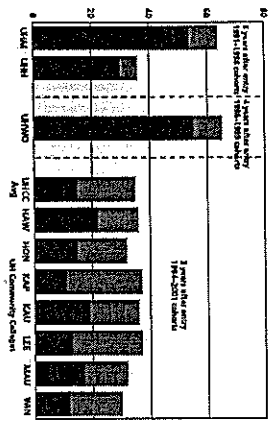
To request a copy or share comments, contact:
Office of Academic Planning and Policy
University of Hawai'i
2444 Dook Street
Bachman Hall Room 204
Honolulu, HI 96822
Phone: 808 955-2075
Fax: 808 955-9119
Email: ap@uhawaii.edu

The University of Hawai'i is an equal opportunity/affirmative action institution.

Student Performance

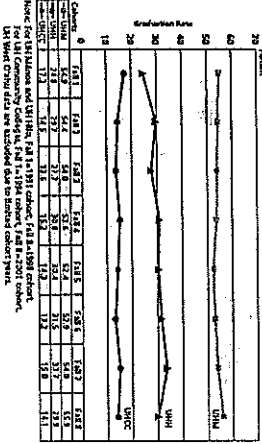
Graduation and Retention Outcomes

UH graduation and retention rates have remained relatively stable over time. UH Maloia's average range over five years is 62-65 percent; UH Hilo is 35-41 percent, and the UH Community College is 33-39 percent. UH West Oahu's average range over two years is 59-72 percent.



Graduation Rates by Cohorts

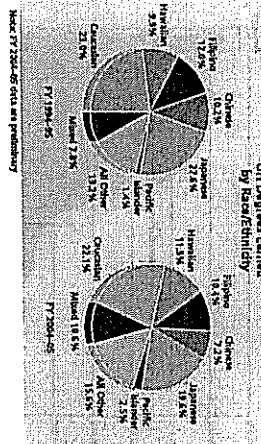
The following graph reflects trends in UH graduation rates only (the prior graph reflects UH retention and graduation data). UH Maloia graduation rates have remained stable, in the mid- to lower 50 percent range. UH Hilo rates have increased with some fluctuations; their rates have ranged from the mid-20s to nearly the mid-30s. The UH Community College has remained in the mid-teens after experiencing a high of 17 percent with their 1994 cohort.



Degree Productivity

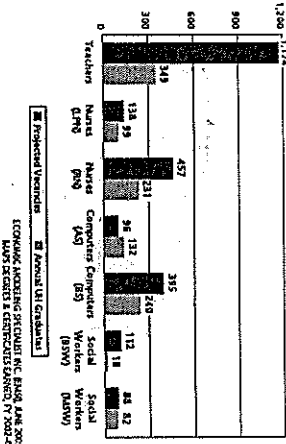
Degrees Earned

The share of degrees conferred to students remained stable in almost all ethnicity categories in FY 2004-05. However, compared to ten years ago, the share of degrees conferred to Hawaiians, Pacific Islanders, and those of mixed ancestry increased, while the share of degrees conferred to Filipinos, Chinese, Japanese, and Caucasians decreased.



Workforce Shortage Areas

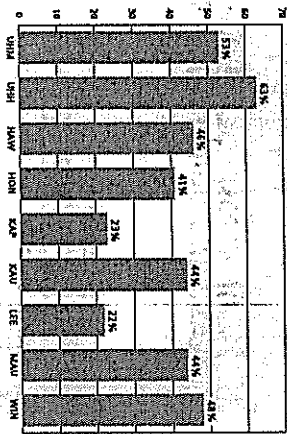
The UH is meeting a portion of the state's need for workers trained for shortage areas, but the projected vacancies are considerable, particularly in teaching, nursing (RN), computer science (BS), and social work (BSW). Hawaii's private higher education institutions also play an active role in meeting state needs, but the UH, as the state's sole public higher education system, is focusing efforts on increasing graduates in these areas.



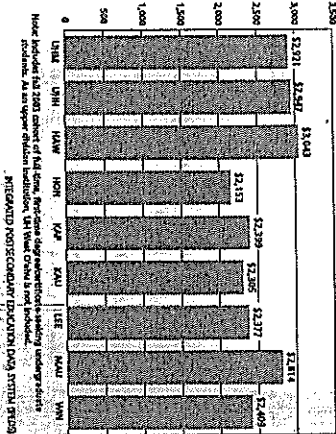
Affordability

Financial Aid

The share of first-time freshmen receiving aid in FY 2003-04 ranged from 63 percent (UH Hilo) to 22 percent (Leeward CC). On average, financial aid recipients received between \$2,100 and \$3,000.

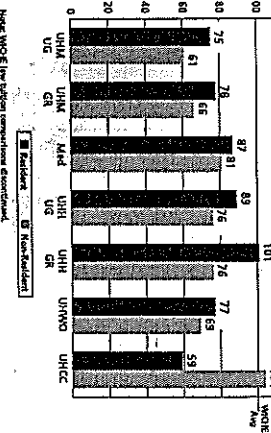


Financial Aid to UH First-Time Undergraduates Average Aid Amount Received



Tuition and Fees

Almost all UH tuition rates are below WICHE institutions from 15 states that are members of the Western Interstate Commission for Higher Education averages.



Funding

Enrollment and General Funds

UH enrollment increased from a low of 44,579 in FY 2000-01 to a high of 50,569 in FY 2004-05. UH's share of state general funds went from 9.7 percent to 8.1 percent during the same period. The FY 2006-07 share of general funds is the lowest share to date at 7.8 percent.

