UNIVERSITY OF HAWAI'I

University Budget Office

May 2, 2002

MEMORANDUM

TO: Board Secretary David Iha
FROM: Glenn K. Nakamura

SUBJECT: NOTIFICATION OF APPROVED REORGANIZATION FOR THE OFFICE OF THE VICE PRESIDENT FOR EXTERNAL AFFAIRS AND UNIVERSITY RELATIONS (OVPEAUR) AND THE AUXILIARY ENTERPRISES (AE), OFFICE OF THE CHANCELLOR, UH MĀNOA

Enclosed for the information of the Board of Regents is a copy of the reorganization approved on April 22, 2002 for the reassignment of the collegiate licensing program from the AE to the OVPEAUR. The purpose of this reorganization is explained in the accompanying executive summary and proposal narrative.

If there are any questions regarding this matter, please contact Interim Vice Chancellor Rodney Sakaguchi at 956-8209.

Attachment

c: Interim Vice Chancellor Rodney Sakaguchi
MEMORANDUM

TO: The Honorable Mazie Hirono
       Lieutenant Governor, State of Hawai‘i

FROM: Rodney Sakaguchi
       Interim Vice Chancellor for Administration, Finance and Operations

SUBJECT: NOTIFICATION OF APPROVED REORGANIZATION, UNIVERSITY OF HAWAI‘I, OFFICE OF AUXILIARY ENTERPRISES AND OFFICE OF THE VICE PRESIDENT FOR EXTERNAL AFFAIRS AND UNIVERSITY RELATIONS

Enclosed for our files is a copy of a minor reorganization which was approved by the University of Hawai‘i on April 22, 2002.

The reorganization would reassign the collegiate licensing function from the UH Mānoa Office of Auxiliary Enterprises to the Office of the Vice President for External Affairs and University Relations. The purpose of the reorganization is explained in the accompanying executive summary.

Enclosure

  c: Director Neal Miyahira, Department of Budget and Finance
     Director Davis Yogi, Department of Human Resources Development
     Vice President Paul Costello
     Director Wayne Fujishige
     Director Peggy Hong
     ✔ Acting Director Glenn Nakamura
MEMORANDUM

TO: Evan Dobelle
    President

FROM: Deane Neubauer
      Interim Chancellor

      Paul Costello
      Vice President for External Affairs and
      University Relations

SUBJECT: PROPOSED REORGANIZATION OF THE UH MĀNOA OFFICE OF AUXILIARY ENTERPRISES
        AND THE OFFICE OF THE VICE PRESIDENT FOR EXTERNAL AFFAIRS AND UNIVERSITY
        RELATIONS

April 16, 2002

Your approval of the attached reorganization proposal is requested. This reorganization will reassign
the collegiate licensing function and one associated position (80429, UH Procurement and Property
Management Specialist IV, P09) from the UH Mānoa Office of Auxiliary Enterprises to the Office of the
Vice President for External Affairs and University Relations.

The Office of Auxiliary Enterprises manages the parking, transportation, faculty housing, food
services, duplicating, campus mail, campus security, bookstore, business development, and collegiate
licensing programs at the Mānoa campus. The Office of the Vice President for External Affairs and
University Relations is responsible for University marketing and public relations.

Reassignment of the collegiate licensing program will facilitate systemwide control over the
University’s collegiate licensing and logo matters, and provide revenue generating capability through closer
coordination with the University’s marketing efforts. No additional costs are anticipated. The affected
employee bargaining unit representative was consulted and all questions and concerns were addressed.

Your approval of this proposal may be indicated with your signature on the attached proposed
organization charts.

Attachments

c: Interim Vice Chancellor Rodney Sakaguchi
    Director Peggy Hong
    Acting Director Glenn Nakamura
    Director Claire Nakamura
    Director Wayne Fujishige
MEMORANDUM

TO:                Paul Costello
                    Vice President for External Affairs and University Relations

FROM:             James R.W. Sloane
                    Vice President for Administration and Chief Financial Officer

SUBJECT:         Proposed Transfer of UH Collegiate Licensing Program

Background

1. Current Organization. The UH Collegiate Licensing Program is currently the responsibility of the Director of Auxiliary Enterprises, Wayne Fujishige, whose operations were transferred from the UH System to UH Mānoa effective August 21, 2001, pursuant to the reorganization which established a UH Mānoa Chancellor separate from the UH System President.

2. Proposed Organizational Transfer. Discussions are underway between your office and UH Mānoa on a proposed transfer of the UH Collegiate Licensing Program to the UH System Office of the Vice President for External Affairs and University Relations (VPEAUR), consistent with VPEAUR's marketing responsibilities.

