

FINAL REPORT OF THE FS BUDGET & PLANNING COMMITTEE

May 3, 2017

There were a lot of successes to celebrate in the past year. This is the third year that the Institutional Priorities List has passed through the Faculty Senate. The process was more transparent this year than it has ever been. At the request of the Faculty Senate the outcome of previous years Institutional Priorities is now communicated to the campus along with a rationale for the choices that were made.

The FS Budget & Planning Committee continues to face significant challenges. The committee struggles to reassert the Faculty Senate's role in the budgeting process. The committee wants to expand beyond the review of the Institutional Priorities List (which after all represents only an infinitesimal portion of total campus spending) to a discussion of the whole budget, analyzing trends over times and in comparison to other campuses.

FACULTY SENATE'S ROLE IN THE BUDGETING PROCESS

If the Faculty Senate cannot have input into the budget it cannot have input into setting campus priorities; the Faculty Senate's role would be reduced to just approving curriculum. The committee has significant concerns about Faculty Senate requests being rescinded by division chairs or Campus Council.

Several years ago when the Faculty Senate tried to provide input into the budget Mike Pecsok denied that request, responding that the Faculty Senate had no role in the budgeting process. Paul Lococo, who was then Chair of the Faculty Senate, brought the issue up with Campus Council and voted against the Institutional Priorities List of that year. Administration maintains that the role of the Faculty Senate in budgeting is limited to their votes as members of the Campus Council. Campus Council is a campus creation that is mostly made of people in administrative positions.

For several years the Faculty Senate has requested funding for Turnitin.com, an Internet-based, plagiarism-prevention service. This motion is much more than a request to fund Turnitin.com. Our committee feels that it is an important test case to restore the Faculty Senate's role in providing input into the campus budget. Below is a motion that was passed at the April 12, 2017 Faculty Senate meeting:

Budget and Planning Committee Motion—May—April 12, 2017—On behalf of the FS Budget & Planning Committee Senator May would like to make a motion to add a

one-year license for an Internet-based, plagiarism-prevention service (similar to Turnitin.com), costing approximately \$12,865, to the planning lists.

The vote this year, April 12, 2017, was 15 in favor of the motion, 3 against, and 2 abstentions. A similar motion was made last year, April 13, 2016, in which the vote was unanimous in favor of the motion. Below is the Campus Council's reason for the rejection of the Faculty Senate's April 12, 2016 motion and their refusal to add this request to the Institutional Priorities List:

May 2, 2016 Minutes of the Campus Council

New Business

a. Institutional Priorities

Prior to discussing the Institutional Priorities, Momi Kamahele made the following motion, which was seconded by Eiko Kosasa:

On behalf of the Faculty Senate, I (Faculty Senate Chair) move that the Campus Council adopt the addition of the Turnitin application as a funded item into the Institutional Prioritization List for Academic Year 2016-2017.

In the discussion that followed, Mark Lane pointed out that Leeward CC's Planning Process does not have an add on capability to the Institutional Priorities List once it goes to the Campus Council. As part of the discussion, it was mentioned that the Planning Process has to be changed to allow add-ons that was not included in any Division's or Unit's request list. The 2015-2016 Planning and Budgeting Process was approved by Campus Council on March 2, 2015.

Voting: The motion had 3 approval votes and 13 disapproval votes. The motion did not pass.

The BOR clearly gives the Faculty Senate a role in the budgeting process. The Faculty Senate is the creation of the BOR. The Campus Council is a campus creation. It is not mentioned at all in BOR policy. BOR policy actually states that "the role of the faculty as set forth herein shall not be delegated to any other entity by the faculty organization established pursuant to this policy." It is questionable whether a campus process can be created that would abrogate the role of the Faculty Senate in the budgeting process. Campus Council should not be able to rescind requests from the Faculty Senate.

The Faculty Senate Budget and Planning Committee feels strongly that the Board of Regents Policy and the recent Memorandum of Agreement Regarding the Roles and Consultation Protocols Involving UH Management, UH Professional Assembly, and UH Faculty Senates give faculty senates an important role in the budgeting process:

Board of Regents Policy Chapter 1

Section 1-10: Policy on Faculty Involvement in Academic Decision-Making and Academic Policy Development.

b. Faculty Involvement in Academic Decision-Making and Academic Policy Development

It is the policy of the University to maintain and strengthen organized and systematic involvement by faculty in academic decision-making and policy development.

