



UNIVERSITY of HAWAII®  
**LEEWARD**  
COMMUNITY COLLEGE

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# Fiscal Year 2021 Operational Expenditure Plan

*July 1, 2020 to June 30, 2021*

## Introduction and Overview

Leeward Community College's annual Operational Expenditure Plan (OEP) reflects revenue and expenditure estimates available to meet the College's current operations and to fund the basic instructional and support mission of the institution.

The funding available to the College comes from a variety of sources, each with its own statutes, regulations, policies, and procedures that govern the budget preparation and budget execution processes. Four (4) of these funding categories are the primary sources of revenue used to support the College's operating budget or OEP and include the following:

- **General Funds ("G" Funds):** These funds are derived from the general revenues of the State and are appropriated to the UH Community College system by the Legislature. Special allocations from the UH and UHCC system offices are also included in this category of funds and include such items as performance measure funding. This category of funding accounts for the majority of revenues in the OEP and is primarily used to fund salaries for faculty, staff, and administrators.
- **Tuition and Fees Special Fund (TFSF):** Funds included in this category include the tuition funds received from the credit-generating programs of the institution and include special allocations related to performance funding and UHCC strategic initiatives. These funds are used to support the operational expenses for academic and support units of the College and to fund salaries and wages for faculty, staff, and students.
- **Community College Special Fund (CCSF):** Funds in this category are generated from an assessment of 12.5% of the gross revenues collected through fees and services across accounts that fall under the CCSF designation. CCSF accounts include such items as Summer Session, non-credit programs, transcript fees, library fines, and food service and vending related accounts, among others.
- **Research and Training Revolving Funds (RTRF):** This category of funding includes indirect cost recovery revenues received from extramural grants and contracts. Funds are distributed centrally to the College by the UH Office of Research Services (ORS) on an annual basis.

The following informational displays are contained within this document and provide table and graphical representations of the operating budget and related information.

- Exhibit 1: Operating Budget by Source of Funds
- Exhibit 2: FY 2021 Collective Bargaining Unit Salary Adjustments
- Exhibit 3: Student Headcount Enrollment
- Exhibit 4: Student Semester Hours (SSH)
- Exhibit 5: Tuition and Fee Rates for 2020-2021
- Exhibit 6: FY 2021 Operating Budget by Program
- Exhibit 7: FY 2021 Operational Expenditure Plan
- Exhibit 8: FY 2021 Reallocations and New Funding Recommendations
- Exhibit 9: FY 2021 Operational Expenditure Plan – Summary by Program
- Exhibit 10: FY 2021 Tuition and Fee Special Fund Allocations
- Exhibit 11: Institutional Priorities

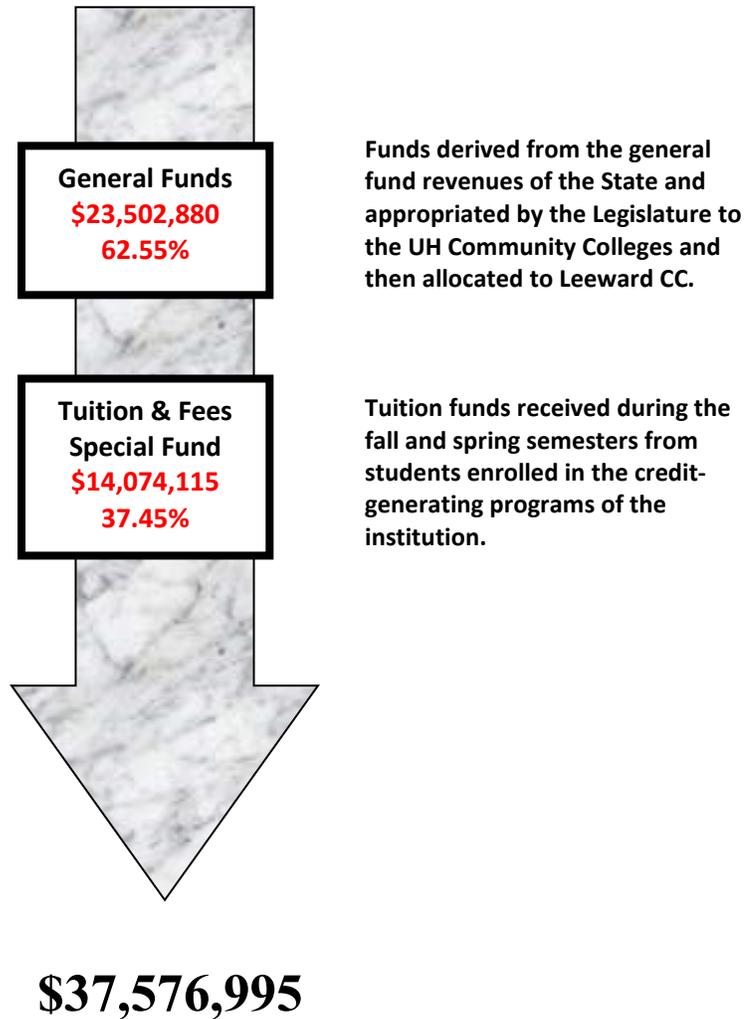
## Operating Budget Highlights for FY 2021