3. Budget and Fiscal Accountability. While Collegiate Licensing represents a separate cost center for accountability, it remains under the UOH-900/UH Systemwide Programs revolving fund budget and was not transferred to the UOH-100/UH Mānoa budget. Therefore, a budget program structure change (from UH Mānoa to UH System) is not required for VPEAUR to assume responsibility for Collegiate Licensing. I would recommend, however, that the cash balance ($124,825 as of February 27, 2002) be transferred within the UH System budget from the Auxiliary Enterprises' account to a new account under your purview. Claire Nakamura of my staff will assist in executing the cash transfer when appropriate.

4. Union Consultation. Collegiate Licensing staff consists of one full-time employee, Ms. Debbie Kutara, who occupies APT Position 80429, UH Procurement and Property Management Specialist IV, Bargaining Unit 8. Consultation with the union, Hawai‘i Government Employees Association, will be initiated by UHM Interim Vice Chancellor Rodney Sakaguchi on the organizational transfer of the Collegiate
Licensing function, with the assistance of the UH Budget Office which has prepared the proposal for minor reorganization.

5. **Exclusive Licensing Agent.** As you are aware, BHPC Marketing, Inc. of California has been contracted to serve as the University’s exclusive agent for facilitating licensing of UH trademarks for use on high quality, reputable products worldwide, through May 23, 2005, with an option for a one-year renewal. For its services, BHPC Marketing receives a commission equal to 20% of royalties received by UH.

The University’s 80% share of licensing royalties, based on current practice, is distributed as follows:

- UH Mānoa Intercollegiate Athletics - 35%
- UH Hilo - 15% or $20,000, whichever is less
- UH Community Colleges System - 5% or $5,000, whichever is less
- UH Bookstore System - 10%
- UH Collegiate Licensing (Operating Budget) - 35%

You may wish to consider changing the distribution of revenue within the University, following adequate notification to the affected parties.

**Requested Action**

In anticipation of the proposed transfer of the UH Collegiate Licensing Program from UH Mānoa Auxiliary Enterprises to the UH System Office of the Vice President for External Affairs and University Relations, please identify VPEAUR office space for Ms. Kutara who is currently housed in the administrative offices of the UH Bookstore System. I would project an implementation date of April 2002, subject to completion of union consultation and UH approval of the minor reorganization.

c: Interim Chancellor Deane Neubauer, UHM
    Interim Vice Chancellor Rodney Sakaguchi, UHM
    Director Wayne Fujishige, UHM
    Director Peggy Hong, UH
    Director Claire Nakamura, UH
    Acting Director Glenn Nakamura, UH
MEMORANDUM

TO: Director Claire Nakamura
FROM: Glenn K. Nakamura
SUBJECT: REQUEST FOR COMMENTS ON PROPOSED TRANSFER OF COLLEGIATE LICENSING PROGRAM

February 26, 2002

It is our understanding that the proposed transfer of the Collegiate Licensing program was initiated by Vice President Paul Costello and only involves that part of the Auxiliary Enterprises Business Development program. According to Director Wayne Fujishige, the information in VP Sloane's memorandum of Feb. 27, 2002 is mostly correct regarding Auxiliary Enterprises information and funds. The one exception is item 5.f., in which reference to the Rainbowtique should be deleted. He will be contacting you on this matter. Organizationally, our only comment is that if the proposal for the reassignment of the Collegiate Licensing program remains in its current form, Pos. No. 80429 could be reporting to the Vice President for External Affairs and University Relations. The UH Mānoa Chancellor's Office has been reminded of the procedural requirements for processing reorganizational proposals.
MEMORANDUM

TO: Paul Costello
Vice President for External Affairs and University Relations

FROM: James R.W. Sloane
Vice President for Administration and Chief Financial Officer

SUBJECT: Proposed Transfer of UH Collegiate Licensing Program

Background

1. **Current Organization.** The UH Collegiate Licensing Program currently reports to the Director of Auxiliary Enterprises, Wayne Fujishige, whose operations were transferred from the UH System to UH Mānoa effective August 21, 2001, pursuant to the reorganization which established a UH Mānoa Chancellor separate from the UH System President.

2. **Proposed Organizational Transfer.** Discussions are underway between your office and UH Mānoa on a proposed transfer of the UH Collegiate Licensing Program to the UH System Office of the Vice President for External Affairs and University Relations (VPEAUR), consistent with VPEAUR's marketing responsibilities.

