

College of Social Sciences  
Budget System  
Appendix I

The budget system is an equitable, open, and cooperative process that facilitates long-term planning and timely implementation. The process is designed to support college, department, and program development and to assure a balanced budget.

### **Budget Process**

The dean establishes an estimate of the college's allocation for the fiscal year with the actual allocation set by the Mānoa Chancellor. From the College allocation, four major expenses are covered: personnel, operating, phone, and development.

First, an allotment is set aside to cover salaries and stipends for permanent FTE and temporary personnel. Next, a sum is allocated to cover college and unit operating costs, and phone costs. Finally, allocations are made for college projects with the balance of the budget being allocated to the units according to the proportion of salary savings generated by the units.

#### **(1) PERSONNEL COSTS.**

These include salaries for faculty, APTs, and civil service staff and stipends for graduate assistants which are set by contractual agreements or BOR action. Temporary personnel include a variety of individuals who are on limited-term (non-tenure track) contracts, e.g., lecturers.

Lecturers serve a very important function for the college, teaching courses when faculty are on leave, resign, or retire. Whenever possible, though, all courses should be taught by the units' permanent faculty.

Lecturers typically are paid out of salary savings of each unit. The college will not fund lecturers to broaden a curriculum, but may fund lecturers to maintain a program's core curriculum or to fulfill extraordinary needs. In general, the college will fund lecturers only if the tuition revenue generated by the course taught by lecturer is equivalent to or greater than the cost of the lecturer. Based on current information available to the college the salary schedule for lecturers is listed below. This schedule is based on \$165 tuition revenue per 3 credits.

- *The salary schedule for lecturers (effective 08/01/08)*  
*Step A \$1,263/cr = \$1,263 x 3 cr = \$3,789/\$165 = 22 students*  
*Step B \$1,518/cr = \$1,518 x 3 cr = \$4,554/\$165 = 27 students*  
*Step C \$1,774/cr = \$1,774 x 3 cr = \$5,322/\$165 = 32 students*

If the revenue does not cover the cost of the lecturer, then the unit must cover the difference from its budget. In instances where the unit receives funds to support two or more courses, the aggregate total will be considered in determining whether or not the breakeven point is met. In certain cases (e.g., writing intensive or graduate courses) where the normal enrollment is below the breakeven point, the dean will determine whether the college will fund the course.

Lecturers funded from unit salary savings will be assigned as follows:\*

| <u>Salary Savings</u>  | <u>Cost of</u>                               |
|--|--|
| 6 mos sabbatical   | 0 lecturers                                  |
| 12 mos sabbatical  | 2 lecturers                                  |
| 6 mos full LWOP  | 2 lecturers                                  |
| 12 mos full LWOP   | 4 lecturers                                  |
| Long term leaves for assuming administrative appointments with the college, university and state | 4 lecturers per year                         |
| Resignation  | 4 lecturers for 1 year following resignation |
| Retirement   | 4 lecturers for 1 year following Retirement  |

(2) **OPERATING COSTS.**

**College:** These costs include the computer and media labs, repair and maintenance, and an emergency reserve fund. A sufficient fund will be set aside for computer repair and maintenance as well as for a standard schedule of computer and accessory replacement. Normal recruitment costs for new faculty are funded by the college. These include: 1. Local and national advertising; 2. Flyouts for two candidates at approximately \$1,500/candidate for airfare and per diem; 3. Basic relocations coverage will be \$3,000 plus one-way economy airfare to Hawai'i for the faculty member and her/his family. Additional charges will be on a case-by-case basis. 4. The college provides \$2,000 for a computer and printer; 5. For other start up costs, the college may assist units with a portion of the costs.

**Department/Program:** The actual amount of this fund is established by the dean in consultation with the chairs and directors in order to meet expected operating expenses as well as anticipated budgetary restrictions.

**Operating expenses include:**

- a. Student Help/Graders
- b. Supplies
- c. Institutional dues and subscriptions for departments/programs, not individual faculty
- d. Freight and delivery charges
- e. Postage
- f. Telephone, FAX, etc. (i.e., additional costs not covered by the college)
- g. Other current expenditures (e.g., newsletters, software, and honoraria)

**Unit Operating Allocation:** The operating allocation to each unit is based on the following criteria and weightings:

Criteria

Weighting

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\* These assignments are based on a 2+2 teaching load. If the load is more than 2+2, additional lecturers will be assigned. Two years of historical data must be provided to support every case for additional lecturers.

