



UNIVERSITY
OF HAWAII
HILO

September 27, 2013

To: Chancellor Straney
Vice Chancellor Platz
Vice Chancellor Hong
Director Chang
Executive Assistant Makuakane-Lundin

From: Marcia Sakai, Vice Chancellor for Administrative Affairs

Subject: FY 2013-14 Initial Budget Allocation, September 27, 2013

This allocation is based on the UH Hilo budget base articulated by the 2013 State of Hawaii Legislature, with UH System adjustments, the Governor's restriction, and executive adjustments at the campus level. Further adjustments were made to accommodate lower than expected tuition revenue.

The Initial Budget Allocation will be used by all budget managers to plan for program activity and associated expenses until the final and revised budget allocation is distributed in early Spring of 2014. Distribution of the budget to the major divisions is determined at the level of Chancellor. Distribution of the division budget to division units is determined within each division.

Major adjustments in the Initial Budget Allocation for FY 2013-14 include:

- Implementation of Year 2 of the BOR approved 5-year student tuition plan
- Implementation of BOR policy that 17% of total prior year tuition income be allocated to student scholarship financial aid and that a minimum 60% of that amount be provided for need-based student aid
- Holding harmless from budget reductions the areas that are associated with financial aid, work-study, student help, and program specific student scholarships
- Inclusion of the collective bargaining agreement term for current BU 07 faculty employees that provides for payment of 25% of the amount of reduced wages for the period from January 1, 2010 through June 30, 2011
- Inclusion of the collective bargaining agreement term for BU 07 faculty employees that provides for a salary adjustment of 3%
- Inclusion of the collective bargaining agreement term for BU 02, BU 03, BU 04, and BU 08 employees that provides for a 5% salary snapback and a 4% salary adjustment
- Inclusion of collective bargaining agreement for BU 01 that provides for a 2% salary adjustment, effective 10/1/2013, and a second 2% adjustment, effective 4/1/2014
- Inclusion of executive/managerial 5% salary snapback
- Vice Chancellors have the delegated authority to make unit allocation decisions based on the UH Hilo Strategic Plan 2011-15 and their internal division and unit priorities
- Continuation of sustainability efforts with energy savings benefiting the overall campus budget
- Continuation of debt service relating to issuance of 2009 revenue bonds

ADMINISTRATION *Administrative Affairs*

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All salary savings are in the allocation distributed to each university division. The administration does not have a central salary reserve fund, and therefore all divisions are responsible for salary adjustments due to promotion, equity, merit or market adjustments. Any division or unit that uses salary savings to purchase equipment must prepare to absorb the cost of future maintenance. It is recommended that your salary savings be used for one-time, nonrecurring cost items.

As always, this Initial Budget Allocation is subject to change based on changing environmental conditions, both internal to the University and at the state level. With this possibility, we ask that spending decisions be strategic and conservative.

This memo and the allocation will be placed on the Vice Chancellor for Administrative Affairs' website.

Attachment

c: Lois Fujiyoshi
Mason Kuo

	<i>Updated 9/14/2013</i>
UNIVERSITY OF HAWAII HILO	
FY 2014	
	FY 2014
<u>RESOURCES</u>	
General Fund Base	27,977,399
Collective Bargaining Augmentation	285,003
Transfer from System for OMKM	200,000
Salary Snapback (E&M, HGEA, UPW)	664,951
Executive Restriction	(414,153)
Tuition and Fees*	34,194,146
Application Fees	153,300
Professional Fees - Nursing	75,500
Tuition & Fees Reserve Funds (Balance Forward)	1,500,000
Transfer-In HawCC - Library Shared Service	340,000
Transfer-In HawCC - Utilities Reimbursement	154,500
Transfer-In Conference Services & CCECS	30,000
Transfer-In Federal Grant Overhead (RTRF)	320,000
Transfer-In Utility Reimb. from Housing/Food Service Special Fund	375,950
Total Resources	65,856,596
<i>* Tuition revenue based on 3.0% decline in enrollment for Res/Nres Grad/Undergrad, flat enrollment for Nursing and CoP.</i>	

