

UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

UOH 800 University of Hawaii, Community Colleges

Testimony Presented Before the House Finance Committee

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by

John Morton, Interim Vice President for Community Colleges

Ramsey Pedersen, Chancellor – Honolulu Community Colleges
Leon Richards, Interim Chancellor – Kapiolani Community College
Peter Quigley, Chancellor – Leeward Community College
Angela Meixell, Chancellor – Windward Community College
Rockne Freitas, Chancellor – Hawaii Community College
Clyde Sakamoto, Chancellor – Maui Community College
Peggy Cha, Chancellor – Kauai Community College

Budget Request for Fiscal Biennium 2007-2009
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 and baccalaureate courses to prepare students for transfer and career and technical education degrees and certificates to prepare students for employment or to upgrade current levels of proficiency. Developmental courses are also offered to 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 a 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 offered by 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.

A variety of services support the instructional programs 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:

University of Hawai'i Community College tuition rates have increased from \$230 per semester in FY 1994 to the current \$672 per semester (\$56/credit -12 credits) in FY 2007, an increase of 192%. 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 increased to the 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.

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 49,000 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:

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.

Community colleges, by virtue of their low cost, open access, and community base, have a major role to play in expanding this educated workforce. Career and technical education programs provide education for immediate employment and the Liberal Arts programs provide access to baccalaureate and higher education.

In fulfilling this responsibility, community colleges are focusing on three areas. First, programs need to be developed that match the State's current and future employment opportunities. We are happy to report that the construction academy initiative which was funded by the Legislature last session to meet employment demands in the construction sector has moved ahead rapidly. Many of the 46.00 FTE faculty and support positions have been recruited and filled, programs have been initiated in 27 high schools on all of the major islands, and 975 students are already enrolled in the program.

Budget requests for this biennium include working to expand opportunities in nursing, education, information technology, new media arts, and optics, all areas of demand with living wage jobs.

The second area of emphasis for the community colleges is to improve the success of the students who already enroll. The level of retention and achievement of degrees or certificates are too low and improvements are needed in both. The causes of student dropout are complex but include a lack of preparedness, financial barriers, competition from demands of work and family, and the lack of a clear focus or goal for the student.

The University, including the community colleges, are working closely with the Department of Education on the issue of student readiness. Hawai'i is now part of the American Diploma project which attempts to align and clarify the expectations of colleges and workplace with high school English and math. Similar alignment efforts are underway in the areas of career and technical education so that students and their parents cannot only understand what courses are needed for college work but also earn dual credit for high completion as well.

While working on improving the readiness of students coming directly from high school to the community colleges, the community colleges are also undertaking efforts to improve the success of the developmental programs offered by the colleges. The workforce needs are not going to be met solely through high school graduates and returning adults are an important recruitment target for the colleges. These individuals may need additional preparatory work in English, math, or English as a Second Language and providing that developmental work is critical to the success of these students. Some of the budget requests focus on strengthening this component of the colleges.

Finally, the community colleges have to grow if we are to meet the employment needs. Growth, however, requires an investment by the State. The tuition in the community colleges is too low to cover the marginal cost of a class. Without additional State support, adding classes to accommodate more students results in the colleges losing money. The biennium budget proposes an enrollment growth fund that colleges can tap to add classes as enrollment demand grows. The fund is designed to provide only those additional costs beyond what tuition can provide. Furthermore, if enrollment growth doesn't occur, we are willing to lapse the funds. In other words, the fund allows us to respond rapidly to growth but would only be expended if the growth occurs.

The Executive budget includes a number of general fund workload and program change requests that will assist the Community Colleges in addressing campus problems/issues as well as progressing in accordance with strategic plans, goals, and objectives. The budget requests also address the issues highlighted by the Second Decade Project as identified by defined UH categories. Budget requests

such as student service initiatives, expansion of institutional research and assessment, and support for Community College enrollment growth focus on “Increasing the Educational Capital of the State”. The support for Community College enrollment growth request is especially important in addressing enrollment expansion needs for the Community Colleges. The items categorized under “Workforce Development”, includes a number of budget requests to expand workforce training in nursing, culinary arts, teacher prep, and other high demand program areas. Budget requests such as Native Hawaiian initiatives, expansion of educational services to Waianae Center, and the University Center at West Hawai‘i initiative focus on “Addressing Underserved Regions/Populations”. The rest of the approved general fund budget requests address the need to “Increase Infrastructure/Support Services”, and each campus/unit has a request for full year funding of partially funded new FY 2007 positions.

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 Community Colleges will also continue to work with State, Legislative, labor union, private business, and other representatives to ensure appropriate focus and direction.

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

Honolulu Community College

Honolulu Community College (HCC) is the university system’s primary technical workforce development institution and proudly serves as the “Technical Training College of the Pacific”. As the university’s only downtown campus, HCC also serves the community as an affordable, flexible, open-door comprehensive community college that meets the higher education needs of business, industry, the community, and most importantly the individual. The campus serves approximately 6,000 students each semester. Of this number, approximately fifty percent are enrolled in technical training programs through the shipyard at Pearl Harbor, a union affiliated apprenticeship program on the College’s main campus, or through an associates level degree granting program.

