I. University of Hawai’i Community Colleges Strategic Planning Policy Framework

II. Systemwide Financial Audit of the University of Hawai’i System: Phase II

III. University of Hawai’i Community Colleges Strategic Plan 2002-2010 Update

IV. University of Hawai’i Community Colleges Strategic Plan 2002-2010 Appendix A

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VI. Honolulu Community College Baseline Calculations

VII. Honolulu Community College Strategic Plan Outline

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IX. Honolulu Community College Planning Context
The University of Hawai‘i has undergone rapid change over the years. Such changes have contributed to the creation of an economic base that allowed increasingly large appropriations for public higher education, created a greater demand for educational services, yet at the same time created competing demands for the same resources the University needs, such as land, housing and transportation.

The problems left by the tremendous expansion we have already experienced, the needs and aspirations of the citizens of Hawai‘i, and the constraints on resources and time—all these require the University to develop explicit statement of priorities and an orderly and reasonable plan for its further growth. Not everything desired by the University can be accomplished and, certainly, not all at once. (Sept. 21, 1970; am: Oct. 18, 2002)

a. The following policy establishes a strategic planning process to ensure that the University engages in appropriate long-range planning.

(1) The Board will periodically approve a long-range plan referred to as the strategic or master plan.

(2) The strategic plan sets forth common system goals and planning principles and, as appropriate, system and unit-specific strategies to implement these goals. Together these articulate the priorities of the University of Hawai‘i system for the planning period.

(3) The President, in consultation with the Board, is responsible for updating the strategic plan at appropriate intervals, but at least every ten years. The process of updating the plan will include broad input from the University’s internal and external communities.

b. The President or his/her designee shall report to the Board at least once per year on accomplishments in carrying out the strategies and achieving the goals of the plan. (Ad: Oct. 18, 2002)

Section 4-3 Unit Academic Plans

a. This section establishes the policy for a mechanism for translating the system-wide mission and strategic plan and the unit mission statements into specific programmatic plans guiding the development of each institution and campus. The Board’s intent is to provide for detailed planning for each major unit that is consistent with the overall University mission and plan.

b. Unit academic plans are developed by the administration of each major unit with appropriate involvement of faculty, staff, students, and community members. A
summary of comments received must accompany the unit plan when submitted to the Board for approval.

c. Approval of Plans: Upon recommendation of the President, the Board of Regents approves in principle major unit academic plans for UH Manoa, UH Hilo, UH West O‘ahu and the UH Community Colleges. The UH Manoa academic plan contains brief planning statements for each major UHM college, school and institute. The UH Community College academic plan contains similar planning statements for each community college campus. Unit academic plans constitute a statement of general academic direction and priority for each of the four major organizational entities of the University of Hawai‘i system.

d. Subunit academic plans for each community college and for schools, colleges, institutes, and other major components of the baccalaureate campuses are developed by campus administrators, with appropriate involvement of faculty, staff, students, and the community and approved in principle by the President or the President's designee and made available to the Board for information. (Am: Oct. 18, 2002)

e. Together, the major unit academic plans and the subunit academic plans translate the broad directions contained in Board-approved mission statements and the comprehensive system plan into long-term academic program development, physical facilities development, biennium budget priorities, and policies and procedures that guide the ongoing operation of the University of Hawai‘i system.

f. It is delegated to the President to promulgate new and/or revised executive policy that carries out the intent of this Board policy and to periodically report to the Board on the status of academic plans. (Oct. 20, 1978; am: Apr. 18, 1997; am: Oct. 18, 2002)

g. Approved Academic Plans. The Office of the President maintains an updated list of approved major Unit academic plans and subunit academic plans. (Oct. 20, 1978; am: Apr. 18, 1997; am: Oct. 18, 2002)

UH Executive Policy

E4.201 - Integrated Long-Range Planning Framework

University of Hawai‘i planning links planning and budgeting, is responsive to its planning environment and diverse campus missions, involves collaborative processes, and is informed by relevant data and information.

1. Links Planning and Budgeting. A major objective of University planning is to ensure that planning results are considered and reflected as appropriate in budget priorities.

2. Responsive to the Planning Environment. Achieving shared directions and purposes that are responsive to significant local, regional,
national, and global trends and needs is critical to the success of the University's educational planning process.

3. Responsive to Diverse Campus Missions. Long-range planning within the University of Hawai‘i is tailored to the needs of a heterogeneous system of campuses. Differences in mission, size, stage of development, etc., mean that system policies and guidelines must be flexible, recognizing that one planning process will not fit all.

4. Collaborative Processes. A central objective of UH planning is broad participation of faculty, staff, students, and managers resulting in decentralized implementation within common parameters. Universities are distinctive for their collegial, open, and participatory management style. Planning in this setting is characterized by consultation and review that combine the best of bottom-up and top-down approaches.

Section II, C,

3. Unit Academic Plans. Like the system plan, these plans are also typically called strategic plans. The planning unit distinguishes these plans from the more comprehensive system plan. Unit academic plans are prepared for the four major Units of the UH system (Manoa, Hilo, West O'ahu, and the Community Colleges as one entity). Unit academic plans elaborate each Unit's special mission, unique internal and external circumstances, and strategies and priorities designed to implement the system plan. At Manoa, Hilo, and West O'ahu, these plans are the basis for physical facilities development.

4. Subunit Academic Plans. These plans are typically referred to as Academic Development Plans or ADPs. They are prepared for each UH Community College, the colleges, schools, and major institutes at UH Manoa, and other major campus and/or system academic entities or functions as deemed appropriate. These academic plans provide, at a finer level of detail, specific priorities and action strategies for implementing both the more comprehensive Unit and system plans. Academic plans guide the development of individual academic programs and are coordinated, as appropriate, with accreditation self studies. At the Community Colleges, they also guide the development of physical facilities.

UHCC Policy

UHCCP 4.101 Strategic Academic Planning

3. Strategic Planning Council

The process to develop an effective plan involves a partnership among students, faculty, and administrators from across the system to ensure that critical issues were identified, and that a mutual commitment to the accomplishment of shared goals and priorities is established. The community colleges Strategic Planning Council (SPC) is the primary body for assuring systemwide participation in the
UHCC strategic planning process. The membership of the SPC consists of the Chancellor, Faculty Senate Chair, and student government chair from each campus, and the Vice President and Associate Vice Presidents for the Community Colleges.

4. Responsibilities

The Vice President for Community Colleges shall have the responsibility to:

a. Convene the SPC on a periodic basis;

b. Bring to the attention of the members of the SPC assessments of internal operational issues and external community issues potentially impacting the community colleges;

c. Establish a format (Attachment 1) and process to guide the development of a published plan;

d. Work with the SPC to develop and publish a multi-year UHCC Strategic Plan for Board of Regents approval. The plan shall incorporate broad input from both internal and external constituencies;

e. Use the outcomes of the strategic planning process to set UHCC system goals and priorities that are reflected in program planning, budget planning and resource allocation decisions;

f. Periodically assess the UHCC progress toward the system goals and priorities in the currently approved Strategic Plan;

g. Approve campus multi-year academic plans, and

h. Assign staff to support the efficient functioning of the SPC.

5. Campus Academic Planning

Each campus, under the leadership of the respective Chancellor shall establish a strategic academic planning process, and within the scope of the campus mission, and UHCC system goals and priorities, prepare a multi-year strategic academic plan for submission to the VPCC.
Systemwide Financial Audit of the University of Hawaiʻi System: Phase II

A Report to the Governor and the Legislature of the State of Hawaiʻi

Conducted by
The Auditor
State of Hawai‘i and
Nishihama & Kishida, CPA’s, Inc.

Submitted by
THE AUDITOR
STATE OF HAWAI‘I

Report No. 07-08
December 2007
The University of Hawai‘i’s Current Strategic Plan Has Limited Value and Does Not Promote Accountability (pp 15-37)

Strategically focused institutions base fiscal decisions on a well defined mission and core values, and are more effective and efficient as a result. Strategic planning is the process of setting priorities and goals based on an entity’s mission and core values, and then defining strategies and actions to realize those goals. The resulting plan links the mission and strategic directions to fiscal decisions.

During our review of the University of Hawai‘i’s strategic planning process, we found that due to a lack of coordination, the current university system strategic plan and the campus level plans are not clearly aligned. And while the university system strategic plan builds on its mission and core values and provides a broad vision for the university, it does not provide the specific direction and action needed to achieve its goals. Furthermore, the university’s strategic plan is not formally assessed or adequately evaluated for progress. As a result, the university’s strategic plans have little practical value, leaving stakeholders unable to gauge the performance of the university in relation to the goals and objectives stated in the university system strategic plan, and prompting university reliance on other sources to support funding requests.

In Fall 2001, the university embarked on a systemwide strategic planning process. The University of Hawai‘i System (university system) is comprised of four main units—University of Hawai‘i at Mānoa, University of Hawai‘i at Hilo, University of Hawai‘i-West O‘ahu, and University of Hawai‘i Community Colleges (comprised of seven individual community college campuses and collectively referred to as the "community colleges system"). For planning purposes, a strategic plan was prepared for the university system as well as for each of its four main units. In addition, individual strategic plans were developed for each community college campus for a total of 12 strategic plans. The plans were intended to span the period from 2002-2010.

The university system and each of its campuses dedicated significant time and effort to developing their respective plans. To varying degrees, the campuses took steps that included creating planning committees, assessing capabilities, soliciting stakeholder input, setting goals, and developing action steps. The process ultimately produced strategic plans for the university system and each of its units. However, despite the university’s significant investment of resources into planning, the lack of coordination and guidance from the university system resulted in system and campus plans that are not clearly aligned and that lack key elements, making assessment difficult.

The university’s strategic planning process was not a well coordinated effort

The planning process was informally communicated by the university system to campus administrators in Fall 2001, under the tenure of the previous university president. As a result, many of the campuses, such as the community college system and Hilo campus, began the planning process in Fall 2001. However, it was not until February 2002 that the university system’s planning priorities and general planning guidelines including suggested templates for unit strategic plans were distributed. Unclear instructions from the start led to some campuses starting the planning process before others, and without
the benefit of planning priorities and guidelines. In fact, the community college system
had already completed a draft of its strategic plan when the university system issued its
guidelines in February 2002. A message on the cover of the Leeward Community
College (CC) campus plan from its chancellor states, “Our College had started earlier
than most campuses back in Summer 2001 to develop our Strategic Plan, and the
ending date of 2010 subsequently selected by the UH System . . . was not known until
we were fairly well advanced into our own strategic planning process.” As a result, the
Leeward CC strategic plan spans the period 2002-2007 and does not coincide with the
university system plan’s timeframe of 2002-2010.

System and campus plans are not clearly aligned, limiting overall value

A review of each campus’ goals demonstrates the impact of an uncoordinated planning
effort. The West-O‘ahu campus’ plan is the only main unit with goals clearly aligned with
those of the university system, while the Hilo campus’ plan goals do not match those of
the university system. The community college system goals do not match the university
system goals verbatim, but they do hold many of the same concepts. However, only four
out of seven community college campus plans demonstrate cohesion by sharing
identical goals with the community college system. Of the remaining community college
campuses, Kapi‘olani CC adopted goals that are a blend of the university system and
the community college system, while Leeward CC adopted goals that mirror neither the
university system nor the community college system strategic plans. Maui CC did not
adopt the community colleges system goals and instead chose goals identical to those
of the university system. The University of Hawai‘i Community Colleges associate vice
president for academic affairs explained that because of the reorganization of the
community college system, whereby each community college reported directly to the
university system office, Maui CC chose to adopt the university system goals in order to
demonstrate alignment. If the university system and community college system goals
were properly aligned, it would not be necessary for campuses to decide which system’s
goals fit its needs best, as they would be one and the same.

While goals need not be identical in order to be aligned, the inconsistencies demonstrate
the confusion and lack of coordination between the university system and the campuses
throughout the planning process. While efforts were made after the fact to coordinate the
unit plans with the university system strategic plan, the result was that unit goals did not
clearly support university system goals, making their achievement difficult.

The university system goals are broad enough (i.e., “educational effectiveness and
student success”) that the unit goals could fit under the umbrella of the plan goals.
However, to be useful a strategic plan needs to be more clearly aligned by establishing a
link to unit goals and defining how each campus will contribute toward accomplishing
those goals. Plan alignment should be clearly demonstrated through defined roles for
each campus. Furthermore, a strategic plan should provide direction through the use of
priorities and long-term and short-term goals which should help link the strategic plan
with the annual budget. Without these critical components, the university strategic plan
has limited value.

Strategic Finance: Planning and Budgeting for Boards, Chief Executives, and Finance
Officers, written by Kent Chabotar and published by the Association of Governing
Boards of Universities and Colleges, notes that
evaluating strategic planning efforts consist of two steps: first, identifying the specific strategic (or performance) indicators that effectively will measure how well the institution is accomplishing its stated objectives, and second, assessing whether the plan is on time and on budget.

However, our audit revealed that most of the university’s strategic plans do not have concrete and measurable objectives and indicators to assess their achievement. Moreover, there is no formal, systemwide mechanism in place to evaluate the progress of the strategic plans.

**Lacking specific objectives and performance indicators, progress of most campus and system plans are difficult to measure**

The various university strategic plans generally did not include measurable objectives and were inconsistent in incorporating performance indicators to assess progress. The Hilo and West-O‘ahu campuses’ and community college system’s strategic plans contain objectives that are vague or broad but do include performance indicators.

The use of measurable goals and performance indicators among community colleges varied greatly, with most (four of seven campuses) not including either. The Hawai‘i and Honolulu Community Colleges did develop some goals and outcomes that included measurable elements such as specific targets, deadlines, participants, and costs. Leeward CC did the best job of building accountability into its plan. While the goals and objectives are not necessarily measurable, each is accompanied with prioritized action plans that include assigned responsibility, specific tasks, timeframes, fiscal impact, and sources of funding.

**There is no formal, systemwide assessment of strategic plans**

Compounding the university’s deficiencies in performance indicators is the fact that currently there is no formal, coordinated process to evaluate the implementation of the university’s strategic plans. At the campus level, the community college system evaluates its plan as part of the annual budget preparation process. Statistical data is compiled and used to measure performance outcomes. The statistical data is then posted on the community college system’s website. However, the key performance indicators dated November 10, 2005, while more comprehensive than other units, were still incomplete. Certain performance indicators had incomplete or no data because the information was unavailable from the university system office. The report also lacked documentation of analysis, with no further explanation or conclusions on the data presented. And while the University of Hawai‘i Community Colleges associate vice president for academic affairs indicated that many of these questions and decisions are addressed during the annual review of the plan, he also agreed that there is a lack of formal documentation of this review process.

The university prepares a systemwide biennium report, *University of Hawai‘i: Measuring Our Progress*, which presents general measures of performance and benchmarks. Originally, the report was produced by the university as required by Act 161 of the 1995 legislative session, mandating that the university adopt and use benchmarks for the development of budget and tuition schedules and for the review of programs, and to report results to the Legislature in the second year of each fiscal biennium.
The introduction to *Measuring Our Progress 2006* states that the progress report “demonstrates the importance the University places on measuring the University’s progress on the goals of the University of Hawai‘i System Strategic Plan: Entering the University’s Second Century, 2002-2010.” However, we were unable to establish a meaningful relationship between the university system strategic plan goals and the performance measures and indicators presented in the biennial report. Furthermore, since measurable outcomes were never defined in the strategic plan, there was no way to determine whether desired outcomes were achieved. *Measuring Our Progress 2006* does provide general measures of performance at a given point in time or over time, and against benchmarks when applicable. However, it does not actually measure progress or indicate whether goals and objectives defined in the university system strategic plan were met.