### I. Overview

Leeward Community College's operating budget for FY 2021 is \$37,576,995. The revenues supporting the FY 2021 budget include anticipated funding from General Fund appropriations and student tuition generated in the Tuition and Fees Special Fund (TFSF). Due to the COVID-19 pandemic and the potential budget challenges that lie ahead, unspent cash balances from the Tuition and Fees Special Fund (TFSF), the Research and Training Revolving Fund (RTRF), and other Community College Special Funds (CCSF) are not included in the revenue or expenditure plans for FY 2021 and are being preserved in anticipation of future budgetary shortfalls and in accordance with applicable University of Hawaii (UH) and Board of Regents (BOR) reserve policies. Exhibit #1 displays the operating budget by source of funds.

### Exhibit #1 – Operating Budget by Source of Funds

## FY 2021 OPERATING BUDGET



The revenues and expenses reflected in the OEP are, in fact, point-in-time estimates as the budget continuously evolves throughout the year. During normal budget cycles there are many variables that influence revenue and expense estimates including; increases/decreases in student enrollment and student semester hours, attaining performance funding goals, salary savings from vacant positions, unanticipated facility and infrastructure repairs, fluctuations in revenues generated by self-sustaining units of the institution, and timing of major expenditure items. Typically, the operating budget that is presented for adoption represents a blend of funding that promotes sustainable resource stewardship practices while making key strategic investments in the long-term health and future of the institution.

Given the fiscal unknowns at the federal and state levels due to the pandemic, a conservative budget approach is being taken that places an emphasis on preserving and building on cash balances, deferring all non-essential expenses, and managing expenses in accordance with the hiring and expenditure freeze for non-extramural funds that is currently in place by the University. The hiring and expenditure freeze includes...

- Freeze on hiring into regular permanent or temporary positions, including casual hires
- Freeze on faculty Special Salary Adjustments (SSAs) and APT Special Compensation Adjustments (SCAs)
- Freeze on non-personnel spending, including; in-state and out-of-state travel, equipment purchases over \$25,000, vehicle purchases, and new service contracts

In addition to the spending freeze items in place as noted above, the FY 2021 operating budget includes a 25 percent across-the-board budget reduction for student help and other operating expenses for all departments in their TFSF accounts.

**II. Collective Bargaining Unit Salary Adjustments**

The operating budget and financial plan for the institution contains financial resource provisions necessary to fund the collective bargaining salary adjustments for those collective bargaining units that have settled their negotiations. Exhibit #2 identifies the various salary adjustments by bargaining unit for FY 2021.

