



Testimony for 2/16 regular BoR meeting

1 message

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Wed, Feb 14, 2024 at 8:07 AM

Aloha, please see my testimony attached regarding the February 16 regular Board of Regents meeting.

Many thanks,

Karen

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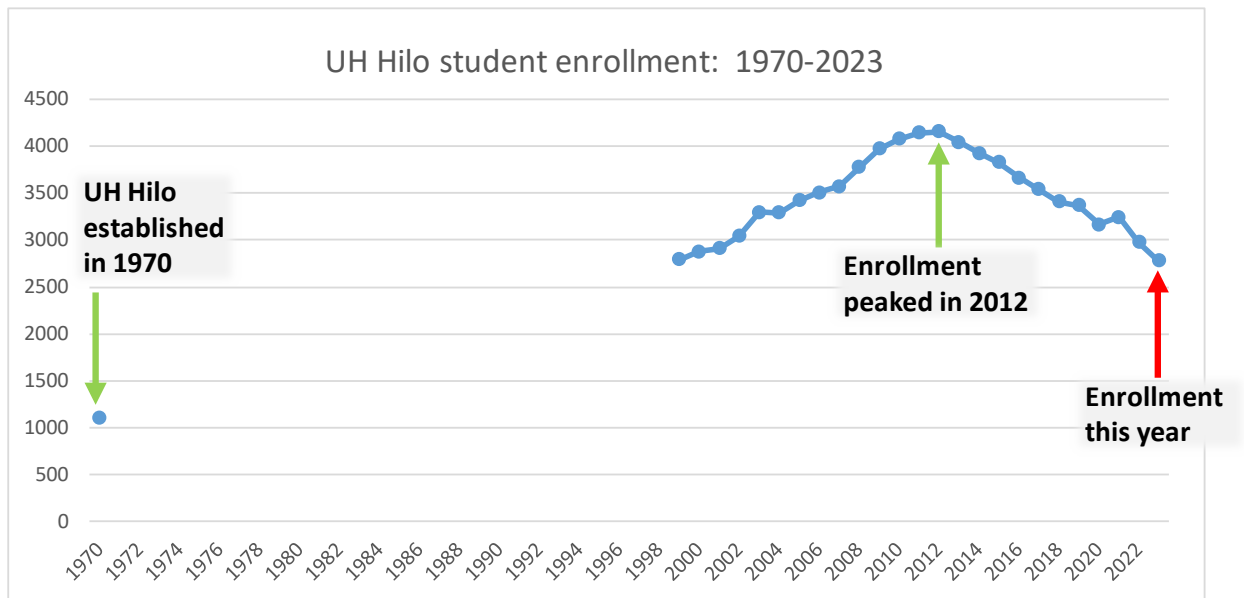
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Aloha UH Regents,

I am submitting this testimony to update you on some key issues facing UH Hilo and to request your help and support to move our university in the right direction. I have been a faculty member at UH Hilo since 2008, and I am grateful for your service as Regents, a highly challenging role.

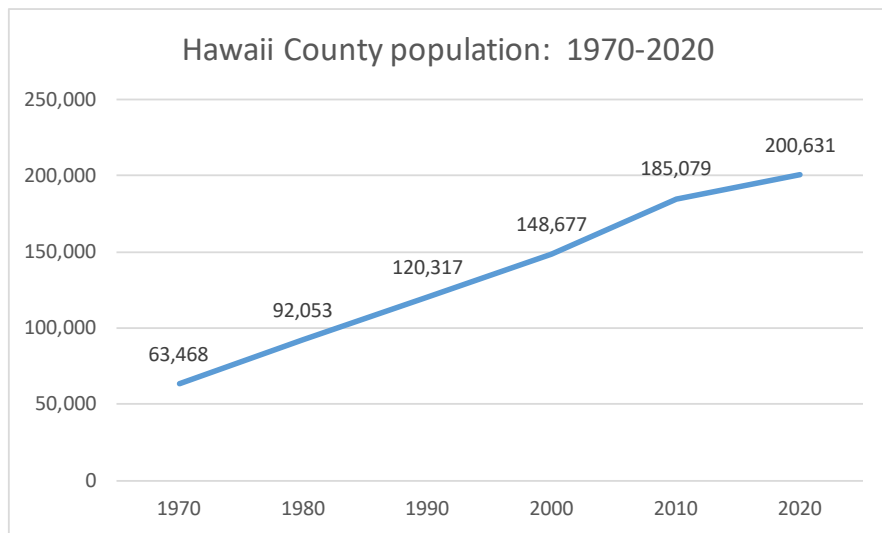
With regard to enrollment, we are currently moving very fast in the wrong direction. As shown in Figure 1, enrollment topped 1,000 in 1970, when UH Hilo was established as a four-year university. From 1970 through 2012, UH Hilo enrollment *grew about twice as fast* as national enrollment and *declined about three times as fast* from 2012 through 2023.

