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, May 16, 2019
Time: 9:45 a.m.
Place: Windward Community College
45-720 Kea'ahala Road
Hale Akoakoa 101 & 103
Kāneʻohe, Hawaiʻi 96744

AGENDA

I. Call Meeting to Order

II. Approval of Minutes of the March 28, 2019 Meeting

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. Report of the President

V. Committee and Affiliate Reports
   A. Report from the Committee on Budget and Finance
   B. Report from the Committee on Independent Audit
   C. Report from the Committee on Planning and Facilities
   D. Affiliate Reports

VI. Agenda Items
   A. Approval of University of Hawaiʻi Tuition Schedule, Academic Year (AY)
      2020-2021 through AY 2022-2023
   B. Approval to Name the New Hale Imu Building on the Kauaʻi Community
      College Campus
   C. Annual Report of the Independent Audit Committee to the Board

For disability accommodations, required by law for Persons with Disabilities requires at
least (5) five days prior notice to the board office at 956-8213 or bor@hawaii.edu.
D. Legislative Update

E. Year in Review by the President

F. Report on Board Office Operations

G. Plan for Board Self-Assessment Under Regents Policy 2.202

H. House Bill No. 398, Relating to the University of Hawai‘i

1. Executive Session (closed to the public) – 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), Hawai‘i Revised Statutes (HRS)

I. Preparation for Election of Board Officers

VII. 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), HRS)

1. Evaluation of the Executive Administrator and Secretary of the Board of Regents
2. Evaluation of the Internal Auditor
3. Discussion of Personnel Actions (A-1 for approval)

VIII. Agenda Items (continued)

A. Personnel Actions (A-1 for approval)

IX. Announcements

A. Next Meeting: July 18, 2019, at the University of Hawai‘i at Mānoa

X. Adjournment

ATTACHMENTS

Attachment A1 – Personnel actions posted for action
Attachment A2 – Personnel actions posted for information only
Attachment A-1: Personnel Actions for BOR approval.

<table>
<thead>
<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>
</tr>
</thead>
<tbody>
<tr>
<td>UH System</td>
<td>Luke</td>
<td>Amy</td>
<td>Assistant to Senior Executive</td>
<td>Office of the President</td>
<td>Appointment</td>
<td>$11,250</td>
<td>May 17, 2019</td>
</tr>
</tbody>
</table>

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>
<thead>
<tr>
<th>Campus</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>
</tr>
</thead>
<tbody>
<tr>
<td>UH System</td>
<td>Ching Carleton</td>
<td>Administrative Program Officer</td>
<td>Office of the Vice President for Budget and Finance/CFO</td>
<td>Reassignment</td>
<td>$12,084</td>
<td>June 16, 2019</td>
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<tr>
<td>UH System</td>
<td>Penaloza Fiorella</td>
<td>Academic Program Officer</td>
<td>Institutional Research and Analysis Office</td>
<td>Appointment</td>
<td>$9,834</td>
<td>August 1, 2019</td>
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<tr>
<td>UH System</td>
<td>Woodard Christopher</td>
<td>Director, Strategic Development and Partnership</td>
<td>Office of the Vice President for Budget and Finance/CFO</td>
<td>Appointment</td>
<td>$12,500</td>
<td>June 16, 2019</td>
</tr>
<tr>
<td>UH Mānoa</td>
<td>Kameoka Velma</td>
<td>Interim Vice Chancellor for Research</td>
<td>Office of the Vice Chancellor for Research</td>
<td>Appointment</td>
<td>$20,625</td>
<td>June 1, 2019 - May 31, 2020</td>
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<tr>
<td>UH Hilo</td>
<td>De Pillis Emmeline</td>
<td>Interim Dean, College of Business and Economics</td>
<td>College of Business and Economics</td>
<td>Appointment</td>
<td>$14,163</td>
<td>June 1, 2019 - May 31, 2020</td>
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<tr>
<td>Honolulu Community College</td>
<td>Kazama Susan</td>
<td>Interim Vice Chancellor of Academic Affairs</td>
<td>Academic Affairs</td>
<td>Appointment</td>
<td>$10,940</td>
<td>June 17, 2019 - June 16, 2020</td>
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<tr>
<td>Kapi'olani Community College</td>
<td>Bautista Maria</td>
<td>Interim Vice Chancellor for Academic Affairs</td>
<td>Academic Affairs</td>
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<td>$10,000</td>
<td>June 17, 2019 - June 16, 2020</td>
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<td>Leeward Community College</td>
<td>Kato Kami</td>
<td>Interim Dean of Student Services</td>
<td>Academic Affairs</td>
<td>Appointment</td>
<td>$9,584</td>
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<td>Leeward Community College</td>
<td>Penaloza Carlos</td>
<td>Chancellor</td>
<td>Leeward Community College</td>
<td>Appointment</td>
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<td>July 1, 2019</td>
</tr>
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Item II.
Approval of Minutes

MATERIALS
I. CALL TO ORDER

Chair Lee Putnam called the meeting to order at 10:03 a.m. on Thursday, March 28, 2019, at Kapi‘olani Community College, Ka ‘Ikena Room, ‘Ōhelo Building, 4303 Diamond Head Road, Honolulu, Hawai‘i 96816.

Quorum (15): Chair Lee Putnam; Vice Chair Jeffrey Portnoy; Vice Chair Wayne Higaki; Regent Simeon Acoba; Regent Kelli Acopan; Regent Eugene Bal; Regent Ben Kudo; Regent Michael McEnerney; Regent Randy Moore; Regent Alapaki Nahale-a; Regent Jan Sullivan; Regent Michelle Tagorda; Regent Robert Westerman; Regent Ernest Wilson Jr.; and Regent Stanford Yuen.

Others in attendance: President/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 Syrmos; Vice President for Information Technology/Chief Information Officer Garret Yoshimi; Vice President for Budget and Finance/Chief Financial Officer Kalbert Young; Vice President for Advancement/UHF Chief Executive Officer (CEO) Tim Dolan; 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; Lui Hokoana, University of Hawai'i Maui College (UHMC); Kapi'olani Community College (KapCC) Chancellor Louise Pagotto; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

II. APPROVAL OF MINUTES OF THE FEBRUARY 28, 2019, MEETING

Vice Chair Higaki moved to approve the minutes of the February 28, 2019, meeting, seconded by Regent Acopan, and the motion carried unanimously.

III. PUBLIC COMMENT PERIOD

Board Secretary Oishi announced that written testimony received by the Board Office from the following for the February 28, 2019, meeting relating to the proposed UHM reorganization and associated implementation actions from the following was included in today’s testimony packet:

- Tom Apple, in support of the consolidation of the president and chancellor positions.
• Brian Powell, on behalf of the UHM Faculty Senate (UHMFS), transmitting a resolution opposing Phase 1 of the reorganization of the Mānoa management structure.
• Hannah Liebreich, on behalf of the UHM Graduate Student Organization (GSO), offering comments.
• Carissa Gusman, offering comments in opposition to the Phase 1 reorganization.
• Jannah Lyn Dela Cruz, on behalf of the Associated Students of the University of Hawai‘i (ASUH), transmitting a resolution supporting the concept of the UHM reorganization and suggested amendments.
• Laura Lyons, in support.
• Peter Arnade, in support.
• Jonathan Osorio, in support.

Testimony for the March 28, 2019, meeting was received as follows:

• Regarding the agenda item related to the proposed UHM reorganization and associated implementation actions:
  o Jim Shon, Hawai‘i Educational Policy Center, offered written comments and provided oral testimony relating to the importance of a public university nurturing and supporting knowledge and understanding of democracy, citizenship, and civic education; revising the ombuds office; and creating a support structure for independent policy centers.
  o David Duffy, on behalf of the UHMFS Executive Committee (UHMFSEC), resubmitted written testimony from February 28, 2019, board meeting and offered follow-up testimony with additional comments.
  o Brian Powell, Chair of the UHMFS, provided oral testimony summarizing his written testimony opposing Phase I of the proposed UHM reorganization until the entire reorganization can be assessed.
  o Amy Agbayani submitted late written testimony in support.
  o Noel Kent provided oral testimony in opposition.

• The following submitted written testimony offering comments related to the recent legislative actions pertaining to the budget:
  o David Duffy, on behalf of the UHMFSEC
  o Monisha Das Gupta
  o Noel Kent
  o Lynn Wilkens, President of the University of Hawai‘i Professional Assembly (UHPA). Ms. Wilkens also provided oral testimony summarizing her written comments.
  o Lisa Uyehara submitted written comments expressing support of administration.
  o Ashley Maynard, Karla Hayashi, Benton Rodden, and Nani Azman provided oral testimony related to UH leadership.

• Regarding contract extension of UHM Athletics Director David Matlin:
  o Charlie Wade submitted late written testimony in support.
  o Laura Beeman and Nick Rolovich provided oral testimony in support.
IV. REPORT OF THE PRESIDENT

President Lassner provided a report highlighting the following:

He expressed his appreciation to the administrative team of VP Young, VP Symos, VC Bruno, AVC McCreary, and every UHM dean and their staff that mitigated what would have been the devastating effect of the Senate budget by providing detailed follow-up information to correct the misconceptions that underlay the proposed faculty and staff cuts. There was a difference of opinion with UHPA on legislative strategy, but administration made it a priority to engage fully and directly with the Legislature at multiple levels to reverse those cuts as quickly as possible.

There was also a difference of opinion with UHPA on communications strategy and notifying the occupants of the 121 positions that would have been impacted by the cuts. Administration felt that causing alarm to the hardworking and valued faculty was unwarranted because the goal was to reverse the cuts, which was achieved. The UHPA collective bargaining contract includes provisions for retrenchment that would have been followed if positions and funding had been eliminated; the 121 positions were not necessarily the people who would have been impacted.

President Lassner expressed that there is a need to help the Legislature and others understand the everyday impact of the university and its faculty on the people of Hawai‘i. He emphasized that the language in the Hawai‘i Constitution relating to governance and internal management of UH arose from the needs of the State for economic revitalization. Administration is cognizant of the fact from a governance and autonomy perspective that if the proposed budget cuts were simply 121 faculty positions and $13 million without reference to specific position numbers, then administration would have had to deal with that as they have in the past with other legislative budget cuts.

President Lassner took ownership of not communicating sooner about the work being done to reverse the cuts the day they were announced. However, under the circumstances, he did not regret engaging directly and fully with the Legislature to reverse the cuts expeditiously.

The final budget worksheets were not yet released and key priorities were pending, including the extension of the Hawai‘i Promise program and capital improvement project funding for the facilities to support 21st century teaching, learning, and research.

President Lassner indicated he was heartened by the testimony provided this morning by the UHMFSEC, whom he met with earlier in the week, urging that this incident be a catalyst for unity within the university and suggesting a positive and collaborative path forward. He was also heartened by editorial support from the major newspaper, commentary in support of the university by a knowledgeable and credible TV journalist, and a strong letter of support for the university from the Hawai‘i Business Roundtable that was delivered to every legislator.

After the legislative session is over, President Lassner indicated he looked forward to building a foundation for action with the UHMFS, UHM deans, regents, the
Legislature, and others of like minds, including UHPA if they are willing, to develop a plan to remind and educate all of Hawai‘i regarding what UH does for its students and the community, the work of the faculty, the provisions of the Hawai‘i Constitution, and how we are accountable within the university.

The Legislature and community need to understand how they can help UH do even more together to create the future for Hawai‘i that we all want: sustainable, grounded in aloha, with new innovations stimulating great jobs that engage Hawai‘i’s best and brightest, nurturing and improving the lives of our people and our planet. None of this can happen without a vibrant University of Hawai‘i System driven by a well-supported world-class faculty.

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

- **Argosy closing.** UH campuses have been involved in helping Argosy students who were left in the middle of the semester without access to education and financial aid. UHM extended admissions deadlines for Argosy students and developed compassionate transfer procedures to relax UH’s residency requirements, and to recognize Argosy’s general education requirements as sufficient for fulfilling UHM’s general education requirements. He recognized Wendy Pearson for working on this matter and consulting with the UHMFS.

