Budget Workgroup (BW)
Summary Points of Meeting
April 30, 2010
Hawai‘i Hall Room 309
9:00 am – 10:00 am

Attendees: Kathy Cutshaw, Francisco Hernandez, Gary Ostrander, Tom Ramsey, Peter Crouch, Maenette Benham, David Chin, Alan Teramura, Marla Acosta, Annette Chang, David Ross, Joey Nikaido, and Ann Sakuma.

Budget Update:

- The operational budget will be cut $7.5M for UH System. An estimated $4.5M is expected to be cut for UH Mānoa using historical percentages.
- The budget requires $1.9M in revolving funds to fund Mauna Kea Management.
- CIP Budget: $178M includes $48M for West Oahu, $28M for the College of Hawaiian Language in Hilo, $19M for health and safety projects, and $35M in capital deferred maintenance. Proviso includes $520K to replace Klum Gym, $1.7 to improve the softball stadium, and $2M in deferred maintenance for a 4-sided scoreboard for the Stan Sheriff Center.
- The new IT building was dropped from the final conference bill.
- The University will be able to balancing the budget for the next two (2) years without further cuts to campus units. This is mainly due to the earmarked $3.5M for utilities which is no longer needed due to energy savings gained under Facilities & Grounds (F&G) → savings in kilowatt usage thru mechanical system upgrades. F&G is currently reviewing the use of PV for the campus, including a partnership with Chevron to put PV on the parking structure as a trial project.
- Based upon current projections, budget issues will need to be addressed in FY2014. This will give the campus time to strategically plan on how to move forward.
- Delta harvesting will be shelved for the moment since it is not immediately necessary to balance the budget. However, the issue of using the savings to invest in priority areas of the university will remain as an option.
- The procurement exemption for UH was passed as a pilot program for two (2) years to appraise whether compliance, fair bidding, etc. can be accomplished and maintained.
- At the last BOR meeting, UH System presented the biennium budgeting criteria based upon performance and outcomes which will be applicable for any extra money UH Mānoa gets.
- President Greenwood’s three (3) initiatives:
  - To increase the number of college graduates by 25 percent by the year 2015 through better access to higher education and ensuring student success;
To increase externally funded research and training to create jobs and boost spin-off businesses that support Hawaii’s economy; and
- To enhance the university’s reputation for excellence, it’s ability to build the state’s capacity and to increase federal overhead revenues by investing in campus infrastructure.

**Other Matters:**
- Duplicating Services (DS) will be closed effective July 1, 2010. The unions and employees have been notified this week. An announcement will be issued to the campus today. A review of the unit has found that it is not feasible for DS to operate as a recharge center and become self-sustaining. Majority of the equipment in DS is under lease and will be returned to vendors. Remaining machines will be placed in departments as part of the Satellite Copier Program.
- Will review changing Campus Mail to a recharge system in the next fiscal year.
- Car Fleet: The option of having Zip Cars and Enterprise on campus is still under review.
- In the fall, a new CAB and Faculty Senate chair will be joining the committee.

**Continuing Discussions:**
- Tuition Waivers: VCs will review and come up with recommendations.
- Report on Centers
- UH Press is subsidized by state funds. OVCAA is reviewing in further detail.
- External management auditor looking at Athletics under BOR mandate.

**Next Steps:**
- The BW agreed to submit a report to the Chancellor on the issues addressed, recommendations made, and items accomplished. Kathy and Ann to do draft and forward to group for review.
- The BW agreed to meet once a quarter, or as necessary, to address budget and emergency issues.