Figure 1¹:



Over these decades, based on census data, the population of Hawaii County has continued to grow as shown in Figure 2.

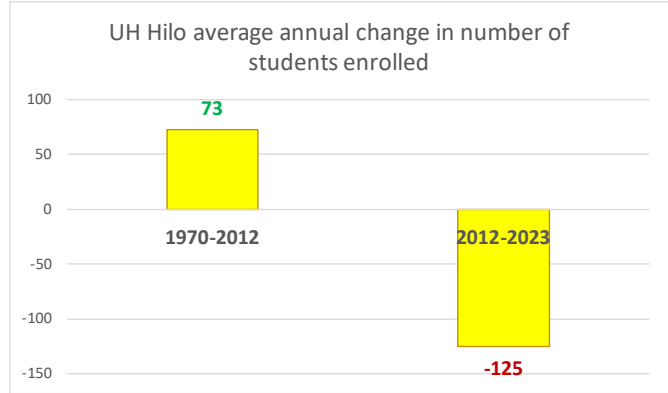
Figure 2:



¹ Data sources: <https://hilo.hawaii.edu/uhh/iro/documents/uhh/iro/HistoricalHeadcountEnrollment.pdf> and https://data.hawaii.edu/#/reports/ENRT06?IRO_INST_AND_UHCC=HIL&SEM_YR_IRO=2023-8&em=false and <https://hilo.hawaii.edu/blog/chancellor/history-uh-hilo/>

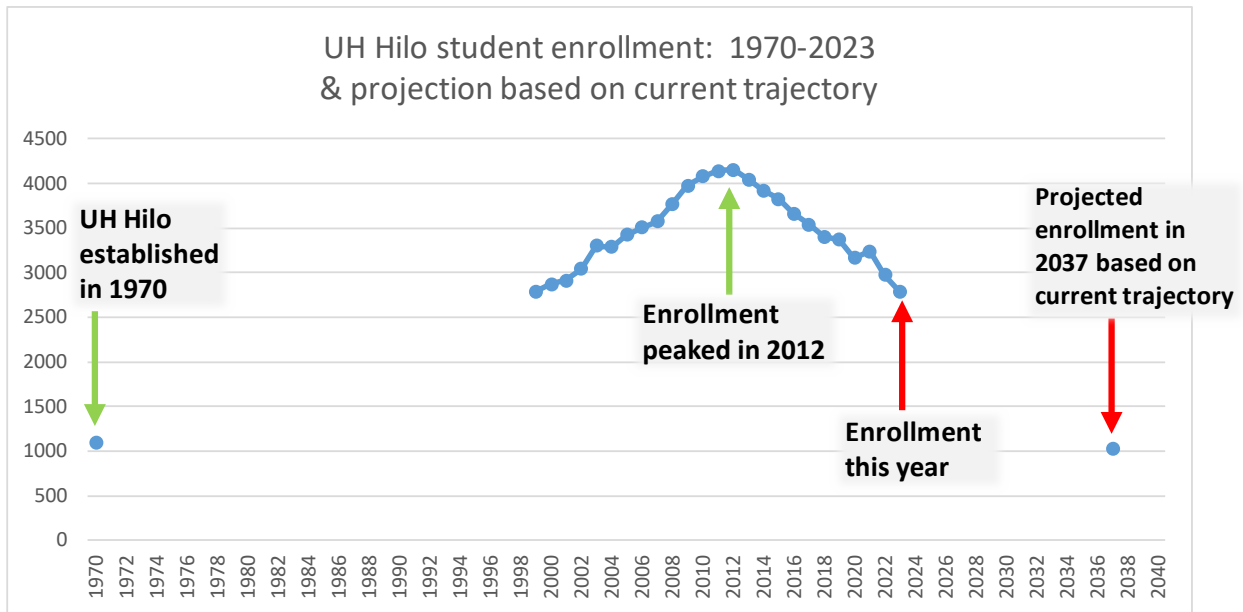
As shown in Figure 3, the average enrollment increase was 73 students per year from 1970 through 2012, and the average enrollment decrease was 125 students per year from 2012 through the current year.

