NOTICE OF BOARD OF REGENTS MEETING

Board business not completed on this day will be taken up on another day and time announced at the conclusion of the meeting.

Date: Thursday, January 31, 2019
Time: 8:45 a.m.
Place: University of Hawai‘i – West O‘ahu
Campus Center, Room C208
91-1001 Farrington Highway
Kapolei, Hawai‘i 96707

AGENDA

I. Call Meeting to Order

II. Approval of the Minutes of the October 18, 2018, and November 15, 2018, Meetings

III. Public Comment Period: 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@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. Approval of Resolutions in Appreciation and Recognition of Regent Brandon Marc Higa and Regent Douglas Shinsato

V. Report of the President

VI. Committee and Affiliate Reports
   A. Report from the Committee on Independent Audit
   B. Report from the Committee on Intercollegiate Athletics
   C. Report from the Committee on Planning and Facilities
   D. Report from the Committee on Research and Innovation
   E. Affiliate Reports

VII. Items for Discussion and/or Approval
   A. For Action Consent Agenda
      1. Amendments to the Bylaws of the Board of Regents Article II.D.2.c. Committee on Planning and Facilities

For disability accommodations, contact the Board Office at 956-8213 or bor@hawaii.edu. Advance notice requested five (5) days in advance of the meeting.
B. For Action
   1. Approval of University of Hawai‘i Tuition Schedule, Academic Year (AY) 2019-2020 through AY 2022-2023

C. For Information and Discussion
   1. Legislative Update
   2. Aloha Stadium Informational Update

VIII. Executive Session (closed to the public):

A. Personnel: (To consider the hire, evaluation, dismissal, or discipline of an officer of employee, where consideration of matters affecting privacy will be involved, pursuant to Section 92-5(a)(2), Hawai‘i Revised Statutes (HRS))
   1. Discussion of Personnel Actions (A-1 for approval)

B. Legal Matters: (To consult with the board’s attorneys on questions and issues pertaining to the board’s powers, duties, privileges, immunities, and liabilities, pursuant to Section 92-5(a)(4), HRS)
   1. Quarterly Status Report on Litigation
   2. Settlement of a Civil Action Against the University of Hawai‘i entitled Josephine Calvo, et al. v. University of Hawai‘i, et al.; Civil No. 15-1-1869-09 (JHC)

IX. Items for Discussion and/or Approval

A. Items for Approval (continued)
   1. Personnel Actions (A-1 for approval)
   2. Settlement of a Civil Action Against the University of Hawai‘i entitled Josephine Calvo, et al. v. University of Hawai‘i, et al.; Civil No. 15-1-1869-09 (JHC)

X. Announcements

A. Next Meeting: February 28, 2019, at University of Hawai‘i Maui College

XI. Adjournment

ATTACHMENTS
Attachment A1 – Personnel actions posted for action
Attachment A2 – Personnel actions posted for information only
## Executive/Managerial

<table>
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<tr>
<th>Campus</th>
<th>Last Name</th>
<th>First Name &amp; Middle Initial</th>
<th>Proposed Title</th>
<th>Unit</th>
<th>Nature of Action</th>
<th>Monthly Salary</th>
<th>Effective Date</th>
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<td>Bonnie</td>
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Recommendation: That the Board approve the personnel action as recommended.

David Lassner
President
Attachment A-2: Pursuant to §89C-4, Hawai‘i Revised Statutes, the following proposed compensation actions for excluded Executive/Managerial are disclosed for purposes of public comment.

<table>
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<tr>
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<th>Last Name</th>
<th>First Name &amp; Middle Initial</th>
<th>Proposed Title</th>
<th>Unit</th>
<th>Nature of Action</th>
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<td>Alyson</td>
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<td>Dorinna</td>
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<td>Calvin</td>
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MINUTES

BOARD OF REGENTS MEETING

OCTOBER 18, 2018

I. CALL TO ORDER

Chair Lee Putnam called the meeting to order at 9:30 a.m. on Thursday, October 18, 2018, at University of Hawai‘i at Mānoa, Information Technology Building, 1st Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai‘i 96822.

Quorum (13): Chair Lee Putnam; Vice Chair Jeffrey Portnoy; Vice Chair Wayne Higaki; Regent Simeon Acoba; Regent Brandon Marc Higa; Regent Ben Kudo; Regent Michael McEnerney; Regent Randy Moore; Regent Douglas Shinsato; Regent Jan Sullivan; Regent Michelle Tagorda; Regent Ernest Wilson Jr.; and Regent Stanford Yuen.

Excused (1): Regent Eugene Bal.

Others in attendance: President/Interim UH-Mānoa (UHM) Chancellor David Lassner; Vice President for Administration Jan Gouveia; Vice President for Community Colleges John Morton; 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 Syrms; Vice President for Information Technology/Chief Information Officer Garret Yoshimi; Vice President for Budget and Finance/Chief Financial Officer Kalbert Young; Interim UH-Hilo (UHH) Chancellor Marcia Sakai; UH-West O‘ahu (UHWO) Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

II. PUBLIC COMMENT PERIOD

Board Secretary Oishi announced that the Board Office received written testimony from John Char, Creighton Litton, Steven Hobbs, Richard Zeebe, Elizabeth Simon, Dustin Kawamura, and Richard Batad offering comments related to proposed UHM parking rates; written testimony in opposition to the proposed UHM parking rates from Airi Morita, Nicole Clare Hortizuela, Kacie Manabe, Daniel Manzano, Megan Bunda, Takuya Wise, Richard Choi, Madison Casey, Kaitlyn Nomura, Evan Iwanaga, Arenson Kaizawa, Elaine Nakahashi, Malani Kane Kuahiwinui, Sheena Carmela Juliano, William Ardourel, Chinwendu Amadi, Kylie Gentile, Eileen Roco, Michelle Luu, Aileen Ballesteros, Alexandra Meek, David Enriquez, President of the Associated Students of the University of Hawai‘i (ASUH) Jannah Lyn Dela Cruz, and Andrew Kalani Simeona; and late written testimony in opposition to the proposed UHM parking rates from Nicholas Reyes, Catharine Creadick, Sylvia Nguyen, Kira Beltran, Cody Dunham, and
Glaidel Calamayan. Written testimony in support of the proposed UHM parking rates was received from Brianne Tengan. Written testimony was received from Luella Nohea Crutcher and late written testimony was received from Kamana’opono Crabbe on behalf of the Office of Hawaiian Affairs (OHA) offering comments related to the proposed administrative rules pertaining to Maunakea. The Ka Lahui Hawai’i Political Action Committee submitted written testimony in opposition of the proposed administrative rules pertaining to Maunakea.

The following provided oral testimony:

1. Oral testimony was provided by Jacob Wruck, UHM student; Carolyn Stephenson, UHM faculty; Andrew Kalani Simeona, ASUH Vice President and UH Student Caucus Secretary; and Jonathan Valdez, President of the UH Graduate Student Organization (GSO), in opposition to the proposed UHM parking rates.

2. Oral testimony was provided by Cheryl Burghardt; Andrew Kalani Simeona; Melinda Healani Sonoda-Pale on behalf of Ka Lāhui Hawai’i Political Action Committee; Candace Fujikane, UHM English Professor; Bianca Isaki from KAHEA: The Hawaiian-Environmental Alliance; Shelley Muneoka; and Hannah Liebreich, Advocacy Chair of GSO in opposition to the proposed Hawai’i Administrative Rules (HARs) pertaining to Maunakea.

III. REPORT OF THE PRESIDENT

President Lassner provided a report highlighting the following:

- UHWO received a $638,100 grant from the Office of Naval Research to create the Veterans Empowered through a science, technology, engineering, and mathematics (STEM) program called VETS. The grant will directly support student veterans and promote the transition of veterans into STEM-related career fields. This program is similar to the UHM Veterans to Energy Careers (VTEC) program that guides veterans into careers in the sustainable energy industry.

- UH participated in the Gallup-Purdue Index, which surveyed approximately 90,000 UH graduates from across the System on measures of well-being such as employment, sense of purpose, social relationships, financial security, and relationship to community, with results benchmarked against other higher education institutions. UH scored at or higher than the national average on all measures except for financial security, which could be attributable to the high cost of living in Hawai’i and depressed salaries. The survey also looks at what is happening on college campuses that contribute to these measures such as mentors, and whether professors care about students and excite them about learning. The theory of this survey is that the college students attend is not as important as their experiences. The results, which vary by campus, were very thought-provoking and will be shared with all the chancellors.
Neither of the two photovoltaic (PV) developers under consideration for the Hawaiian Electric Company (HECO) request for proposals to develop up to a 180 megawatt PV farm on UHWO lands was selected by HECO. HECO is expected to commence a second solicitation in six to eight months, and one developer has expressed interest in using the UHWO mauka lands. Administration has plans to utilize the mauka lands to advance sustainability for the state and for the university and the goal is to seek Public Utilities Commission approval for a green tariff by the end of the year. This initiative would allow UH to generate PV power on UHWO lands and feed that power into HECO’s grid. HECO would deliver the same amount of PV energy produced to UH campuses on O’ahu at a reduced rate.

High Performance Mission-Driven System (HPMS)

The Listening Observatory for Hawaiian Ecosystems at UHH was awarded a grant from the Disney Conservation Fund to support efforts to restore the endangered ‘alalā into the native environment. This is an example of the university’s work on sustainability and indigenous studies coming together.

Report of the Host Campus

Interim UHM Chancellor Lassner provided a report on UHM and its role within the UH System and the state as one of only several universities in the country that are a land-grant, sea-grant, space-grant, and sun-grant university; and shared the results of the system performance funding metrics and efforts and strategies to address underperforming areas. He noted that this was a good year for enrollment, with the largest first-year class in campus history, and shared enrollment highlights, retention rates, and graduation rates. Recruitment and retention plans include the expansion of the Hanai Mentor Program; mentorship is one of the items of note from the Gallup Survey mentioned in the President’s report. External assistance will be used to help with recruitment efforts. Research awards and highlights; financial stabilization efforts and results; the commitment to unique missions; a UHM solar PV update; progress toward becoming a Native Hawaiian Place of Learning; newly created virtual institutes; examples of strategic faculty recruitments; organizational changes under consideration; and the UHM Campus Framework for the Future Plan were also reviewed. With regard to the proposed reorganization of the UHM campus, it was noted that the fundamental structure is still intact and that external consultants will help with areas of focus.

UHM Faculty Senate (UHMFS) Chair Brian Powell noted that UHM is the Hawai‘i engine for innovation and highlighted some of the research and work by faculty and students on issues and events of statewide impact such as the Kīlauea eruption, recent hurricanes, and human impacts on Hawai‘i’s reefs. He also highlighted the efforts undertaken by the Hawai‘i Graduation Initiative (HGI) and the impact it has had over the past several years. Although HGI has caused enrollment numbers to decline, it outweighs students spending more time in school than necessary and accumulating student debt. The number of faculty during this time period has dropped by 10%.
Dr. Powell indicated there was a lot of interest in the administrative reorganization over the past 15 months, with faculty being involved in discussions this past year. The current position of the UHMFS has not changed from February 2018, when the UHMFS approved a resolution supporting the recombination of the System President and UHM Chancellor positions. The UHMFS remains open to recombining these positions, but will not have an official position until they have time to review the details of the proposal.

Dr. Powell noted that the reorganization contains some good ideas, but there is concern that it may not address the issues with middle management (e.g., deans, directors), which the UHMFS considers to be one of the larger problems at UHM. He noted that there are too many deans and directors and that the reduction in student semester hours and other budgetary constraints have exacerbated the silo mentality of UHM. There have been reports of deans discouraging faculty from participating in various initiatives because of a zero-sum calculus mentality regarding the budgets. This affects faculty retention because there is a disincentive to be innovative since it can be perceived as a threat by others.

IV. COMMITTEE REPORTS

A. Report from the Committee on Independent Audit

Committee Chair McEnerney summarized the committee report. He noted concern regarding the process for having students sign the release form that allows the university to contact parents or guardians regarding outstanding student accounts receivables. The committee was informed that the forms were part of the registration and financial aid process, but he had personally found out later that was not the case. There is a disconnect between what the university is saying it is doing and what is actually being done, and this situation needs to be further reviewed.

B. Report from the Committee on Intercollegiate Athletics

Committee Chair Portnoy summarized the committee report.

Regent Yuen shared his experience accompanying the UH men's basketball team during their Australian tour in August. Aside from doing well on the court, he was impressed with the players' behavior off the court. They are responsible young men that are focused on life and how they can contribute to the community. This is a quality team that we can all be proud of.

C. Report from the Committee on Planning and Facilities

Committee Chair Yuen summarized the committee report.

Regent Sullivan stated for the record that she made the motion to defer approval of the proposed UHM parking rates during the October 3, 2018, Planning and Facilities (P&F) Committee meeting because she wanted clarification on the procedure for graduate student parking rates, the disproportionate parking rates for motorcycles and mopeds, and the current financials on the parking revolving fund and the anticipated pro forma financials associated with the proposed rate
increase and debt service. She also expressed that there should be a holistic transportation commuter study that expands beyond the issue of parking.

Regent Sullivan also clarified for the record that she and Regent Wilson voted no on the UHH adult student housing (ASH) lease amendment.

P&F Committee Vice Chair Acoba noted that the committee requested the information on the proposed parking rates and the UHH ASH lease extension items from VP Gouveia during the committee meeting. The committee did not make a recommendation to the board regarding approval of the proposed parking rates. Consultants reported on safety and health concerns of the parking facility, for which the board is responsible. The only way to legally finance improvements and repairs to the parking facility would be through the special fund, under which parking is required to be self-sufficient. Rather than addressing the approximate $100 million of repairs recommended in the consultant’s report, the proposal was to float $35 million in revenue bonds to address the most pressing needs. The committee could not reach a decision and deferred to the board chair to determine whether the issue should stay with the committee or move to the board agenda.

P&F Committee Vice Chair Acoba noted that administration indicated that UHH ASH is the only facility on the UHH campus that provides student family housing and that the university does not have the expertise to manage this type of housing. Administration requested to extend the existing lease for an additional 5 years to provide UHH the opportunity to determine other options. Similar issues were raised in the past and there may have been opportunities to explore alternative uses for that property.

Chair Putnam indicated that she had discussions with VP Gouveia and the UHM commuter services team that developed the parking proposals, who assured her that the proposal would be revised based on feedback from the committee.

On a point of order, Regent Sullivan indicated she was only trying to add to the record since minutes of the meeting are not available, and was not trying to get into the merits of the proposal.

Chair Putnam indicated that she cast the deciding vote during the P&F committee on the UHH ASH agenda item because the vote was divided, so she felt the issue should come to the full Board for action, rather than dying in committee.

D. Report from the Committee on Research & Innovation

Committee Chair Sullivan summarized the committee report. No additional comments or questions from the board were raised.

E. Affiliate Reports
UH Student Caucus (UHSC): Regent Higa reported that the UHSC elections for 2018-2019 executive board were held and the new officers are as follows: Christielove Espinosa, chair; Kevianna Adams, vice chair; Andrew Kalani Simeona, secretary; and Danny Arase, treasurer. The next meeting is scheduled for November 3, 2018, at WinCC.

Research Corporation of the University of Hawai‘i (RCUH): Regent Moore reported that Dr. Sylvia Yuen, Executive Director of RCUH, was nominated for the American Savings Bank Business Leader of the Year award. The winner will be announced at the Pacific Business News’ Leadership Hawai‘i Dinner on November 1, 2018. He noted that Jay Shidler, a major philanthropist and supporter of the University of Hawai‘i, will be the Career Achievement honoree at the same event.

UH Foundation (UHF): Chair Putnam reported that she attended a UHF board meeting on September 26, 2018, and that Dr. Makena Coffman, Director of the Institute for Sustainability and Resilience at UHM, gave a presentation on the university’s efforts relating to sustainability.

Regent Sullivan reported that she was invited to give a presentation at the American Council of Trustees and Alumni (ACTA) ATHENA Roundtable Conference last week in Washington, D.C. The event focuses on discussing “first principles in higher education leadership,” and safeguarding values and accessibility to higher education was one of this year’s themes. Mitch Daniels, the former Governor of Indiana and current President of Purdue received the annual leadership award, and in April 2018 President Daniels announced an unprecedented 7th straight year of tuition freezes at Purdue, a public institution in Indiana.

Regent Sullivan noted that the national stage has been following UH’s experiences with tuition, including the cuts triggered during the great recession, the rapid year-upon-year increases in tuition, and the action to hold tuition flat in 2017. Achieving financial stability was difficult for the campuses, and it is easier to increase tuition than to restrict spending, exercise discipline in controlling position counts, and work to improve graduation rates and articulation. UH is considered to be a good example of a board and institution that has controlled tuition and exercised fiscal prudence. It is her hope that we will continue to be a good example and continue to keep tuition costs stable as the university is doing a much better job than many other public institutions in the nation. UH needs to stay focused on providing affordable education, which is an important challenge facing universities nationwide.

Vice Chair Portnoy reported that he recently attended the Hawai‘i Executive Conference in Kona, which brings together CEOs of the major corporations and businesses in Hawai‘i, and academic and non-profit leaders. There were two panel discussions on education and various opportunities for individual discussions with community leaders. UH’s importance to the state is universally recognized. He was impressed by comments made from leaders regarding their
commitment to UH. There was a session on UH athletics and discussion on continuing funding athletics in the future. Business leaders understood that there needs to be a tremendous effort by the philanthropic business community in order to maintain necessary competitive programs.

V. ITEMS FOR DISCUSSION AND/OR APPROVAL

A. For Action Consent Agenda

1. Approval of the Minutes of the September 20, 2018 Meeting
2. Approval to Indemnify Geiseinger Clinic for a Data Use Agreement with the University of Hawai‘i

Regent Wilson moved to approve the consent agenda, seconded by Regent Moore, and the motion carried unanimously.

