May 11, 2016

To: Mānoa Faculty Senate

From: Michael S. Angelo, Chair

Re: Committee on Administration and Budget (CAB) Spring Report 2016

Committee members included: Michael Angelo (Chair), John Casken (Secretary), David Chin, Brian Glazer (Vice-Chair), Rosanne Harrigan, Vilsoni Hereniko, Lilikalā Kameʻeleihiwa, Stephen O’Harrow, Robert Paull, Sarita Rai (SEC Liaison), and Ann Sakaguchi. The Chair thanks the Committee and its officers for their service.

**1.16** 5**% Withholding from the UH System RTRF:** The UH Vice President for Research and Innovation (VPRI) Vassilis Syrmos imposed an additional 5% withholding on the Research and Training Revolving Fund (RTRF) across the entire UH system in August 2015. See CAB Final Report for Fall 2015 for detailed account.

Additional information was obtained in April 2016 that was based on a presentation by UH Vice President for Budget and Finance Kalbert Young to the Senate Executive Committee (SEC) in Sept. 2015 that projected a RTRF balance of $2.7 million in the OVPRI for FY2016. Based on this projected balance, the CAB put forth a resolution requesting the VPRI to immediately return the 5% reduction in the University of Hawaiʻi at Mānoa (UHM)’s RTRF returns in FY2016 back to the UHM. The *Resolution* *Requesting the Return of the Additional Five Percent (5%) Withholding of the RTRF by the OVPRI during FY 2016 to the UHM* was passed by the MFS on 5/4/2016 [54 in support, 5 opposed, 5 abstained]

**2.16 Reorganization Proposal – Proposed Reorganization of the OVPRI:** A reorganization proposal was brought forth by the UH System Office of the VPRI (OVPRI) to transfer the Office of Research Compliance (ORC) from the UHM Office of the Vice Chancellor for Research (OVCR) to under the OVPRI. This was proposed on 10/2/16 by the VPRI, only a month after the new VCR was appointed at $315K/year taking away part of his major duties before his arrival. The proposal submitted to the MFS did not address the questions in the UHMFS Reorganization Checklist that are required for all reorganization proposals reviewed by the MFS. The CAB therefore met with the VPRI on 11/04/15 and explained the review process. The CAB members also raised significant concerns with respect to the purported cost savings of $1.1 million and the lack of evidence as to how this would be achieved. The VPRI agreed to address CAB’s concerns and its Checklist and stated that he would provide CAB with written responses. However, the CAB did not receive any information in response to the Checklist from the VPRI and the statement that was forwarded by his office staff regarding the $1.1 million in cost savings lacked the evidence to justify the purported organizational efficiency or cost savings. The *Resolution Opposing the Reorganization of the OVPRI* passed on 1//20/16.[48 in support, 1 opposed, 1 abstained].

**7.16 Reorganization Proposal – Myron B. Thompson School of Social Work (MBT SSW), Office of Public Health Studies (OPHS), and Center on Aging (COA):** Thi**s** reorganization proposal proposed to move the OPHS from the John A. Burns School of Medicine (JABSOM) to the MBT SSW and to move the COA from the Office of the Vice Chancellor for Research to the MBT SSW. The reorganization proposal was a faculty/staff driven proposal and therefore had significant input from its constituencies. Members within the affected units voted in favor of supporting the proposal by a majority of more than 90%. The *Resolution on the Re-Organization of the MBT School of Social Work* passed on 02/27/16 [49 in support, 1 opposed, 0 abstained].

**10.16 Reorganization Proposal – John A. Burns School of Medicine (JABSOM) and University of Hawaii Cancer Center (UHCC) into Kakaako Health Sciences.** The CAB received a reorganization proposal on 2/10/16 and subsequently met with faculty members from JABSOM and UHCC to learn about their positions and/or of concerns. While the JABSOM faculty representative reported general support by its faculty, UHCC faculty stated significant concerns, including lack of meaningful faculty consultation regarding the reorganization proposal. The UHCC faculty senate passed a resolution with 60% in favor of requiring “any reorganization of the UHCC to not be considered until the new permanent UHCC director is hired and assumes full control of the UHCC.” The CAB also found that the proposed reorganization did not identify or address a fundamental operational problem, i.e. both JABSOM and UHCC are currently operating at an annual deficit of $7 and 10 million, respectively. Due to insufficient time to review and bring the reorganization proposal to full MFS vote within the requestor’s time frame, the SEC on 3/14/16 voted in opposition to the proposed reorganization on behalf of MFS based on the information that had been submitted [Passed: 6 in support, 0 opposed, 1 abstained]. On 4/8/16, the CAB reaffirmed the SEC’s position of opposing the reorganization of the two units into Kakaako Health Sciences.

**17.16 University Architect**

On 3/16/16, the UHM IC informed the SEC and the CAB Chair of a proposal for the University architect position. This position would be responsible for the planning and design of the UHM campus based on the U. of Washington’s university architect role. CAB recommended against the university architect position to the SEC. The CAB instead recommended that a committee consisting of faculty from throughout the UHM engaged in sustainability activities and at the UHM School of Architecture to develop and review planning and design proposals for the UHM campus.

**Budget Subcommittee**

An overview of the budget model by David Chin is found at:

<https://prezi.com/aqso_gmtzkjq/cab-budget-model/?utm_campaign=share&utm_medium=copy>

In December 2015, the IC requested faculty input on the allocation of a funding pool for G- and Tuition funds in the IC’s budget model. CAB then established an adhoc Budget Subcommittee (SC) to develop an allocation methodology for “all funds” using Responsibility Center Management (RCM) principles. This preliminary model was then vetted with the entire committee for discussions/revisions. SC members included: Michael Angelo (Chair), John Casken (Secretary), David Chin, Lilikalā Kameʻeleihiwa, Sarita Rai (SEC Liaison) and Ann Sakaguchi. The SC met 4 times during Spring 2016 on, 1/27, 2/3, 2/24, and 3/2.

CAB Chair presented the preliminary RCM budget model at the invitation of the UHM Board of Regents (BOR) Committee on Budget and Finance on 2/11/16. On 4/19/2016, the IC announced the roll out of the Chancellor’s new budget model. The CAB is in opposition to the IC’s new budget model because it does not adequately address the current budgetary concerns related to strengthening the mission support. The RCM budget model developed by CAB ensures significant input into the decision making by the faculty. David Chin presented this model to the MFS on 04/20/16 for its consideration and vote. The *Resolution Requesting Adoption of a Responsibility Center Management (RCM) Approach as a Basis for Budgeting at UHM* passed on 4/20/16 [42 in support, 3 opposed, 2 abstained].

CAB member David Chin will continue to make presentations to the MFS budget model soliciting feedback and support from various campus stake holders including: the Associated Students of the University of Hawaiʻi (ASUH), the Graduate Student Organization, the UHM Chancellor’s Executive Team, the UH BOR and select State Legislators during the remainder of Spring 2016 and into Summer 2016.