Highest Priority in the Biennium Budget:

HCC’s “inner city” location along the Kalihi corridor does present certain problems. A lack of space for growth and facility obsolescence has been a concern for the past decade and will remain an issue until support for new capital improvement projects can be secured and new projects are completed. Many of the College’s buildings are old and require atypical repairs and maintenance schedules to ensure they remain useable. As an example, the campus’s current science building was built in 1963 and since then has been retrofitted many different times to meet specifications. In fact, the College has not seen any new construction on

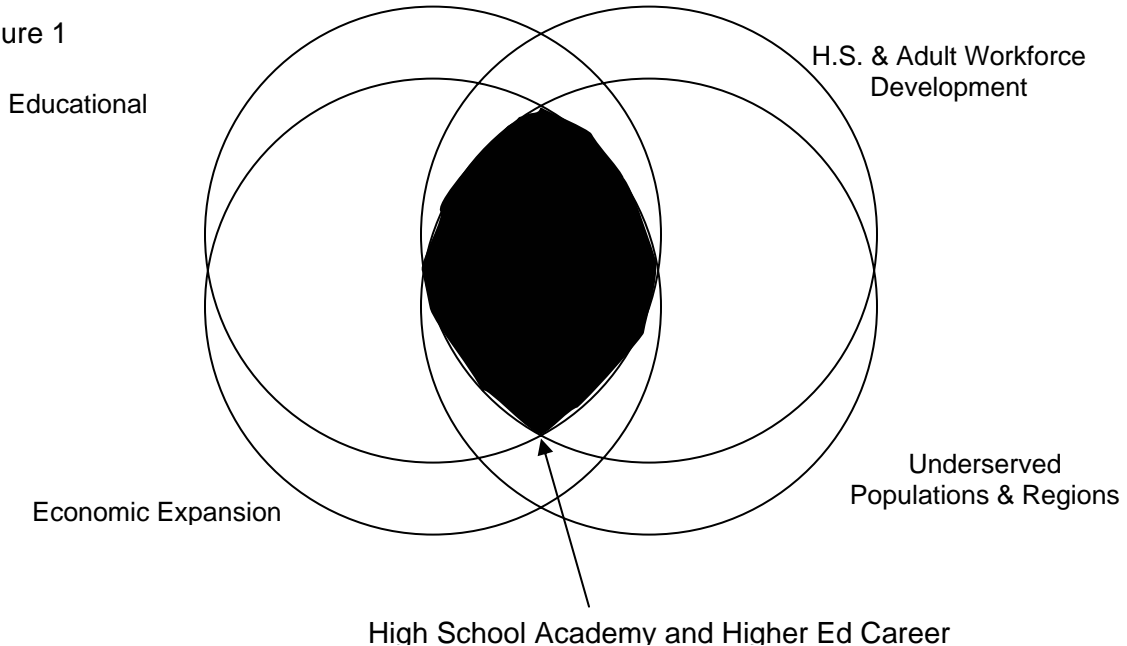
its main campus for almost thirty years. Facility obsolescence and a general lack of space has hampered the growth of HCC's science and technology programs. Consequently, over the past three years the College, through the Board of Regent's budget, has requested support for an Advanced Technology & Training Center. Once again, in this budget the building remains the College's number one priority.

Addressing the Second Decade Project Through the Biennium Budget:

HCC embraces the university system's "Second Decade Project," and, in fact, has supported the Project's core concepts well before the pieces became part of a codified plan. However, rather than attempt to address the four core pieces of the Project individually, HCC has taken a comprehensive approach to meeting its objectives. The College believes in the value of early career preparation and training that begins at the high school level and continues through college as the key to technical career success (see Figure 1). Accordingly, the College has focused its efforts on developing the high school academy model to ensure that the pipeline of high school graduates are prepared for higher education or career training.

In the upcoming biennium the College has requested funding to begin foundational work on the formation of an Information Technology (IT) Academy. Similar to other academies, the IT Academy will be based on national industry standards and local employer needs. In addition to the IT Academy, the College will continue its work on the existing Construction Academy and stands ready to provide expertise to sister campuses who wish to develop their own academies in areas such as healthcare and nursing, science and math, and other high demand careers.

Figure 1



As an open-door institution that exists to serve the entire community, the College accepts that it has a responsibility to provide a broad array of student support services. To this end, over 1/3 of the College's requests are for developing the student support infrastructure. Specifically, requests for student recruitment and retention; academic and student support services; financial aid resources; and, focused support services for Native Hawaiians is being requested in the biennium. The biennium budget also includes requests that will allow the College to remain responsive to student flexibility needs. These requests include support for distance and blended learning options as well as resources to bolster its multimedia support for alternative learning environments.

In the area of Native Hawaiian educational needs, HCC continues to offer various services and programs. With the completion of a 5 year Title III grant that funded the College's Native Hawaiian Center (NHC), it is essential that the NHC become a permanently established support function of the College. The biennium request includes funding to establish the NHC and resources to develop the Ocean Hawai'i Project and Hawaiian Studies program. This year HCC was awarded a Title III grant that provides initial support for the Music Education Learning Experience (MELE), which is a music industry career training program, and funding for a partnership with the Polynesian Voyaging Society (PVS).

HCC understands that a highly skilled workforce is fundamental to the State's future economic well being. The College embraces its responsibility to educate and train its students according to the needs of business and industry and carries a philosophy of, "Industry asks; we deliver". Over the past several years, HCC has

formed alliances with international, national, and local industries and revised teaching methodologies and curriculum to ensure that graduates enter the workforce with the relevant qualities, characteristics, and skill sets necessary to succeed in the workplace.

Kapiolani Community College

Since Fall 2000, Kapiolani Community College's credit headcount enrollment has increased from 6,760 to 7,272 students in Fall 2006. As enrollment has grown, the College has attempted to continue providing extensive and quality liberal arts programs and 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, Technology, Engineering & Math (STEM), exercise and sports science, and eBusiness provide opportunities for new synergies in career education. All of these programs meet state needs to advance the University's Second Decade Project to increase the educational capital of the state, expand workforce development initiatives and assist in expanding and diversifying the economy.