2. The duly authorized organization specified by each charter shall have the responsibility to speak for the faculty on academic policy matters such as:

b. budget planning and implementation

5. The role of the faculty as set forth herein shall not be delegated to any other entity by the faculty organization established pursuant to this policy.

Memorandum of Agreement Regarding the Roles and Consultation Protocols Involving UH Management, UH Professional Assembly, and UH Faculty Senates
Faculty Senate

The Faculty Senates on each campus shall have responsibility for deliberation and providing advice to administration on

7) Review of the University and/or campus mission, strategic planning directions and goals, and related budget and assessment decisions. This responsibility may be exercised through campus budget and/or planning committees that may include additional shared governance entities.

Budget and Planning Committee Motion—May—On behalf of the FS Budget & Planning Committee Senator May would like to make a motion that the Faculty Senate file a grievance to clarify the role of the Faculty Senate in the budgeting process.

LEEWARD CC'S BUDGET—RATIO ANALYSIS AND TRENDS OVER TIME

In addition to budget documents, it would be helpful if any financial analysis used by the administration, such as ratios, or trend analysis, be shared on Leeward CC's budget page. It is hard to make sense of financial statements without some kind of metrics such as ratio analysis or trend analysis. On December 7, 2016 the Faculty Senate Budget and Planning Committee proposed the following motion:

Budget and Planning Committee Motion—May—December 7, 2016—On behalf of the FS Budget & Planning Committee I would like to make a motion to request that more of an effort be made to make the operating budget understandable to the campus community and that financial analysis of the operating budget be shared with the campus. This financial analysis should include financial ratios, especially efficiency ratios, such as administrative costs (administrative expenses/total revenues), instructional expenses (including the growth of non-tenure track positions to tenure track positions), and track the growth in non-academic administrative and professional positions at Leeward CC. These ratios should be tracked over time for a minimum of the last 10 years (is the percentage growing or shrinking) and should be compared to other schools of comparable size (is our percentage of administrative costs in line with other schools, for example).

VOTE: 15 Y, 0 N, 0 A - Motion Passed

Below is Mark Lane's response to the December 7 motion:

The Senate motion identifies two separate actions...1) "to make the operating budget understandable to the campus community" and 2) "that financial analysis of the operating budget be shared with the campus." I will provide commentary to each of these items.

1. The Senate motion does not make any recommendations or suggestions on how to make the operating budget more "understandable." This is a very subjective phrase and one that is open to interpretation and subject to the knowledge, background, and interest of the reader of the budget information. Perhaps a way to view this is to identify what specific information in the budget is "not" understandable. That responsibility would fall to the Faculty Senate and/or the Budget and Planning Committee to determine and communicate what budget information is "not understandable" and communicate that to me. Secondly, the Faculty Senate nor the Budget and Planning Committee does not represent and does not speak for the entire "campus community." The Faculty Senate motion is presumptuous in that regard. No other campus governance group has mentioned to me that the budget information presented is not understandable. Therefore, this motion is specific to the Faculty Senate and/or the Budget and Planning Committee, and again, I would defer to you to identify what specific budget information the Senate finds is "not understandable" since this is not an issue with other non-faculty employees of our institution.

2. Regarding the second part of the motion on financial analysis; the request for financial and efficiency ratios, historical expenditure information, peer-institution comparisons, etc. is a significant staff and workload undertaking, especially at the level of detail and duration that the Faculty Senate motion desires...division - department - program level with a minimum of 10 years of historical data. I am well familiar with this kind of analysis work and can confidently tell you that to meet these kinds of information and data requests will require the hiring of an additional staff member in my Administrative Services unit for the duration of this project. Unlike a couple of other UH campuses, Leeward does not have a staff member dedicated to budget and financial analysis work. That kind of work falls to my Fiscal Administrator, Cecilia Lucas, and myself, as time allows and priorities dictate. My concern is that this motion was put forward by the Budget and Planning Committee without first consulting with me or any representatives of my Business Office. Doing so may have provided a more realistic and workable solution to the kinds of information and analyses that are desired. Additionally, the motion is silent with regards to the timeframe that the financial analysis information is

requested, whether certain kinds of financial information is of higher priority, and the intended uses of the information.

