



UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

HB 3173 HD 1 MAKING AN APPROPRIATION FOR THE
UNIVERSITY OF HAWAI'I AT HILO

Testimony Presented Before the
House Committee on Finance

February 27, 2006

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Chair Takamine and Members of the Committee:

The University of Hawai`i at Hilo (UH Hilo) stands ready, with your help, to meet the professional workforce needs of the Hawai`i. The university has doubled its student body during the past two decades and has accommodated the bulk of this growth through increasing the efficiency of the academic programs. The university has transitioned from a small liberal arts college to a comprehensive university and is now on the verge of becoming a true "second" university of the state much along the lines of an Oklahoma State University or Oregon State University. However, there are a number of programs and activities at UH Hilo that has not been able to keep up with this growth due to shortages of staff, operations funding, and facilities. Moreover, as a primary producer of professional workforce personnel, UH Hilo needs to expand critical programs, adapt existing programs to new challenges, and introduce new programs to meet the state's changing professional workforce needs.

Consider several areas of professional workforce development where UH Hilo needs your support. First, is the new College of Pharmacy. The mission of the University of Hawai`i clearly defines health sciences education as a focus. As is true throughout the United States, there is a shortage of pharmacists in Hawai`i and the Pacific Basin. Yet Hawai`i is one of only five states without a pharmacy school. HB 3173 HD 1 provides support for the creation of an accreditable College of Pharmacy to serve the citizens of the state. As the demand for pharmacy education has increased nationally, it appears that the matriculation of Hawai`i residents at mainland pharmacy programs has been stable or declining in recent years. Moreover, students from Hawai`i encounter very high out-of-state tuition (often as high as \$32,000 per year) on the mainland which discourages Hawai`i residents from entering the profession.

UH Hilo has a strong teacher education program, yet there continues to be a shortage of K-12 educators on the Big Island and across the state.

Hawai`i's universities are not producing enough teachers to meet the demand within the state. Each year the state spends hundreds of thousands of dollars on mainland recruiting of licensed teachers for Hawai`i's schools. These teachers represent a short term solution because many of them leave after a year or two.

Hawai`i needs to develop more of its own teachers from our communities. Teachers who are from Hawai`i and have lived in our communities have a commitment to stay and serve the community. UH Hilo currently provides the Big Island with two programs for teachers. One is a post-baccalaureate cohort Teacher Education Program (TEP) for full-time students. A second program is a Masters in Education program for in-service teachers. Annually, the TEP produces approximately 40 new teachers eligible for the state's teaching license. The M.Ed. produces approximately 15 in-service teachers with upgraded skills per cohort (one every year and a half). These programs support the K-12 systems of private and public education for the state but cannot meet the increasing need for licensed teachers. The state currently hires individuals with baccalaureate degrees without teacher training as teachers; these "credentialed" teachers have eligibility for these positions for three years only.

Nursing is another area where Hawai`i has great need but not the capacity to produce sufficient numbers of nurses. Graduating classes at Hilo number only twenty nurses annually but there are students wanting to get in the program but cannot enter because of capacity limitations. Adding more nursing faculty and support personnel will allow Hilo to double its production of BSNs. The University has also been active in providing RN to BSN conversion programs and has been a leader in using distance learning.

The BSN at Hilo is an accredited program and graduates approximately 20 nurses annually. Both in Hawai`i and nationally, the production of nurses has fallen behind the demand with the resulting shortages of nurses. Organizations must be compete aggressively for staffing while nurses burn-out and foreign nationals are imported to work as health care providers. A significant area of workforce need in Hawai`i is for more nurses trained to work in the rural environment and work citizens from diverse cultural backgrounds. Hilo's program is aimed at meeting this need. Resources are needed to increase the number of instructional faculty so that the number of nursing graduates produced annually on the UH Hilo campus can double.

This spring, UH Hilo opens the North Hawai`i Education and Research Center in Honoka`a. This facility is not only located in a rural district but it is co-located with a small rural hospital. Currently, the nursing program at UH Hilo offers both the BSN and RN to BSN programs. The Department of Nursing has been very progressive in adopting distance learning modalities. Thus, there is an opportunity to employ these distance education capabilities, the North Hawai`i Education and Research Center and the nearby hospital to train nurses in rural

health care. The addition of nursing faculty at the Honoka`a facility would be able, in conjunction with the faculty in Hilo, to provide education for another annual cohort of 20 nursing students.

The North Hawai`i Education and Research Center is now a reality. But, although the conversion of Honoka`a property is complete, funding for classroom furniture and computers is lacking. Furthermore, the center has not been allocated a practical operating budget. In order to provide educational opportunities to the underserved population of the Hamakua Coast, some additional support must be forthcoming.

