

FINANCIAL MANAGEMENT: BUDGET 101 (UPDATED)

November 8, 2013

Long Range Budget Planning Committee

UH Hilo's funding sources: tuition, state, federal, private

STATE

- Operations general funds appropriated by Legislature
 - Tax revenues

 - Operations special and revolving funds appropriated by Legislature
 - Tuition and fees special fund (TFSF)
 - Special funds e.g. Community Service, Intercollegiate Athletics
 - Revolving funds e.g. RTRF, Student Activities
- } More restricted
- CIP for buildings/Infrastructure appropriated by Legislature
 - Long term borrowing e.g. General Obligation (GO) bonds and Revenue bonds

FEDERAL

PRIVATE

Building a
budget

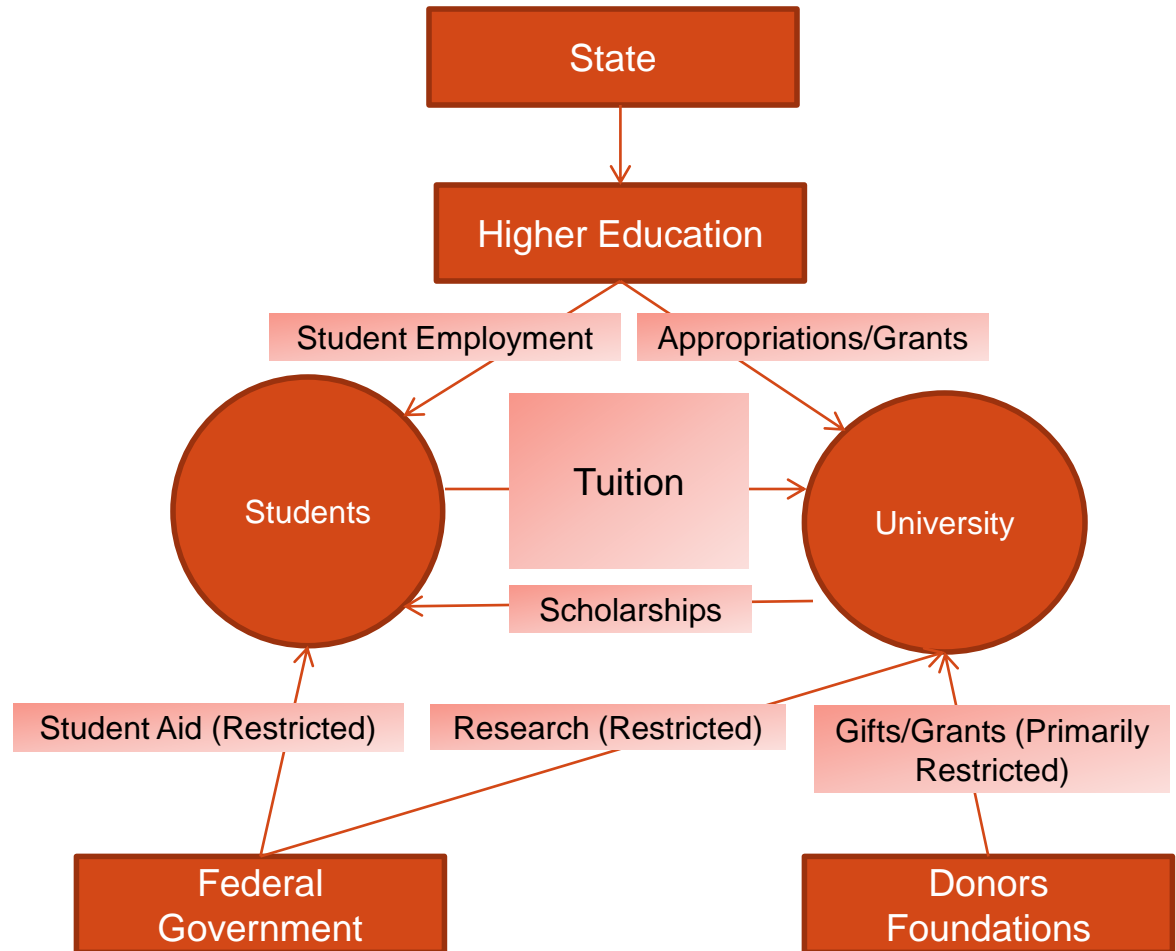
What is a Budget?