The board went into recess at 11:20 a.m., and the meeting resumed at 11:28 a.m.

B. For Action

1. Approval of the University of Hawai‘i at Hilo Adult Student Housing Lease Amendment

VP Gouveia provided an overview of the proposed UHH ASH 5-year lease extension that included information on the various housing available at UHH; background information on ASH and the agreement; estimated repairs needed for the Hale Kawili (HK) apartments to keep it operational for the next five years; UHH’s goal of maintaining their student housing inventory without additional cost to UHH and options considered for the property once the lease expires June 30, 2019; application of the six criteria in Regents Policy (RP) 10.201, Interests in Real Property, to administration’s recommendation to extend the lease with ASH for 5 years; and long-term considerations for the property. She noted that administration is requesting a five-year extension to an existing ground lease that has been in effect since the early 1970s. This is one of the few university facilities that is open to families of students.

Regent Kudo arrived at 11:39 a.m.

Chair Putnam clarified that the administration is requesting: (1) Authorization for the University to enter into the Fifth Amendment, consistent with the terms described in the action memo, which would extend the ASH lease for an additional five-year period (from July 1, 2019, through June 30, 2024) during which time ASH Hawaii will be obligated to complete the improvements and repairs listed herein; and (2) Authorization for the VP of Administration, in consultation with the UHH Interim Chancellor, to negotiate, finalize, and execute the Fifth Amendment to the ASH lease, consistent with the terms described in the action memo, and finalize and execute such other documents, and take such other actions, as the VP for Administration, in consultation with the UHH Interim Chancellor, may deem necessary or appropriate in connection with the Fifth Amendment.
Regent Wilson moved to approve the UHH ASH lease amendment, seconded by Regent Moore.

Questions were raised regarding why so many repairs were needed if the developer maintaining the property in good condition; whether the list of repairs completed by ASH was reviewed; and whether Chancellor Sakai was confident that the developer had maintained the property in good condition. VP Gouveia explained that the $4 million in repairs is UHH's estimated cost of doing the repairs to meet code requirements; it is not clear how much it would cost ASH to make those repairs utilizing its own staff. Chancellor Sakai indicated that the only items on the list of proposed minimum repairs that are required are replacing smoke detectors and outlets, and that the other items were to be done on an "as needed" basis. UHH requires routine reporting on the property and has not received any complaints from tenants, so they are confident that ASH has maintained the property in good condition.

A question was raised regarding the ongoing repair costs, if any, after the $4 million in initial necessary repairs, and how administration would ensure that ASH will keep up with the maintenance of the property. VP Gouveia explained that 92% of tenants responded to a recent survey and there was no indication of issues requiring immediate attention. There is no information available on ASH's actual return on investment for the HK apartments or whether the property is being subsidized by other properties that ASH owns on the mainland.

Regent Sullivan thanked administration for their efforts on this proposal. She explained why she voted against the proposal at the P&F Committee meeting. She explained that in 1972, a 41-year lease was entered into with ASH to build the development, and in exchange, ASH kept the revenue stream. An 18-month extension of the lease was approved by the board in 2012 in order for administration to determine what to do with the property. A 5-year extension was approved by the board in 2014 in order for administration to determine what to do with the property. There was a similar list of $2 million in improvements that were supposed to be made, and she is not sure if ASH was contractually held to the expenses. Administration is now requesting another 5-year extension, which is equivalent to a 52-year lease, for the same reasons previously stated. When the lease expires, UHH will own the buildings, and the nature of the relationship has changed to a management agreement.

Regent Sullivan indicated that the Board of Land and Natural Resources (BLNR) did something similar for many years, which was eventually identified as being a poor management practice for public lands. She expressed concerns about whether the process by which the university is proposing to extend the lease is consistent with the State procurement process. She does not think another five years is necessary for administration to determine how to proceed and does not believe that the only other option is to shut down the HK apartments and leave the tenants without housing.

Regent Wilson indicated that he voted against the lease extension as well because he believes the investors have already capitalized on their investment and other options need to be explored. He questioned whether ASH would be required to make the necessary repairs. VP Gouveia responded that ASH would be required to make the
repairs. She did not know how many other property managers would be willing to take over the facility and make the necessary repairs given that the housing rates are below Housing and Urban Development rates. The tenants in these apartments are lower-income and could not afford to pay higher rates.

Vice Chair Portnoy commented that bringing forth the proposal without any alternatives was not fair to the regents as the issue has been known for years and has come up repeatedly, yet has not been addressed. He also expressed concerns regarding risk management issues, and indicated his preference for a lease with specific requirements and timetable for repairs, as well as a complete inventory of all health, safety, and livability repairs.

Questions were raised regarding whether the rents were frozen for five years and whether there was a unit-by-unit inventory of repairs and timeline for completion. VP Gouveia explained the proposed rate structure includes annual increases. There is a unit-by-unit list of needed repairs, but no specific date by which the repairs must be made. The proposal was brought forward early, so there is still time to wind down operations. UHH has no intent or desire to take over the property and this arrangement was the desired business model for managing this facility at the time of the initial agreement.

Regent Moore concurred with Regent Sullivan and Regent Portnoy, but indicated that he would vote to approve this action. He indicated that the motion is to allow the administration to enter into negotiations and an agreement, although he noted that administration is not required to make a deal and he hoped they would not make a deal. He pointed out that all the repairs listed were something a landlord would typically take care of on an as-needed basis or when the apartment is turned over to a new tenant; the repairs would not be done all at once within the first six months. He did not understand why UHH could not take over the HK apartments when it currently operates other student housing units. VP Gouveia explained that the other housing units have a different pricing structure, are not apartment-style, and tenants do not stay year-round. Chancellor Sakai indicated that if UHH were to take over the units, the personnel costs would be significantly higher because the positions in housing are funded through special funds instead of general funds and that it would also be difficult to fund repairs.

Regent Yuen agreed that it is unfair to put regents in this situation, but indicated he would recommend approval and urged the administration to ensure this type of situation does not occur in the future.

Regent Acoba noted that the consequences of turning down the proposal would add to the housing problems in Hilo by displacing students and their families. Administration would be compelled to either unload the property or hire additional staff to support the property. He did not think UHH was unreasonable because they had updated the board regarding the situation. He questioned the economic conditions in Hilo, because there was insufficient interest to the 2014 request for proposals. The 2011 study and updated 2018 market study also reaffirmed poor market conditions. He indicated that the board should support the students and the Hilo community, and trust the judgment of UHH.
Regent Kudo asked whether ASH fronted the money to build the development. He indicated that P3 projects are normally turned over to the lessor to operate and maintain at the end of the lease unless agreed to otherwise, and that it is problematic if ASH is not properly maintaining the property. He recommended that administration revisit options and recommendations for the board. VP Gouveia explained that the developer financed the project and obtained a lease to recover some of their costs. This project is similar to the military housing model, where non-core missions such as housing are outsourced to a third party. She indicated that if the university is going to pursue P3 projects, it would be helpful to know what the board’s intent and position is regarding the disposition of a project after the P3 relationship has ended.

There having been a motion that was moved and seconded, the motion was put to a vote and carried with Regent Kudo, Regent McEnerney, Vice Chair Portnoy, Regent Sullivan, and Regent Wilson voting no.

Vice Chair Higaki clarified that administration is being authorized to enter into negotiations that may or may not be successful. President Lassner responded that the expectation is that administration would not come back to the board.

2. **Approval of the University of Hawai‘i at Mānoa Parking Rates**

VP Gouveia provided an overview of the proposed UHM monthly parking rates and intended use of the revenues; information on Commuter Services and its programs; parking revenues and expenditures; UHM parking inventory; short-term challenges and proposed solutions; rate methodology; comparable monthly parking rates; historical background; and long-term challenges. She noted that the board approved public hearings for parking rate increases twice in the last seven years, but public hearings did not commence and rate increases did not occur.

President Lassner indicated this was an extraordinarily difficult process and he appreciated input from the community and testifiers, and the resolution from the UHMFS. The parking issue needs to be resolved before there is a health and safety crisis. The board previously approved an increase and the Governor at that time declined to allow UH to hold a public hearing. The process for parking rate increases is now under the purview of the Board of Regents. He noted that there are about 5,000 parking users and everyone has an interpretation under which they should pay less and others should pay more. He committed to setting up a task force of stakeholders to review the proposed rate structure and propose recommendations. He requested the board approve the proposed parking rates as presented, and if the task force can find a way to restructure the rates then a revised proposal would be presented to the board.

A question was raised regarding whether the proposal underestimated the cost of improvements.

Regent Higa acknowledged the testimony from students expressing concern about costs and the overall effect a parking rate increase will have on the cost of attendance. He noted that students might be willing to pay more if they see value, and asked if it was possible for administration to provide assurances that students would not be
charged to ride the Rainbow Shuttle and alternative sources of transportation if the board proceeds with approving the proposed parking rate increases.

There was agreement that the task force was a good idea. Several regents expressed opinions that the board should not be involved in parking rate increases and that administration and the campus should determine parking rates.

Regent Acoba expressed concerns that the proposal does not address the lack of parking spaces and it does not appear that enough options were explored on how to reduce the burden on individuals who require the use of parking facilities. He suggested the possibility of dividing improvements into two parts: one to lessen the initial burden on parking users, and another to extend interest payments on the revenue bond into the future.

Regent Tagorda raised the issue of equity with regard to the determination of parking rates and supports the President’s idea of a task force.

Regent Sullivan noted that the formation of a task force should have occurred before the proposal was brought to the board. She disagreed with the belief that the board should not be involved in this matter because the proposed rate schedule is connected to a $35 million bond issuance. She expressed concerns regarding Commuter Services financials and the rationale for raising $2.78 million per year for debt service when Commuter Services netted $1.13 million in fiscal year 2018. The biggest issue is the lack of a modern transportation commuter plan that incentivizes individuals who use alternative forms of transportation and considers transportation initiatives for the entire campus. She requested that administration consider having the Institute for Sustainability and Resilience review the plan holistically. Regent Sullivan made a motion to defer the UHM parking permit fee increase and Regent Tagorda seconded the motion.

Regent Moore indicated he would vote against the motion to defer because there was no opposition in testimony with regard to making improvements to facilities for health and safety reasons. Rate increases will not impact current students because they will be gone before full implementation and future students will know the rates before they come to UHM.

There having been a motion to defer action that was moved and seconded, the motion was put to a vote with Vice Chair Higaki, Regent McEnerney, Regent Moore, Regent Wilson, and Regent Yuen voting against the motion to defer, and Regent Kudo and Vice Chair Portnoy abstaining. The motion failed to carry.

Chair Putnam restated the recommendation for the board to approve an amendment to RP 10.207, Parking and Operation of Motor Vehicles, Attachment 1, to implement a six-year increase to the parking permit fee schedule for the University of Hawai‘i at Mānoa campus.

Regent Kudo made a motion to approve the proposed UHM parking rates with the requirement that president form a task group and initiate a holistic transportation
management plan, Regent Wilson seconded, and the motion carried with Regent Acoba abstaining based on concerns stated earlier.

The board went into recess at 1:15 p.m., and the meeting resumed at 1:26 p.m.

3. Approval of Administration’s recommendation, based on testimony received during the public hearings process, to draft revisions to specific provisions in the proposed chapter 20-26, Hawai‘i Administrative Rules, entitled “Public and Commercial Activities on Mauna Kea Lands”, and to return to the Board of Regents for approval of the new draft prior to a second round of public hearings

Interim Chancellor Sakai, on behalf of the Office of Maunakea Management (OMKM), requested that the board approve administration’s recommendation to amend specific provisions in the proposed Chapter 20-26, Hawai‘i Administrative Rules (HAR), taking into consideration the public testimony received as part of the rulemaking process under Chapter 91, Hawai‘i Revised Statutes (HRS), and to consult with appropriate stakeholders on any amended or revised rules pursuant to Act 132, Session Laws of Hawai‘i 2009, and make changes as appropriate. Any substantial proposed revisions to Chapter 20-26, HAR, will be presented to the board for approval prior to a second round of public hearings.

Interim Chancellor Sakai provided background information on the development of the rules and the rule-making process; scope and application of the proposed rules; an overview of the public hearings and focus of the testimony, including preliminary contemplated revisions; and next steps related to further proposed amendments, including the consultation process. She noted that written testimonies and transcripts of oral testimony were attached to the memo and made available on the board’s website. The action memo identifies the areas of focus from the public testimony for potential further revision, including traditional and customary practices; the preservation of scientific and educational resources; vehicles and transportation; audio devices and noise; permits for public assemblies and meetings; violations, penalties, costs, administrative fines, sanctions, and collection; and delegation framework. Other sections of the rules may be affected by amendments to these sections.

Interim Chancellor Sakai noted that prior to developing the first draft of the proposed rules, there were a series of consultations dating back to before 2014, primarily through open houses and numerous public outreach sessions held by OMKM. Separate consultations were held with OHA, Department of Land and Natural Resources (DLNR), Kahu Kū Mauna, and the Maunakea Management Board.

Interim Chancellor Sakai indicated that the scope of the rules were limited to UH-managed lands on Maunakea and seek to manage public and commercial activities on those lands. Consistent with the administrative rules of the DLNR Forest Reserve System and Natural Area Reserves System, these rules would regulate activities such as littering, hunting, camping, and commercial activities focused on transportation. She added that the rules regulate activities and not land use.
Chair Putnam recognized Regent Acoba, Regent Moore, and Vice Chair Portnoy for serving as hearings officers, and the individuals involved in preparing the draft rules.

Regent Wilson moved to approve the university administration’s recommendation, based on testimony received during the public hearings process, to draft revisions to specific provisions in the proposed Chapter 20-26, HAR, entitled “Public and Commercial Activities on Mauna Kea Lands”, and to return to the Board for approval of the new draft prior to a second round of public hearings, Vice Chair Higaki seconded.

Regent Moore commented that some of the speakers had specific concerns and valid points that have been reflected in the report including freedom of assembly, freedom of religion, concerns regarding who makes the determination whether specific behavior is in violation, and that some of the proposed rules do not appear to be relevant to the protection of the mountain.

Regent Moore indicated that it appeared that the proposed rules were written from the perspective of prohibiting undesirable behaviors rather than undesirable outcomes. With the exception of addressing specific interference with operations of the telescopes, he questioned why the regulations for Maunakea should be any different from Mauna Loa or Haleakala. It will be impossible to determine who is a cultural practitioner, or refute the claim of someone who asserts they are one. Even those with the strongest beliefs of the right to access for cultural practice would agree that unrestrained public access to fragile cultural sites would be detrimental and needs to be regulated. He suggested that recognized cultural practitioners should determine appropriate or inappropriate behavior for cultural practitioners. He is encouraged that the university is willing to revisit the rules and suggested that individuals make specific recommendations for language changes, rather than general statements that they do not like the language.

Regent Kudo suggested that the “traditional and customary practices” of Native Hawaiian sections of the proposed rules be removed because it is not the purview or expertise of the board to determine what is or is not a legitimate “traditional and customary” practice. He also suggested that the university should not be involved with issuing permits other than for commercial activities on Maunakea. For other activities, the university should consider having visitors sign in or register for emergency purposes and execute liability waivers rather than having UH issue permits. He expressed that the rules should be developed in stages, with the initial phase addressing minimal and basic protections and needs, followed later by more specific rules as needed.

Regent Acoba commented that the proposed rules should prohibit acts that would be harmful to people or natural resources, and should not be about regulating items such as cell phones, flashlights, and camping equipment. He noted questions worthy of consideration that were raised at the public hearings regarding the president’s “designee” and proposals to appoint neutral parties that are not affiliated with the university. Regent Acoba indicated that he recused himself from the Maunakea case, but the court said that each agency has a duty to enforce any affirmative obligations of the State under the Constitution. The Constitution protects the exercise of traditional
customs and practices, so the university should view the rules from the perspective of protecting the exercise of these customs and practices instead of trying to regulate them.

Regent Sullivan suggested that the university consider bifurcating the rules to address commercial tour activities as a priority because there is universal agreement that is necessary to properly protect the mountain. She was impressed by the depth of thought shared in some of the testimony. The university should find a more collaborative approach to discuss customary and traditional access because the public hearing process is not conducive for those discussions.

There having been a motion that was moved and seconded, the motion was put to a vote and carried unanimously.

C. For Information and/or Discussion

1. Update on University of Hawai‘i at Mānoa Campus Framework for the Future

President Lassner introduced Nate Goore of MKThink who performed the UHM space inventory and is also helping administration to re-envision the physical UHM campus.

Mr. Goore provided an update on the UHM campus framework for the future that included an overview of the planning process, key inputs, guiding principles, planning objectives, and next steps.

A question was raised whether the methodology included timelines for latency implementation to medium utilization and high utilization. Mr. Goore responded that the forecasting has theoretical targets, with stages identified along the way to recognize what is possible at certain points in time and take into consideration things that cannot be changed.

Chair Putnam indicated that the board looked forward to future updates from MKThink.

VI. EXECUTIVE SESSION

Upon motion by Regent Tagorda, seconded by Regent Yuen, the board unanimously approved convening in executive session to consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved, pursuant to Section 92-5(a)(2), HRS; and to consult with the board’s attorneys on questions and issues pertaining to the board’s powers, duties, privileges, immunities, and liabilities, pursuant to Section 92-5(a)(4), HRS.

The meeting recessed at 2:20 p.m. and reconvened at 2:46 p.m.

VII. ITEMS FOR DISCUSSION AND/OR APPROVAL

A. Items for Approval (continued)
Chair Putnam noted that the board went into executive session to discuss personnel matters as indicated on the agenda.

Vice Chair Portnoy requested clarification that the $395,000 salary was to compensate David Lassner for his role as president only. Chair Putnam responded that the $395,000 did not include additional compensation for David Lassner’s role as interim UHM chancellor as he indicated that he was not seeking additional compensation for serving in that role.