  Argosy also had a location in American Samoa and is reaching out to help support those students. UHWO is helping Argosy undergraduate business students and has participated in transfer fairs.

- **Consolidation of East Asian Language graduate programs.** Separate UHM Masters and Ph.D. programs in Chinese, Japanese, and Korean were merged into East Asian Languages and Literature (EALL) Masters and Ph.D. programs, thereby reducing six separate graduate programs into two.

**High Performance Mission-Driven System (HPMS)**

- **President Lassner recognized Debasis and the UH Maui College team on being approved as a National Security Agency/Department of Homeland Security (NSA/DHS) National Center of Academic Excellence in Cyber Defense Education for four years. UHMC joins Honolulu Community College, Leeward Community College, UHM, and UHWO as Centers of Academic Excellence. UH was redesignated as NSA/DHS National Center of Academic Excellence in Cyber Defense Research until 2024.**

- **President Lassner shared a [video](#) highlighting sustainability and resilience efforts at UH.**

President Lassner ended his report by announcing the UH nominees for the annual Governor’s Awards for Distinguished State Service, including: UH Nominee for Employee of the Year, Marcus Hayden, Fiscal Manager for UHM College of Tropical Agriculture and Human Resources; UH Nominee for Manager of the Year, Ron Cambra, UHM Office of Undergraduate Education; and UH Nominees for Team of the Year, UH
Chancellor Pagotto welcomed everyone and provided a progress update on KapCC’s strategic directions, including updates on enrollment, student demographics, and 2019 priorities to recruit, reverse the trend of declining fall enrollment of international students, increase fall enrollment of returning adult students, and retain fall-to-fall persistent enrollment by focusing on undergraduate research, sustainability, and distance education.

Joe Kamakele, a KapCC student, shared his experience about the challenges of returning to school after being injured on the job and how instrumental the KapCC academic counselors and the Lunalilo Scholars Program were in helping him succeed. Mr. Kamakele will be graduating from the KapCC paralegal program this semester and is enrolled in UHM’s Justice Administration program.

Dr. Candy Branson, KapCC Faculty Senate Chair, provided an overview of the Kapp Faculty Senate and highlighted the efforts and accomplishments of the Sustainability Standing Committee, which is focused on creating coherence through cohort experiences, assessments, and capstones, and the Distance Education Standing Committee, which developed a comprehensive distance education plan focused on preparing instructors to teach online and hybrid courses, distance education definitions, and distance education review process to ensure compliance with federal regulations.

Chancellor Pagotto also provided an update on steps KapCC has taken to address the Accrediting Commission for Community and Junior Colleges (ACCJC) 2019 recommendations to systematically document cycles of continuous improvement for institutional plans, policies, and procedures, and learning outcomes assessments tied to program improvement.

Vice Chair Portnoy expressed concern that there was only one mental health counselor on campus. Chancellor Pagotto responded that administration understands the need for mental health counselors and is recruiting for a second position.

Regent Yuen noted the important role academic counselors and advisors have in student success and shared his personal experience of how a counselor helped him. Chancellor Pagotto explained that the biggest challenge is making sure students connect with counselors and administration is working to ensure students avail themselves of this valuable resource.

V. COMMITTEE AND AFFILIATE REPORTS

A. Report from the Committee on Academic and Student Affairs
   Committee Chair Tagorda summarized the written committee report.

B. Report from the Committee on Intercollegiate Athletics
Committee Chair Portnoy summarized the written committee report.

C. Report from the Committee on Personnel Affairs and Board Governance
Committee Chair Bal summarized the written committee report.

D. Affiliate Reports

UH Student Caucus (UHSC): Regent Acopan reported that the UHSC met on March 9, 2019, at the Palamanui campus. Kumu Eric Flores, a protector, and Dr. Greg Chun of the Maunakea Management Board gave presentations on Maunakea.

Concerns were expressed regarding classes being cut which delayed graduation. Regent Acopan asked which campuses received formal versus anecdotal complaints, and multiple community colleges, UHM, and UHH all received formal complaints.

At the previous UHSC meeting concerns were expressed regarding whether the board and UHSC had a good and strong relationship. The UHSC clarified that questions and concerns were posed to students during their legislative visits that students were not holding the UH System and board accountable, regents are out of touch with students, and students should be holding regents as a whole accountable.

Concerns were also expressed about transparency, specifically why the UHM reorganization agenda item was scheduled for a meeting on Maui in February.

The next UHSC meeting is April 6 at UHMC and regents are welcome to attend.

VI. AGENDA ITEMS

A. For Action Consent Agenda

1. Approval to Change from Provisional to Established Status: Associate of Science in Business, Kauai Community College

2. Approval to Change from Provisional to Established Status: Associate of Science in Natural Science at the following campuses:
   a. Hawai‘i Community College
   b. Honolulu Community College
   c. Kaua‘i Community College
   d. University of Hawai‘i Maui College
   e. Windward Community College

3. Approval of the Establishment of a Provisional Bachelor of Science in Construction Engineering University of Hawai‘i at Mānoa

4. Approval of the Establishment of a Provisional Master of Asian International Affairs, University of Hawai‘i at Mānoa

5. Approval of the Establishment of the Following Provisional Programs:
   a. Master of Science in Information Systems, University of Hawai‘i at Mānoa
b. Master of Science in Marketing Management, University of Hawai‘i at Mānoa

c. Master of Science in Finance, University of Hawai‘i at Mānoa

6. Approval of a Template of Indemnification Provision for Subwards Between the University of Hawai‘i and the Space Telescope Science Institute (STScI)

Regent Wilson moved to approve the consent agenda, seconded by Regent Moore.

Vice Chair Portnoy indicated he was abstaining from voting on the program proposals, agenda items VI.A.1. to VI.A.5 because he regards these actions as beyond the scope of the board's purview and expertise.

The motion was put to a vote and carried unanimously, with the exception of Regent Portnoy abstaining from agenda items VI.A.1. to VI.A.5.

B. Approval of Donor Recognition Naming of the Mamoru and Aiko Takitani Innovation Center at the Culinary Institute of the Pacific at Diamond Head

VP Morton and VP/UHF CEO Dolan requested the regents approve the naming of the new Innovation Center at the Culinary Institute of the Pacific (Culinary Institute) at Diamond Head in honor of Mamoru and Aiko Takitani in recognition of a new $2.5 million gift from the Mamoru and Aiko Takitani Foundation (Takitani Foundation), Inc. that follows prior gifts for the Culinary Institute comprising $1.1 million. VP Morton explained that the Legislature approved up to $10 million in funding if UH could provide matching funds. The Takitani Foundation’s cumulative $3.6 million donation helps UH provide matching funds and is the largest local, private gift to the Culinary Institute. VP/UHF CEO Dolan added that not having a pre-fixed naming policy is a sensible strategy because it allows greater flexibility in considering such propositions.

Regent Moore moved to approve the donor recognition, seconded by Regent Yuen, and the motion carried unanimously.

C. Discussion of University of Hawai‘i Administrative Costs: Comparison with Peers

VP Straney provided an overview of UH's administrative costs compared with peer institutions that included cost and comparison methodologies and the number of full-time equivalent (FTE) administrators and staff per FTE students in peers as identified by the Integrated Postsecondary Education Data System (IPEDS). He noted that overall, UH has significantly fewer FTE administrators per FTE students than peers. Regarding FTE staff per FTE students, the community colleges and UH Hilo are higher than peers mainly due to the decline in FTE students, and UHM and UHWO are much lower than peers.

VP Straney also presented the American Council of Trustees and Alumni (ACTA)'s cost analysis, ACTA recommended peer groups, and administrative cost/instructional cost ratios and administrative costs per FTE student for the four-year UH campuses. He noted that UH four-year campuses are spending much less on administrative cost
than instructional costs than comparison groups nationally. He noted that in 2012, there was a redefinition of how data was recorded, so the comparable data is only applicable from 2013 going forward. The administrative cost per FTE student for UH four-year campuses compares favorably to the comparison groups.

Regent Bal raised a question regarding UHWO costs exceeding the comparison groups in 2012 and 2013. VP Straney responded that the data definitions prior to 2013 were revised in IPEDS and improvements were made to internal reporting, so results prior to 2013 are considered a data anomaly.

Regent Sullivan noted the ACTA cost calculator for universities shows an increase at UHM from $500 per student to $2,000 per student between 2012 and 2013, and questioned the cause for the dramatic increase, whether the IPEDS classification for UHM was thorough, and whether the administrative costs accounted for executive/managerial (E/M) salaries. Pearl Imada Iboshi, Director of the Institutional Research and Analysis Office, explained that in 2012 administration underwent a process of clarifying institutional costs vs. educational and instructional costs. The clarification resulted in an increased share of administrative costs for UHM and a decreased cost for other campuses, as some costs were auxiliary costs that had been classified as administrative costs. The administrative costs include all institutional costs for things not directly related to instruction including E/M salaries for chancellors and deans.

Chair Putnam raised a question about how System administrative costs are attributed. VP Straney responded that UH follows ACTA’s approach of analyzing the campus. System costs are not included in any of the charts or the charts for the comparison campuses.

Regent Acoba inquired as to why these particular groups were chosen as the measure for the ratios. VP Straney explained that peer groups are the standard peer groups used in every analysis for the campuses. He was not sure why ACTA selected the comparison groups that they did. For example, ACTA considers UHH and UHWO peers even though one is a master’s level institution and the other a small baccalaureate institution. He added that he did not believe UH would fare worse if they used what we consider peers. Regent Acoba questioned whether the data was valid. VP Straney responded that another indicator would be comparing our administrative costs to the national median for comparable institutions. Director Iboshi reported that both ACTA and IPEDS have strong methodologies for selecting peers and their websites have extensive information on how peer groups are selected.

Regent McEnerney inquired whether any of the peer groups had system-level costs like UH. Director Iboshi responded that several institutions had system costs which, like UH, were reported separately to IPEDS. She noted that there is not a standard methodology addressing system costs among campuses within a system. Other institutions did not submit system costs to ACTA, so UH decided to leave system costs out. Regent McEnerney expressed concern that not including System information does not help address criticism from the Legislature about administrative costs.
Regent Acoba asked if doing our own analysis would provide a more accurate picture of costs. Director Iboshi responded that the numbers are very accurate starting from 2013.

Comments were made that the ACTA data showed UH campuses doing fairly well compared to peers, but illustrates that college is becoming more expensive despite efforts to contain costs. It was noted that there are increasing requirements and unfunded mandates imposed on universities that entail additional administrative costs.

Chair Putnam suggested it would be helpful to review this information periodically.

The board went into recess at 12:22 p.m. The meeting reconvened at 12:33 p.m. Quorum was maintained.

D. Approval of Phase 1 of the University of Hawai‘i at Mānoa Reorganization Proposal and Associated Implementation Actions: (Deferred from February 2019)

1. Reorganization proposal including updated functional statements and organization charts
2. Amendments to RP 2.202, Duties of the President
3. Amendments to RP 2.201, Officers of the University of Hawai‘i
4. Amendments to Class Specification for President
5. Establishment of Class Specification for Provost with Assignment to the SM-5 Salary Schedule

President Lassner explained that item was on the agenda from the February board meeting, which was held on Maui. Administration had requested the item be deferred until it could be discussed at a meeting on O‘ahu and used that time to continue discussions with the UHMFSEC and UHM administration. The UHMFS is continuing to work with administration on improving the quality of the proposal even though the UHMFS is opposed to proceeding. As a result, this version of the proposal includes edits to the functional statements.

President Lassner requested that if the board takes action on the proposal that the effective date be changed to April 1, 2019, instead of March 1, 2019, and that administration be given the ability to make additional editorial changes. He noted that concerns raised by the UHMFSEC today related to the reporting line for the chief business officer and the functional statement for that office will be addressed in Phase 2, but the current VC for Administration, Finance and Operations will continue in the current form. He indicated that while he understands and respects the perspective that the entire reorganization should wait until Phase 2 is completed, both he and the design team share the view that the approval of Phase 1 will provide a strong foundation for moving ahead with Phase 2, and solidifies the an interim arrangement that has been in place for 2.5 years. He thanked the design team for their work, and the mini design groups, UHMFS, and UHMFSEC for their input.

