

Notice of Meeting

**UNIVERSITY OF HAWAI'I
BOARD OF REGENTS COMMITTEE ON PERSONNEL AFFAIRS AND BOARD
GOVERNANCE**

Members: Regents Tagorda (Chair), Acopan (Vice Chair), Acoba, McEnerney, and Wilson

Date: Thursday, October 3, 2019

Time: 10:15 a.m.

Place: University of Hawai'i at Mānoa
Information Technology Building
1st Floor Conference Room 105A/B
2520 Correa Road
Honolulu, Hawai'i 96822

AGENDA

I. Call Meeting to Order

II. Approval of Minutes of the August 22, 2019 Meeting

III. Public Comment Period for Agenda Items: All written testimony on agenda items received after posting of this agenda and up to 24 hours in advance of the meeting will be distributed to the board. Late testimony on agenda items will be distributed to the board within 24 hours of receipt. Written testimony may be submitted via US mail, email at bor.testimony@hawaii.edu, or facsimile at 956-5156. Individuals submitting written testimony are not automatically signed up for oral testimony. Registration for oral testimony on agenda items will be provided at the meeting location 15 minutes prior to the meeting and closed once the meeting begins. Oral testimony is limited to three (3) minutes. All written testimony submitted are public documents. Therefore, any testimony that is submitted verbally or in writing, electronically or in person, for use in the public meeting process is public information.

IV. Agenda Items

- A. Committee Goals and Objectives
- B. Recommend Board Approval of Delegation of Authority to the President to Indemnify, Defend, and Hold Harmless a County Agency, its Officers, Agents, and Employees, Pursuant to Section 46-71.5, Hawai'i Revised Statutes, and Other Revisions to Regents Policy 8.201, Contracts and Official Documents
- C. Executive and Managerial Compensation Update
- D. Board of Regents Committee Structure

V. Adjournment

DISCLAIMER - THE FOLLOWING ARE DRAFT MINUTES FROM THE COMMITTEE ON PERSONNEL AFFAIRS AND BOARD GOVERNANCE AND ARE SUBJECT TO REVIEW AND CHANGE UPON APPROVAL

MINUTES

BOARD OF REGENTS COMMITTEE ON PERSONNEL AFFAIRS AND BOARD GOVERNANCE MEETING

AUGUST 22, 2019

I. CALL TO ORDER

Committee Chair Eugene Bal called the meeting to order at 9:30 a.m. on Thursday, August 22, 2019, at the University of Hawai'i at Mānoa, Information Technology Building, 1st Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai'i 96822.

Committee members in attendance: Committee Chair Eugene Bal; Committee Vice Chair Wayne Higaki; Regent Michael McEnerney; Regent Randy Moore; Regent Ernest Wilson Jr.

Others in attendance: Regent Simeon Acoba; Regent Kelli Acopan; Regent Michelle Tagorda; Regent Robert Westerman (ex officio committee members); President David Lassner; Interim Vice President for Community Colleges Erika Lacro; Vice President for Legal Affairs/University General Counsel Carrie Okinaga; Vice President for Academic Planning and Policy Donald Straney; Vice President for Research and Innovation Vassilis Syrmos; Vice President for Information Technology/Chief Information Officer Garret Yoshimi; University of Hawai'i - West O'ahu Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents Kendra Oishi; and others as noted.

II. APPROVAL OF MINUTES OF THE FEBRUARY 19, 2019 AND MARCH 14, 2019 MEETINGS

Regent Moore moved to approve the minutes of the February 19, 2019 and March 14, 2019, meetings, seconded by Committee Regent Wilson, and the motion carried unanimously.

III. PUBLIC COMMENT PERIOD

Board Secretary Oishi announced that the Board Office received written testimony from Jeffrey Portnoy in opposition to eliminating the Committee on Intercollegiate Athletics. No one signed up to provide oral testimony.

IV. AGENDA ITEMS

A. Board of Regents Committee Structure

Committee Chair Bal acknowledged Pearl Imada Iboshi, Director of the Institutional Research and Analysis Office, for providing data on the standing committees of university system boards from peer and benchmark institutions. He added that this discussion was prompted by the enactment of Act 172, Session Laws of Hawai'i (SLH) 2019, which

reduces the number of members of the Board of Regents from 15 to 11. He expressed his hope that the committee could come to a consensus in making a recommendation to the full board with regard to the composition of the standing committees.

Committee Chair Bal provided an overview of the current committee structure and noted the need to balance the workload of the regents now that there are 12 members instead of 15. He cited a few statistics based on the peer and benchmark institution data, including that the average number of committees is 3.5, and the average number of board members (voting and non-voting) is 9, and the average number of total board members is 11, including non-voting members.

Regent Moore requested a recap of the discussion that occurred during the August 2, 2019, special board meeting with regard to committee structure. Committee Chair Bal explained that there was a proposal to reduce the number of committees from seven to five, integrating the Intercollegiate Athletics Committee into the Academic and Student Affairs Committee and the Personnel Affairs and Board Governance Committee into the Planning and Facilities Committee, and noted that Chair Kudo made it clear that the content of the committees would not be lost even though the titles of the committees would change. Committee Chair Bal further explained that Regent Acoba requested there be further discussion on changes to the bylaws and that the board not move forward with changes at that time. Discussion led to the issue being referred to this committee for further consideration.

Committee Chair Bal summarized possible options including but not limited to: maintaining status quo with seven committees, reducing the number of committees to five or six, or consider a committee structure that somewhat reflects the areas of responsibility under the UH System Vice Presidents.

Regent Acopan arrived at 9:43 a.m.

Regent McEnerney noted that there are currently 12 regents on the board before the membership is reduced to 11, per Act 172, SLH 2019. He expressed concern over the proposal to combine committees and suggested that some time be taken to further evaluate a reduction in committees. Regent Wilson suggested that while the board still has 12 members, the board could maintain the current seven committees and consider a reduction next year when the number of members is reduced to 11.

Regent Tagorda noted the heavy demand of the Academic and Student Affairs Committee and expressed some concern over the incorporation of aspects of the Intercollegiate Athletics Committee. She agreed with the idea of using the current year as a pilot year to further assess and evaluate the committee structure.

Regent Westerman expressed that there does not appear to be an obvious need for the current number of committees other than it seems to be tradition, and that it can be overwhelming and time consuming. He added that the board's responsibility is not to tell the president and university how it should operate, and that if the board senses a need, it can ask. Committee Chair Bal noted that five years ago, there weren't seven committees; Intercollegiate Athletics did not exist, and the governance aspect is fairly recent. Regent

Westerman suggested that the bylaws could be changed to establish only three or four committees and to allow the board chair to add committees on an ad hoc basis.

Committee Vice Chair Higaki stated his belief that the board chair did not make decisions in a vacuum and asked whether administration had a position. President Lassner commented that the proposal was in the context of having fewer committees and noted that much of the work done by the Intercollegiate Athletics Committee could be incorporated into other committees. He added that governance matters could be taken up by the full board and that personnel matters have been sparse and could be incorporated into an existing committee.

Regent Moore shared his belief that the board has too many standing committees, and that other institutions are astounded at the number of committees we have and how many times the board meets. He agreed with Regent McEnerney's suggestion to give additional thought to the committee structure and noted that the board should look at the actual functions of each committee. He suggested that alignment to strategic priorities be considered and that a timeframe, such as January 2020, be set to allow further review of the committees and the functions they perform.

Regent McEnerney reiterated the idea of a trial period and suggested that for committees other than Independent Audit, which is guided by statute, that committees consider whether they are necessary, and if not, where the committee responsibilities should be incorporated. While he agrees that a lot of time is spent in meetings, he expressed concern over making changes too quickly and suggested that each committee conduct an assessment and report back to the Personnel Affairs and Board Governance Committee in January or February 2020.

President Lassner added that the regents control the work of the board and noted that in addition to the committee structure, consideration should be given to the work and associated time required by all parties involved.

Committee Vice Chair Higaki observed that most regents attend committee meetings regardless of whether they are members of those committees. He noted that with the previously proposed committee structure, most regents would be on two committees and a handful would be on three. He reiterated that there are not many matters related to personnel, governance issues could be considered by the full board, and that athletics has garnered attention across the nation that could warrant its own committee.

