Budget Committee Meeting  
Law School - LLM & SJD Programs  
October 8, 2020 @ 11am

ATTENDEES:  
Michael Bruno, Camille Nelson, Dan Barnett, Diane Chang, Laura Lyons, Spencer Kimura, Tae-Ung Baik, Velma Kameoka, Wendy Pearson

SUMMARY OF DISCUSSION:

Budget Situation  
We are facing a short-term and long-term budget crisis in the State and at the University. The Governor intends to borrow $750 million from the federal reserve in the current fiscal year 2020-2021 (FY21) to address the State’s current budget shortfall; this loan must be repaid by the State within 3 years beginning July 1, 2021. The State and unions are currently in discussions related to possible furloughs (two days per month = 9.23% pay cut) for State employees over the course of the next four years. All University E/M employees will receive a pay cut beginning November 1, 2020.

While the University has not yet received its budget allocation from the State, we are confident that we will be in a good budget position for FY21 due to the current freeze on hiring, travel freeze and strong restrictions on equipment and other expenditures. However, we must plan now to position the University to withstand the future budget cuts and move away from furloughs and the painful cuts currently in place.

Process  
The University cannot continue as a premiere R1 research university with four years of paycuts and freezes; this is not sustainable. We must start now to identify cost-saving efficiencies and increase revenue, primarily through enrollment growth. Mānoa Budget Committee members began meeting with Deans in March/April to examine budget reduction scenarios of 5%, 10% and 15%.

The Committee suggestions to academic units are not intended to be top-down mandates. The suggestions were based on external reports, information and data on hand, and are intended to be provocative and provoke conversations. The Committee is committed to meeting with highly impacted departments, listening to their thoughts/feedback, and working collaboratively to best position programs, departments and the University for success.

Cost-saving measures will not come on the backs solely of the academic side of the University. On the administrative end, Phase 2 of the Mānoa reorg is currently under development and identifies for elimination approximately 12 E/M positions that will result in significant cost savings for the Mānoa campus. Additionally, a blue ribbon committee is currently reviewing the Athletics program to assess the current program and identify a sustainable future. We are also looking for efficiencies in other programs such as residential life, student housing, facilities, auxiliary services, bookstore, and other areas of administration.

Details of academic program reorganization, review, approval and consultation with unions and affected stakeholders will continue through Spring 2021, it will take time to implement these plans. The aim is to be transparent and collaborative throughout the process as we continue to work to identify cost-saving efficiencies and increase enrollment revenue. Mānoa Staff Senate representatives will participate in these meetings as staff are also affected.

Details  
From a financial perspective, both the Master of Laws (LLM) and Doctor of Juridical Science (SJD) programs are low-cost programs that generate revenue.
The LLM program has been in existence for over 15 years. LLM program costs include the cost for a directorship, teaching two LLM required courses, and $20,000 in annual marketing expenses. In addition to the two required courses, LLM students fill in seats of classes already established in other programs, this construct allows the LLM program to keep its overhead costs low. The average net revenue for the LLM program is $120,000/year.

The LLM program was originally started to attract international students to Hawai‘i. The program accepts US students as well, and three members from the armed forces have joined the LLM program; this is a potential source of revenue for the program while providing opportunities for people in the military, who are funded by the military, to receive professional development and get an additional degree. The program anticipated 13 students this year, however, due to COVID-19, the move to online learning and visa restrictions, 6 of those students deferred their enrollment. Although the program has only 7 students enrolled this year, the program’s net revenue is positive. The program feels there will be potential for much greater enrollment in the coming year.

The SJD is a provision program in its 5th year. When the program was first established, it was estimated to have 6-10 students in the 1st cohort and enrollment would eventually grow to 20 students. The program receives between 5-10 applications but keeps enrollment small, between 2-3 students a year, as a result of limited resources available to support the program. The program expects to graduate 1 or 2 students a year.

The SJD program is self-supporting as the faculty director does not receive additional salary and no additional staff was hired to help administer the program. Academic advisors cover the Directed Reading course during the first year of residence, and provide advising until students finalize a publishable dissertation, which can take 3-5 years to complete.

The provisional status of the SJD program is coming to an end, and the Committee shared concern that the SJD program is a small program with little capacity to grow. The group discussed alternatives to address low enrollment and capacity issues:

- Consider stopping out the program and use the time to refresh the program. Faculty feel a stop out of the program would harm the program and would prefer an extension of the program’s provisional status.
- Increasing enrollment into the program would be burdensome for faculty and may compromise the quality of the program.
- Partnering with other doctoral programs on campus may add more burden to existing work required to support this program.

**Outcomes:**
The Committee remains firm that the SJD will not go to permanent status. The Committee also holds firm on the suggestion to stop-out the program. Students currently enrolled in the program may continue through program completion.

The Committee looks forward to a response from the LLM program with a plan for producing higher enrollments in this program.