We reviewed *Measuring Our Progress* and found it to be a compilation of various data and statistics that, although organized by strategic plan goals, did not specifically measure the university’s progress toward meeting its strategic goals and objectives. For example, under the system strategic goal of “educational effectiveness and student success,” the progress report includes a graph of the historical and projected enrollment, by unit, for the period of 1907 through 2012. While certainly interesting and relevant to the university as a whole, there is no apparent link between enrollment and measuring student success. There is no connection in the progress report with the goal’s objectives and action strategies as detailed in the university system strategic plan. Furthermore, the data provides no insight as to actual progress, simply by presenting historical and projected data. Unanswered questions include: *Is the trend/projection good or bad? Will projected enrollment meet expectations? What policy decisions has the university made to influence trends/projections?*

**Recommendations**

With respect to strategic planning the president of the University of Hawai‘i should:

1. Review all university strategic plans to determine their practical utility. This process could include determining whether the plans are used to guide operational decisions and support funding requests, goals, and objectives and whether progress towards goals and objectives can truly be measured. The president should further determine whether the existing plans are serving their intended purpose or should be revised;

2. Ensure that future planning efforts are well-coordinated, with clear and timely guidance provided by the university system to all units and campuses to ensure that their plans and strategies support that of the system. All plans should contain specific fundamental planning elements, including specific timelines, assignment of responsibility, associated costs and anticipated funding sources, and measurable goals and performance indicators. The president should also require university system approval of unit and campus plans to ensure that system planning guidance has been followed; and

3. Develop a systematic approach to periodically reevaluating strategic plans as well as measuring progress towards plan goals and objectives.
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   Appendix B: Strategic Outcomes and Performance Measures, 2008-2015
I. Introduction

This update contains the UHCC Strategic Outcomes and Performance Measures recently developed by the UHCC Strategic Planning Council and aligns them with the goals of the University of Hawai‘i (UH) and University of Hawai‘i Community Colleges (UHCC) System Strategic Plans 2002-2010.


During the 2007–08 academic year, the University community and its public revisited the strategic plan. Participants broadly affirmed our strategic goals and the values underlying our goals. They recommended we better differentiate system and campus roles, and establish clear and measurable outcomes to assess performance and progress. Participants agreed that articulating our plan in terms of the higher education needs of the state adds a valued dimension and reaffirms our University’s commitment to serving the state. Based on these recommendations, the University developed this companion piece to our plan which assigns strategic outcomes and performance measures to be accomplished by 2015. This update will guide the future priorities of the University and inform our budget planning process for the next three biennia.

Performance measures assigned to each strategic outcome demonstrate our willingness to be held accountable and enable us to effectively assess our progress. The goals we have set for 2015 are stretch goals, and challenge us to reinvent ourselves. We use quantitative measures to provide evidence of our efforts, but acknowledge that many of our core values—academic rigor and excellence, integrity and service, aloha and respect—while not addressed here, are central to our mission.

In light of the UH System initiative, the UHCC System Strategic Planning Council began to evaluate and propose UHCC System strategic outcomes and performance data that would conform to the UH System Strategic Outcomes and Performance Measures, 2008-2015. The Vice President for Community Colleges (VPCC) visited each college to review benchmarks, baseline data, and suggested performance targets. The colleges were asked to review the proposals and agree or suggest new targets. The Office of the VPCC (OVPC) compiled the responses and established UHCC System Strategic Outcomes and Performance Measures, 2008-2015. The alignment of these outcomes and measures with the goals of the UH and UHCC System Strategic Plans 2002-2010 is depicted at the top of the pages.

The Planning Context used for the Strategic Planning Council proceedings is contained in Appendix A. The complete set of Performance Measures is contained in Appendix B.

The monitoring of the progress and the achievement of these strategic outcomes and performance measures are essential to the future success of the State of Hawaii.
II. UHCC Strategic Outcomes and Performance Measures, 2008-2015

GOAL A: Educational Effectiveness and Student Success  
(UH System Strategic Plan 2002-2010)

GOAL A: Promote Learning & Teaching for Student Success  
(UHCC System Strategic Plan 2002-2010)

STRATEGIC OUTCOME:

A. Native Hawaiian Educational Attainment - Position the University of Hawai‘i as one of the world’s foremost indigenous-serving universities by supporting the access and success of Native Hawaiians.

Performance Measures

Increase Native Hawaiian enrollment by 3% per year (5,847 students by 2015) particularly in regions that are underserved.

Promote low-income Native Hawaiian student success and graduation by increasing: the overall financial aid participation rate by 1-13% per year to 2,101 students, the total amount of financial aid disbursed to $14,391,428, and the number of aid recipients making satisfactory financial aid progress by 2015.

Increase the number and percent of Native Hawaiian students enrolled in developmental intervention that successfully complete at least one course in the developmental sequence within their first academic year thus making progress towards degree applicable instruction.

Increase by 6-9% per year the number of Native Hawaiian students who successfully progress and graduate, or transfer to baccalaureate institutions, while maintaining the percentage of transfers who achieve a first year GPA of 2.0 or higher at the transfer institution.
B. Hawaii’s Educational Capital - Increase the educational capital of the state by increasing the participation and completion of students, particularly low-income students and those from underserved regions

**Performance Measures**

Increase enrollment to 27,943 students by 2015, particularly in regions and with groups who are underserved.

Promote low-income student success and graduation by increasing the Pell Grant participation rate to 38% by 2015; the total annual amount of Pell Grant disbursed to $17,829,873, and the number of aid recipients making financial aid satisfactory progress.

Increase the number and percent of students enrolled in developmental intervention that successfully complete at least one course in the developmental sequence within their first academic year thus making progress towards degree applicable instruction.

Increase CCSSE Benchmark percentile rank for Active and Collaborative Learning benchmark to among the top performing institutions.

Increase by 3% per year the number of students who successfully progress and graduate, or transfer to baccalaureate institutions, while maintaining the percentage of transfers who achieve a first year GPA of 2.0 or higher at the transfer institution.
GOAL B: A Learning, Research, and Service Network  
(UH Strategic Plan 2002-2010)

GOAL B: Functions as a Seamless State System  
(UHCC Strategic Plan 2002-2010)

STRATEGIC OUTCOME: Globally Competitive Workforce  
(UH/UHCC Strategic Outcomes and  

Address critical workforce shortages and prepare students for effective engagement and leadership in a global environment.

Performance Measures

Increase by 3% per year the number of degrees awarded, and/or transfers to UH baccalaureate programs that lead to occupations where there is a demonstrated state of Hawai‘i shortage of qualified workers, or where the average annual wage is at or above the U.S. average (2006=$38,651).

Contribute to meeting the State’s incumbent worker education goal by increasing enrollment of 25-49 years old in credit programs by 3% per year.

Increase by 6% per year degrees/certificates awarded in Science Technology, Engineering,  
and Math (STEM) fields.

Increase by 3% per year the number of individuals enrolled in non-credit certificates programs that lead to occupations where there is a demonstrated state of Hawai‘i shortage of qualified workers, and where the average wage is at or above the U.S. average.  ($38,651 YR2006).

Increase International student enrollment by 3% per year.
GOAL C: A Model Local, Regional, and Global University (UH System Strategic Plan 2002-2010)

GOAL C: Promote Workforce and Economic Development (UHCC System Strategic Plan 2002-2010)


Contribute to the state's economy and provide a solid return on its investment in higher education through research and training.

Performance Measure

Increase by 3% per year the level of extramural fund support expended (E&E).
GOAL D: Investment in Faculty, Staff, Students, and Their Environment
(UH System Strategic Plan 2002-2010)

GOAL D: Develop our Human Resources: Recruitment/Retention/Renewal
(UHCC System Strategic Plan 2002-2010)

STRATEGIC OUTCOME: Hawai‘i’s Educational Capital/Resources and Stewardship (UH/UHCC Strategic Outcomes and Performance Measures, 2008-2015):

Recognize and invest in human resources as the key to success and provide them with an inspiring work environment.

**Performance Measures**

Recruit, renew, and retain a qualified, effective, and diverse faculty, staff, and leadership.

Increase the number and diversity of programs offered to or in underserved regions by increasing the number and types of programs by at least one program every two years that can be completed through distance learning technologies.

Increase CCSSE Benchmark percentile rank for Support for Learners benchmark to among the top performing institutions. Research shows that services that target, support, and assist students with academic and career planning, academic skill development, and other issues affect both learning and retention.
GOAL E: Resources and Stewardship (UH System Strategic Plan 2002-2010)

GOAL E: Develop Sustainable Infrastructure for Student Learning (UHCC System Strategic Plan 2002-2010)

STRATEGIC OUTCOME: Resources and Stewardship (UH/UHCC Strategic Outcomes and Performance Measures, 2008-2015):

Acquire, allocate, and manage public and private revenue streams and exercise exemplary stewardship over all of the University’s resources, for a sustainable future.

Performance Measures

Build and/or acquire appropriate facilities to deliver educational programs and services in underserved regions of the State, and identify repairs and maintenance requirements to properly maintain the facilities.

Increase non-state revenue streams by 3-17% per year

Promote sustainability by making more efficient use of existing resources.

Develop and sustain an institutional environment that promotes transparency, and a culture of evidence that links institutional assessment, planning, resource acquisition, and resource allocation.
III. The Strategic Planning Process

The 2002 UH System reorganization, approved by the BOR in December 2002 and the Accrediting Commission for Community and Junior Colleges (ACCJC) through its Substantive Change approval process in April 2003, resulted in the creation of a Council of Chancellors reporting directly to the President. The Council included the chancellors of each of the ten individual campuses within the UH system. The reorganization also eliminated the Office of the Senior Vice President and Chancellor for Community Colleges and reassigned the support functions of the office to various UH system-level vice presidential offices and to the community colleges.

A series of reports detailing various aspects of the implementation of the reorganization to ACCJC were followed by site visits from the Commission. As a result of that process, it became increasingly clear that the new organization presented significant challenges in the colleges’ ability to continue to meet the ACCJC standards in a number of areas.

Following a review of several alternative organizational models and discussion and consultation, the BOR, on June 21, 2005, approved a reorganization of the University of Hawai‘i system-wide administration. Key elements of the reorganization included:

a. The creation of a new position of Vice President for Community Colleges (VPCC) within the University of Hawai‘i system organization. The Vice President is responsible for executive leadership, policy decision-making, resource allocation, development of appropriate support services for the seven-community college system, governance and advocacy for the community colleges.

b. Reconsolidation of the academic and administrative support units for the community colleges under associate vice presidents for community colleges.

In June 2005, the Board of Regents (BOR) approved a system level reorganization of the Community colleges. The purpose of the reorganization was to establish a new organizational infrastructure for the University of Hawai‘i system of community colleges while retaining the integrity of the individually accredited colleges.

A dual reporting relationship was approved, whereby the community college chancellors report to the new Vice President for Community Colleges (VPCC) for leadership and coordination of the community college matters, and concurrently report to the President for University system wide policymaking and decisions impacting the campus.

The University of Hawai‘i Community College (UHCC) System under the leadership of the VPCC has used the strategic planning process to establish a focus on critical issues affecting the colleges and the State and to set budget priorities. It is a process that allows for implementation of a unified approach in the development of budget requests for both the University of Hawai‘i (UH) system and legislative consideration. The process is increasingly important as the State moved to a single appropriation for all community colleges and ACCJC adopted standards calling for the integration of planning, budgeting, and assessment process for both the UHCC system and the colleges.
In 2006, UHCC codified the strategic planning process in policy (4.101 Strategic Academic Planning). Consistent with good practice, the UHCC system has regularly monitored progress toward meeting established outcomes, updated assessment of the internal and external environments, and modified priorities as necessary to reflect changing conditions prior to the development of each biennial budget request. When planning the preparation for the 2010-2011 Biennium Budget process, it became apparent that UHCC needed to do more than just reaffirm the existing UHCC 2002-2010 Strategic Plan as that plan expires before the start of the last year of the biennium. At the same time, the UH System was completing a Strategic Plan Update which identified a number of statewide issues that needed to be addressed.

Per UHCC Policy 4.101 Strategic Academic Planning the VPCC convened the UHCC Strategic Planning Council in spring 2007. Meeting notes and materials may be found at UHCC Strategic Planning Council website. The Planning Council’s work brought UHCC and College strategic plans into alignment with the UH System Strategic Plan 2002-2010, updated the issues that needed to be addressed, stated desired strategic outcomes and performance measures, and extended the life of the UHCC System 2002-2010 Strategic Plan through 2015. The Planning Council developed consensus around a set of issues and outcomes within the framework of the UH System Strategic Plan 2002-2010 major goals and planned strategic outcomes that are relevant to the UHCC System. Additionally, the council developed specific performance measures for the UHCC System. The Planning Council’s work was complemented by the work of the UH Office of the Vice President for Academic Planning and Policy which in the 2007-2008 academic year revisited the UH System Strategic Plan 2002-2010 adding Strategic Outcomes and Performance Measures to the existing goals.

In spring 2008, the Planning Council began to evaluate and propose performance data that contributes to the UH System Strategic Outcomes and Performance Measures, 2008-2015 (http://www.hawaii.edu/ovppp/uhplan/SOPM.pdf). The VPCC visited each college to review benchmarks, baseline data, and suggested performance targets. The colleges were asked to review the proposals and agree to the proposals or suggest new targets. The OVPCC compiled the college responses and established UHCC System Strategic Outcomes and Performance Measures, 2008-2015. Each college is starting from a different point, has a different set of resources, and has a different capacity - all of which were taken into account.
The membership of the UHCC Strategic Planning Council consists of the Chancellor, Faculty Senate Chair, and student government chair from each campus, and the Vice President and Associate Vice Presidents for the Community Colleges.

The members are:

**Hawai‘i CC**
- Rockne Freitas, Chancellor
- Ellen Okuma Senate Chair
- Antoinette Wilson, ASUH-HAW

**Honolulu CC**
- Ramsey Pedersen, Chancellor
- Jim Poole, Senate Chair
- Mary-Jane Militante, ASUH-HCC

**Kapiolani CC**
- Leon Richards, Chancellor
- Harry Davisi, Senate Chair
- Liana Hofschneider, ASKCC

**Kauai CC**
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- Helen Cox, Chancellor,
- Nancy Bushnell, Senate Chair
- Adrian Corpus, ASUH-KCC

**Leeward CC**
- Manny Cabral, Chancellor
- Linda Currivan, Senate Chair
- Heather Bach, Student Council,

**Maui CC**
- Clyde Sakamoto, Chancellor
- Michele Katsutani, Senate Chair
- Amina Abdusamad, ASMCC

**Windward CC**
- Angela Meixell, Chancellor
- Libby Young, Senate Chair
- Alicia Kalahiki, ASUH-WCC

**OVPCC**
- Michael Rota, Associate VP Academic Affairs
- Michael Unebasami, Associate VP Administrative Affairs

Responsibilities for members may be found within the policy [UHCCP 4.101](#)
THE HAWAI`I PLANNING CONTEXT

SIGNIFICANT EXTERNAL ISSUES

GLOBAL AND NATIONAL ISSUES

Major global and national trends of particular relevance to the UH Community Colleges are noted below:

- **Economic** - The world economy is becoming more international and interrelated. The historic focus on local or national economies appears to be overtaken by the advantages of technology, human resource management, and resource strategy in the global economy. Consumers now insist on products that are low cost, high quality, and innovative, whether from China, Europe, the United States, or Mexico. The net result of this powerful transformation is that the United States industry and business are de-layering, restructuring, retraining employees, and teaching them new skills as well as basic math, science, reading, and critical thinking to improve productivity and total quality.

There is a growing world-wide concern about the effects of human activity on the phenomena of “global warming,” and the steps that need to be taken to reduce the production of carbon dioxide. It is expected that any actions taken to deal with these complex issues will increase the cost of fossil fuels. This will likely drive issues of education and training as people and organizations develop processes designed to promote conservation and sustainability of limited resources.

- **Social** - There are continuing challenges from changes in the nature of the U.S. society. The traditional family of a working husband, a wife at home, and two children now represents only 6% of the U.S. families. The rise of the single parent family, poverty among children, teenage pregnancy, crime, and the growth of an underclass are strong social forces requiring attention by government, the private sector, postsecondary education, and citizens.

- **Political** – The federal budget deficit, including the unbudgeted costs of the war in Iraq and the anticipated expenditures for Medicare and Social Security due to the aging of the population, will constrain future expenditures for non-defense and other entitlement programs. There will be declining federal support for programs related to education and training, and a greater emphasis on accountability for specific program outcomes. This will require the establishment of new resource allocation and accountability processes to demonstrate effectiveness, and the development of new sources of financial support, including user fees and private giving.