Regent Acoba expressed his appreciation for the information provided on other institutions committee structures, but questioned their efficiency and success. He felt that the board should be commended for the time it spends on university matters and noted that although there are frequent meetings, the board doesn't interfere with administration. He added that oversight is one of the board's primary functions and that having committees builds expertise of the committee members. Regent Acoba expressed his desire to maintain the current structure and noted that if every member sat on three committees, every committee could have five members.

Regent Westerman agreed with the idea of a trial period to allow committees to review their functions.

Committee Chair Bal noted the logical motivation behind the proposed consolidation of committees was an attempt to reduce the workload resulting from the reduction of regents from 15 to 12, and that a proportional committee reduction follow suit. He sensed the reluctance of the committee to make changes and noted that it appears premature to recommend a reorganization of standing committees at this point in time.

Regent McEnerney made a motion to recommend that the board defer changes in the committee structure to allow each committee to examine its functions and the implications of elimination or consolidation with other committees and report their findings to the Personnel Affairs and Board Governance Committee no later than February 2020. Regent Wilson seconded the motion.

Regent Acoba, clarified that each committee should meet before February, if the board adopts the recommended motion.

There having been a motion made and seconded, a vote was taken and the motion carried unanimously.

V. ADJOURNMENT

There being no further business, Regent McEnerney moved to adjourn, and Regent Moore seconded, and with unanimous approval, the meeting was adjourned at 10:27 a.m.

Respectfully Submitted,

Kendra Oishi
Executive Administrator and Secretary
of the Board of Regents

Board of Regents Bylaws

Article II. Section 3.1.d. Personnel Affairs and Board Governance

d. Committee on Personnel Affairs and Board Governance

- (1) Review and consider policies and practices relating to university personnel.
- (2) Ensure board statutes, bylaws, policies, and rules are being reviewed and updated on a routine and regular basis.
- (3) Ensure board education and board member development is provided for board members.
- (4) Provide recommendations to the board regarding best practices for board effectiveness.

19987



UNIVERSITY
of HAWAII
SYSTEM

19 SEP 27 P3:14

Jan S. Gouveia
Vice President for Administration

RECEIVED

October 3, 2019

'19 SEP 27 P2:00

TO: Benjamin Kudo
Chairperson, Board of Regents

VIA: David Lassner
President *David Lassner*

VIA: Kalbert Young
Vice President for Budget and Finance/Chief Financial Officer *Kalbert Young*

VIA: Carrie Okinaga
Vice President for Legal Affairs/University General Counsel *Carrie Okinaga*

FROM: Jan Gouveia
Vice President for Administration *Jan Gouveia*

SUBJECT: Request for Approval of Delegation of Authority to the President to Indemnify, Defend and Hold Harmless a County Agency, its Officers, Agents and Employees Pursuant to Section 46-71.5 of the Hawai'i Revised Statutes ("HRS") and Other Revisions to Regents Policy 8.201

SPECIFIC ACTION REQUESTED:

As authorized by HRS § 46-71.5(c), it is requested that the Board of Regents of the University of Hawai'i ("Board") delegate to the President the authority to "indemnify, defend and hold harmless a county agency, its officers, agents and employees" in order to receive county aid, assistance, support, benefits, services, and interests in or rights to use county property. This authorization would be effectuated through amendment of Regents Policy ("RP") 8.201, as shown in the attached clean and redlined versions of RP 8.201.

Additional amendments to RP 8.201 are being proposed to clarify that Regents need to approve transactions, i.e., deal terms and expenditures of monies, as opposed to specific wording of and provisions in contract documents themselves. In practice, this is what Regents have done, and these amendments would conform the policy to practice.

RECOMMENDED EFFECTIVE DATE:

Effective upon approval.

ADDITIONAL COST:

The proposed amendments to RP 8.201 are not anticipated to result in any additional costs to the University.

BACKGROUND:

A. Delegation of Authority to Indemnify Counties

The University regularly and repeatedly uses county parks and other facilities for University purposes and functions. Such repeated uses include class field trips to Hanauma Bay Nature Preserve to conduct SCUBA surveys of coral reef fish, athletic practices and games, and graduations. In addition, the University has for decades worked with Maui County in watershed restoration and invasive species eradication projects requiring helicopter transport across private and public (including county) lands.

As a condition of these uses of county lands, all four counties have required indemnifications. Prior to 2018 amendments, state law provided that only the governor had statutory authority to approve said indemnification of counties. The procedure for the University to obtain approval from the governor to indemnify counties has been burdensome, as the requests often require 7-9 hard copy signatures and can take up to 2 months to process. Currently, the University processes approximately 50 requests to the governor a year: 50% are to use county facilities for 1 day or less; and 96% are for recurring events. A copy of a typical memorandum is attached hereto as Attachment A.

Believing the process to be unduly burdensome given the relatively low risk historically presented by these county indemnifications, in 2018, the University sought a statutory amendment to enable the University itself to so indemnify the counties. The governor signed into law Act 103, Session Laws of Hawai'i (SLH) 2018, which amended HRS § 46-71.5 to allow the Board, "or its designee," to agree to "indemnify, defend, and hold harmless a county agency, its officers, agents, and employees" in order to receive county aid, assistance, support, benefits, services, and interests in or rights to use county property. HRS § 46-71.5(c) authorizes said indemnification when:

- (1) The use of the county property will be for a university purpose or a university function;

- (2) The president of the University of Hawaii, or the president's designee, following a favorable review by the university general counsel or the counsel's designee, approves the indemnity provision in writing; and
- (3) The chief financial officer of the University of Hawaii, pursuant to [HRS] section 304A-108, has obtained an insurance policy or policies in an amount sufficient to cover the liability of the university that reasonably may be anticipated to arise under the indemnity provision, or has determined that it is not in the best interest of the university to obtain insurance.

This delegation is consistent with the University's financial responsibility as a semi-autonomous agency with its own risk management program that finances its liabilities through a combination of self-insurance and commercial insurance. Additionally, a similar amendment to HRS § 46-71.5 was signed into law in 2010, which allowed the governor to delegate the authority to indemnify a county agency to the superintendent of education where the use of the county property would be for a public school purpose or function, subject to other conditions (Act 145, SLH 2010, now codified as HRS § 46-71.5(b)).

B. Clarifying Amendments to Conform Policy to Practice

Questions have been raised in the past about whether the Board approves transactions or transactional documents or contracts themselves. The current version of RP 8.201 creates confusion in this regard, as in some instances it references board approval for "agreements" and "contracts", and in other instances, it references board approval prior to "procurement" or "construction projects". For example, the current version of RP 8.201 requires Board approval of "consultant contracts" in excess of \$1 million; to our knowledge, the Board has never required review and approval of the actual wording of a consultant contract, which largely consists of standardized terms and conditions found in all public entity service contracts.

To our knowledge, the Board's practice has been to review and approve of transactions or the projects themselves. Administration presents material terms of the transactions for approval and provides the actual final or near-final versions of the transactional agreements for background, as requested by the Board. The Board has thus far not been involved in drafting, revising, negotiating or then approving the actual transactional documents themselves prior to execution.

DISCUSSION:

A. Delegation of Authority to Indemnify Counties

The 50 or so requests made annually to the governor for county indemnifications are often routine and repeat annually, and they generally present low residual risk to the University's finances, given longstanding mitigation measures (which include liability waivers when appropriate) and the university's risk management program as described above. During the five-year tenure of this Vice President for Administration, no county has tendered a claim based on these indemnifications.

It is requested that the authority to indemnify a county agency be delegated to the President to further improve the efficiency of the approval process. Without the delegation of authority to the President, Board approval would be required for all requests to indemnify a county agency and the gains in efficiency from eliminating the governor's approval would be lost. Given that the University processes upwards of 50 requests a year, Board approval would require that significant time and resources be diverted from other matters and devoted to these indemnification requests, which are frequently for low risk and/or recurring events. Furthermore, given the public notice and filing requirements set forth in Chapter 92, HRS, as well as the infrequent Board meeting schedule (monthly at best), the length of time for a request to be approved by the Board would be unchanged from the 1-2 month process requiring the governor's approval.

The delegation of authority to the President would allow the University to accomplish the efficiency improvements and reduction in processing time intended by the legislative amendment to HRS § 46-71.5(c).

B. Clarifying Amendments to Conform Policy to Practice

The proposed amendments to Sections III.C. and III.D. of RP 8.201 would conform board policy to board practice, and clarify that the Board is required to approve of the enunciated transactions, and not the transactional documents themselves. This does not mean the Board will not or cannot review said documents; if the Board wants to review and approve of said documents, it surely can, but will not be required to do so.