Planned revenue
and expenditure:

Revenue budget

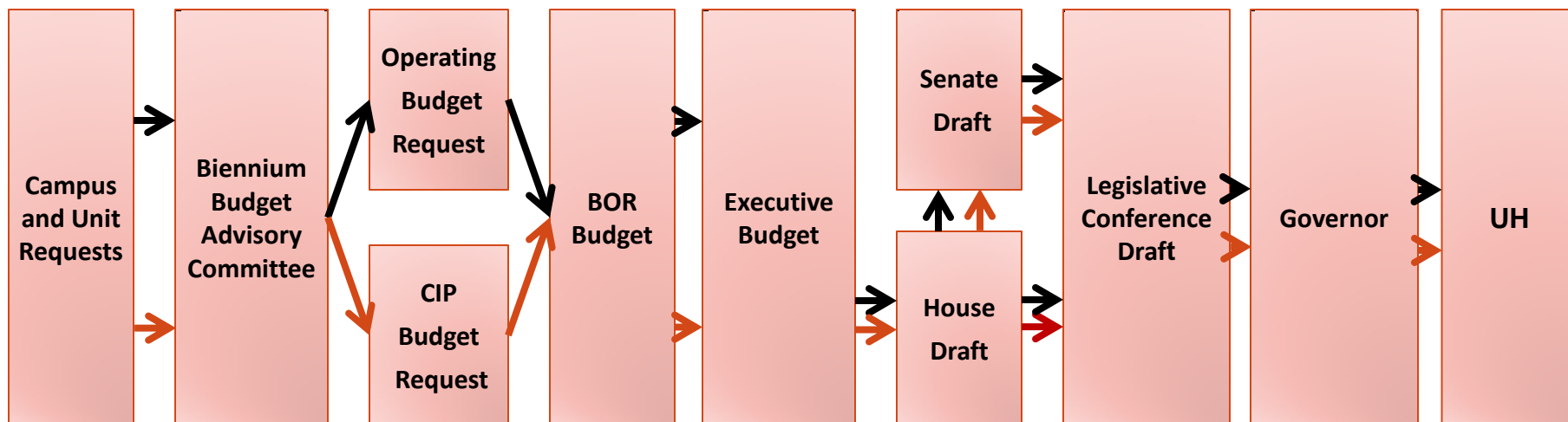
Expenditure
budget

Revenue Budget



State funding budget process

Biennium 2013-15



2012

2013

Summer

August

November

January

March

April/May

June

July

Spring 2013

FY 2013-2015 Operating Budget Summary

Initiative/Description	2013-14 Request		2013-14 Results		2014-15 Request		2014-15 Results	
	Dollars	(FTE)	Dollars	(FTE)	Dollars	(FTE)	Dollars	(FTE)
Outcome Based Funding (Systemwide)	20,000				30,000			
<i>Outcome Based Funding (Community College)</i>				<i>4,000</i>			<i>2,000</i>	
Distance Learning and Educational Technology	1,000	4			1,500	7		
Engineering Consortium	1,200	12			2,900	28		
Indigenous Serving University	2,500	42			2,500	42		
State Longitudinal Data System	200	2	100		400	4	200	
West Oahu Campus Support	984	22	3,000	10	984	22	3,000	10
Hawaii Innovation Initiative	5,875	6			13,960	20		
<i>Guigni Archives</i>			<i>400</i>	<i>5</i>			<i>400</i>	<i>5</i>
<i>STEM Programs</i>			<i>1,500</i>	<i>9</i>			<i>1,500</i>	<i>9</i>
<i>Academy for Creative Media</i>			<i>2,086</i>	<i>10</i>			<i>2,086</i>	<i>10</i>
<i>Center for Okinawan Studies</i>			<i>30</i>	<i>1</i>			<i>30</i>	<i>1</i>
<i>Native Hawaiian Center for Excellence</i>			<i>560</i>				<i>560</i>	
<i>Manoa Campus Reduction</i>			<i>(7,000)</i>	<i>(100)</i>			<i>(7,000)</i>	<i>(100)</i>
TOTAL Operating	31,759	88	4,676	(65)	52,244	123	2,776	(65)

