Budget Workgroup (BW)
Summary Points of Meeting
March 5, 2010
Hawai‘i Hall Room 309
9:00 am – 10:00 am

Attendees: Kathy Cutshaw, Reed Dasenbrock, Tom Ramsey, Maenette Benham, David Chin, Alan Teramura, Marla Acosta, Annette Chang, Tom Bingham, David Ross, Peter Crouch, Christine Sorensen, Joey Nikaido, and Ann Sakuma.

Budget Overview (Kathy):
- The House Finance Committee approved a budget draft yesterday which includes an additional reduction of $10M to UH System for supplemental FY2011. The budget draft will be going to the full House for a vote before moving to the Senate.
- It is clear that UH Mānoa will be getting additional cuts effective July 1, 2011.
- The Council on Revenues will be presenting revenue numbers next week.

Retirements (Reed):
- There are currently 404 FTE eligible for retirement. There is a possible salary savings of $15M if all 404 FTE positions are refilled at new hire average salary levels.
- There will be an estimated 232 FTE eligible for retirement within the next 1-5 years.
- A number of Deans have already undertaken college-level strategic planning in their hiring approach.
- Retirement proposal:
  - Develop a systematic approach to take the difference between the exit salary and the new hire salary (delta amount) and to use a portion of the delta toward the deficit reduction and a portion goes back to reinvestment into meeting the strategic goals of the campus.
  - Paying off accrued vacation (maximum five months) upon retirement: Solution = do not fill position until debt has been paid off.
  - Possible incentive: For employees who retire by December 31, 2010, enable the college/school to keep the position count. From January 1, 2011, have a strategic investment model in place.
  - BW feels this proposal provides a mechanism for the campus to move forward and to achieve objectives and agrees to advance this proposal. Reed will finalize the proposal for Chancellor’s review.

David Hafner will be providing an energy update and David Lassner recommendations on graduate/professional tuition and fees at the next meeting.

Next Meeting: Friday, March 12, 2010 at 9am in Hawai‘i Hall 309.