Regent Moore moved to approve the personnel actions on Attachment A-1, seconded by Regent Wilson, and the motion carried with Regent Kudo and Regent Sullivan abstaining.

IX. ANNOUNCEMENTS

Chair Putnam announced the next board meeting is on November 15, 2018, at Honolulu Community College.

X. ADJOURNMENT

There being no further business, Regent Moore moved to adjourn, and Regent Higaki seconded, and with unanimous approval, the meeting was adjourned at 2:48 p.m.

Respectfully Submitted,

Kendra Oishi
Executive Administrator and Secretary
of the Board of Regents
Chair Lee Putnam called the meeting to order at 10:01 a.m. on Thursday, November 15, 2018, at Honolulu Community College, Norman W.H. Loui Conference Center, Building 2, Room 201, 874 Dillingham Blvd., Honolulu, Hawai‘i 96817.

Quorum (13): Chair Lee Putnam; Vice Chair Jeffrey Portnoy; Vice Chair Wayne Higaki; Regent Simeon Acoba; Regent Eugene Bal; Regent Brandon Marc Higa; Regent Ben Kudo; Regent Michael McEnerney; Regent Randy Moore; Regent Douglas Shinsato; Regent Michelle Tagorda; Regent Ernest Wilson Jr.; and Regent Stanford Yuen.

Excused (1): Regent Jan Sullivan

Others in attendance: President/Interim UH-Mānoa (UHM) Chancellor David Lassner; Vice President for Administration Jan Gouveia; Vice President for Community Colleges John Morton; 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 Syroms; Vice President for Budget and Finance/Chief Financial Officer Kalbert Young; UHM Vice Chancellor for Research/Interim Vice Chancellor for Academic Affairs Michael Bruno; Interim UH-Hilo (UHH) Chancellor Marcia Sakai; UH-West O‘ahu (UHWO) Chancellor Maenette Benham; Windward Community College (WinCC) Chancellor Doug Dykstra; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

II. PUBLIC COMMENT PERIOD

Testimony was received as follows:

- Regarding the agenda item requesting approval of the UHM reorganization plan:
  - Julie Uyeno-Pido, and Thad Nakajima submitted written testimony in opposition.
  - Brian Powell, on behalf of the UHM Faculty Senate (UHMFS), submitted written testimony in general support.
  - Deborah Huebler and Andy Lachman submitted written testimony offering comments and also provided oral testimony.
o Cassandra Luo and Tiffany Magno submitted late written testimony in opposition.

o Jimmy Lagunero submitted late written testimony offering comments and also provided oral testimony.

o Jannah Lyn Dela Cruz, on behalf of the Associated Students of the University of Hawai‘i (ASUH), submitted late written testimony in the form of a resolution in support with suggested amendments.

o Alberta Pukahi, Andrew Black, and Deanna Johnson provided oral testimony.

• Peter Forman submitted written testimony in support of the aviation programs at UHH and also provided oral testimony.

• Jannah Lyn Dela Cruz, on behalf of ASUH, submitted late written testimony in the form of a resolution in support of the fiscal biennium 2019-2021 operating budget request.

### III. REPORT OF THE PRESIDENT

President Lassner provided a report highlighting the following:

- One of his priorities over the past year has been working with the University of Hawai‘i Foundation (UHF) to improve UH’s effectiveness in philanthropy through greater alumni and fundraising capacity. The agreement between UH and UHF expired June 30, 2018, and the new agreement is on the agenda for approval today.

- Tim Dolan was selected as the new Vice President for Advancement and UHF Chief Executive Officer (CEO) and will start February 1, 2019. The selection was the result of an international search of over 200 applicants. Eight individuals were interviewed and two finalists were selected and made campus visits. Mr. Dolan is currently the VP of Advancement at the University of Sydney, one of the leading universities in Australia. Mr. Dolan recently completed a $1 billion campaign, the largest in the history of Australia. Earlier in his career Mr. Dolan worked at the John A. Burns School of Medicine and the UH Cancer Center (Cancer Center), and also worked at Chaminade University and the University of California Los Angeles. President Lassner commended Donna Vuchinich, whose last day is November 30, for the work she has done on behalf of the university as the former UHF President and CEO.

**Hawai‘i Graduation Initiative (HGI)**

- UH is participating with 130 institutions in the Association of Public and Land-Grant Universities *Powered by Public Schools: Scaling Student Success* nationwide initiative supported by the Bill & Melinda Gates Foundation to increase college access, close achievement gaps, and award hundreds of thousands more degrees by 2025. The Western Region cluster will focus on issues such as indigenous student success, faculty engagement in the student success agenda, and removing barriers to student success.
The Lumina Foundation awarded UH $400,000 to promote the Hawai‘i Promise Program and recruit and support adults returning to UH who want to earn college degrees, certificates, and other credentials.

Hawai‘i Innovation Initiative (HII)

The Cancer Center is coordinating two breast cancer clinical trials that may critically improve routine care and treatments: the Aspirin Breast Cancer clinical trial on the use of aspirin to treat breast cancer patients, and the digital mammography breast cancer clinical trial. One of the most important reasons for the Cancer Center maintaining its status as a National Cancer Institute-designated center is because of the unique ability to conduct research on the health disparities that face the people of Hawai‘i, including but not limited to Native Hawaiians.

High Performance Mission-Driven System (HPMS)

The Thirty Meter Telescope (TMT) decision was rendered to support the UH’s application for the conversation district use permit. Administration is committed to ensuring the project is accomplished appropriately and with deepest respect for the collaborative stewardship of Maunakea that demonstrates Maunakea as an inspiring and harmonious global model for culture, education, the environment, and groundbreaking scientific discovery. The TMT project and the ongoing stewardship of Maunakea represent a major advance in human kind’s knowledge of the universe and will have a positive educational and economic impact for the people of Hawai‘i Island and the state.

Last week, Executive Policy 8.200, Policy on Contracts and Signing Authority, was adopted. The Office of General Counsel has been working on this project for over two years in response to questions raised by regents and others about UH’s contracts, risk mitigation, signing authority, and review processes. As part of the project, templates for different types of contracts were developed that can be used going forward.

Administration believes that public-private partnerships (P3s) will be a critical component of the university’s strategy, particularly for projects that involve revenue generation. Projects will have different financial and programmatic objectives and administration is working with a strategic leadership team consisting of President Lassner, VP Young, and VP Gouveia, with the support of VP Okinaga, to review the major projects, goals, scopes, and priorities. The recommendation is for the strategic leadership team to work directly with the Committee on Planning and Facilities. The committee will receive periodic project reports and will have the opportunity to provide input and review contracts and agreements prior to board approval. The strategic leadership team will also work with the committee on principles regarding how the university charges for land on its campuses. High priority projects will be worked on this year, and a plan will be developed next year based on actual experiences on how best to structure and staff a team focused completely on these strategic real estate
partnerships and movements, and work collaboratively with campus planning across the UH System.

- An exit meeting was held regarding evaluation and successes of the Title III activities across the state, which included 44 grants across 10 campuses with a total of $62 million in funding. Title III program funds are only available to campuses serving large numbers of Native Hawaiian and Alaska Native students. One-third of the funds UH received went into facility renovations to help advance Native Hawaiian student success, but the projects serve all students. The respondents who participated in these projects and the evaluation study reported 98% completion compared to 70% for others; were more likely to report greater satisfaction with their college experience; a higher sense of belonging; and higher identity formation.

- The Hawaiian Language Moana DVD is being released November 30, 2018. The project was a collaboration between the UH System and UHWO Academies of Creative Media, the Music & Entertainment Learning Experience (MELE) at Honolulu Community College, and translation services at UHM. One DVD will be provided to every accredited K-12 institution for educational purposes as part of the agreement with Disney.

Report of the Host Campus

Vice Chancellor of Academic Affairs Karen Lee provided a report and shared the results of the HonCC performance and performance funding metrics. Six to seven years ago, HonCC was the worst-performing campus, and now they have met most of their targets. She discussed the challenges facing HonCC which include construction of the Honolulu Rail Transit project, recruiting qualified career and technical education faculty, and recruiting and retaining students, and the efforts and strategies HonCC has undertaken to address these challenges. Chancellor Lacro has declared Academic Year 2018-2019 as the Year of Purposeful Engagement, which was a quality focus essay in the 2018 Institutional Self Evaluation Report. She described efforts faculty and staff are undertaking to address student engagement and promote persistence.

HonCC Faculty Senate Chair Pat Patterson highlighted examples of unconventional means by which faculty engages students outside the classroom, including work on the Hawaiian Language Moana DVD, research on Mount Ka'ala, creating a student lounge, lectures, career fairs, Ho'olaule'a, hands-on learning, Ho'āla Hou, and speech tournaments. He also provided examples of connections between faculty and programs such as the MELE program, fashion technology, and cosmetology that help build the campus and the community.

IV. COMMITTEE REPORTS

Report from the Committee on Academic and Student Affairs

Committee Vice Chair Higa summarized the committee report.

Report from the Committee on Budget and Finance
Committee Chair Moore summarized the committee report.

**Affiliate Reports**

Research Corporation of the University of Hawai‘i (RCUH): Regent Bal reported that RCUH held its annual Outstanding Employees of the Year Awards Luncheon in early November. Five finalists in three categories were recognized, with the first and second place candidates in each category receiving awards.

UH Student Caucus (UHSC): Regent Higa reported that the UHSC met on November 3, 2018, and four priorities for the year were established, including: open educational resources (OERs), transportation, affordability, and mental health. Two UHSC representatives met with Senator Donna Mercado Kim and Senator Kai Kahele regarding OERs and will participate in the UH OER task force to support this initiative.

The UHSC Transportation Committee is strategizing how to follow-up with administration regarding the recent decision to raise UHM parking rates and to find out how the increased rates will be reinvested into the parking program.

UH System Government Relations gave a presentation to the UHSC on legislative engagement and will be briefing them in the months ahead.

There are no updates from the Affordability Committee at this time. The next UHSC meeting will be held on December 16, 2018, at Leeward Community College.

**V. Items for Discussion and/or Approval**

**A. For Action Consent Agenda**

1. Minutes of the October 18, 2018 Meeting
2. Approval of the Fiscal Biennium 2019-2021 Operating Budget Request for the University of Hawai‘i
3. Program Approvals:
   a. Establishment of a New Provisional bachelor of Science Degree in Aeronautical Sciences at the University of Hawai‘i at Hilo
   b. Establishment of a New Provisional Bachelor of Science Degree in Engineering Science at the University of Hawai‘i at Mānoa
4. Approval to Indemnify the Federal Government, U.S. Navy, Naval Sea Systems Command (NAVSEA) for Proposed Contract, N0002418D6400 with the Applied Research Laboratory (ARL), University of Hawai‘i

Chair Putnam indicated that the minutes of the October 18, 2018, meeting will be deferred since they were not ready to be reviewed.

Chair Putnam noted there had been a request to remove item V.A.3.a. from the consent agenda for further discussion at the end of the agenda and there were no objections.
Regent Wilson moved to approve the consent agenda except for item V.A.3.a., Regent Moore seconded, and the motion carried unanimously.

The board went into recess at 11:12 a.m. and reconvened at 11:30 a.m.

B. For Action

1. Approval in Concept of the University of Hawai‘i at Mānoa Reorganization Plan Including Reconsolidation of the Positions of Chancellor, University of Hawai‘i at Mānoa and President, University of Hawai‘i

Board Chair Putnam noted that under this proposed reorganization the structure of the university, duties of the president, and duties of positions that report directly to the president will change and the policies will need to be updated accordingly. She further noted that today’s discussion will be at a high level, and internal consultation and consultation with collective bargaining units will need to occur for certain aspects of the proposed reorganization as well as discussions and consultations with affected personnel or their supervisors.

Board Chair Putnam highlighted that the principle action to be considered is the simultaneous responsibility of the president to serve as the Chief Executive Officer of UHM. Board Chair Putnam made a motion that the board approve in concept the restructure described in the action memo, including the reconsolidation of the positions of UHM Chancellor and UH President as well as the establishment of a UHM provost as an officer of the university. Regent Moore seconded.

A question was raised regarding the appropriateness of the board chair making a motion given the chair is responsible for casting the deciding vote in the event of a tie, leading the discussion, and ruling on objections, and because it gives the appearance of the chair being a proponent of an issue the board has to vote on. VP Okinaga and Board Secretary Oishi confirmed that according to Robert’s Rules of Order, the chair is allowed to make a motion.

Chair Putnam withdrew the motion and Regent Moore made a motion that the board approve in concept the restructure described in the action memo including reconsolidation and establishment of a provost as an officer of the university. Regent Yuen seconded.

A question was raised regarding what “approval in concept” means and whether any subsequent reorganization proposal would come back to the board for approval. Chair Putnam explained that approving the reorganization in concept allows the president and administration to subsequently return to the board as needed for further restructuring.

Board Vice Chair Portnoy noted that this has been a recurring issue and expressed his view that when the UHM chancellor search was discontinued, it was because there was a belief among administration and certain regents that the best path was to combine the two positions. He further noted that the Western Interstate Commission for Higher Education (WICHE) reviewed this situation several years ago and did not
recommend the two positions be combined. He expressed his concern that combining the two positions would result in the loss of an advocate for UHM. He does not believe the positions should be combined and does not believe it is feasible for one person to do both jobs, and indicated that he would be voting no.

President Lassner responded that there were multiple reorganization proposals and he did not know what the outcome of the design team would be until the recommendation came forth to recombine the positions. He noted that not all the UHM deans or constituent groups were unanimous, and that after reviewing the history, it does not appear that past instability was due to the wrong individuals being in place. Only one UHM chancellor served for five years, and the national average is 6.5 years. Stability helps an institution continue to move forward, adapt to change, and serve the communities in which they are embedded. The establishment of a UHM provost position responsible for overseeing the academic mission is critical to the reorganization proposal and to obtaining at least majority support from groups such as the deans and the UHMFS.

President Lassner recognized that individuals in one unit under a particular vice chancellor have expressed strong concerns, but explained that the characterization of moving these things to the system is not consistent with what is being presented. The proposed model includes two hybrid vice presidents that are accountable to the UHM campus leadership including the provost, deans, and governance bodies for the work they perform. Operational and financial matters will be separate, with the UHM chief business officer to oversee finances while achieving economies of scale as the board has continually requested. The structure of individual administrative units was not included in the proposal because it requires consultation. The next stage will involve determining how to separate out campus finances from the operations.

Regent Tagorda arrived at 12:02 p.m.

Regent Kudo provided some historical perspective from six years ago. Only two regents were in support of recombining the president and chancellor positions. He explained that the justification at that time for recombining the two positions was that reducing redundancy of efforts of the chancellor’s office, including vice chancellors, would have resulted in an estimated $5 to $6 million savings in overhead. His position at the time was to recombine the positions on an interim basis to address the major problems so that if a new chancellor was hired they would have an opportunity to succeed. He noted that President Lassner has been able to address some of the major issues within the past few years. He added that universities are trying to reduce costs because national statistics show a significant decrease in the number of graduating high school seniors starting in 2025, which will cause a major crisis in higher education resulting in increased competition for students and reduced revenues. UH needs to be prepared to address this crisis from a fiscal and academic standpoint, and unless major change occurs, the university will not be prepared when the demand drops.

Questions were raised regarding whether the final organization chart and plan will be brought back the board for final approval and the rationale behind the proposed reorganization.
President Lassner responded that when this issue came up six years ago he was a proponent of the WICHE report and against recombining the positions, but he now holds a different view. He referenced pages 2 and 18 of the presentation, which identify the key objectives and strategies for the proposed reorganization.

Regent Yuen indicated his support for the consolidation and noted that there has been a history of turnovers and other challenges with the chancellor position causing unwanted vacancies, and that if something is not working then changes are needed.

Regent Acoba noted that the motion asks for approval of a concept, but does not describe the final concepts, and administration is only required to return to the board if the consultations result in substantial revisions. He expressed that the board is constitutionally obligated for the internal management and structure of the university, and approving this concept would be abdicating the board’s obligation and authority. Although there have been several periods since 1972 when there was a separate UHM chancellor, he did not believe it is an indication of instability or adverse impact to the university, or that instability should be a basis for structure change. Regent Acoba further expressed whether the president, in a combined role, could dedicate adequate time and effort to the UH System while he is also overseeing UHM. For these reasons, he indicated it would be difficult for him to vote in favor of this proposal.

Regent Higa referenced the March 22, 2018, resolution approved by the board authorizing the president to prepare a reorganization plan that may re-consolidate the positions of UHM chancellor and UH president, and to present the plan to the board. He lauded the efforts of students, student groups, and the president on their collective efforts to engage in discussions about the proposed reorganization, and noted that the UHSC had not hand an opportunity to have a system-level conversation about the recent proposal. Regent Higa also commended the president and design team for proposing to incorporate a staff council into UHM leadership, which will further advance shared governance. He suggested that the design team consider the ASUH resolution that was submitted as part of its testimony.

Regent Moore cited the March 22, 2018, board minutes and noted that the vote to approve the resolution authorizing the preparation of a reorganization plan was 10 to 3. He noted that today’s motion requires administration to come back to the board if there are significant changes, and suggested it might be helpful to define what that means. He referenced the delegations to the president under Regents Policy 3.202, Reorganizations, and suggested that if the boxes of responsibility stay the same as indicated in the proposal, then board approval is not needed and if the boxes change, then administration should come back to the board with an explanation of the rationale for the changes.

President Lassner explained that his intent was that if as a result of consultation something moved from one box of responsibility to another then board approval would not be required, but if something like a new vice president or vice provost position was needed than board approval would be appropriate.
Board Vice Chair Higaki indicated that he did not think the WICHE report necessarily precluded the board from pursuing a different avenue. He also did not think that anything regarding this proposal is set in stone, and things could be changed in the future.

