

**Fiscal Year 2025 Campus Budget Script**  
**Chancellor Benham**  
**Budget, Kyle Sergent**  
**IRO, John Stanley**

**Slide 1 – Chancellor Welcome & Overview**

- Aloha!
- This is a lot of information
- So for folks that are In-person or Streaming, and for your colleagues who could not attend, we are Recording this presentation and will provide both the Recording and Transcription soon on our website
- Apologies—Q&A in-person only
- If there is more detailed information about the Budget – Your VC & copy Kyle S.
- If there is more detailed information about our Enrollment – Your VC & copy John S.
- If there is more detailed information about our Enrollment Management HUI – Your VC and Chancellor

**Slide 2 – Presentation**

- Order:
  - Campus Budget, Kyle Sergent
  - Enrollment & Peer Statistics, John Stanley
  - UH West O’ahu’s Enrollment Management Hui, Chancellor Benham

**Call up Kyle**

**Slides #3 to 6 Budget, Kyle Sergent**

**Slide 3 – Campus Budget - Kyle**

The next few slides will include financial data for UHWO based on the BOR year end figures. When coming up with an campus operating budget we take into account many factors including, historical financials, economic conditions, anticipated enrollment, personnel requirements, other fixed expenditures, campus repairs and improvements, programmatic costs, one-time investments, etc. Ultimately the budget is summed up in revenues and expenditures and the goal is to balance the budget. The following three slides will cover first a Historical Financial Overview, next the General Fund Allocations and TFSF or Tuition and Fees Special Fund Revenues, and finally General Fund and TFSF Expenditures and Transfers. The figures we’re reporting on will line up with the annual financials through FY2023. FY2024 is in alignment with the BOR Q4 report, while the budgeted amounts for FY2025 are in alignment with the recently approved BOR budget.

#### Slide 4 -- Historical Financial Overview - Kyle

On average about 95% of our operating budget is made up of General Funds and TFSF therefore the next three slides will primarily surround these two funding sources. The first table displayed here reflects the annual General Fund and Tuition and Fees revenues, expenditures and transfers and ending net position for various fiscal years as well as the General Funded positions allocated to the campus. Be sure to note that the table begins with fiscal year 2013 and then jumps to fiscal years 2021 through 2025. We begin with fiscal year 2013 because it marked the first fiscal year at the current Kapolei location. At the end of that year, we experienced an operating deficit of approximately \$859,000. Please note that the chart here is displayed in \$1,000s. The next 7 years, which are not displayed saw significant growth in enrollment, revenues and expenditures as is apparent in the jump in revenues from \$16,177,000 to \$37,544,000 from FY2013 to FY2021. One major highlight over that time period is in fiscal year 2015 when UHWO received 89 position counts from the legislature and \$4M in General Fund appropriations to support the additional positions.

Again, growth continued, additional positions and funds were received from the State and our TFSF revenues also increased as a result of amazing enrollment figures. From a financial standpoint we saw some of the best years as UHWO was able to maintain an operating surplus in each year since 2013. In March 2020, the pandemic hit. As a result, the legislature swept vacancies and we were left with 15.2 less positions in fiscal year 2021 leaving UHWO with 233.5 permanent FTE as is displayed in the graph on the bottom right. In the following sessions, the legislature reduced our general fund base by a total of \$2.7M (or 15%). Over the next few years the Legislature ended up restoring the full \$2.7M permanently.

Due primarily to our HEERF funds, we ended both fiscal year 2021 and 2022 with a significant surplus as is easily viewed in the bar graph on the left. Fiscal year 2023 netted a \$1.2M surplus. In fiscal year 2024 we netted our first operating deficit since fiscal year 2013. However, this deficit is the result of a mandatory one-time transfer of \$3.772M into a Debt Service Reserve account. Without this one-time transfer we would have reflected an operating surplus of \$1.4M.

Due to several factors, including collective bargaining increases, inflation, Governor's restrictions and cost of operating additional programs like pre-nursing, we are forecasting a deficit of \$428K for fiscal year 2025.