It is requested that the Board approve said clarifying amendments.

ACTION REQUESTED:

Based on the information provided in this Action Memo, the University respectfully requests the following amendments to RP 8.201:

- (1) Delegation of authority to the President to indemnify the four counties, pursuant to and as authorized by HRS § 46-71.5(c); and
- (2) Clarifying amendments to conform board policy to board practice regarding approval of transactions.

Attachment A

c: Kendra Oishi, Executive Administrator and Secretary to the Board of Regents



Regents Policy Chapter 8, Business and Finance
Regents Policy RP 8.201, Contracts and Official Documents

Effective Date: Mar. 13, 2008

Prior Dates Amended: Sept. 16, 1965; Jan. 13, 1966; Dec. 11, 1968; Oct. 20, 1978;
Apr. 22, 1983; Dec. 16, 1988; July 22, 1994; Apr. 23, 1999; Jan. 18, 2002; Oct. 18,
2002; Oct. 31, 2014 (recodified)

Review Date: August 2018

I. Purpose

To set forth policy regarding contracts and other official documents.

II. Definitions:

No policy specific or unique definitions apply.

III. Policy:

A. General

1. Except as otherwise provided herein, the president is authorized to approve, sign, and execute contracts and settlements of claims in accordance with law and board policy. In addition, the president is authorized to approve or accept all gifts, grants, and contracts involving the university's receipt of extramural funds. Should it be determined, in consultation with the board, that a contract or settlement is anticipated to have a significant impact on policies, programs, or operations; or result in potential institutional liability the prior approval of the board shall be required regardless of amount and source of funding. The president may delegate authority for the approval, acceptance, signing, and execution of contracts and settlements to other university officials.

B. Construction Projects

1. The president is authorized to act as the contracting officer of the university on construction projects, including projects financed in whole or in part from federal and other grants. Construction projects, including repair and maintenance projects, in excess of and/or totaling more than \$5,000,000 shall require the board's prior approval. This requirement will not be circumvented through parceling. The president shall provide advanced notice, to the extent

practical, of potentially controversial decisions or actions that are within authority delegated to the president. Should it be determined, in consultation with the board, that a construction project is anticipated to have a significant impact on policies, programs, operations, or generates controversy prior board approval is required regardless of amount or source of funding.

C. Consultant Contracts

1. Contracts to engage consultant services, including but not limited to consultants to study or review university programs and/or operations for the purposes of recommending courses of action, which are anticipated to require changes in board policies and/or have significant impact on policies, programs, or operations, shall require the prior approval of the board regardless of amount or source of funding. Consultant contracts which are estimated to be \$1,000,000 or less, consultant expenses included, and are not expected to result in changes in board policies and/or have a significant impact on policies, programs or operations, shall be approved by the president or the president's designee. All consultant contracts in excess of \$1,000,000, expenses included, shall require the prior approval of the board. This requirement will not be circumvented by parceling the amount of the contract.

D. Settlement Agreements

1. All settlement agreements recommended by the university's general counsel involving payments of \$500,000 or less, or involving workers' compensation claims in any amount and which do not contravene board policy and do not have a significant impact on policies, programs, or operations, shall be approved by the president or the president's designee. Agreements which are anticipated to require changes in board policies and/or have significant impact on policy, programs, or operations and/or where the board is named as a party to a suit, shall require the prior approval of the board regardless of amount. All settlement agreements exceeding \$500,000, except for settlement of workers' compensation claims, shall require the approval of the board. This requirement may not be circumvented by subdivision of the total amount of the settlement claim. All settlements requiring board approval shall include a signature line for the board.

E. Procurement Procedures

1. Subject to the provisions set forth herein, the president is authorized to develop internal policies and procedures for the procurement of goods, services and construction in accordance with law and board policy, provided such procedures are approved by the board prior to implementation in

accordance with Chapter 304A-105, HRS. Except as otherwise provided herein, the procurement of goods or services exceeding \$5,000,000 shall require the prior approval of the board unless, in consultation with the board, it is anticipated that such procurement will have a significant impact on policies, programs, or operations, in which case prior board approval is required regardless of amount and funding source. The specified threshold will not be circumvented by parceling.

IV. Delegation of Authority:

Except as otherwise provided herein, the president is authorized to approve, sign, and execute contracts and settlements of claims and approve or accept all gifts, grants, and contracts involving the university's receipt of extramural funds, and may delegate certain authority to other university officials. See RP 8.201(A)(1).

The president is authorized to act as the contracting officer of the university on construction projects, including projects financed in whole or in part from federal and other grants. See RP 8.201(B)(1).

The president or the president's designee is authorized to approve certain Consultant contracts. See RP 8.201(C)(1).

The president or the president's designee is authorized to approve certain settlement agreements. See RP 8.201(D)(1).

The president is authorized to develop internal policies and procedures for procurement. See RP 8.201(E)(1).

V. Contact Information:

Office of the Vice President for Administration, 956-8862, jgouveia@hawaii.edu

VI. References:

- <http://www.hawaii.edu/offices/bor/>
- http://www.capitol.hawaii.gov/hrscurrent/Vol05_Ch0261-0319/HRS0304A/HRS_0304A-0105.htm

Approved as to Form:

Cynthia Quinn
Executive Administrator and
Secretary of the Board of Regents

Date



Regents Policy Chapter 8, Business and Finance

Regents Policy RP 8.201, Contracts and Official Documents

Effective Date: [October 3, 2019](#) ~~[March 13, 2008]~~

Prior Dates Amended: Sept. 16, 1965; Jan. 13, 1966; Dec. 11, 1968; Oct. 20, 1978; April 22, 1983; Dec. 16, 1988; July 22, 1994; Apr. 23, 1999; Jan. 18, 2002; Oct. 18, 2002; Oct. 31, 2014 (recodified); [March 13, 2008](#)

Review Date: [October 2022](#) ~~[August 2018]~~

I. Purpose

To set forth policy on contracts and other official documents.

II. Definitions:

No policy specific or unique definitions apply.

III. Policy:

A. General

~~[1.]~~ Except as otherwise provided herein, the president is authorized to approve, sign, and execute contracts and settlements of claims in accordance with law and board policy. In addition, the president is authorized to approve or accept all gifts, grants, and contracts involving the university's receipt of extramural funds. Should it be determined, in consultation with the board, that a contract or settlement is anticipated to have a significant impact on policies, programs, or operations; or result in potential institutional liability, the prior approval of the board shall be required regardless of amount and source of funding. [Except as otherwise provided herein, t](#)~~[F]~~he president may delegate authority for the approval, acceptance, signing, and execution of contracts and settlements to other university officials.

B. Construction Projects

~~[1.]~~ The president is authorized to act as the contracting officer of the university on construction projects, including projects financed in whole or in part from federal and other grants. Construction projects, including repair and maintenance projects, in excess of and/or totaling more than \$5,000,000 shall require the board's prior approval. This requirement will not be circumvented through parceling. The president shall provide advanced notice, to the extent practical, of potentially controversial decisions or actions that are within [the](#) authority delegated to the

president. Should it be determined, in consultation with the board, that a construction project is anticipated to have a significant impact on policies, programs~~[]~~ or operations, or generates controversy, prior board approval is required regardless of amount or source of funding.

C. Use of Consultant~~[Contracts]s~~

~~[1. Contracts to]~~Use of~~[engage]~~ consultant services, including but not limited to consultants to study or review university programs and/or operations for the purposes of recommending courses of action, which are anticipated to require changes in board policies and/or have significant impact on policies, programs, or operations, shall require the prior approval of the board regardless of amount or source of funding. Consultant ~~[contracts]~~work which ~~[are]~~is estimated to be \$1,000,000 or less, consultant expenses included, and ~~[are]~~is not expected to result in changes in board policies and/or have a significant impact on policies, programs or operations, shall be approved by the president or the president's designee. All consultant ~~[contracts]~~work estimated to be in excess of \$1,000,000, expenses included, shall require the prior approval of the board. This requirement will not be circumvented by parceling the amount of the contract.

D. Settlement of Claims~~[Agreements]~~

~~[1.]~~ All settlement of claims~~[agreements]~~ recommended by the university's general counsel involving payments of \$500,000 or less, or involving workers' compensation claims in any amount and which do not contravene board policy and do not have a significant impact on policies, programs, or operations, shall be approved by the president or the president's designee. ~~[Agreements]~~Settlements which are anticipated to require changes in board policies and/or have significant impact on policy, programs, or operations and/or where the board is named as a party to a suit, shall require the prior approval of the board regardless of amount. All settlements of claims~~[agreements]~~ exceeding \$500,000, except for settlement of workers' compensation claims, shall require the approval of the board. This requirement may not be circumvented by subdivision of the total amount of the settlement claim. ~~For a~~All settlements requiring board approval, settlement documentation shall include a signature execution line for the board.