Regent Kudo raised questions regarding the number of phases comprising the reorganization, and whether administrative costs will decrease as a result of the
reorganization. He also suggested that an outline of the details of each phase and the
goals and objectives be developed to address uncertainty and allay concerns up front.
President Lassner explained that there are two major phases: Phase 1 addressing the
senior level leadership for the campus, and Phase 2 could be executed in 3 separate
pieces or altogether, which he will be discussing with the UHMFS. Phase 2 involves the
creation of the offices that would report directly to the President and Provost, and is
dependent on the approval of Phase 1. The purposes and functions have been
generally laid out at the conceptual level that the board approved in November 2018.
The plan for Phase 2 is to establish design teams to develop proposals for each of the
affected offices. There will be no increase in administrative costs or
executive/managerial employees as a result of the reorganization. The goal is to put
individuals into functions that directly impact faculty and student success, and
educational excellence.

Regent Acopan noted that testimony provided and through actions taken by the
Legislature that there is a lack of faith in the university and administration due largely to
the perceived lack of transparency and ineffective and inefficient communication.
Without getting a general sense of the overall plan, it is hard to make a determination
that the plan will not result in additional costs. President Lassner explained that the
entire reorganization plan was discussed when the board approved the conceptual plan
in November 2018, which was prior to the new regents joining the board. The purposes
of each part of the vice provosts offices are included elements in the Phase 2 plan.
Costs cannot be increased because there is no additional funding available, and no
additional E/M position counts to be distributed.

Vice Chair Portnoy reiterated that he has been opposed to combining the president
and chancellor positions since the last UHM chancellor search was aborted. He does
not have the expertise or knowledge to comment on the implementation or substance,
but remains opposed to the plan because he feels it not good for the System or UHM
and goes against the recommendation of the Western Interstate Commission for Higher
Education (WICHE) to keep the positions separate.

Regent Sullivan shared that there have been four UHM chancellors since she has
been on the board, and that an institution as big and important as UHM needs
consistent leadership which it has not been able to maintain since the position was split
in 1972. She feels there are functionalities that are conflicting between UHM and
System, and the president is the only individual who can fix that because the problem is
too complex and the silos run too deep. The president has been acting UHM chancellor
for the past two years and in November 2018 the board approved this reorganization in
concept. Regent Sullivan further elaborated that faculty concerns should be taken
seriously and that both regents and administration could improve communication. She
expressed her support for faculty and students and her hope that they understand that
the board is trying to do what is best for the university. She added that the action memo
was confusing because the attachments appear to be part of Phase 2 of the
reorganization proposal.

Regent Sullivan made a motion that the board approve recombining the positions of
UH President and UHM Chancellor and establishing a new Provost position that will
serve as chief academic officer of UHM and full deputy to the campus CEO as well as an Officer of the UH System, and put approval of the associated implementation actions listed in the action memo on hold to allow administration to work with the faculty and other constituents and come back to the board with Phase 2 within a reasonable time frame. Regent Higaki seconded the motion.

President Lassner explained that the associated implementation actions are the technical steps required by the university in order to recombine the positions and establish a new provost position.

Chair Putnam asked if the attached organization charts represented the current organization charts and do not reflect anything that might result in Phase 2. President Lassner confirmed that was correct, with the exception of the recombined position and new provost position.

Regent Sullivan expressed concern about the number of organization charts that were attached to the memo, but noted she did not have any objection to anything that is consistent with the motion. President Lassner clarified that the attached organization charts were attached to map the current structure to the proposed Phase 1, and there were no Phase 2 organization charts yet. Phase 2 will impact the organization charts, so the attached charts should be considered interim charts.

Regent Yuen asked administration what would be considered a reasonable timeframe to come back to the board regarding Phase 2. President Lassner explained that some parts of the Phase 2 reorganization are harder than others, and suggested monthly progress reports to the board. Regent Sullivan suggested that a schedule be communicated to the campus so they know what to expect. President Lassner agreed to work on it.

There was discussion regarding the approval of the associated implementation actions that were not part of the current motion. Regent Sullivan clarified her motion to include anything necessary to implement Phase 1 and changing the effective date to April 1, 2019, with the understanding that the organization charts are interim and monthly progress reports will be provided to the board. Vice Chair Higaki agreed.

Regent Moore added that we should not delay matters but also not rush things through. We are lacking trust, which has contributed to problems with the Legislature. Based on his experience with President Lassner for more than five years, he merits our trust and has been responsive to faculty input. While he understands the faculty’s desire to know what the entire reorganization looks like, the board’s responsibility is to approve the organization from the president and his direct reports, and nothing beyond. The board needs to have sufficient faith that the president will be attentive to the details.

Regent Acoba noted that there is a constitutional mandate that regents have responsibility over the internal structure of the university, which is not limited to the president and direct reports. He cited a 2015 WICHE study that recommended that the president and chancellor positions remain separate, and reminded the board that in August 2015, the president requested and the board affirmed keeping the positions separate. He further elaborated on the history of the organizational changes within the
university between 2016 and 2017, and noted the failure to start a search for a UHM chancellor despite the reaffirmation of keeping the positions separate.

Regent Acoba cited a conflict between a February 2017 board resolution in support of the president continuing in his dual capacity and revisiting how to fill the position of chancellor in two years, and a subsequent conflicting board resolution proposed and adopted in March 2018 which stated that the board would consider the president’s proposal to re-consolidate the president and chancellor positions, before the two years mentioned in the February 2017 resolution was even up, and then in November 2017 the board approved reorganization in concept. He challenged the argument that changes in chancellors were a sign of instability, and noted that the university did not appear unstable during the tenures of Presidents Matsuda, McClain, and Cleveland, even though there were multiple chancellors during that time. He further expressed that people leave for different reasons and that the stability of the university is represented by the president.

Regent Acoba concluded that it is in the best interest of the university to follow the WICHE recommendation to keep the positions separate and that the proposed structure makes it difficult to assign accountability and responsibility. He added that thought needs to be given towards a long-term structure that is not based on the individuals currently in place as they may not be here tomorrow.

Regent Nahale-a appreciated the background and perspectives provided, but agreed the action memo was confusing as to what was driving the change. Although he initially did not think it was a good idea to consolidate the positions, he agreed with the logic behind the proposal. He noted that the issue needs to be settled and that although this is not an easy path for the president, it is at his request. He further noted that the role of the regents is to hold individuals accountable for their roles and less about design. Regent Nahale-a expressed his cautious support of the proposal and that the board needs to restore confidence in the system and address fears. He added that it will be a distraction if the board does not take action on the proposal.

President Lassner explained that this proposal originated organically from the design team and stemmed from the belief that a provost was needed to pull the academic mission into coherence. They were unable to identify a research university that doesn’t have a provost. About one year ago, a design team member suggested that if there is a provost and president then the job of chancellor may be unsustainable given the remaining complexities of the organization, where things were moving to consolidated administrative functions to reduce costs based upon directive by the board. Given all of these things combined with the political climate, the chancellor position would not be easy to fill.

Vice Chair Higaki explained that understanding the circumstances and discussions that have taken place, he was not sure that WICHE would not say today that we couldn’t proceed with this reorganization proposal. He expressed confidence in President Lassner in executing the proposal and that he will be supporting it primarily for that reason. He appreciates the views of others, but indicated that we do not live in a vacuum and the board is in a position to move in this path with the right person.
Regent Yuen explained that he previously had reservations regarding transparency, and issues brought up by UHPA and the UHMFS. However, with this motion, administration has time to address the issues and concerns. He indicated that the regents need to move forward and he will be voting in favor of the proposal.

Vice Chair Portnoy expressed his opinion that the proposal arose out of the failed chancellor search and the idea of a provost came up a few months ago. President Lassner responded that the design team came up with the provost idea near the end of 2017, and began actively discussing it in early 2018. If a chancellor had been hired then that individual would have been responsible for the reorganization.

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

E. Approval of Revisions to Regents Policy 2.203, Policy on Evaluation of the President (to be renamed, Policy on Evaluation on the President and Other Direct Reports to the Board)

Chair Putnam explained that there are three positions that the board appoints and evaluates: the president, the director of internal audit, and the board secretary.

Regent Bal moved to approve the revisions to RP 2.203, Policy on evaluation of the President and Other Direct Reports to the Board, seconded by Regent Moore.

Regent Acoba suggested the phrasing, “persons directly reporting to the board” instead of “direct reports to the board.”

Regent Bal explained that the term “direct report” is acknowledged and understood to be those individuals reporting directly to a supervisor.

Regent Bal and Regent Moore agreed to amend the motion to change the phrasing to policy on evaluation of the president and other persons reporting directly to the board. The motion having been moved and seconded, the amended motion was put to a vote and carried unanimously.

G. Resolution on Senate Bill (S.B.) No. 919, Relating to the University of Hawai‘i Board of Regents

There were no objections to taking up agenda items VI.G. and VI.H. before VI.F., Legislative Update. Chair Putnam explained that the board has not taken a formal position on this legislation, although several regents submitted testimony. Some regents have had strong concerns over various aspects of this legislation, and recent events have raised the level of concern about protecting the university’s autonomy. She noted there is a difference of opinion on the number of regents.

Vice Chair Portnoy was pleased to see an attempt for the board to take a stand, but he did not think the resolution is strong enough. He feels the board has been remiss in not taking an active, aggressive stance against this legislation and the other events that
have occurred in recent weeks that are an attack on the university’s autonomy. He noted that he raised the question of autonomy with the House Judiciary Committee. He agreed that the number of regents is up for discussion, but the rest of the bill is questionable, specifically the part that orders the regents to take action against the president if he does something that leads to additional costs to the university. He added that there needs to be a two-way conversation between the board and the Legislature. He expressed that the resolution make reference to the constitution and autonomy.

Regent Moore noted that Article X, Section 6, of the Hawai‘i State Constitution states that, “the board shall have the power to formulate policy, and to exercise control over the university through its executive officer, the president of the university, who shall be appointed by the board. The board shall also have exclusive jurisdiction over the internal structure, management, and operation of the university. This section shall not limit the power of the legislature to enact laws of statewide concern. The legislature shall have the exclusive jurisdiction to identify laws of statewide concern.” He expressed that the board has as much autonomy as authorized by the Legislature and does not have absolute autonomy, and that standing on the constitution was not in the board’s best interest.

Regent Kudo explained that he was not in favor of the resolution because it was not an appropriate political strategy. He reminded the board that autonomy is given and taken by the Legislature. He noted that opposition to the bill is already on record and this resolution may not be well received. Regent Kudo indicated he would be voting against the resolution because it was not an appropriate or effective political strategy. He added that every year is different at the Legislature in terms of leadership, issues, and priorities, so better communication between regents and the Legislature is appropriate.

Regent Yuen agreed with Regent Kudo.

Regent Acoba indicated that the regents should take a stand because the argument could be made that the board doesn’t care. He noted that the fact that the Legislature can override the board’s autonomy does not mean the board does not have autonomy. He suggested the language of the resolution mention that the constitution provides for the board’s autonomy subject to the Legislature’s right to adopt laws. He felt the third WHEREAS clause relating to the number of members on public education boards across the nation undercut the board’s position and should be deleted and suggested that language be added that says 15 members of the board are beneficial to conduct business of the board.

Regent Acopan indicated that the regents have been viewed as inactive and it has been noticed that the regents have not taken a position on this bill.

Vice Chair Higaki noted that no testimony is accepted during conference and asked procedurally where the resolution would go if adopted. Chair Putnam noted that the copies of the resolution would be transmitted to the Governor, President of the Senate, Speaker of the House, Chair of the Senate Committee on Higher Education, and Chair of the House Committee on Lower and Higher Education.
Vice Chair Portnoy felt that Regent Kudo’s plan for regent engagement with the Legislature several years ago was good, but it does not appear that the relationship with the Legislature has improved. He expressed his belief that the board should share its position with the Legislature.