Italics = Legislative Initiatives

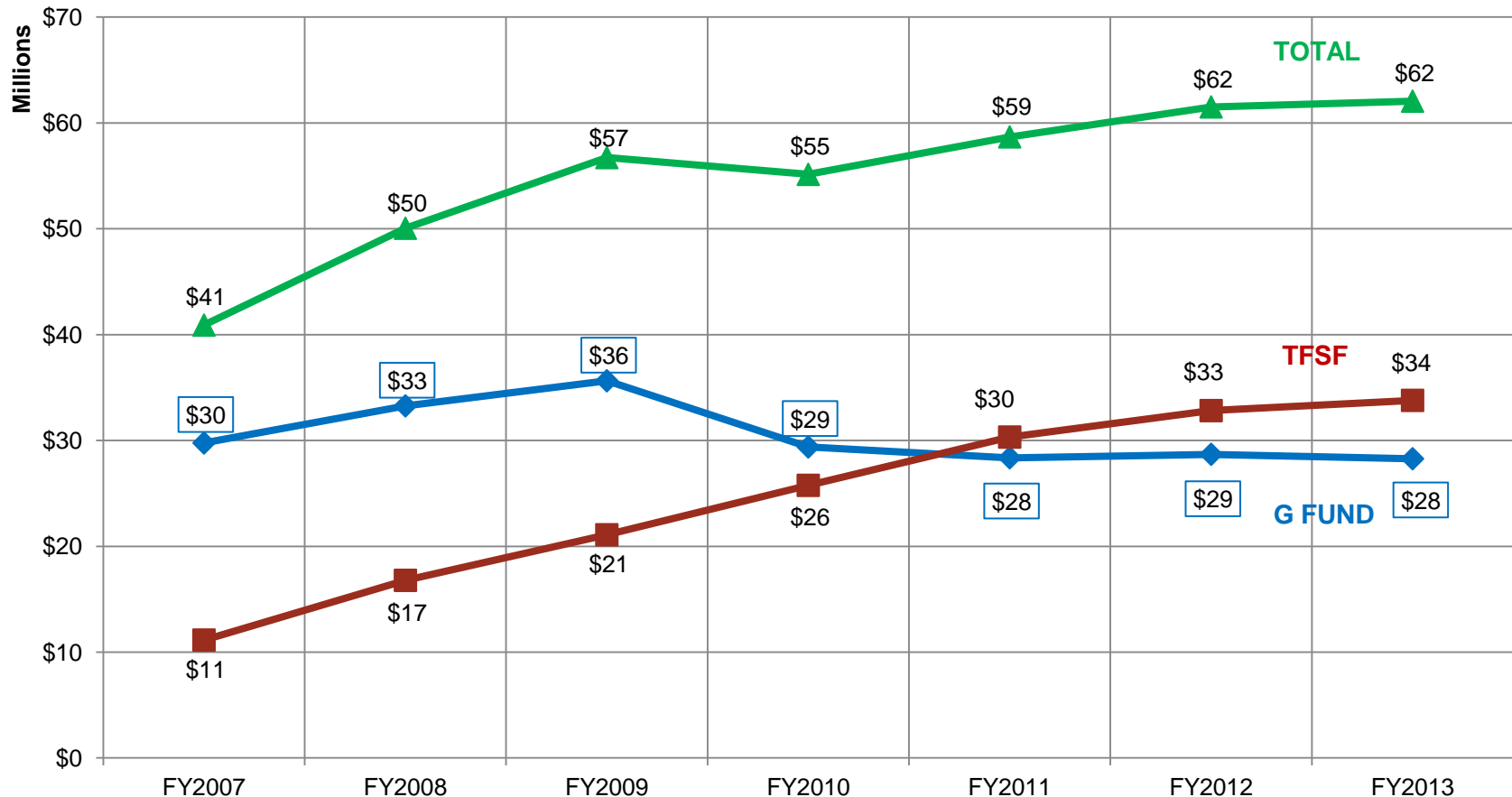
All Amounts in Thousands of Dollars

FY 2013-2015 Supplemental Operating Request

Initiative/Description	FY 2014-2015	
	Dollars	(FTE)
UHPA Salary Restoration	14,000	
UHPA Salary Increase	19,500	
Systemwide Staffing for Ongoing Campus Capital Renewal	1,200	17
Community College Outcomes Initiative	2,000	
21st Century Education Initiative	1,500	7
Indigenous Serving University (Pukoa Council)	2,500	42
West Oahu Campus Support	3,500	89
Manoa Campus Support	5,810	29
Enterprise Risk Management	250	2
TOTAL OPERATING	53,760	206
All Amounts in Thousands of Dollars		