The biennium budget was developed through a collegial planning process that included discussions on Strategic and Tactical Plans, Program Reviews, Accreditation Self-Study and involved Kapiolani Faculty, Staff, Students and the Community. The biennium budget reflects and was informed by the Second Decade Project.

Increase the educational capital of the state:

Kapiolani is at the forefront of developing degree pathways in partnership with the baccalaureate granting campuses of the University. Degree pathways are agreements between programs to allow students to efficiently transfer to baccalaureate degree programs. Degree pathways not only include a clear articulated sequence of academic requirements but also include coordination of student services between programs and career counseling. Partnerships have been or are in the process of being developed with Manoa, Hilo and West Oahu in areas such as Culinary Arts, Respiratory Care, Business Administration and STEM. The degree pathways partnership model will utilize distance learning to extend the campus' program offerings and to reach underserved areas. Thus, the degree pathways will increase transfers from 2-year to 4-year campuses and increase production of associate and baccalaureate degrees.

Expand workforce development initiatives and Address underserved regions of the state, particularly Native Hawaiians:

In the area of workforce development, additional funds are requested for expansion of the College's nursing program and for teacher preparation in order to

expand program capacity in critical workforce shortage areas of nursing and teaching. Kapiolani will extend and expand its nursing program to create a model which would provide nursing programs in western Oahu (Waianae, North Shore, Ewa) and other underserved areas of Oahu. The expansion of the nursing program will provide increased student access while addressing a key workforce shortage area. Previously the Legislature provided additional funds to expand the respiratory care program and initiate a program in long-term health care. Both initiatives reflect the anticipated need for health care professionals that will be required to care for our aging population.

To sustain excellence in student learning via increased retention rates and increased college going rates, Kapiolani is requesting additional funds to enhance student access, preparation and success and for access and support of native Hawaiian students.

Enrollment growth and intensive use of campus facilities over the past twenty years has led to a deterioration of the physical plant. Increasing demand for technology integration within all programs is contributing to the need for additional funding for new facilities. The Kapiolani campus has been included in a systemwide request for an update of the campus master plan.

We believe that Kapiolani's biennium budget requests reflect a responsible and prudent response to the State's higher education needs, resulting from a most transparent, thorough and inclusive process.

Leeward Community College

Leeward Community College (LCC) is positioned to assume a crucial role as an educational portal of excellence and workforce training partner for the burgeoning West Oahu and Leeward Coast regions. LCC has been in existence since 1968, and it has consistently served a student body of between 5,000 and 6,000 and a service region that constitutes nearly 2/3rds of Oahu. Historically, the campus has been mainly focused on a liberal arts transfer mission with some community outreach activities and some vocational professional training and certification in culinary, TV production, and automotive. More recently, however, the college has taken on a redefinition of its traditional thrust and added new horizons. Much of LCC's response to providing a new vision for itself comes from 1) accreditation standards and requirements, 2) changing environments in the West Oahu region, and the 3) University of Hawaii's Second Decade Report. LCC's redefinition of its traditional focus means the college is rededicating itself to student access and success by tracking student success more aggressively and by focusing on smoother relations and transitions between LCC, UH West Oahu, UH Manoa, UH Hilo and other transfer opportunities. LCC is taking responsibility for student access and success. In order to meet this new goal, LCC needs to improve its

ability to collect and analyze data. 1) To this end, LCC is proposing an enlarged and strengthened Institutional Effectiveness Office. Such data will help LCC better represent to the legislature, the community, the accreditation agency and other stakeholders what LCC is doing. LCC needs to be able to report the status of student success and financial health in a clear, public, and timely manner. 2) In addition, LCC is reaching out to business partners in a number of sectors to participate in workforce development and economic diversity enhancement. To more fully engage businesses at the level of their needs, LCC proposes an enhanced workforce development training center that meets training needs that require a science, math and technology base. Innovative remediation applications are also a part of this vision. The state needs a more highly trained workforce in technical fields if it is going to attract and grow high tech companies that provide living wage employment. 3) As mentioned, the UH Second Decade Project indicates that workforce development and increased education services need to be deployed to the Leeward Coast; in fact Waianae is at the top of the list when it comes to educational and job training needs. Therefore, LCC has proposed an expanded LCC Waianae initiative. Purchasing a building and deploying a distributed operational budget to that facility will create new opportunities for Leeward Coast residents to improve their communities and their futures. With dynamic changes occurring in the West Oahu region and continuing opportunities and challenges in the Waianae region, LCC must rise to the occasion to meet these new opportunities.

Because of growth pressures and plans to bring on new programs, space has become a real issue for LCC. The need for teacher training, nursing training, business collaborations, room for teachers, institutional research staff, state of the art classrooms, a conference meeting room, all require a new facility to meet what is even now an unsatisfactory office and space environment at LCC. For these purposes LCC seeks the construction money to accommodate the already approved planning and design funding for a new "Teacher Education/Social Science Building." As the President mentioned in his opening testimony, the UH system is dedicated to increasing the educational capital of the state, addressing underserved regions, diversifying the economy and enhancing workforce development. The LCC proposals are all aimed at fulfilling these goals.

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 32% 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 adults and youth in need of special vocational programming. 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 support positions in the 2005-2007 biennium, Windward has sustained its enrollment while infrastructure and operational costs have continued to increase. The appropriation of utility funds by the 2006 legislature has made it possible for the college to continue to support quality programming.

