Minutes

WINDWARD COMMUNITY COLLEGE
BUDGET COMMITTEE

September 6, 2007 Hale ‘Akoakoa 105
1:00 pm

Present:
Bernadette Howard, Steven Nakasone, Angela Meixell, Elizabeth Ashley, Margaret Coberly, Lui Hokoana, Libby Young, Marvin Yoshida, Lisa Gillis Davis, Michael Tom, Kevin Ishida

Excused:
Lokelani Kenolio, Evelyn Sugihara, Student Representative

1. Supplemental Budget request update

The chancellor and Director Nakasone updated the committee on the President’s Supplemental Budget recommendations to the BOR. At the date of the meeting, these were not final. As the minutes are being written, the request is available at the UH website.

Strategies for future budget requests were discussed. In particular, the “pros and cons” of grouping items were considered.

2. Definition of “Equipment Replacement”

Michael Tom shared a detailed draft definition for “equipment replacement” to be used in distributing college funds as follows:

Equipment Replacement Funds:

Costs incurred to keep pre-existing equipment inventories technologically current and in good working order through periodic replacement, ongoing maintenance, and as-needed upgrade or repair. In this context, equipment refers to tangible personal property with an aggregate value greater than $1000 and a life expectancy of more than 1 year that is not consumed as part of a production process during normal operation.

Equipment replacement funds may be used to acquire new equipment and related accessories through purchase or lease, to contract for the installation and preparation of new equipment, to purchase extended equipment warranties or hardware and software maintenance contracts,
to train support staff in proper operation and maintenance of new equipment, and to accomplish upgrade or repair of deficient or defective equipment.

*Equipment replacement funds shall not normally be used to purchase consumable materials used in production (such as paper, toner, and CDs/DVDs), to pay energy costs (such as electricity and gasoline), or to pay personnel costs of college staff operating the equipment.*

*Equipment replacement costs which recur regularly and remain fairly constant may be considered an Essential Cost and included in a unit's annual base. Other equipment replacement costs which occur sporadically or cannot be projected for some years in advance are considered as one-time budget requests.*

Michael reminded the committee that the strategy behind the request had been to accomplish life cycle funding as identified in the strategic plan. After discussion, the committee agreed to adopt the definition. “Big ticket” items would be covered through the appropriated funds. Smaller items would be covered through other sources.

The goal is to maintain at least current capability, with equipment in good working order. Keeping that standard involves maintenance, and may involve replacement, upgrade, and repair.

Dean Hokoana reminded the committee about our college commitment to provide access for students. The chancellor concurred, and said that the college had stated it would update equipment for student use through a proportion of tuition increases.

There was a discussion of whether the list attached to the form A would be the actual list for purchase. After discussion it was determined that updated lists would be generated and the items prioritized. Deans and Directors will create 2 year equipment replacement plans by November 15.

These equipment replacement spending plans will include:
- Prioritized needs. (The agreed upon definition should be used.)
- Justifications based on the strategic plan, program reviews, and annual reports.
- Items identified for ongoing repeat funding will be identified as “Essential Needs”. (See the definition in the college budget.)

Director Nakasone reminded the committee that the projecting operating budget for 07-08 is still approximately $150,000 in deficit. The committee will meet in October to hear an update from Nakasone after he receives and inputs the 1st quarter “actuals”.
A side question arose as to how people know who is responsible to replace or repair various equipment. This question was out of order, but needs to be addressed soon.

The concept of emergency or contingency funds was also discussed. Director Nakasone observed that emergencies are generally resolved out of available funds and adjustments made in later quarters.

3. Distribution for FY 07-08
Prioritization and distribution will be based on the updated lists and two year plans.

4. Future distributions
Some distributions may move into unit bases as “essential costs.”

Next meeting: October 25, 2007 at 1 pm.