**Exhibit #2 – FY 2021 Collective Bargaining Unit Salary Adjustments**

Bargaining Unit	Bargaining Unit Adjustment	Effective Date
UPW Unit 01-Blue-Collar, Non-Supervisory	2.00%	July 1, 2020
	1.20%	January 1, 2021
HGEA Unit 02-Blue-Collar, Supervisors	1.20%	July 1, 2020
	1.20%	January 1, 2021
HGEA Unit 03-White-Collar, Non-Supervisory	2% or 4% Lump Sum	July 1, 2020
	3.46%	January 1, 2021
HGEA Unit 04-White-Collar, Supervisors	3.60%	July 1, 2021
	3.74%	January 1, 2021
UHPA Unit 07-Faculty	2.00%	July 1, 2020
	1.20%	January 1, 2021
HGEA Unit 08-Administrative, Professional, Technical (APT)	1.24%	July 1, 2020
	1.20%	January 1, 2021
Executive/Managerial (E/M's)	None	N/A

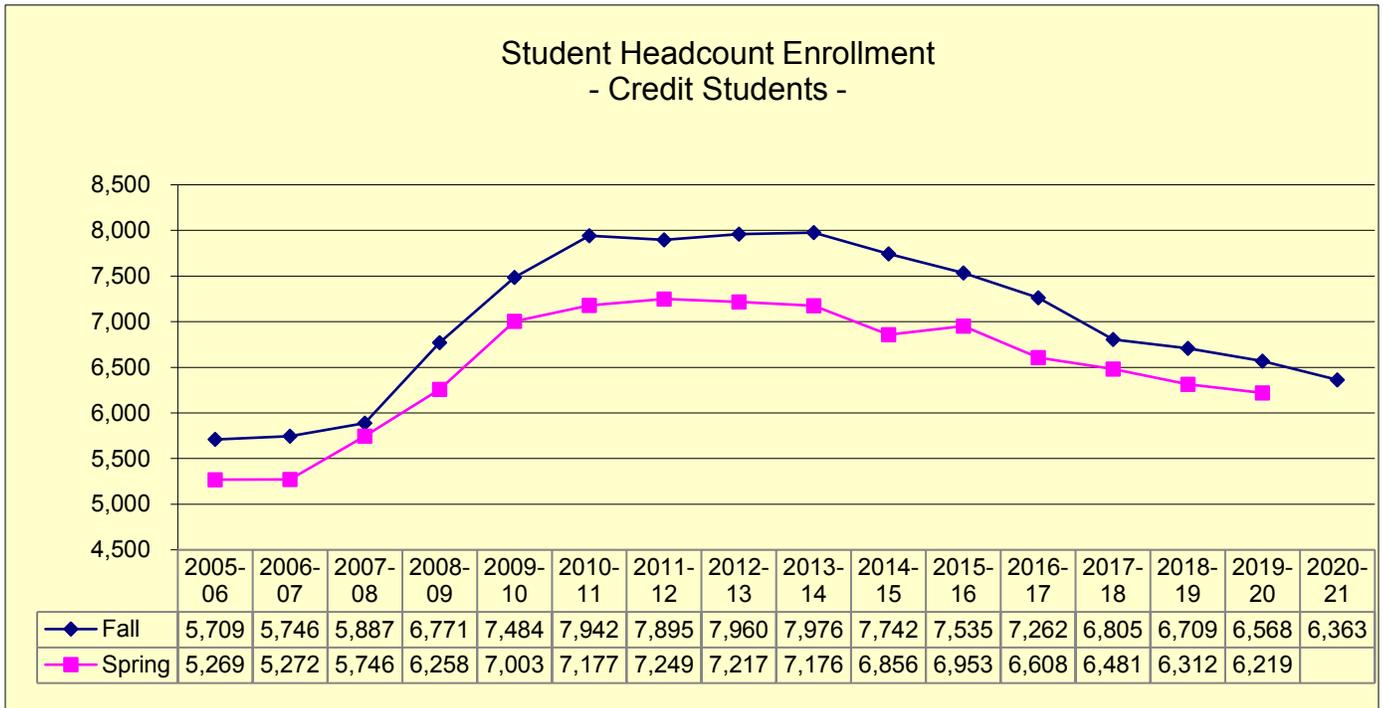
### III. Enrollment

Student enrollment levels, as measured by headcount enrollments and the number of student semester hours (SSH) generated by tuition fee-paying students, are projected to decline slightly in FY 2021 as compared to the enrollment levels of the previous year. The tuition and fee revenue projections used for the FY 2021 budget reflects this modest change in anticipated enrollment. Reasons for the decline in enrollment is due to the uncertainties surrounding the COVID-19 pandemic as more classes move to an online or hybrid instructional delivery modality. In addition, the pandemic has reduced the number of international students thereby decreasing the tuition and fee revenue associated with non-resident students.