E. Procurement Procedures

~~[1.]~~ Subject to the provisions set forth herein, the president is authorized to develop internal policies and procedures for the procurement of goods, services and construction in accordance with law and board policy, provided such procedures are approved by the board prior to implementation in accordance with Chapter 304A-105, HRS. Except as otherwise provided herein, the procurement of goods or services exceeding \$5,000,000 shall require the prior approval of the board unless, in consultation with the board, it is anticipated that such procurement will have a significant impact on policies, programs, or operations, in which case prior board approval is required regardless of amount and funding source. The specified threshold will not be circumvented by parceling.

F. Indemnification by the University

Except for four (4) limited circumstances as set forth below, the University is not legally authorized or permitted to indemnify, defend or hold harmless other parties to a contract ("Other Parties") against claims by a third party (not a party to the contract) from damages or injuries resulting from the acts or omissions of the University. To agree to such obligations would require the University to: (1) defend the Other Parties against third party claims, which may include paying for defense costs including attorneys' fees; and (2) pay for any monetary judgment obtained against the Other Parties by third party claimants.

For indemnification of federal agencies pursuant to HRS §29-15.5, approval by the governor is required. For indemnification of county governments in the State of Hawaii pursuant to HRS §46-71.5, the board authorizes the president to approve of said indemnifications, provided statutory requirements are fulfilled and following favorable review by the vice president for administration or designee and the university general counsel or designee; this authorization shall not be delegated further by the president. For indemnification of University research sponsors pursuant to HRS §304A-110, and University research collaborating institutions pursuant to HRS §304A-111 (gross negligence or willful misconduct only), board approval is required.

The president is authorized to establish guidelines regarding the University's processes to obtain requisite approvals for indemnifications by the University.

IV. Delegation of Authority:

Except as otherwise provided herein, the president is authorized to approve, sign, and execute contracts and settlements of claims, ~~[and]~~to approve or accept all gifts, grants, and contracts involving the university's receipt of extramural funds, to approve and agree to University indemnifications in limited circumstances, and may delegate certain authority to other university officials. See RP 8.201(A) ~~[(1)]~~.

The president is authorized to act as the contracting officer of the university on construction projects, including projects financed in whole or in part from federal and other grants. See RP 8.201(B)(1).

The president or the president's designee is authorized to approve certain ~~[C]~~consultant contracts. See RP 8.201(C)(1).

The president or the president's designee is authorized to approve certain settlement agreements. See RP 8.201(D) ~~[(1)]~~.

The president is authorized to develop internal policies and procedures for

procurement. See RP 8.201(E) ~~[(1)]~~.

The president is authorized to provide indemnifications to the four counties as provided in Section 46-71.5 of the Hawaii Revised Statutes. See RP 8.201(F).

V. Contact Information:

Office of the Vice President for Administration, 956-~~8862~~6405,
~~jigouveia@hawaii.edu~~vpadmin@hawaii.edu

VI. References:

- <http://www.hawaii.edu/offices/bor/>
- http://www.capitol.hawaii.gov/hrscurrent/Vol02_Ch0046-0115/HRS0046/HRS_0046-0071_0005.htm
- http://www.capitol.hawaii.gov/hrscurrent/Vol05_Ch0261-0319/HRS0304A/HRS_0304A-0105.htm

Approved as to Form:

~~06/01/2017]~~
~~[Cynthia Quinn]~~Kendra Oishi
Executive Administrator and
Secretary of the Board of Regents

Date _____



Regents Policy Chapter 8, Business and Finance

Regents Policy RP 8.201, Contracts and Official Documents

Effective Date: October 3, 2019

Prior Dates Amended: Sept. 16, 1965; Jan. 13, 1966; Dec. 11, 1968; Oct. 20, 1978; April 22, 1983; Dec. 16, 1988; July 22, 1994; Apr. 23, 1999; Jan. 18, 2002; Oct. 18, 2002; Oct. 31, 2014 (recodified); March 13, 2008

Review Date: October 2022

I. Purpose

To set forth policy on contracts and other official documents.

II. Definitions:

No policy specific or unique definitions apply.

III. Policy:

A. General

Except as otherwise provided herein, the president is authorized to approve, sign, and execute contracts and settlements of claims in accordance with law and board policy. In addition, the president is authorized to approve or accept all gifts, grants, and contracts involving the university's receipt of extramural funds. Should it be determined, in consultation with the board, that a contract or settlement is anticipated to have a significant impact on policies, programs, or operations; or result in potential institutional liability, the prior approval of the board shall be required regardless of amount and source of funding. Except as otherwise provided herein, the president may delegate authority for the approval, acceptance, signing, and execution of contracts and settlements to other university officials.

B. Construction Projects

The president is authorized to act as the contracting officer of the university on construction projects, including projects financed in whole or in part from federal and other grants. Construction projects, including repair and maintenance projects, in excess of and/or totaling more than \$5,000,000 shall require the board's prior approval. This requirement will not be circumvented through parceling. The president shall provide advanced notice, to the extent practical, of potentially controversial decisions or actions that are within the authority delegated to the president. Should it be determined, in consultation with the board, that a

construction project is anticipated to have a significant impact on policies, programs or operations, or generates controversy, prior board approval is required regardless of amount or source of funding.

C. Use of Consultants

Use of consultant services, including but not limited to consultants to study or review university programs and/or operations for the purposes of recommending courses of action, which are anticipated to require changes in board policies and/or have significant impact on policies, programs, or operations, shall require the prior approval of the board regardless of amount or source of funding. Consultant work which is estimated to be \$1,000,000 or less, consultant expenses included, and is not expected to result in changes in board policies and/or have a significant impact on policies, programs or operations, shall be approved by the president or the president's designee. All consultant work estimated to be in excess of \$1,000,000, expenses included, shall require the prior approval of the board. This requirement will not be circumvented by parceling the amount of the contract.

D. Settlement of Claims

All settlement of claims recommended by the university's general counsel involving payments of \$500,000 or less, or involving workers' compensation claims in any amount and which do not contravene board policy and do not have a significant impact on policies, programs, or operations, shall be approved by the president or the president's designee. Settlements which are anticipated to require changes in board policies and/or have significant impact on policy, programs, or operations and/or where the board is named as a party to a suit, shall require the prior approval of the board regardless of amount. All settlements of claims exceeding \$500,000, except for settlement of workers' compensation claims, shall require the approval of the board. This requirement may not be circumvented by subdivision of the total amount of the settlement claim. For all settlements requiring board approval, settlement documentation shall include a signature execution line for the board.

E. Procurement Procedures

Subject to the provisions set forth herein, the president is authorized to develop internal policies and procedures for the procurement of goods, services and construction in accordance with law and board policy, provided such procedures are approved by the board prior to implementation in accordance with Chapter 304A-105, HRS. Except as otherwise provided herein, the procurement of goods or services exceeding \$5,000,000 shall require the prior approval of the board unless, in consultation with the board, it is anticipated that such procurement will have a significant impact on policies, programs, or operations, in which case prior board approval is required regardless of amount and funding source. The specified threshold will not be circumvented by parceling.

F. Indemnification by the University

Except for four (4) limited circumstances as set forth below, the University is not legally authorized or permitted to indemnify, defend or hold harmless other parties to a contract ("Other Parties") against claims by a third party (not a party to the contract) from damages or injuries resulting from the acts or omissions of the University. To agree to such obligations would require the University to: (1) defend the Other Parties against third party claims, which may include paying for defense costs including attorneys' fees; and (2) pay for any monetary judgment obtained against the Other Parties by third party claimants.

For indemnification of federal agencies pursuant to HRS §29-15.5, approval by the governor is required. For indemnification of county governments in the State of Hawai'i pursuant to HRS §46-71.5, the board authorizes the president to approve of said indemnifications, provided statutory requirements are fulfilled and following favorable review by the vice president for administration or designee and the university general counsel or designee; this authorization shall not be delegated further by the president. For indemnification of University research sponsors pursuant to HRS §304A-110, and University research collaborating institutions pursuant to HRS §304A-111 (gross negligence or willful misconduct only), board approval is required.