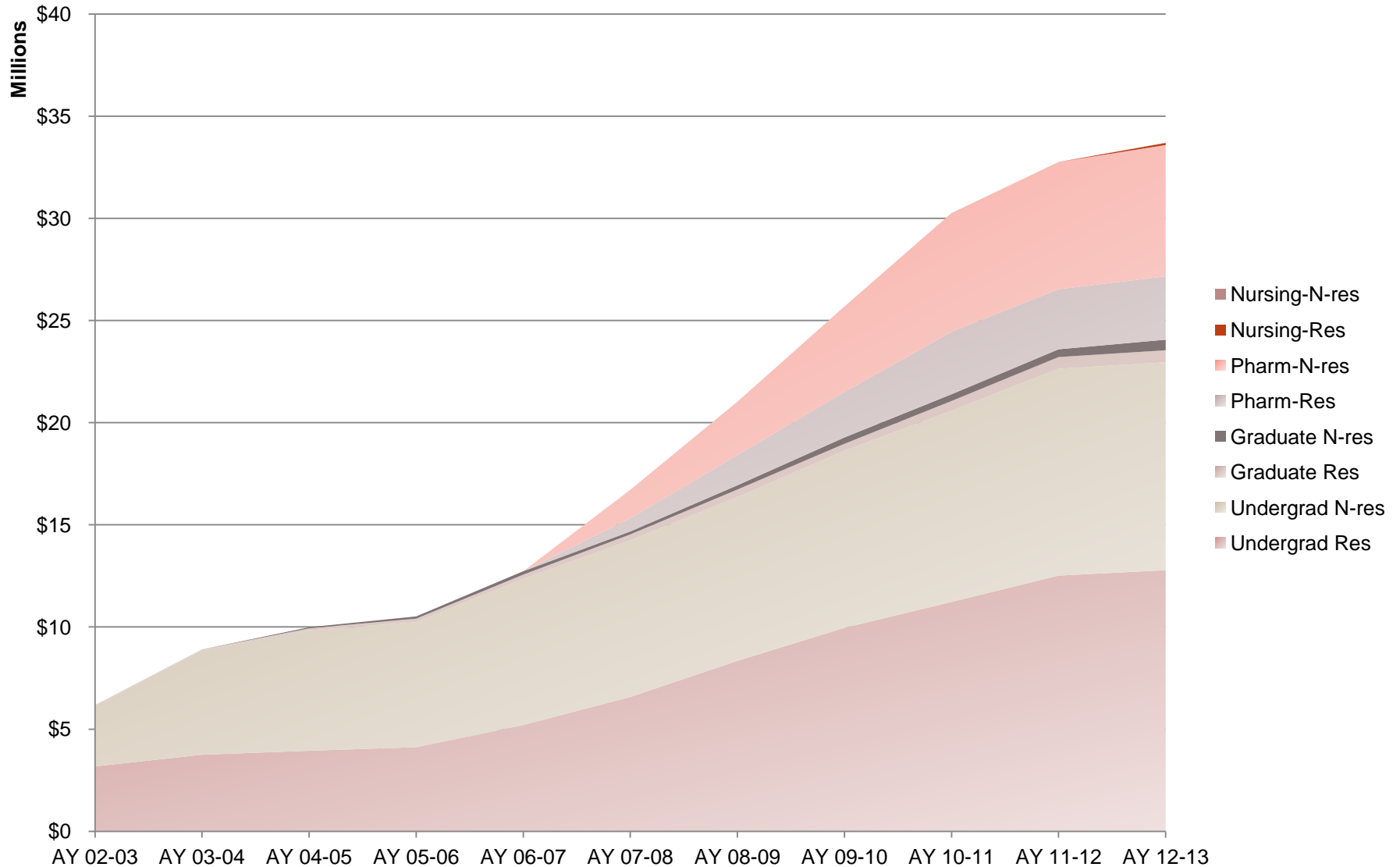
University Budget Office, Board of Regents Budget Presentation Oct 17, 2013