Regent Bal indicated that he previously voted to keep the two positions separate because there was inertia and it was the safe thing to do given the WICHE report, but things have changed. He noted that even though Indiana and Washington were mentioned as universities that have adopted a provost format, it was unclear whether a thorough analysis had been conducted, but that may not matter because there is no other University of Hawai‘i. WICHE took an antiseptic view of UH when making its recommendations. The difference is that this plan was developed by a design team comprised of UHM and system people who want to better the university. For that reason he is willing to take a chance on this reorganization plan.

Board Chair Putnam thanked the regents for the thoughtful comments and indicated it was a complicated issue. She summarized that the discussion indicates that the board is supportive of the president proceeding with this concept and the establishment of a provost position, and bringing back other parts of this reorganization as applicable. She requested that administration keep the board informed on fiscal implications. She added that she hoped the reorganization could take place before June and called for the vote.

There having been a motion that was moved and seconded, the motion was put to a vote and carried with Regent Acoba, Board Vice Chair Portnoy, and Regent Shinsato voting no.

The board went into recess at 12:47 p.m.

Regent Yuen departed at 1:00 p.m. Quorum was maintained.

The board reconvened at 1:05 p.m.

2. **Authorization for Agreement Between the University of Hawai‘i and the University of Hawai‘i Foundation**

President Lassner explained that material terms have been developed to help the board focus on the high-level concepts that would be captured in the actual agreement, which has not yet been finalized. The material terms are itemized in the action memo and were derived in part from the findings and recommendations in the UH-UHF Relationship Permitted Action Group (UH-UHF Task Group) final report. If approved by the board, authority will be delegated to the president to execute the agreement consistent with the material terms.

Board Chair Putnam shared that she and Regent Moore attended a meeting with the Office of General Counsel, UHF General Counsel, the president, and UHF board leadership to review the agreement, and that everything was as described in the material terms.
Discussion occurred regarding UHF’s relocation from UHM to Downtown Honolulu and a question was raised on whether there was still an obligation to provide parking. President Lassner explained that the new location on King Street has limited parking and UH has made a short-term agreement to allow certain employees to continue to park at UHM at the current parking rates. As turnover occurs, new employees would need to make other arrangements. Shuttle routes will also be adjusted to transport employees between the Bachman Hall lot and the new offices. President Lassner also noted that Regent Emeritus Duane Kurisu provided a favorable opportunity to UHF for the new space.

A question was raised regarding whether there would be an indemnification provision in the unlikely event that UHF is brought to court. VP Okinaga responded that there is no indemnification provision. Recommendations from the UH-UHF Task Group and Association of Governing Boards (AGB) were followed, and the new agreement is intended to demonstrate more of a partnership than the previous agreement. Specific service agreements will have to be negotiated, and if a particular activity justifies an indemnification, it will be taken into consideration at that time.

Regent Moore moved to approve the agreement between UH and UHF, seconded by Board Vice Chair Higaki.

A comment was made that there doesn’t appear to be a significant difference between the present and proposed relationship, other than giving the UHF CEO a vice president title. Board Chair Putnam explained that this will allow for more coordination and university involvement in the strategic direction of UHF. Under the new terms, the president will be a voting member of the UHF board and executive committee, and the Board of Regents chair or designee will be a non-voting member. The president was also recently provided the opportunity to provide input into the performance evaluations of the UHF leadership team for the first time.

A question was raised regarding whether there had been any consideration to bringing fundraising operations in-house rather than paying a $3 million annual fee and a percentage of contributions to an outside entity. Regent Moore replied that the UH-UHF Task Group considered a variety of arrangements. He explained some of the benefits of having UHF as a separate entity, including donor privacy, UHF being responsible for employee benefits, and having more flexibility with certain projects, such as with the acquisition of the Atherton property. UHF spends about $13 million on operations annually; hence, the $3 million paid by the university annually covers about one-quarter of the expenses. If operations were brought in-house, UH would bear most of that cost.

Concerns were raised over the board chair not having a vote. VP Okinaga responded that the board chair being a non-voting member was a point of negotiation and there was some concern about control on a nonprofit board. UHF Chief Legal Officer Hugh Jones further explained that the AGB template was used as a starting point for the agreement, which provides for the president to serve on the foundation board as a voting or non-voting member as determined by the institution. The template
did not provide for the board chair to serve on the board, but traditionally has served as an ex-officio non-voting member of the UHF board.

Concerns were expressed over referring to the UHF CEO as a vice president of the university. President Lassner noted that the vice president title is important to shift the focus of philanthropy as being a university activity. He explained that every public university has a foundation that is a separate entity, while private entities often manage the function in-house. He shared that separate entities that execute the mission of the university are thought of as part of UH, such as the UHF employee who is the principal development officer for athletics has the title of assistant director for development of athletics, and the approximately 2,000 RCUH employees paid by federal funds who are thought of as UH researchers and staff.

Regent Acoba noted that the action memo refers to a “partnership,” which implies potential liability, and expressed that the board should be able to see the final contract before it is signed. He did not feel that the material terms were sufficient. Board Vice Chair Portnoy also questioned why the board was not being presented with the final agreement for approval, particularly because this is one of the most important contracts the board will enter into. He also questioned why the board approves indemnification agreements.

VP Okinaga offered to go through the agreement with regents individually. She explained that the board policies contemplate approval of material terms and not the contract language itself, and that that board of regents typically approves authorization to enter into the contract and not the actual contract. She also noted that the agreement being negotiated and material terms recommended by the UH-UHF Task Group are more substantive than the existing contract with UHF. She added that the board is statutorily required to approve indemnification agreements.

Regent Moore noted that the board policy delegates to the president but under the Constitution the board can also delegate. He questioned where the line is between management and governance.

Board Vice Chair Higaki indicated that he did not think the statute explicitly stated the board was responsible for reading every single line and word of every contract. The board is responsible for hiring an administration that can be trusted to do the job.

Regent Kudo indicated that he has served on several nonprofits with foundations charged with fundraising. There is a natural tension that exists between the foundation and the nonprofit because the nonprofit wants to direct where the money goes and put conditions on how the money is spent. He suggested that administration consider using a consultant to help mitigate tension, promote cooperation, and incorporate appropriate provisions into memorandums of understanding or bylaws.

President Lassner reiterated that the new agreement is much more detailed as outlined in the material term, regarding strategy and goals that were not in the previous agreement.
Regent Higa noted there were cross-jurisdictional issues in term 8 and term 11 that the board needs to be mindful of. There needs to be an understanding of who will be responsible for fundraising, and these terms should be adjusted before the agreement is finalized.

President Lassner responded that these terms have been discussed extensively, especially term 11, and it is difficult to assign absolute responsibility because many of the best research groups have relationships with individual donors or corporate or private foundations. More research is being privately funded than government funded and private gifts to support research do not appear in extramural fund reports to the regents if those funds are expended directly by UHF. Those items may not be addressed in the agreement, but are part of the commitment to work together as partners.

President Lassner clarified that the board is voting to authorize the president to enter into a memorandum of agreement that includes the material terms set forth which is consistent with the findings and recommendations made by the UH-UHF Task Group and adopted by the full Board on August 16, 2018. Future modifications will not be brought to the board for approval unless the modifications are deemed material by the president after consultation with the board leadership.

There having been a motion that was moved and seconded, the motion was put to a vote and carried with Regent Acoba abstaining based on his previously stated objections, and Board Vice Chair Portnoy voting against the motion based on procedure.

A. For Action
   1. Program Approvals:
      a. Establishment of a New Provisional bachelor of Science Degree in Aeronautical Sciences at the University of Hawai‘i at Hilo

Board Chair Putnam indicated that the board was very familiar with the proposal and in the interest of time she suggested that the board proceed immediately to questions. There were no objections.

Regent McEnerny expressed concern regarding legal liability and risk management, and is reluctant to support approval of the program unless it was subject to obtaining a memorandum of understanding (MOU) with ATP Flight School. He noted that the proposal contains language that states if the program costs at ATP increase significantly then alternate articulation agreements can be created with other major flight instruction providers. If that situation were to occur, he suggested that UHH could not move to an alternative provider until there is a similar MOU in place.

Chancellor Sakai responded that UHH is continuing to work with the Office of General Counsel with regard to the pilot training track of the program. Any MOA or MOU would include appropriate indemnification for the university.

Regent Higa indicated the law governing drones is still evolving and referenced a recent student comment published in the University of Hawai‘i Law Review, entitled *Up*
in the Air: The Status & Future of Drone Regulation in Hawai‘i relating to drone liability and regulation. This article was recognized as the Second Best year Seminar paper in 2018 and is publicly available for review to gain a better understanding of the legal framework regarding drone liability and regulation.

Regent Shinsato noted that there is collision avoidance software for all drones with cameras and 20 minutes or longer of airtime, which significantly reduces the potential for accidents or drones falling out of the air.

Regent Portnoy indicated that although he usually believes regents should not be involved in approving academic programs, he takes exception with this program which he feels was born as a result of political pressures. He noted that the university has academic autonomy and is responsible for determining program offerings and locations for those programs. Administration has spent a tremendous amount of time justifying the need for this program and for its placement in Hilo. He expressed his belief that if there was a tremendous need for pilots, the private sector would have addressed the situation. He does not see the need, interest, or economics for this program and believes that the money could be put to better use elsewhere.

Chancellor Sakai explained that since the November Academic and Student Affairs committee meeting, two forums were held regarding the need for future pilots in Hawai‘i and nationwide. She spoke with students and families regarding their interest in this type of program. The program is unusual because UHH is trying to build a simple and direct pathway to becoming a pilot that is available to students on any island, with most of the first two years of school being done at home. This is a cost-effective way for students to complete a pathway towards this career, which will soon be in high demand. UHH administration reviewed how the proposed program would fit with the mission of the campus. Adding the unmanned aerial systems track allows UHH the ability to integrate the application of this technology into existing student research areas.

Regent Tagorda commented how the program has evolved since it was first considered several years ago. This program fits the mission of UHH, serves it students, and creates opportunities that do not currently exist, which is important for a rural island. She commended the campus for having the forethought to create this niche academic program. Regent Tagorda then moved to approve the aeronautical sciences degree at UHH, seconded by Regent Moore.

Regent McEnerney suggested amending the motion to require the MOU for the pilot training track to be in place before the first students begin flight training. Regent Tagorda and Regent Moore agreed to amend the motion.

Regent Acoba inquired how the potential liability for the drone program was being addressed. VP Gouveia explained that the university has purchased a separate drone insurance policy.

Regent Moore agreed that this program initially came to the university through political means, but noted that not all political ideas are bad. He commended Chancellor Sakai for turning the program into something completely different than what
was first envisioned and that was significantly more responsive to student and community needs and has statewide applications.

There having been a motion that was moved and seconded, the motion was put to a vote and carried with Board Vice Chair Portnoy voting no and Regent Acoba abstaining.

B. For Information and/or Discussion

1. **Background, Considerations and Approaches for the Next UH Tuition Schedule Including Affordability and Access**

VP Straney gave an overview of the background, considerations, and approaches for the next UH tuition schedule that included historical and policy background information; affordability, aid, and access information; peer comparisons; student share of cost of attendance; impact of tuition on enrollment; and high-level options for consideration. After obtaining feedback, administration will put together a tuition schedule proposal for board action in January 2019, and upon approval, will seek public comments from the campuses.

Regent Wilson departed at 2:39 p.m. Quorum was maintained.

A concern was expressed that tuition was being reviewed in isolation. Given the increased competition for students in 6 years, it was suggested that administration consider developing a holistic plan that considers the organization, structure, tuition, financial aid, academic programs, fiscal resources, and other aspects of enrollment management in order to attract and retain students. It was suggested that UH consider what tuition is at competitor campuses.

VP Straney responded that in the near term UH needs a tuition schedule and enrollment strategy that ensures UH’s competitive position. Administration could consider providing a presentation comparing UH and its competitors to the board because students are choosing to go to schools that are not considered peer institutions.

Regent Kudo departed at 2:50 p.m. Quorum was maintained.

Comments were made regarding the cost of attendance being misleading because it does not take all living expenses into consideration and that there are reasons besides cost that students choose to attend school on the mainland.

President Lassner explained that cost of attendance is included because the theory is that if you are attending school, you are not able to work and generate income to cover those costs.

Concern was expressed regarding the balance of running an optimal institution with providing other forms of support and scholarships.

A comment was made regarding cost of tuition and cost of attendance being different. Some students are willing to pay more for things such as mental health services, so lower tuition is not always necessarily best. A suggestion was made to
compare our state support, such as debt service and fringe benefit costs, relative to peer institutions.

President Lassner noted that the university’s energy bill is one of the highest in the country, with UHM averaging $30 million per year, covered in part by tuition funds. He indicated that UH’s non-resident tuition is higher compared to peers and competitors and initial research suggests that a decrease should be considered because it could help increase enrollment that would more than make up for the lower tuition rate. UH also needs to continue attracting and enrolling residents, and ideas such as foregoing the already-approved tuition increase are being considered, along with initiatives like the Hawai’i Promise program that benefits residents.

A question was raised on whether the impact of foregoing the already-approved tuition increase would translate to a constant tuition rate for residents. President Lassner responded that it would be a multi-year, zero percent tuition increase that provides stability and predictability for students.

A question was raised regarding whether consideration had been given to offering incoming students the opportunity to freeze tuition for 4 years. VP Straney indicated that studies have shown those types of programs can have problems. President Lassner noted that it adversely impacts students who do not graduate in four years. He added that using a four-year metric for campuses that enroll significant numbers of part-time students does not work.

Concern was expressed about decreasing tuition not being fiscally viable when inflation is factored in. President Lassner responded that Hawai’i is one of the only states where the state covers most collective bargaining increases and benefit costs, thereby alleviating some of the burden.

Vice Chair Higaki departed at 3:11 p.m. Quorum was maintained.

VI. ANNOUNCEMENTS

Chair Putnam announced the next board meeting is scheduled for January 31, 2019, at the John A. Burns School of Medicine.

VII. ADJOURNMENT

There being no further business, Board Chair Putnam declared the meeting was adjourned at 3:14 p.m.

Respectfully Submitted,

Kendra Oishi
Executive Administrator and Secretary of the Board of Regents
Item IV.
Resolutions for Approval

MATERIALS
PENDING
Item V.
Report of the President

NO MATERIALS

ORAL REPORT
The Committee on Independent Audit met three times since the last Board meeting in November 2018. Minutes as posted on the agendas were approved. One person provided public comment during the December 19, 2018 meeting.

November 27, 2018 Meeting

The Committee considered 3 Items for Review and Acceptance:

1. UH Audited Financial Reports for the Year Ended June 30, 2018
2. UHM Intercollegiate Athletics Audit Reports for the Year Ended June 30, 2018
3. Annual Report to the Legislature on Material Weaknesses and Fraud

Action: All three items were accepted by the committee.

Additional details may be found in the minutes.

December 19, 2018 Meeting

Review and Acceptance of the Report in Response to the Board of Regents Resolution Requesting a Financial Management Audit of Relevant University-related Entities Engaged in the Stewardship and Management of Maunakea

Internal Auditor Glenn Shizumura presented the report prepared in response to the Board resolution adopted on February 22, 2018, requesting an evaluation of University funds, lease payments, and external funds received in support of stewardship, management, education, and other activities related to Maunakea, including a review of transfers of funds and payments made to University-related support programs and third parties. No irregularities were found. Stephanie Nagata, Director of the Office of Maunakea Management, was present to respond to questions, many of which pertained to the tour operator fees.

Action: The committee accepted the report.

January 17, 2018 Meeting

A. The Committee considered 3 Items for Review and Acceptance:

1. UHM Intercollegiate Report on Agreed Upon Procedures – 2018 Football Season


2. UH Financial and Compliance Reports as of June 30, 2018

External Auditor Kubota highlighted noncompliance regarding the lack of repayment of Title IV funds and the material weaknesses regarding financial aid compliance at the University of Hawai‘i West Oahu(UHWO). Three categories of material weakness were reported: (1) Title IV Funds; (2) Federal-Direct Loans; and (3) Federal Work-Study. He noted that the noncompliance findings were largely attributed to staff shortages caused by high staff turnover.
UHWO administration agreed with the External Auditor’s findings and recommendations and has already taken steps to address the material weaknesses, including staff cross-training and implementing the pilot “Starfish” system which helps faculty to quickly identify and report non-participatory students. UH System Administration agreed with the External Auditor’s findings and recommendations and has begun developing a policy to provide data to each campus for compliance monitoring and support.

3. Status of Corrective Action Related to the University of Hawai‘i Press and Student Housing Services Audit Report

Internal Auditor Shizumura indicated that the Office of Internal Audit will be following up on corrective actions.

The Interim Director of the University of Hawaii Press anticipates that it will take approximately three years before additional revenues are realized, and that they are working on changing their budgeting model to adapt to changes in the marketplace related to books.

University of Hawai‘i at Hilo reported the overall trend has shown an increase in occupancy. UHH has decided to keep rental rates steady through next year to keep it affordable for students. Many of the corrective action items have been completed; the longer-term items are expected to be addressed by 2020.

Action: The committee voted to accept all three of the reports.

B. The agenda items for Information and Discussion were deferred due to time constraints:

1. Whistleblower Reports
2. FY 2018 Whistleblower Hotline Annual Report
3. Whistleblower Reports Involving the President/Regent Policy 2.205, Policy on Whistleblowing and Retaliation

C. Board Education Session – Overview of Services Accuity LLP Provides to the University of Hawai‘i

This was discussed during the review and acceptance agenda items.
Minutes: Approved.

Testimony: None.

Agenda Items:

A. Coaches Corner – Charlie Wade, University of Hawai‘i at Mānoa Men’s Volleyball Coach

A talk story session was held with UHM Men’s Volleyball Coach Charlie Wade. Coach Wade discussed how the increase in academic scholarship money has benefitted the volleyball program in terms of recruitment, the program’s values, emphasizing players doing their best athletically, academically, and in the community. Coach Wade also highlighted academic achievements of current players.