- **Educational** – Education is increasingly recognized as a driver of economic development. Profound changes in the education levels of the Organization for Economic Co-operation and Development (OECD) member countries are causing a reexamination of the fundamental nature of education in the U.S. The
leadership of this country has placed increasing emphasis upon the quality and effectiveness of education. The business community has experienced the need to participate in the preparation of students for jobs and careers. Means of success and excellence of students are shifting toward the ability to self-manage and deal with change; rather than resting on past laurels, continuous improvement of the education system is needed to maintain global leadership in education, and multi-cultural education has become a necessity for our students to compete in both the global environment and the increasingly culturally diverse U.S.

- **Technological** - In addition to a shift from an industrial economy to a postindustrial services oriented economy, the U.S. is placing increasing emphasis on the use of telecommunications and Internet technologies in all sectors of the economy. The quest for global competitiveness will focus on the effectiveness of U.S. to enhance research and development and the rapid application of state-of-the-art technology. The deployment of broadband Internet access has made massive information and education resources available on demand almost anywhere in the world. In addition, it has created a substantial demand for employees with technical skills.

**STATE AND LOCAL ISSUES**

UHCC must be attentive and responsive to major issues that will affect the nature of who we serve, the type of programs and services we deliver, and sources of support necessary to acquire the resources we need to serve the people of Hawai‘i.

- **Economic** - Major changes in Hawai‘i’s economy and workplace have resulted in a transformation in the kind of skills and knowledge one needs to be successful. Employment conditions today require skills which are in many cases not evident in today’s island labor market.

In today’s economy, plantation agriculture has declined significantly in terms of acreage, production, and economic value (Figure 1). In contrast, visitor expenditures grew from $2.875 billion in 1980 to $10.862 billion in 2004 (State Data Book 2006).

The spectacular increase in visitor expenditures has transformed the Hawai‘i labor market. Service industry job growth has been dramatic. Employment in services has grown from 48,310 in 1970 to 364,800 in 2006 (38% of the total jobs in the state), and wholesale and retail trade employment has grown from 61,044 to 134,800. During this same period, agricultural employment increased slightly from 12,572 to 15,600. In 1970, agriculture jobs comprised 4.4% of the civilian workforce, but has declined to just 1.6% of the workforce in 2006 (EMSI, June 2007).
It is important to note that while Hawai‘i’s major growth sector since 1970 has been the Service Industry, many of the jobs produced during that period required individuals with significant specialized education and training beyond high school. These jobs included: professionals such as those in health, education, and technical fields; managers and administrators; clerical and administrative support specialists; audit and financial specialists; etc. In addition, between 1969 and 2005, self employment grew from 47,000 to about 88,000 10% of the Hawai‘i workforce.

According to the State Department of Business, Economic Development, and Tourism (DBEDT), Hawaii is facing serious structural changes in both its economy and workforce that threaten the long-term standard of living in the region. Research to date has identified four major structural limits that have trapped Hawaii in a low-wage, low skilled economy. These include: (1) a Job Quality Gap, (2) a Worker Supply Gap, (3) a Worker Preparation Gap, and (4) a Poorly Performing Educational Pipeline.

Hawaii’s job quality gap is a result of higher-value jobs in sugar, pineapple, and manufacturing being replaced over the last 35 years by a lower-paying, tourism-related service sector. Consequently, Hawai‘i’s per capita personal income fell from 124% of the U.S. in 1970 to 95% of the U.S. in 2000. Adjusting for higher price-levels in island economies such as Hawai‘i’s, our per-capita income is probably closer to 75% of the U.S. average in terms of purchasing power. This, coupled with the tendency of sectors such as retailing and food service to offer mostly part-time, low-wage jobs, has tended to trap Hawaii in a predominantly low-wage, low skilled region.

In its 2003 Development Report Card, the Corporation for Enterprise Development (CED) ranked the Hawaii region: 43rd in the nation for growth in average pay; 47th in industrial diversification, 49th in home ownership, 50th in long-term employment growth and 50th in involuntary part-time employment. These trends must be reversed by revitalizing the capacity of our business and entrepreneurial sectors to generate new, high-valued goods and services and higher-skilled jobs. The stark alternative is increasingly losing our highly educated youth to other regions and the stagnation of our standard of living.

As with other regions in the country, Hawaii is experiencing the beginning of a long-term worker supply gap as the baby boom generation begins to leave the labor market. However, ours’ we believe is more intense due to the significant “brain drain” of younger workers to the U.S. mainland and to Asia. Currently, only about 10,000 to 12,000 youth (Figure 2) are completing school and eligible to enter our labor market per year; a number that is projected to decline through 2016. Economic Modeling Specialists, Inc. (EMSI) has projected that through 2017, approximately 28,000 job openings per year will occur.
Most of that demand will be in occupations requiring more education than high school, thus creating a new worker supply gap. This gap is expected to widen after 2012 as the baby boom begins to reach full retirement age. Unless addressed, the combination of an overall labor shortage and out-migration of educated youth (brain drain) is expected to create a crisis in the Hawaii regional economy within the next five to ten years.

In addition to the problems of quality of jobs and worker shortage, Hawaii suffers from a worker preparation gap. Simply put, the region is not preparing its youth for the types of higher-skilled jobs that we intend to develop in the region and that are necessary to meet global competition. While we prepare a sufficient number of individuals with baccalaureate degrees, they are not in fields where we have persistent and growing needs such as education, nursing, electrical engineering, and health sciences. When we look at the workplace demand for individuals with vocational certificates and two-year technical degrees, the gap between demand and supply (Figure 3) highlights a need to increase degree production in a number of fields. Getting a sufficient number of qualified students to enter and complete these programs is a potential barrier to the future success as a state.

In addition to preparing individuals with vocational certificates and two-year technical degrees, there are more than 6,000 jobs to be filled annually that require either a degree plus work experience, moderate-term, or long-term on the job training, including: skilled construction workers, police and fire fighters, first-line supervisors, restaurant cooks, tour guides, sales representatives, bookkeeping clerks, bus and truck drivers, etc. Many of the individuals seeking to fill these jobs participate in established non-credit education and training opportunities such as those offered through community colleges.

According to the National Center for Educational Statistics (NCES) Hawaii’s averaged graduation rate for high school freshmen (2002-2003) is about 71% compared to a national average of 74%. NCES and Census data for 2000 show that only 38% of high school freshmen in the region will enroll in post-secondary education within four years compared with 52% among the top states in this category. The first year community college drop out rate in the Hawaii region is nearly 20 percentage points higher than top states. Only 46% of Hawaii college students will complete a bachelor’s degree within 6 years compared with 64% in top states. These trends can be reversed, but only by addressing the root causes -- inadequate preparation at the high school level and lack of employer incentives for incumbent worker education.

- **Population** - The 2000 U.S. Census shows Hawaii’s population has grown to 1.21 million — up 9.3% over 1990 despite the state’s sluggish economy during much of the decade.
Growth on O'ahu, where 876,156 people live, was less than 5%; the Big Island remained the second most-populated county in the state, with 148,677 residents, an increase of nearly 24%; Maui County's population grew almost 28%, to 128,094 residents; On Kaua‘i, the Census counted 58,463 residents, an increase of more than 14%.

More than 21% of the population now identify themselves with two or more ethnic groups, the highest percentage in the country; almost a quarter of the state reported at least some Native Hawaiian ancestry, and 58% of the state's population reported being at least part Asian. About 39% of the state reported some white ancestry.

The state's population is expected to continue to grow and become more diverse; however, there are two trends that are cause for concern. The first is the aging of the population and the impact on the workforce and health care services. In the decade following statehood, there was significant growth in the economy resulting in thousands of individuals being employed in both the public and private sectors. Most of those individuals are expected to leave the work force within the next decade. This exodus will have the biggest impact on those industries that are dependent upon individuals with significant technical and professional education. These include (Figure 4) production, installation, maintenance, and repair; education and training; healthcare; management and finance; construction; etc.

The second trend that is a cause for concern is the exodus from the state of the skilled core of the population, those aged 30 to 64. Hawai‘i has built its current economy on our ability to import labor from around the world and the U.S. mainland. Since 1852, with the arrival of the first Chinese laborers, successive waves of immigrants have been key contributors to the success of the state’s agriculture and tourist-oriented economy. However, the growing gap between the cost of housing and the wage structure in the state is causing a key component of a vibrant workforce, the skilled mid-career worker, to leave the state.
While the data indicate that Hawai’i is still able to attract individuals aged 18 to 29 into the state, the same data show Hawai’i as a net exporter of individuals aged 30 to 64. As a consequence there is a projected decline in the total state population aged 35 to 54 (Figure 5).

Replacing these skilled workers will require increased training opportunities for the current workforce so they can be prepared to fill in behind those individuals leaving the workforce and the state. It is projected that Hawai’i will need nearly 2,500 individuals with either vocational certificates or technical associate degrees to enter the workforce annually through the year 2017, to meet both growth in the economy and to replace individuals who are expected to leave the workforce. Currently public and private postsecondary institutions award approximately 1,900 such degrees annually, a shortfall of approximately 600 individuals. Unfortunately, there has been a decline in the number of Career Technical Education (CTE) majors since 1999.

**Education** - Improving the quality of public K-12 education is still one of the top issues of community concern. While a number of efforts have been initiated, such as school-community based governance, charter schools, student performance standards, student assessment, etc., national measures of student performance have significantly lagged behind community and employer expectations.

The lack of worker preparation and the absence of more high-paying, high skilled jobs in the regional economy are linked to a poorly performing education to work pipeline. A pipeline that fails to ensure an adequate supply of educated and trained workers, the base upon which a growing economy can be built. At every point of the education-to-work process, Hawaii under performs the national average and substantially under performs the leading states. For example, based on 2004 data (National Center for Public Policy and Higher Education), only 13% of 9th graders will finish high school and graduate from a postsecondary institution within 150% of the expected time. This compares with 18% nationally and 29% for the best performing states. Beyond the school-aged youth, the Hawaii region is not directing a sufficient number of incumbent workers back into post-secondary training to build their skills and earning potential. In 2006, only 3.6% of adults aged 25 to 44 were enrolled in a post-secondary education program compared with 5.1% for the top ten performing states. In order for the economic transformation needed for the Hawaii region to occur, this leaky pipeline must be patched.

A recent national state-by-state assessment, Measuring Up 2006, reported (Figure 6) that while we have high school graduation rates that mirror the top performing states, students’ academic performance fall well behind the leaders. The result is, a great many adults need to improve their basic literacy skills to be successful either continuing their education, or in the changing Hawai’i workplace. The following are the highlights of the Hawai’i report:
• **Preparation.** A very high percentage of Hawaii’s young adults earn a high school diploma or a General Education Development (GED) diploma by age 24. However, Eighth graders in Hawaii perform very poorly on national assessments in math, science, reading, and writing, indicating that they are not well prepared to succeed in challenging high school courses. Hawaii is among the lowest-performing states in science and reading. Low-income 8th graders perform very poorly on national assessments in math.

they are not well prepared to succeed in challenging high school courses. Hawaii is among the lowest-performing states in science and reading. Low-income 8th graders perform very poorly on national assessments in math.

• **Participation.** The chance of Hawaii high school students enrolling in college by age 19 is low, because few students graduate from high school and enroll in college. The chance of enrolling in college by age 19 has declined by 28%—the steepest decline among the states on this measure. The state’s decline is due to a decrease in the percentage of students graduating from high school, and a drop in the percentage of graduates going on to college.

A fairly small percentage of working age adults (ages 25 to 49) are enrolled part-time in college-level education or training.

The state’s population is projected to grow by 11% from 2005 to 2020, below the national rate of 14%. During approximately the same period, the number of high school graduates is projected to decrease by 8%.

In Hawaii, 340 more students are leaving the state than are entering to attend college. About 31% of Hawaii high school graduates who go to college attend college out of state.

• **Affordability.** Hawaii has held the line on the share of family income, after financial aid, needed to attend its public two-year colleges, making it one of the best performing states in this area. The state’s investment in need based financial aid is very low when compared with top-performing states. However, Hawaii offers low-priced college opportunities.

• **Completion.** Large percentages of first-year students in community colleges and four-year colleges and universities return for their second year. Only a fair percentage (47%) of first time, full-time college students complete a bachelor’s degree within six years of entering college. Over the past seven years, the percentage of first-time, full-time college students earning a bachelor’s degree within six years of enrolling in college has declined, in contrast to a nationwide increase of 6%.

During the past 12 years, however, the proportion of students completing certificates and degrees relative to the number enrolled has increased substantially (by 26%).
• **Learning.** Hawaii’s underperformance in educating its young population could limit the state’s access to a competitive workforce and weaken its economy over time. As the well-educated baby boomer generation begins to retire, the young population that will replace it does not appear prepared educationally to maintain or enhance the state’s position in a global economy. Hawaii continues to fall behind in graduating 9th graders from high school within four years and enrolling them in college by age 19—and these rates have dropped by double digits since the early 1990s.

The need for adults to improve their basic literacy skills is evident from the entering student placement data summarized in Figure 7. All new UHCC students (approximately 5,000 individuals) are expected to take placements tests in mathematics and English. On the basis of their performance, students are eligible to enroll in either remedial, developmental, or baccalaureate level mathematics and/or English classes. In addition, placement levels also serve as prerequisites for other selected courses or programs.

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**Figure 7**

**Fall 2007 Recent High School Graduates**

**COMPASS Test Takers**

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<thead>
<tr>
<th></th>
<th>Reading</th>
<th>Writing</th>
<th>Math</th>
</tr>
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<tbody>
<tr>
<td>0%</td>
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<tr>
<td>100%</td>
<td>49%</td>
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<td>16%</td>
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Legend:
- **Basic**
- **Developmental**
- **Transfer**
Decline in the UHCC “Going Rate” - Over the past decade there have been significant changes in Hawai`i’s economy and employers’ expectations regarding what constitutes a qualified worker; a change in the mix of low-skilled and high-skilled job, resulting in an increase in the number of technical, professional and managerial jobs in the state; and increased availability of new education and training opportunities developed in response to these changes. However, there has been a decline in the student “Going Rate” from the public high schools to the Community Colleges (figure 8). Given the increasing connection between post high school education and training and success in the workplace, this trend, if it continues, will make it increasingly difficult to employ a qualified workforce.

Emerging Opportunities - The Hawai`i region has an abundance of unique and competitive natural resources, the basis on which new, high-valued innovation- and knowledge-intensive industries can be developed and sustained. To successfully capture these opportunities, investment in developing a higher-skilled workforce is required. As detailed by DBEDT, the Hawai`i region has targeted five major emerging growth sectors:

⇒ Life Sciences/ Biotechnology, particularly in communicable tropical and infectious diseases and health and wellness issues for the Asia and Pacific region;
⇒ Information Technology, leveraging investments already made in Hawaii’s fiber-optic and satellite communications infrastructure;
⇒ Film and Digital Media, exploiting Hawai`i’s trans-Pacific location and emergence as one of Hollywood’s preferred “back lots”;
⇒ Dual-use technologies, leveraging significant R&D investments being made by the defense sector in Hawaii, and
⇒ Diversified Agriculture, based on remnants of Hawaii’s plantation agriculture. In addition, real short-term opportunities exist in ocean and marine science and biotechnology; alternative energy, including renewable-to-hydrogen, development; and astronomy/space-related research.