#### Slide 5 – General Fund Allocations & TFSF Revenues - Kyle

This slide, GENERAL FUND ALLOCATIONS AND TFSF REVENUES, illustrates the breakout of our revenues—between our general fund and TFSF. Similar to the previous slide, the graphs begin with FY2013 and then jumps to FY2021 through FY2025. Again, the period between FY2013 and FY2021 saw tremendous growth. FY 2015 increase of \$4M in general funds noted previously actually equated to a year over year increase of 54.3%. One thing you'll want to note when comparing the two bar graphs is our funding mix began with more funding coming from TFSF,

and over the years has transitioned to—whereby more of our funding is coming from general funds. In FY2013 44% of UHWOs G/TFSF allocations were General Funds. In the FY2025 budget General Funds account for 57% of the allocations. In recent years this has a lot to do with increases in collective bargaining as the State funds the negotiated raises for permanent general funded employees. However, the decline in tuition revenue generation as is apparent in FY2021 through FY2025 also contributed to the change in mix.

### **Slide 6 – Expenditures & Transfers FY2024 – Kyle**

This slide, EXPENDITURES AND TRANSFERS, represents our current expenditure mix—essentially how we spend our funds by major expenditure category. The first column represents our actual expenditures and transfers in fiscal year 2024 and the second column represents our fiscal 2025 budget. The pie chart displays fiscal year 2024 actual expenditures and transfers, but does omit one-time non-recurring transfers. I'll briefly walk through each expenditure category.

#### ***Payroll***

As you can see from the pie chart, our biggest expense is payroll (accounting for about 70% of our total expenditures in FY 2024), up from 67% the previous year. The increase between FY '24 and '25 is due primarily to collective bargaining increases. This payroll figure includes all permanent personnel including faculty, staff and administration as well as some temporary positions, lecturers, overloads and casual hires.

#### ***Operating Expenditures & Utilities***

Our operating expenditures include things like office supplies, repair and maintenance costs of our facilities, IT costs, travel, etc. The campus is reflecting an increase of approximately 25% when compared to FY2024 actuals. However, if we were to compare the FY2025 operating expenditures budget to FY2024 budget of \$2,613,000 it reflects a 4% decrease.

Utilities includes electricity, water/sewer, gas, and phone costs. The increase between FY24 actuals and FY25 budget is attributable to an inflationary adjustment.

#### ***Debt Service***

Because our campus was built with \$68M in revenue bonds, we are responsible to pay for debt service or the mortgage on our campus. Final payment on our debt service obligation is scheduled to be completed in 2040. Currently, the debt service amount of \$3.8M represents approximately 10% of our total expenditures and is paid from our \$16.6M of anticipated Tuition revenues.

#### ***Scholarships***

With regards to scholarships, we budget at least 12% of prior academic year revenues towards need-based scholarships. We historically budget for this plus an additional \$380,000 in non-need-based scholarships. In FY24 the campus awarded \$1.9M in scholarships as the scholarship pick-up rate was lower than expected. However, we're anticipating a return to normal as the projected rate for FY2025 is \$2.26M.

### ***Repair & Replacement Reserves***

Since our campus was built with revenue bonds, in addition to paying debt service, we also are required to place 50% of our prior year's depreciation expense in a reserve fund. We were able to fully fund the reserve requirement last year but did not budget the full amount this year due to the forecasted increase in our projected costs and flat tuition revenues. Depending on our actual fiscal year 2025 results, we are hopeful that we will be able to contribute further to our R&R reserve.

### ***System Assessments***

System assessments include our campus portion of costs related to shared systems (like Banner) and services (like UH Foundation).

### ***Other Transfers***

The other transfer amount accounts for two one-time transfers. First, an allowable use of HEERF funds was revenue loss. In FY24 we transferred a final amount of \$1.156M related to tuition revenue loss to the campus helping us to balance the budget. The second transfer was identified previously as being the major contributing factor to reflecting our first operating deficit in 10 years. That is the transfer of the one-time debt service reserve requirement of \$3.772M transferred to a reserve holding account.

I think if there's one takeaway from the campus budget, when you view the overall budget at a high level, Payroll, Utilities, Debt Service, Mandated Reserve Requirements, Mandated Scholarships would all likely be perceived as fixed costs and these costs make up 94% of the total budget. A case could be made that even some of the operating expenses and system expenses are fixed costs, so when it comes to budgeting there's often very little room for adjustments before it flows down to personnel.

**Call up John**

**Slides 7 to 15 are John Stanley**

### **Slide 7 – Enrollment & Peer Statistics – John**

The following slides include enrollment and peer comparison statistics. The enrollment figures are based upon unduplicated headcounts of students enrolled in credit courses. Included are classified students in programs leading to a degree as well as unclassified students. Early admission enrollment such as high school students admitted to college courses, are included for all years, both historical and projected. These data were extracted from the University's data warehouse and represent official enrollment statistics. Peer comparison data were retrieved from the federal IPEDS database and represent officially reported statistics for UH West Oahu and its eight peer institutions.