<i>Updated 9/14/2013</i>					
UNIVERSITY OF HAWAII HILO					
FY 2014 Initial Allocation					
	FY 2013	FY 2014	FY 2014	FY 2014	FY 2014
	Allocation	Allocation	%	\$	Allocation
	Final	After Adjustment	Reduction	Reduction	After Reduction
<u>EXPENSES</u>					
<u>Transfers:</u>					
<i>Banner Assessment (est)</i>	394,443	394,443		0	394,443
<i>Foundation Assessment (est)</i>	198,736	198,736		0	198,736
<i>Risk Mgt Assessment (est)</i>	211,495	211,495		0	211,495
<i>CCECS ESL Tuition Rebate (est)</i>	400,000	400,000		0	400,000
Sub-Total Transfers-Out	1,204,674	1,204,674		0	1,204,674
<u>Fixed Expenses</u>					
Student Worker Fund	500,000	500,000		0	500,000
Student Federal Work Study Match	106,905	106,905		0	106,905
<i>UHPA Salary Repayment</i>	428,849	428,849		0	428,849
Legal Services	150,000	150,000		0	150,000
ADA Accomodations	117,237	117,237		0	117,237
Off Campus Lease	189,973	189,973		0	189,973
Utilities	6,237,168	6,412,283		0	6,412,283
Workmen's Compensation Recharge (est)	340,000	340,000		0	340,000
Fringe Benefits for TFSF (S312) Salary	607,343	0		0	0
Bank Service Charge	165,000	165,000		0	165,000
Tuition Scholarship/Waiver - Program Specific	128,952	500,952		0	500,952
Student Scholarship (Campus-Wide)	5,200,000	5,715,000		0	5,715,000
Student Scholarship (Athletics)	0	0		0	0
CGEE - Exchange Offset	265,000	265,000		0	265,000
Sub-Total Fixed Expenses	14,436,427	14,891,199		0	14,891,199
<u>Academic Affairs:</u>					
College of Arts and Sciences					
Salary	11,692,306	12,711,069	2.00%	(233,846)	12,477,223
Non-Salary	1,052,965	1,093,412	2.00%	(21,059)	1,072,352
CAS - Nursing Prof Fees	64,837	64,837	2.00%	(1,297)	63,540
Subtotal CAS	12,810,107	13,869,317		(256,202)	13,613,115

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COBE					
Salary	2,005,815	1,998,134	2.00%	(40,116)	1,958,017
Non-Salary	154,491	154,491	2.00%	(3,090)	151,401
Subtotal CoBE	2,160,306	2,152,624		(43,206)	2,109,418
CAFNRM					
Salary	1,674,758	1,787,008	2.00%	(33,495)	1,753,513
Non-Salary	125,744	125,744	2.00%	(2,515)	123,229
Subtotal CAFNRM	1,800,502	1,912,751		(36,010)	1,876,741
College of Hawaiian Language					
Salary	1,257,724	1,333,859	2.00%	(25,154)	1,308,705
Non-Salary	132,102	132,102	2.00%	(2,642)	129,459
Subtotal HLC	1,389,826	1,465,961		(27,797)	1,438,164
CCECS (excludes special fund income)					
Salary	433,196	408,872	2.00%	(8,664)	400,208
Non-Salary	133,500	133,500	2.00%	(2,670)	130,830
Subtotal CCECS	566,696	542,372		(11,334)	531,038
College of Pharmacy					
Salary	6,731,395	6,793,005	0.00%	0	6,793,005
Non-Salary	2,375,115	2,281,553	0.00%	0	2,281,553
Subtotal COP	9,106,510	9,074,558		0	9,074,558
Library					
Salary	944,700	1,053,317	2.00%	(18,894)	1,034,423
Non-Salary	608,333	608,333	2.00%	(12,167)	596,167
Subtotal Library	1,553,033	1,661,651		(31,061)	1,630,590