3. **Budget and Fiscal Accountability.** While Collegiate Licensing represents a separate cost center for accountability, it remains under the UOH-900/UH Systemwide Programs revolving fund budget and was not transferred to the UOH-100/UH Mānoa budget. Therefore, a budget program structure change (from UH Mānoa back to UH System) is not required for VPEAUR to assume responsibility for Collegiate Licensing. I would recommend, however, that the cash balance ($124,825 as of February 27, 2002) be transferred within the UH System budget from the Auxiliary Enterprises' account to a new account under your purview. Claire Nakamura of my staff can assist in executing the cash transfer when appropriate.

4. **Union Consultation.** Collegiate Licensing staff includes one full-time employee, Ms. Debbie Kutara, who occupies APT Position 80429, UH Procurement and Property Management Specialist IV, Bargaining Unit 8. Consultation with the union, Hawai‘i Government Employees Association, can be initiated by Wayne Fujishige on the
EXECUTIVE SUMMARY
REORGANIZATIONAL PROPOSAL
UNIVERSITY OF HAWAI'I
OFFICE OF THE CHANCELLOR, UH MĀNOA
AND OFFICE OF THE VICE PRESIDENT FOR
EXTERNAL AFFAIRS AND UNIVERSITY RELATIONS

Collegiate licensing activities are currently administered by the Auxiliary Enterprises, University of Hawai'i at Mānoa. This office reports directly to the Vice Chancellor for Administration, Finance and Operations in the Office of the Chancellor, UH Mānoa. The Office of the Vice President for External Affairs and University Relations is responsible for University marketing and public relations as part of its functions. This reorganization reassigns the collegiate licensing activities and one position from the Auxiliary Enterprises to the Office of the Vice President for External Affairs and University Relations. Maximization of collegiate licensing revenues to the University and control over the University's logos by a systemwide office are reasons for this proposal. No additional costs, positions or funding are involved with this reorganization.
REORGANIZATIONAL PROPOSAL
UNIVERSITY OF HAWAI'I
OFFICE OF THE CHANCELLOR, UH MĀNOA
AND OFFICE OF THE VICE PRESIDENT FOR
EXTERNAL AFFAIRS AND UNIVERSITY RELATIONS

I. Present Organization

The Auxiliary Enterprises (AE) currently reports to the Vice Chancellor for Administration, Finance and Operations under the Office of the Chancellor, University of Hawai‘i at Mānoa. It administers UH Mānoa Auxiliary Services, the UH Bookstore System, Business Development, and Campus Security programs. The AE Business Development program administers collegiate licensing activities for the University.

As a systemwide office, the Office of the Vice President for External Affairs and University Relations (OVPEAUR) provides leadership in planning, organizing, directing, and coordinating the University’s external affairs and internal relations. Marketing and public relations responsibilities are part of these functions.

II. Proposed Organization

Under this proposal, the collegiate licensing activities currently administered by the AE Business Development Office and Pos. No. 80429, UH Procurement and Property Management Specialist IV, P09 from this office will be reassigned to the Office of the Vice President for External Affairs and University Relations. This position handles the daily operations of the collegiate licensing program. Position No. 80429 will report to the Vice President for External Affairs and University Relations, Pos. No. 89099.

III. Background/Reasons for the Proposed Reorganization

With the University’s increased focus on fiscal management, e.g., maximization of revenues generated by University programs, changes to the University’s operations have been proposed to accomplish fiscal objectives. The reassignment of collegiate licensing activities from the AE to the OVPEAUR is part of this overall goal. Reassignment of the collegiate licensing activities to the OVPEAUR will provide increased revenue generating capability through closer coordination with the University’s marketing efforts and facilitate
systemwide control and enforcement of University collegiate licensing and logo matters.

IV. Impact on Staffing and Resources

No additional costs are anticipated with this proposal and no new positions or funding will be requested. Management of funds for the collegiate licensing program will be transferred from the AE to the OVPEAUR. Positions will be redescribed as necessary.

V. Alternatives Considered

The alternative of maintaining the status quo was not considered a viable solution to accomplishing the objectives of the University.
PREVIOUS ORGANIZATIONAL CHARTS AND FUNCTIONAL STATEMENTS
MAJOR FUNCTIONS (Summary)

Provides systemwide leadership in planning, organizing, directing, evaluating, and coordinating the University’s external affairs and internal relations. Program areas of responsibility include: community and alumni relations; marketing and public relations; legislative liaison and coordinative activities; news and media relations; special events planning and coordination; information practices; and print, broadcast, and electronic communications and design.

- Develops programs, policies, and strategies for the University’s external affairs programs to affirm the University’s role in higher education for the State of Hawai‘i; guides the University in its relationships with various constituencies to enhance the University’s prominence both locally and internationally; and effectively and aggressively promotes the University’s legislative agenda.