Figure 3:



Based on this current trajectory, UH Hilo will return to 1970 enrollment in a little more than a decade as shown in Figure 4.

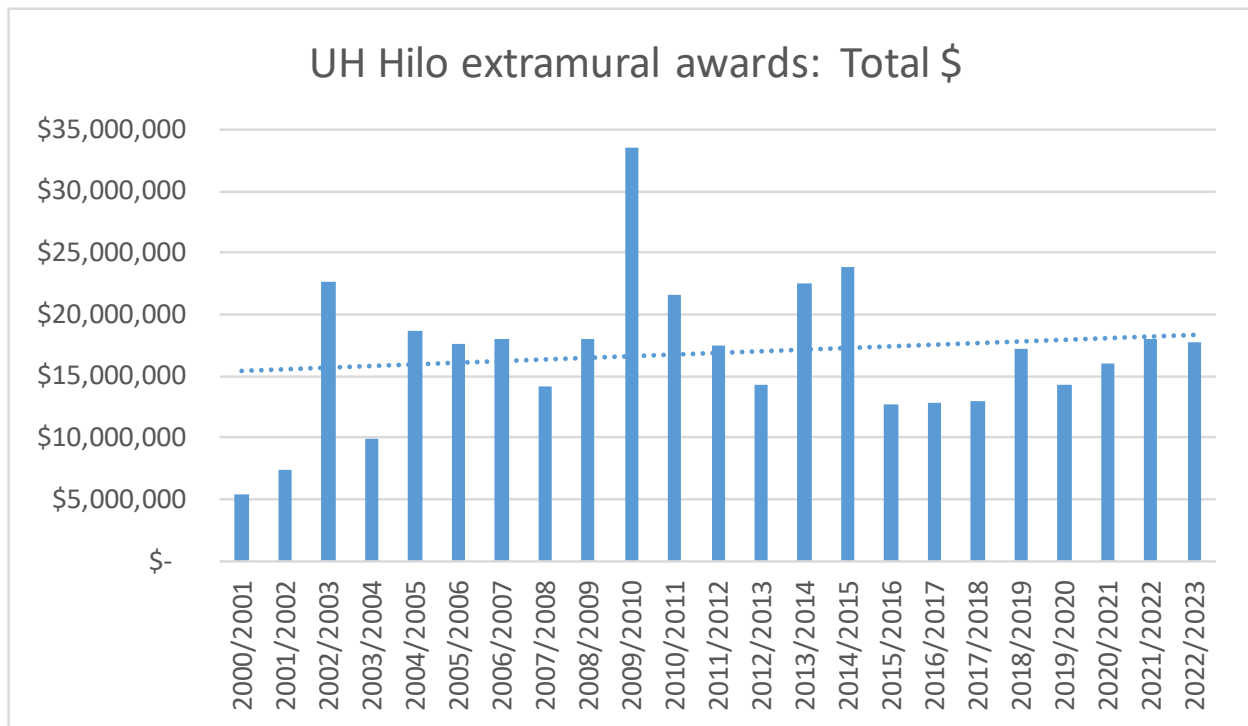
Figure 4:



In 2021, Faculty Congress approved a Strategic Vision for UH Hilo after many informal meetings with community members who reached out to address concerns about our direction. The approved document, including vision, goals, actions, and sustainability model, is posted here: <https://hilo.hawaii.edu/congress/motions/2021-2022/documents/motions/2021-2022/StrategyVision-FC.APPROVED.Nov.2021-clean-copy3.pdf>

The enrollment decline coincides with the erosion of meaningful shared governance and connections with our community, and examples are included in the link above. Many faculty members at UH Hilo continue to be engaged with community members in our teaching, research, and service, including partnerships in extramurally funded projects. Since the approval of our Strategic Vision, total extramural awards have stabilized as shown in Figure 5.