Chair Putnam mused that there should have been a discussion on this bill earlier in the session. This is the only opportunity for regents to act as a group.

Regent Westerman agreed that it is late in the session and it could potentially agitate the Legislature, but also agreed that the board needs to stand together as a group. He reiterated a suggestion from a previous board meeting that the board allow the chair to act on behalf of the board. He expressed concern with how the Legislature perceives the board and the need to make the board’s position and goals clear to faculty and others.

Regent Nahale-a expressed his belief that the resolution is too little too late. He would support the resolution if it comes to a vote, and thought the resolution was well-written and the direction the board should take in the future.

Chair Putnam expressed concern about legislators weighing in on faculty workload, which is a deeply involved process that they may not understand and may result in legislation that might harm the university. That issue is not addressed in this resolution, but it might be a good idea to stand up and say we want to defend the university.

The motion was put to a vote and carried, with Regent Kudo, Regent Sullivan, and Regent Wilson voting no.

Regent Acoba requested the third WHEREAS paragraph be deleted, and language be added that says 15 members of the board are beneficial to conduct business of the board. There were no objections.

H. S.B. No. 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 Hawai‘i

Chair Putnam explained that this bill proposes amending the Constitution to eliminate the Candidate Advisory Council. Administration has not taken a position on this bill, and Regent Moore provided individual testimony in opposition. She asked if the board wanted to take a position on this.

Regent Acoba indicated that the proposed amendment would not be good. The Council is modeled on the Judicial Selection Commission procedure, and aims to get well-qualified individuals to make the nominations.

There was not a strong sentiment from the regents to take a stand on this legislation and no action was taken.

Regent Nahale-a left at 2:10 p.m. Quorum was maintained.

F. Legislative Update
VP Young provided an update on select measures and priority issues that UH is following at the Legislature. The budget bill has been sent to the Governor for his consideration about five weeks earlier than usual. He noted that capital budget is in separate legislation and not begun the Conference process yet.

Changes to the university budget as passed by the Legislature are minimal. Of note is a $2 million cut in existing base-funding for performance funding which has been reduced to only the first fiscal year of the biennium. A reduction of one FTE and $91,584 from UHM is the only remnant of the originally proposed reduction in positions by the Senate. This position is vacant and impact should be minimal except for the loss in general funds. There were also vacancy reductions totaling 42.75 FTEs systemwide.

Of the original board-approved budget request for additional funding, only the student mentors and tutors for the community colleges and custodial and maintenance personnel for UHH were partially funded by the Legislature.

There were a number of legislative add-ons as noted on slide 3 of the legislature update.

With about a month left in the legislative session, administration is focused on $2.7 million in athletics funding for UHM and $300,000 for UHH (both of which are in the current year’s budget as non-recurring funding, but is also not included in the budget passed by the Legislature for the next biennium), and funding for Hawai’i Promise, which does not appear to be in the budget (but is provided for in separate bills scheduled for conference).

Regarding capital improvement project (CIP) funding, UH originally requested $295 million in FY 20 and $319 million in FY 21, and the Senate draft provides $141 million in FY 20 and $96.5 million in FY 21. However, most of the funding was for items not requested by UH.

**VII. EXECUTIVE SESSION (closed to the public)**

Upon motion by Regent Wilson, seconded by Regent Tagorda, 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), Hawai’i Revised Statutes.

The meeting recessed at 2:38 p.m. and reconvened at 2:59 p.m.

Chair Putnam noted that the board went into executive session to discuss personnel matters as indicated on the agenda.

**VIII. AGENDA ITEMS (cont.)**

**A. Personnel Actions (A-1 for Approval)**

Regent Moore moved to approve the personnel action on Attachment A-1 related to reassigning Michael Bruno as UHM Provost, seconded by Regent Westerman, and the motion carried unanimously with Regent Nahale-a excused.
Regent Bal moved to approve the personnel action on Attachment A-1 related to extending the contract for David Matlin as UHM Athletic Director, seconded by Regent Higaki, and the motion carried unanimously with the exception of Regent Kudo voting no because of the precedent it would set and not because of AD Matlin, Regent Moore and Regent Wilson voting against, and Regent Nahale-a excused.

Regent Moore moved to approve the personnel action on Attachment A-1 related to granting Affiliate Graduate Faculty Emeritus status to Dr. Morris Lai, seconded by Regent Tagorda, and the motion carried unanimously with Regent Nahale-a excused.

IX. ANNOUNCEMENTS

Chair Putnam announced the next board meeting is scheduled for April 18, 2019, at Leeward Community College.

X. ADJOURNMENT

There being no further business, Vice Chair Higaki moved to adjourn, and Regent Sullivan seconded, and with unanimous approval, the meeting was adjourned at 3:02 p.m.

Respectfully Submitted,

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

Report of the President

NO MATERIALS

ORAL REPORT
Item IV.

Report of the President - WinCC Chancellor & Faculty Senate Reports

MATERIALS
Aloha in Action: Engage, Support, Excel

Ardis Eschenberg, Ph.D., Chancellor
Windward Community College Campus Report
University of Hawai‘i Board of Regents
May 16, 2019
He pūnāwai kahe wale ke aloha.
Aloha is a spring that flows freely.
Serving and supporting with aloha
Aloha in Action: Engage

Early College High School: Prepare and Implement Success

• 429 students
• 94% success rate
• 3.4 average GPA

• New Student Orientations
• Scholarships
• 25-30% transfer to WCC upon graduation
Aloha in Action: Support

Pathway Learning Communities
• First-time, full-time schedule
• Learning Community:
  – Introduction to College
  – Career pathway course
• Math & English

Supplemental Instruction
• 24% higher success rate
• 1.4 point higher final course grade
Aloha in Action: Support

Childcare
• Kids at College
• Campus Childcare Center

Aloha Bar
• Information at peak times, places

Hawaii Nutrition, Employment & Training
• Scholarships, food & childcare subsidies

Food Pantry
• Addresses food insecurity at campus

Financial Aid
• Essay help, outreach
Aloha in Action: Excel

Study Abroad
“While on this program, I auditioned and was accepted into London’s East 15 Acting and Stage Combat BA Honors program. Getting a taste of what my upcoming year will entail was invaluable.”
– Brandon DiPaola

Project Imua
“I might become an astronaut. I’ve always kind of wanted to become an astronaut since I was a kid, and watching this rocket fly, I’m kind of finding confidence in myself that it’s possible.”
– Leomana Turalde
Outcomes that Reflect Aloha

Enrollment to Degree Gap
Native Hawaiian: 2.1  PELL: 1.3

150% Graduation Rate
24.8%
Native Hawaiian: 20.5%     PELL: 24.5%

IPEDS 150% Success Rate
42.1%
Next Challenges

• Fall to Fall Persistence

• First-Time, Part-Time Graduation Rate (6-yr)

• Native Hawaiian Grade Point Average
Accreditation Aloha
Four commendations (no adverse findings)

1. Embracing Native Hawaiian culture

2. Partnerships with private sector, programs targeting the adult learner

3. Transparent budget & planning processes

4. Strong student focus and support for Native Hawaiians, first generation, and student parents
Faculty Senate:
WCC Landscaping Plan

Christian Palmer, Ph.D., Anthropology Instructor
Faculty Senate Report
WCC Landscaping Plan

- Significant landscape changes
- Ongoing conversations
- Ethnographic research and survey
  - Increase native and canoe plants on campus
  - Plants support the mission of WCC

‘O ka hā‘ule nehe a nā lau lā‘au, he hāwanawana ia i ka po‘e ola.
(The silent falling of the leaves of the trees is a whisper to the living.)
Creating the Landscaping Plan

• Collaborative process
• Campus teachings gardens
  – Botany Garden
  – Sustainable Agriculture
  – Hawaiian Studies Mala
  – Nursing Garden
  – Agripharmatech
  – Wood Carving
• Governing committee discussion
  – Sustainability Committee
  – Aesthetics Committee
  – Master Planning & Space Allocation Committee
Implementing the Landscaping Plan

- Identify key areas in and around buildings
- Campus beautification days
- Develop a plant map to document botanical resources
  - Partner with UH Mānoa Arboretum
- Create proposals for funding to implement the plan
He pūnāwai kahe wale ke aloha.

Aloha is a spring that flows freely.

Serving and supporting with aloha
Mahalo nui loa!
Testimony: None.

Agenda Items:

A. Fiscal Year (FY) 2019 Third Quarter UBS Legacy Endowment Fund Investment Performance Report

Kyle Yoneshige and Lori Hamano from UBS provided a report on the investment performance of the Legacy Endowment Fund for the 3rd quarter of the fiscal year ending March 31, 2019. The financial performance is about on par with the fund’s benchmarks. Discussion occurred in response to previously raised concerns regarding benchmarks and the fossil fuel-free mandate. The committee engaged in discussion on the rate of return compared to withdrawals and considerations for long-term growth.

B. Update on Investments Task Group

The Task Group has not yet met, in part due to busy student schedules, and there is nothing yet to report.

C. FY 2019 Third Quarter Financial Report

VP Young provided a 3rd quarter financial report and noted that overall we are doing better than projected. Overall revenues were $515,720, or 0.05%, lower than projections and expenditures were $44.1 million, or 5.5%, lower than projections. Although there was general fund revenue growth, much of it can be attributed to collective bargaining. Many of the variances were a result of timing issues. VP Young cautioned that revenues will likely decrease in the 4th quarter, but noted that expenditures have been significantly managed.

D. Response from Administration on Discussion on RP 8.204, University Budget (Operating and Capital Improvements)

At the last committee meeting, Administration was requested to review and report back on the possibility of creating a dashboard of metrics, whether financial management best practices are being followed, and whether the budget is comprehensive. VP Young explained the history and evolution of RP 8.204 and progress that has been made. Suggestions were made that the policy could be enhanced through a greater focus on strategic budgeting, performance metrics, and value-added processes satisfactory to Administration and the Board.

E. Committee Annual Review

A matrix was provided that described the committees work plan and activities for FY 2018-2019 and how and when they were satisfied over the course of the year. There was no discussion by the committee on this item.
Summary of May 2, 2019 Meeting

Minutes: December 19, 2018, and January 17, 2019, minutes approved.

Testimony: None.

Agenda Items:

A. Approval of Annual Review of Committee Charter

The committee reviewed the Committee on Independent Audit charter as provided in the bylaws and Section 304A-321, Hawai‘i Revised Statutes (HRS).

Action: The committee approved the charter for the coming year.

B. Approval of Proposed Internal Audit Work Plan for 2019-2020

Internal Auditor Shizumura provided an overview of the draft Internal Audit Work Plan for 2019-2020, which was developed in consultation with administration. He asked for feedback on whether the work plan should include requests by the Senate through single-chamber resolutions. Agencies generally respond only to resolutions that are adopted by the full Legislature. Questions were raised as to whether there was enough capacity to complete the proposed work plan. Director Shizumura anticipates being able to make some progress on all of the items by this time next year. The committee asked for regular progress reports in the upcoming year.


C. Acceptance of the Draft Committee on Independent Audit Annual Report to the Board

The committee reviewed the annual report to the Board prepared by the Internal Auditor pursuant to Section 304A-321, HRS.

Action: The committee accepted the annual draft report. The draft annual report will be shared with the board.

D. Review and Acceptance of the Office of Internal Audit (OIA) Report on its Review of the University of Hawai‘i Sodexo Food Service Contracts

The committee reviewed the audit reports for the UH Sodexo food services contracts. Minimal and insignificant instances of Sodexo noncompliance were noted. There was discussion on the inconsistency of contracts between campuses and departments and suggestions were made that these inconsistencies be reviewed.

Action: The committee accepted the report.

E. Review and Acceptance of the OIA Report on its Review of the University of Hawai‘i Cash Receipts Process

The committee reviewed the report on the review of the UH cash receipts process.