I am willing to meet and discuss these issues with the Senate leadership in order to move us forward.

Thanks.

Mark

The FS Budget & Planning Committee assumed that ratio analysis of the financial statements was in place and asked administration to share the results of that analysis along with the financial statements in order to make the financial statements more understandable. It is pretty clear that this kind of trend analysis is not happening at Leeward CC. A good analogy of the need for financial analysis of the budget is the student evaluations that faculty submit as part of their tenure and promotion applications. It would never be acceptable for faculty to submit just the raw data. Faculty are expected to highlight trends and respond to those trends. They often use bar charts, pie charts or other visual aids to present the information. The campus community should expect nothing less in the presentation of the campus budget.

The FS Budget & Planning Committee will work with Mark Lane to identify the trends we feel should be tracked. Below is a good example of a trend analysis completed by a faculty member at Leeward CC which would be a good starting point for a discussion of the type of trend analysis we would like to see at Leeward CC. In this trend analysis the number of job positions in the different functional areas on campus are tracked over time and compared with other campuses. A PDF file of the analysis is also included.

LEEWARD CC TRENDS 2007-2014

Section 1 – FTE Employees

Leeward CC led the way in the number of new hires with the largest increase in employees.

This was a large number of new BOR employees and an impressive growth of civil service despite downward trends on other campuses.

Section 2 - BOR Appointees

Leeward CC had the greatest increase in the number of Faculty positions (61, 28%) and slight executive growth aligned with the other campuses.

Leeward CC had the largest increase in APT (Administrative, Professional and Technical) positions in both number and percentages (25, 53%) of all the UHCC campuses.

Section 3 – Faculty

Leeward CC had the largest increase in Faculty positions (21.7) with a percent growth (15%) comparable to other growing campuses.

Leeward CC had an average increase in lecturers but all of the campuses had a huge increase in lecturers, speaking to how these should become full-time Faculty positions.

Leeward CC had an above average growth in Non-instructional positions.

Section 4 - Instructional

Leeward CC had a loss of 10 Professors (20%, or 1 in 5, left and were not replaced with other Faculty achieving promotion). This rivals Hawaii CC. WCC had an overall 26% reduction in total Instructional Faculty, so there should be a comparable reduction in Professors. In any case, it all speaks to the fact that Faculty are not supported in their career goals.

Leeward CC held even on Associate Professors. Despite the overall increase in Instructional Faculty, there was not any increase here. Again this speaks to a lack of support for promotion.

Leeward CC had an increase in Assistant Professors (12.5, 38%) but numbers and percentages lag behind the substantially smaller campuses of HCC and Hawaii CC. Again this speaks to a lack of support at Leeward CC as compared to those campuses.

Leeward CC had the largest increase in Instructors (19.5, 57%), speaking to the increase in the number of Instructional positions (21.7). But since 14 of those positions were created by 2009, those Instructors should have become Assistant Professors by now. So the continued increase in Instructors speaks to a replacement of Faculty not granted tenure or many leaving or ...?

Section 5 – APT (Administrative, Professional and Technical)

Leeward CC had the largest increase in APT positions in the UHCC system (25, 53%) and the distribution is uneven across the areas.

A dramatic increase is found in info, Events & Publications where the staff was increased 150% to create a department that is 2.5 to 5 times larger than any other comparable group on other campuses.

The Institutional Support positions increase (6, 86%) is impressive but it's not clear who these new employees are supporting.

The increases in Academic Support (8, 67%) are average with totals falling behind the smaller campuses. But again, it's not clear where these people work or what they do or how much actual support Faculty is getting from these positions.

The increases in Media Design & Production, like that of Info, Events & Publications above, far exceeds any other campus. While every other campus has reduced or not increased this group, LCC increased it to be 2 to 7 times bigger than any other comparable department in the UHCC system.

Leeward CC lags behind the other campuses in Instructional & Student Support with the smallest increase (0.5) and percent change (3%). While Hawaii CC had a net decrease in 1 position, they are still staffed at levels greater than those at Leeward CC where there are many more students.