1. Call to Order – 1:05 p.m.

2. Introduction: Accreditation Recommendation – Joanne

There are five recommendations that the college will need to address to meet the ACCJC Standards. All the recommendations hinge and refer back to Recommendation 2, which is “In order to meet the Standards, the College planning processes should be effectively communicated to all College constituencies and reviewed on an annual basis to ensure that resource allocation leads to program and institutional improvement.”

The college was also asked to address specific articles in the Standard for Recommendation 2, as follows:

I.B.4 The institution provides evidence that the planning process is broad-based, offers opportunities for input by appropriate constituencies, allocates necessary resources, and leads to improvement of institutional effectiveness.

I.B.6 The institution assures the effectiveness of its ongoing processes of planning and resource allocation by systematically reviewing and modifying, as appropriate, all parts of the cycle, including institutional and other research efforts.

In summary, the two main themes to focus on are process and transparency.

3. Planning and Assessment Integrated with Resource Allocation – Brian

Why budget? Our resources are declining and our needs are increasing. Estimating and matching expenses to revenue is the most useful tool to help us determine whether we have enough resources to:

- Fund current operations (or services)
- Expand operations (or services)
- Implement new operations (or services)
Cut operations (or services)

Why an integrated process? An integrated process leads to more transparency, greater campus-wide participation, increased communication with campus stakeholders and a more informed decision-making process. The first step is the Planning and Assessment Integrated with Resource Allocation Policy (PAIR). This policy provides the foundation for the framework of an integrated planning and allocation process that ties resource allocation to planning and assessment and fits within State and UH timelines. The next step is to develop the structural framework. The Participation in Decision-Making Policy and the Chancellor’s Advisory Council (CAC) policy provide the backbone to increasing campus participation and communication, and provide for input in the decision-making process. Step Three in The Cycle will have to be revised. The months will be taken off The Cycle and replaced with who is responsible. The Cycle will be accompanied by a Gantt chart timeline with specific dates as deadlines for tasks in The Cycle.

The Allocation Request and New Proposal Form (ARF) is a key component in documenting new funding requests from the college’s constituents and tracking it as it flows from the department chairs or unit heads, to CELTT, to the Deans and Vice Chancellors. The budget requests that will be considered must fall under the following categories:

- To resolve or mitigate an imminent health and safety need;
- To achieve a Strategic Plan Outcome or Performance Measure; and/or
- To make program improvements or adjustments as detailed in a completed Annual Report of Program Data (ARPD), Comprehensive Program Review (CPR), or Annual Report.

The form will ask to state the desired outcome and how the progress or achievement of the outcome is to be measured. Once the requests are made from the programs and departments, the department chairs and unit heads compile the requests and meet with their Dean to prioritize them. The Chancellor reviews the VC/Dean allocation priorities and submits final requests along with their priority ranking to the VCAS. The VCAS transmits the complete list of allocation requests to the four AGOs (Faculty Senate, Kalaualani, Staff Council and Student Congress). They review the list and rank the requests with a 0, low, middle, or high ranking, (numerically corresponding to 0, 1, 2, 3) and make recommendations as necessary. (They review it twice to ensure participation.) These are sent to the CAC who makes the final recommendation to the Chancellor. The Chancellor, with recommendations from his Administration, will determine the final allocation plan, including rationale for changes in priorities. The allocation plan is communicated back to the constituents and is implemented based on available funds. The Cycle is reviewed and evaluated as needed, and the process begins again.

The final piece of this proposal is the five-year budget projection plan. There will be a request to fill out FY2015 and FY2016 plans with the five-year budget projections. This is to show how the service or base budget that the departments and programs already receive will be allocated and indicate projected expenses that are not annual during the five-year period such as an accreditation fee.

Questions from the CAC:

How are priorities weighed? The AGOs will rank the requests and the CAC will consider the requests that have a 3.0 ranking. The CAC will prioritize the requests and make the final recommendations to the Chancellor.
Are the requests for capital or operating expenditures? These are one-time requests or recurring budget requests. How are requests for new positions made? Does the request need to be approved by the Legislature? An individual campus does not go to the Legislature for requests. The requests go to the UHCC system office. The Board of Regents (BOR) sends the requests to the Governor. The BOR requests funds aligned with the five pillars of the strategic plan. When new money comes in, the system processes the funds depending on how it relates to the five pillars.

Resources are decreasing. Instead of new funds, reallocation will be necessary. Are the requested funds coming from the general fund, tuition and fees or special funds? These funds will be from the tuition and fees fund. Eventually, it will include grant funds such as Perkins as well. The Legislature provides our general fund resources. The percentage of our budget that is from general funds is about 50%. The general fund amount has not increased. Positions are paid from the general fund. However, it covers only 80% of the college’s positions. The rest is paid with tuition and fees. Therefore, maintaining enrollment is important. If new positions are needed, this process will flesh out which positions are priorities.

How long does it take for a request to get to the Chancellor? The requests are made in December and the Chancellor will respond to the requests in May. The funds will be available for implementation July 1st. Professional fees (revolving and appropriated funds) received from areas such as culinary and nursing will eventually be phased into the budget.

The five-year budget plan is a process to identify expenses that happen annually or less frequently such as fees and accreditation. The FY2015 budget plans are for service and base budget items such as office supplies. The base budget amount won’t change unless enrollment drops.

Should we overestimate our budget? No, if there is a need to project out, the numbers should be realistic.

Why use 0, low, middle, high as a way to prioritize? Is there a rubric? The decisions the AGOs make and the reasoning behind the decisions is not stated. A section will be added to the form for optional comments by the AGOs. A suggestion was made that each AGO can develop its own system of rubrics. The Perkins Grant has its own rubrics.

**Action Step:** Brian requested that the CAC review the documents: PAIR Policy, CAC Charter, Participation Policy and ARF form. Brian will email the documents to those who attended the meeting to distribute to their constituents. Any comments or edits must be sent to Brian by Wednesday, March 12th.

For this year, we may need to shorten the timetable to begin implementation of the process.

CAC Accompanying Documents can be found on Quill
Go to (http://quill.kcc.hawaii.edu/page/home), select the “Governance: Shared and Participatory” site (http://quill.kcc.hawaii.edu/page/governance), click on the “Chancellor’s Advisory Council (CAC) formerly known as Policy, Planning and Assessment Council (PPAC)” link, log in to get to (http://quill.kcc.hawaii.edu/page/ppac.html).

Submitted by Joanne Whitaker
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