Action: The committee accepted the report and management’s response.

F. Follow-Up Report on the Evaluation of the Status of Corrective Action Related to Travel Policy Compliance and Employee Cell Phone Charges Audit Reports
The committee reviewed the follow-up report on the evaluation of the status of corrective action related to travel policy compliance and employee cell phone charge audit reports.

G. Follow-Up Report on the Evaluation of the Status of Corrective Action Related to the University of Hawai‘i at Mānoa Athletics Department Equipment and Apparel and Commuter Services Audit Reports

The committee reviewed a follow-up report on the evaluation of the status of corrective action related to UHM Athletics Department Equipment and Apparel and Commuter Services audit reports. Discussion occurred with regard to Commuter Services and progress made to reduce the collections backlog, which has been partially addressed. The committee requested the Internal Auditor to update the status of the report.

H. Whistleblower Report (Deferred from January 17, 2019)

The committee reviewed the latest whistleblower report showing completes to date and status, and a summary of the types of complaints.

I. FY 2018 Whistleblower Hotline Annual Report (Deferred from January 17, 2019)

VP Gouveia presented the Whistleblower Hotline Annual Report. A question was raised as to whether there was consideration for hiring an Ombudsman, and President Lassner responded that there may be plans in Phase 2 of the UHM reorganization plan.

J. Whistleblower Reports Involving the President/Regent Policy 2.205, Policy on Whistleblowing and Retaliation (Deferred from January 17, 2019)

The committee discussed possible changes to RP 2.205 to include provisions for the handling of whistleblower complaints against the President.

K. Committee Annual Review

The committee reviewed the Annual Review for the 2018-2019 Academic Year showing the committee duties per bylaws, and the 2018-2019 committee goals and objectives and accomplishments. The Committee Chair requested that committee members provide additional feedback to the Board Secretary.
Testimony: None.

Agenda Items:

A. Annual Report on Sustainability at the University of Hawai‘i

The committee received an annual report on sustainability across the UH campuses. The report included concerns about climate change among students by colleges, the incorporation of sustainability into curriculum, growth, and growth in interest for the Kapi‘olani Community College Sustainability minor. The committee also received a net-zero update showing consumption and production by campus, current and future photovoltaic projects, and green tariff update.

B. Atherton YMCA Project Status Update (Deferred from April 4, 2019)

VP Young provided an update on the Atherton YMCA project that included historical information, current status, and next milestones. A developer has been selected and administration expects to have an exclusive negotiation agreement in place by the end of May, with design-build kick-off in June 2019. The committee requested a presentation on how innovation centers have been used at other initiatives to boost enrollment.

C. Waialee Livestock Research Station Property Transfer Status Update (Deferred from April 4, 2019)

VP Young provided a status update on the transfer of the Waialee Livestock Research Station to the Agriculture Development Corporation (ADC). Trespass enforcement efforts continue, and administration hopes to have ADC accept transfer of the property or to begin evaluating other alternatives by the end of June 2019 before the legislative appropriation lapses.

D. Kaua‘i Tropical Fruit Disinfestation Facility Property Transfer Status Update (Deferred from April 4, 2019)

VP Young provided a status update on the transfer of the Kaua‘i Tropical Fruit Disinfestation Facility to the Department of Transportation (DOT). Negotiations to transfer the property continue with the DOT Airports Division, with the goal of executing a quitclaim deed in early 2020.

E. Fiscal Year 2019 Third Quarter Capital Improvement Project Status Report as of March 31, 2019

VP Gouveia provided an update for the third quarter of fiscal year 2019 on construction projects over $5 million and design projects over $1 million. She noted there is a $15 million change order not reflected in the report for the UHM Life Sciences building to invest in efficiencies in the front-end to better support researchers and building operations.

F. Committee Annual Review

The committee reviewed its duties pursuant to board bylaws, the 2018-2019 committee goals and objectives, and accomplishments. It was noted that the committee met all duties, goals and objectives, and commended the committee for their dedicated efforts. VP Gouveia and her team were acknowledged for their efforts, and the progress made with the procurement process and contract awards.
Item V.D.
Affiliate Reports

NO MATERIALS
ORAL REPORTS
MEMORANDUM

TO: Lee Putnam
   Chairperson, Board of Regents

VIA: David Lassne
     President

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

SUBJECT: Request to Approve University of Hawai'i Tuition Schedule, Academic Year (AY) 2020-2021 Through AY 2022-2023

I. SPECIFIC ACTION RECOMMENDED:

   It is recommended that the Board of Regents approve the following tuition schedules for 2020-21 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 2020.

III. PURPOSE

   The current tuition schedule (2016-17 through 2019-20) remains in effect through Spring 2020. Board of Regents action is required to establish the rates for the subsequent years.
The University administration proposes to maintain 2019-20 rates for the next three years for all rate categories except graduate education at UH Mānoa. Resident graduate tuition at UH Mānoa is proposed to be reduced by 2% in 2020-21 and remain constant for 2021-22 and 2022-23. Non-resident graduate tuition at UH Mānoa is proposed to be reduced by 10% in 2020-21 and remain constant for the subsequent two years.

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 UHCCs, 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 UH Mānoa graduate students, where rates have risen far above our peers, are proposed to improve our competitiveness and attractiveness.

By approving the proposed tuition schedule, the administration is hopeful for a positive impact as students can prepare for their education both academically and financially.

IV. BACKGROUND INFORMATION

A. OVERVIEW

As set forth in HRS 92-28 and 304-4.4, 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'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. May 2019  BOR considers request to approve schedule
4. June 2019  Filing with Lt. Governor (if approved)
5. June 2019  New rates go into effect (if approved)
C. PROPOSAL: DESCRIPTION OF SCHEDULES (See Attachment 1)

The administration proposes the following tuition actions:

1. Maintain 2019-20 tuition rates for the next three years for all rate categories except graduate education at UH Mānoa.

2. UH Mānoa resident graduate students: Reduce tuition by 2% in 2020-21 and remain constant for 2021-22 and 2022-23.

3. UH Mānoa non-resident graduate students: Reduce tuition by 10% in 2020-21 and remain constant for 2021-22 and 2022-23.

4. 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 2020-21 through 2022-23 as provided in Attachment 1.

Attachments
1. Proposed Tuition Schedule

ccd: Kendra Oishi, Executive Administrator and Secretary to the BOR
## PER-CREDIT-HOUR AND FULL-TIME SEMESTER TUITION SCHEDULE, ALL CAMPUSES

<table>
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</thead>
<tbody>
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<td></td>
<td>Resident</td>
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<td>Nonresident</td>
</tr>
<tr>
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<tr>
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<td>5,652</td>
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<td>16,668</td>
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<tr>
<td>Graduate</td>
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<td>7,956</td>
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<tr>
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<td>306</td>
<td>3,672</td>
<td>846</td>
<td>10,152</td>
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<tr>
<td>Graduate</td>
<td>489</td>
<td>5,868</td>
<td>1,107</td>
<td>13,284</td>
</tr>
<tr>
<td>UH WEST O'AHU²</td>
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<td>306</td>
<td>3,672</td>
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<td>10,152</td>
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<tr>
<td>Graduate</td>
<td>489</td>
<td>5,868</td>
<td>1,107</td>
<td>13,284</td>
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<tr>
<td>UH COMMUNITY COLLEGES²</td>
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<td>345</td>
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<td>306</td>
<td>NA</td>
<td>846</td>
<td>NA</td>
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</tbody>
</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 at UHM, UHH, and UHWO. At the Community Colleges (except for 300 Level and Above classes at Maui College as specified in footnote 4), 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.

⁴ Full-time (FT) tuition applies to students enrolling for 12 or more credits at Maui College's four-year degree programs.

2020-21 to 2022-23 approved by the Board of Regents on May 16, 2019.
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<td>887</td>
<td>10,644</td>
<td>1,598</td>
<td>19,176</td>
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<td>10,644</td>
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<td>35,664</td>
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<td>UH HILÖ²</td>
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<td>1,004</td>
<td>12,048</td>
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<td>1,004</td>
<td>12,048</td>
<td>1,710</td>
<td>20,520</td>
<td></td>
</tr>
</tbody>
</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 May 16, 2019.
### University of Hawai'i Tuition

**PROFESSIONAL FEES\(^1\), PER STUDENT, PER SEMESTER**

<table>
<thead>
<tr>
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<td><strong>UH MĀNOA</strong></td>
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<tr>
<td>Undergraduate Business</td>
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<td>Undergraduate/Graduate Architecture (^3)</td>
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<td><strong>UH HILO</strong></td>
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<td></td>
</tr>
<tr>
<td>Undergraduate Nursing</td>
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<td>$500</td>
<td>$500</td>
<td>$500</td>
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<td><strong>UH COMMUNITY COLLEGES</strong></td>
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<td>Undergraduate Culinary Programs (^5)</td>
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<td>up to $250</td>
<td>up to $250</td>
<td>up to $250</td>
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<tr>
<td>Undergraduate Veterinary Program (^6)</td>
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<td>$100/$300</td>
<td>$100/$300</td>
<td>$100/$300</td>
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<tr>
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<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>
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<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.

2020-21 to 2022-23 approved by the Board of Regents on May 16, 2019.
## University of Hawaiʻi Tuition

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

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<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Nonresident</td>
<td>Resident</td>
<td>Nonresident</td>
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<td><strong>UH MĀNOA OUTREACH COLLEGE</strong>¹</td>
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<td>471</td>
<td>1,389</td>
<td>471</td>
<td>1,389</td>
</tr>
<tr>
<td>Graduate</td>
<td>663</td>
<td>1,558</td>
<td>650</td>
<td>1,402</td>
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<tr>
<td>Graduate Business³</td>
<td>887</td>
<td>1,598</td>
<td>887</td>
<td>1,598</td>
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<tr>
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<td>1,595</td>
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</tr>
<tr>
<td>LLM</td>
<td>1,209</td>
<td>1,209</td>
<td>1,209</td>
<td>1,209</td>
</tr>
</tbody>
</table>

| **UH HILO CCECS¹**   |           |            |           |            |           |            |           |            |
| Undergraduate        | 306       | 846        | 306       | 846        | 306       | 846        | 306       | 846        |
| Graduate             | 489       | 1,107      | 489       | 1,107      | 489       | 1,107      | 489       | 1,107      |
| Graduate Nursing     | 797       | 1,574      | 797       | 1,574      | 797       | 1,574      | 797       | 1,574      |

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.

2020-21 to 2022-23 approved by the Board of Regents on May 16, 2019.
### University of Hawai'i Tuition

**APPRENTICE AND JOURNEY WORKER PER-CLOCK-HOUR TUITION SCHEDULE**

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<td>.50</td>
<td>.50</td>
<td>.50</td>
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2020-21 to 2022-23 approved by the Board of Regents on May 16, 2019.
University of Hawai‘i Tuition Schedule, Academic Year (AY) 2020-2021 through AY 2022-23

May 16, 2019
Systemwide Goals of Tuition Setting

• Affordability, particularly for residents
  • Tuition rates have increased steadily over the last ten years and are now higher than WICHE peer institutions
  • While UH matches or is better than peers on measures such as 1) tuition and fees over state median income, or 2) percentage of students taking loans, UH must be concerned about affordability and accessibility

• Competition, particularly for out-of-state graduate students at UHM
  • Tuition rates for graduate students at UHM are significantly higher than at peer institutions
  • Enrollments have dropped as tuition has increased
Summary of Tuition Proposal Made in January 2019

1. Undergraduate resident rates at 4-year campuses: Rescind the approved rate increase of 1% or 2% for 2019-20 and keep flat for the next 3 years (2020-21, 2021-22, 2022-23).

2. Non-resident undergraduate rate at 4-year campuses: Reduce the approved rate for 2019-20 by the corresponding reduction in the resident rate, and keep flat for the next 3 years.