Figure 5²:



However, even with steady performance in extramural funding, our overall economic impact continues to deteriorate due to sharply declining enrollment as shown in Figure 6. This figure also shows that, with commitment to some combination of enrollment and extramural funding increases, we can return to a positive impact.

² Data source: <https://research.hawaii.edu/reports/reports/>

Figure 6:

ANNUALLY at UH Hilo	Decade ago	Current	2030
State general funds invested in UH Hilo	\$ 30,000,000	\$ 46,000,000	\$ 40,000,000
Student enrollment	4100	2800	7000
Extramural funding	\$ 21,000,000	\$ 18,000,000	\$ 25,000,000
Economic impact to Hawaii County (per David Hammes)			
from student enrollment	\$ 215,250,000	\$ 147,000,000	\$ 290,500,000
from extramural awards	\$ 34,650,000	\$ 29,700,000	\$ 41,250,000
TOTAL	\$ 249,900,000	\$ 176,700,000	\$ 331,750,000
Total business sales produced by each \$1 of state general fund spending on UH Hilo			
	\$ 8.33	\$ 3.84	\$ 8.29
Number of jobs from economic impact (per UHERO)			
from student enrollment	2368	1617	3196
from extramural awards	468	401	557
TOTAL	2836	2018	3752
State tax revenue generated (per UHERO)			
from student enrollment	\$ 19,372,500	\$ 13,230,000	\$ 26,145,000
from extramural awards	\$ 3,465,000	\$ 2,970,000	\$ 4,125,000
TOTAL	\$ 22,837,500	\$ 16,200,000	\$ 30,270,000
Total state tax revenue generated by each \$1 of state general fund spending on UH Hilo			
	\$ 0.76	\$ 0.35	\$ 0.76
Total state tax revenue generated by each \$1 of state general fund spending UH-wide			
		\$ 0.37	
State Medicaid cost reduction due to jobs			
from student enrollment	\$ 7,619,420	\$ 5,203,506	\$ 10,283,119
from extramural awards	\$ 1,505,300	\$ 1,290,257	\$ 1,792,024
TOTAL	\$ 9,124,719	\$ 6,493,763	\$ 12,075,143
ROI to State			
Dollars	\$ 31,962,219	\$ 22,693,763	\$ 42,345,143
Total state return on investment in each \$1 of state general fund spending on UH Hilo			
	\$ 1.07	\$ 0.49	\$ 1.06

ASSUMPTIONS:
current mix of resident and non-resident, undergraduate and graduate students across models
current tuition rates across models
2030 economic impact assumes 2,000 students are 100% distance learning and not located in Hawaii County
economic impact multipliers for Hawaii County estimated by David Hammes, UH Hilo Emeritus Professor of Economics
state tax revenue and number of jobs estimated by UHERO
conservatively, 50% of jobs eliminate need/eligibility for Medicaid (https://www.epi.org/publication/one-in-nine-u-s-workers-are-paid-wages-that-can-leave-them-in-poverty-even-when-working-full-time/)

Since approving the Strategic Vision, UH Hilo Faculty Congress has continued to take action, including:

- 1) Approved a shared governance policy to facilitate communication;
- 2) Approved workload equivalencies that demonstrate faculty commitment to accountability, transparency, equity, and student success;
- 3) Approved the proposed new Bachelor degree in Education Studies, a place-based rural-focused program to meet the educational needs of Hawaii Island;
- 4) Held our first formal “Community Conversation” to strengthen connections and mutual support between UH Hilo and our diverse Hawaii Island communities.

I respectfully request your help with the following moving forward:

- 1) Hold your leadership team accountable for the success of UH Hilo;
- 2) Consider alternative governance structures that would engage community members in decision-making about the campuses in their respective regions and that would transform the UH System into an efficient, effective administrative structure for shared services and cross-campus coordination (as a model for how this might work, consider the corporate structure and regional decision-making of Hawaii Health Systems Corporation); perhaps such a model could be piloted first at UH Hilo;
- 3) Build relationships with our legislators and demonstrate to them our shared commitment and responsibility to ensure that UH Hilo thrives in terms of its economic impact and, more importantly, its core mission in advancing human development.

Many thanks,

Karen Pellegrin