The president is authorized to establish guidelines regarding the University's processes to obtain requisite approvals for indemnifications by the University.

IV. Delegation of Authority:

Except as otherwise provided herein, the president is authorized to approve, sign, and execute contracts and settlements of claims, to approve or accept all gifts, grants, and contracts involving the university's receipt of extramural funds, to approve and agree to University indemnifications in limited circumstances, and may delegate certain authority to other university officials. See RP 8.201(A).

The president is authorized to act as the contracting officer of the university on construction projects, including projects financed in whole or in part from federal and other grants. See RP 8.201(B)(1).

The president or the president's designee is authorized to approve certain consultant contracts. See RP 8.201(C)(1).

The president or the president's designee is authorized to approve certain settlement agreements. See RP 8.201(D).

The president is authorized to develop internal policies and procedures for procurement. See RP 8.201(E).

The president is authorized to provide indemnifications to the four counties as provided in Section 46-71.5 of the Hawai'i Revised Statutes. See RP 8.201(F).

V. Contact Information:

Office of the Vice President for Administration, 956-6405, vpadmin@hawaii.edu

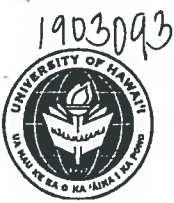
VI. References:

- <http://www.hawaii.edu/offices/bor/>
- http://www.capitol.hawaii.gov/hrscurrent/Vol02_Ch0046-0115/HRS0046/HRS_0046-0071_0005.htm
- http://www.capitol.hawaii.gov/hrscurrent/Vol05_Ch0261-0319/HRS0304A/HRS_0304A-0105.htm

Approved as to Form:

Kendra Oishi
Executive Administrator and
Secretary of the Board of Regents

Date



UNIVERSITY
of HAWAII
SYSTEM

March 8, 2019

MEMORANDUM

TO: The Honorable David Y. Ige
Governor of the State of Hawai'i

The Honorable Curt T. Otaguro, Comptroller
Department of Accounting and General Services

The Honorable Clare E. Connors
Attorney General

VIA: Carrie K. S. Okinaga
Vice President for Legal Affairs and University General Counsel

FROM: Darren Suzuki
Interim Director, Risk Management

SUBJECT: INDEMNIFICATION APPROVAL FOR USE OF COUNTY OF HAWAII
FACILITIES UNDER HAWAII REVISED STATUTES §46-71.5

Transmitted herewith for your review and approval is an indemnification request for the use of the County of Hawai'i Department of Parks and Recreation Edith Kanakaole Multi-Purpose Stadium on May 9-11, 2019 from 8:00 a.m. to 11:00 p.m. for University of Hawai'i at Hilo's commencement ceremony and rehearsals.

Upon your approval, please forward to:

University of Hawai'i
Office of Risk Management
2444 Dole Street, Bachman 112
Honolulu, HI 96822

If you have any questions, please feel free to call this office at 956-7243.

Attachment



UNIVERSITY
of HAWAII
HILO

Office of the Vice Chancellor for Academic Affairs

February 21, 2019

TO: The Honorable David Y. Ige
Governor of the State of Hawai'i

The Honorable Curt T. Otaguro
Comptroller
State of Hawai'i

The Honorable Clare E. Connors
Attorney General
State of Hawai'i

VIA: Carrie K.S. Okinaga
Vice President for Legal Affairs and University General Counsel
University of Hawai'i

VIA: Darren Suzuki
Interim Director, University of Hawai'i Risk Management Office

VIA: Marcia Sakai
Interim Chancellor
University of Hawai'i at Hilo

FROM: Ken Hon
Interim Vice Chancellor for Academic Affairs
University of Hawai'i at Hilo

SUBJECT: REQUEST TO APPROVE INDEMNIFICATION OF THE COUNTY OF
HAWAII UNDER HRS §46-71.5 FOR THE USE OF THE EDITH
KANAKAOLE MULTI-PURPOSE STADIUM

Pursuant to Hawai'i Revised Statutes §46-71.5, we respectfully request your approval of an indemnification to allow the University of Hawai'i, for the benefit of the University of Hawai'i at Hilo to utilize the Edith Kanakaole Multi-Purpose Stadium to conduct its commencement ceremony and rehearsals on May 9-11, 2019 from 8:00 a.m. to 11:00 p.m.

200 W. Kāwili St.
Hilo, Hawai'i 96720-4091
Telephone: (808) 932-7332
Fax: (808) 932-7338
hilo.hawaii.edu/uhh/vcaa

An Equal Opportunity/Affirmative Action Institution

Under Hawai'i Revised Statutes §46-71.5, the State may agree to indemnify, defend, and hold harmless a county agency if certain preconditions are satisfied: 1) the Governor approves the State's proposed indemnification; and 2) the Comptroller, pursuant to Section 41D-8.5, HRS, has (a) obtained an insurance policy in an amount sufficient to cover reasonably anticipated liability of the State that may arise or (b) determined that obtaining such a policy is not in the best interest of the State.

A. Indemnity Protection to be Provided

The State shall indemnify, defend, and hold harmless the County of Hawai'i, its officers, employees, and agents, from any and all claims of liability for any damage to real or personal property or injury to or death of any persons when such damage, injury or death arises out of the action or omission of the University of Hawai'i, its officers, employees, agents, consultants, contractors, or invitees in conjunction with the use of the Edith Kanakaole Multi-Purpose Stadium for its commencement ceremony and rehearsals on May 9-11, 2019 from 8:00 a.m. to 11:00 p.m.; provided that the State shall not be required to indemnify, defend, or hold harmless, the County of Hawai'i, its officers, employees, and agents, from any claims of liability for any damages to real or personal property or injury to or death of any persons, when such damage, injury or death arises out of the action or omission of the County of Hawai'i, and/or its officers, employees, agents, consultants, contractors or invitees, regarding the maintenance and repair of the above mentioned facility/property. This provision shall not be read or interpreted to create any liability of the State or any person or entity to any person or entity, except for the duties to indemnify, defend, and hold harmless set forth herein. This provision is not intended to and shall not be interpreted to benefit any third person, or to benefit or create any third-party beneficiary.

B. Inspection

For the purposes of this request, the University of Hawai'i at Hilo has inspected the requested venue and noted the facility is in safe condition for its intended use. Further, the University of Hawai'i at Hilo believes there is no significant risk or liability to the University to use the facility as indicated in our request.

C. Conclusion

Because of the benefits to the University, its students, and to the community, we respectfully request your approval of the foregoing indemnity protection for the County of Hawai'i so we may proceed with use of the facility as stated above.


The Honorable David Y. Ige
February 21, 2019
Page 3

Should you have any questions, please contact the University of Hawai'i Risk Management Office at (808) 956-7243.

D. Attorney General Review

The Attorney General has reviewed and approved the proposed request for the above mentioned dates.

Attorney General's Recommendation for Approval:



Clare E. Connors
Attorney General, State of Hawai'i

MAR 11 2019

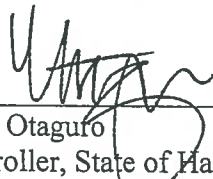
Date

Comptroller Review and Approval:

Pursuant to HRS §41D-8.5, the Comptroller has obtained an insurance policy or policies in an amount sufficient to cover the liability of the State that reasonably may be anticipated to arise under the indemnity provision set forth in this memorandum.

✓

The Comptroller has determined that it is not in the best interest of the State to obtain insurance for the indemnity set forth herein and approves the indemnity without further need of insurance.