Windward CC has developed an open, comprehensive budgeting process based on program assessment. For the 2007-2009 biennium, the budget process consistently revealed a common need across the college. All types of equipment across the college are outdated. The college has a technology vision plan that seeks a four year replacement cycle. With much equipment now at six years or older, that goal cannot begin to be met without an ongoing appropriation of funds. The budgeting process, the college operating budget and the Technology Vision Plan are available on the college web-site.

A critical new facility that will cap Windward's transition into a 21st century college is the Library/Learning Resource 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 worked with a planning firm to plan an efficient Library/Learning Center that is consistent with the master plan of Windward Community College. In the supplemental budget appropriation for 2007, design funds were received. The college is now seeking funds to build this important facility.

Hawai`i Community College

Hawai`i Community College's goals are consistent with those of the Community College's System Strategic Plan. In addition to the College's Capital Improvement Project (CIP) requirements, the highest priorities for Hawai`i Community College and its UH Center at West Hawai`i is the delivery of a comprehensive approach to meeting the needs for workforce development, the expansion and support of Hawaiian programs, and the administrative infrastructure to adequately meet programmatic requirements.

Administrative Affairs Support:

To provide necessary personnel and business office support to all departments of the campus. The College received recent Legislative support which assisted us in meeting programmatic needs in several high priority areas. This program growth has placed additional requirements on an already overburdened administrative infrastructure struggling to keep pace with our desire to fully meet the educational needs of the Hawai`i Island community and our accrediting body. This will give us the opportunity to deliver services to our students in a more effective and efficient manner.

UH Center in West Hawai`i:

The West Hawai`i population growth patterns are similar to that of West Oahu, making those areas the most aggressive in our State. The UH Center in West Hawai`i is the only residential facility offering associate degrees in Liberal Arts and Career and Technical Education programs from Hawai`i Community College as well as five master's degrees, five bachelor's degrees, and three graduate certificates from the UH System's baccalaureate program. Although we continue to deliver excellent services at this site, the West Hawai`i area is still underserved. This request, along with an earlier CIP appropriation currently waiting release from the Governor, will assist us in serving the grossly underserved West Hawai`i region.

Computing and Media Support:

As the only community college serving a 4,000 square mile service area, it is essential that the College have a strong technical backbone to support distance delivery of its course work to the entire county. Moreover, the College must upgrade its server systems to adequately support both academic and administrative computing services that have too long been neglected. The College has identified Technology among a set of defined imperatives related to its revised mission statement. Heretofore, technology has been identified as one of the cornerstone values constituent to the Academic Development Plan of the College; however, the value will be more an ideal than a reality if this biennium request is not funded.

Funding this request will provide direct technology-related services college-wide. The outcomes listed, therefore, have a substantial indirect impact on student learning outcomes:

- Deploy Video Conferencing and HITS network to service 4,000 sq. mi. area
- Implement, maintain, and develop data inquiry tools for Banner system
- Provide academic and administrative computing and support
- Train faculty on techniques of video Distance Education distribution
- Maintain servers (web, email, file)

Student Services Infrastructure:

Enrollments at Hawaii CC have lagged behind expectations. Fall enrollments over the past five years increased sharply in the early years of the period, leveled off, and then declined in fall 2006. Spring semester enrollments over the same five-year period varied much more sharply. During this period, the college expected an overall, steady increase in both fall and spring semester enrollments, but with the very low unemployment rate on Hawai'i Island the decreases are understandable. The College operates most efficiently when it can accurately predict enrollments not only at the overall campus level but at the individual program level as well. When predictions are accurate, the College can better plan academic programs and support services. Most higher education institutions turn to the principles and practices of Strategic Enrollment Management to address this situation and produce this information. Hawaii CC plans to follow their lead.

Hawaiian Lifestyles:

The positions as well as the supplies and library acquisition support funds requested will institutionalize the costs of faculty and staff currently supported by a U.S.D.O.E. grant under Title III to create the Hawaiian Lifestyles A.A.S. program (HLS) that will expire in the second year of the biennium. The program review data for this program supports the request for faculty positions, and the support positions are critical to the outreach of the program to rural communities throughout Hawai'i Island.

The HLS program aligns with Hawaii CC's mission by providing all HLS learners open-door access to the Associate in Applied Science in Hawaiian Lifestyles Hula Track, Mahi`ai Track (Kalo or Taro Cultivation) and Lawai`a Track (Fishing and Fish Husbandry). HLS is particularly supportive for marginalized, non-traditional and under-prepared learners island-wide with special attention to rural and distant communities. The HLS program further aligns with Hawaii CC's 2002-2010 Academic Development Plan by integrating the College's four cornerstones of Hawaiian Culture, Technology, Community Service and Environment in both the program student learner outcomes and each of the HLS student learner outcomes. The HLS program has also made a focused attempt to respond to the 2003 Midterm Accreditation Report Recommendation two to: 1) Strengthen the College's position to respond to educational needs in the predominantly Hawaiian

rural districts of Hawai'i Island, and 2) Strengthen the College's position as the premier provider of Hawaiian culture-based educational programs and expertise.

Workforce Development:

Hawaii CC needs funds to hire nursing faculty and improve nursing facilities so they can accept more students into the nursing program and subsequently increase the number of graduates in response to the statewide nursing shortage.

Currently, the Division of Nursing and Allied Health at Hawaii CC admits a group of 20 students in Hilo every year and a group of 10 students is admitted in Kona every other year. These numbers cannot respond to the severity of the nursing shortage facing the state if additional faculty and facilities are not funded.