B. For Review and Approval:

1. Committee Goals and Objectives

The committee goals and objectives were taken up in conjunction with the AGB articles on board responsibilities for intercollegiate athletics (see below).

C. For Information and Discussion:

1. Student Athletic Fees: Data, Analysis, and Next Steps

UHM Athletics Department Director of External Affairs for Joel Matsunaga presented an overview of UHM athletics department financials; initiatives the athletics department has undertaken towards financial sustainability, including institutional and government support; a history of the UHM student athletic fee; the student benefits package; an update on facilities improvements, expanded programs, and student engagement, including the H Rewards app; benchmark comparison of student fees with peer institutions; and conceptual alternatives for student fee adjustments. AD Matlin indicated that the plan is to have more discussions with stakeholders and come back to the board with a proposal in the future.

2. Association of Governing Boards Articles on Board Responsibilities for Intercollegiate Athletics

The committee reviewed the articles and discussed whether the board had an appropriate vision and view of the role of the board in intercollegiate athletics, and areas where current practice and regents policies may vary from recommendations. Specific items from the articles will be put on agendas for discussion at upcoming committee meetings, along with revisions to regent policy 7.208.
Minutes: Approved.

Public Comment: None.

Agenda Items:

A.1. Review and Recommend Board Approval of Amendments to the Bylaws of the Board of Regents Article II.D.2.c. Committee on Planning and Facilities

VP Gouveia provided an overview of the proposed amendments to the bylaws to revise the charge for the Committee on Planning and Facilities to reflect responsibility for oversight of the university’s land-related strategic initiatives and partnerships program.

Action: The committee recommended board approval of the proposed bylaw amendments.

A. Information and Discussion

1. Fiscal Year 2019 First Quarter Capital Improvement Projects Status Report as of September 30, 2018

VP Gouveia provided an update for the first quarter of fiscal year 2019 on construction projects over $5 million and design projects over $1 million. There were five cost-related change orders on 20 projects and 15 no-cost time extensions. Funding issues have caused a gap in construction for the Community Legal Outreach Center project at the Law School, but the project is expecting to start up again and be completed by summer. Administration is monitoring the situation and will update the board on progress.

The committee requested administration consider including in the report a running estimated cost to complete each project.

2. Real Property Development Projects Discussion

VP Gouveia provided an overview and status of the university’s current real property inventory and identified properties with upcoming plans for further use, along with a draft real property development project summary template. The summary template will be utilized for all project proposals going forward and will be provided to the Committee on Planning and Facilities for review and input before the board makes a recommendation on the project.

3. Honolulu Authority for Rapid Transit (HART) Briefing

The committee received an overview on the Honolulu Rail Transit Project including construction status, estimated timelines, HART land requirements and mitigations, and impact to UH properties.

Executive Session

The committee convened in executive session to discuss HART use and occupancy of University of Hawai‘i lands.
Minutes: Approved.

Testimony: None.

Agenda Items:

A. For Information and Discussion

1. University of Hawai‘i at Mānoa Update
   a. Faculty Hiring: Strategy, Policy, and Comparative Data
   b. Research and Innovation Metrics Targets and Goals

   UHM Vice Chancellor for Research Michael Bruno and Associate Vice Chancellor for Research Velma Kameoka provided an overview of research at UHM that included strategic faculty recruitments, support for faculty research and scholarships, Research and Training Revolving Fund commitments for UHM, the creation of virtual institutes, and an evaluation of strategies and investments.

   Questions and concerns were raised regarding investment in the data analytics platform, collaboration with the UH Foundation, faculty demographics and attrition, ensuring liberal arts and the humanities do not disappear, and the importance of clarifying roles. It was noted that this year the committee will be focusing on the concept of an operating budget for research activities for the board to review and agree on strategic investments moving forward, and finding a meaningful way for the board to review what is being brought in and what is being invested.

2. Overview of the Institute for Sustainability and Resilience (ISR)

   Dr. Makena Coffman, Director of ISR, provided an overview that included ISR’s mission, impacts of climate change issues facing Hawai‘i and solutions to address these issues, how ISR is building on multidisciplinary research strengths at UHM and bringing the expertise of its faculty members into decision making with community partners, sustainability-focused curriculum offerings, and how ISR is leveraging national and global networks. A suggestion was made regarding the need to develop an external branding communication strategy to build the reputation of ISR and to help build interest in the broader community.

3. Evaluation of the Student Innovation and Entrepreneurship Programs

   David Ai, Office of Innovation and Commercialization Director/Chief Innovation Officer, Peter Rowan, Executive Director of the Shidler College of Business Pacific Asian Center for Entrepreneurship (PACE), and Chad Walton, iLab Program Officer, provided an overview on efforts to foster a community vision to elevate Hawai‘i innovation and Entrepreneurship (iE) platform and maximize the university’s assets in iE. Updates were provided on UH inventions, PACE program impact, iLab programs and project development, XLR8UH, and new systemwide initiatives.

   Questions were raised regarding evaluating the success of these programs and engagement with entities outside of UH.

4. Fiscal Year 2019 1st Quarter Extramural Awards Update

   Due to time constraints, the verbal review was waived. There were no questions.
Item VI.E.
Affiliate Reports

NO MATERIALS

ORAL REPORTS
January 11, 2019

MEMORANDUM

TO: Lee Putnam  
Chair, Board of Regents

Stanford Yuen  
Chair, Committee on Planning and Facilities

FROM: Kendra Oishi  
Executive Administrator and  
Secretary of the Board of Regents

SUBJECT: Amendments to the Bylaws of the Board of Regents of the University of Hawai‘i: Article II.D.2.c. (Committee on Planning and Facilities)

SPECIFIC ACTION REQUESTED:

It is requested that the Board of Regents ("Board") approve the proposed changes to the Bylaws to revise the charge for the Committee on Planning and Facilities to reflect responsibility for oversight of the university’s land-related strategic initiatives and partnerships program. The proposed amendments may be found on page 7 of the Bylaws.

RECOMMENDED EFFECTIVE DATE:

Effective upon adoption by the Board of Regents.

BACKGROUND:

During the September 20, 2018, Board meeting, the Public-Private Partnership Permitted Interaction Group (P3 Task Group) was dissolved. The Board agreed that although the P3 Task Group was dissolved after meeting its scope of work, that the Board leadership would work with university administration to determine an appropriate structure for continued oversight of the university’s P3 activities. The proposed changes are intended to reflect the intent of the Board to provide for continued oversight through the Planning and Facilities Committee.
ACTION RECOMMENDED:

Recommend approval to amend the Bylaws to revise the charge for the Committee on Planning and Facilities to reflect responsibility for oversight of the university’s land-related strategic initiatives and partnerships program.

Attachments:
Bylaws of the Board of Regents of the University of Hawai‘i (Ramseyer)
BYLAWS OF THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAI‘I
(as of January XX, 2019)

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BYLAWS OF THE BOARD OF REGENTS
UNIVERSITY OF HAWAI‘I

ARTICLE I. Definitions

As used in these Bylaws:

“Board” or “BOR” means the Board of Regents of the University;

“HRS” means the Hawai‘i Revised Statutes, as may be amended from time to time;

“Meetings” shall not include rule-making hearings, declaratory rulings or contested cases under Chapter 91, HRS;

“Chairperson” means the chairperson of the board;

“President” means the President of the University;

“Secretary” means the Executive Administrator and Secretary of the Board; and

“University” means the University of Hawai‘i system and its various campuses.

ARTICLE II. Membership and Organization

A. Membership. The membership of the Board shall be as required by Chapter 304A-104, HRS. The members of the Board shall serve without pay, but shall be entitled to reimbursement for necessary expenses while attending meetings and while in the discharge of duties and responsibilities.

Notwithstanding the term of office, the term of a Board member shall expire upon the failure of the member, without valid excuse, to attend three consecutive meetings duly noticed to all members of the Board. The Chairperson or acting Chairperson of the Board shall determine if the absence of the member is excusable. The expiration of the member’s term shall be effective immediately after the third consecutive unattended meeting and unexcused absence.

B. Officers, Organization. As required by Section 304A-104, HRS, the Officers of the Board shall consist of a Chairperson, up to two Vice-Chairpersons, and a Secretary (who shall be appointed by the Board and shall not be a member of the Board). The Chairperson and up to two Vice-Chairpersons shall be elected at its first meeting after June 30 of the next year or thereafter until their successors are elected and have qualified and whose election shall be immediately certified by the Board to the Lieutenant Governor. The President shall act as the chief executive officer of the Board.
1. Term. The term of the office of Chairperson and up to two Vice-Chairpersons shall be for one year. A Chairperson may serve more than one term, but not more than two consecutive terms.

2. Vote. Votes for the Chairperson and up to two Vice-Chairpersons of the Board shall be by ballot if more than one person is nominated for an office.

3. Succession. In the event of a vacancy in the office of the Chairperson, the First Vice-Chairperson shall succeed as Chairperson for the unexpired term. If at that time there is a vacancy in the office of the First Vice-Chairperson, the Second Vice-Chairperson shall succeed as Chairperson for the unexpired term. If at that time there is also a vacancy of the office of the Second Vice-Chairperson, the Secretary shall succeed as Chairperson for the sole purpose of conducting an election as soon as possible for a new Chairperson to serve for the unexpired term.

C. Duties of Officers.

1. Chairperson. The Chairperson, in addition to presiding at all regular and special Board meetings, shall:

   a. Appoint the chairperson and members of the standing committees and any other committees.

   b. Acknowledge communications, petitions, requests, and proposals on behalf of the Board and, except in emergencies, refer same to the President or Secretary or an appropriate Committee of the Board for action or recommendation so as not to detract from the Board’s governance and fiduciary responsibilities.

   c. Maintain liaison with the President to see that there is an effective working relationship between the University administration and the Board.

   d. Approve all press releases and public statements made by the Board.

   e. Approve agenda items for any regular or special meeting of the Board.

   f. Coordinate the efforts of the Board’s standing committees to strengthen the roles and functions of same.

2. Vice-Chairperson(s). The First Vice-Chairperson will assume the duties and responsibilities of the Chairperson in the absence of the Chairperson and will undertake such other duties as may be assigned by the Chairperson. If there is a second Vice-Chairperson, he/she will assume the duties and responsibilities of the First Vice-Chairperson in the absence of the First-Vice Chairperson and will undertake such other duties as may be assigned by the Chairperson or First Vice-Chairperson.
3. Secretary. The Secretary shall serve under the direction of the Board through the Chairperson and shall provide the necessary administrative support services to the Board. The Secretary shall:

a. Prepare and distribute the agenda for each of the regular and special Board and standing and other committee meetings.

b. Schedule regular and special Board meeting dates in consultation with the Chairperson.

c. Record and prepare minutes and reports for each of the regular and special Board and standing and other committee meetings.

d. Be responsible for securing information from the University administration.

e. Acknowledge and answer routine correspondence directed to the Chairperson and/or Board.

f. Serve as liaison between the University administrative staff and the Board.

g. Review policy proposals submitted by the University administration.

h. Maintain a calendar of the Board’s unfinished business.

i. Conduct research and analysis of policies relating to the governance of the University by the Board.

j. Review rules and regulations affecting the University in accordance with the Hawai’i Administrative Procedures Act.

k. Maintain, collect, and preserve the official records of the Board.

l. Collate and index policies which are adopted by the Board.

m. Serve as “Records Officer” under the State archives program.

n. Serve as “Certifying Officer” of official University documents.

o. Perform additional duties as assigned by the Chairperson and the various standing and other committee chairpersons.

D. Standing Committees of the Board.

1. Establishment of Standing Committees. To facilitate consideration of policy matters that must be approved by the Board, seven standing committees are established. Authority to act on all matters is reserved for the Board, and the functions of each standing committee shall be to consider and make recommendations to the Board.
2. Standing Committees. The following are the standing committees of the Board and their functions:

a. Committee on Academic and Student Affairs

   (1) Review the academic mission and strategic direction of the system and its major units.

   (2) Periodically review to what extent programs support the mission and strategic direction of the University.

   (3) Monitor the quality and effectiveness of educational programs.

   (4) Develop and maintain policies governing academic and student affairs.

   (5) Review actions proposed by the President which fall under current board policies and procedures, including requests for exceptions.

b. Committee on Budget and Finance

   (1) Work in concert with the University administration relating to operating and capital improvement budgets.

   (2) Examine the budgetary process, budget proposals, expenditure plans, and development plans.

   (3) Discuss the implementation of the budgetary decisions with the University administration, especially amendments thereto or when circumstances require deviations from expenditure plans.

   (4) Review matters related to business affairs, endowment funds, and other financial assets of the University.

   (5) Exercise general oversight and policy direction over the University's financial systems and programs.

c. Committee on Planning and Facilities

   (1) Review, study, and make recommendations to the Board relative to the long-range plans for the development of the University, considering academic needs, priorities, and fiscal capabilities of the State.

   (2) Review, study, and make recommendations to the Board relative to the physical facilities master plans for each campus in the University system and to periodically review approved campus master plans in
order to recommend revisions, if necessary, to meet the needs of the University.

(3) Review proposals relative to naming of University improvements and facilities and make its recommendations to the Board.

(4) Review policies and make recommendations to the Board on matters pertaining to the use of University facilities and ensure an environment that is complementary to the educational mission of this institution.

(4)(5) Provide general oversight of the University’s land-related strategic initiatives and partnerships program.

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.

e. Committee on Independent Audit

(1) Advise the Board regarding the Board’s responsibilities to oversee:

(a) the quality and integrity of the University’s compliance with legal, regulatory and policy requirements, financial reporting and financial statements, and internal controls related to risks;

(b) the function, disclosures, and performance of the University’s compliance, internal control, and risk management systems regarding ethics and compliance, risk, finance, and accounting, and the adequacy of such systems; and

(c) the independent certified public accountant’s qualification, independence and performance, as well as performance of the internal audit function.

(2) Review the annual internal audit plan and the extent to which it addresses high risk areas.
(3) Review the annual report of the internal audit department and discuss significant issues of internal controls with the Internal Auditor and management.

(4) Discuss the planned scope of the annual independent audit with the independent certified public accountants and review the results of the audit with the independent certified public accountants and management.

(5) Receive and review the annual certified financial reports with the independent certified public accountants and management.

(6) Recommend to the Board the certified public accountants to serve as the independent auditor, and their fees.

(7) Revise the scope of the annual audit, and approve any services other than audit and audit related services provided by the certified public accountants.

(8) Provide recommendations to the Board regarding approval of the internal audit mission statement, the committee’s charter, and other governance documents related to both internal and external compliance and auditing activities at the University.

f. Committee on Intercollegiate Athletics

(1) Serve as a liaison between the Board and the respective campuses and their athletic departments.

(2) Advise the Board regarding its responsibility to oversee:

   (a) the health, safety and academic progress of student-athletes;

   (b) fiscal integrity and budgetary concerns;

   (c) compliance with NCAA and conference requirements; and

   (d) any event or situation that may draw unusual public interest to the athletics program, a particular team, student athlete, or department employee.

(3) Review annual reports on the academic standing and progress of student athletes, including, but not limited to, the Academic Progress Rate report.

(4) Recommend policies governing all aspects of Intercollegiate Athletics at the University.
g. Committee on Research and Innovation

(1) Evaluate and approve long range plans that establish the strategic goals and objectives for research, innovation, and technology transfer at the University.

(2) Review and make recommendations regarding investments, policies, and practices relating to University research, innovation and technology transfer programs.

(3) Review and make recommendations on proposals to establish or to terminate Organized Research Units (ORU) and research centers.

(4) Work in concert with Administration to establish performance goals and metrics to evaluate progress against the strategic goals and objectives.

3. Appointment of Committee Members. The chairperson and voting members of each standing committee shall be appointed by the Chairperson and shall serve for one year or until the appointment of their successors. The Chairperson shall be an ex-officio, voting member of all standing committees. All board members who are not voting members of a committee or committees shall be ex-officio, nonvoting members of such committees. The President, as chief executive officer of the University, shall assign a member of the University administrative staff to each standing committee who shall be the administrative liaison with the chairperson of the committee.

The Committee on Academic and Student Affairs shall include Regents from the four major islands.

4. Meetings. Each standing committee shall schedule meetings as appropriate. The Committee on Academic and Student Affairs meetings shall be held on each of the islands with community college campuses, to the extent practicable.

5. Referrals to Committees. Each standing committee shall consider all matters referred to it by the Chairperson and shall make appropriate recommendations within a reasonable time to the Board.

6. Progress Reports. Each standing committee shall make progress reports to the Board periodically or when requested by the Chairperson.

7. Task Groups. Task groups may be established by the Chairperson upon authorization by the Board, and with such powers and duties as determined by the Board. The tenure of a specific task group shall expire at the completion of its assigned task.

E. New Board Member Orientation
New Board members shall be scheduled to receive an orientation within one month of the beginning of their term. The orientation shall include, among other things, an overview of the University system, BOR responsibilities, accreditation standards for Board governance, and BOR policies and practices. New Board members shall also be provided with a Reference Guide covering these and other topics.

**ARTICLE III. Advisory Committee and Consultants**

A. Creation. The Board may create an advisory committee, as necessary, which shall serve as advisory to the Board. The committee membership shall be appointed by the Chairperson, subject to approval by the Board. The tenure of the advisory committee shall expire at the completion of the assigned task.

B. Consultant Services. The Board may engage the services of consultants as it deems necessary.

**ARTICLE IV. Meetings**

A. Number and Place of Meetings. The Board shall meet not less than ten times annually (July 1, thru June 30) and may from time to time meet in each of the counties of Honolulu, Hawai‘i, Maui, and Kaua‘i. The Board shall at each meeting set the time and place for its next regular meeting.

B. Special Meetings. Special meetings may be called by:

1. The Chairperson;
2. The Secretary, upon request by a majority of the members of the Board; or
3. Any Board member, with the consent of the Chairperson.