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Distance Ed. & Technology					
Salary	353,509	387,258	2.00%	(7,070)	380,188
Non-Salary	91,070	91,070	2.00%	(1,821)	89,249
Subtotal Distance Ed & Technology	444,579	478,328		(8,892)	469,436
Kilohana (Academic Support Center)					
Salary	151,171	197,746	2.00%	(3,023)	194,723
Non-Salary	0	5,546		0	5,546
Subtotal Kilohana (Academic Support Center)	151,171	203,292		(3,023)	200,269
Research Office					
Salary	166,850	180,070	4.00%	(6,674)	173,396
Non-Salary	15,489	15,489	4.00%	(620)	14,870
Subtotal Research	182,339	195,559		(7,294)	188,265
VC Academic Affairs					
Salary	836,105	676,631	2.00%	(16,722)	659,909
Non-Salary	671,830	656,830	2.00%	(13,437)	643,393
Summer Session Income Distribution					
Subtotal VC Academics	1,507,935	1,333,461		(30,159)	1,303,302
Sub-total Vice Chancellor Academic Affairs	31,673,003	32,889,874		(454,977)	32,434,898
Student Affairs:					
Application Fees Allocation	124,796	138,096	4.00%	(4,992)	133,104
VC Student Affairs					
Salary	3,212,769	3,511,163	4.00%	(128,511)	3,382,652
Non-Salary	541,784	541,784	4.00%	(21,671)	520,113
Athletics					
Salary	1,028,385	1,108,859	2.00%	(20,568)	1,088,292
Non-Salary	962,593	962,593	2.00%	(19,252)	943,341
Sub-Total Student Affairs	5,870,327	6,262,495		(194,993)	6,067,502

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Chancellor's Programs:					
Chancellor's Office (incl EEO)					
Salary	634,217	683,397	4.00%	(25,369)	658,028
Non-Salary	64,709	64,709	4.00%	(2,588)	62,121
Subtotal Chancellor's Office	698,926	748,106		(27,957)	720,149
UH Hilo's Imiloa - Astronomy Center					
Salary	248,041	257,208	5.00%	(12,402)	244,806
Non-Salary	546,184	546,184	5.00%	(27,309)	518,874
Subtotal Imiloa	794,225	803,392		(39,711)	763,680
Mauna Kea Management					
Salary	232,333	249,604	4.00%	(9,293)	240,311
Non-Salary	812,941	812,941	4.00%	(32,518)	780,423
Subtotal OMKM	1,045,274	1,062,545		(41,811)	1,020,734
Performing Arts Center - Commercial Operation					
Salary	140,878	151,379	4.00%	(5,635)	145,744
Non-Salary	0	0			0
Subtotal Performing Arts	140,878	151,379		(5,635)	145,744
University Relations and Marketing					
Salary	399,239	436,160	4.00%	(15,370)	420,790
Non-Salary	199,829	199,829	4.00%	(7,993)	191,836
		0			
Subtotal University Relations	599,069	635,989	0	(23,363)	612,627
Campus Technology Office (formerly OTDL)					
Salary	0	0.00	0.00%	0	0
Non-Salary	0.00	(0.00)	0.00%	(0)	(0)
Subtotal Technology	0	(0)	0	(0)	(0)

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Sub-Total Chancellor	3,278,372	3,401,411	0	(138,477)	3,262,934
Admin Affairs Campus Support Services					
Vice Chancellor Administrative Affairs					
Salary	3,396,104	4,282,743	2.00%	(67,922)	4,214,821
Non-Salary	1,387,611	1,054,132	2.00%	(27,752)	1,026,379
Repair & Maintenance	475,635	235,809	2.00%	(9,513)	226,297
Security	957,531	957,531	2.00%	(19,151)	938,381
Computing Center					
Salary	722,565	791,771	2.00%	(14,451)	777,319
Non-Salary	91,070	91,070	2.00%	(1,821)	89,249
Sub-Total Admin/Support Service	7,030,516	7,413,056		(140,610)	7,272,445
Opportunity Funds for the Future	246,944	246,944		0	246,944
Debt Service (Student Housing)	740,019	476,000		0	476,000
Sub-Total Other	986,963	722,944		0	722,944
CAMPUS TOTAL A, B & C	64,480,282	66,785,654		(929,058)	65,856,596