Tuition and fees now more than half of UH Hilo general unrestricted revenue



UH Hilo Budget Office

UH Hilo Tuition Revenue, by Tuition Type

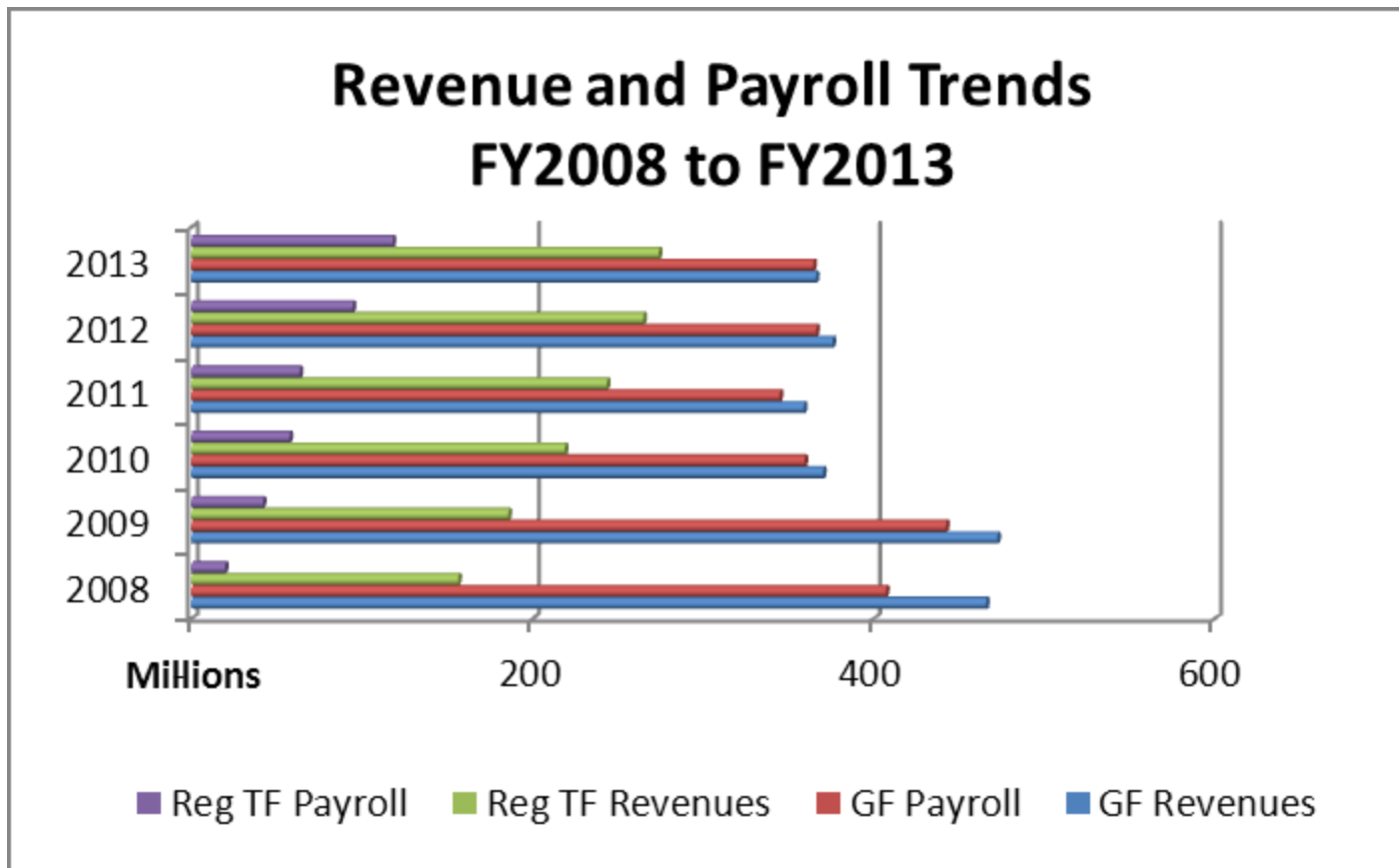


Spending by Object code Budget 101

- Salaries
 - Full Time
 - Temporary
 - Fringe Benefits
 - Vacation Payout
- Supplies
 - Operating
 - Office
 - R&M Upkeep
 - Other
- Travel
 - Airfare
 - Ground Transport
 - Lodging
 - Parking
 - Car Mileage
 - Relocation – moving expense
- Advertising
- Dues & Subscriptions
- Postage
- Freight & Delivery
- Telephone
- Utilities
- Printing and Binding
- Rental
 - Equipment
 - Land and Building
 - Other
- Insurance
- Repairs and Maintenance
 - R&M – Equipment
 - R&M – Buildings
 - R&M – Vehicles
 - R&M – Other
- Services – Non State Employees
 - Legal service
 - Medical service
 - Engineers/Architects
 - Other
- Grant-in-Aid
 - Scholarships
 - Stipends
 - Fellowships
- Other
 - Photocopy
 - Registration fee
 - Computer software & license
 - Bank service charge
- Equipment
 - Office
 - Educational
 - Scientific
 - Library Books
- Motor Vehicle