Testimony presented before the Senate Committees on Labor and Higher Education on February 16, 2006 included much information in support of this request:

- nursing faculty are the key to addressing Hawai'i's nursing shortage,
- funding for (nursing) faculty are mandatory to support increased enrollment and corresponding increases in facilities and coordination support
- the present UH nursing funding is inadequate to graduate enough nurses to replace retirees in the existing workforce and to address the projected increase. By 2020, demand for RNs will increase by 4,554 new full-time equivalent (FTE) positions as nearly 80% of today's nursing workforce (8,397) is retiring
- investing in nursing benefits students, employers, and the overall state economy
- out-of-state nurse recruitment is a significant cost to public and private health care institutions and while providing a short-term solution, camouflages the core issue—we are not graduating adequate numbers of nurses to meet the need of an expanding and aging population at a time when the nursing workforce itself is shrinking due to the aging of its members.

This request will contribute to staffing needs for faculty on both the east and west sides of Hawai'i Island and provide funding for needed facilities.

Maui Community College

Maui Community College's goals coincide with the University's Strategic Plan and the direction of the County of Maui. Expanding workforce development, providing adequate infrastructure and support services, increasing the educational capital of the State are key elements in Maui Community College's legislative requests.

Workforce Development:

The State's nursing workforce demand is impacted by the aging of the general Hawaii population and represented by the maturing of the current nursing workforce as well. The Hawaii Center on Nursing estimates that by 2015, 31% of Hawaii's RN workforce will retire. By 2020, 61% of Hawaii's current workforce will retire. The Center also estimates a current shortage of 960 RNs that is expected to grow to 2,220 by 2016. Maui County is expected to have an even greater nursing shortage due to demand for development of new clinical facilities in Kihei and Lahaina. In dental hygiene, the data project a 33% increase in employment for dental hygienists in Hawaii from 760 positions in 2000 to 1,020 in 2010. The Dept. of Labor identifies dental hygiene "to be one of the fastest growing occupations through the year 2012."

Along with shortages in most sectors and great needs in the comparatively better-compensated allied health field, new workforce demands have emerged. With information from partners such as the Institute for Astronomy, the Air Force, the National Solar Observatory, Trex Enterprises, Textron, Maui High Performance Computing Center, Oceanit, Maui Electric Company, Northrop Grumman, Akimeka, Hawaiian Telcom, the Pacific Disaster Center, and the County of Maui, a demand for a high wage workforce with skills in the area of electro optical engineering is developing. The prospect of the Advanced Technology Solar Telescope project landing on Maui would accelerate this expansion.

Maui's strong tourism industry has continuous workforce challenges. Data from the County of Maui Data Book 2005 indicates that accommodation and food service occupations in Maui County are projected to increase from 18,844 in 2005 to 21,385 in 2015, representing a 13.48% increase through 2015.

Maui County is also known for its thriving art community. As such, Maui County is projected to have 880 new art-related jobs and 600 replacement jobs by 2012.

Infrastructure Needs:

Over the past decade, the Legislature has been extremely supportive of Maui Community College's physical plant and higher education expansion. Seven new buildings were added and/or renovated on the Kahului campus. The most recent is the "state of the art" Culinary facility. This tremendous physical plant expansion has exposed a potentially disastrous weakness in the college's electrical distribution system. Maui Electric representatives have warned the administration that the electrical system has deteriorated extensively, is very unstable. Without a response, a major campus outage is forthcoming. Therefore, College's top capital improvement priority is funding to replace the College's electrical system.

In addition, the college is in dire need of a new Science facility. The current Science building is 36 years old, with three outdated labs, which are no longer conducive to today's advanced Science instruction. The poor conditions and lack

of space have inhibited the program from providing quality instruction and meeting student needs. There are air quality and other health and safety concerns with the facility as well.

Institutional services, such as the Business Office and Campus Security require additional support to address increasing workloads. Since January 2000, the College has been awarded more than 58 million dollars in extramural funds and has pursued revenue-generating opportunities. This has had a tremendous workload impact on the Business Office. Delays in procurement, vendor payments and exposure to audit violations have resulted.

Safety and security has been a widespread concern. The College's campus satisfaction surveys consistently indicate that our students, staff, and faculty feel that the College is not a safe learning environment.

Educational Capital of the State:

The College experienced an increase in enrollment from Fall 1981 of 1,897 students to Fall 2006 of 2,841. The completion of a private student housing complex in Fall 2007 will have an added and substantial impact on the College's ability to serve both the in-state and out-of-state students. Therefore, the College is requesting counseling and student services support.

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 and sustain the economic health of our tri-isle region.

Kaua'i Community College

Kaua'i Community College provides access to quality, post-secondary educational opportunities and responds to the workforce development needs of Kaua'i county and the state. Among the issues identified through the Second Decade project, is the lower than average number of people with bachelors degrees on Kaua'i, coupled with a higher than average number with only a high school education or lower. Such Kaua'i CC programs as nursing and early childhood education are direct responses to statewide workforce needs and, through close collaboration across the campuses, provide career ladders for students leading to baccalaureate and graduate degrees for Kaua'i residents. Moreover, as a University Center, the college is also charged with the responsibility for more than traditional associate level degrees and certificates. Students may pursue a B.Ed., post-baccalaureate teaching certificate, MSN and many other degrees.