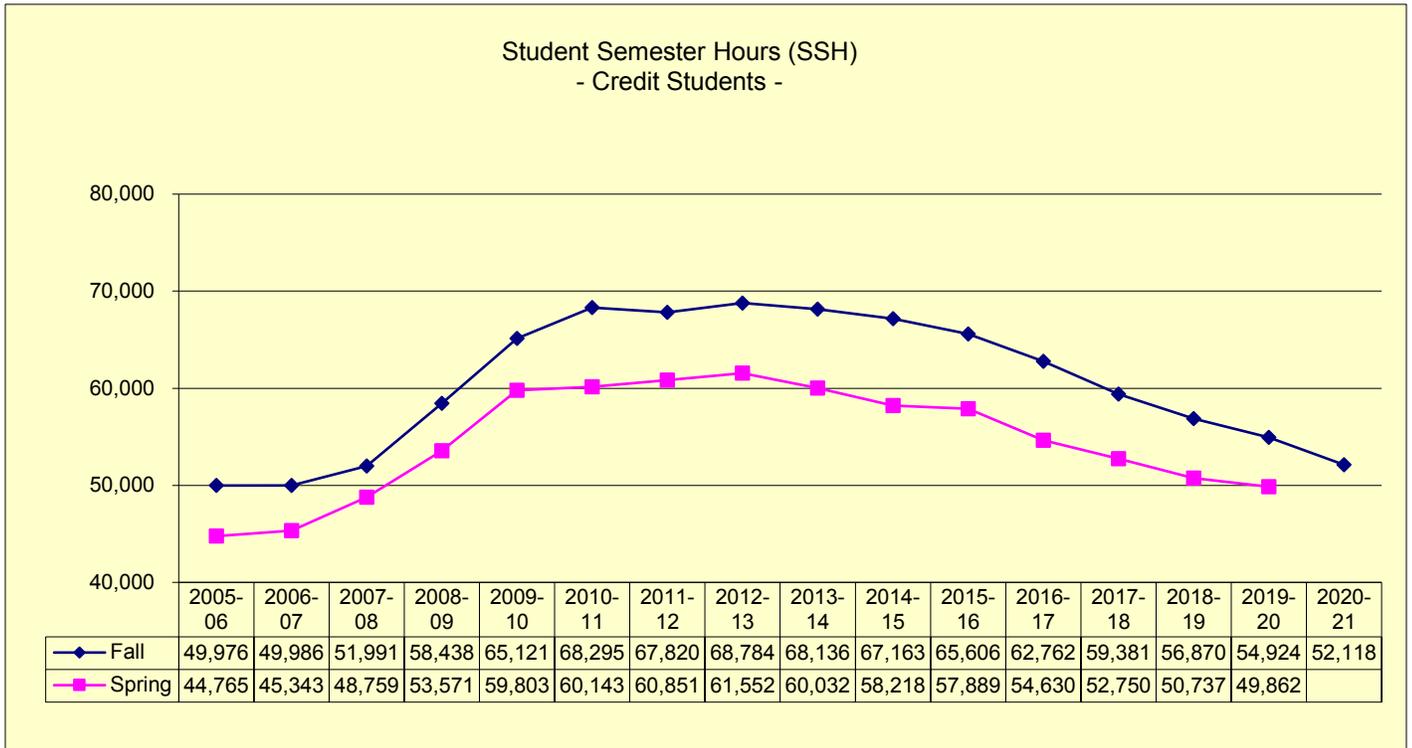
Exhibits #3 and #4 reflect the student headcount enrollment and student semester hours by semester over the past several years. Leeward reached its peak enrollment in the Fall of 2013 with 7,976 students. The peak semester hours was attained in the Fall of 2012 with 68,784.

