Chair's Briefing – University Budget

October 20, 2010

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Vice Chancellor for Administration, Finance & Operations
State budget general fund distribution
FY2010-11

- University of Hawai‘i, $361 M (7%)
- Public Safety, $213 M (4%)
- Accounting & General Services, $60 M (1%)
- Other Departments, $128 M (3%)

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:
$4.943 Billion
UH Share over time

Fiscal Year

- 2002: $293M (8.4%)
- 2003: $287M (8.1%)
- 2004: $311M (8.4%)
- 2005: $313M (8.5%)
- 2006: $374M (8.1%)
- 2007: $383M (8.3%)
- 2008: $429M (8.7%)
- 2009: $460M (8.2%)
- 2010: $423M (7.5%)
- 2011: $361M (7.3%)
University Budget Cycle

- Fiscal Year: July 1 – June 30
- Biennium and Supplemental
- Timeline:
  - May–July: Manoa prepares and submits budget
  - July–Aug: System reviews and prioritizes
  - August: Budget presentation to the BOR
  - September: BOR approval of budget request
  - December: Governor’s Budget finalized
  - Jan–May: Legislative Session
  - June: Governor sign budget bill
System-wide General Fund Allocation - FY10

Total University Budget: $361 M

West Oahu, $5 M (2%)
SBDC, $1 M (0%)
Mānoa’s Total Budget

- State Appropriated Funds
  - General Funds
    - Derived from State revenues that is appropriated by the Legislature
    - 100% used for personnel costs
    - State pays fringe
    - Lapse
  - Special Funds
    - Funds set up by State Statutes for a specific purpose
    - Established and restricted by Statute language
    - Do not lapse
    - Legislative Expenditure Ceiling
    - Example: Tuition & Fees Special Fund (TFSF)

- Revolving Funds
  - Funds generated from charges collected for providing goods/services
  - Established and restricted by Statute language
  - Do not lapse
  - Legislative Expenditure Ceiling
  - Example: Return of Overhead (RTRF – Research & Training Revolving Fund)

- Federal Contracts and Grants
  - Restricted by the terms and conditions of the Contract or grant
Where Does The Money Come From

FY09 Current Revenues by Source of Funds

- Tuition and fees: 20%
- Private gifts, grants, and contracts: 5%
- Other sources: 2%
- State grants/contracts: 3%
Where Does The Money Go

FY09 Current Expenditures by Source of Funds

- Research 35%
- Instruction 30%
- Scholarships/fellowships 3%
- Student services 4%
- Other 2%
- Physical Plant 6%
- Public service 5%
Mānoa Allocations

Allocated Funds Over Time -- FY2004-2010

$300 M

$250 M

$200 M

$150 M

$100 M

$50 M

$ M

2004 2005 2006 2007 2008 2009 2010

General

2004 2005 2006 2007 2008 2009 2010

RTRF

2004 2005 2006 2007 2008 2009 2010

Tuition
Mānoa Appropriated Fund (G/R/S) distribution to units – FY10
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)
Going Forward

- New Budget Approach - Biennium FY2011-13
  - Hawaii Graduation Initiative - (2/3)
    - Performance Targets
    - Enrollment Growth
  - Program chance Requests (PCRs) – (1/3)

- Tuition Revenue Sharing Models
  - Pilot return of tuition this fiscal year
OVCAFO General Structure

Office of the Vice Chancellor for Administration, Finance & Operations
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Financial Resources Management

Human Resources
Tammy Kuniyoshi, Director
tammyk@hawaii.edu
956-0712
* Employee Relations
* Benefits
* Classification
* Staff Development

Campus Planning
Eric Crispin, Asst. VC
ecrispin@hawaii.edu
956-8018
* Long Range Development
* Space Management
* Sustainability

Facilities & Grounds
David Hafner, Asst. VC
hafner@hawaii.edu
956-4636
* Campus Infrastructure
* Grounds/Landscaping
* Custodial Services

Campus Services
TBD, Asst. VC

Manoa Budget Office
Bob Nagao, Director
rnagao@hawaii.edu
956-4557
* Biennial & Supplemental Budget
* Position Control
* Budget Execution

Manoa Finance & Accounting
Sandy French, Director
afrench@hawaii.edu
956-5495
* Immediate & Long-Term Financial Projections
* Accounting Policies & Procedures
* Fiscal Training

Auxiliary Enterprises
TBD, Director
956-2980
* Parking Office
* Transportation Services
* Bookstore
* Faculty Housing
* Campus Mail & Duplicating
* Food Services

Campus Security
Wayne Ogino, Chief
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956-8310
* Campus Security
* Emergency Management