In line with the University's priorities, the College is also addressing the going rate of local high school graduates. According to the state Department of

Education Senior Exit Plan Survey in 2003 only 39% of public high school seniors on Kaua'i were planning to pursue post-secondary education or training. In addition, the Hawaii Outcomes Institute, *Healthy Hawaii 2010* states, "One out of ten teens on Kaua'i between the ages of 16 to 19, are not in school and not working." This disturbing statistic has motivated our focus on increasing Running Start and Early Admit students over the past five years. Enrollment has grown from approximately 40 students to over 100 this semester. Other serious efforts to make students aware of both the necessity and the promise of higher education include the systemwide Gear Up projects, which reach down into the middle schools as well as the high schools. These efforts target parents as well as students. Our own surveys of incoming students show that parents, not school counselors, or even friends, exert the most influence on a student's college decision.

Other ways in which Kaua'i Community College supports the objectives of the UH system include the range of continuing education and training programs, many of which are customized to the needs of individual clients. The "just in time" training capability of the Office of Continuing Education and Training (OCET) is particularly important to increasing the participation of both underemployed and long term unemployed community members, who have often been out of school for extended periods. Hybrid programs, which combine the flexibility of non-credit training with the rigor and assessment of student learning of the credit programs, such as our Medical Office Worker and Certified Massage Therapist training, have proven particularly successful in reaching non-traditional students.

Kaua'i Community College requests the support of the legislature to continue its present efforts as well as to enhance its ability to respond to local community and statewide workforce needs.

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 2006-2007:

	Appropriation Budget Act FY 2006-07	Collective Bargaining	Transfer In Transfer Out	Restriction	Estimated Total Expenditure
Personal Services	(1809.60) 105,009,276	-- 2,327,389	-- 7,356,625	--	(1809.60) 114,693,290
Current Expense	42,004,510	--	--	--	42,004,510
Equipment	2,431,041	--	--	--	2,431,041
Motor Vehicles	158,000	--	--	--	158,000
TOTAL	149,602,827	2,327,389	7,356,625	--	159,286,841
General Funds	(1712.00) 94,635,506	1,724,795	6,927,286	--	(1712.00) 103,287,587
Special Funds	(82.00) 46,762,071	--	429,339	--	(82.00) 47,191,410
Federal Funds	(15.60) 3,540,927	602,594	--	--	(15.60) 4,143,521
Revolving Funds	-- 4,664,323	--	--	--	-- 4,664,323

The transfer of the general fund collective bargaining augmentation funding and special fund collective bargaining ceiling authorization to the Community Colleges (UOH 800) was required due to the previously enacted consolidation of collective bargaining funding/ceiling authorization for the University under Systemwide Programs (UOH 900) in the FB 2005-07.

V. Biennium Budget Requests for Fiscal Year 2007-2008 and
Fiscal Year 2008-2009:

	<u>Budget Request FY 2007-08</u>	<u>Budget Request FY 2008-09</u>	<u>Biennium Requirement</u>
Personal Services	(1863.60) 129,458,477	(1910.60) 139,382,756	(1910.60) 268,841,233
Current Expense	40,324,803	42,934,633	83,259,436
Equipment	2,799,455	2,624,438	5,423,893
Motor Vehicles	90,000	90,000	180,000
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TOTAL	172,672,735	185,031,827	357,704,562
General Fund	(1766.00) 112,864,418	(1813.00) 121,821,260	(1813.00) 234,685,678
Special Funds	(82.00) 50,699,176	(82.00) 54,101,426	(82.00) 104,800,602
Federal Funds	(15.60) 4,444,818	(15.60) 4,444,818	(15.60) 8,889,636
Revolving Funds	-- 4,664,323	-- 4,664,323	-- 9,328,646

Workload or Program Change Request:

The Executive Biennium Budget for this program includes the following workload, program change requests, and transfers:

Item/Description	MOF	Cost Category	FY 2007-08	FY 2008-09
General Fund Budget Requests	A	A-Personal Services	(55.00) 4,925,722	(102.00) 8,658,437
		B-Current Expenses	708,426	1,452,139
		C-Equipment	535,182	538,236
		M-Motor Vehicles	30,000	30,000
		TOTAL	(55.00) 6,199,330	(102.00) 10,678,812

The Executive budget includes a number of general fund workload and program change requests that will assist the Community Colleges in addressing campus problems/issues as well as progressing in accordance with strategic plans, goals, and objectives. General fund budget requests include the Full Year Funding of Partially Funded New FY 2007 Positions, various workforce development initiatives, Native Hawaiian requests, support for student services, and other items to address specific campus concerns. Also included is a Community College systemwide request designed to assist all campuses with support funding needed to promote general enrollment growth for the Community Colleges.

Item/Description	MOF	Cost Category	FY 2007-08	FY 2008-09
Community College Tuition and Fee Special Fund	B	A-Personal Services	(--) 1,141,490	(--) 2,181,252,
		B-Current Expenses	2,366,276	4,728,764
		C-Equipment		
		TOTAL	(--) 3,507,766	(--) 6,910,016

The request increases the Tuition & Fees Special Fund expenditure ceilings for all community colleges to accommodate the tuition increases approved by the Board of Regents for FY 2008 and FY 2009.

The University of Hawai'i Community Colleges must continuously balance the need for additional tuition funds to meet increasing expenses with the primary open access mission of the Community Colleges. The BOR approved tuition increases for the Community Colleges have been kept relatively low in support of the open access mission of the Community Colleges.

Item/Description	MOF	Cost Category	FY 2007-08	FY 2008-09
Collective Bargaining Transfer	A		(--)	(--)
		A-Personal Services	6,927,286	6,927,286
		B-Current Expenses		
		C-Equipment		
		TOTAL	6,927,286	6,927,286

The transfer of the general fund collective bargaining augmentation funding to the Community Colleges (UOH 800) was required due to the previously enacted consolidation of collective bargaining funding for the University under Systemwide Programs (UOH 900) in the FB 2005-07.