Hawai`i also has the opportunity to fuse more innovation, knowledge-intensive tools and technology with its traditional sectors, tourism and agriculture. The challenge for Hawai`i’s tourism sector is to innovate and upgrade and improve its products against new international competitors. Traditional travel and leisure is giving way to the demand, especially among the “boomer” and “Gen-X” travelers, for more contemporary and technologically “connected” experience. The U.S. travel and hospitality industry is only as of late beginning to adopt technology.
SIGNIFICANT INTERNAL ISSUES

PROGRAM DEMAND

Major global and national trends of particular relevance to the UH Community Colleges are noted below:

- **Credit Enrollment** – Between 1994 and 2000, severe budget cuts resulted in fewer opportunities for students to take classes if they entered the community colleges and enrollment dropped to less than 24,000 students in 2000. Significant factors contributing to this decline included limited class offerings due to budget limitations and changes in welfare regulations that forced many individuals to work rather than continue their education. One consequence of this decline in enrollment was a subsequent reduction of graduates in technical fields. This reduction likely has contributed to worker shortages in a growing number of fields. In 2006, the Legislature appropriated funds to allow the colleges to increase their course offerings to promote increased enrollment. Fall 2008 enrollment grew by nearly 3,200 students over the fall 2006 enrollment. Between 2000 and 2008, enrollment grew about 20% to 28,500 (Figure 9).

- **Student Majors** - Since the community colleges were established in 1964 by transferring the DOE technical schools to the University, preparing individuals for employment in technical fields has been a major mission. However, for more than a decade there has been a decline in the number of students pursuing degrees and certificates in career and technical education (CTE) programs (fig. 10). This has contributed to the growing shortage of qualified workers, particularly considering the likelihood of significant retirements in critical fields highlighted in Figure 4 above.
• **Non-Credit Registrations** – The Continuing Education and Training programs are organized to offer non-credit classes and programs that allow individuals to improve their work-related skills and knowledge. This is a particularly important function given the major changes that are taking place in the Hawai`i workplace. Non-credit student registrations had some decline in the mid-1990s as more private sector training providers entered the Hawai`i market, particularly in the computers and computer software areas, and the slowdown in construction that resulted in fewer apprentice enrollments. While non-credit registration was over 71,000 in AY 2000, they have shown a steady decline to about 42,000 in AY 2007 (fig. 11). One factor contributing to this decline has been Hawai`i’s low unemployment rate that has made it difficult for working adults to make time available to participate in education and training. The Community Colleges account for about 54% of the total University non-credit registrations.

![Figure 11 Non-Credit Registrations](image)

Source: MAPS

• **Student Attendance Status** – As many of our students are working adults with family obligations, we have had a growing number of part-time students. The proportion of part-time students showed steady growth through 2005 when it reached 60.6% of the total enrollment (fig.12). This proportion is now comparable to the U.S. average for community colleges.

![Figure 12 Student Attendance Status](image)

Source: MAPS Fall Enrollment Report
NCES Educational Statistics Table 179. Most recent report
OPERATIONAL EFFICIENCY

- **SSH per FTE Faculty** - The ratio of Student Semester Hours (SSH) to FTE Faculty (fig. 13), which increased steadily in both General Pre Professional (GPP) and CTE programs in the early 1990s in response to significant resource restrictions, has shown a downward drift since 1997, particularly in the CTE area. In fall 2004, the SSH per FTE CTE faculty stood at 171 a decline of 12%, while the SSH per FTE GPP faculty was 299, a decline of 9%.

- **Percent of Small Classes** - The percent of small classes (less than 10 students) has been an issue for the CTE programs. While the percent of small classes in the GPP has generally been less than 5% of the classes taught in the fall semester, it has been close to 15% in CTE classes over the past decade. Part of this may be attributed to the downward trend in CTE enrollment, especially the number of CTE students who persist into the second year where most of the low enrolled classes are found.

- **Average Class Size** – Average class size is a traditional measure that provides a general indicator of institutional efficiency. Increased class enrollment ceilings in selected classes and programs have allowed more student registrations in fewer classes, thus increasing average class size in our CTE programs. Between fall 1991 and fall 1998, average class size in CTE programs increased from 16 to 18 (12.5%), and in GPP courses from 22 to 25 (13.6%). Average class size has declined 8% in GPP courses since 1998 (Figure 14). Part of this decline was the effect of the most recent faculty collective bargaining agreement that reduced the normal teaching assignment from 30 semester hours per year to 27. In fall 2005, the average class size GPP classes was 23 and for CTE classes was 18.
PROGRAM OUTCOMES

- **Student Ethnicity** – It has been a system goal of the Community Colleges to provide access to individuals previously under-represented in higher education. In Hawai‘i, that has included Hawaiians and Filipinos. A concerted effort in dealing with identifying and removing barriers to minority student enrollment, retention and success in the late 1980s appears to be having success. Between 1996 and 2006, Hawaiian student enrollment increased significantly (Figure 15). Hawaiian and Filipino students now represent the largest ethnic groups in the Community Colleges.

- **Degrees Awarded** – Given relatively flat student enrollment between 1997 and 2007, the total number of degrees awarded has also grown slowly (Figure 16). This growth has been limited to Associate in Arts degrees (8%). There has been a decline in CTE focused Certificates of Achievement (-20%) and Certificates of Completion (-9%), an outcome that reflects the decline in CTE majors. Continued declining enrollment and degree completion in CTE programs are potential barriers to our future success as a state.

While there has been success over the past decade in increasing the enrollment of Native Hawaiian students, there has not been a similar increase in the rate of graduation. Figure 17 highlights the success gap between Native Hawaiian students and other ethnic groups enrolled in the community colleges. The UHCC Achieving the Dream Initiative addresses closing the graduation gap between Native Hawaiian students and other students.

**Figure 15**
Enrollment by Ethnicity

**Figure 16**
Degrees/ Certificates Awarded

Source: MAPS Fall Enrollment Report

Source MAPS Degrees, Diplomas, & Certificates Earned for year ending
CA = Certificate Achievement CC= Certificate Completion
• **Students Transferring** – A major mission of the community colleges is to prepare students for transfer to baccalaureate level programs. The ability of students to transfer smoothly within the UH system is well established in Board of Regents and UH Executive policies. Increasing the flow of students between the community colleges and the UH baccalaureate colleges and their future success is a strategic priority within the UH and the UHCC.

Each year community college students leave the community colleges and transfer to other post-secondary institutions both within the state and on the mainland as reported through National Student Clearinghouse (NSC) data (the number is understated, as Hawai‘i’s largest private institution does not currently participate in the NSC). Figure 18 displays student enrollment patterns three years after leaving. Transfers to other UH community colleges continues to be the largest with transfers to UH 4-yr institutions second.
ORGANIZATIONAL AND FINANCIAL ISSUES

- **Staffing and Organization** - Between FY 1998 and FY 2008, total UHCC General funded staffing increased from 1,479.25 to 1,771.00 full time equivalent FTE positions, an increase of 19.7%. This increase occurred at the community college campuses; authorized positions for UHCC system administration decreased by 11.0%, from 40.75 to 36.25 FTE.

Along with the State, a major issue facing our colleges is the aging of our workforce and the need to be prepared to replace a significant number of faculty and executive personnel who are reaching retirement age. A recent report indicated that more than 20% of UHCC faculty will be eligible to retire beginning in 2008 (Figure 19). While retirement is an individual decision, it is anticipated that once the current faculty collective bargaining agreement is completed that there will be a significant number of retirements.

- **Revenues** - Between FY 2001 and 2008, revenues from all sources grew from $123,534,321 to $209,884,510, an increase of 69.9% (Figure 20). Although there have been fluctuations in the proportion of General Fund revenue to total revenues over the years, it is at the same 54.8% level in FY 2008 ($115,060,225) as it was in FY 2001 revenues ($67,684,615). However, there were shifts in the sources of other revenues. Tuition and fee revenue increased from 14.8% of total revenues in FY 2001 ($18,262,069) to 15.8% of total revenues in FY 2008 ($33,080,482). Extramural contract and grant revenues increased from 9.9% of total revenues in FY 2001 ($12,201,338) to 11.9% in FY 2008 ($25,044,015).
• **Revenues Relative to Peers** – As part of a study commissioned by the University system, the National Center for Higher Education Management Systems (NCHEMS) examined the revenues of the major units of the University system relative to a set of peer institutions (Figure 21). Using nationally reported data for the 2006 fiscal year it appears the UHCC revenue base is about $475 per FTE student behind the average of its peer institutions, despite the fact that our cost of living is about 25% higher than the national average. When the $475 per FTE student is multiplied by the number of FTE students during that same year, the total annual difference appears to be about $7.5 M. When one looks at UH Hilo and UH Mānoa relative to their peers, both have total FTE revenues that exceed the average of their peers; UH Hilo by $971 per FTE student and UH Mānoa by $1,834 per FTE student.

A similar study conducted in 2000, also conducted by NCHEMS\ pointed out that,

Four-year campuses get relatively more funding from the state and less from tuition than their peers. The reverse is true for the Community Colleges. It should be noted that this pattern is counter to that normally found. More typical are patterns in which students contribute a greater share at four-year institutions and a lesser share at two-year institutions. Hawaii institutions receive far less revenues from sources other than tuition and state appropriations than peer institutions. This is true regardless of peer groups used as the basis of comparison and is for all campuses.

• **Expenditures** – Between FY 2001 and FY 2008, total expenditures and encumbrances (E&E) from all sources grew from $129,246,750 to $198,347,505, an increase of 53.5%. General fund E&E increased significantly from $67,684,610 in FY 2001 to $114,786,026 in FY 2008, an in-
APPENDIX B

UHCC Strategic Outcomes and Performance Measures, 2008-2015
GOAL A: Educational Effectiveness and Student Success  
(UH System Strategic Plan 2002-2010)

GOAL A: Promote Learning & Teaching for Student Success  
(UHCC System Strategic Plan 2002-2010)

A. Native Hawaiian Educational Attainment - Position the University of Hawai‘i as one of the world’s foremost indigenous-serving universities by supporting the access and success of Native Hawaiians:

Performance Measures

A1. Increase Native Hawaiian enrollment by 3% per year (5,847 students by 2015) particularly in regions that are underserved.

A2. Promote low-income Native Hawaiian student success and graduation by increasing: the overall financial aid participation rate by 1-13% per year to 2,101 students, the total amount of financial aid disbursed to $14,391,428, and the number of aid recipients making satisfactory financial aid progress by 2015.
A3. Increase the number and percent of Native Hawaiian students enrolled in developmental intervention who successfully complete at least one course in the developmental sequence within their first academic year thus making progress towards degree applicable instruction.

The following are measures of AtD Cohort students who enroll in any developmental course and successfully complete at least one developmental course within the first academic year.
A4. Increase by 6-9% per year (826 students by 2015) the number of Native Hawaiian students who successfully progress and graduate, or transfer to baccalaureate institutions,
while maintaining the percentage (73% in 2006) of transfers who achieve a first year GPA of 2.0 or higher at the transfer institution.

Successful completion and transfer requires that students persist from one term to the next.

Additionally, in order to make progress towards graduation, students need to make progress in each academic year. Entering full time students should successfully complete at least 20 credits within the first year; Part time students should complete at least 12.
B. Hawaii’s Educational Capital - Increase the educational capital of the state by increasing the participation and completion of students, particularly low-income students and those from underserved regions

Performance Measures

B1. Increase enrollment to 27,943 students by 2015, particularly in regions and with groups who are underserved (as identified in the UH Second Decade Project)
B2. Promote low-income student success and graduation by increasing the Pell Grant participation rate to 38% by 2015; the total annual amount of Pell Grant disbursed to $17,829,873, and the number of aid recipients making financial aid satisfactory progress.
B3. Increase the number and percent of students enrolled in developmental intervention who successfully complete at least one course in the developmental sequence within their first academic year thus making progress towards degree applicable instruction.

The following are measures of AtD Cohort students who enroll in any developmental course and successfully complete at least one developmental course within the first academic year.
Increase CCSSE Active and Collaborative Learning Benchmark. Research shows that the more actively engaged students are—with college faculty and staff, with other students, and with the subject matter they study—the more likely they are to learn and persist toward achieving their academic goals. Student engagement, therefore, is a valuable yardstick for assessing whether, and to what extent, an institution is employing educational practices likely to produce successful results.

(Note: Percentile scores represent the point at which the percentage of college benchmark scores fall relative to same size institutions).
B4. Increase by 3% per year the number of students who successfully progress and graduate (3,608 degrees by 2015),
or transfer to baccalaureate institutions, while maintaining the percentage (77% 2006) of transfers who achieve a first year GPA of 2.0 or higher at the transfer institution.

Successful completion and transfer requires that students persist from one term to the next.
In order to make progress towards graduation, students need to make progress in each academic year. Entering full time students should successfully complete at least 20 credits within the first year; Part time students should complete at least 12.
GOAL B: A Learning, Research, and Service Network
(UH Strategic Plan 2002-2010)

GOAL B: Functions as a Seamless State System
(UHCC Strategic Plan 2002-2010)


Address critical workforce shortages and prepare students for effective engagement and leadership in a global environment.

Performance Measures

B1. Increase by 3% per year the number of degrees awarded, and/or transfers to UH baccalaureate programs that lead to occupations where there is a demonstrated state of Hawai‘i shortage of qualified workers, or where the average annual wage is at or above the U.S. average (2006=$38,651).
B2. Contribute to meeting the State's incumbent worker education goal by increasing enrollment of 25-49 years old in credit programs by 3% per year.
B3. Increase by 6% per year degrees/certificates achievement awarded in Science Technology, Engineering, and Math (STEM) fields.

![Bar chart: Degrees & Certificates Achievement Leading to Occupations in STEM](chart1)

- 2006: 608
- 2007: 608
- 2008: 644
- 2009: 683
- 2010: 724
- 2011: 768
- 2012: 814
- 2013: 862
- 2014: 914
- 2015: 969

B4. Increase by 3% per year the number of individuals enrolled in non-credit certificates programs that lead to occupations where there is a demonstrated state of Hawai‘i shortage of qualified workers, and where the average wage is at or above the U.S. average. ($38,651 YR2006).

![Bar chart: Non Credit Registrations AY (Fall, Spring, Summer)](chart2)

- 2006: 42,965
- 2007: 39,978
- 2008: 40,988
- 2009: 41,004
- 2010: 43,957
- 2011: 44,688
- 2012: 45,988
- 2013: 47,378
- 2014: 48,756
- 2015: 50,263
B5. Increase International student enrollment by 3% per year.
GOAL C: A Model Local, Regional, and Global University
(UH System Strategic Plan 2002-2010)

GOAL C: Promote Workforce and Economic Development
(UHCC System Strategic Plan 2002-2010)


Contribute to the state’s economy and provide a solid return on its investment in higher education through research and training.

Performance Measure

C1. Increase by 3% per year the level of extramural fund support expended (E&E).
GOAL D: Investment in Faculty, Staff, Students, and Their Environment  
(UH System Strategic Plan 2002-2010)

GOAL D: Develop our Human Resources: Recruitment/ Retention/Renewal  
(UHCC System Strategic Plan 2002-2010)

STRATEGIC OUTCOME: Hawai‘i’s Educational Capital/Resources and Stewardship (UH/UHCC  
Strategic Outcomes and Performance Measures, 2008-2015):

Recognize and invest in human resources as the key to success and provide them with an inspiring  
work environment.

Performance Measures

D1. Recruit, renew, and retain a qualified, effective, and diverse faculty, staff, and leadership *.

* UH Foundation funding (e.g. Wo Leadership funds, the Tsunoda development CCLDI), funds, Hale Aina  
Culinary funds, etc.) reported by colleges and may not be included for all colleges.
D2. Increase the number and diversity of programs offered to or in underserved regions by increasing the number and types of programs by at least one program every two years that can be completed through distance learning technologies.

![UHCC Programs That Can Be Completed Through Distance Education](image)

D3. Increase CCSSE Support for Learners Benchmark. Research shows that services that target, support, and assist students with academic and career planning, academic skill development, and other issues affect both learning and retention.

(Note: Percentile scores represent the point at which the percentage of college benchmark scores fall relative to same size institutions).

![Support for Learners](image)
GOAL E: Resources and Stewardship  
(UH System Strategic Plan 2002-2010)

GOAL E: Develop Sustainable Infrastructure for Student Learning  
(UHCC System Strategic Plan 2002-2010)

STRATEGIC OUTCOME: Resources and Stewardship (UH/UHCC Strategic Outcomes and Performance Measures, 2008-2015):

Acquire, allocate, and manage public and private revenue streams and exercise exemplary stewardship over all of the University’s resources, for a sustainable future.

