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UH in crisis over deficit

Probable result is some academic programs will be eliminated, professors fear

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A \$76 million budget deficit, a standoff between the University of Hawaii's administration and its faculty union, and fears of massive cuts to programs, departments and schools have longtime professors calling the situation at UH the worst money and morale crisis they have known.

"This is far and away the worst I've seen — I'm not exaggerating. For the first time, we are simply looking at the real possibility of damage to the whole institution," said professor David Stannard, chairman of the American studies department. He has been at UH since 1979, and his views reflected those of several colleagues.

No new talks are scheduled between the University of Hawaii Professional Assembly and the administration over proposed concessions that at one point included a 5 percent pay cut for UHPA's estimated 3,000 members.

On Oct. 8, 86.2 percent of the UH faculty voted to reject the administration's "best and final" offer, which included a payroll lag of one check per year and a \$2,400 increase in health care premiums.

Union officials recommended that members reject the offer.

"There's been no change," said J.N. Musto, UHPA's executive director. "No talks are scheduled."

UH's new president, M.R.C. Greenwood, said she still hopes for a settlement by the end of the year.

During a live, online video chat at The Honolulu Advertiser last week, Greenwood was asked by an Advertiser reader whether UH students will see even higher tuition increases in response to the budget gap, in addition to the series of tuition increases already in effect.

"I just can't answer that right now," Greenwood said. "We are still trying to assess a way to work with the faculty. ... It's a little hard for me to say what the consequences will be if we cannot find a way to get the additional dollars that we need to close our budget gap. But I certainly hope it would not have to be tuition" increases.

In a brief interview later, Greenwood said there were two negotiation sessions following UHPA's rejection of the last proposal in which UHPA offered "a counter proposal which looks like it's taking us further apart."

She declined to specify the issues on the bargaining table but said, "if we can't get it settled, then we'll have to talk to our attorneys about other actions we can and will take, and we'll deal with it then. I'm still hopeful we can get a settlement before the beginning of the next calendar year, but I'm less hopeful today than I was before, because we don't see much movement. In fact, we see movement in the other direction."

14% spending cut

Gov. Linda Lingle's administration projects a statewide budget deficit of about \$1 billion through June 2011, and Lingle has imposed 14 percent spending restrictions on UH and the state Department of Education.

Lingle has said that savings from new collective bargaining contracts with UH professors and public school teachers won't be enough to close their budget deficits.

So without a new UHPA contract to help offset the cuts, UH faculty are now wondering what programs, departments and schools are vulnerable to deep cuts and possibly elimination.

Professor David Chin, of the information and computer sciences department, is on the Faculty Senate's administration and budget committee, which is working with the UH administration to look at ways to increase revenue by boosting enrollment and saving money through faculty attrition and reorganizing the main Mānoa campus.

"It's part of the solution, but it would be great if somebody came up with another idea," said Chin, who has been at UH for 21 years. "This is the worst it's been since I've been here in terms of budget cuts. We're all worried about how we're going to survive this. Morale is very low and people are pretty worried."

State Rep. Mark Takai, D-34th, (Newtown, Waiiau, Pearl City) is a former UH student body president who is now a member of the House Higher Education Committee. He says UH's money problems have to be solved internally — and not at the Legislature.

Says Takai: "We cannot afford a university system that is everything to everyone. We just can't ... We couldn't afford it 10 years ago, and we can't afford it today. And this fiscal situation is by far the most serious that I've seen in the past two decades."

Back in 1995, UH had to absorb a \$90 million budget hit, which resulted in the death of the School of Public Health — as well as new powers granted by the Legislature to let UH raise tuition and keep the tuition increases.

"The university had some serious decisions to make," Takai said. "This crisis in front of us is a lot worse."

Takai worries that UH administrators will end up making "across-the-board" budget cuts to every UH department and program.

"It's a simple solution, but it's not the correct one," he said. "They need to downsize and eliminate entire programs. Those decisions need to be made collectively by the university family, which includes the regents, administration, faculty, staff and students. Every day that this issue festers unresolved, the ability of the university to figure out how they're going to manage this crisis puts more of a strain on the system because the crisis multiplies. If it goes into next year, you're talking about an entire year of reductions put into six months, which doubles their problems."

be relevant or die

UH programs that survive need to be "relevant to the entire state," Takai said. "If you can justify your relevancy, you should be able to continue to exist. If you struggle with that, I don't see why the university does not consider cuts or elimination."

Programs such as Hawaiian studies are likely to be immune to massive budget hits, Takai and several others said. Construction and renovation money to UH's deteriorating buildings are also likely to be spared, they said.

And Musto, the head of the faculty union, says it's overly simplistic to look at salary cuts as part of the answer.

Salaries for researchers and professors cost the UH system \$306 million, Musto said, but UH faculty collectively generate more than \$430 million in research and training grants.

Pay cuts would jeopardize UH's ability to recruit new and young faculty, who would bring in even more outside grants, Musto said.

"The university is not a local employment market," he said. "It is an international employment market. Faculty pay cuts are just going to exacerbate the economic problems of the state."

So that leaves department heads like Stannard looking at ways to protect his small American studies department of 11 faculty members from further cuts.

For years, American studies professors have been chipping in their own money to send graduate students to conferences and to hold departmental mixers involving faculty, grad students and undergrads.

A hiring freeze also means Stannard's department went nine months without a secretary and only got one this semester when another program closed and a secretary became available. A part-time secretary position will remain unfilled.

So Stannard is pleased that his department operates at a net profit for the university when calculating the cost of faculty salaries compared to the tuition generated by the students they teach.

"When you look at instructional expenditures, including faculty benefits, versus tuition — or what you can consider income — we're actually 'making' \$50,000" Stannard said. "It's not a lot, but it means we're not losing money."

Stannard hopes that kind of logic keeps American studies relatively intact through what he and other professors are calling "a massive fiscal crisis."

Like some other UH faculty members, Stannard supports the idea of merging schools and killing programs outright.

But how those decisions should be made aren't up to him.

"I just think it really needs to be done in a thoughtful way," Stannard said. "Unfortunately, we need to save a lot of money in a short time."