Item/Description	MOF	Cost Category	FY 2007-08	FY 2008-09
Collective Bargaining Transfer	B		(--)	(--)
		A-Personal Services	429,339	429,339
		B-Current Expenses		
		C-Equipment		
		TOTAL	429,339	429,339

The transfer of the special fund collective bargaining ceiling authorization to the Community Colleges (UOH 800) was required due to the previously enacted consolidation of special fund collective bargaining ceiling authorization for the University under Systemwide Programs (UOH 900) in the FB 2005-07.

Item/Description	MOF	Cost Category	FY 2007-08	FY 2008-09
Hawai'i P-20 Partnership Initiative transfer	A	A-Personal Services	<(1.00)> <75,384>	<(1.00)> <75,384>
		B-Current Expenses		
		C-Equipment		
		TOTAL	<(1.00)> <75,384>	<(1.00)> <75,384>

Under a Systemwide Programs administrative reorganization, the Hawai'i P-20 Partnership Initiative is being established under the Office of the Vice President for Academic Planning and Policy. By mutual agreement, a general funded Academic Affairs Program Officer position and related funding is being transferred from Honolulu Community College (UOH 800) to the Office of the Vice President for Academic Planning and Policy under Systemwide Programs (UOH 900).

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.

**Attachment 8
All Positions Vacant As of 12/1/06**

Honolulu CC

Date of Vacancy	Position Title	Position Number	Exempt (Y/N)	Budgeted Amount	Actual Salary Last Employee Paid	MOF	Program ID	Authority to Hire (Y/N)
11/15/04	Institutional Support, PBA	77034	N	10,532	3,308.00	A	301	Y
7/1/06	Instructor, C2	74795	N	21,544		A	301	Y
2/13/05	Instructor, C2	82197	N		3,398.00	A	301	Y
9/2/05	Instructor, C2	83174	N		3,869.00	A	301	Y
7/31/05	Instructor, C2	83881	N		4,744.00	A	301	Y
7/1/00	Instructor, C2	86850	N			A	301	Y
7/1/00	Instructor, C2	88024	N			A	301	Y
12/31/05	Instructor, C2	83820	N		5,469.00	A	301	Y
12/31/05	Instructor, C2	84471	N		4,839.00	A	301	Y
8/1/06	Instructor, C2	83423	N		3,340.00	A	301	Y
12/31/06	Instructor, C2	82466	N		4,839.00	A	301	Y
7/1/05	Instructor, C2	96626F	N	15,668		A	301	Y
7/1/06	Clerk Typist, SR08	900358	N	9,555		A	301	Y
7/1/05	Educational Specialist, PBA	78273	N	13,635		A	301	Y
7/1/06	Instructor, C2	97983F	N	19,585		A	301	Y
7/1/06	Instructor, C2	97985F	N	15,668		A	301	Y
7/28/06	Educational Specialist, PBA (BT)	81309T+	N	10,908	3,133.00	A	302	Y
6/16/01	Educational Specialist, PBB	81991	N		3,343.00	B	302	Y
10/23/95	Early Childhood Sp III	80817	N			B	302	Y
5/31/05	Early Childhood Sp I	80835	N		2,330.00	B	302	Y
11/29/95	Early Childhood Sp I	80839	N			B	302	Y
11/29/95	Early Childhood Sp I	80844	N			B	302	Y
11/29/95	Early Childhood Sp I	80845	N			B	302	Y
11/29/95	Early Childhood Sp I	80846	N			B	302	Y
11/29/95	Early Childhood Sp I	80862	N			B	302	Y
11/14/96	Educ & Acad Support Sp	80877	N		1,900.00	B	302	Y
12/31/04	Educational Sp, PBA	80031	N		2,996.00	B	302	Y
7/1/94	Educational Sp III	94626F	N			B	302	Y
4/3/04	Clerk Typist II, SR08	22371	N	7,644	2,403.00	A	303	Y
7/1/02	Electronics Tech, PBA	78040	N	13,635		A	303	Y
11/30/05	UH Publication Specialist, PBA	78264	N	14,270		A	303	Y
5/19/03	Electronics Technician, PBB (BT)	81203T+	N		3,725.00	A	303	Y
8/1/96	Instructor, C2 (BT)	86796T+	N		2,776.00	A	303	Y