3. UHH Graduate: Reduce resident and non-resident tuition by 1%.

4. UHM Graduate: Rescind the approved 2% increase in UHM resident graduate rate for 2019-20 and reduce the non-resident rate by 10% and keep flat for the next three years.

5. Professional programs at UHM: Remain flat for the next four years.

6. UHCC: Rescind approved rate increase for 2019-20 for residents and non-residents at the UHCCs and keep flat for the next three years.

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

8. Revise summer tuition schedule accordingly.

• Length of schedule: 3 years

• Undergraduate at all campuses: No change for 3 years

• Graduate at UHH and all Professional schools: No change for 3 years

• Graduate at UH Mānoa: 2% decrease for residents and 10% decrease for non-residents in 2020-21, no change for remaining 2 years

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

• Revise summer tuition schedule accordingly.

• Deep dive on enrollment, financial aid, and revenue projections in Fall 2019

• Continue to focus on enrollment management at campuses
Competitive Challenge:
Tuition rates for UHM graduate students are significantly higher than peers

UH Mānoa Resident Graduate Tuition and Fees (Academic Year)

Mānoa Res Current, $16,814

UH Mānoa Non-Resident Graduate Tuition and Fees (Academic Year)

Mānoa Non-Res Current, $38,294

Dashed line indicates projected value
Competitive Challenge: Enrollments of graduate students have declined at UHM in the past 5 years as tuition rates increased.

Enrollment of graduate students have declined by 11% for Residents and 19% for Non-Residents.

Excluding students exempt from full Non-Resident tuition or with a waiver, the declines are 12% and 32%, respectively.

Excluding Graduate JD, LLM, MBA, MD
Enrollment of graduate students have declined by 11% for Residents and 19% for Non-Residents.

Excluding students exempt from full Non-Resident tuition or with a waiver, the declines are 12% and 32%, respectively.
Graduate enrollment at Hilo has been trending upward for both Residents and Non-Residents.
Graduate enrollment at Hilo has been trending upward for both Residents and Non-Residents.

Graduate enrollment at Hilo has been trending upward for both Residents and Non-Residents.

Excluding Graduate PharmD
Dashed lines exclude students exempt from full non-resident tuition or who have a waiver.
Proposed rates by unit
Comparisons show that while Undergraduate Resident rates are higher than peers, maintaining the current level will bring it close to peers.

Proposal: Maintain the 2019-20 rate for length of schedule.
UH Mānoa Non-Resident Undergraduate Rate Proposal: Maintain the 2019-20 rate for length of schedule

Non-Resident Undergraduate tuition rates are higher than peers. Maintaining the rate at current levels will bring it close to peers.

Proposal: Maintain the 2019-2020 rate for length of schedule.
UH Mānoa Graduate Rate Proposal:
Reduce Resident tuition by 2% and maintain constant for length of schedule

Resident proposal: Reduce the approved 2019-2020 Graduate Resident rate by 2% and maintain for length of schedule.

Assumes future fees are constant. 2% and 10% reductions are off of the tuition amount. Dashed line indicates projected value.
UH Mānoa Graduate Rate Proposal:
Reduce Non-Resident tuition by 10%, and maintain constant for length of schedule

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

Proposal: Reduce the approved 2019-20 Non-Resident rate by 10% and maintain for length of schedule.

Assumes future fees are constant. 2% and 10% reductions are off of the tuition amount. Dashed line indicates projected value.
UH Hilo and UH West O‘ahu Resident Undergraduate Proposal: Maintain the 2019-20 rate for length of schedule

While UH Hilo and UH West O‘ahu have Undergraduate rates higher than WICHE peers, no growth for 2 years will narrow the gap.

Proposal: Maintain the 2019-20 rate for length of schedule.
UH Hilo and UH West O‘ahu Non-Resident Undergraduate Proposal: Maintain the 2019-20 rate for length of schedule

The Non-Resident Undergraduate rates are high relative to WICHE rates.

Proposal: Maintain the 2019-20 rate for length of schedule to close the gap.
UH Hilo Graduate Rate Proposal: Maintain the resident and non-resident 2019-20 rates for length of schedule

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

Proposal: Maintain the 2019-20 Resident and Non-Resident rates for length of schedule.

UH Community College tuition rates are close to WICHE peers for both Residents and Non-Residents.

Proposal:
Maintain the 2019-2020 rates for Residents and Non-Residents for length of schedule.

(UHCC) Proposal: Maintain the 2019-2020 Resident and Non-Resident rates for length of schedule

### Revenue Impact If Tuition Increased by 1% vs. No Increase

<table>
<thead>
<tr>
<th>Category</th>
<th>Revenue Increase if Tuition had Increased by 1%</th>
<th>Additional FTE Students Needed to Match Revenue Increase (Without 1% Increase)</th>
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<td>MAN Undergraduate Resident</td>
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<td>MAN Undergraduate Non-Resident</td>
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<td>HIL Graduate Resident</td>
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Based on Fall 2018 FTE enrollment levels.
Comparison: UH Mānoa Graduate Decreases

<table>
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<th>Category</th>
<th>Expected Decrease in Net Tuition Revenue</th>
<th>Additional FTE Students Needed To Offset Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAN Graduate Resident (2% Decrease in Tuition)</td>
<td>- $398,400</td>
<td>25</td>
</tr>
<tr>
<td>MAN Graduate Non-Resident (10% Decrease in Tuition)</td>
<td>- $2,834,200</td>
<td>76</td>
</tr>
</tbody>
</table>

Based on Fall 2018 FTE enrollment levels.
Mahalo
MEMORANDUM

TO: Lee Putnam
Chair, Board of Regents

VIA: David Lassner
President

VIA: John Morton
Vice President for Community Colleges

FROM: Helen A. Cox
Chancellor, Kaua‘i Community College

SUBJECT: REQUEST FOR APPROVAL TO NAME THE NEW HALE IMU BUILDING ON THE KAUA‘I COMMUNITY COLLEGE CAMPUS

SPECIFIC ACTION REQUESTED:

It is requested that the Board of Regents (BOR) approve the name "Ka Hale Imu a Kikuchi" for the new Hale Imu at Kaua‘i Community College (CC).

RECOMMENDED EFFECTIVE DATE:

Upon Board of Regents approval.

ADDITIONAL COST:

None.

PURPOSE:

Name the new Hale Imu at Kaua‘i Community College.

BACKGROUND:

BOR policies RP 11.03, Naming of Campus Improvements and Academic Programs, and EP 11.203, Naming of University Facilities and Academic Programs, state that the
Authority for the naming of buildings, facilities, roads, and academic programs of the campuses of the University of Hawai'i shall reside with the BOR.

Pursuant to established procedures, the proposed name was presented to and approved by the College Council on January 29, 2019.

Inspiration for the name came from the many achievements of former faculty member Dr. William Kenji "Pila" Kikuchi. Pila was a part of the world of archaeology and anthropology for almost 50 years. Active in research, publishing, education, and conservation, he was a mainstay in Hawaiian and Kaua'i archaeology. He was a professor of Anthropology and Archaeology at Kaua'i CC for 26 years, during which time he also maintained memberships and actively furthered the activities of: the Hawaiian Academy of Science, Kaua'i Chapter; the American Association for the Advancement of Science; seven national and international Archaeology Societies (including a founding member of the Pacific Association of Professional Archaeologists); the Hawaiian Historical Society; and the Society for Anthropology in Community Colleges. With his wife Delores, he led a Kaua'i CC group of students in the writing and publication of the newsletter *Archaeology on Kaua'i*, researching and spreading the stories of the famous sites of this island. For these activities, and his numerous publications, Pila received many, many awards.

Pila's interests were eclectic, to say the least. He studied geology, meteorology, Hawaiian aquaculture, the history of the various cultures who lived on Kaua'i, Japanese war planes and samurai, ghost stories... and food. Pila was often to be seen in the cafeteria during the lunch period, "helping" cafeteria workers and generally welcoming people and advising on the daily specials. A *hale imu* was a dream of Pila's (as was the reconstruction of a Portuguese bread oven rescued from Koloa), and it is because of this last dream project of his that we would like to name the Hale Imu after Pila: Ka Hale Imu a Kikuchi.

**ACTION RECOMMENDED:**

It is recommended that the BOR approve the name of Ka Hale Imu a Kikuchi for the new Imu Hale at Kaua'i CC.
Committee on Independent Audit of the Board of Regents

Annual Report
For the Fiscal Year Ended June 30, 2019

Office of Internal Audit: Audit Results for the fiscal year ended June 30, 2019

May 2019
Summary
This Annual Report is prepared pursuant to the provisions of Hawai‘i Revised Statutes (HRS) §304A-321, Independent Audit Committee. This June 30, 2019 Annual Report is organized by the following sections:

1. Committee on Independent Audit (Audit Committee) Charter
2. Audit Committee Membership
3. Audit Committee Meetings

The Audit Committee has fulfilled its responsibilities pursuant to the Bylaws of the Board of Regents of the University of Hawai‘i (BOR Bylaws) and HRS §304A-321. Collectively, BOR Bylaws (Article II.D.2.e) and HRS §304A-321 functions as the Audit Committee’s Charter. This Annual Report includes and is complemented and supported by the “Audit Results” report prepared by the University of Hawai‘i (University or UH) Office of Internal Audit (Internal Audit) that summarizes Internal Audit’s activities during the fiscal year ended June 30, 2019.

Committee on Independent Audit (Audit Committee) Charter
The duties and responsibilities of the Audit Committee are documented in its Audit Charter (collectively BOR Bylaws and HRS §304A-321 ). The Audit Committee’s duties and responsibilities include the following:

1. Undertake professional development to improve the financial expertise of the Audit Committee.
2. Provide oversight relating to enterprise risk management.
3. Hold meetings at least twice per year.
4. Review the Audit Committee’s effectiveness and prepare or oversee the preparation of an annual report to the BOR.
5. Review the procedures for the receipt, retention, and treatment of complaints received by the University regarding accounting, internal accounting controls, auditing matters, or suspected fraud that may be submitted by any internal or external party.
6. Review (1) significant findings of internal audits and auditee responses, (2) whether internal auditors have encountered difficulties in the course of their audits, (3) changes in the scope of internal audits, (4) the internal audit budget and staffing, (5) the annual internal audit plan, and (6) the annual report of the internal audit department.
7. Review the following with management and the external auditor: (1) UH’s annual financial statements and related footnotes, (2) all reports certified by the external auditor, (3) the external auditor’s judgments about the quality of UH’s accounting principles, (4) any significant changes required in the external auditor’s audit plan, (5) any difficulties or disputes encountered during the audit, and (6) matters pursuant to Statement on Auditing Standards No. 114 (critical accounting policies and practices, consultations with audit firms other than the external auditor, and any other information relating to significant estimates and judgments).
8. Review with the external auditor matters affecting internal control including (1) the adequacy of UH’s internal control, including computerized information system controls and security and (2) any related significant findings and recommendations of the internal and external auditors, together with the responses of UH.
9. Annually evaluate the external auditor and the internal audit function.
10. Recommend to the BOR, the external auditor to be retained by UH and their fees.
11. Submit an annual report to the BOR and the legislature no later than 20 days prior to the convening of each regular session of the legislature on matters that include (1) all instances of
material weaknesses in internal control, including the responses of UH management and (2) all instances of fraud, including the responses of UH management.

12. Perform such other functions as assigned by the BOR and/or its bylaws.

Audit Committee Membership

The Audit Committee members are appointed by the BOR Chair and serve for one year or until the appointment of successors. The Audit Committee Chair is selected by the members of the Audit Committee.

