

Pueo Budget Task Force
October 28, 2020
via Zoom

PRESENT: Walter Kahumoku (Facilitator), Ka'iu Akamine, Loea Akiona, Kapono Apao (HGEA), Alison Badua-Bohner (HGEA), Michelle Cohen, Lori Foo, Alphie Garcia, Louis Herman, James Kardash (UHPA), Edward Keaunui, Frank Kudo, Caton Liang (ASUHWO), Jenna Marie Marcos (ASUHWO), Monique Mironesco, John Murakami, Therese Nakadomari, Princess Soares, Marnelli Ulep, Reed Young.
Recorder: Chris Neves

Welcome

Chancellor Benham opened the meeting and thanked everyone for the time and commitment to be given over the upcoming weeks. VCSA Jan Javinar, VCA Kevin Ishida, and Director of Budget Linda Saiki are also in attendance to answer initial questions.

The State of Hawaii and the University of Hawaii are realizing severe economic impact due to the Coronavirus pandemic. UHWO has been doing everything possible to preserve cash as well as looking at cost efficiencies in operational costs. Discussions continue at the State and System levels on budget cuts anywhere from 10% - 30%.

There is still no fiscal year (FY) 21 budget because the state has held back the General Fund allocations while it figures out its next move. The only funds available for now are from the Tuition & Fee Special Fund (TFSF) based on tuition revenue. For now, an average cut of 16% is being looked at which amounts to a little over \$3 million which has since been brought down to approximately \$1.7 million after cuts made thus far in operational expenses. UH System is now asking all campuses how they are going to meet the forecasted budget shortfall for FY21 and how each campus will grow to help the economy of the state.

Chancellor asked this task force to look at all the questions that have been asked of colleagues in the recent campus conversations. A budget website is almost fully up and running with up to date information on budget numbers. The budget website will also contain a folder for this task group to house notes, presentations, and all recommendations.

UHWO Enrollment Management staff, the IRO office, Scheduling, Budget, Business, HR, and Chancellor's Offices are all available to provide information and support to this task force as needed. System numbers could also be made available.

UHPA is facing deadlines issued by UH System. How will UHWO link up with the President and BOR deadlines? Chancellor said the BOR has asked the System to present a FY 21 budget at their January full BOR meeting, however, it will need to go to the BOR Budget and Finance Committee prior to the January meeting, sometime during the first week of December. UH System will need to provide a first year FY 21 draft by the last Friday of November due to Sunshine Law requirements. That means the UHWO

Business Office is working with the UH System Budget Office using the assumptions of a 16% decrease to G funds and projecting possible TFSF funds. The BOR has said that UWHO cannot touch the TFSF reserves. The reserve is approximately \$9 million saved from the last half of FY 20. For now we are being asked to budget without tapping into the reserves.

What are the chances of pressuring the BOR to touch that reserve? Is there a strategy? Chancellor can only pass along her concerns and that's where it is now. The BOR anticipates FY 22-24 will be even worse and they are hoping the reserves are enough to help get through these additional years.

Hopes of task force members of what is to be accomplished:

- Hope that work will help the campus move forward to be more sustainable and unique.
- Unity – Come together as a collective voice to dive deep in what needs to be accomplished together.
- Provide recommendations that sit well with all stakeholders on this task force.
- Hope the work will be honored and taken seriously and that this is not just token campus input where someone else makes decisions and we're here just to give input.
- Hope this is not planning theater and that the group could have additional representation from other divisions specifically Humanities and Education.
- Hope that in discussions everyone realizes that this is not an attack on anyone and remain objective about all that is discussed.
- Find opportunity while facing these challenges.
- There should be someone from each division on this task force and that we are given timely information and feedback.
- Hope to make it not hard for future ASUHWO reps to deal with budget issues through FY24 if we can get it solved with the task group.
- To provide valuable input to help everyone accomplish the goals of the task force and to learn in the process.
- Hopefully at the end of this we are able to keep offering our students the resources that they need to be successful and graduate.
- Hope that the recommendations are taken seriously and come together to present UHWO as a united front and use this crisis as an opportunity for transformation on to a higher and better level by providing a leadership roll for the state in finding a better way for Hawaii.
- The reality that we have to deal with the budget crisis is at every campus and it would be helpful to have cross-validation from the System-level via input from VCAA Moniz who sits on the bargaining team for UHWO at System meetings. This could help determine what our discussions will look like.
- Preserve student's interest while maintaining what little resources we already have and maintaining our commitment to community.
- Hope is that student's interest is best represented and that the state comes out of this crisis stronger and better prepared.
- To learn about different perspectives from different programs within UHWO and different campus in the hopes of unifying what different strengths each has.
- Hope that conversations will maintain what is unique about our campus and culture and not lose anything based on a narrow perspective of continuing business as it is.