Performance Measures

E1. Build and/or acquire appropriate facilities to deliver educational programs and services in underserved regions of the State, and identify repairs and maintenance requirements to properly maintain the facilities.
E2. Increase non-state revenue streams by 3-17% per year.

E3. Promote sustainability by making more efficient use of existing resources.
E4. Develop and sustain an institutional environment that promotes transparency, and a culture of evidence that links institutional assessment, planning, resource acquisition, and resource allocation.
Culture of Evidence --
Strengthen Student Information and Institutional Analysis

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<th>Value</th>
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<tr>
<td>2015</td>
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## NATIVE HAWAIIAN EDUCATIONAL ATTAINMENT

### 1.1 Increase Native Hawaiian Enrollment by 3% Per Year

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<thead>
<tr>
<th>Honolulu CC</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
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<td>737</td>
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<td>782</td>
<td>805</td>
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<td>954</td>
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<td>Other (e.g. home campus other)</td>
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<td>100</td>
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<td>Recent HS Grad</td>
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<td>100</td>
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<td>112</td>
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<td>119</td>
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</tr>
<tr>
<td>3% of Fall 2006 - Compounded</td>
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<td>Other &lt;22 year olds</td>
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<td>3% of Fall 2006 - Compounded</td>
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<td>22-24 year olds</td>
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<td>112</td>
<td>116</td>
<td>119</td>
<td>123</td>
<td>123</td>
</tr>
<tr>
<td>3% of Fall 2006 - Compounded</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
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<td>0.3</td>
<td>0.3</td>
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<tr>
<td>25-49 year olds</td>
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<td>301</td>
<td>310</td>
<td>319</td>
<td>328</td>
<td>338</td>
<td>338</td>
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<tr>
<td>3% of Fall 2006 - Compounded</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
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<td>0.8</td>
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<tr>
<td>&gt;49 year old</td>
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<td>3% of Fall 2006 - Compounded</td>
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<td>0.1</td>
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<tr>
<td>3% Compounded</td>
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</table>

3/23/2009 - 8:41 AM
### 1.2 Increase Financial Aid Participation/Award - Native Hawaiian

<table>
<thead>
<tr>
<th>Honolulu CC</th>
<th>Fall 2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation Rate (Pell Grant)</td>
<td>22.1%</td>
<td>22.1%</td>
<td>23.6%</td>
<td>25.3%</td>
<td>27.0%</td>
<td>28.9%</td>
<td>31.0%</td>
<td>33.1%</td>
<td>35.5%</td>
<td>38.0%</td>
<td>15.9%</td>
</tr>
<tr>
<td>Entering Aid cohort receiving Pell Grant</td>
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<td>39</td>
<td>41</td>
<td>43</td>
<td>45</td>
<td>47</td>
<td>50</td>
<td>52</td>
<td>55</td>
<td>58</td>
<td>19</td>
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<tr>
<td>Total Pell $ Disbursed</td>
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<td>$266,089</td>
<td>$294,667</td>
<td>$326,314</td>
<td>$361,360</td>
<td>$400,170</td>
<td>$443,149</td>
<td>$490,743</td>
<td>$543,449</td>
<td>$601,815</td>
<td>$335,726</td>
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<tr>
<td>10.74% of Fall 2007 - Compounded</td>
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<td>$28,578</td>
<td>$31,647</td>
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<td>$38,810</td>
<td>$42,978</td>
<td>$47,594</td>
<td>$52,706</td>
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<td>$335,726</td>
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<tr>
<td>Number of Pell Recipients</td>
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<td>153</td>
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<tr>
<td>Percent maintaining satisfactory financial aid progress</td>
<td>5% compounded</td>
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<tr>
<td>Total Financial Aid $ Disbursed</td>
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<td>$477,897</td>
<td>$514,886</td>
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<tr>
<td>7.74% of Fall 2007 Compounded</td>
<td>$ -</td>
<td>$36,989</td>
<td>$39,852</td>
<td>$42,937</td>
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<tr>
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<td>250</td>
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### 1.3 Increase Developmental Ed Success - Native Hawaiian

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<tr>
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<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entering Student (AID cohort) placing into developmental Reading</td>
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<td>155</td>
<td>160</td>
<td>164</td>
<td>169</td>
<td>174</td>
<td>180</td>
<td>185</td>
<td>191</td>
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<td>41</td>
</tr>
<tr>
<td>% of AID Cohort</td>
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<td>73%</td>
<td>73%</td>
<td>73%</td>
<td>73%</td>
<td>73%</td>
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</tr>
<tr>
<td>3% of Fall 2006 - Compounded</td>
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<td>AID cohort placing into College Level Reading</td>
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<tr>
<td>% of AID Cohort</td>
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<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
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<tr>
<td>% of AID Cohort</td>
<td>27%</td>
<td>27%</td>
<td>26%</td>
<td>25%</td>
<td>24%</td>
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<td>23%</td>
<td>22%</td>
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<td>2%</td>
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<td>2%</td>
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</tr>
<tr>
<td>3% of Fall 2006 - Compounded</td>
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<td>Successful completion of developmental Reading</td>
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<tr>
<td>Percentage Enrolled Successful</td>
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<td>67%</td>
<td>68%</td>
<td>70%</td>
<td>71%</td>
<td>73%</td>
<td>75%</td>
<td>77%</td>
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<tr>
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<td>107</td>
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<td>Percentage Enrolled Successful</td>
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<td>54%</td>
<td>56%</td>
<td>57%</td>
<td>60%</td>
<td>62%</td>
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<td>68%</td>
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<td>student performance in subsequent classes</td>
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<td>0</td>
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### 1.4 Increase Persistence/Graduation/Transfer - Native Hawaiian

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<tr>
<th>Honolulu CC</th>
<th>Fall 2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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<th>2014</th>
<th>2015</th>
<th>Total</th>
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<tr>
<td><strong>Full Time Entering Students (AtD Cohort)</strong> who complete at least 20 credits in the first academic year with a gpa &gt;= 2.00</td>
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<tr>
<td>Percentage of FT AtD cohort</td>
<td>30.19%</td>
<td>30.19%</td>
<td>30.77%</td>
<td>31.37%</td>
<td>31.98%</td>
<td>32.60%</td>
<td>33.24%</td>
<td>33.88%</td>
<td>34.54%</td>
<td>35.21%</td>
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<td>5% of Fall 2006 - Compounded</td>
<td>0</td>
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<td>2</td>
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<td>2</td>
<td>2</td>
<td>15</td>
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<tr>
<td><strong>Part Time Entering Students (AtD Cohort)</strong> who complete at least 12 credits in the first academic year with a gpa &gt;= 2.00</td>
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<tr>
<td>Percentage of PT AtD cohort</td>
<td>19.81%</td>
<td>19.81%</td>
<td>20.20%</td>
<td>20.59%</td>
<td>20.99%</td>
<td>21.40%</td>
<td>21.81%</td>
<td>22.23%</td>
<td>22.67%</td>
<td>23.11%</td>
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<tr>
<td>5% of Fall 2006 - Compounded</td>
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<td>1</td>
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<td>1</td>
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<td>1</td>
<td>1</td>
<td>10</td>
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<tr>
<td><strong>Entering AtD Cohort who re-enroll in Spring semester</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Percentage Reenrollment</td>
<td>58%</td>
<td>58%</td>
<td>60%</td>
<td>61%</td>
<td>62%</td>
<td>63%</td>
<td>64%</td>
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<td>67%</td>
<td>68%</td>
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</tr>
<tr>
<td><strong>Entering AtD Cohort who re-enroll in spring semester and subsequent fall</strong></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Percentage Reenrollment</td>
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<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
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</tr>
<tr>
<td>5% of Fall 2006 - Compounded</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<tr>
<td><strong>Annual Fiscal Year number degrees and certificates awarded. Includes multiple awards to same student.</strong></td>
<td></td>
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</tbody>
</table>
| 6%-9% per Year | 6% | 6% | 6% | 6% | 6% | 6% | 6% | 6% | 6% | 6% | 36%
| 6%-9% per Year | 0 | 6 | 7 | 7 | 9 | 9 | 11 | 12 | 15 | 18 | 76 |
| **Transfers to Mānoa, UHH, UHWO** |
| 5% of Fall 2006 - Compounded | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7 |
| **Transfers to Non-UH baccalaureate granting institutions** |
| 5% of Fall 2006 - Compounded | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7 |
HONOLULU COMMUNITY COLLEGE
STRATEGIC PLAN OUTLINE
2008-2015

I. MISSION AND PHILOSOPHY
   ● Describe the mission of the Honolulu Community College in relation to the overall mission of the Community College system and the University.
   ● Detail the Honolulu Community College core values which influence the fundamental decisions, attitudes and behaviors of its faculty and staff.

II. PLANNING CONTEXT
   ● Discuss the external factors (e.g., demographic, social, economic, technological, etc.) affecting the Community Colleges, including the impact of members of the community with special educational needs such as the educationally under prepared, limited English-speaking, the handicapped, etc.
   ● Discuss the internal factors (e.g., staffing, curriculum, resource reallocation, student characteristics, etc.) affecting our ability to deliver quality programs and services
   ● Highlight the major planning assumptions that will play a role in the development of a plan

III. ASSESSMENT
   ● Summarize the major highlights of the Honolulu Community College’s most recent accreditation reports, program reviews, and other evaluative studies relating to the HCC, its faculty and staff, and its programs.
   ● Describe progress toward implementing previous HCC priorities, with special reference to progress toward meeting established long-range goals, the University’s Strategic Plan, and the Community College’s Strategic Plan, 2002-2010.

IV. PRIORITIES 2008-2015
   ● Detail HCC campus-wide priorities for the planning period.
   ● Summarize individual area priorities for the planning period.

V. RESOURCE REQUIREMENTS
   ● Describe the major emphasis and the resources required to accomplish the priorities detailed in the Plan.
   ● Detail a financial plan necessary to accomplish the priorities detailed in the plan.
Mission Statement

Serve the community as an affordable, flexible, learning-centered, open-door, comprehensive community college that meets the post-secondary educational needs of individuals, businesses, and the community.

Serve the Pacific Rim as the primary technical training center in areas such as transportation, information technology, education, communications, construction and public and personal services.

To accomplish this mission, the goals of Honolulu Community College are to:

1. Provide two-year transfer educational programs that offer students the general educational component of the Baccalaureate Degree.
2. Provide two-year, four-year, short-term and apprenticeship occupational-technical curricula for employment, skill upgrading and career advancement and transfer to four year technical programs.
3. Insure general education competency in communication, problem-solving, ethical deliberation, cultural diversity and global awareness.
4. Provide developmental instruction to build skills necessary to pursue educational objectives.
5. Maintain flexible educational delivery systems to enhance student access by providing affordable education when and where it is needed.
6. Establish a systemic institutional effectiveness program that regularly assesses expected student and Program learning outcomes to ensure the highest quality education.
7. Develop activities to increase resources for programs and operations.
8. To provide co-curricular programs and activities to promote student learning and development and to prepare students for leadership roles and responsibilities in a global community.
9. Contribute to the support of the community’s economic and social growth.
10. Maintain a multicultural environment where ethnic and gender diversity is appreciated, respected and promoted.
11. Provide an opportunity for students to gain an understanding and knowledge of the host culture of Hawai‘i, the Native Hawaiian language, culture and values.

(Current Mission Statement)
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SIGNIFICANT EXTERNAL ISSUES

GLOBAL AND DOMESTIC ISSUES

Several of the major global and national trends of particular relevance to the Community Colleges are noted below:

**Economic**

*World Economic Outlook:*

The world economy is entering a major downturn in the face of the financial shock and still high energy and commodity prices. In its latest World Economic Outlook (WEO) the International Monetary Fund (IMF) reports that the world economy continues to decelerate. The economies of many advanced countries are close to or moving into recession. On an annual basis, the global growth is expected to decrease from 5.0 percent in 2007 to 3.9 percent in 2008 and 3.0 percent in 2009 [1]. (Note: The IMF defines growth of 3% as implying a global recession as a fast growing emerging economy such as China, would for example be in serious trouble if growth fell from 11% to 6%.)

Growth will be sluggish through the remainder of 2008 and early 2009. Recovery is anticipated for the latter half of 2009; nonetheless, recovery will be much more gradual than previous downturns. This is because financial conditions are expected to remain very difficult. Recovery will also be hampered because of consumer confidence and an overall lack of trust in investment markets.

*Domestic Economic Outlook:*

Even before the recent financial crisis, economic activity had shown considerable signs of weakening. In the labor market, private employers shed 168,000 jobs in September 2008 alone, bringing the total job loss in the private sector to nearly 900,000 and the unemployment rate to 6.1% (up 1.2%) since January 2008 [2]. Data on consumer spending, housing, and business investment have shown a significant slowdown over the past few months. In addition, several key determinants of spending have worsened: Equity and house prices have fallen, foreign economic growth has slowed, and credit conditions have tightened. One brighter note is that the declines in the prices of oil and other commodities will have some favorable implications for the purchasing power of households. Nonetheless, the pace of economic activity is likely to be slow for several quarters, if not years.

The slowdown in spending cuts across most major sectors. Consumer consumption expenditures for goods and services fell in 2007 and even further in 2008 [2]. Various areas have been hit harder than others, for example, the drop-off in purchases of motor vehicles and other sectors that rely on credit purchases recently has been particularly sharp. As a result, consumer sentiment has been quite low, reflecting concerns about jobs, gasoline prices, the state of the housing market, and stock prices.
The financial crisis has impacted colleges and universities at all levels. Budgets, particularly for public institutions, are being cut and rolled back to levels lower than they were before the U.S.'s most recent "economic boom". A long downturn will deliver an even heavier blow to colleges and universities. Impact will be felt in numerous ways: Schools could be forced to raise tuition; endowments and gifts may decrease; families may find loans and financial aid harder to secure; and, the overall quality of education may be negatively impacted [3].

The affects of the recently passed Emergency Economic Stabilization Act have not been fully felt yet, however, it can be presumed that loans will be harder to secure. Paying for school, which is already an extremely challenging endeavor, may be infeasible for some students. Interest rates will be higher for those able to get a loan, a factor that will have students and parents assessing their financial circumstances more closely. Unlike, previous economic slowdowns where higher education has proven to be a stabilizing force, the lack of consumer confidence may have an impact. According to Richard Vedder, Director of the Center for College Affordability and Productivity, "more people will say 'It's not worth the money and we can't afford it.'" [4]

Taken as a whole, all of these factors may decrease the number of students choosing to attend higher education, which then translates into fewer students, and tuition revenues, to pay for programs.

**Social**

**Immigration:**
The U.S. has averaged approximately one million immigrants (including those in the country legally and illegally) per year since 1990. In 2007 immigrants comprised 12.6% of the U.S. population, the largest share of the population since 1920, the last U.S. immigration boom. At more than 38 million the number of immigrants in the U.S. is now at an all-time high [5]. Nonetheless, last year as the economy faltered and the government stepped up enforcement of post-9/11 immigration laws, the wave of immigrants entering the United States slowed dramatically.

**English as a Second Language:**
In the latest U.S. Census Bureau data on this issue, 18.4% of the population ages 5-17 years of age spoke primarily non-English language at home [6].

**Families and Living Arrangements:**
According to “Families and Living Arrangements: 2006” [7], in 2006:

- The U.S. had 12.9 million one-parent families (10.4 million single-mother families and 2.5 million single-father families). Of these figures, there were an estimated 5.8 million stay-at-home parents: 5.6 million mothers and 159,000 fathers.
- 67% of the nation’s 73.7 million children younger than 18 live at home with two married parents.
- Average household size was 2.57 people, down from 3.14 in 1970.
- 26% consisted of a person living alone, up from 17% in 1970.
• Approximately 5.7 million children, or 8% of the total, lived in a household that included a grandparent. The majority of these children (3.7 million) lived in the grandparent’s home, and of these, about 60% had a parent present.
• Among the 13 million children ages 15 to 17, about 2.3 million were working, and of these, 2.2 million worked part time.
• 33% of males and 26% of females 15 and older had never married, up from 28% and 22% in 1970.
• The majority of men and women had been married by the time they were 30 to 34 (71%), and among men and women 65 and older, 96% had been married.