The Audit Committee must consist of at least three members but not more than five members. During the fiscal year ended June 30, 2019, membership of the Audit Committee consisted of the following Regents:

1. Michael McEnerney, Chair
2. Wayne Higaki, Vice Chair
3. Simeon Acoba
4. Jeffrey Portnoy
5. Douglas Shinsato (resigned during calendar year 2019)

Audit Committee Meetings

The Audit Committee is required to meet at least twice per year. During fiscal year 2019, the Audit Committee held six meetings. The fiscal year 2019 Audit Plan was approved by the Audit Committee at the May 18, 2018 Audit Committee meeting. In addition to Audit Committee members, other BOR members attending fiscal year 2019 meetings included BOR Chair Putnam and Regents Higa, Moore, Tagorda, Yuen, Wilson, Nahale-a, Westerman and Acopan. Meeting attendees also included University executive management (President, Vice Presidents, Chancellors of various campuses, etc.), the Director of Internal Audit, and personnel from the University’s external auditors (Accuity, LLP or Accuity). Other attendees consisted of University personnel from a University campus/department/function associated with an Audit Committee meeting agenda topic or matter.

The following summarizes the significant matters and topics discussed at Audit Committee meetings held during fiscal year 2019.

August 2, 2018:
1. The Audit Committee reviewed and accepted the committee’s goals and objectives.
2. Internal Audit presented the Whistleblower Hotline Tracking Report.
3. Vice President for Administration Gouveia introduced the Interim Director of Risk Management, Darren Suzuki, who provided the Office of Risk Management annual report.
4. The Audit Committee annual review was deferred until the next meeting.

October 4, 2018:
1. The Audit Committee reviewed and accepted the following reports presented by Internal Audit:
   a. Review of Student Accounts Receivable
   b. University of Hawai’i at Mānoa (UHM)- Review of Student Fees for Professional Programs
2. Internal Audit presented the Whistleblower Hotline Tracking Report.
3. Vice President for Administration Gouveia provided an update on the University’s enterprise risk management efforts.
Committee on Independent Audit  
Annual Report  
For the Fiscal Year Ended June 30, 2019

November 27, 2018:
1. Accuity discussed their professional responsibilities and required communications pursuant to Statement on Auditing Standards No. 114.
2. The Audit Committee reviewed and accepted the following reports presented by Accuity:
   c. UHM Intercollegiate Athletics Department Internal Control and Business Issues Report for the year ended June 30, 2018.
3. The Audit Committee reviewed and accepted the Annual Report to the Legislature on Material Weaknesses and Fraud pursuant to HRS §304A-321 prepared and presented by Internal Audit. The report noted no material weaknesses or fraud.

December 19, 2018:
The Audit Committee reviewed and accepted the Review of Maunakea report prepared and presented by Internal Audit.

January 17, 2019:
1. The Audit Committee reviewed and accepted the following reports presented by Accuity:
2. The Audit Committee reviewed and accepted the UH Press and Student Housing Services – Status of Corrective Action report prepared and presented by Internal Audit.
3. Accuity presented an education session on an Overview of Services Accuity LLP provides to the University of Hawai‘i.
4. The Whistleblower Hotline Tracking Reports, the fiscal year 2018 Whistleblower Annual Report and discussion of BOR policy (RP) 2.205, Policy on Whistleblowing and Retaliation were deferred.

May 2, 2019:
The following lists the matters and topics anticipated to be discussed at this meeting.
1. The Audit Committee’s review and acceptance of the following reports presented by Internal Audit:
   a. Proposed year ended June 30, 2020 Audit Plan
   b. Year ended June 30, 2019 Annual Report of the Committee on Independent Audit
   c. Year ended June 30, 2019 Audit Results of the Office of Internal Audit
   d. Review of the Cash Receipts Process
   e. Review of the Sodexo Food Service Contracts
   f. UHM Athletics Department Equipment and Apparel and Commuter Services - Status of Corrective Action
   g. Travel Policy Compliance and Employee Cell Phone Charges- Status of Corrective Action
2. The Director of Internal Audit presenting Whistleblower Hotline Tracking Reports.
Audit Results
For the Fiscal Year Ended June 30, 2019

For the Committee on Independent Audit of the Board of Regents
May 2019
Executive Summary

Introduction
The Office of Internal Audit (Internal Audit) prepares this Audit Results (or Annual Report) report to summarize their activities and accomplishments for the fiscal year ended June 30, 2019. The Bylaws of the Committee on Independent Audit of the Board of Regents (Audit Committee) require that the Audit Committee review this report. Additionally, the preparation of this report assists the Audit Committee review the internal audit function of the University of Hawai‘i (University) as required by Hawai‘i Revised Statutes (HRS) §304A-321, Independent Audit Committee. Pursuant to the Charter of the Office of Internal Audit of the University of Hawai‘i (Internal Audit Charter), an annual audit plan is developed and submitted to the Audit Committee for review and approval. The fiscal year 2019 Audit Plan was approved by the Audit Committee on May 18, 2018.

Overview of fiscal 2019 audit engagements
Exhibit 1 summarizes the audit objective(s), audit scope, observations, findings, conclusions and status of the fiscal 2019 audit engagements. The following table categorizes the 22 engagements listed in Exhibit 1.

<table>
<thead>
<tr>
<th>Fiscal 2019 engagements:</th>
<th>Completed reports</th>
<th>In process</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reviewed and accepted</td>
<td>For information</td>
<td></td>
</tr>
<tr>
<td>New and carryover</td>
<td>5</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Audit Committee assistance</td>
<td>2</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Follow-up</td>
<td>7</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>1</td>
<td>7</td>
</tr>
</tbody>
</table>

The Audit Committee assistance engagements consisted of 1) the Whistleblower Hotline Program and related tracking reports, 2) the annual report to the Hawai‘i State Legislature noting no instances of material weaknesses or fraud and 3) the Audit Committee’s annual report evaluating their effectiveness. Substantial audit work has been completed with respect to the in-process engagements. The in-process engagements are anticipated to be completed during the first half of fiscal 2020.

With respect to the completed engagements, Unit (audited campus, college, department, etc.) management concurred with all observations/findings and conclusions. Internal Audit produced recommendations ranging from 6 – 16 in connection with each engagement to mitigate identified operational, financial and compliance risks. Unit management have implemented or are in the process of implementing corrective action pursuant to these recommendations. Regarding the completed follow-up audits, Internal Audit noted that the majority of corrective actions were implemented with solutions for the in-process corrective actions developed and planned for implementation in fiscal year 2020.

Additionally, one of the major carryover audits included in the fiscal year 2019 Audit Plan was the Review of Maunakea. This audit project was added by the Audit Committee to the fiscal year 2018 Audit Plan via an Audit Plan - Supplement on March 8, 2018 pursuant to a BOR Resolution dated February 22, 2018. The Resolution required Internal Audit to perform a financial management audit of the relevant University-related entities engaged in Maunakea stewardship and management.
The Review of Maunakea was a significant project and major accomplishment for Internal Audit. This project necessitated multiple meetings and discussions with key personnel from numerous University-related entities, review of documents and contracts, and analysis of financial records at the University-related entities involved with Maunakea, including but not limited to the University System, University of Hawai‘i at Mānoa, the Institute for Astronomy (IfA), the University of Hawai‘i at Hilo, the Office of Maunakea Management (OMKM), RCUH and Maunakea Observatories Support Services (MKSS). Internal Audit determined that each entity has a distinct and separate function as well as operating objectives. Accordingly, no individual or group of individuals at any entity could describe the University’s overall operations and related financial results associated with Maunakea resulting in the scheduling of a substantial number of meetings and phone calls and the distribution of e-mails and other forms of correspondence to understand the nature and breadth of University related Maunakea operations. In addition, the volume of documents requested and reviewed by Internal Audit resulting from these meetings and correspondence were substantial.

Conclusion
In connection with the fiscal 2019 audit engagements, Internal Audit did not identify conditions that we believe are material weaknesses. Common recommendations included in fiscal 2019 audit reports included improving compliance with, establishing and/or updating policies and procedures, improving the performance of periodic budget to actual analyses, and improving collaboration/consistency across University campuses and departments that engage in similar processes and procedures.

Internal Audit recognizes the importance of building and sustaining effective relationships among the Audit Committee, University management and the external auditor. These relationships provide efficiencies and enhancements in the University’s risk assessment and management processes and in the performance of internal and external audits. Accordingly, Internal Audit appreciates and thanks University management and staff for their cooperation and responsiveness in connection with the engagements summarized in Exhibit 1. Further, we thank the Audit Committee for their continued support of Internal Audit. Please call Glenn Shizumura at 956-7318 with any questions or comments with respect to the contents of this report.
Audit Resources & Competencies

Internal Audit’s staffing at the conclusion of the fiscal year ended June 30, 2019 consisted of its Director and three full-time staff auditors which was consistent with staffing as of July 1, 2018. However, the staffing mix changed due to a full-time staff auditor moving to the mainland in December 2018 for personal reasons. In February 2019, another full-time staff auditor resigned to pursue a position outside of the University. The open positions were filled in March 2019 with personnel with relevant audit experience at Deloitte. One of the new staff auditors was hired in December 2018 but delayed her Internal Audit start date to complete ongoing Deloitte audit projects. This staff auditor has approximately 11 years of public sector audit experience with Deloitte. Collectively, Internal Audit’s professionals have a substantial number of years of auditing and accounting experience within both the University environment and the private sector. The hiring of the two new staff auditors increased the audit experience of Internal Audit personnel at international public accounting firms from approximately 30 years to more than 40 years.

Internal Audit also employs University students majoring in accounting to provide the students with the opportunity to experience auditing from an internal audit perspective in addition to an external audit perspective. Assistance on Internal Audit projects include research and preparing working papers documenting the results of their research, verifying the mathematical accuracy of schedules and financial statements, obtaining and analyzing financial information from the University’s general ledger, reviewing the contents of electronic and manual audit files for completeness, etc. Student auditor tasks may also include research on new or recently revised accounting and auditing literature. The work product of this research is an oral presentation and PowerPoint slide presentation to Internal Audit staff and student auditors. Audit experience gained through their employment at Internal Audit has benefited and assisted student auditors obtain internship and/or full-time employment opportunities with international and local accounting firms.

Internal Audit employed a total of eight students during the year ended June 30, 2019. During this period, three – five students were employed at any point in time. Employment fluctuations result from student internships at downtown accounting firms and graduation. Internal Audit encourages these internships and reserves the student auditor position for the student upon the completion of their internship.

The administrative functions of Internal Audit are handled by a full-time Administrative Assistant and student auditors. Administrative duties consist primarily of the following:

- Provide information technology support.
- Manage the storage, back-up and security of Internal Audit’s electronic files.
- Prepare and issue fiscal related documentation for procuring goods and processing payments.
- Coordinate work orders and auxiliary services.
- Maintain office supplies and equipment, including routine security maintenance on computers.
- File and archive internal and external audit reports.
- Manage office information flow.
- Prepare monthly and year-to-date financial reports to track and monitor Internal Audit expenses.
- Compare and analyze current year-to-date expenses to budget and prior year expenses.
Office of Internal Audit
Organization Chart
July 1, 2018 – June 30, 2019

University of Hawai‘i
Board of Regents

The Office of Internal Audit reports functionally to the University of Hawai‘i Board of Regents through its Committee on Independent Audit

Office of Internal Audit

Director
Glenn Shizumura

Internal Auditors
David Estes
Bryce Iwata (Departed 02/2019)
Kazuhide Yamauchi (Departed 12/2018)
Pamela Pineda (Started 03/2019)
June Hee Hwang (Started 03/2019)
VACANT

Administrative Assistant

Student Assistants

Vice President for Budget and Finance/Chief Financial Officer

The Office of Internal Audit reports administratively to the Vice President for Budget and Finance/Chief Financial Officer
Profile of the Office of Internal Audit

Name: Glenn Shizumura
Title: Director
Professional Designation: Certified Public Accountant (CPA) – Hawai‘i 1990
Academic Qualification: Bachelor of Business Administration (BBA)
Work Experience: 23 years Public Accounting/Ernst & Young
  • Executive Director/Principal
  • Industry expertise – public sector, real estate, retail, insurance and not-for-profit
  9 years Director of Internal Audit/University of Hawai‘i