### Slide 8 – Peer Comparison: Budget – John

- Before we get into enrollment, let's expand on the budget data with a comparison of our peer institutions. The following data are based on federally reported data from the IPEDS database which includes all Title IV participating colleges and universities in the US. We see here a comparison of our core revenues, expenses, and total debt position compared to the average of our 8 peer institutions.
- The peer group for UH West Oahu was revised in 2019 by way of an extensive campuswide process that included final approval from the Vice President for Academic Planning and Policy at the UH System. The peer group consists of 8 schools similar in size, scope, mission and Carnegie classification.
- What these data show is that UH West Oahu has a smaller budget – as measured in core revenues and core expenses – than the group average for our peer institutions. UH West Oahu has the highest long-term debt position amongst our peer group.
- To give you a sense of where we're positioned in the distribution, we've provided callout cards here with the data values for each school so that you can gauge our rank or position.

### Slide 9 – Peer Comparison: Instructional Staff – John

- Continuing on with our examination of peer comparison data, we see here our full-time faculty counts, lecturer counts, faculty-to-lecturer ratios, and student-to-faculty ratios.
- The main takeaway here is that our instructional staff counts are significantly less than our peers. Our full-time faculty count of 85 is the lowest in our peer group.
- The ratio of faculty-to-lecturers is also amongst the lowest in our peer group. At 46%, less than half of our instructional staff are full-time faculty, compared to a peer average of 55%.
- Our student-to-faculty ratio is the second highest in our peer group, and is expected to trend higher if enrollment increases without commensurate growth in i-faculty positions.

### Slide 10 – Non-Instructional Staff – John

- Here we have similar data on the non-instructional side of the house, which are essentially our staff counts vis-a-vis our peers.
- Like the instructional staffing data show, we have fewer non-instructional staff than most of our peer institutions. At 175, we have the second lowest number of staff in our peer group. However, when you disaggregate these data by student and academic affairs staffing, we have a higher number of educational services staff compared to most of our peers.
- We have 9 management-level staff positions, the fewest in our peer group. This category includes 6 executive/managerial positions and 3 high-level director positions that are captured in IPEDS. The director positions include Human Resources Director, Information Technology Director, Auxiliary Services Director.

### Slide 11 – Historical Enrollment with Projections – John

- This is the historical enrollment trendline dating back to 1976 when our campus was founded, up to present time and plus three years of projected enrollment.
- In 2007, we transformed from an upper two year college to a four-year university, and started a period of rapid enrollment growth passing 3,000 students nine years later in 2017. Several times during this period, we were ranked by the Chronicle of Higher Education as the fastest growing baccalaureate college in the nation.
- Enrollment has since leveled off. Statistical projections estimate a 95% likelihood that enrollment will fall between 2600 and 2900 students for the next three years. These projections are statistical extrapolations and should be considered as an extension into the future of current enrollment trends, holding all variables constant.

### Slide 12 – Enrollment Demographics – John

- Here we have a screenshot of our Quick Facts dashboard. This is an interactive data visualization that we use for marketing and to provide “at a glance” information about the campus.
- There is a URL at the bottom where you can pull this up on your computer or smartphone.
- Let me take a second to highlight some of the more noteworthy data-points that describe the diversity of our student body.
  - Our two largest racial/ethnic groups on campus are Native & Part Hawaiian and Filipino students at 27% and 23% respectively.
  - 10% of students are actively residing on the neighbor islands, as shown in the map here.
  - 40% of our students are 25 or older and the average age is 26 years old.
  - 2 out of 3 students are transfer students.
  - 9% of students are veterans and another 2% are active duty.

### Slide 13 – New Student Enrollment – John

- Taking a look at new student enrollment over the last five years for our target populations, we see a mixed picture here. Some new student populations bounced back in 2023, but either fell even or saw a small decline in 2024.
- Notably, newly enrolled Filipino students are at a five-year high and 10% higher than 2020.
- Otherwise, first-time enrollment hasn’t changed much in five years, with the exception of an uncharacteristic banner year in 2020 for transfer student enrollment.
- You could characterize new student enrollment as relatively consistent and unchanged.