Curt T. Otaguro
Comptroller, State of Hawai'i

3/12/19

Date

Governor's Approval:



David Y. Ige
Governor of the State of Hawai'i

MAR 19 2019

Date



UNIVERSITY *of* HAWAI'I®

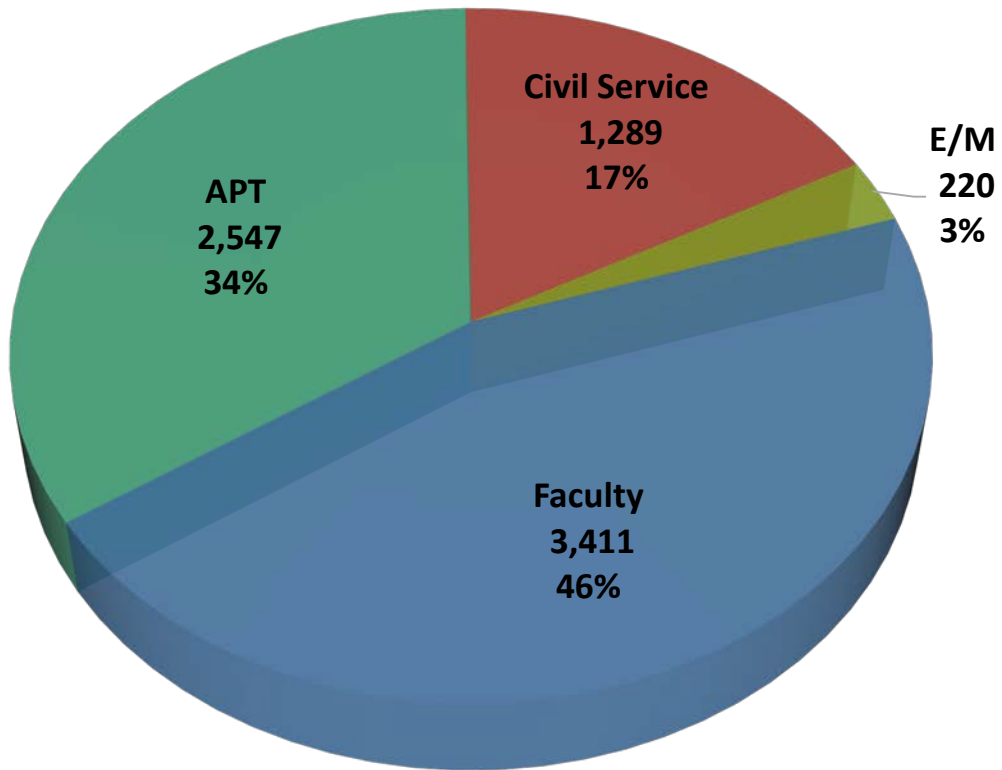
Executive & Managerial Compensation Update

October 3, 2019

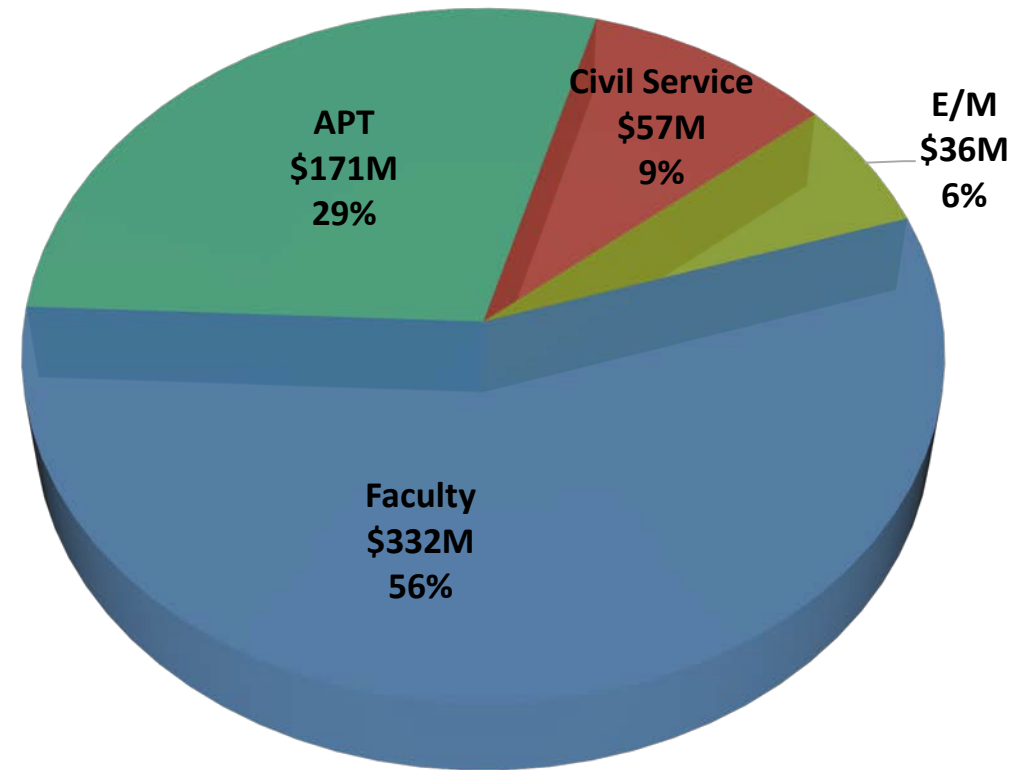


University of Hawai'i Personnel Summary

Salaried Headcount
Total: 7,467



Annual Salaries
Total: \$596 Million



Regents Policy 9.212 (F)(2): EM Salary Adjustments

- The Board shall establish guidelines and approve salary adjustments for positions reporting directly to the Board.
- The President shall establish guidelines and approve salary adjustments for all other positions, an authority which shall not be further delegated. The President shall report to the Board on guidelines used for salary adjustments for positions under the President's delegated authority.

Current Salary Schedules

SYSTEM / MĀNOA SALARY SCHEDULE

Band	Minimum	Midpoint	Maximum
SM - 1	\$75,000	\$112,500	\$150,000
SM - 2	\$110,000	\$152,500	\$195,000
SM - 3	\$130,000	\$177,500	\$225,000
SM - 4	\$195,000	\$247,500	\$300,000
SM - 5	\$270,000	\$322,500	\$375,000

- Minimum \$75,000
- Maximum: \$375,000*
*President's Salary in 2016
- 6,444 employees
 - 476 System
 - 5,968 Manoa
- 17,710 total students
- Research-1 Institution
- \$294 million research awards

HILO SALARY SCHEDULE

Band	Minimum	Midpoint	Maximum
H - 1	\$75,000	\$112,500	\$150,000
H - 2	\$110,000	\$155,000	\$200,000
H - 3	\$135,000	\$187,500	\$240,000
H - 4	\$220,000	\$270,000	\$320,000

WEST O'AHU SALARY SCHEDULE

Band	Minimum	Midpoint	Maximum
WO - 1	\$75,000	\$112,500	\$150,000
WO - 2	\$105,000	\$147,500	\$190,000
WO - 3	\$125,000	\$167,500	\$210,000
WO - 4	\$180,000	\$230,000	\$280,000

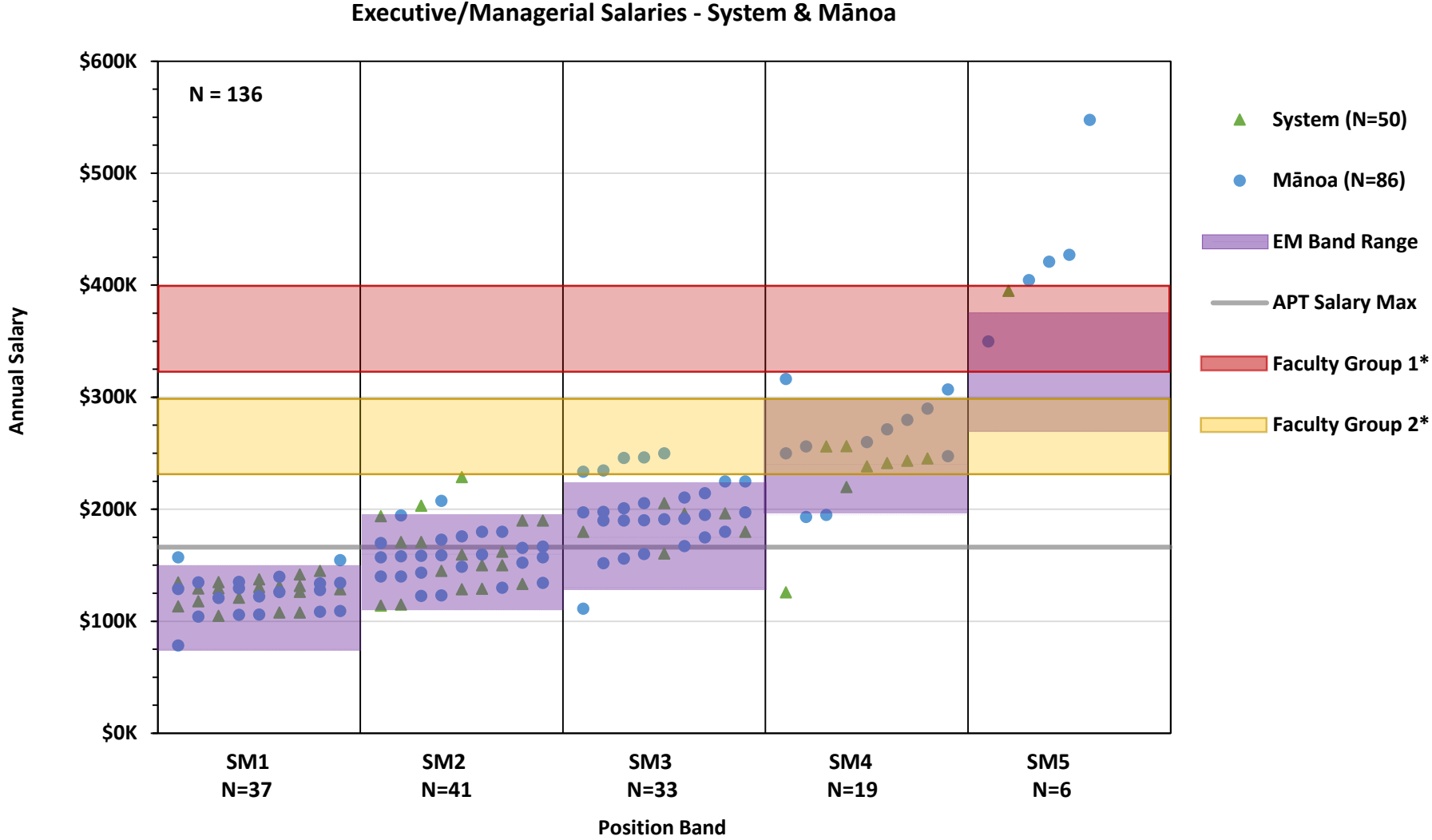
- Minimum \$75,000
- Hilo Maximum: \$320,000 (85%)
 - 656 employees
 - 3,406 total students
- UHWO Maximum: \$280,000 (75%)
 - 367 employees
 - 3,128 total students

