Proposals from Consultants

Co-Chair Morton explained that based on the referrals made by the Task Force members, four consultants were contacted to see if they might be interested in submitting proposals: Ms. Brenda Norman Albright; the Education Commission of the States in Association with Augenblick, Palaich & Associates (APA); MGT of American, Inc; and Pappas Consulting Group. Proposals were submitted by all four consultants. Co-Chair Morton reviewed a one-page summary he prepared for each of the four proposals. Each one-page summary highlighted the consultant’s principal contact, prior experience with formula funding consulting, proposed cost, proposed timeline, and comments or conditions.
(copies of proposals are attached). Following the review of the four proposal summaries, members of the Task Force had the opportunity to review the full proposals of each of the four consultants.

Co-Chair Morton noted that while the Task Force’s report is due to the legislature prior to the beginning of the 2009 Legislative Session, it may be necessary for the Task Force to submit an interim report before the beginning of the session with a complete report to be submitted in April, if legislative action is to be sought. He noted that all of the firms said that they could complete the proposed study by the Spring of 2009.

Following a review of each of the four proposals, Chancellor Awakuni expressed the opinion that he liked the proposals submitted by MGT and Albright, adding that he thought MGT was more experienced and has worked with both community colleges and universities. Co-Chair Morton said that while he liked Ms. Albright’s proposal because of her emphasis linking what is being done to strategic planning, he noted that Ms. Albright had an extended timeline, which may indicate that she is a “one-person” shop. He noted that between MGT and Ms. Albright these two consultants had provided consultant services regarding formula funding to almost every state nationwide.

Vice Chancellor Cutshaw asked if the intent was to go to the legislature for action, to which Co-Chair Morton explained that the Task Force’s report must go first to the President for recommendations and then to the Board of Regents. Senator Sakamoto said that there are several phases in the process. There is a need to figure out if the plan is to affect the base budget plus incentives. He would like to see a budget process that builds the budget from the bottom upwards and that is principle-based. He would like to see a process that develops agreements to make the funding process easier.

Ms. Van Camp asked which of the consultant would be able to deliver the desired product in the timeframe available. Co-Chair Morton said he believed MGT would be able to do so. Co-Chair Sakamoto said that MGT would have to be willing to address UH’s uniqueness rather than use a “cookie cutter” approach and merely insert Hawai’i into some previously conducted study for another state. He added that MGT was recommended by NCSL.

Ms. Van Camp moved that the Task Force engage MGT as the Task Force’s consultant. Chancellor Awakuni seconded the motion. The motion was unanimously approved.

Co-Chair Morton said that he would have follow-up discussions with MGT to find out if the proposed cost estimates were fixed or if there were other charges; if the
provided price quote was a flat fee or a base with additional charges incurred if a specified maximum number of hours were exceeded; the nature of expense charges; the proposed timeline for conducting the study; the consultant’s role in presenting and marketing the results of the study; inclusion of a requirement that the consultant would be expected to make informational briefings, (e.g., to the Legislature); and clarification of the principal’s role in the actual conduct of the study. Co-Chair Morton explained that he would need to secure the President’s approval on an exemption to procurement requirements, which he hoped to secure next week, and that funding to conduct the study would need to be found. He said that he planned to make contact with the consultant next week to begin the negotiations and if the negotiations did not go well, then he would like to talk with Ms. Albright.

Vice Chancellor Cutshaw moved that Co-Chair Morton be authorized to negotiate with Ms. Albright in the event that negotiations with MGT were not successful. Ms. Van Camp seconded the motion. The motion was unanimously approved.

Co-Chair Morton said that the first campus visit by MGT would be for the purpose of the University getting to know MGT and vice-versa. He suggested that once the contract was completed and prior to MGT’s campus visit specific information should be made available to MGT about UH in addition to information already available on the University websites. He suggested that the first campus visit be scheduled for October 30, 2008 at 10:30 am with a back-up meeting date of November 6, 2008 at 10:30 am. With the exception of Ms. Van Camp who would not be able to make a meeting on November 6th, all other Task Force members confirmed that they would be available to meet for both proposed dates. Ms. Van Camp suggested that in addition to sending information about the University to MGT, MGT should be asked if they had any specific questions about the University for which information could be generated prior to the on-site visit.

Co-Chair Sakamoto said that he saw the process playing out as follows. He assumed that the recommendations would be “blessed” or objections noted with appropriate adjustments. The study would be presented to the different campuses.

Vice President Todo asked if the study would form a basis for identifying priorities items and if there would be any impact on this year’s budget? Co-Chair Sakamoto explained that not all Senators favored formula funding. He thought that formula funding would help legislators when funding was available in the future. He explained that all information would help the legislature focus and cited the example of the Academy of Creative Media, which the public perceives a good thing, yet conjectured that if it is not in the University’s budget should it be an incentive or add-on. He hoped that the Task Force report would not be just
another study, instead he hoped that it would change behavior of the campuses and faculty. He wanted to the community to talk about funding and legislative funding priorities. He said that he would like to see system initiatives that everyone can get behind. Ms. Van Camp said that with a plan in place that it would be possible to get support.

Other Business

Co-Chair Sakamoto asked if there were any revisions to the meeting summary that had been shared with all Task Force members prior to the meeting. No revisions or objections to the meeting summary were expressed.

Next Meeting

Co-Chair Morton recommended that the next Task Force meeting be scheduled for October 30, 2008 at 10:30 am in Bachman Hall 113 with a possible back-up meeting date of November 6, 2008 at 10:30 a.m.. The Task Force members agreed to the proposed meeting dates. [Note: Upon checking room availability, the next Task Force meeting will be in Bachman Hall 203.]

Adjourn

The meeting was adjourned at 11:30 a.m.