### Slide 14 – Retention & Graduation Rates – John

- Here we have retention and graduation rates for the last four years
- There are several noteworthy datapoints here. First, our retention rate of 77.9% is by far the highest on record and 11 percentage points higher than our peer group average. Retention is defined as the percentage of first-time full-time freshmen who entered in Fall 2023 and re-enrolled in Fall 2024. Secondly, the two most recent six-year graduation rates are back-to-back all-time highs of 46.8% and 49.5% respectively. By comparison, the average six-year graduation rate for our peer schools is 39%, so our on-time graduation rates are out-performing our peer group by 10.5 percentage points.

### Slide 15 – Peer Comparison: Postgraduate Outcomes – John

- And finally, a look at our post-graduate outcomes data which we are especially proud to present to you.
- The first chart, the cohort default rate, is an accountability metric used by the federal Department of Education and measures the percentage of students who took out student loans and defaulted in the first three years of repayment. Our figure of 1.5% is close to zero and lower than our peer group average. The median total debt after graduation is also much lower than our peer schools, as shown in the upper right-hand graph.
- Interestingly, and well worth noting, the percentage of our graduates employed in the Hawaii workforce within one year of graduation, and the median wage these graduates earned in their first year after graduation, is the highest in the UH System. 79 percent of our graduates were reportedly employed in Hawaii within one year of graduation, earning a median wage of just over \$38,000, again these represent the highest rates in the System.
- This concludes the Enrollment and Peer Statistics segment of our presentation. With that, I will pass the baton to Chancellor Maenette Benham who will present more on our Enrollment Management efforts. Mahalo.

### Call up Chancellor

### Slide 16 to 26 is Chancellor Benham

### Slide 16 – UH West O’ahu Enrollment Management Hui (Section Title Slide)

- Mahalo Kyle and John
- Campus Budget Takeaway:
  - Kyle, that given our fixed costs -- which includes our debt service and mandatory allocations to reserves and importantly to student scholarships – which comprises 94% of our revenue – **we have very little wiggle to invest in our people, programs, and our place.**

- Even with the additional resources from our extramurally funded initiatives that have and continue to support our recruitment and student services, investments in our program faculty and the work they do with students, and many of our campus and outreach initiatives and activities – it is not enough to take our campus to the next step of fulfilling our mission in service of the communities that serve.
- This was made evident as John walked us through our enrollment numbers. Yes, there is much to celebrate – our retention numbers and the excellent impact our collective effort has on the quality of life choices that our graduates have. But it also reaffirms and restated the importance of our collective efforts to nurture and grow our student enrollment numbers.
- The slides that I will present is a high-level view of our campus enrollment activities. A more comprehensive presentation of these efforts will be the focus on our Spring 2025 Convocation.

### **Slide 17 – UH West O‘ahu Enrollment Management Hui**

The overarching goal of enrollment management is to lead a campus-wide effort to strengthen our educational ‘auwai that results in increased enrollment, increased retention and student timely persistence to degree/graduation, and student career success.

There are 2-parts to our enrollment management effort that compose the HUI/the uniting force behind the work. They are:

1. The Enrollment Management Council, and
2. The Educational ‘Auwai GO Groups (GO – Goal Oriented)

First, the Enrollment Management Council – This is the decisionmaking body that lead this effort. It consists of the UHWO Executive Team: Chancellor and Vice Chancellors of Academic Affairs, Student Affairs, and Administration. And we are supported by the AVCAA and special assistants to the VCs which include iAVCAA Michael Furuto & on Special Assignment Camonia Graham-Tutt, and Curtis Nishioka in the OVCSA. Also supporting the Management Council is the Director of SDAA/Jessica Miranda, Director IRO/John Stanley, and Budget Director Kyle Sergent.

Second, we have the Educational ‘Auwai GO Groups who are addressing the recruitment and enrollment needs of specific groups of potential students. The GO Groups are listed on this slide. I will now provide you a conceptual framing of our collective work and a brief overview of the work of each GO group.

### **Slide 18 – Educational ‘Auwai**

This is our working metaphor for our recruitment effort: First time Freshman, Transfer, Returning Adults, and Continuing adult learners/outreach college.



FOCUS: First part of the lo'i (#1 Freshman, 2 Sophomore, 3 Junior, 4 Senior year) – focuses on strengthening our partnerships with the Hawai'i Department of Education, the Kapolei Chamber of Commerce, and our University of Hawai'i-West O'ahu programs to offer strategic, career-focused Early College/Dual Credit courses. This pathway engages high school students as early as their freshman year, providing them with opportunities to gain valuable academic, college readiness, personal and culture-based knowledge and skills. By aligning a more holistic early college education program that includes exploration of career pathways, we aim to equip students with the skills and experiences necessary for a seamless transition into college and beyond. See the 'auwai that connects lo'i # 4 to #5 – First Year Freshman Experience and to lo'i #6 is their experiences through college and graduation at which time they ho'i into a successful career and community service. In Lo'i #7 (our biggest) is where your adult and returning students, international students, certificate/non-credit students, and so on grow/flourish and then ho'i into successful careers in their communities.

