

UNIVERSITY OF HAWAI'I

EXECUTIVE POLICY - ADMINISTRATION

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 E8.203 Budget Policy Paper 1981-83 Regarding Budget Objectives

I. SUMMARY

This policy paper reviews briefly the different characteristics of the budget of an institution, and suggests that the budget is the single most important document for setting, reflecting and achieving the objectives and priorities of the institution. It states budget guidelines in brief form, and it identifies priorities for attention and emphasis during the 1981-83 biennium.

II. INTRODUCTION

The budget of the University is more than an accounting document recording planned expenditures. It is a statement of the relative value the University places on the many activities required to accomplish its mission. As such the budget becomes an instrument of policy by which the mission of the University may be advanced, and by which objectives supporting the mission may be accomplished. It is also a planning document, reflecting both short-term considerations and long-range goals which cannot be met within a single budgetary cycle. Finally, the budget is an instrument of control and authority, representing restraints and opportunities within the organization.

To be effective, the budget-building process must be undertaken with an understanding of the characteristics of the budget, and with the realization that the budget, seen as the University's goals and aspirations expressed in fiscal terms, is the single most important document by which the institution's priorities, plans, values and policies are made real. Finally, properly viewed, budgeting is seen as a continuous and dynamic process, rather than the once-a-year construction of an inflexible document.

While it is likely that the format in which the University will present its budget request to the Executive Branch will remain the same, it is necessary to re-focus attention on those broad objectives to which the University will direct its resources. At the same time, it is our intention to strengthen and improve certain collateral processes, such as:

- more precise and accurate advanced planning better justification for increases requested
- more equitable internal allocations
- the development of indicators for assessing quality
- program involvement in planning and decision-making
- better identification of priorities and options

Budget Guidelines, 1981-83

Consistent with the spirit and provisions of the Regents' Budget Process and the expenditure and dept limits mandated by the State Constitution, the Board of Regents is setting forth these budget guidelines to assist in the preparation of the 1981-83 Regents' budget and its subsequent administration. University policies as reflected in approved campus Academic or Educational Development Plans and Complex Development Reports, will be the basis of planning.

Operating Budget

- I. Reallocation within the current budget base will continue to be utilized, where feasible, to maintain program quality in the face of decreasing purchasing power of funds allocated and, where necessary, to initiate new programs consistent with approved Educational and Academic Development Plans. The University has an obligation to continue the process of adapting its programs to emerging student and societal needs, as well as an obligation to improve the quality of its programs. These obligations will be met by searching out and abandoning that which is less valued to permit a re-directing of those resources toward higher priority goals. Continuous renewal of existing programs is to be viewed as a goal to be realized through the total resource base we have rather than through its expansion (over inflation) for which we might hope.

The planning guidelines adopted by the Board of Regents in February 1977 are to be applied. The University will identify for program planning, budget preparation, or budget execution purposes, those aspects of quality that require additional funding.

This basic objective should be addressed in the 1981-83 biennial budget. The following are more specific means by which this basic objective of quality may be addressed in the 1981-83 biennial budget. Priorities will be given to reallocations for:

- a. Replacing obsolete and worn-out instructional equipment and purchasing necessary new instructional equipment;

- b. Providing funds to meet rising costs in non-salary budgets of supply, expense and equipment for the most urgent needs;
- c. Providing for the University's library and learning resource needs and preparing plans of staging to ensure that collections and staffing attain appropriate levels of quality as compared with peer institutions;
- d. Achieving a more balanced resource support for the University's primary mission by shifting funds and positions among the six program budget categories, and,
- e. Implementing a faculty and staff vitality plan.

II. Additional funds and positions above Current Services may be requested to address the following critical and documented needs* and priorities*:

- a. Urgent need for safety sanitation, security, OSHA, access for the handicapped and other State and Federal requirements and regulations;
- b. Maintenance and utility costs of new and renovated facilities;
- c. Capital equipment for new and renovated buildings and structures;
- d. Repair and maintenance projects for new and existing facilities;

* Categorized as "workload" and "program change requests."

- e. Matching funds for student aid and other beneficial projects;
- f. Urgently needed improvements in student orientation, counseling, financial aid, health, registration and placement services;
- g. Funds to improve and strengthen library collections, access to collections, inter-campus library loan system and automated library networks;
- h. Funds to improve and strengthen technical/clerical support for instruction and research;
- i. Funds for improvements urgently needed to implement the Board of Regents' approved Educational and Academic Development Plans. Highest priority will be assigned to improvement in priority program areas.
- j. Start-up costs for implementing less labor intensive and more cost effective methods of delivering instruction and service;
- k. Selective and incremental funding for appropriate and urgently needed community-based instructional outreach programs including extended degree programs, especially to the neighbor islands and remote sections of Oahu;
- l. Implementation of the University-wide Academic Computing Plan; and,
- m. Funds to replace obsolete and worn-out instructional equipment where there are no funds to reallocate.

Capital Improvement Budget

- I. The general concepts to be followed in the development of the CIP budget for 1981-83 are:
 - a. Provide for capital improvements to implement Board of Regents policies, approved Educational and Academic Development Plans, and master plans;
 - b. Limit new buildings on existing campuses to only those research/training areas where highly specialized facilities are required;
 - c. Make currently existing buildings fully usable by modifications and renovations;
 - d. Fully comply with all health and safety laws, ordinances, codes, rules and regulations, including removal of architectural barriers;

- e. Minimize maintenance and operational costs to the extent possible by re-evaluating facilities and instituting energy conservation measures;
 - f. Improve the visual appearance of every campus.
- II. Within budgetary constraints and the concepts noted, priority will be given to the following types of projects:
- a. Completion of projects previously started, such as equipment funding, construction funding and additional planning funds;
 - b. Health and safety projects including access for the handicapped;
 - c. On-going projects requiring supplemental funding such as site work and utility systems;
 - d. New projects to fill critical needs such as for accreditation, instituting energy conservation measures, or upgrading of substandard facilities; and,
 - e. New campuses approved by the Board of Regents.