C. Call for Committee Meetings. Standing committee meetings shall be called by the Secretary in consultation with the committee chairperson. In the event of a joint meeting, the Chairperson shall designate the presiding committee chairperson.

D. Public Notice of Meetings. All meetings of and public appearances before the Board and its standing committees shall comply with chapter 92, HRS, and shall be as set forth in the Rules of Practice and Procedure of the Board of Regents (Hawai‘i Administrative Rules, Title 20, Subtitle 1, Chapter 1).

**ARTICLE V. Quorum**

A majority of all voting members to which the Board or its standing committees are entitled shall constitute a quorum.

**ARTICLE VI. Voting**
Voting by the Board and its standing committees shall be as set forth in the Rules of Practice and Procedures of the Board of Regents (Hawai‘i Administrative Rules, Title 20, Subtitle 1, Chapter 1).

ARTICLE VII. Legal Counsel

A. The University General Counsel. The University General Counsel shall be designated as legal counsel for the Board. The University General Counsel or the University General Counsel’s representative(s), in the capacity of legal counsel for the Board, shall be present at all regular and special meetings and certain standing committee meetings of the Board.

B. Requests for Written Legal Opinions. Requests for any written legal opinion of the University General Counsel shall be made by the Chairperson or designee with the full knowledge of the Board. Whenever a legal opinion is rendered by the University General Counsel, such opinion shall be in writing and along with a copy of the written request for such opinion, distributed immediately to all Board members.

C. Conflicts. By policy and organizational structure, the University General Counsel serves the Board as well as the University administration. Understandably, there may be occasions when it becomes necessary to avoid a perception of conflict, or actual conflict, or to obtain specialized legal expertise. At such times, the Board may exercise its discretion in securing the services of independent legal counsel through the Secretary.

ARTICLE VIII. Robert’s Rules of Order

Meetings shall be conducted in accordance with the current edition of Robert’s Rules of Order insofar as they are applicable and not inconsistent with these bylaws, or applicable statutes or rules.

ARTICLE IX. Amendments

These bylaws may be amended only by two-thirds (2/3) vote of all the members to which the Board is entitled. Any proposed amendment to the bylaws shall be submitted in writing for consideration and vote by the members at a Board meeting.

ARTICLE X. Conflicts of Interest

A. Standard of Conduct. Members of the Board shall comply with the provisions of these bylaws and are subject to the standards of conduct and financial interest disclosure requirements of Chapter 84, HRS (State Ethics Code) and must act in accordance with Chapter 84, HRS.

B. Fiduciary Responsibility. Members of the Board serve a public interest role and thus have a clear obligation to conduct all affairs of the University in a manner consistent with this concept. Members of the Board are expected to place the
welfare of the University above personal interests, the interests of family members, or others who may be personally involved in affairs affecting the University. All decisions of the Board shall be made solely on the basis of a desire to promote the best interests of the University and the public good.

C. Disclosures. In the event the Board must consider any matter for the University which also directly involves:

1. a regent or a member of the regent’s family (which shall be a spouse, parents, siblings and their spouses, children and their spouses, and any household member);

2. a public or private organization with which a regent is affiliated, as defined below; or

3. a regent’s personal financial interest as defined under chapter 84, HRS;

Any affected regent, at the first knowledge of the matter, shall fully disclose, as noted below, the precise nature of the interest or involvement.

For purposes of this article, an affiliation exists if a regent or a member of the regent’s family is an owner (which shall be defined as: (1) an ownership interest valued at more than $5,000; or (2) 10% or more ownership of the business), officer, director, trustee, partner, employee (which shall also include legal counsel, consultant, contractor, advisor, or representative) or agent of such organization.

All disclosures required under this article must be directed in writing to the Secretary who, together with the University General Counsel, shall be responsible for the administration of this bylaw.

Matters covered under this article shall be reported initially to the Chairperson for appropriate action. Should the Chairperson be the regent with a potential conflict, the matter shall be reported to the Vice Chairperson. Should both the Chairperson and the Vice Chairperson have a potential conflict, the matter shall be reported to the chairperson of a Board standing committee in the order as listed in Article II, Section D of the bylaws of the Board.

Information disclosed to the Secretary shall be held in confidence to the extent authorized by law.

This disclosure requirement shall not apply to any regent who declares a conflict of interest and recuses himself/herself from consideration of the matter before the Board.

D. Determination of Conflicts. Questions concerning possible conflicts of interest shall be directed to the Secretary. Board shall resolve the questions by majority vote at a Board meeting in compliance with Chapter 92, HRS. Where any matter covered by Chapter 84, HRS, is involved, the potential conflict shall be referred to

Bylaws - 12
the State Ethics Commission for disposition. Questions of potential conflict not covered by Chapter 84, HRS, may be referred to the University General Counsel for a legal opinion, except that questions of conflict under Section 78-4, HRS, shall be referred to the University General Counsel for a legal opinion.

Restraint on Participation. A member of the Board who has declared a conflict of interest and recused himself/herself or who has been found to have a conflict of interest in any matter before the Board shall refrain from participating in the consideration of the proposed matter. The regent may not vote on such matters before the Board and may not be present during the Board’s deliberation and at the time of vote.

E. Sanctions and Remedies. Any Board action favorable to a regent obtained in violation of this bylaw is voidable on behalf of the Board; provided that in any proceeding to void a Board action pursuant to this bylaw, the interests of third parties who may be damaged thereby shall be taken into account. Any proceeding to void a Board action shall be initiated within sixty (60) days after the determination of a violation under this bylaw. The Board may pursue all legal and equitable remedies and/or sanctions through the University’s legal counsel. Any Board action imposing a remedy or sanction under this section must be initiated within one year after the action of the Board that is affected by a violation.
MEMORANDUM

TO: Lee Putnam  
   Chairperson, Board of Regents

VIA: David Lassner  
     President, University of Hawai‘i

FROM: Donald O. Straney, Ph.D.  
      Vice President for Academic Planning and Policy

SUBJECT: Request to Approve Tuition Schedule, 2019-20 through 2022-23

I. SPECIFIC ACTION RECOMMENDED:

   It is recommended that the Board of Regents approve the following tuition schedules for 2019-20 through 2022-23 as provided in Attachment 1.

   1. Undergraduate and Graduate Per-Credit-Hour and Full-Time Semester Tuition Schedule, All Campuses;

   2. Select Advanced Professional Programs, Per-Credit-Hour and Full-Time Semester Tuition Schedule;

   3. Professional Fees, Per Student, Per Semester;

   4. Continuing Education and Community Service Per-Credit-Hour Tuition Schedule;

   5. Apprentice and Journey Worker Per-Clock-Hour Tuition Schedule

II. RECOMMENDED EFFECTIVE DATE:

   Effective academic year beginning Fall 2019.
III. PURPOSE:

The current tuition schedule (2016-17 through 2019-20) remains in effect through Spring 2020. Board of Regents action is required to amend the final year of the current schedule (2019-20) and establish the rates for the subsequent years.

The University of Hawai‘i (UH) administration proposes to reduce nearly all approved tuition rates for 2019-20, effectively reducing tuition to the 2018-19 levels or below. We propose that tuition then remain at the reduced 2019-20 levels for academic years 2020-21, 2021-22, and 2022-23.

The proposal seeks to address concerns relating to college affordability for Hawai‘i residents. Tuition at UH’s four-year institutions has risen above many of its peers, especially for non-residents. At the UH Community College’s (UHCC), rates continue to be close to their peers, but have increased comparatively more in recent years. Improvements in affordability can bring the positive benefits of public higher education to more of Hawai‘i’s citizenry.

Decreases in tuition for non-resident students, particularly where rates have risen far above our peers, are proposed to improve our competitiveness and attractiveness. This is a group for which we experienced substantial enrollment declines that we seek to reverse in order to address revenue challenges, strengthen the diversity of student experiences on our campuses, and positively impact the state’s economy.

By approving the proposed tuition schedule, the UH administration is hopeful for a positive impact as students begin to register for the Fall 2019 semester under the reduced tuition rates.

IV. BACKGROUND INFORMATION:

A. OVERVIEW

As set forth in HRS 92-28 and 304A-401, authority to establish University of Hawai‘i tuition resides with the Board of Regents.

This action memo summarizes: the process for setting tuition; a summary description of the proposal; and assumptions associated with the proposal.
B. PROCESS

The University of Hawai‘i’s tuition-setting process involved the following steps and timeline:

1. Fall 2017 to present  Research, policy review, and proposal presentation
2. November 2018  BOR tuition setting discussion
3. January 2019  BOR considers request to approve schedule
4. February 2019  Filing with Lt. Governor (if approved)
5. February 2019  New rates go into effect (if approved)

C. PROPOSAL: DESCRIPTION OF SCHEDULES (See Attachment 1)

The UH administration proposes the following tuition actions:

1. Reduce all undergraduate, graduate resident and non-resident tuition rates by one percent for UH Hilo, UH West O‘ahu and upper division UHCC, by one percent for the UHCC non-residents, and two percent for all other units from those rates approved for increase in 2019-20.

2. Undergraduates at all campuses: Maintain tuition rates with no increase from the reduced 2019-20 rates for the 2020-21, 2021-22 and 2022-23 academic years.

3. UH Mānoa graduate programs: Beyond the two percent reduction recommended above for 2019-20, reduce non-resident graduate program tuition rates by an additional eight percent for 2019–20 and maintain this rate for academic years 2020–21, 2021-22 and 2022-23.

4. UH Hilo graduate programs: Maintain tuition rates for graduate programs at UH Hilo with no increase from the reduced 2019-20 rates for 2020-21, 2021-22 and 2022-23 academic years.

5. UH Mānoa professional school programs (law, medical, graduate nursing and graduate education): Maintain tuition rates for 2019-20 and use the approved tuition rate for 2019-20 for the 2020-21, 2021-22 and 2022-23 academic years.
6. UH Hilo professional school programs (pharmacy and graduate nursing): Reduce the resident and non-resident rate by one percent for 2019-20 and maintain tuition rates with no increase from the reduced 2019-20 rates for 2020-21, 2021-22 and 2022-23 academic years.

7. UH Maui College four-year programs: Establish a full-time tuition rate equal to the rate for 12 credits, matching the practice at the four-year campuses. Currently, tuition is charged on a per credit basis.

D. ASSUMPTIONS ASSOCIATED WITH THE PROPOSAL

1. Fluctuations in enrollments will be handled within the operating budgets of campuses, which remain committed to addressing longstanding challenges around renewal, improvement and modernization of facilities.

2. The minimum percentage levels of institutional aid, as defined in EP6.204, will continue to be met or exceeded. Campuses will reevaluate how to balance need-based and merit-based aid from these funds.

V. ACTION RECOMMENDED:

It is recommended that the Board of Regents approve the tuition schedule for 2019-20 through 2022-23 as provided in Attachment 1.

Attachments
1. Proposed Tuition Schedule
University of Hawai‘i Tuition
UNDERGRADUATE AND GRADUATE
PER-CREDIT-HOUR AND FULL-TIME SEMESTER TUITION SCHEDULE, ALL CAMPUSES

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1 All students are subject to campus-based student fees not shown here.
2 Full-time (FT) tuition applies to students enrolling for 12 or more credits at UHM, UHH, and UHWO. At the Community Colleges, tuition is charged on a per-credit basis for all enrolled credits effective 2001–02. In accordance with University concurrent enrollment policy, students enrolling at multiple institutions/campuses during the same term pay the applicable tuition at each campus. Unless a special tuition schedule applies, regular day tuition applies to any credit course offered throughout the year for which a General Fund appropriation is authorized. Undergraduate resident and nonresident students enrolled in nursing, dental hygiene, business, and other UHCC health programs also pay a professional fee (separate fee schedule). Undergraduate/Graduate resident and nonresident students enrolled in the architecture program at UHM also pay a professional fee (separate fee schedule).
3 This rate applies to upper division courses in UH Maui College's four-year degree program and Leeward Community College's Advanced Professional Certificate in Special Education (APC) (effective Fall 2017). All other UHCC campuses are authorized to continue to charge the lower division rate for upper division APC courses until such time as the BOR approves further amendment of this schedule. Full-time (FT) tuition applies to students enrolling for 12 or more credits at Maui College's four-year degree programs.

2019-20 to 2022-23 approved by the Board of Regents on ____________.
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Nonresident</td>
<td>Resident</td>
<td>Nonresident</td>
</tr>
<tr>
<td></td>
<td>Per SH</td>
<td>FT</td>
<td>Per SH</td>
<td>FT</td>
</tr>
<tr>
<td>UH Mānoa</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Business (Master's)</td>
<td>887</td>
<td>10,644</td>
<td>1,598</td>
<td>19,176</td>
</tr>
<tr>
<td>Graduate Education (EdD)</td>
<td>701</td>
<td>8,412</td>
<td>1,595</td>
<td>19,140</td>
</tr>
<tr>
<td>Graduate Nursing</td>
<td>1,001</td>
<td>12,012</td>
<td>1,896</td>
<td>22,752</td>
</tr>
<tr>
<td>Law</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JD</td>
<td>933</td>
<td>11,196</td>
<td>1,909</td>
<td>22,908</td>
</tr>
<tr>
<td>LLM</td>
<td>1,209</td>
<td>14,508</td>
<td>1,209</td>
<td>14,508</td>
</tr>
<tr>
<td>Medicine</td>
<td>1,528</td>
<td>18,336</td>
<td>2,972</td>
<td>35,664</td>
</tr>
<tr>
<td>UH Hilo</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Nursing</td>
<td>789</td>
<td>9,468</td>
<td>1,558.25</td>
<td>18,699</td>
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<tr>
<td>Pharmacy</td>
<td>994</td>
<td>11,928</td>
<td>1,692.92</td>
<td>20,315.04</td>
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</table>

1 All students are subject to campus-based student fees not shown here.
2 Full-time (FT) tuition applies to students enrolling for 12 or more credits. In accordance with University concurrent enrollment policy, students enrolling at multiple institutions/campuses during the same term pay the applicable tuition at each campus. Unless a special tuition schedule applies, regular day tuition applies to any credit course offered throughout the year for which a General Fund appropriation is authorized.
3 The CBA master's degrees offered in executive format charge the resident tuition established here plus additional fees delegated to and approved by the President.

2019-20 to 2022-23 approved by the Board of Regents on ________________
### University of Hawai‘i Tuition
#### PROFESSIONAL FEES¹, PER STUDENT, PER SEMESTER

<table>
<thead>
<tr>
<th>Academic Years</th>
<th>2019-2020</th>
<th>2020-2021</th>
<th>2021-2022</th>
<th>2022-2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UH MĀNOA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate Business</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Undergraduate Nursing</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Undergraduate Dental Hygiene</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Undergraduate/Graduate Architecture</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Undergraduate Engineering</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td><strong>UH HILO</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate Nursing</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td><strong>UH COMMUNITY COLLEGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate Culinary Programs</td>
<td>up to $250</td>
<td>up to $250</td>
<td>up to $250</td>
<td>up to $250</td>
</tr>
<tr>
<td>Undergraduate Veterinary Program</td>
<td>$100 / $300</td>
<td>$100 / $300</td>
<td>$100 / $300</td>
<td>$100 / $300</td>
</tr>
<tr>
<td>Undergraduate Nursing</td>
<td>up to $500</td>
<td>up to $500</td>
<td>up to $500</td>
<td>up to $500</td>
</tr>
<tr>
<td>Other Health Programs</td>
<td>up to $500</td>
<td>up to $500</td>
<td>up to $500</td>
<td>up to $500</td>
</tr>
</tbody>
</table>

¹ The professional fees are charged in addition to applicable regular undergraduate tuition and student fees and are the same for residents and nonresidents.

² Nursing and dental hygiene students are charged for no more than six semesters after admission to the program.

³ The architecture professional fee is charged throughout the 7-year program in addition to applicable tuition.

⁴ The undergraduate engineering fee is charged to students of sophomore, junior, or senior standing only.

⁵ The UHCC culinary program professional fee was approved by the Board of Regents in July 2012. The fee will be prorated for part-time students.

⁶ The professional fees schedule for Windward CC’s veterinary program was approved by the Board of Regents in February 2012. Certificate of Achievement in Veterinary Assisting (1st year) students are charged $100/semester (effective spring 2013). Associate of Science in Veterinary Technology (2nd year) students are charged $300/semester (effective fall 2012).

### Requirements for Changes to Professional Fee Schedule
- Approval of the UH President must be obtained at least one semester in advance.
- Increases are capped at the rate of resident undergraduate tuition increases for a particular academic year. For example, if the rate of increase for resident undergraduate tuition at a campus is three percent, professional fees can be increased up to a maximum of three percent for that same academic year.
- All fees are to be re-evaluated annually by the campus.