### **Slide 19 – Pathways to Career Exploration**

This is all about Recruitment for first time freshman through a variety of programs to include Early College/Dual Credit, Career Exploration Programs, Student Development/College Readiness Workshops, and tailored programs targeted to the traditional first-time freshman. Our team is working in 6-feeder HS (Wai'anae, Nānākuli, Campbell, Kapolei, Waipahu, Pearl City, and 4 other high schools), with charters, independents and privates. The career exploration path, which begins with the October Career Expo is a partnership with the Kapolei Chamber of Commerce.

Goal is to increase the percentage of first-time freshman.

### **Slide 20 -- Transfer Student Pathways**

Expanding transfer outreach to community colleges through collaboration of Admissions, Advising, Academic Programs and Title III efforts: This effort currently places a UHWO admissions/advising/recruitment specialist on-the-ground at Kauai'i CC, Maui College, Leeward CC, and a designated Transfer lead supporting their efforts as well as working with Windward and Hon CC. We also provide IT & Distance learning support for our students on the neighboring islands AND we bring prospective and newly enrolled students to our Kapolei Campus for orientation and to meet their professors/instructors and colleagues.

### **Slide 21 – Global Engagement**

Tim Park and team are working to connect our programs, faculty and students with colleagues in Japan, S. Korea, Phillipines and is begun to develop promising programs with universities in the Czech-Republic, France, and Germany.

Examples:

- Program partnership between our Health Professions - Pre-Nursing Program and Jingu Health College (S. Korea)
- Study Abroad (semester/short programs) Tokai U – Sapporo
- Development of 2+2/2+3 program with Japan Aviation in business and creative media, and they are developing other programs.

### **Slide 22 – Returning Adults**

Will add later as talking with Ka'iulani just prior to presentation

### **Slide 23 – Continuing Adult & Outreach Education**

Dr. David San Jose and Team, Office of Distance Education and Learning provides faculty support strengthen fully online and hybrid delivery of courses & programs.

This year they are taking the lead (w/academic programs) to develop for credit and non-credit microcredentials: Threat Assessment, English Language for the Foreign Student, and Business and Creative Media upskilling.

Additionally, they are working with the campus leadership to develop our Amazon Choice program – for Amazon employees.

### **Slide 24 – Admitted Student Experience**

This is about STUDENT SUCCESS! What we do every day to live into our campus vision of being a "premier, comprehensive, indigenous-serving institution dedicated to educating students to be engaged global citizens and leaders in society." ([UHWO Vision](#))

There are many examples that illustrate our success!

- Retention Rates – John presented in his slide deck. 77.9% is 10 percentage points higher than our peer schools
- Gainful Employment Stats – presented earlier, (John) “percentage of our graduates employed in the Hawaii workforce one year after graduation, and their median wages earned, are the highest in the UH System.”

**T**here are many efforts that engage both Student Affairs and Academic Affairs – let me highlight OVCSA Efforts

- Special Welcome Event in the Fall – Piloted this Fall (want to GROW Fall 2025) -- Incoming students had the chance to network with their future classmates and engage with faculty members from their respective departments. The evening included a dinner for all participants and each department awarded two scholarships based on an essay competition providing an exciting opportunity for students to showcase their talents.

- Faculty Call Campaign (Div Chairs & Admin) - faculty made individual calls to students who did not register, followed up to see how they were doing and encouraged them to register for the following semester
- Academic Program Planning focused on QUALITY, ACCESSIBILITY, and RELEVANCE – so we see our faculty & staff engaging and partnering internally—across our divisions and programs—as well as with regional, statewide, and international businesses and industry leaders, and forward-thinking entrepreneurs.
- All of this is grounded in our Theory of Distinctiveness that situates the learner at the core of our efforts and calls us to build a beloved community where we honor the gifts we each bring.

### **Slide 25 – What can YOU do?**

Our enrollment management plan -- our Educational 'Auwai – is dynamic and inclusive. There is a place for everyone on this campus to contribute to the work we need to do to grow our campus enrollment – to serve more of our community members. So, my question to you is where can you make a difference?

### **Slide 26 – Mahalo**

**Followed by Q&A**