Use of Revenues:

UH Payroll Consumes most General Funds, and increasingly Tuition



University Budget Office, Board of Regents Budget Presentation Oct 17, 2013

Spending by function Budget 101

- **Instruction** e.g. Colleges' instructional costs, Summer Session
- **Academic Support** e.g. Library, technology service, Dean's offices, CCECS administration
- **Student Services** e.g. Division of Student Affairs, Athletics, CoP Student Affairs, Student Activities, Student Life Center
- **Institutional Support** e.g. Chancellor's office, VC Academic Affairs, VC Administrative Affairs, Human Resource, University Relations
- **Operations & Maintenance** e.g. Security, OMKM, R&M, Facilities Planning, Utilities, O&M
- **Scholarships & Fellowships** e.g. Tuition Scholarship, Athletics Scholarship, Federal Work Study
- **Auxiliary Enterprises** e.g. Theater, Student Housing, Food Service, Motorpool, Graphics, Parking
- **Public Service** e.g. Imiloa, NHERC, CCECS non-credit

UH Hilo
 FYE 6/30/2013
 Expenditure
 eThority - Unaudited

UH Hilo: Other non-general fund sources support university functions

Budget 101

Revenue Function	Expenditure Function	Instruction	Academic Support	Student Services	Scholarship/ Federal Work Study	Institutional Support	O&M Plant	Research	Public Service	Auxiliary Enterprise	Total
General Fund		16,064,422	2,873,673	3,644,822		2,934,991	2,479,947		137,315	137,483	28,272,653
Tuition and Fees		9,040,856	5,551,394	2,925,939	5,144,271	1,480,096	7,448,312		856,550	24,237	32,471,656
Student Fees				1,473,165					4,976		1,478,141
Sales/Services		70,658		336,433		346,212	38,928			4,063,181	4,855,413
Federal					449,550			3,131,130			3,580,681
Private					132,529						132,529
Other			26,743			2,516	257,927				287,187
Total		25,175,937	8,451,811	8,380,359	5,726,350	4,763,816	10,225,114	3,131,130	998,840	4,224,902	71,078,259
Expenditure %		35.42%	11.89%	11.79%	8.06%	6.70%	14.39%	4.41%	1.41%	5.94%	100.00%

General Funds 28,272,653
 Special Funds 37,157,251
 Revolving Funds 5,237,676
 Federal Workstudy 278,150
 R932 Stadium Fund 132,529
 71,078,259

