FISCAL MATTERS: BUDGET & PLANNING

DEPARTMENT CHAIRS
PROFESSIONAL DEVELOPMENT SERIES – LEADERSHIP MATTERS

November 29, 2011

Kathy Cutshaw
Vice Chancellor for Administration, Finance & Operations
STATE BUDGET GENERAL FUND
DISTRIBUTION FY2011-12

Human Services,
$1.03 B (19%)

University of Hawaii,
$385 M (7%)

Public Safety,
$219 M (4%)

Accounting &
General Services,
$67 M (1%)

Education,
$1.44 B (26%)

Other Departments, $137 M (2%)

Other Departments include:
* Governor's Office
* Lt. Governor's Office
* Business & Economic Development
* Agriculture, Labor & Industrial Relations
* Defense
* Taxation
* Human Resources Management
* Attorney General's Office
* Land & Natural Resources

Total State Budget:
$5.44 Billion
MĀNOA’S TOTAL BUDGET

- State Appropriated Funds
  - General Funds
    - 100% used for personnel costs
    - State pays fringe
    - Lapse
  - Special and Revolving Funds
    - Established by Statute
    - Expenditures restricted to Statute language
    - Do not lapse
    - Legislative Expenditure Ceiling
    - Includes tuition & Fees
    - Includes Return of Overhead (RTRF)

- Federal Contracts and Grants
  - Restricted
SYSTEM-WIDE GENERAL FUND ALLOCATION - FY12
MĀNOA ALLOCATIONS

Allocated Funds Over Time – FY2004-2012

$300 M
$250 M
$200 M
$150 M
$100 M
$50 M
$ M

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General    RTRF    Net Tuition
WHERE DOES THE MONEY COME FROM

FY2010 Current Revenues by Source of Funds

- Private Gifts, Grants and Contracts: 5%
- State Grants/Contracts: 3%
- Auxiliary Services: 3%
- Federal Appropriations: 3%
- Other: 2%
WHERE DOES THE MONEY GO

FY2010 Current Expenditures by Function

- Student Services: 4%
- Operation/Maintenance of Physical Plant: 6%
- Scholarships/Fellowships: 5%
- Other: 1%
- Auxiliary Enterprises: 2%
Mānoa Appropriated Fund (G/R/S) Distribution to Units – FY12

- Students, $13 M (4%)
- Law, $9 M (2%)
- Administrative, $12 M (4%)
APPROACHES TO UNIVERSITY BUDGETING

- Incremental
  - Budget for current year become base for incremental allocations for the next year

- Zero Based
  - No continuing base budget
  - Everything re-evaluated and re-allocated yearly

- Formula Based
  - Typical allocation is based on enrollment or graduation rates

- Responsibility Centered Budgeting
  - Each unit gets all available resources
  - Pays for all costs (admin, overhead, space, etc)
BIENNium FY2011-13

- The Hawaii Graduation Initiative
  - Increase degrees & certificates 25% BY 2015

- Initiative on Workforce Development and Technology Advancement
  - Address critical workforce shortages

- Project Renovate to Innovate
  - Focus on importance of infrastructure to sustain excellence in research and training
BIENNIAL FY2011-13 – MĀNOA

- Hawaii Graduation Initiative – 25% increase
  - Outcome Based Funding
    - FY2012 – up to $6M
    - FY2013 – up to $12M
  - Enrollment Growth
    - System Pool of $5M and $10M
    - Pool proportionately distributed to campuses

- Initiative on Workforce Development and Technology Advancement
  - Program Change Requests (PCRs)
    - Engineering Consortium
    - Health Professional Expansion
    - Innovations and Tech transfer program
    - Increase Production of Teachers
    - Nursing Workforce Development
    - Social Work Expansion
SUPPLEMENTAL BUDGET 2012-2013

- Hawaii Graduation Initiative Outcome Based Funding
- Statewide Na Pua No‘eau
- West Oahu Health & Safety and Enrollment Growth
- Mauna Kea Management
- University-wide maintenance backlog and ongoing capital renewal
- Systemwide Innovations and Technology Transfer Program
- UH Engineering Consortium