- |    |   |     |
|----|---|-----|
| 1. | Number of Student Semester Hours*                                       | .25 |
| 2. | Number of Undergraduate and Graduate Majors**                           | .25 |
| 3. | Faculty FTE, Instructional APT FTE, and other Teaching Personnel FTE*** | .50 |

\*The number of student semester hours for Writing Intensive and Oral Intensive courses are multiplied by a factor of 2. Each department is responsible for data gathering from the UH STAR data-matrix.

\*\*Number of Graduate Majors is multiplied by a factor of 1.5;

\*\*\*1.0 FTE lecturer is equivalent to 12 credit hours of teaching per academic year

The criteria data for each unit are based on STAR reports. It is the responsibility of the chair and director to assure that these data are correct. The minimum operating allocation is \$15,000. If unanticipated budgetary restrictions occur after allotments are made, allocations to each unit may be reduced by a proportioned amount.

(3) **TELEPHONES:** The allocation covers the costs for: (1) basic instrument, (2) data jack, (3) voice mail and (4) line cost only. Long distance phone charges are to be paid from unit operations. The college criteria for determining the allocation is:

- 1 phone for chair or director
- 1 phone per civil service or Admin Support (APT) FTE
- 1 phone office student assistant telephone (extension)
- 1 phone for fax machine
- 1 phone per faculty FTE & part-time faculty FTE
- 1 phone per Academic Support /Instructional APT
- 1 phone per four graduate teaching assistants
- 1 phone per four lecturers or room assigned to lecturers
- 1 phone per active emeritus faculty – or 1 phone per office if several emeriti faculty share the space

Additional phones and instrument upgrades are the responsibility of the department/program. Exceptions on a case-by-case basis are evaluated by the college.

Charges (as of August 2008) for a Basic Unit II phone

| <i>Item</i>                             | <i>cost/year</i> |
|---|------------------|
| Instrument, data jack, voice mail, line | \$288            |

For current information, the website is: <http://www.hawaii.edu/telecom/servicerates.html>

#### (4) **NEW DEVELOPMENT PROJECTS**

Funds will be set aside for new innovative development projects that support the mission of the college.

The dean, in consultation with the Council of Chairs and Directors, selects a college-wide project(s) that will be supported for the coming academic year. Projects will be in accord with the college's mission.

### **Return of Salary Savings**

Salary savings are returned to each unit in proportion to the salary saving generated by the unit. These funds are used by the units first for instructional purposes and clerical services so that the education of students is not compromised. Once these needs are met, the salary savings can be used for program development expenditures in keeping with the unit's Five Year Plan (2007-2012). Decisions with respect to these expenditures are made with full consultation of the unit faculty.

### **Distribution of Non-general and Non-tuition Funds**

Summer Session Revenues. Because Summer Session revenues are allocated to the College by the UHM Budget Office several months after the fiscal year begins, these funds are given one year in arrears, e.g. summer 2007 revenues are allocated in FY 08-09. A sum of \$200,000 from summer session revenues will be used to partially cover four faculty positions and \$25,000 to support the college's computer system. The remaining revenue will be allocated to units in proportion to the revenue generated by each unit. Any unit that goes into a deficit for the summer session will be restricted by this amount in the following year's general budget.

Research and Training Revolving Fund (RTRF). After salaries, fringe benefits, and administrative costs of the Social Science Research Institute (SSRI) are deducted, the net balance is distributed as follows: fifty percent of RTRF will be distributed to the unit and fifty percent to the college. The funds distributed to the units will be in proportion to the RTRF generated by the unit. In cases in which SSRI provides individual support for a Principal Investigator (PI) or project, the PI or unit will pay for this service. Since these funds are awarded late, the account ends 12/31/xx of the following fiscal year (e.g., funds awarded 10/01/08 expire 12/31/09).

### **Retirement Programs**

A unit normally would receive the equivalent of four (4) lecturers at level C for only one year past the vacancy for each retired faculty. However, the unit has the option to enter into an Incentive Early Retirement (IER) agreement with the faculty member after consultation with the dean. The cost of the IER will be covered by the college up to the equivalent of four instructional courses and/or instructional responsibilities. For example, a faculty member may wish to teach only two courses over the year on a 25% IER. In this case, the college will pay for the 25% IER plus costs for two additional lecturers at level C. Units are reminded that IERs are awarded on a year-to-year basis, depending on need and availability of funds.