Source: 6/30/2013, eThority Report Appropriated Funds + Honolulu Stadium Fund

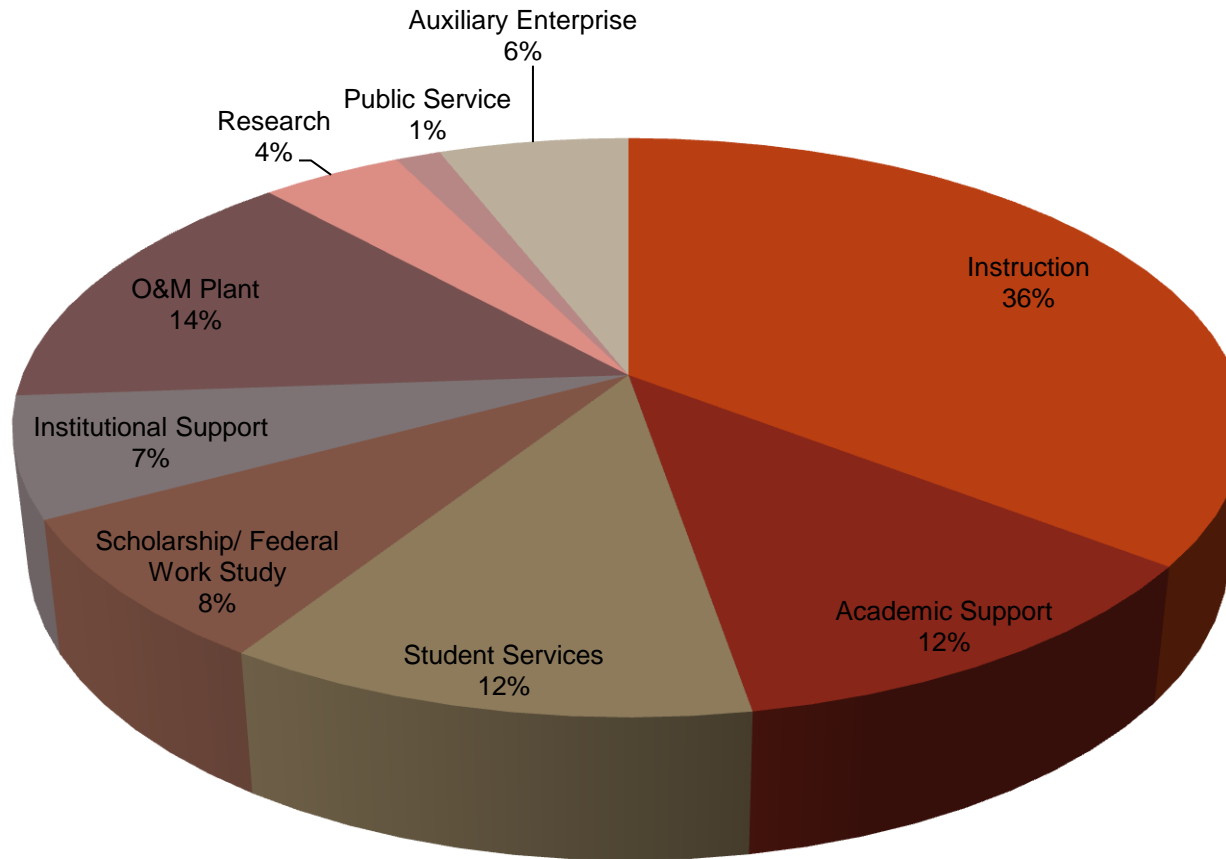
Used account attribute for revenue and expenditure functional code

DOES NOT include F & P contracts and grants

DOES NOT include UH Foundation

DOES NOT include SBDC

UH Hilo, Expenditure by function, FY13 Budget 101



Summary Budget 101

- UH Hilo increasingly tuition driven as G-fund support from State declines
 - Hiring competes with operating needs & expansion
 - Ability to add positions is constrained by tuition growth
- Hiring is determined by new money created from old money
- Hiring is connected to Strategic Plan—outcome based, enrollment management, recruitment/retention

FAQ's Budget 101

What is an 'A' budget and a 'B' budget?

- 'A' budget : salaries and fringe for all employees
- 'B' budget : current expense, equipment and motor vehicle

Budget cost elements

A-Salaries

B-Current Expense

C-Equipment

M-Motor Vehicle

- UHH also use the terms 'salary' budget and 'non-salary' budget

Do funds move with positions?

- A position count can be authorized with a range of funding, from full to none
- If funds appropriated for a position fall short of salary awarded, the program must fund the shortfall by internally re-allocating its funds
- Re-allocating funds from salary savings of vacant positions will result in these position counts having no funds

FAQs

Budget 101

What are UH Hilo's non-general funds?

UH Tuition and Fees Special Fund (TFSF)

Student Scholarship & Assistance Special Fund
 Intercollegiate Athletics Special Fund
 Revenue Undertaking Special Fund
 UH Community Service Special Fund
 UH Library Special Fund
 UH Auxiliary Enterprises Special Fund
 Mauna Kea Lands Management Special Fund
 Theater Special Fund
 College Work Study Program Federal Fund

Research and Training Revolving Fund (RTRF)

Student Activities Revolving Fund
 Career & Technical Training Projects Revolving Fund
 Hawaiian Language College Revolving Fund
 UH Commercial Enterprises Revolving Fund
 Conference Center Revolving Fund
 Transcript and Diploma Revolving Fund
 Parking Revolving Fund
 UH Real Property and Facilities Revolving Fund

What is RTRF?

- Research and Training Revolving Fund
- Share of grant award (%) paid to the University for physical and fiscal support of contract/grant activity
- Overhead on UH Hilo grants flow to UH system; portion allocated to UH Hilo
- Of UH Hilo portion, VC Academic Affairs/Research Council recommend allocation:
 - Admin Affairs – maintenance/utility costs of research space
 - Principal investigators
 - Colleges that generated the overhead
 - Departments that generated the overhead
 - Library
 - Office of Research