**Insurance:**
The number of uninsured Americans has increased 22 percent since 2000, at which time 38.4 million people lacked health insurance.

For the sixth consecutive year, the number of Americans living without health insurance has risen. In 2006, approximately 2.2 million people were added to the uninsured rolls. U.S. Census Bureau estimates released in August 2007 show 47 million people, or 15.8 percent of the U.S. population, were without health insurance during 2006 — a 4.9 percent increase. In 2005, census figures showed that 44.8 million people, or about 15.3 percent of the population, lacked health insurance coverage [8].

**Aging Population:**
According to the National Institute on Aging report, “65+ in the United States: 2005” [9], 35.5 million, or 13.3%, of the U.S. population was over 65 years of age. This population is expected to increase to 72 million — more than double — in 25 years. By 2030 1 out of 5 Americans will be 65 years or older. Higher levels of education, which are linked to better health, higher income, more wealth and a higher standard of living in retirement, will continue to increase among people 65 and older.

Among the trends the report uncovers:
• The age group 85 and older is now the fastest growing segment of the U.S. population.
• The health of older Americans is improving. Still, many are disabled and suffer from chronic conditions. The proportion with a disability fell significantly from 26.2 percent in 1982 to 19.7 percent in 1999. But 14 million people age 65 and older reported some level of disability in Census 2000, mostly linked to a high prevalence of chronic conditions such as heart disease or arthritis.
• The financial circumstances of older people have improved dramatically, although there are wide variations in income and wealth. The proportion of people aged 65 and older in poverty decreased from 35 percent in 1959 to 10 percent in 2003, mostly attributed to the support of Social Security. In 2000, the poorest fifth of senior households had a net worth of $3,500 ($44,346 including home equity) and the wealthiest had $328,432 ($449,800 including home equity).
• Florida (17.6 percent), Pennsylvania (15.6 percent) and West Virginia (15.3 percent) are the “oldest” states, with the highest percentages of people age 65 and older.
Charlotte County, Fla., (34.7 percent) has the highest concentration of older residents and McIntosh County, N.D., (34.2 percent) ranks second.

- Higher levels of education, which are linked to better health, higher income, more wealth and a higher standard of living in retirement, will continue to increase among people 65 and older. The proportion of Americans with at least a bachelor’s degree grew five-fold from 1950 to 2003, from 3.4 percent to 17.4 percent; and by 2030, more than one-fourth of the older population is expected to have an undergraduate degree. The percentage completing high school quadrupled from 1950 to 2003, from 17 percent to 71.5 percent.

- As the United States as a whole grows more diverse, so does the population age 65 and older. In 2003, older Americans were 83 percent non-Hispanic white, 8 percent black, 6 percent Hispanic and 3 percent Asian. By 2030, an estimated 72 percent of older Americans will be non-Hispanic white, 11 percent Hispanic, 10 percent black and 5 percent Asian.

- Changes in the American family have significant implications for future aging. Divorce, for example, is on the rise, and some researchers suggest that fewer children and more stepchildren may change the availability of family support in the future for people at older ages. In 1960, only 1.6 percent of older men and 1.5 percent of women age 65 and older were divorced; but by 2003, 7 percent of older men and 8.6 percent of older women were divorced and had not remarried. The trend may be continuing. In 2003, among people in their early 60s, 12.2 percent of men and 15.9 percent of women were divorced.

**Political**

President Barack Obama was recently installed as the 44th President of the United States of America and the U.S. Congress has had a significant makeover. Much of their government and political discussion will be framed by the current global and domestic financial situation. In 1992 James Carville popularized the phrase “It’s the economy, stupid.” And, so it is in 2009; and, so it will be into 2010.

One of the biggest issues the new President and Congress will have to deal with is the growing budget deficit. In 2006, the U.S. paid $406 billion on its federal debt. As of October 23, 2008 the U.S. total debt is $10.5 trillion dollars – with approximately 304 million citizens, each person’s share is roughly $34,350.

The federal budget, not including various unbudgeted costs such as the costs of war and new Medicare and Social Security recipients, will constrain future expenditures. Therefore, it can be presumed that there will be declining federal support for programs across the board. With regard to funding related to education and training, the new President has made improving the educational infrastructure and the physical plant of schools a key piece of his educational policy.

Prior to the financial crisis, nearly every new political face in Washington made educational change a priority. Even after his campaign, President Obama made clear
that educational reform will be a cornerstone of his administration. He pointed to three issues that will take precedence in his education agenda:

1. Unfunded educational mandates, particularly “No Child Left Behind”
2. Teacher Retention
3. Soaring College Costs

President Obama’s educational initiatives, all of which were reinforced in post election speeches, include the following (for purposes of the development of HCC’s strategic planning detail has been added to those initiatives below that will have direct impact on HCC or the University):

- Develop a comprehensive “Zero to Five” Plan (He plans to develop an Early Learning Challenge grant that will help states move toward voluntary, universal pre-school).
- Support the expansion of Early Head Start and Head Start (He seeks to quadruple the funding to these programs).
- Develop policies that support affordable, high-quality child care.
- Reform No Child Left Behind.
- Support high-quality schools and close low-performing charter schools.
- Make math and science education a national priority (He will support efforts that will help math and science teachers learn from professional in the field and he will push for a science curriculum at all grade levels).
- Address the dropout crisis.
- Expand afterschool opportunities.
- Support college outreach programs (Specifically, he wants to increase college awareness and access through programs such as GEAR UP, TRIO and Upward Bound).
- Support college credit initiatives (Specifically, he seeks to support advanced placement, dual enrollment, and college credit initiatives. He proposes to start a program, ”Make College A Reality” initiative, that has a bold goal to increase students taking AP or college-level classes nationwide 50 percent by 2016, and will build on his proposal in the U.S. Senate to provide grants for students seeking college level credit at community colleges if their school does not provide those resources).
- Support English language learners (He seeks to support transitional bilingual education and will help Limited English Proficient students get ahead by holding schools accountable for making sure these students complete school).
- “Recruit, Prepare, Retain, and Reward” America's Teachers
  a. Recruit new teachers (He seeks to create Teacher Service Scholarships that will cover four years of undergraduate or two years of graduate teacher education, including alternative programs for mid-career recruits in exchange for teaching for at least four years in a high-need field or location).
  b. Prepare teachers (His proposal will require all schools of education to be accredited. In addition, he wants to create a voluntary national performance assessment to ensure that every new educator is trained and ready to walk into the classroom and start teaching effectively.)
c. Retain teachers.
d. Reward teachers.

- Create the “American Opportunity Tax Credit” (His proposal will create a universal and fully refundable credit that covers the first $4,000 of a college education for all college students and will cover two-thirds the cost of tuition at the average public college or university and make community college tuition completely free for most students. Recipients of the credit will be required to conduct 100 hours of community service.
- Simplify the application process for financial aid (He wants to eliminate the current federal financial aid application and enable families to apply simply by checking a box on their tax form, authorizing their tax information to be used, and eliminating the need for a separate application.

**Educational**

No matter how important education is to the new federal government, the global and domestic financial meltdown will take center stage. As such, it may not be known until well into President Obama’s first year as to what policies are accepted by Congress, or the States, and which policies can be feasibly implemented at any level of education. It can be safely assumed, however, that current appropriations and any new funding for education will be met with a greater emphasis on accountability. Moreover, it can be anticipated that specific measurements will be attached to any funding.

Higher education has played an increasing role in economic development. As a result, government leaders have placed an emphasis on the quality and effectiveness of education and the business community has become engaged in worker training and development issues. In the future, it is anticipated that higher education will play more of a role in improving or maintaining the U.S.‘s competitive advantages in many sectors and industries. In addition, the growing cultural diversity of the U.S. as well as the world’s globalization make it imperative for higher education to remain up to speed with the needs of business and industry.

One report that may be the basis for future higher education policy decisions is the study titled, “A Test of Leadership: Charting the Future of U.S. Higher Education.” This report was the signature piece of the “Commission on the Future of Higher Education” (also referred to as the Spellings Commission). The Commission was charged with recommending a national strategy for reforming post-secondary education, with a particular focus on how well colleges and universities are preparing students for the 21st-century workplace, as well as a secondary focus on how well high schools are preparing the students for post-secondary education. Although this report has been met with criticism and controversy, many of the issues it highlights are also on the agendas of the National Center for Public Policy and can be found in "Measuring Up 2006: The National Report Card on Higher Education."

The report also supports much of what has been discussed on community college campuses for quite some time. For instance, the report states that, “substandard high school preparation is compounded by poor alignment between high schools and
colleges, which often creates an “expectations gap” between what colleges require and what high schools produce,” and “We acknowledge that not everyone needs to go to college. But everyone needs a postsecondary education.” [11] Of the numerous recommendations stemming from this report that the U.S. Department of Education is currently working on, two may have immediate impact. The simplification of the FAFSA should ensure that more students and their families apply for student aid. The development of an integrated data system would facilitate the comparative evaluation of individual institutional performance.

STEM (or science, technology, engineering, and math) activities have been embraced throughout the country. However, very little, besides government and private grants, has been done to coordinate the national effort to improve U.S. competitiveness in these areas. It is expected that the new federal administration will take a strong leadership role in this area.

**Technological**

U.S. global competitiveness relies on its technological capacities. Greater and greater emphasis is being placed on the use of technology, specifically telecommunications and Internet technologies, in every sector and at all levels of the economy. Internet access has made massive information and resources available on demand almost anywhere in the world. These trends will not change in the near future. As a result, research and development and the rapid application of cutting edge technologies will continue.

Technology trends that will impact education include:

- Dynamic knowledge creation and social computing tools and processes (Web 2.0) are becoming more widespread and accepted. These tools are no longer in their infancy and they have been embraced. As the tools mature, the practice of online communication and collaboration will continue to increase.

- Mobile and personal technology is increasingly being viewed as a delivery platform for services of all kinds. Devices such as cell phones or mp3 players are almost everywhere; delivering content to those devices simply makes sense. This trend is growing in the consumer arena and has already been felt in education. The ubiquity of these devices has enabled personal broadcasting (podcasting) to catch on quickly. This is just the first wave of broadband content that will be ported to these devices, especially phones, in the next few years.

- Consumers are increasingly expecting individualization. The demand for personalized content and services is being increasingly met by many savvy retailers and service providers. High speed internet has greatly enabled the ability of marketers to meet individualized needs; this may surface in the world of academia. Educational and cultural institutions are already beginning to differentiate themselves along these dimensions and that dynamic can be expected to continue and accelerate for some time.

- Collaboration is increasingly seen as critical across the range of educational activities, including intra- and inter-institutional activities of any size or scope. As the
ways in which researchers, students and teachers can collaborate with each other increase, knowledge is becoming a community property, and the construction of knowledge is becoming a community activity. A renewed emphasis on collaborative learning is leading to an exploration of the science of gaming, context-aware environments and devices, and their application for teaching and learning.

With the advent of newer and newer technologies the term literate has taken on broader meanings. According to the Center for Teaching and Technology, “Prior to the 21st century, the term literate defined a person’s ability to read and write, separating the educated from the uneducated. With the advent of a new millennium and the rapidity with which technology has changed society, the concept of literacy has assumed new meanings.

- Digital literacy represents a person’s ability to perform tasks effectively in a digital environment, with “digital” meaning information represented in numeric form and primarily for use by a computer. Literacy includes the ability to read and interpret media (text, sound, images), to reproduce data and images through digital manipulation, and to evaluate and apply new knowledge gained from digital environments. The most critical of these is the ability to make educated judgments about what we find online.

- Visual literacy, referred to at times as visual competencies, emerges from seeing and integrating sensory experiences. Visually literate individuals have a sense of design—the imaginative ability to create, amend, and reproduce images, digital or not, in a mutable way. Their imaginations seek to reshape the world in which we live, at times creating new realities.

- Information literacy is a set of abilities requiring individuals to recognize when information is needed and have the ability to locate, evaluate, and use effectively the needed information. Information literacy also is increasingly important in the contemporary environment of rapid technological change and proliferating information resources. Because of the escalating complexity of this environment, individuals are faced with diverse, abundant information choices—in their academic studies, in the workplace, and in their personal lives.

- Information literacy is related to information technology skills, but has broader implications for the individual, the educational system, and for society. Information technology skills enable an individual to use computers, software applications, databases, and other technologies to achieve a wide variety of academic, work-related, and personal goals. Information literate individuals necessarily develop some technology skills.” [12]

President Obama has stated that he will work to increase U.S. investment in educational technology and sees this initiative closely linked with STEM and other related programs. Their current plan builds on existing federal education technology programs and creates a $500 million matching fund to ensure technology is fully integrated throughout schools and creates a seamless system of learning from K-12 to higher education [10]. The proposal will:
Integrate technology throughout the classroom so innovative learning technologies such as simulations, interactive games, and intelligent tutors can assist in improving the quality of learning and instruction.

Develop better student assessments that allow teachers and parents to identify and focus on individual needs and talents throughout the school year. Technology can help get information about student performance to teachers and parents in real time, and support ongoing efforts to improve student performance in an area of weakness and support student success in areas where the student shows particular interest or aptitude. Barack Obama will encourage states to use technology to provide regular reports to parents on student performance.

Create new technology-based curriculum with leaders in the technology industry so schools can create courses around developing high-demand technology skills and working on authentic projects, as is done at High Tech High School or the New Tech High Schools.

Use technology to allow teachers to work collaboratively with their peers across the country to share best practices and support teachers to provide more individualized assistance to students so that teachers are no longer the primary source of facts and information, but instead the coaches on how to best analyze and apply information.
STATE AND LOCAL ISSUES

Simply put, the global and national economic meltdown has hurt Hawai’i in ways that cannot be predicted at this point.

Few, if any, states are as dependent on tourism and the visitor industry as Hawai’i is. This dependence makes Hawai’i extremely susceptible to economic downturn or outright failure due to uncontrollable external events. As a result, the national and global events of 2008 have led to the loss of 2 cruise ships, a major inter-island airline, and a forecasted 10 point decline in visitors. All have added up to nearly an 8% loss in tax revenues (totaling $500 million) and a 2% reduction in gross state product. Most importantly, Hawai’i has lost over 3,000 jobs and its traditionally lower than average unemployment rate spiked to 5.1% in the 4th quarter of 2008 [13].

Although Hawaii’s unemployment rate remains one of the lowest in the nation at approximately 3.9% for 2008, the large majority of jobs are in the tourism or tourism related industries. Hawaii’s per capita personal income fell from 124% of the U.S. in 1970 to 75% of the U.S. in 2000 and according to U.S. Department of Labor statistics, Hawai’i’s average weekly wages remain more than $100 below the national average (data taken from the first quarter of 2005) before the higher living cost in Hawaii was factored (currently indexed at 163.1, the third highest in the nation). This is consistent with how sectors such as retailing and food service offer mostly part-time, low-wage jobs, which have trapped Hawai’i in a predominantly low-wage, low skilled workforce profile. Because over 40% of gross state product is generated by tourism, the impact from the loss in visitor dollars will have immediate social and economic impacts [14].

As the state’s costs continue to rise, new jobs that offer higher-than-average wages will be increasingly important to sustain and enhance economic prosperity. According to a study done by the Hawai’i Science and Technology Council, workers in technology sectors (including those in the identified emerging industries) accounted for 3.6% of total employment in 2007, but generated 5.4% of Hawai’i’s total worker earnings [15].

Of added concern to the visitor industry may be the loss of Hawaii’s greatest attraction, its environment. As with the global environment, Hawai’i has faced challenges due to population growth and general human use and abuse. However, a recent survey and report by the Hawai’i Tourism Authority predicts that the rapid erosion to our beaches, in particular Waikiki Beach, could translate into a loss in visitor spending of nearly $2 billion annually, which would trigger more than 6,000 job losses and shrink state tax revenues by approximately $125 million a year. As a community college, we must be attentive and responsive to major issues that will affect the nature of who we serve, the type of programs and services we deliver, and sources of support necessary to acquire the resources we need to serve the people of Hawai’i.