Based on the Fall 2020 enrollment data and despite the recent enrollment declines, Leeward has positioned itself as the largest community college in the UH system in terms of FTE students and student semester hours. Leeward’s student headcount enrollment was six (6) students less than Kapiolani CC in Fall 2020.

**Exhibit #3 – Student Headcount Enrollment**



**Exhibit #4 – Student Semester Hours**



**IV. Tuition and Fee Rate Increases**

All tuition and fee rates for the 2020-21 academic year are unchanged from the previous year. Exhibit 5 displays all approved tuition and fee rates for Leeward CC.

**Exhibit #5 – Tuition and Fee Rates for 2020-21**

	2020-21	2019-20	\$ Change	% Change
<b>Resident Tuition:</b>				
Per Credit	\$131.00	\$131.00	No change	No change
300 Level & Above	\$306.00	\$306.00	No change	No change
<b>Non-Resident Tuition :</b>				
Per Credit	\$345.00	\$345.00	No change	No change
300 Level & Above	\$846.00	\$846.00	No change	No change
<b>Student Activities Fee:</b>				
Per Credit	\$1,25	\$1.25	No change	No change
Per Semester-Mex.	\$12.50	\$12.50	No change	No change
<b>Board of Student Communication Fee:</b>				
Per Semester	\$5.00	\$5.00	No change	No change
<b>Student Health Fee:</b>				
Per Semester	\$15.00	\$15.00	No change	No change

<b>Summer Session:</b>				
Per Credit – Resident	\$248.00	\$248.00	No change	No change
Per Credit – NonRes	\$357.00	\$357.00	No change	No change
<b>Special Tuition:</b>				
Early College	\$6,000 per 3-Credit Course	\$6,000 per 3-Credit Course	No change	No change
	\$8,000 per 4-Credit Course	\$8,000 per 4-Credit Course	No change	No change

### **Operational Expenditure Plan Details**

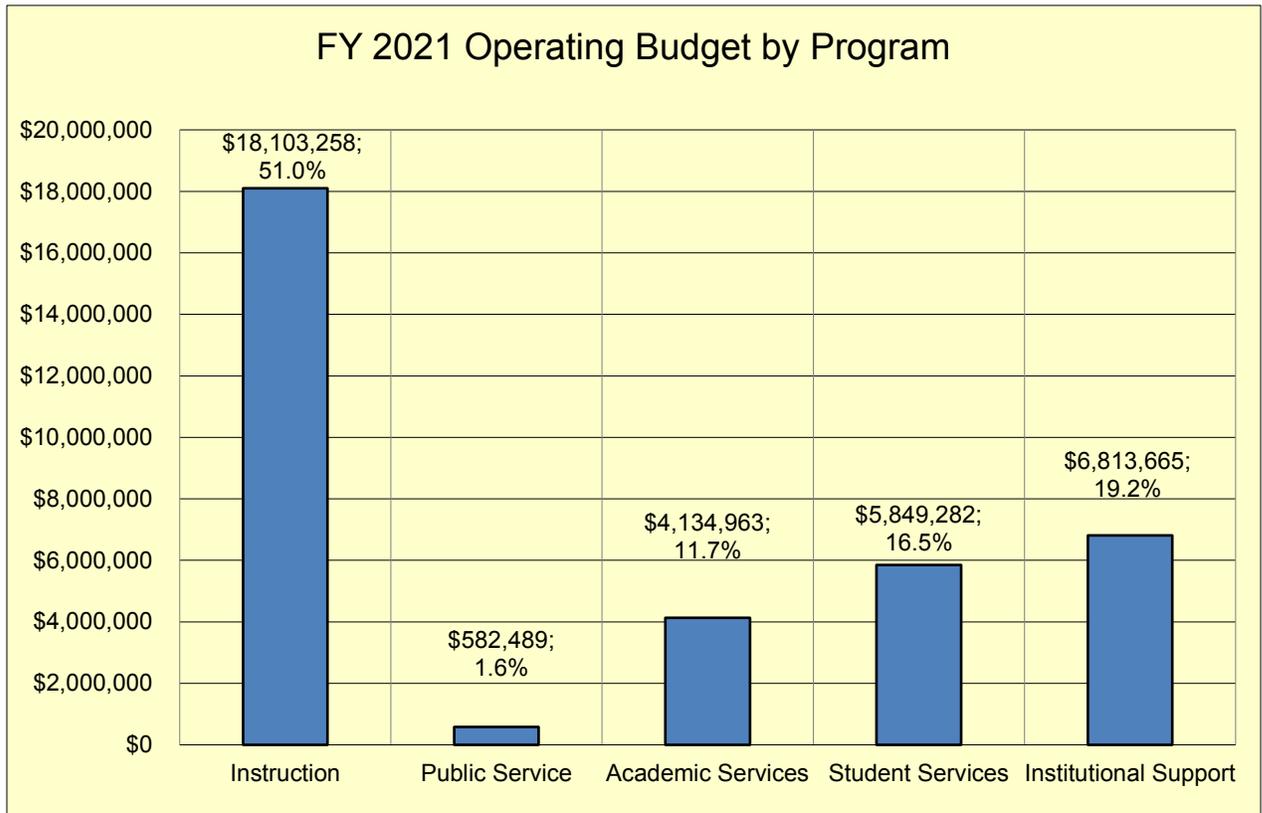
The details of the FY 2021 Operational Expenditure Plan (OEP) is presented on the next several pages. Due to the fluidity of the budget, especially with regards to tuition revenue estimates, enrollment forecast changes, unanticipated expenditure outlays, unfunded mandates, and fiscal uncertainty related to the pandemic, reviews and analyses of the budget are being performed on a regular basis throughout the year.