COMMUNITY COLLEGES SALARY SCHEDULE

Band	Minimum	Midpoint	Maximum
CC - 1	\$75,000	\$112,500	\$150,000
CC - 2	\$100,000	\$130,000	\$160,000
CC - 3	\$115,000	\$145,000	\$175,000
CC - 4	\$155,000	\$197,500	\$240,000

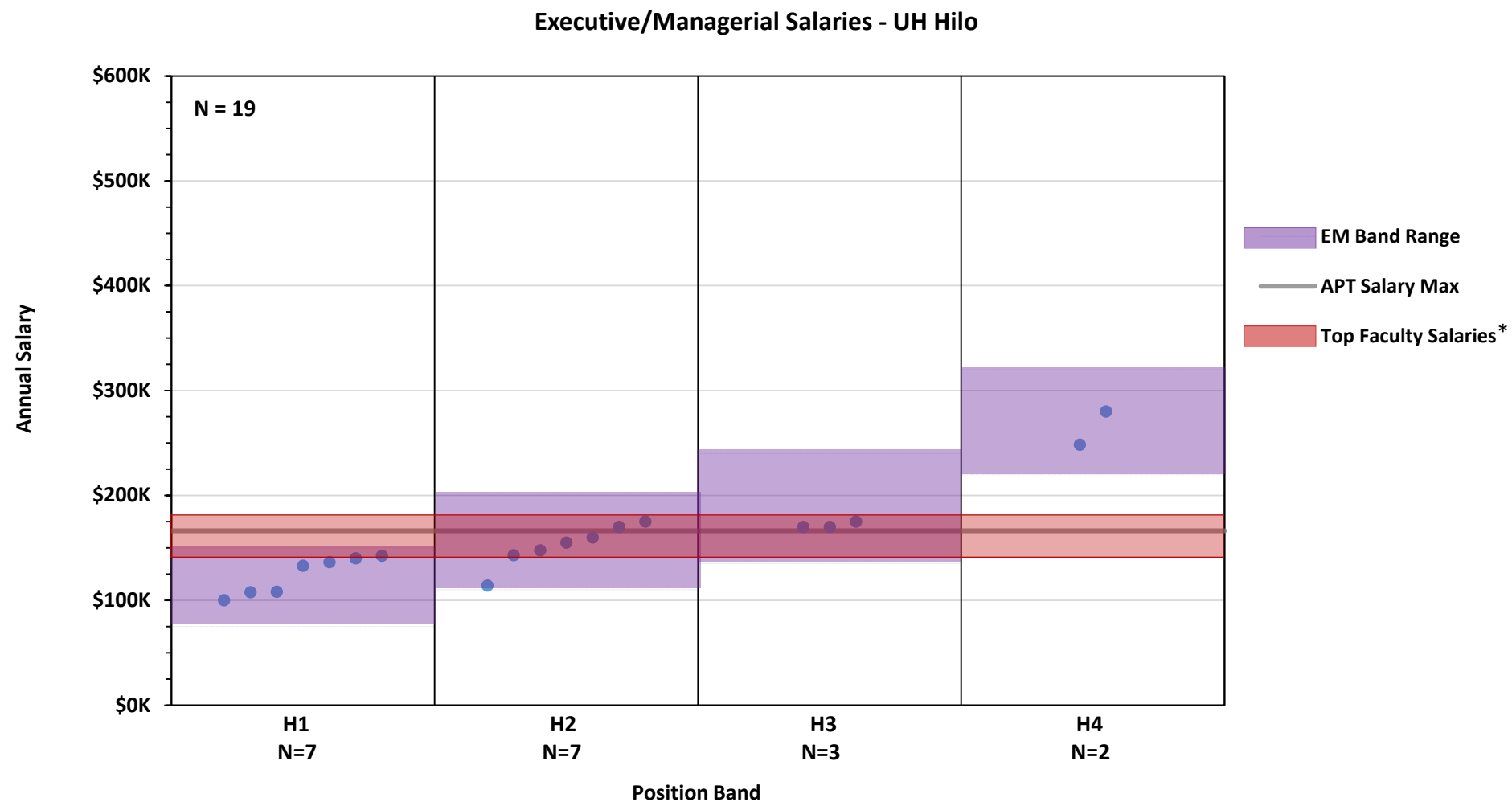
- Minimum \$75,000
- Maximum: \$240,000 (65%)
 - 7 colleges
 - 2,571 employees
 - 26,819 total enrollment

Current EM Salaries – Mānoa/System



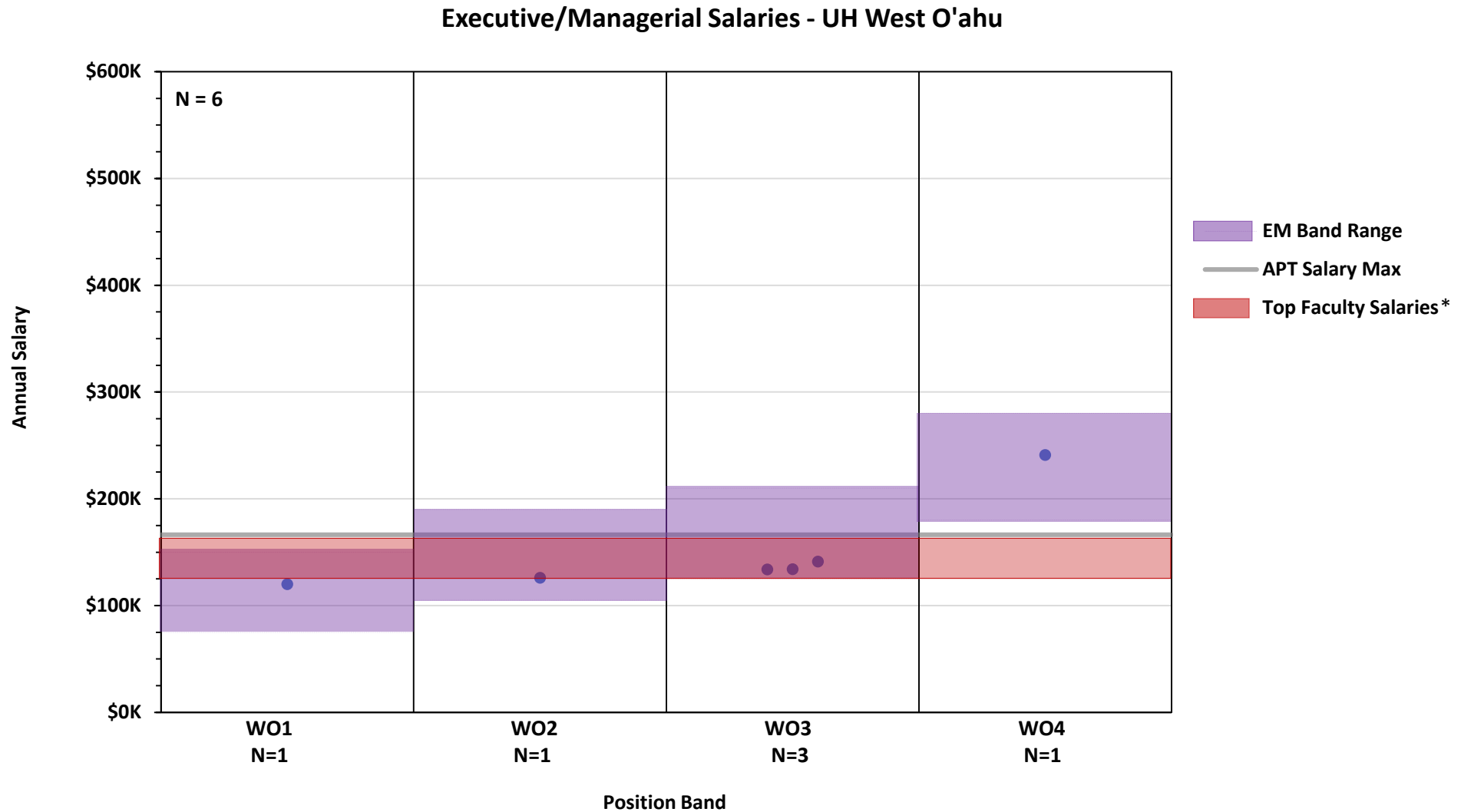
*Reflects February 2019 salary data from <https://www.uhpa.org/salary-research/all-faculty-salaries/>