While it is clear that tourism will remain the state’s key economic driver, the diversification of Hawai’i’s economy has been a topic of increasing discussion in the State’s efforts for promoting economic growth and maintaining stability. Recent policy changes in Hawaii have focused on developing high-tech, knowledge-based and other emerging industries. Most aggressive of these efforts in recent years include Act 221 passed in 2001 and amended in 2004 (Act 215), providing qualified Hawaii-based businesses with 100 percent tax credit in new investment and 20 percent tax credit in research and development. Besides Act 221, Hawai’i has embarked on a series of measures aiming to develop foundations for an innovation economy and nurturing
emerging industries development [16]. The State’s Innovation Initiative (Act 148 in 2007) among other things mandates the creation and periodical update of a database that defines and measures Hawai’i’s emerging industries and to develop appropriate outcome measures to assess the effectiveness of the State’s Innovation Initiative and other development efforts in promoting economic diversification, growth and stability in Hawaii.

The loss of agriculture, the cyclical nature of the visitor industry, and a lack of high-wage jobs has made it imperative for Hawai’i to develop and nurture its most critical asset: the knowledge and talents of its people. To this end, innovation and technology represent the foundation on which Hawai’i will achieve economic growth and competitive advantage. In 2006 Hawai’i’s community college system, in particular Honolulu Community College, strongly backed new innovative STEM programs that link elementary and high school to higher education and training programs. It may take several years to a decade to realize the positive impacts that this structural change to education will have; nonetheless, this change may mean nothing unless Hawai’i takes the necessary steps to increase the number of jobs and expand the technology and innovation sectors.

**CURRENT STATE OF THE ECONOMY**

Things are going from bad to worse. On January 9th, the State of Hawai’i Council on Revenues (an appointed body of economists who make revenue projections for the State of Hawai’i) projected a 3% decline in general fund tax revenues. In essence, between the end of the 2008 Legislative Session (May 2008) and the first week of January 2009, Hawai’i’s Council on Revenues projections translate into a cumulative budget deficit of $1.9 billion over the three year period FY08 to FY10. In their recent Legislative Opening Day speeches, House Speaker Calvin Say and Senate President Colleen Hanabusa both clearly addressed the dire economic situation.

In his speech [23], Speaker Say urged the House membership to approach their fiscal decision making from a “Big Picture” perspective that keeps special interests out of the equation. He also provided a framework that the House majority will follow in their budget deliberations:

- Maintenance of a basic safety net of social and health services.
- Maintenance of basic education.
- Avoidance of government employee layoffs.
- Creation of a state financial stimulus package in coordination with the federal government.

Speaker Say also proposed the elimination of various tax exemptions and using the savings to reduce the general excise tax rate. This would translate into less general fund appropriations on top of the budget cuts government agencies are currently facing.

President Hanabusa’s speech [23] also made the protection of the public safety net, such as food and social service programs, a priority. The Senate plans for economic stimulation include:

- The formation of a special Capital Improvements Projects oversight committee.
- The use of the Unemployment Insurance Fund to ensure the continuation of worker employment.
• The taxation of out-of-state sales (i.e., internet and mail order sales)

In her State of the State address, on January 26, 2009, Governor Lingle highlighted her proposed “5 Point Plan”. Central to this plan is the State’s Capital Improvements Program. The Administration’s goal is to stimulate the economy by starting a total of 1,521 projects, most of which can be started within the next 18 months, at a cost of $1.87 billion.

Over the last few months the Administration also unveiled several initiatives, including:
• Food Self-Sufficiency;
• Clean Energy (Hawai’i Clean Energy Initiative)
• Broadband Communications
• Transportation
• Recreation.

ECONOMIC PILLARS

Major changes in Hawai’i’s economy and workplace have resulted in a transformation in the kind of skills and knowledge one needs to be successful.

Employment conditions today require skills which are in many cases not evident in today’s island labor market.

Beginning in the late 1970’s and 80’s Hawai’i began a shift from an agrarian based to a service based economy. Plantation agriculture has declined significantly in terms of acreage and production and as a result economic value has decreased (Figure 1). As evidenced by the explosive growth of visitor expenditures the State’s economy is dominated by and heavily reliant on the visitor industry. Expenditures from this sector grew from $1.2 billion in 1974 to $9.7 billion in 1990 and $11.9 billion in 2005 [17].

This increase in visitor expenditures has transformed the Hawai’i labor market. Service industry job growth has been dramatic. Employment in services has grown from 48,310 in 1970 to 364,800 in 2006 (38% of the total jobs in the state), and wholesale and retail trade employment has grown from 61,044 to 134,800. During this same period, agricultural employment increased slightly from 12,572 to 15,600. In 1970, agriculture jobs comprised 4.4% of the civilian workforce, but has declined to just 1.6% of the workforce in 2006 [18].

![Figure 1](attachment://Hawai%27i+Income+from+Major+Export+Industries.png)
It is important to note that while our major growth sector since 1970 has been the Service Industry, many of the jobs produced during that period required individuals with significant specialized education and training beyond high school. These jobs included: professionals such as those in health, education, and technical fields; managers and administrators; clerical and administrative support specialists; audit and financial specialists; etc. In addition, between 1969 and 2005, self employment grew from 47,000 to about 88,000 10% of the Hawai‘i workforce [19].

According to the State Department of Business, Economic Development, and Tourism (DBEDT), Hawai‘i is facing serious structural changes in both its economy and workforce that threaten the long-term standard of living in the region. Research to date has identified four major structural limits that have trapped Hawai‘i in a low-wage, low skilled economy. These include:
1. A Job Quality Gap;
2. A Worker Supply Gap;
3. A Worker Preparation Gap, and,
4. A Poorly Performing Educational Pipeline.

**Job Quality Gap**
Hawai‘i’s **job quality gap** is a result of higher-value jobs in sugar, pineapple and manufacturing being replaced over the last 30 to 35 years by a lower-paying, tourism-related service sector. Consequently, Hawai‘i’s per capita personal income fell from 124% of the U.S. in 1970 to 101% of the U.S. in 2000. When indexed to the U.S. average, Hawai‘i’s cost of living is 85% higher, accordingly, a Hawai‘i resident has dramatically less purchasing power than other parts of the U.S. This, coupled with the tendency of sectors such as retailing and food service to offer mostly part-time, low-wage jobs, has tended to trap Hawai‘i in a predominantly low-wage, low skilled region.

In its 2007 Development Report Card, the Corporation for Enterprise Development (CFED) ranked the Hawai‘i region: 15th in the nation for growth in average pay; 48th in home ownership, 25th in long-term employment growth and 39th in involuntary part-time employment [20]. These trends must be reversed by revitalizing the capacity of our business and entrepreneurial sectors to generate new, high-valued goods and services and higher-skilled jobs. The alternative, as we have witnessed over the last decade, is to lose our highly educated youth to other regions and the stagnation of our standard of living.

**Worker Supply Gap:**
As with other regions in the country, Hawai‘i is experiencing the beginning of a long-term **worker supply gap** as the baby

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Source: WMCHE High School Graduate Projections
boom generation begins to leave the labor market. However, Hawai‘i’s is believed to be more intense due to the significant “brain drain” of younger workers to the U.S. mainland and to Asia. Currently, only about 10,000 to 12,000 youth (Figure 2) are completing high school and eligible to enter our labor market per year; a number that is projected to decline through 2016. Economic Modeling Specialists, Inc. (EMSI) has projected that through 2017, approximately 28,000 job openings per year will occur. Most of that demand will be in occupations requiring more education than high school, thus creating a new worker supply gap. This gap is expected to widen after 2012 as the baby boom begins to reach full retirement age. Unless addressed, the combination of an overall labor shortage and out-migration of educated youth (brain drain) is expected to create a crisis in the Hawai‘i regional economy within the next five to ten years.

**Worker Preparation Gap**

In addition to the problems of quality of jobs and worker shortage, Hawai‘i suffers from a worker preparation gap. Simply put, the region is not preparing its youth for the types of higher-skilled jobs that we intend to develop in the region and that are necessary to meet global competition. While we prepare a sufficient number of individuals with baccalaureate degrees, they are not in fields where we have persistent and growing needs such as education, nursing, electrical engineering, and health sciences. When we look at the workplace demand for individuals with vocational certificates and two-year technical degrees, the gap between demand and supply (Figure 3) highlights a need to increase degree production in a number of fields. Getting a sufficient number of qualified students to enter and complete these programs is a potential barrier to our future success as a state.

In addition to preparing individuals with vocational certificates and two-year technical degrees, there are more than 6,000 jobs to be filled annually that require either a degree plus work experience, moderate-term, or long-term on the job training, including: skilled construction workers, police and fire fighters, first-line supervisors, restaurant cooks, tour guides, sales representatives, bookkeeping clerks, bus and truck drivers, etc. Many of the individuals seeking to fill these jobs participate in established non-credit
education and training opportunities such as those offered through community colleges.

According to their latest update, the National Center for Educational Statistics (NCES) Hawai‘i’s averaged graduation rate for high school freshmen (2003-2004) is about 72.6% compared to a national average of 74.3% [21]. Data produced by the National Center for Public Policy and Higher Education show that only 30% of high school freshmen in Hawai‘i will enroll in post-secondary education within four years compared with 44% among the top states in this category and the U.S. average of 34% [22]. The first year community college dropout rate in the Hawai‘i region is nearly 20 percentage points higher than top states. Only 46% of Hawai‘i college students will complete a bachelor’s degree within 6 years compared with 64% in top states [21]. These trends can be reversed, but only by addressing the root causes – inadequate preparation at the high school level and lack of employer incentives for incumbent worker education.

**Population**

The latest census data in the 2000U.S. Census shows Hawai‘i’s population has grown to 1.21 million - up 9.4% over 1990. While the State saw several years of economic growth during the early-to-mid 2000’s, much of the population growth occurred during a sluggish economy in the 1990’s. Growth on O‘ahu, where 876,156 people live, was less than 5%; the Big Island remained the second most-populated county in the state, with 148,677 residents, an increase of nearly 24%; Maui County's population grew almost 28%, to 128,094 residents; On Kaua‘i, the Census counted 58,463 residents, an increase of more than 14%.

More than twenty-one percent of the population now identify themselves with two or more ethnic groups, the highest percentage in the country; almost a quarter of the state reported at least some Native Hawaiian ancestry, and 58% of the state's population reported being at least part Asian. About 39% of the state reported some white ancestry.

Early indications during the first half of this decade showed that the state’s population would continue to grow and become more diverse, however, with the recent economic downturn Hawai‘i may be seen as a financially unviable for many migrants.

There are two demographic trends that are cause for concern. The first is the aging of the population and its impact on the workforce and health care services. In the decade following statehood, there was significant growth in the economy resulting in thousands of individuals being employed in both the public and private sectors. Most of those individuals are expected to leave the work force within the next decade. This exodus will have the biggest impact on those industries that are dependent upon individuals with significant technical and professional education. These include (Figure 4) production, installation, maintenance, and repair; education and training; healthcare; management and finance; construction; etc.
The second trend is the exodus from the state of the skilled core of the population, those aged 30 to 64. Hawai’i has built its current economy on our ability to import labor from around the world and the U.S. mainland. Since 1852, with the arrival of the first Chinese laborers, successive waves of immigrants have been key contributors to the success of the state’s agriculture and tourist oriented economy. However, the growing gap between the cost of housing and the wage structure in the state is causing a key component of a vibrant workforce, the skilled mid-career worker to leave the state. While the data indicates that we are still able to attract individuals aged 18 to 29 to come into the state, that same data shows that we are a net exporter of individuals aged 30 to 64. As a consequence, there is a projected decline in the total state population aged 35 to 54 (Figure 5).
Replacing these skilled workers will require increased training opportunities for the current workforce so they can be prepared to fill in behind those individuals leaving the workforce and the state. It is projected that we will need nearly 2,500 individuals with either vocational certificates or technical associate degrees to enter the workforce annually through the year 2017, to meet both growth in the economy and to replace individuals who are expected to leave the workforce. Currently public and private postsecondary institutions award approximately 1,900 such degree annually, a shortfall of approximately 600 individuals. Unfortunately, we have seen a decline in the number of CTE majors since 1999.

**EDUCATION**

Improving the quality of public K-12 education is and will continue to be at the top of the social and governmental agenda. While a number of efforts have been initiated, such as school-community based governance, charter schools, student performance standards, student assessment, etc.; national measures of student performance have significantly lagged behind community and employer expectations.

The lack of worker preparation and the absence of more high-paying, high skilled jobs in the regional economy are linked to a poorly performing education to work pipeline. A pipeline that fails to ensure an adequate supply of educated and trained workers, the base upon which a growing economy can be built. At every point of the education-to-work process, Hawai‘i underperforms the national average and substantially underperforms the leading states. For example, based on 2004 data (National Center for Public Policy and Higher Education), only 13% of 9th graders will finish high school then graduate from a post secondary institution within 150% of the expected time. This compares with 18% nationally and 29% for the best performing states. Beyond the school-aged youth, the Hawai‘i region is not directing a sufficient number of incumbent workers back into post-secondary training to build their skills and earning potential. In 2006, only 3.6% of adults aged 25 to 44 were enrolled in a post-secondary education program compared with 5.1% for the top ten performing states. In order for the economic transformation needed for the Hawai‘i region to
In their latest study, *Measuring Up 2008* [23], the National Center for Public Policy and Higher Education, reported (Figure 6) that while we have high school graduation rates that mirror the top performing states, students' academic performance fall well behind the leaders. The result is, a great many adults need to improve their basic math, science, and literacy skills to be successful either continuing their education, or in the changing Hawai`i workplace. The following are the highlights of the 2008 Hawai`i report card:

### Figure 6

**PREPARATION**

<table>
<thead>
<tr>
<th></th>
<th>Hawai`i</th>
<th>Top States</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High School Completion (25%)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-24 year olds with a H.S. Credential (Diploma or GED)</td>
<td>94%</td>
<td>95%</td>
</tr>
<tr>
<td><strong>K-12 Course Taking (30%)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9th to 12th graders taking at least one upper-level math course</td>
<td>22%</td>
<td>57%</td>
</tr>
<tr>
<td>9th to 12th graders taking at least one upper-level science course</td>
<td>18%</td>
<td>28%</td>
</tr>
<tr>
<td>8th graders taking algebra</td>
<td>n/a</td>
<td>22%</td>
</tr>
<tr>
<td><strong>K-12 Student Achievement (35%)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8th graders scoring ≥ “proficient” on the natl assessment exam in math</td>
<td>14%</td>
<td>21%</td>
</tr>
<tr>
<td>8th graders scoring ≥ “proficient” on the natl assessment exam in reading</td>
<td>19%</td>
<td>20%</td>
</tr>
<tr>
<td>8th graders scoring ≥ “proficient” on the natl assessment exam in science</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>8th graders scoring ≥ “proficient” on the natl assessment exam in writing</td>
<td>15%</td>
<td>20%</td>
</tr>
<tr>
<td>Low-income 8th graders scoring ≥ “proficient” on the natl assessment exam in math</td>
<td>7%</td>
<td>13%</td>
</tr>
<tr>
<td>Number of scores in the top 20% nationally on SAT/ACT college entrance exam per 1,000 H.S. graduates</td>
<td>110</td>
<td>155</td>
</tr>
<tr>
<td>Number of scores that are 3 or higher on an Advanced Placement subject test per 1,000 H.S. JR’s and SR’s</td>
<td>92</td>
<td>114</td>
</tr>
<tr>
<td><strong>Teacher Quality (10%)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7th to 12th graders taught by teachers with a major in their subject</td>
<td>n/a</td>
<td>80%</td>
</tr>
</tbody>
</table>

*indicators report data beginning in the early 1990’s or the closest year in which reliable data are available.