Several detail reports accompany the revenue and expense summary (Exhibit #7) and provide further insight into the composition of the budget. Exhibit #8 – FY 2021 Reallocations and New Funding Recommendations highlights the final funding decisions made by the campus administration. The items that are included in the final funding decisions were all high-priority recommendations that originated through the College’s Annual Report of Program Data (ARPD) planning process and/or were fixed-cost or mandatory funding items. See Exhibit #11 for the prioritized planning lists (Personnel and Non-Personnel).

As mentioned previously, the sources of revenue are summarized by two (2) primary categories; General Funds and Tuition and Fee Special Funds. Expenses are classified into three (3) general categories and include; Payroll Expenses, Other Expenses (to include supplies, equipment, travel, and general operating expenses), and UH Assessments and Transfers.

Please note that while the OEP does fairly present the College’s budget relative to its primary mission of instruction and various support services, not all funds are accounted for in this budget plan. For instance, not included in the OEP are several special fund accounts (Summer Session, OCEWD-related accounts, miscellaneous fees for services), contract and grant activity, UH Foundation funds, accounts that are related to student fees (student activities, student health fee, Board of Student Publication fee), and funds related to major facility construction, repairs, maintenance, and improvements (CIP and R&M related accounts). Various financial/budget authorities across the campus manage these funds, to include processes related to the development and implementation of separate budget and financial plans.

**Exhibit #6 – FY 2021 Operating Budget by Program**



**Exhibit #6 Definitions:**

- **Instruction:** includes all six (6) primary instructional divisions of the institution and Wai`anae Moku, Native Hawaiian Student Support, and International Programs.
- **Public Service:** includes the Office of Continuing Education and Workforce Development (OCEWD) and the Theatre.
- **Academic Services:** includes the Vice Chancellor of Academic Affairs office and all units under the purview of the Dean of Academic Services (i.e., Library, Learning Resource Center, Writing Center, KI Office, ITG, EMC, and Innovation Center).
- **Student Services:** includes all units under the purview of the Dean of Student Services (i.e., Counseling, Admissions and Records, Financial Aid, Student Life, Job Prep, Recruitment).
- **Institutional Support:** includes the Chancellor’s Office, Marketing, and all units and activities that fall under the purview of the Vice Chancellor of Administrative Services (i.e., Business Office, Human Resources, Enterprise Operations, Operations and Maintenance, Campus Security).