During the past two decades, there has been a shift away from sugar to diversified agriculture on the Big Island. The tropical fruit and nut industries, avocado, coffee, macadamia nut, guava, banana, papaya, and exotic tropical fruits play a major role in contributing to the economic base of the State's economy. Tropical fruits and nuts bring in a farm gate value of \$90.5 million into the State's economic base representing a 33% increase from \$60.5 million 10 years ago. The \$90.5 million value represents the farm gate value; however, if one considers the value added figures, the tropical fruit and nut industries total five times the farm gate value or \$452.7 million. Thus the tropical fruit and nut industries represent a major contribution to the economic base of the state. The College of Agriculture, Forestry and Natural Resource Management need to have expertise in this area.

One of the major bottlenecks in diversified agriculture is the export of fresh agricultural commodities due to many agricultural pests (insects and plant disease agents) present in Hawai`i, and this has resulted in a ban on our fresh agricultural commodities in the major export markets, the US mainland and Japan. One solution to the fresh commodity export problem is through food processing. By processing the agricultural commodities produced in the state, the value added nature of the crop is increased, thus, benefiting the farmer as well as increasing the state's agricultural base, and allowing the processing of off-grade and culled commodities. The proposed Food Science and Technology faculty and the existing Agricultural Engineer together will be able to develop a Food Processing and Technology specialization within the college.

Six years ago the college received Federal funds via the DLNR's Division of Forestry and Wildlife to offer three new forestry courses. Similar funds were available in the Fall 1988 semester; however, these funds no longer exist. There is tremendous potential for a forestry industry in Hawai`i primarily on the island of Hawai`i. The industry has great potentials to contribute to the economic base of the state; however, there is a need for forestry education not only in the state, but in the entire Pacific region as well. Recently, a forester was hired with EPSCoR funding that will expire in one month. Continuation of this position is essential for the mission of the college.

Small business and entrepreneurship are important components of Hawai`i's economy. The Entrepreneurship Training and Technology Management proposal provides for the establishment and funding of two positions in the College of Business and Economics (CoBE) at the University of Hawai`i at Hilo, in support of UH Hilo's strategic commitment to provide high quality management education for its students and rural communities and to be a catalyst for community economic development.

Part of the college's plan to become a center for small business and entrepreneurship education is to place a dean who can provide needed leadership in program development responsive to community needs. A CoBE dean was hired, effective September 2005. The process to fill this position was initiated in response to a very strong AACSB recommendation. However, the position and funding for the position have not been allocated so that the dean currently occupies the position of the associate dean of Arts and Sciences and the funding comes from a vacant faculty line in tourism economics. This situation should be rectified so that the position and the funding can be used for their intended purposes.

The UH Hilo Small Business Incubator provides incubation services for business startups located in East Hawai`i and serves as a laboratory for student entrepreneurship education, through internships or consultancies. To ensure continuation of this needed economic development effort and to enhance the ability of students to learn entrepreneurship skills, the position for director of the Small Business Incubator and related funding is needed. This will enable UH Hilo to assume management of the Small Business Incubator when the contract with HTDC expires in 2007 and, more importantly it will enhance the employability of our students and the entrepreneurial capacity of Hawai`i's rural communities.

Now, turn your attention from programs to students. UH Hilo is a student focused university and aims to meet the needs of its students -- measuring the university's success in terms of its students' success. While the student body has grown at a 3.5% compounded rate over the past two decades, the funding for essential student services has been almost flat. There is a need to provide advising and counseling services to students that is unmet. Students must often wait for extended periods before receiving the help they need. The evaluation of transcripts often takes a semester or more because there insufficient staff to sever the students. Resources need to catch up the growth of the student body.

By enhancing our Career Center, the university will be able to expand our outreach to our economically disadvantaged and first-generation college students and help them make well-reasoned career choices, develop educational plans consistent with those choices, and develop the job-search skills necessary to compete in the professional job market. We will also be able to simultaneously increase our outreach and services to the island's employer community, increase their awareness of UH Hilo's pool of talented young

professionals and facilitate the interaction between our students and the island's employer base. Implicit in these efforts is the goal of developing Hawai'i's management, technical and professional employees within the community rather than importing them.

The University also asks for your support in attracting Native Hawaiian students and guaranteeing their success. With this in mind, we want to

1. increase the number of Native Hawaiians enrolling at UH Hilo;
2. increase the retention and graduation rates of Native Hawaiians; and
3. fully fund the College of Hawaiian Language.

Native Hawaiians are under-represented in the percent of our state's population who have earned a college degree. Only about one in five residents of Hawai'i has earned a bachelor's degree; for Native Hawaiians, the rate is even lower. Possessing a college degree enables an individual to contribute to the local economy, as well as to contribute to the well-being of the community. It is the university's responsibility and mission to provide educational opportunities to the residents of the state, and most especially to the indigenous people of Hawai'i.