2019-20 to 2022-23 approved by the Board of Regents on ____________
## University of Hawai‘i Tuition

### CONTINUING EDUCATION AND COMMUNITY SERVICE PER-CREDIT-HOUR TUITION SCHEDULE

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Nonresident</td>
<td>Resident</td>
<td>Nonresident</td>
</tr>
<tr>
<td><strong>UH MĀNOA OUTREACH</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>COLLEGE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate</td>
<td>462</td>
<td>1,361.21</td>
<td>462</td>
<td>1,361.21</td>
</tr>
<tr>
<td>Graduate</td>
<td>650</td>
<td>1,402.21</td>
<td>650</td>
<td>1,402.21</td>
</tr>
<tr>
<td>Graduate Business</td>
<td>887</td>
<td>1,598</td>
<td>887</td>
<td>1,598</td>
</tr>
<tr>
<td>Graduate Education (EdD)</td>
<td>701</td>
<td>1,595</td>
<td>701</td>
<td>1,595</td>
</tr>
<tr>
<td>Graduate Education (MEd Private School Leadership)</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Graduate Nursing</td>
<td>1,001</td>
<td>1,896</td>
<td>1,001</td>
<td>1,896</td>
</tr>
<tr>
<td>Law</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JD</td>
<td>933</td>
<td>1,909</td>
<td>933</td>
<td>1,909</td>
</tr>
<tr>
<td>LLM</td>
<td>1,209</td>
<td>1,209</td>
<td>1,209</td>
<td>1,209</td>
</tr>
<tr>
<td><strong>UH HILO CCECS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate</td>
<td>303</td>
<td>837.54</td>
<td>303</td>
<td>837.54</td>
</tr>
<tr>
<td>Graduate</td>
<td>484</td>
<td>1,095.92</td>
<td>484</td>
<td>1,095.92</td>
</tr>
<tr>
<td>Graduate Nursing</td>
<td>789</td>
<td>1,558.25</td>
<td>789</td>
<td>1,558.25</td>
</tr>
</tbody>
</table>

1. At all campuses, tuition is not charged for credit courses subsidized under contractual agreements. In accordance with University concurrent enrollment policy, students enrolling at multiple institutions/campuses during the same term pay the applicable tuition at each campus.
2. Undergraduate resident and nonresident nursing students at UHM enrolled in the regular programs pay a professional fee (see separate fee schedule). Professional fees will be charged unless waived by the department.
3. The CBA master's degrees offered in executive format charge the resident tuition established here plus additional fees delegated to and approved by the President.
4. The MEd in Private School Leadership was approved by the President in spring 2015.

2019-20 to 2022-23 approved by the Board of Regents on ______________.
<table>
<thead>
<tr>
<th>Academic Years</th>
<th>2019-2020</th>
<th>2020-2021</th>
<th>2021-2022</th>
<th>2022-2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>UH Community Colleges</td>
<td>.50</td>
<td>.50</td>
<td>.50</td>
<td>.50</td>
</tr>
</tbody>
</table>

2019-20 to 2022-23 approved by the Board of Regents on _____________.

University of Hawai'i Tuition
APPRENTICE AND JOURNEY WORKER PER-CLOCK-HOUR TUITION SCHEDULE
UH Tuition Schedule Proposal
Academic Year (AY) 2019-2020 through AY 2022-2023
Discussion of Issues and Rates to Board of Regents
January 31, 2019
Access

“...every qualified Hawai‘i resident shall have an opportunity to pursue postsecondary education within the university system.”

Affordability

“... keep costs to resident students at the lowest practical level while maintaining a financial aid program that responds to the needs of students who cannot meet the costs of attendance.”

Regents Policy 6.202
Basic Considerations Outlined in University Policy

1. Comparability of tuition charges with those at regional and national peer institutions
2. Differential tuition rates by unit missions, student level (undergraduate, graduate, professional), and residency
3. Accessibility and the mix of students (ethnic background, income levels, residents and non-residents, etc.)
4. Financial aid availability and use
5. The cost of education and the sharing of that cost between students and the general public

No one consideration overrides others; All are considered holistically

Regents Policy 6.202
Summary of Considerations for the Current 2017-2020 Tuition Schedule

• Tuition setting goals:
  • Maintain affordable access to public higher education for every qualified Hawai‘i resident
  • Ensure financial sustainability
  • Modernize and repair campus facilities and environments to be safe, sustainable and supportive of modern 21st century teaching & learning

• Approved Schedule
  • No increase in 2017-18
  • 2 percent resident tuition increase in 2018-19 and 2019-20 for Mānoa; 1% increases for other units
  • Comparable dollar increases for non-resident tuition
  • All revenue from increases set aside solely for investments in facilities
Tuition costs are often offset by grants and UH student wages: $141.3 million is provided to UH students (exclusive of loans)

Grants and Scholarships Awarded
All Undergraduates
UH Units, AY 2016-17

<table>
<thead>
<tr>
<th></th>
<th>Mānoa</th>
<th>Hilo</th>
<th>West O'ahu</th>
<th>UHCC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pell and Other Federal</td>
<td>25.2%</td>
<td>36.9%</td>
<td>55.9%</td>
<td>63.2%</td>
<td>40.5%</td>
</tr>
<tr>
<td>Institutional and State*</td>
<td>21.8%</td>
<td>13.5%</td>
<td>9.5%</td>
<td>13.7%</td>
<td>17.4%</td>
</tr>
<tr>
<td>UHF</td>
<td>0.9%</td>
<td>9.4%</td>
<td>2.5%</td>
<td>3.4%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Other (External)</td>
<td>3.2%</td>
<td>1.9%</td>
<td>30.5%</td>
<td>4.0%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Student Wages</td>
<td>48.9%</td>
<td>38.2%</td>
<td>30.5%</td>
<td>15.7%</td>
<td>36.0%</td>
</tr>
</tbody>
</table>

*Institutional includes state aid of $3 million in B+ Scholarship.
In AY 2016-17, the average FTF\(^1\), resident undergraduate students received less aid from UH (except at UH Hilo) than did FTF at peers.

<table>
<thead>
<tr>
<th>UH Unit and Comparison Group(s)</th>
<th>Average Cost of Attendance (Sticker Price)(^2)</th>
<th>Average Financial Aid(^3)</th>
<th>Difference in Financial Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>UH Mānoa</td>
<td>$23,053</td>
<td>$7,574</td>
<td>-$1,128</td>
</tr>
<tr>
<td>Peer Group Avg</td>
<td>$23,469</td>
<td>$8,702</td>
<td></td>
</tr>
<tr>
<td>UH Hilo</td>
<td>$21,011</td>
<td>$7,186</td>
<td>+$92</td>
</tr>
<tr>
<td>Auto Peer Group Avg</td>
<td>$20,042</td>
<td>$7,094</td>
<td></td>
</tr>
<tr>
<td>UH West O‘ahu</td>
<td>$14,258</td>
<td>$5,687</td>
<td>-$1,123</td>
</tr>
<tr>
<td>Auto Peer Group Avg</td>
<td>$19,844</td>
<td>$6,810</td>
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</tr>
<tr>
<td>UHCC Avg</td>
<td>$12,582</td>
<td>$4,426</td>
<td>-$483</td>
</tr>
<tr>
<td>Auto Peer Group Avg</td>
<td>$12,670</td>
<td>$4,909</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) The cost data are for Group 3: defined as first-time, full-time degree seeking undergraduates who paid the in-state or in-district tuition rate and who were awarded grant or scholarship aid from the federal government, state/local government, or the institution.

\(^2\) Average Cost of Attendance is the sum of tuition and fees, average room and board, books and supplies, and other expenses.

\(^3\) Average Financial Aid is defined as grant or scholarship aid from federal, state/local and institutional sources.

Source: IPEDS Data Center; Student Financial Aid surveys, Part F. UH Institutional Research and Analysis Office; July 2018.
Underrepresented ethnic groups continue to attend UH at steady rates despite tuition changes.

- Hawaiian/Part-Hawaiian: 24% (2010-2018)
- Filipino: 13% (2010) to 16% (2018)
- Pacific Islander: 3% (2010) to 2% (2018)

Underrepresented Ethnic Groups
Percent of Undergraduates, Fall 2010 - Fall 2018

Pacific Islander includes Guamanian/Chamorro, Micronesian, Mixed Pacific Islander, Other Pacific Islander, Pacific Islander, Samoan, Tongan.
COST OF EDUCATION: Does Undergraduate Non-Resident tuition cover at least 100% of per-student Education & Related Expenditures at UH Mānoa?

Full-Time Undergraduate Tuition by Resident / Non-Resident as a % of E&R Expenditures per Fall FTE Student - UH Mānoa

E&R expenditures includes expenditures on instruction, student services, and a pro-rated share of academic services, institutional services and operations and maintenance.

Percentages are similar at UH Hilo and UH West O‘ahu.

Source: Institutional Research & Analysis Office
The State of Hawai‘i still provides relatively strong support for public higher ed

The share of tuition in total educational revenue increased from 36.3% in FY2008 to 46.4% in FY2017, but Hawai‘i remains below the national average.

In a study by University of Pennsylvania, UH units rank, out of 50 state peers:

- UHM: 5th most affordable
- UHH/WO: 7th most affordable
- UHCCs: most affordable

Notes:
1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Net tuition revenue used for capital debt service is included in the net tuition revenue figures above.
2. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (CODI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The Cost of Living Index (CODI) is not a measure of inflation over time.

Source: State Higher Education Executive Officers
Historic Background on Tuition Levels Relative to Peers

During 2006-07, UH had some of the lowest published tuition rates in the country.

During the great recession, the decline in Hawai‘i state investment in public higher education was among the highest in the country.

During that same period, UH tuition increases were among the largest in the country. As a result:

• Resident undergraduate rates are now close to peers
• Non-resident undergraduate rates are now higher than peers
• Graduate resident and non-resident rates are now much higher than peers
• Some enrollment declines are correlated with tuition rate changes
UH Mānoa annual tuition increased substantially from 2010-16 after which, rates stabilized.

<table>
<thead>
<tr>
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<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Res</td>
<td>$21,024</td>
<td>$24,168</td>
<td>$25,000</td>
<td>$26,832</td>
<td>$28,654</td>
<td>$29,476</td>
<td>$30,298</td>
<td>$31,120</td>
<td>$31,120</td>
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<tr>
<td>Non-Res</td>
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<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>GR</td>
<td>$7,584</td>
<td>$7,584</td>
<td>$7,584</td>
<td>$7,584</td>
<td>$7,584</td>
<td>$7,584</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UG Res</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>UG Non-Res</td>
<td>$11,088</td>
<td>$15,600</td>
<td>$21,024</td>
<td>$25,120</td>
<td>$29,216</td>
<td>$33,120</td>
<td>$37,080</td>
<td>$37,080</td>
<td>$37,080</td>
</tr>
</tbody>
</table>
UH Mānoa Tuition and Fees Comparison to WICHE and Flagship Institutions

Overlap institutions received SAT scores from applicants to UH Mānoa.
Enrollments of some UH Mānoa students paying non-resident rates have declined as their tuition has increased.

While undergraduates paying non-resident tuition have decreased by 32%, WUE enrollment has increased by 10%.

Enrollment of graduate students have declined by 11% for residents and 19% for non-residents.
UH Mānoa and Flagship Institutions –
Undergraduate Tuition and Fee Comparisons 2018-19

Data for the non-UH institutions are from the individual campus websites that have 2018-19 data available and may not match official WICHE data once they are released.
The WICHE average and median are calculated by taking the average by state, then the mean/median across all states, excluding Hawai’i.

Data Source: IPEDS Data Center
UH Mānoa Overlap Institutions - Undergraduate Annual Tuition and Fees, AY 2017-18 Non-Resident
(Private institutions in yellow)

Source for tuition and fees: IPEDS.
### UH Mānoa and Flagship Institutions - Graduate Tuition and Fee Comparisons 2018-19

<table>
<thead>
<tr>
<th>Tuition Level</th>
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<th>10,000</th>
<th>15,000</th>
<th>20,000</th>
<th>25,000</th>
<th>30,000</th>
<th>35,000</th>
<th>40,000</th>
<th>45,000</th>
<th>50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resident</strong></td>
<td></td>
<td>$12,212</td>
<td></td>
<td></td>
<td>$16,502</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-Resident</strong></td>
<td></td>
<td>$28,335</td>
<td></td>
<td>$37,982</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Data for the non-UH institutions are from the individual campus websites that have 2018-19 data available and may not match official WICHE data once they are released.
UH Hilo/West O‘ahu and WICHE - Undergraduate Tuition and Fees

The WICHE average and median are calculated by taking the average by state, then the mean/median across all states, excluding Hawai‘i.

Data Source: IPEDS Data Center
UHCC and WICHE - Full-Time Tuition and Fees

Resident

Non-Resident

The WICHE average and median are calculated by taking the average by state, then the mean/median across all states, excluding Hawai‘i.

Data Source: IPEDS Data Center
Tuition Proposal for Undergraduate and Graduate Education
2019-2023
UH Mānoa Resident Undergraduate Proposal: Reduce the approved rate for 2019-20 by 2% followed by 3 years of no growth

Comparisons show that while undergraduate resident rates are higher than peers, no growth for four years will bring it to comparable rates.

Proposal: Reduce the UHM resident undergraduate rate for 2019-20 by 2% and hold flat for 3 years.

Impact: An increase of 159 students is needed to be revenue neutral.
UH Mānoa Non-Resident Undergraduate Rate Proposal: Reduce the approved for 2019-20 by 2% followed by 3 years of no growth

Non-resident undergraduate tuition rates are significantly higher than peers. Enrollment has been dropping. Bring it closer to peers as a competitive measure.

Proposal: Reduce the 2019-2020 approved rate by 2% and hold flat for 3 years.

Impact: An increase of 14 students is expected to be revenue neutral.

Overlap institutions received SAT scores from applicants to UH Manoa. For this group, the median is projected from 2018-19 onward.
UH Mānoa Graduate Proposal: Reduce the approved rate for residents in 2019-2020 by 2% and the non-resident rate by 10% followed by 3 years of no growth

Resident proposal: Reduce the approved 2019-2020 graduate resident rate by 2% and flat for 3 years.

Non-Resident: Graduate rates are much higher than peer institutions and enrollments have been falling.

Proposal: Reduce the approved rate in 2019-20 by 10% and flat for 3 years.

Impact: An increase of 43 resident students and 144 non-resident students is expected to be revenue neutral. (Note that this is the group experiencing greatest enrollment declines, so there is no expectation that enrollment and associated revenue will be flat at current rates.)
UH Hilo and UH West O‘ahu Resident Undergraduate Proposal: Reduce the approved tuition rates for 2019-20 by $72 (1%) followed by 3 years of no growth.

While UH Hilo and UH West O‘ahu have undergraduate rates higher than WICHE peers, a reduction in 2019-20 and no growth for 3 years will narrow the gap.

Proposal: Reduce the approved 2019-20 rate by $72 (1%) and hold flat for 3 years.

Impact: An increase of 19 students at Hilo and 27 students at West O‘ahu are expected to be revenue neutral.
The non-resident undergraduate rates are high relative to WICHE rates.

Proposal: Reduce the approved 2019-20 rate by 1% and flat for next 3 years.

Impact: An increase of 2 students at Hilo and 1 student at West O‘ahu are expected to be revenue neutral.
UH Hilo Graduate Proposal: Reduce the approved 2019-2020 increase by $120 for residents followed by no increase for 3 years

Impact: An increase of 3 students (resident) and 1 student (non-resident) are expected to be revenue neutral.

UH Hilo graduate programs are highly specialized and although rates are significantly higher than peers, there has been no impact in enrollment.

Proposal: Reduce the approved 2019-20 resident rate by $120 and the non-resident rate by $266 and hold flat for 3 years.
UHCC Proposal: Reduce the approved 2019-2020 rates for residents and non-residents by $75 followed by no growth for 3 years


UH Community College tuition rates are close to but slightly higher than WICHE peers for non-residents.

Proposal:
Reduce the approved 2019-2020 rates for residents and non-residents by $75 and hold flat for 3 years.

Impact:
- An increase of 440 students (resident) and 11 students (non-resident) are expected to be revenue neutral.
## Annual Tuition Schedule – Current and Proposed

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
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<tr>
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<td>-1%</td>
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<td>$20,101</td>
<td>-$203</td>
<td>-1%</td>
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<tr>
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<td><strong>UHCC Upper Div (24cr)</strong></td>
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<tr>
<td>Resident</td>
<td>$7,272</td>
<td>$7,344</td>
<td>$7,272</td>
<td>-$72</td>
<td>-1%</td>
</tr>
<tr>
<td>Non-Resident</td>
<td>$20,232</td>
<td>$20,304</td>
<td>$20,101</td>
<td>-$203</td>
<td>-1%</td>
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<td>MAN Grad Bus (Master's)</td>
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Summary of New Tuition Proposal

1. **Reduce** the approved rate for 2019-20 by 2% for all 4-year undergraduate resident tuition scheduled to increase by 2% and by 1% for all tuition scheduled to increase by 1%, and **keep flat** for the next 3 years (2020-21, 2021-22, 2022-23).

2. **Reduce** the approved rate for 2019-20 for 4-year undergraduate non-resident tuition by the corresponding reduction in the undergraduate rate, and **keep flat** for the next 3 years.

3. **Reduce** the approved UHM resident graduate rate for 2019-20 by 2% and **keep flat** for the next three years.

4. **Reduce** the UHM non-resident graduate rate an additional 8% and **keep flat** for the next three years.

5. Professional programs at UHM will **remain flat** for the next four years.

6. **Reduce** the approved rate increase by 1% for 2019-2020 for resident graduate and professional programs at UHH and **keep flat** for the next three years. **Reduce** the approved rate for 2019-20 for non-residents by 1% and **keep flat** for the next three years.

7. **Reduce** the approved rate increase for 2019-20 for residents and non-residents at the UHCC’s and **keep flat** for the next three years.