- Advises the Board of Regents, President, and University community in University relations matters.

- Focuses marketing and advertising goals and strategic plans on student recruitment, fund-raising, and community relations and institutional image. Ensures proper dissemination of information regarding University operations, programs, and activities to external audiences and internal constituents.

- Fosters internal communications to promote effective partnerships and relationships with faculty, students, staff, and administrators.

Creative Services

Creative Services is the support service division of the Vice President for External Affairs and University Relations office. It provides direct editorial and design services to the Board of Regents, system administration, and Unit, campus, and departmental units. These services include but are not limited to the:

- Design, coordination and monitoring of the dissemination of information relating to programs and activities within the University in compliance with University policies and procedures.
- Preparation, editing and production of a variety of publications for distribution within and outside of the University.
- Providing design and editorial resources to system, Unit, and campus departments in the preparation of promotional and informational materials.
- Coordination of the development of broadcast and electronic public relations initiatives.
INTRODUCTION

Provides leadership and coordination in planning, developing, and directing activities relating to UH Manoa Auxiliary Services, the UH Bookstore System, systemwide Administrative Services, systemwide Business Development, and UH Manoa Campus Security.

MAJOR FUNCTIONS

DIRECTOR OF AUXILIARY ENTERPRISES

Plans, organizes, directs, and controls UH Auxiliary Enterprises programs which include: Systemwide business development and commercial enterprise opportunities, systemwide administrative and support services, Manoa campus auxiliary services, Manoa campus security, systemwide bookstores on eight campuses, and other retail facilities or concessions, both on and off campus.

1. Establishes overall policies, ensures that effective management methods and appropriate financial controls are used.

2. Provides direction and leadership to subordinate managers in the development, implementation, and attainment of programmatic and financial goals and objectives.

3. Maintains liaison with University students, faculty, administrators, community groups, legislature, and other interested parties on Auxiliary Enterprises matters.

SUPPORT SERVICES

Responsible for coordinating UH Civil Defense activities, and commuter program development.

1. Performs functions of Civil Defense Coordinator for the University System.

2. Plans, organizes, and implements programs to address transportation and traffic congestion problems relating to commuters throughout the University System.
CURRENT

STATE OF HAWAII
UNIVERSITY OF HAWAII
OFFICE OF THE CHANCELLOR, UH MANOA
VICE CHANCELLOR FOR ADMINISTRATION, FINANCE & OPERATIONS
AUXILIARY ENTERPRISES
BUSINESS DEVELOPMENT

Plans, organizes, directs, and controls business development functions of Auxiliary Enterprises. Researches feasibility of new retail business ventures and implements viable business opportunities. Conducts the advertising and public relations efforts for Auxiliary Enterprises through various media and coordinates promotional activities. Analyzes existing operations and develops plans to improve existing functions. Responsible for collegiate licensing activities.

1. Meets with various company representatives and establishes plans for new business ventures.

2. Oversees management of various business ventures under the purview of the Business Development section.

3. Conducts a program of advertising, promotions, and public relations for Auxiliary Enterprises units through the use of various types of media.

4. Purchases and promotes emblematic merchandise that supports various University of Hawaii programs.

5. Provides for proper collection of royalties, and ensures that existing and proposed licensing agreements are in accordance with appropriate legal and policy requirements.
NEW ORGANIZATIONAL CHARTS
AND
FUNCTIONAL STATEMENTS
MAJOR FUNCTIONS (Summary)

Provides systemwide leadership in planning, organizing, directing, evaluating, and coordinating the University's external affairs and internal relations. Program areas of responsibility include: community and alumni relations; marketing and public relations; legislative liaison and coordinative activities; news and media relations; special events planning and coordination; information practices; collegiate licensing; and print, broadcast, and electronic communications and design.

- Develops programs, policies, and strategies for the University's external affairs programs to affirm the University's role in higher education for the State of Hawai'i; guides the University in its relationships with various constituencies to enhance the University's prominence both locally and internationally; and effectively and aggressively promotes the University's legislative agenda.

- Advises the Board of Regents, President, and University community in University relations matters.

- Focuses marketing and advertising goals and strategic plans on student recruitment, fund-raising, community relations, and institutional image. Ensures proper dissemination of information regarding University operations, programs, and activities to external audiences and internal constituents.

- Fosters internal communications to promote effective partnerships and relationships with faculty, students, staff, and administrators.