Attachment 8
All Positions Vacant As of 12/1/06

Kapiolani CC

Date of Vacancy	PositionTitle	Position Number	Exempt (Y/N)	Budgeted Amount	Actual Salary Last Employee Paid	MOF	Program ID	Authority to Hire (Y/N)
5/22/06	Secretary II, SR14	22310	N	12,490	1,768.00	A	311	Y
7/1/06	Clerk Typist II, SR08	97150F	N	5,934		A	311	Y
7/1/06	Clerk Typist II, SR08	97151F	N	2,967		A	311	Y
7/1/06	Academic Supp Sp, PBA	78302	N	14,370		A	311	Y
7/1/06	Instructor, C2A	74784	N	15,668		A	311	Y
7/1/06	Instructor, C2A	74785	N	15,668		A	311	Y
1/31/06	Instructor, C2, 9-MO	82064	N		6,064.00	A	311	Y
8/21/06	Instructor, C2A	82389	N	19,585	4,572.00	A	311	Y
9/1/06	Instructor, C2A	82513	N	0	7,725.00	A	311	Y
8/1/06	Instructor, C2, 9-MO	82803	N	0	3,562.00	A	311	Y
12/1/04	Instructor, C2, 9-MO	83901	N	0	3,784.00	A	311	Y
8/10/05	Instructor, C2, 9-MO	84308	N	0	4,241.00	A	311	Y
12/30/04	Instructor, C2A	84739	N	0	5,855.00	A	311	Y
6/30/06	Instructor, C2A	85821	N	19,585	6,645.00	A	311	Y
8/1/06	Instructor, C2, 9-MO	86591	N	0	4,839.00	A	311	Y
6/1/05	Instructor, C2, 9-MO	86593	N	0	4,252.00	A	311	Y
2/1/06	Instructor, C2, 9-MO	86743	N	0	4,168.00	A	311	Y
4/20/06	Instructor, C2, 9-MO	86774	N	0	4,467.00	A	311	Y
8/1/06	Insructor, CC, 9-Mo	86798	N	0	4,660.00	A	311	Y
2/1/06	Instructor, CC, 9-MO	86839	N	0	3,938.00	A	311	Y
12/30/05	Instructor, CC, 11-MO	86840	N	0	5,103.00	A	311	Y
2/1/04	Instructor, CC, 11-MO	87052	N	0	845.00	A	311	Y
8/30/04	Instructor, CC, 11-MO	87603	N	0	5,627.00	A	311	Y
8/1/05	Instructor, CC, 9-MO	88074	N	0	3,793.00	A	311	Y
8/1/06	Instructor, C2, 9-MO (BT)	86696T+	N	0	3,774.00	A	311	Y
8/1/99	Instructor, C2, 9-MO (BT)	86947T+	N	0	4,179.00	A	311	Y
7/1/05	Instructor, C2, 9-MO (BT)	87072T+	N	0	3,882.00	A	311	Y
7/1/05	Instructor, C2, 9-MO (BT)	87074T+	N	0	4,443.00	A	311	Y
8/1/05	Instructor, C2, 9-MO (BT)	87084T+	N	0	5,267.00	A	311	Y
8/1/05	Instructor, C2, 9-MO (BT)	87143T+	N	0	4,028.00	A	311	Y
7/1/05	Instructor, C2, 9-MO (BT)	87144T+	N	0	4,076.00	A	311	Y
8/1/05	Instructor, C2, 9-MO (BT)	87612T+	N	0	4,865.00	A	311	Y
2/3/03	Instructor, CC, 11-MO (BT)	88032T+	N	19,585	4,168.00	A	311	Y

**Attachment 8
All Positions Vacant As of 12/1/06**

Hawai'i CC

Date of Vacancy	PositionTitle	Position Number	Exempt (Y/N)	Budgeted Amount	Actual Salary Last Employee Paid	MOF	Program ID	Authority to Hire (Y/N)
7/1/06	Instructor, C2-C11	74774	N	15,668		A	401	Y
7/1/06	Instructor, C2-C11	74775	N	15,668		A	401	Y
7/1/06	Instructor, C2-C11	74776	N	19,585		A	401	Y
7/1/06	Instructor, C2-C11	74778	N	15,668		A	401	Y
7/1/06	Instructor, C2-C11	74779	N	15,668		A	401	Y
7/1/06	Instructor, C2-C11	74780	N	15,668		A	401	Y
7/1/06	Instructor, C2-C11	74781	N	15,668		A	401	Y
7/1/05	Educational Spec, PBA	78277	N	11,296		A	401	Y
6/1/05	Instructor, C2	82435	N	0	5,122.00	A	401	Y
6/1/06	Instructor, C2	82527	N	16,905	5,624.00	A	401	Y
8/2/04	Instructor, C2	82703	N	0	4,392.00	A	401	Y
8/1/06	Instructor, C2	82780	N	0	4,325.00	A	401	Y
1/1/06	Instructor, C2	83202	N	0	3,742.00	A	401	Y
8/1/99	Instructor, C2	83209	N	0	2,669.00	A	401	Y
11/17/04	Instructor, C2	83531	N	0	5,170.00	A	401	Y
1/1/03	Instructor, C2-C11	83717	N	0	4,392.00	A	401	Y
6/1/04	Instructor, C2	84126	N	0	4,743.00	A	401	Y
1/1/05	Instructor, C2	84366	N	0	3,274.00	A	401	Y
12/1/03	Instructor, C2	84620	N	0	5,104.00	A	401	Y
6/1/04	Instructor, C2	84967	N	0	4,560.00	A	401	Y
8/1/01	Instructor, C2	86476	N	0	2,887.00	A	401	Y
8/1/05	Instructor, C2	86563	N	0	3,657.00	A	401	Y
4/1/06	Instructor, C2	86659	N	13,524		A	401	Y
2/23/06	Instructor, C2	86858	N	13,524		A	401	Y
8/1/01	Educ & Acad Supp Sp, PBB (BT)	80013T+	N	0	2,120.00	A	401	Y
7/1/06	Clerk Typist II, SR 08	97424F	N	7,912		A	401	Y
8/1/05	Educ Specialist, PBA	80256	N	11,296	3,086.00	B	402	Y
7/1/00	IT Specialist, PBA (BT)	81295T+	N	15,285	2,688.00	A	403	Y
7/1/05	Assistant Dean, Applied & Tech	96727F	Y	17,392		A	403	Y
7/1/05	Assistant Dean, Liberal Arts	96728F	Y	17,392		A	403	Y
7/1/05	Secretary, SR14	96225F	N	8,728		A	403	Y
7/1/05	Secretary, SR14	96226F	N	8,728		A	403	Y
7/1/06	Media Specialist, PBA	97730F	N	11,296		A	403	Y
7/1/06	Insti Researcher, PBB	97926F	N	13,772		A	403	Y