Ka Haka 'Ula O Ke'elikōlani, the state's College of Hawaiian language, offers the most developed programs in any Native American language. But, it is the only college anywhere in the system without a dean or a secretary. It has been approved for a doctorate and a new M.A. without any faculty assigned to those degree programs. Its present M.A. has operated without any graduate assistants as typically found in graduate programs at UHM. It lacks academic support staff needed to facilitate use of Hawai'i island for hands-on learning, to advise its own students through Hawaiian, and to coordinate visiting students and faculty from other indigenous programs.

The University of Hawai'i at Hilo is not in compliance with the federal requirements of Title IX of the Education Amendments of 1972 to the 1964 Civil Rights Act. The requested funding will enable the university to provide the needed opportunities for women required by this federal law. The university has made many efforts to actively move towards Title IX compliance over the past three years. UH Hilo athletics has limited the number of men's sports, reduced men's scholarships offerings and the number of male participants and added new women's sports in 2004 (women's golf). Even with these efforts, the University of Hawai'i at Hilo has gained limited ground in our compliance evaluation.

Finally, consider operating costs and infrastructure issues. The utility costs, which include electricity, gas, water and sewer, have increased dramatically in the last two fiscal years. In FY 2004, our utility expenditure was

\$2,159,339. A year later, in FY 2005, it jumped to \$2,603,926 or over 20% increase. This fiscal year we expect another 20-25% jump due to the price of the oil. We have been using our tuition reserves to pay the increases. However, we will no longer be able to do so next year without some G-funded increases.

The growth of the university in student population and building square footage has resulted in a need for increased resources to support the growth. Both student and instructional faculty and staff have increased by over 20% in the last 10 years. We have also added over 270,000 square feet of building space, expanded operations to include small business incubator building in downtown Hilo and an aquaculture research and training facility in Keaukaha. In the last few years, we have directed resources towards providing adequate instructions to the students but, as with any growth, resources must also be increased to the support functions.

In 1993, the Administrative Affairs support function had 57 general funded positions. Today, it has 58. With the lack of permanent positions, we have to outsource some of our maintenance such as plumbing repairs and electrical installation, accumulate a backlog of minor repair and modifications, and provide less frequent cleaning and routine maintenance to our buildings. Furthermore, we have to outsource construction management for all the repair and maintenance projects involving CIP funds. Outsourcing regularly occurring needs has driven-up our cost of educating students.

UH Hilo is Hawai`i's growing institution with multiple needs. The university focuses on professional work force development, applied sciences including agriculture, and allied health sciences. It is both an economic engine and a cultural center for the Big Island. UH Hilo is grateful for the past support from the legislature and asks for a continuation of that support.

Finally, there are number of important initiatives that are in the BOR request to the Governor that have not survived to HB 3173 HD1. These initiatives were prioritized as first or second tier needs in the university's budget request.

One of these initiatives is support for the Office of International Affairs. This office operates to provide UH Hilo students with study abroad experiences through exchanges and study abroad experiences. These activities also bring international students to Hawai`i thereby enriching the campus experience. Fully 68% of the students at UH Hilo are first generation college students and the vast majority have never had the opportunity to travel abroad. In this "flat" world of extensive globalization, internationalizing our students is an important component of the total educational experience. Positions and funding for this important office have never been provided. 2 positions (\$70,128)

Another essential office is EEO/AA. At Hilo, this is a one person operation which results in some essential activities left undone. One such activity is diversification of the faculty to mirror the diversification of the student body and community. WASC has noted that this lack of diversity is one of four items requiring attention before the WASC special visit in 2008. The addition of one staff member would help solve this problem and give the message to WASC that their concerns are taken seriously.

Also missing from HB 3173 HD1 is funding for the operation of the astronomical observatory. UH Hilo has received funding from NASA for a twenty-four inch telescope and the university has allocated funding for the renovation of an existing dome on Mauna Kea to house the instrument. Lacking still, however, are operating funds and personnel to allow students to learn using this important educational resource. 1 position (\$104,400)

The Counseling Psychology program has admitted its first class of 18 masters' students. The program is aimed at providing licensed counselors for Hawai'i schools and for other organization. The need for graduates from such programs far exceeds the states capacity to produce graduates. UH Hilo would like to increase the capacity of this important professional workforce development program.

UH Hilo also requested funding for the Masters in Tropical Conservation Biology. This program was funded through the EPSCoR grant and monies will lapse at the end of this March. The university needs to secure permanent funding and positions to ensure the continuance of the successful program that is popular with both students and employers.

Please consider these needs in addition to those already addressed in HB 3173 HD1. We support this bill provided that its passage does not adversely impact priorities as indicated in our BOR Approved Executive supplemental Budget.