Current EM Salaries – Hilo



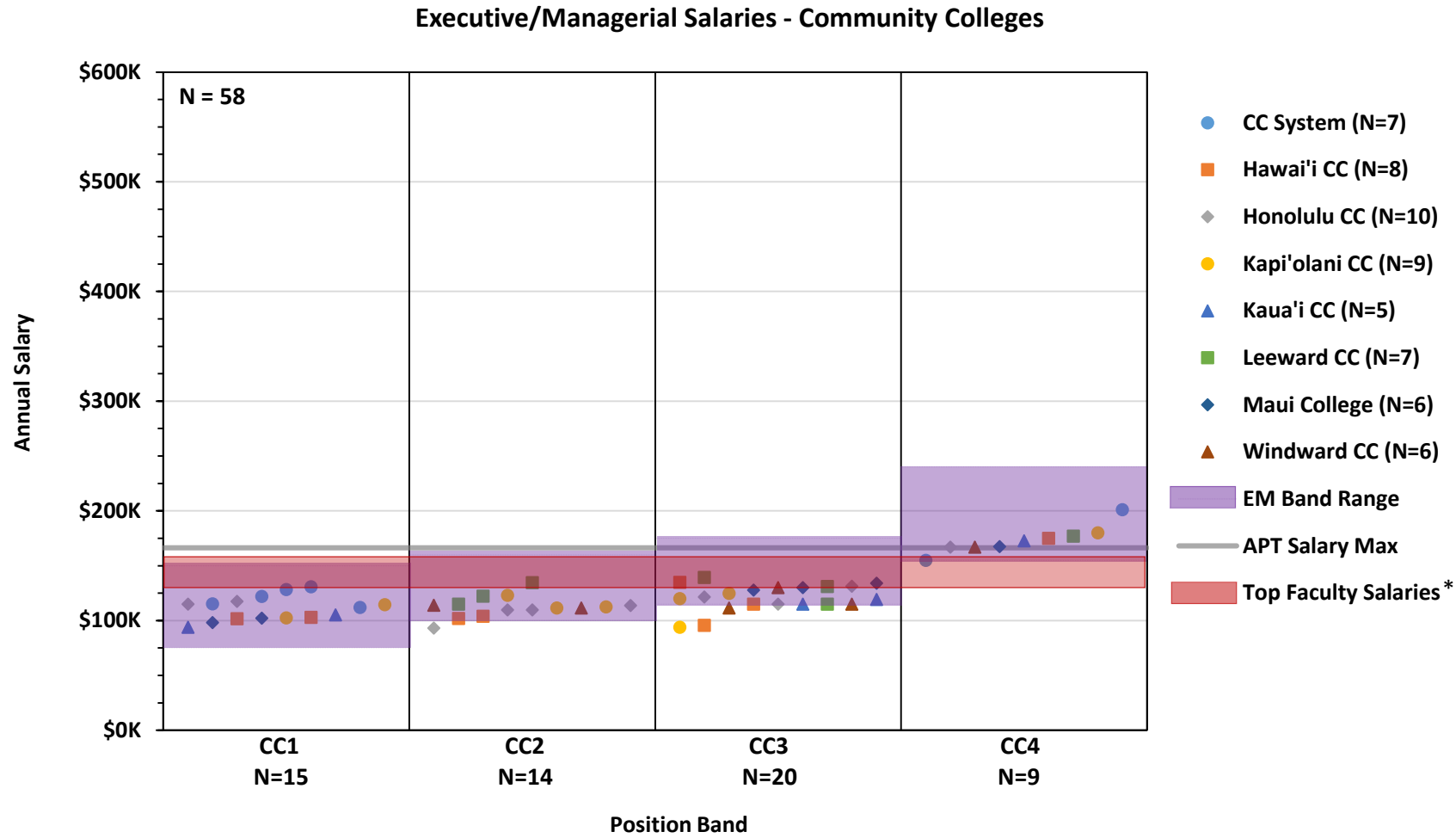
*Reflects February 2019 salary data from <https://www.uhpa.org/salary-research/all-faculty-salaries/>

Current EM Salaries – West O'ahu



*Reflects February 2019 salary data from <https://www.uhpa.org/salary-research/all-faculty-salaries/>

Current EM Salaries – Community Colleges



*Reflects February 2019 salary data from <https://www.uhpa.org/salary-research/all-faculty-salaries/>

Executive & Managerial Performance Evaluation

- Annual evaluation by supervisor that considers:
 - Self-Assessment identifying accomplishments and progress in previously agreed upon goals and objectives
 - 360-Degree Survey anonymously completed by subordinates, peers and constituents that rate EMs in the following areas: Leadership, Relations with Others, Planning, Decision Making, Problem Solving, Communication, Organizational Abilities, and EEO/AA, Work Environment, and Student Success
 - Evaluation completed by the EM's supervisor utilizing the following criteria:
 - Quality
 - Quantity
 - Planning and Timeliness
 - Resource management
 - Interpersonal impact
 - Decision-making
 - Equal opportunity/affirmative action/gender equality

Executive & Managerial Performance Rating

- Final ratings are completed by the supervisor as follows:
 - Does Not Meet Expectations: Performance failed to meet expectations in essential areas of responsibility and/or the most critical agreed upon goals were not met.
 - Meets Expectations: Performance consistently met expectations in all essential areas of responsibility and the quality of overall work was very good. The most critical annual agreed upon goals were met.
 - Exceeds Expectations: Performance consistently exceeded expectations in all essential areas of responsibility and the quality of overall work was excellent. Annual agreed upon goals and objectives were met.
 - Exceptional: Performance far exceeded expectations due to exceptionally high quality of work performed in all essential areas of responsibility and either:
 - Included the completion of a major goal or project; or
 - Made an exceptional or unique contribution in support of agreed upon unit, department or University objectives.

Proposed Methodology

Overall methodology designed to ensure that the total cost does not exceed the funds appropriated for this purpose

Tied to Performance

- Adjustment to Base
 - Does Not Meet: No Adjustment
 - Meets: \$1,800 annually
 - Exceeds: \$1,800 annually + 1% annually
 - Exceptional: \$1,800 annually + 1.5% annually
 - Average 1.7% overall increase to base for 200+ EMs
- One-Time Payout
 - Exceeds: 1% one-time merit
 - Exceptional: 1.5% one-time merit
 - Average 0.8% one-time payout

Small number of additional special adjustments made by President for equity, retention, new duties assigned and/or growth in job

A large, stylized yellow hibiscus flower with five petals and a central stamen, serving as a background for the text.

Mahalo!



Item IV.D.

Board of Regents Committee Structure

**ITEM TO BE
DISCUSSED AT
MEETING**