- Oversees the University's collegiate licensing and University branding (logo/trademark) marketing program. Provides for proper collection of royalties and ensures that existing and proposed licensing agreements are in accordance with appropriate legal and policy requirements. Seeks to maximize revenues from the University's collegiate licensing program. Investigates possible violations of licensing agreements and use of the University's logo/trademark, etc., and takes appropriate action. Ensures the controlled commercial use of the University's logo/trademark and reviews products for appropriateness, quality, and accuracy in the use of the University's logo/trademark. Develops and interprets University collegiate licensing policies and procedures. Serves as the University's liaison on collegiate licensing matters.
Creative Services

Creative Services is the support service division of the Vice President for External Affairs and University Relations office. It provides direct editorial and design services to the Board of Regents, system administration, and Unit, campus, and departmental units. These services include but are not limited to the:

- Design, coordination and monitoring of the dissemination of information relating to programs and activities within the University in compliance with University policies and procedures.
- Preparation, editing and production of a variety of publications for distribution within and outside of the University.
- Providing design and editorial resources to system, Unit, and campus departments in the preparation of promotional and informational materials.
- Coordination of the development of broadcast and electronic public relations initiatives.

Community and Alumni Relations

Community and Alumni Relations is responsible for interface between the University and the community such as business and community groups, advisory boards, alumni organizations, and the legislature and other governmental bodies. This division is charged with establishing clear lines of communication and positive rapport with external and internal groups. Responsibilities include but are not limited to the:

- Development and maintenance of effective working relationships within and outside the University with a variety of individuals and groups, formal and informal, that are interested in or are associated with the University.
- Coordination and development of policies, procedures and operating guidelines and understanding between the University and the University of Hawai‘i’s Alumni Association, internal and external recognized alumni organizations, and individual alumnius and alumnae.
- Guidance and general supervisory control for the design, development and implementation of alumni programs and activities.
- Coordination of the University’s legislative activities.
- Development of appropriate administrative procedures and operational practices in conformity with applicable state law and University policies, rules, regulations and procedures.

Public Relations and Special Events

Public Relations and Special Events is responsible for the development and maintenance of a positive image and good will between the University and the public. These functional responsibilities include but are not limited to the:

- Development of the marketing strategy for the University of Hawai‘i and preparation of related marketing materials.
- Preparation of speeches, scripts, and related communication materials for delivery to internal and external publics.
- Development of a UH media strategy and preparation of media releases and other news services.
- Monitoring and evaluation of University public and media relations activities to ensure consistency with University goals and objectives.
- Development and coordination of University of Hawai‘i’s administration, UH Foundation, UH Alumni Association, and other UH campus or departmental special events.
- Provision of protocol services, information and logistics.
STATE OF HAWAII
UNIVERSITY OF HAWAII
OFFICE OF THE CHANCELLOR, UH MANOA
VICE CHANCELLOR FOR ADMINISTRATION, FINANCE & OPERATIONS
AUXILIARY ENTERPRISES

INTRODUCTION

Provides leadership and coordination in planning, developing, and directing activities relating to UH Manoa Auxiliary Services, the UH Bookstore System, systemwide Administrative Services, systemwide Business Development, and UH Manoa Campus Security.

MAJOR FUNCTIONS

DIRECTOR OF AUXILIARY ENTERPRISES

Plans, organizes, directs, and controls UH Auxiliary Enterprises programs which include: Systemwide business development and commercial enterprise opportunities, systemwide administrative and support services, Manoa campus auxiliary services, Manoa campus security, systemwide bookstores on eight campuses, and other retail facilities or concessions, both on and off campus.

1. Establishes overall policies, ensures that effective management methods and appropriate financial controls are used.

2. Provides direction and leadership to subordinate managers in the development, implementation, and attainment of programmatic and financial goals and objectives.

3. Maintains liaison with University students, faculty, administrators, community groups, legislature, and other interested parties on Auxiliary Enterprises matters.

SUPPORT SERVICES

Responsible for coordinating UH Civil Defense activities, and commuter program development.

1. Performs functions of Civil Defense Coordinator for the University System.

2. Plans, organizes, and implements programs to address transportation and traffic congestion problems relating to commuters throughout the University System.
Plans, organizes, directs, and controls business development functions of Auxiliary Enterprises. Researches feasibility of new retail business ventures and implements viable business opportunities. Conducts the advertising and public relations efforts for Auxiliary Enterprises through various media and coordinates promotional activities. Analyzes existing operations and develops plans to improve existing functions.

1. Meets with various company representatives and establishes plans for new business ventures.

2. Oversees management of various business ventures under the purview of the Business Development section.

3. Conducts a program of advertising, promotions, and public relations for Auxiliary Enterprises units through the use of various types of media.

4. Purchases and promotes emblematic merchandise that supports various University of Hawaii programs.