8. Set a full-time tuition rate at 12 or more credits for students at UH Maui College’s 4-year programs.

9. Revise summer tuition schedule accordingly.

**Decreases for nearly all students from approved rates for 2019-2020 followed by three flat years**
2019 University of Hawaiʻi Legislative Measures of Interest

For Presentation

UH Board of Regents
January 31, 2019
## 2019 Budget Package Comparison (Operating)

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>BOR FY20</th>
<th>BOR FY21</th>
<th>GOV FY20</th>
<th>GOV FY21</th>
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<td>Hawai‘i Promise Program</td>
<td>$ 19,700,000</td>
<td>$ 19,700,000</td>
<td>$ 19,700,000</td>
<td>$ 19,700,000</td>
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<tr>
<td>Raise Graduate Assistant Stipend (Mānoa)</td>
<td>$ 2,198,360</td>
<td>$ 2,242,327</td>
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<td>Student Mentors and Tutors (CCs)</td>
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<td>$ 1,004,400</td>
<td>$ 500,000</td>
<td>$ 500,000</td>
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<tr>
<td>Custodial &amp; Maintenance (Hilo)</td>
<td>$ 228,576</td>
<td>$ 228,576</td>
<td>$ 143,784</td>
<td>$ 143,784</td>
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<tr>
<td>Wayfinding Education Program (Hilo)</td>
<td>$ 375,000</td>
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<td>$ 375,000</td>
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<td>Learning Assistants and Peer Mentoring (Mānoa)</td>
<td>$ 956,600</td>
<td>$ 1,408,876</td>
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<tr>
<td>Student Employment (Hilo)</td>
<td>$ 122,000</td>
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<tr>
<td>Student Employment (West O‘ahu)</td>
<td>$ 300,000</td>
<td>$ 300,000</td>
<td></td>
<td></td>
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<tr>
<td>Security Staff (Hilo)</td>
<td>$ 311,240</td>
<td>$ 311,240</td>
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<tr>
<td>HINET for SNAP Recipients (CCs)</td>
<td>$ 520,000</td>
<td>$ 520,000</td>
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<tr>
<td>Distance Education (West O‘ahu)</td>
<td>$ 1,000,000</td>
<td>$ 1,000,000</td>
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<tr>
<td>Total</td>
<td>$ 26,716,176</td>
<td>$ 27,246,419</td>
<td>$ 22,917,144</td>
<td>$ 22,886,111</td>
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## 2019 Budget Package Comparison (CIP)

<table>
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<tr>
<th>DESCRIPTION</th>
<th>BOR FY20</th>
<th>BOR FY21</th>
<th>GOV FY20</th>
<th>GOV FY21</th>
</tr>
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<td>Renew, Improve, and Modernize (Systemwide)</td>
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<tr>
<td>Capital Renewal &amp; Deferred Maintenance (CCs)</td>
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<td>Science Building (HonCC)</td>
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<td>Pharmacy Lab Improvements (Hilo)</td>
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<tr>
<td>Renovate Sinclair Library to become Student Success Center (Mānoa)</td>
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<tr>
<td>Snyder Hall Replacement (Mānoa)</td>
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<td>Renew, Improve, and Modernize (West O’ahu)</td>
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<td>$1,000,000</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Renew, Improve, and Modernize (Hilo)</td>
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<td>$5,000,000</td>
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<td>Minor CIP (CCs)</td>
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<td>Development &amp; Infrastructure (West O’ahu)</td>
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<td>Planning Projects (West O’ahu)</td>
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<tr>
<td>Keller Hall / Physical Science (Mānoa)</td>
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<td>Agripharmatech Bioprocessing Facility (WinCC)</td>
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<tr>
<td><strong>Total</strong></td>
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<td>$319,500,000</td>
<td>$150,000,000</td>
<td>$150,000,000</td>
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HB 2 HD1
RELATING TO THE STATE BUDGET
Appropriates funds for the operating budget of the Executive Branch for fiscal years 2019-2020 and 2020-2021.

Update: 1/29/19 passed Second Reading; placed on calendar for Third Reading

- HB 2 was introduced as a "base budget" that included FY19 funding levels plus amounts to accommodate already agreed to collective bargaining agreements.
- HB 2 passed out of the Committee on Finance with amendments that eliminated several departments, essentially "zeroing out" their base.
  - Departments included: UH, Education (DOE), Health (DOH), Business, Economic Development & Tourism (DBEDT), Transportation (DOT), Land and Natural Resources (DLNR), the Governor's Office, and Accounting and General Services (DAGS)
- Subject Matter Committees will now evaluate these departments from a "zero-base" perspective and send their recommendations to the Committee on Finance.
- HB 1521 (UH base budget) and HB 1522 (add-ons) were introduced by Chair Woodson and UH will be working with him on our budget on the House side.
2019 Legislative Session

SUBJECT AREAS

• 2019 UH Legislative Package (Admin Bills)

• 2019 Bills of Interest
  o Board of Regents/Governance
  o UH Operations

• Legislative Calendar
Hawai‘i Promise Program

HB 1056 (Admin)
RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM
Provides scholarships for the unmet need of qualified students at any four-year UH campus who meet certain criteria.

Update: Referred to LHE, FIN

SB 1282 (Admin)
RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM
Provides scholarships for the unmet need of qualified students at any four-year UH campus who meet certain criteria.

Update: Referred to HRE, WAM

SB 316
RELATING TO THE UNIVERSITY OF HAWAI‘I
Appropriates funds to the University for additional funding for Hawai‘i promise for four-year institutions.

Update: Referred to HRE, WAM
Hawai‘i Promise Program

SB 612
RELATING TO UNIVERSITY OF HAWAII PROMISE PROGRAM PLUS
Establishes the University of Hawai‘i Promise Program Plus to provide scholarships for the unmet direct cost needs of qualified students enrolled in a bachelor's degree at the University of Hawai‘i who are (1) graduates of a University of Hawai‘i community college who received a Hawai‘i community college promise program scholarship; and (2) enrolled at any University of Hawai‘i campus. Appropriates funds to establish and implement the program.

Update: Referred to HRE, WAM

HB 813
RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM PLUS
Establishes the University of Hawai‘i Promise Program Plus to provide scholarships for the unmet direct cost needs of qualified students enrolled in a bachelor's degree at the University of Hawai‘i who are (1) graduates of a University of Hawai‘i community college who received a Hawai‘i community college promise program scholarship; and (2) enrolled at any University of Hawai‘i campus. Appropriates funds to establish and implement the program.

Update: House LHE Hearing on 2/1/19 at 2:00pm
Hawai‘i Promise Program

HB 1277
RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM
Provides scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawai‘i campus who meet certain eligibility criteria.

Update: House LHE Hearing on 2/1/19 at 2:00pm

HB 1371
RELATING TO THE UNIVERSITY OF HAWAII UNIVERSITY PROMISE PROGRAM
Establishes the University of Hawai‘i University Promise Program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any 4-year degree campus of the University of Hawai‘i system. Appropriates funds to establish and implement the program.

Update: Referred to LHE, FIN
Tuition and Fees Special Fund

HB 1057 (Admin)
RELATING TO THE UNIVERSITY OF HAWAII TUITION AND FEES SPECIAL FUND
Repeal the requirement that each UH campus prepare an operations plan, to be reviewed by the President and VP for Budget and Finance and CFO of UH, for each fiscal year. Repeal the requirement that the moneys in the UH Tuition and Fees Special Fund for each UH campus to lapse to the credit of Program ID No. UOH900 (University of Hawai‘i, system wide support).

Update: Referred to LHE, FIN

SB 1283 (Admin)
RELATING TO THE UNIVERSITY OF HAWAII TUITION AND FEES SPECIAL FUND
Repeal the requirement that each UH campus prepare an operations plan, to be reviewed by the President and VP for Budget and Finance and CFO of UH, for each fiscal year. Repeal the requirement that the moneys in the UH Tuition and Fees Special Fund for each UH campus to lapse to the credit of Program ID No. UOH900 (University of Hawai‘i, system wide support).

Update: Referred to HRE, WAM
Tuition and Fees Special Fund

HB 415
RELATING TO THE UNIVERSITY OF HAWAII TUITION AND FEES SPECIAL FUND
Repeals the requirement that each UH campus prepare an operations plan for each fiscal year. Repeals the automatic lapse of moneys in the UH Tuition and Fees Special Fund.

Update: House LHE Hearing on 2/1/19 at 2:00pm
SB 919
RELATING TO THE UNIVERSITY OF HAWAII BOARD OF REGENTS
Amends the composition of the Board of Regents of the University of Hawai‘i, reduces the number of board members from fifteen members to seven members, and shortens term length from five years to three years.
Update: Senate HRE Hearing on 1/31/19 at 2:45pm

SB 928
PROPOSING AN AMENDMENT TO ARTICLE X, SECTION 6, OF THE HAWAII STATE CONSTITUTION, TO MODIFY THE APPOINTMENT PROCESS FOR THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII
Proposes an amendment to article X, section 6, of the Hawai‘i State Constitution to modify the appointment process for the Board of Regents of the University of Hawai‘i. Repeals the Candidate Advisory Council for the Board of Regents of the University of Hawai‘i.
Update: Senate HRE hearing on 1/31/19 at 2:45pm
Ceded Lands Pro Rata

HB 173
RELATING TO STRENGTHENING THE FOUNDATION FOR ENSURING A FAIR AND JUST PAYMENT AMOUNT FOR THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF THE PUBLIC LAND TRUST
(OHA Package) Requires the Department of Land and Natural Resources to use certain reporting and accountability procedures in implementing the public land trust reporting requirements of Act 178, Session Laws of Hawai‘i 2006. Requires the Department of Land and Natural Resources to consult with the Office of Hawaiian Affairs to ensure that the accounting and reporting is accurate and inclusive.

Update: Referred to WLH, JUD, FIN
Ceded Lands Pro Rata

SB 191
RELATING TO STRENGTHENING THE FOUNDATION FOR ENSURING A FAIR AND JUST PAYMENT AMOUNT FOR THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF THE PUBLIC LAND TRUST (OHA Package) Requires the Department of Land and Natural Resources to use certain reporting and accountability procedures in implementing the public land trust reporting requirements of Act 178, Session Laws of Hawai‘i 2006. Requires the Department of Land and Natural Resources to consult with the Office of Hawaiian Affairs to ensure that the accounting and reporting is accurate and inclusive.

Update: Referred to WTL/HWN, WAM
Ceded Lands Pro Rata

HB 402
RELATING TO INCREASING THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF PUBLIC LAND TRUST FUNDS
Establishes $35,000,000 as the Office of Hawaiian Affairs' pro rata share of the public land trust. Transfers $139,000,000 less certain funds to the Office of Hawaiian Affairs for underpayment of the public land trust funds for 7/1/2012 to 6/30/2019. Requires the Department of Land and Natural Resources to provide an annual accounting of receipts from lands described in section 5(f) of the Admissions Act. Establishes a committee to recommend the annual amount of the income and proceeds from the public land trust that the Office of Hawaiian Affairs shall receive annually. Appropriates funds.

Update: House WLH passed with amendments on 1/30/19
Ceded Lands Pro Rata

SB 1363
RELATING TO INCREASING THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF PUBLIC LAND TRUST FUNDS
Establishes $35,000,000 as the Office of Hawaiian Affairs' pro rata share of the public land trust. Transfers $139,000,000 less certain funds to the Office of Hawaiian Affairs for underpayment of the public land trust funds for 7/1/2012 to 6/30/2019. Requires the Department of Land and Natural Resources to provide an annual accounting of receipts from lands described in section 5(f) of the Admissions Act. Establishes a committee to recommend the annual amount of the income and proceeds from the public land trust that the Office of Hawaiian Affairs shall receive annually. Appropriates funds.

Update: Referred to HWN/WTL, WAM/JDC
Ceded Lands Pro Rata

SB 1399
RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF THE PUBLIC TRUST LAND
Requires the Department of Land and Natural Resources to use certain reporting and accountability procedures in implementing the public land trust reporting requirements of Act 178, Session Laws of Hawai‘i 2006. Requires the Department of Land and Natural Resources to consult with the Office of Hawaiian Affairs to ensure that the accounting and reporting is accurate and inclusive.

Update: Referred to WTL/HWN, WAM
Maunakea

HB 1067
RELATING TO MAUNA KEA
Prohibits any development on conservation lands of the Mauna Kea summit at 6,000 feet above sea level and higher.
Update: Referred to WLH, JUD, FIN

SB 936
RELATING TO NATURAL RESOURCE MANAGEMENT
Establishes the Mauna Kea special fund and Mauna Kea natural area reserve special fund. Reallocates funds from the Mauna Kea lands management special fund to the Mauna Kea special fund and Mauna Kea natural area reserve special fund.
Update: Referred to WTL/HWN/HRE, WAM
President/Chancellor

SB 347
RELATING TO THE PRESIDENT OF THE UNIVERSITY OF HAWAII
Prohibits the President of the University of Hawai‘i from serving concurrently as a campus chancellor.
Update: Referred to HRE, WAM

Chief Procurement Officer

HB 414
RELATING TO PROCUREMENT FOR THE UNIVERSITY OF HAWAII
Makes permanent Act 42, SLH 2018, which restores authority to the UH President to act as UH's Chief Procurement Officer for all procurement contracts under chapter 103D, HRS.
Update: Referred to LAB/LHE, FIN
Land Development

HB 721
RELATING TO UNIVERSITY OF HAWAII DEVELOPMENTS
Allows the University of Hawai‘i to enter into public service ventures and establishes an Office of Strategic Partnerships and Development (OSPD) to specifically oversee and manage public service ventures to benefit the University of Hawai‘i. Appropriates funds for OSPD staff.
Update: Referred to LHE/EDB, FIN

SB 377
RELATING TO UNIVERSITY OF HAWAII
Establishes a pilot project to generate revenue through the lease of University of Hawai‘i land for public purposes. Requires that the parcels of land be located within a county-designated transit-oriented zone, a one-half mile radius of public transit stations, or a one-half mile radius of any rail transit extension beyond the rail transit route approved as of January 1, 2017. Authorizes moneys in the University of Hawai‘i real property and facilities use revolving fund to be used for new construction and upgrade of university facilities. Requires the university to report to the legislature. Appropriates funds.
Update: Referred to HRE/WTL, WAM
Land Development – Athletic Facility

HB 694
RELATING TO UNIVERSITY OF HAWAI’I
Authorizes general obligation bonds for the design and construction of a new athletic facility for the University of Hawai‘i at Mānoa. Requires a one-third private sector funding match. Appropriates funds.
Update: Referred to LHE, FIN

HB 695
RELATING TO DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
Authorizes the issuance of general obligation bonds for the design and construction of a new stadium. Requires a one-third private sector funding match. Appropriates funds.
Update: Referred to TIA/WLH/EDB, FIN
Zero-Based Budgeting

SB 499
RELATING TO THE UNIVERSITY OF HAWAI'I BUDGET
Requires the University of Hawai‘i to use zero-based budgeting principles in formatting the budget for fiscal years from the 2020-2021 fiscal year to the 2026-2027 fiscal year.
Update: HRE, WAM

HTDC

HB 624
RELATING TO THE STRUCTURE OF GOVERNMENT
Transfers the rights, powers, functions, and duties of the Hawai‘i Technology Development Corporation and Hawai‘i Strategic Development Corporation to the University of Hawai‘i. Appropriates funds.
Update: Referred to LHE/EDB, FIN
Online Privacy

HB 6
RELATING TO THE UNIFORM EMPLOYEE AND STUDENT ONLINE PRIVACY PROTECTION ACT
Adopts uniform laws on protecting the online accounts of employees, unpaid interns, applicants, students, and prospective students from employers and educational institutions.

Update: House LAB passed with amendments on 1/29/19

SB 296
RELATING TO THE UNIFORM EMPLOYEE AND STUDENT ONLINE PRIVACY PROTECTION ACT
Adopts uniform laws on protecting the online accounts of employees, unpaid interns, applicants, students, and prospective students from employers and educational institutions.

Update: Referred to LCA/HRE, JDC
Collective Bargaining for Graduate Students

HB 919
RELATING TO COLLECTIVE BARGAINING
Establishes a collective bargaining unit for graduate student assistants employed by the University of Hawai‘i.

Update: Referred to LHE/LAB, FIN

SB 1368
RELATING TO COLLECTIVE BARGAINING
Establishes a collective bargaining unit for graduate student assistants employed by the University of Hawai‘i.

Update: Referred to LCA/HRE, WAM
Immunization

SB 671
RELATING TO POST-SECONDARY EDUCATION STUDENT IMMUNIZATIONS
Temporarily exempts students in post-secondary education programs from immunization requirements if they attend classes exclusively online or through distance learning.

Update: House HRE hearing on 1/31/19 at 2:45pm
Open Education Resources

SB 932
RELATING TO THE UNIVERSITY OF HAWAI'I
Establishes the University of Hawai‘i open educational resources task force to conduct a comprehensive analysis and evaluation of all general education courses and high attendance courses taught at the University of Hawai‘i system to identify open educational resources for those courses. Establishes and appropriates funds for an open educational resources pilot project grant program to incentivize faculty to adopt, develop, and implement open educational resources.
Update: Referred to HRE, WAM

HB 915
RELATING TO OPEN EDUCATIONAL RESOURCES
Requires the University of Hawai‘i to study the feasibility of adopting an open educational resources initiative. Requires the University to report to the Legislature its findings and recommendations, including the cost to implement the initiative and any projected cost savings.
Update: Referred to LHE, FIN
General Excise Tax

SB 1474
RELATING TO TAXATION
Increases the general excise tax by 0.5% to provide a dedicated funding source for the department of education and the University of Hawai‘i.

Update: Referred to EDU/HRE, WAM
February 15  -  First Lateral
March 1   -  First Decking \((bills)\)
March 7   -  First Crossover \((bills)\)
March 11  -  Budget Decking
March 13  -  Budget Crossover
March 22  -  Second Lateral
April 5   -  Second Decking \((bills)\)
April 11  -  Second Crossover
April 25  -  Final Decking \((non-fiscal)\)
April 26  -  Final Decking \((fiscal)\)
May 2     -  Adjournment \textit{Sine Die}\)
Conclusion
Item VII.C.2.

Aloha Stadium Informational Update

NO MATERIALS

ORAL REPORT
Item VIII.A.1.
Executive Session
Personnel Matters

ITEMS TO BE DISCUSSED IN EXECUTIVE SESSION
Item VIII.B.1. and VIII.B.2.

Executive Session

Legal Matters

ITEM TO BE DISCUSSED IN EXECUTIVE SESSION
Item IX.A.1.

Items for Approval
Personnel Actions

ITEMS TO BE DISCUSSED AT MEETING
Item IX.A.2.
Items for Approval
Settlement

ITEM TO BE DISCUSSED AT MEETING