Source: National Center for Public Policy in Higher Education (NCPPHE)
The *Measuring Up 2008* Hawai‘i Report also indicates that we fall below the U.S. average in several measurable category and below the top states in all areas:

**Participation:** College enrollment of young adults in Hawai‘i has improved since the early 1990’s. Compared with the national average and the top states, however, considerably fewer young adults are enrolled in college. The enrollment of working-age adults, relative to the number of residents without a bachelor’s degree has decline in Hawai‘i – as it has nationally and in the best-performing states. The percentage attending in Hawai‘i is slightly below the U.S. average and well below the top states.

**Affordability:** The share of family income, even after financial aid, needed to pay for college has risen substantially. To attend public 2-year colleges in Hawai‘i, students and families pay less than the U.S. average but more than those in the best performing states. To attend public 4-year colleges, they pay close to the national average, which is more than those in the best states pay.
Preparation: The percentage of young adults in Hawai‘i who earn a H.S. diploma has increased slightly since the early 1990’s. Hawai‘i is a top performing state in H.S. completion.

Benefits: The percentage of residents who have a bachelor’s degree has increased considerably in Hawai‘i. The state is above the U.S. average but below the top states.

Completion: The number of undergraduate credentials and degrees awarded in Hawai‘i, relative to the number of students enrolled, has increased since the early 1990’s. However, Hawai‘i is below the U.S. average and the top states on this measure.
The need for adults to improve their basic literacy skills is evident from the entering student placement data summarized in Figure 7. All new UHCC students (approximately 5,000 individuals) are expected to take our placements tests in mathematics and English. On the basis of their performance, students are eligible to enroll in either remedial, developmental, or baccalaureate level classes in mathematics and/or English. In addition, placement levels also serve as prerequisites for other selected courses or programs.
DECLINE IN THE UHCC “GOING RATE”

Over the past decade there have been significant changes in Hawai‘i’s economy and employers’ expectations regarding what constitutes a qualified worker; a change in the mix of low-skilled and high-skilled job, resulting in an increase in the number of technical, professional and managerial jobs in the state; and increased availability of new education and training opportunities developed in response to these changes. However, there has been a decline in the student “Going Rate” from the high schools (public and private high schools) to the UH Community Colleges (Figure 8). Given the increasing connection between post high school education and training and success in the workplace, this trend, if it continues, will make it increasingly difficult to employ a qualified workforce.

Figure 8
High School to UHCC Going Rate

Source: MAPS Fall Enrollment Report

EMERGING OPPORTUNITIES

The Hawai‘i region has an abundance of unique and competitive natural resources, the basis on which new, high-valued innovation- and knowledge-intensive industries can be developed and sustained. To successfully capture these opportunities, investment in developing a higher-skilled workforce is required. As detailed by DBEDT, the Hawai‘i region has targeted five major emerging growth sectors:

1. Life Sciences/ Biotechnology, particularly in communicable tropical and infectious diseases and health and wellness issues for the Asia and Pacific region;
2. Information Technology, leveraging investments already made in Hawai‘i’s fiber-optic and satellite communications infrastructure;
3. Film and Digital Media, exploiting Hawai‘i’s trans-Pacific location and emergence as one of Hollywood’s preferred “back lots”;
4. Dual-use technologies, leveraging significant R&D investments being made by the defense sector in Hawai‘i, and
5. Diversified Agriculture, based on remnants of Hawai‘i’s plantation agriculture. In addition, real short-term opportunities exist in ocean and marine science and biotechnology; alternative energy, including renewable-to-hydrogen, development;
and astronomy/space-related research.

Hawai`i also has the opportunity to fuse more innovation, knowledge-intensive tools and technology with its traditional sectors, tourism and agriculture. The challenge for Hawai`i’s tourism sector is to innovate and upgrade and improve its products against new international competitors. Traditional travel and leisure is giving way to the demand, especially among the “boomer” and “Gen-X” travelers, for more contemporary and technologically “connected” experience. The U.S. travel and hospitality industry is only as of late beginning to adopt technology.
SIGNIFICANT INTERNAL ISSUES

PROGRAM DEMAND

Credit Enrollment
Between 1994 and 2000, severe budget cuts resulted in fewer opportunities for students to take classes if they entered the community colleges and enrollment dropped to less than 24,000 students in 2000. Significant factors contributing to this decline include:

- Limited class offerings due to budget limitations;
- A policy change that no longer counted adult basic level remedial students as regular credit students; and,
- Changes in welfare regulations that forced many individuals to work rather than continue their education.

One consequence of this decline in enrollment is a subsequent reduction of graduates in technical fields. This reduction likely has contributed to worker shortages in a growing number of fields. In 2006, the Legislature appropriated funds to allow the colleges to increase their course offerings to promote increased enrollment. Fall 2007 enrollment grew by nearly 1,000 students over the fall 2006 enrollment. Between 2000 and 2007, enrollment grew about 9% to 26,219 (Figure 9).
**Student Majors**

Ever since HCC became part of the University of Hawaii (as the Honolulu Technical School) in 1964, preparing individuals for employment in technical fields has been a major mission. However, since 2003 there has been a decline in the number of students pursuing degrees and certificates in career and technical education (CTE) programs (Fig. 10). This trend, if it continues, will contribute to the growing shortage of qualified workers, especially given the likelihood of significant retirements in critical fields (please refer to Figure 4), particularly those jobs in the Production, Installation, Maintenance & Repair fields.

![Figure 10: HCC Number of Students by Major Program](chart.png)

Source: MAPS Fall Enrollment Report
**Feeder High Schools**

*Figure 11*

**Number of Hawai‘i Public H.S. Graduates Entering HCC by DOE School District**

![Graph showing the number of Hawai‘i Public H.S. Graduates Entering HCC by DOE School District from 1996 to 2007.](source)

The population shift toward West O‘ahu over the last 2 decades has only recently had an impact on HCC’s student regional demographics. Beginning in 2004, the Leeward school district surpassed the Honolulu district as HCC’s largest base of first time college attendees (Fig. 11). The ongoing growth of the Waipahu, Kapolei, and Ewa areas indicate that this trend will continue.

Attendees from public high schools that are closest to HCC have remained steady (Fig. 12). First time students that have chosen HCC from both Farrington H.S. and Radford H.S. have increased; however, those from McKinley H.S. have decreased.

*Figure 12*

**Number of Students from Public High Schools in Close Proximity to HCC**

![Graph showing the number of students from public high schools in close proximity to HCC from 1996 to 2007.](source)
**Non-Credit Enrollment**

The College’s Continuing Education and Training programs are organized to offer non-credit classes and programs to individuals for the improvement of their work-related skills and knowledge. This is a particularly important function given the major changes that are taking place in the Hawai‘i workplace.

From a historical perspective, UHCC non-credit student registrations declined in the mid-1990s as more private sector training providers entered the Hawai‘i market, particularly in the computers and computer software areas. In addition, the slowdown in construction resulted in fewer apprentice enrollments. Overall, enrollments for the College’s non-credit programs grew 38%. As reflected in Figure 13, non-credit programs in PCATT and construction trades benefited from the closure of private training companies and the construction boom from 2002-03 to 2007-08. However, perhaps due to Hawai‘i’s traditionally low unemployment rate, particularly during a growth period, continuing education and training is difficult for working adults to make time for outside of their other personal and professional commitments.
With regard to revenues for non-credit offerings, over the period FY03 to FY08 non-credit revenue decreased by 12%. Nonetheless, these programs brought in approximately $7.3 million in total revenues during the same timeframe. As reflected in Figure 13a and the accompanying table, 64% of total revenues collected from FY03 to FY08 came from PCATT (31.2%) and University College (33.0%) classes even though these two areas represented only 21.8% of the total number of classes held over the same period.

<table>
<thead>
<tr>
<th>FY</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PCATT</td>
<td>49,049</td>
<td>67,008</td>
<td>68,033</td>
<td>66,887</td>
<td>81,926</td>
<td>81,306</td>
<td>5.62%</td>
</tr>
<tr>
<td>Tech 1</td>
<td>128,514</td>
<td>97,265</td>
<td>84,858</td>
<td>51,979</td>
<td>86,738</td>
<td>128,974</td>
<td>7.84%</td>
</tr>
<tr>
<td>Tech 2</td>
<td>141,827</td>
<td>143,076</td>
<td>95,394</td>
<td>110,198</td>
<td>139,460</td>
<td>165,368</td>
<td>10.79%</td>
</tr>
<tr>
<td>UC</td>
<td>687,620</td>
<td>531,387</td>
<td>377,634</td>
<td>271,695</td>
<td>259,606</td>
<td>310,168</td>
<td>33.07%</td>
</tr>
<tr>
<td>Appr</td>
<td>108,544</td>
<td>106,910</td>
<td>120,037</td>
<td>99,014</td>
<td>194,414</td>
<td>205,414</td>
<td>11.32%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,530,209</td>
<td>1,315,922</td>
<td>1,099,642</td>
<td>990,166</td>
<td>1,091,440</td>
<td>1,345,700</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: HCC Fiscal Office
**Student Attendance Status**

Although many of HCC’s students are working adults with family obligations, we have seen minimal growth in part-time students. The proportion of part-time students has remained steady through 2005 when it reached 60.6% of the total enrollment (Fig. 14). HCC’s 2005 proportion is now comparable to the U.S. average for community colleges. At present, HCC’s mix of 36.6% full-time to 63.4% part-time is slightly higher than the U.S. average.

![Student Attendance Status](image-url)
OPERATIONAL EFFICIENCY

**SSH per FTE Faculty**
An approximate calculation of the ratio of Student Semester Hours (SSH) to Full-Time Equivalent (FTE) Faculty (Fig. 15) has decreased steadily since 1999. In the fall 1999 semester, the SSH per FTE (including both General Education and CTE faculty) faculty stood at 157 and in the Fall of 2007 it decreased to 110, a decline of 30%.

*Figure 15*
SSH per FTE Faculty

![SSH per FTE Faculty Chart](chart-image)

Source: MAPS and UHCC-HCC Budget Reports

**Average Class Size**
Average class size is a traditional measure that provides a gross indicator of institutional efficiency. Both GPP and CTE courses have seen a reduction in average class size since 1998. In 1998 average class size for CTE courses held at 19 while GPP courses were at 32. In fall 2007 these averages dropped to 17 and 21, respectively, representing a reduction of 34.3% and 10.5% (Figure 16). Part of this decline may be the effect of the current faculty collective bargaining agreement that reduced the normal teaching assignment from 30 semester hours per year to 27.

*Figure 16*
HCC Average Class Size

![HCC Average Class Size Chart](chart-image)

Source: MAPS

PROGRAM OUTCOMES
**Student Ethnicity**

It has been a system goal of the Community Colleges to provide access to individuals previously underrepresented in higher education. In Hawai‘i, that has included Hawaiians and Filipinos. Between 1997 and 2007, HCC’s Hawaiian student enrollment increased significantly, from 568 to 743 an increase of 31% (Figure 17). Although HCC’s Filipino student population did not rise as significantly, Filipino students remain the largest population of students at HCC. At present, Hawaiian and Filipino students represent the two largest ethnic groups in the Community Colleges as well as at HCC, where they make up over 40% of students.

In fall 2007, Hawaiian and Filipino students also made up the largest group of CTE students representing nearly 29% of the school’s total CTE enrollment (Figure 18).
**Degrees Awarded**

As could be expected, given our relatively flat student enrollment between 1997 and 2007, the total number of degrees awarded has grown slowly (3.7%) (Figure 19). This growth has been limited to Associates in Science, including Associates in Applied Sciences and Associates in Technical Studies, degrees (28.9%). Associates in Arts degrees and Certificates of Achievement both saw significant decrease, 21% and 61% respectively.

![Figure 19](image1.png)

While we have had success over the past decade in increasing the enrollment of Native Hawaiian students, those students have been less successful when we look at their rate of graduation. Figure 20 highlights the success gap between Native Hawaiian students and other ethnic groups enrolled in the community colleges. Given the aging of our workforce, and the difficulty of importing and sustaining new workers to meet critical worker shortages, it is imperative that we not only increase the rate of graduation for all students, but that we also close the graduation gap between Native Hawaiian students and other students.

![Figure 20](image2.png)
**Students Transferring**

One of the major functions of the community colleges is to prepare students for transfer to baccalaureate level programs. The ability of students to transfer smoothly within the UH system is well established in Board of Regents and UH Executive policies, and has become an informal measure of how well the UH system is functioning. Increasing the flow of students between the community colleges and the UH baccalaureate colleges and their future success is a strategic priority within the UH system and the UHCC.

Each year more than 4,000 community college students transfer to baccalaureate granting institutions both within the state and on the mainland. This number is understated since the largest private institution does not currently participate in the National Clearing House where the reported data was acquired. Between AY 2003-2004 and AY 2005-2007, there was an 8.2% increase in the number of students transferring to baccalaureate institutions bringing the total to 4,527 (Figure 21). All of this growth can be attributed to the growth (24.6%) in the number of students transferring to UH system colleges. Over this same period, there was a decline of more than 10% in the number of students transferring outside the UH system.
**Staffing and Organization**

Between 1995 and 2007, total UHCC General Funded staffing increased from 1,473 positions to 1,834, an increase of 24.5%. These increases included 216 Administrative Professional Technical (APT)/Civil Service positions, 148 faculty positions. During this same period there was a reduction of 2 Executive & Managerial (E&M) positions. All of this growth took place at the campuses; staff assigned to UHCC system administration declined by about 3 positions during this same period.

A major issue facing our colleges is the aging of our workforce and the need to be prepared to replace a significant number of faculty and executive personnel who are reaching retirement age. A recent report indicated that more than 20% of our faculty will be eligible to retire by 2008 (Figure 22). While retirement is an individual decision, it is anticipated that once the current faculty collective bargaining agreement is completed that there will be a significant number of retirements.
Revenues

Between FY 2001 and FY 2008, HCC’s revenues from all sources grew from $20.2 million to $32.5 million, a 63.7% increase (Figure 23). Much of this growth can be tied to the college’s focused lobbying efforts beginning in the 2006 legislative session and reflected in the FY07 budget. Between FY06 and FY07 the campus’ general fund budget grew by over $4 million dollars, or 25.1%. Tuition and fees funds also increased by 45.5%. General funds and Tuition an Fees make up 82% of HCC’s revenues; over the 7 year period these two funds added over $10 million to the campus’ budget. As a result, the current economic downturn may have greater impact on HCC than on other campuses.

Figure 25 reflects the FY08 revenues as compared to expenditures by major program area. In FY08, CTE expenditures were $5.3 million with revenues collected of $817 thousand. GPP expenditures were $3.5 million with revenues collected of $1.1 million. These numbers represent a 6.4 to 1 and 3 to 1 cost to revenue ratio, respectively.
**Expenditures**

Between FY 2001 and FY 2008, total UHCC expenditures grew from $129.2 million to $198.3 million to, an increase of 66.5% increase. The majority of this increase (50%) came from general funds. However, with the Governor and Legislature’s push to replace general funds with tuition and fees money, TFSF expenditures also grew by 37.1%.

The college’s total FY08 expenditure was $26.5 million. The breakdown of this amount is: $12.45 million for Instruction, $3.9 million for Academic Support (which includes the Library, EMC, ITC, MIR, Records and Disability Services and related Administration costs), $5.75 for Institutional Support (which includes HR, the Business Office, and Maintenance and related Administration costs), $1.89 for Student Services (which includes Financial Aid, Admissions, Counseling, the Native Hawaiian Center, Student Life, the Student Health Office, the Career Office and related Administration costs), and $2.52 for Public Services (which includes CET, PCATT, Apprenticeship, and the Emeritus College and related Administration costs).

Figures 25 and 26 show a graphical analysis of the College’s $26,510,226 total expenditures.
From AY 04-05 to AY 06-07 there was an overall decrease of 6% in the number of student semester hours taught (Figure 27). A decrease or increase in SSH will impact the overall cost to maintain a program. Figure 28 reflects the FY08 expenditures per SSH by program.

**Figure 27**

*Increase/Decrease in SSH AY04-05 to AY06-07*

**Figure 28**

*HCC FY08 Expenditures per SSH*

Source: HCC-IRO and VC Admin Services Budget Information
ENDNOTES