- Hope is to keep what is unique about UHWO and improve student success and especially being able to survive financially in order to survive after 2024.
- Hope is to survive. What we're facing will be bad. Hope we can come up with a strategy to create value so UHWO can survive in the future.

Ground Rules – Honor each other's voices.

- ** We are all equals --- let's respect each other and commit to understanding each other.**
- ** It's okay to disagree. Keep criticism to the idea, not to the person.**
- ** Listen as an ally. Listen to understand others, rather than to defend one's own views.**
- ** Everyone participates --- no one person dominates.**
- ** Honor the time limits.**
- ** If in the end, you don't agree, then agree that you won't sabotage the group's decision.**
- ** State your intentions up front. No hidden agendas!**
- ** Decisions will by agreement. As a fallback, if decision can't be made by agreement, then majority vote of the group will prevail.**
Recommendation of this task force will be solicited to campus via a survey prior to going to campus leadership.

Within the spirit of full disclosure UHPA abstains from agreeing with the guidelines at this time and will disclose conflicts that arise at any particular time. UHPA representation is for all 10 campuses.

Establishing the Work

- Come up with recommendations for cost efficiencies for FY 21 – 24.
- Recommending investments to generate more revenue to become unique and self-sustaining.
- Uphold transparencies to ensure that what is discussed in these task force meetings will get out to the campus community of faculty and staff and even within the community returning back to the task force with comments and suggestions.

Additional Task Force Representation

Based on an earlier suggestion, Walter asked for discussions on whether or not to increase membership to this task force keeping in mind that these individuals will need to be able to commit to attending a majority of task group meetings and agree to the ground rules of the task force.

It was suggested that whoever is selected to the task force should have the best interest of the UHWO campus foremost in their mind and not use this as a platform to protecting their own interest. We need to look at what is best for the good of the entire campus.

Ultimately, it would be best to have representation from all academic divisions because it seems that the two divisions affected the most in cost efficiencies are not part of the task group at all.

Another suggestion was to make this large task force the “common” group that will need to break out into smaller groups in order to get all that needs to be accomplished completed. There should be a small group to look at the financial side to assess where we are financially. The other groups should include one for faculty and one for administration maybe. How can we develop criteria, whether it be furloughs, layoffs, reduction in hours, closures, etc.? The last committee should discuss where to go from here, planning strategy for the future, creating value for this university to make sure UHWO stands out to avoid more cuts and possible closure. If we don’t create a unique UHWO with value to continuously attract new students, it could be a sad day. Therefore, the suggestion is to keep this large group and break into smaller groups to address these issues, then return to the larger group for discussion. The ideal size of a subcommittee should be no more than 7 people to effectively get things done. Everyone needs to take this commitment seriously when agreeing to working on these teams. This is about our jobs.

Suggestions

- Based on feedback in the chat, it is proposed that we include reps from Education and Humanities. This will help to get buy-in and present a united front. Monique will reach out to both division chairs to ask for a representative who can attend a majority of the task force meetings.
- Develop strategies so the subcommittees can each look at one or two of the cost efficient/investment strategies to determine how they affect our campus with recommendations forwarded to the boarder campus community.
- Suggestion to bring others into the task force subcommittees who are able to help with whatever strategy the subcommittee is working on.
- There needs to be a mechanism to communicate what the task force is doing to the larger campus community either weekly or by session.

- After reviewing the 120 cost efficiencies and investments bullets, and because it seems that a majority of the changes will be made on the backs of faculty, it would be best to have greater representation from the faculty group in the larger/common task force.
- Craft the foundation for the future while planning for the worst because everyone should be prepared and aware of that.
- Faculty should determine their future as administration should determine their future.
- The faculty who teach and develop programs generates tuition revenue. Do not destroy the engine that produces tuition revenue. Cuts made through this process have to be surgical. We must be extremely careful in the cuts that will be made as not to destroy tuition revenue. The same goes for administration. A system will need to be worked out by department and ask them to look at the situation within their departments. For this reason, subcommittees will be able to bring in department experts to assist the process.

Up Next / Scheduling

Extend schedule to beginning of December 2020.

No meeting tomorrow. This will allow time to get reps from Education and Humanities.

Next Task Force meeting - Friday, October 30, 2020, 1:00 – 4:00pm.

In the meantime, please look at the 120 suggestions and come up with 5-8 cost efficiencies for FY21.

On Friday, be prepared to break out in smaller groups to tackle the smaller number of efficiencies.

Forecasting

An additional set of meeting dates will be put forth on Friday.

A recent proposal template (Sample) on revenue generating investments that has just come through will be shared with the group.

Consider meeting outside the task force to reduce the amount of task force meetings. These smaller subcommittees will then make recommendations to the main task force.