Name: David Estes
Title: Internal Auditor
Professional Designation: CPA – Pennsylvania 2004
Academic Qualifications: BBA
Work Experience: 6 years Public Accounting/PricewaterhouseCoopers
  • Industry expertise – investment management, not-for-profit
  2 years Operational Risk/Perpetual Ltd. (Sydney, Australia)
  2 years Internal Audit/University of Hawai‘i

Name: Bryce Iwata (departed 2/2019)
Title: Internal Auditor
Academic Qualifications: BBA/MAcc
Work Experience: 4 years Public Accounting/Deloitte
  1 year Financial Accounting/Bishop Insurance Agency
  11 years Internal Audit/University of Hawai‘i

Name: Kazuhide Yamauchi (departed 12/2018)
Title: Internal Auditor
Academic Qualification: BBA
Work Experience: 3 years Public Accounting/MC Group Hawai‘i
  1 year Internal Audit/University of Hawai‘i

Name: Pamela Pineda (hired 12/2018, started 3/2019)
Title: Internal Auditor
Academic Qualifications: BBA
Work Experience: 11 years Public Accounting/Deloitte
  • Industry expertise – public sector (Single Audits, Uniform Guidance, OMB Compliance) and not-for-profit

Name: June Hee Hwang (hired 3/2019)
Title: Internal Auditor
Academic Qualifications: BS/MBA in Accounting
Work Experience: 2 years Public Accounting/Deloitte
  4 years Accounting/Various Investment Banks
  1 year Accounting Lecturer/HCC
Internal Audit Activity and Results

Audit Plan
Internal Audit’s fiscal 2019 Audit Plan was approved by the Audit Committee during its meeting held on May 18, 2018. The Audit Plan was developed using a risk-based approach and considered Internal Audit’s available resources. Criteria used in selecting audit projects included providing coverage of higher risk departments/units/functions and areas of concern to the Board of Regents (BOR) and University management. The following are considered in preparing Internal Audit’s Audit Plan:

- Matters discussed at periodic Audit Committee meetings.
- Meetings and discussions with certain members of University management.
- Observations and findings contained in historical reports issued by Internal Audit. Certain University departments and/or functions may be reviewed as a result of:
  - audit findings noted in departments and/or functions with similar operations and/or
  - unremediated audit findings.
- Review of the various University Internal Control and Business Issues Reports issued by the University’s external auditors (Accuity).
- Meetings and discussions with Accuity with respect to sensitive audit areas.
- Regulatory compliance.

The following are the types of engagements (including examples of fiscal 2019 engagements) generally performed by Internal Audit:

- **Financial audits and reviews** – determine the fairness, accuracy, and reliability of financial information presented in accordance with established or stated criteria.

- **Attestation engagement** – examination, review, or agreed-upon procedures on a subject matter, or an assertion about a subject matter (including financial information). An example is the review of ASUH’s financial statements that is required every three years pursuant to the ASUH Constitution (last performed for the year ended June 30, 2018). The performance of this engagement by Internal Audit precluded the need to engage an external audit firm.

- **Operational reviews** – evaluate an area, department, or functional operation with the objective of evaluating efficiency and effectiveness. Examples of operational review projects include the 1) Review of student accounts receivable, 2) Review of UHM student fees for professional programs and 3) Maunakea project.

- **Compliance reviews** – assess the adherence to laws, regulations, policies and procedures. A compliance review may also include assessing compliance with the terms and conditions of contracts/agreements. Examples of compliance review projects include 1) Review of the Cash Receipts Process and 2) Review of the Sodexo Food Service Contracts.

- **Follow-up audits** – performed to identify and evaluate management actions implemented in response to a prior audit. Follow-up audits are generally performed during the year following the issuance of the report to assess if management actions have been effectively implemented or if senior management has accepted the risk of not taking action.
Internal Audit provides consultative services to University personnel when questions arise with respect to generally accepted accounting principles and its application, accounting and operational process analyses and related internal control matters. Internal Audit also provides guidance and collaborates with auditees in connection with their implementation of Internal Audit recommendations. In addition, Internal Audit may perform and participate in investigation projects as a result of complaints to the BOR office, University management and/or Whistleblower Hotline.

**Audit Phases**

Internal Audit’s audit process commences with the above described Audit Plan. Summarized below are the typical audit phases utilized by Internal Audit in connection with each audit project. An overarching Internal Audit objective is frequent and constant communication with Unit personnel on an ongoing basis. Ongoing and effective communication is critical in validating potential audit issues/findings as well as determining feasible recommendations.

1. Preliminary review:
   Internal Audit gathers and reviews information to obtain a preliminary understanding of the operation, activity or process that will be audited. A preliminary assessment of risks relevant to the audit is conducted.

2. Notification:
   The Director of Internal Audit contacts appropriate University management regarding an audit project(s) that will impact their Unit. The audit purpose and objective, scope, time period covered by the audit, etc. are also discussed.

3. Initial meeting:
   An initial meeting is scheduled to establish the tone for the audit and to discuss the audit’s scope, objectives, timing and expectations. Internal Audit will also request the auditee to describe their Unit’s operations that will be impacted by the audit as well as available resources (personnel, facilities, systems, etc.) and any other issues or concerns.

4. Planning:
   Written documentation of relevant processes and controls is requested and analyzed. Internal Audit will perform a walk-through to confirm the documented processes and controls. Subsequent to the completion of the preliminary risk assessment, an audit plan and program are developed to assist in the performance of an efficient and effective audit. Internal Audit has developed a quality assurance checklist to utilize on all engagements to ensure compliance with applicable professional authoritative literature and Internal Audit’s in-house policies.

5. Fieldwork:
   Fieldwork consists of gathering evidence and analyzing and evaluating that evidence pursuant to the audit program. Audit procedures are performed such that the most significant and high risk audit risk areas are completed first. Internal Audit utilizes Microsoft One Note to manage and electronically file audit documentation and workpapers. All engagement documentation and workpapers are reviewed by the designated supervisor(s).

6. Report draft:
   The drafting of the audit report commences during the performance of fieldwork. Internal Audit schedules a meeting with Unit management to discuss the form and content of the draft report and
provides a copy of the draft report concurrently with or subsequent to this meeting. From a timing perspective, Internal Audit generally provides the preliminary draft report to the auditee approximately four (4) weeks prior to the next scheduled Audit Committee meeting. The auditee is requested to provide draft report comments by an agreed upon due date of receiving the initial draft report. Internal Audit incorporates relevant and appropriate comments received by the auditee into the report draft. A revised draft report is generally distributed to the auditee within one business day.

7. Report distribution to the Audit Committee Chair, Vice Chair and BOR Office:
Subsequent to incorporating auditee comments into the draft report, the report draft will generally be distributed to the Audit Committee Chair and Vice Chair for review and comment. Subsequent to review by the Audit Committee Chair and Vice Chair, the report draft will be forwarded to the BOR Office for distribution to Audit Committee members prior to the Audit Committee meeting. The report draft will be presented by the Director of Internal Audit at the Audit Committee meeting.

8. Management response:
Unit management is generally requested to provide a written response to findings and recommendations included in Internal Audit’s report. Depending upon the timing of management’s preparation of their written response, the Director of Internal Audit forwards the written response to the Audit Committee Chair and Vice Chair prior to distribution to Audit Committee members. Unit management personnel are requested to attend the Audit Committee meeting to respond to possible Audit Committee member questions and comments.

9. Final report distribution:
Subsequent to the Audit Committee’s review and acceptance of the draft report, Internal Audit finalizes and distributes printed and electronic copies of the report to Unit management and appropriate senior management personnel of the University.

10. Follow-up:
Approximately one year subsequent to audit report issuance, Internal Audit performs a follow-up audit to assess the implementation of Internal Audit’s recommendations and Unit corrective action.

**Time Allocation**
Similar to other professionals in accounting and auditing, Internal Audit tracks time spent on each project and task. The following chart summarizes the time allocation for the fiscal year ended June 30, 2019 (actual time through April 15th and estimate to complete through June 30th):
Administrative time primarily includes various human resource related functions (e.g., performance of employee evaluations, hiring of full-time and student auditors, review and approval of student auditor timesheets, etc.) and office management functions (e.g., review of current year-to-date expenses to budget and prior year expenses, engagement scheduling, etc.). Training time includes the reading of various professional organization periodicals (Association of College and University Auditors, National Association of College and University Business Officers, Journal of Accountancy, etc.) and participating in webinars and on-line courses relating to emerging accounting, auditing and operational issues primarily affecting governmental entities and higher education institutions. Additionally, for the fiscal year ended June 30, 2019, training time includes the training/onboarding of Internal Audit’s two new employees.

The following table and chart compares Internal Audit’s allocation of total time for the fiscal years ended June 30, 2019, 2018, and 2017:

<table>
<thead>
<tr>
<th></th>
<th>Fiscal Year Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Direct</td>
<td>73%</td>
</tr>
<tr>
<td>Administrative</td>
<td>5%</td>
</tr>
<tr>
<td>Training</td>
<td>6%</td>
</tr>
<tr>
<td>Holiday</td>
<td>5%</td>
</tr>
<tr>
<td>Leave</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Direct Time
Direct time represents services directly benefiting the University. The following chart summarizes the allocation of direct time by engagement type for the fiscal year ended June 30, 2019:
Other time represents audit related functions, such as preparing for and attending Audit Committee meetings and Audit Committee planning meetings, as well as the preparation of documents for the Audit Committee.

The following table and chart compares Internal Audit’s allocation of direct time for the fiscal years ended June 30, 2019, 2018, and 2017:

<table>
<thead>
<tr>
<th></th>
<th>Fiscal Year Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Operational &amp; Compliance</td>
<td>75%</td>
</tr>
<tr>
<td>Financial Audits &amp; Reviews</td>
<td>0%</td>
</tr>
<tr>
<td>Follow-up</td>
<td>8%</td>
</tr>
<tr>
<td>Attestation</td>
<td>4%</td>
</tr>
<tr>
<td>Consultation &amp; Investigations</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>
### Exhibit 1

**Office of Internal Audit**  
**Summary of Audit Engagements**  
**Fiscal Year Ended June 30, 2019**

<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Findings/Conclusions &amp; Comments</th>
<th>Status</th>
</tr>
</thead>
</table>
| **1. Whistleblower Hotline**  
- Type: Audit Committee Assistance  
- Period: Ongoing | The Audit Committee will be provided with a “Whistleblower Hotline Tracking Report” summarizing the type, nature, status, etc. of hotline reports received during their periodic meetings. | Most frequently reported complaints relate to human resource matters. Administrators continue to oversee the resolution of reported cases. | Continuous.  
| **2. Audit Committee Reports – Annual Report to the Board of Regents (BOR) and Hawai‘i State Legislature**  
- Type: Audit Committee Assistance  
- Period: July 1, 2017 – June 30, 2018 | Assisting the Audit Committee prepare an annual report to the Board of Regents (BOR) and Hawai‘i State Legislature identifying 1) all instances of material weakness in internal controls and 2) all instances of fraud required by HRS §304A-321. | Annual report to the Hawai‘i State Legislature dated December 2018 noted no instances of material weaknesses in internal controls over financial reporting and no instances of fraud or illegal acts. | Complete.  
- Accepted by the Audit Committee on November 27, 2018. |
| **3. Audit Committee Reports – Annual Report to the BOR**  
- Type: Audit Committee Assistance  
- Period: July 1, 2018 – June 30, 2019 | Assisting the Audit Committee prepare an annual report to the BOR regarding the Audit Committee’s effectiveness required by HRS §304A-321. | Annual report to the BOR notes that the Audit Committee fulfilled its HRS §304A-321 and Charter responsibilities for the fiscal year ended June 30, 2019. | Complete.  
- To be presented at the May 2019 Audit Committee meeting. |
<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Condensed Conclusions &amp; Comments</th>
<th>Management Response/Action Plan</th>
<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Review of Student Accounts Receivable</td>
<td>Review and analyze the processes, policies and procedures related to originating, recording, collecting, reserving and writing off student accounts receivable (A/R) balances. In addition, evaluate compliance with University student accounts receivable policies.</td>
<td>The gross student A/R balance has increased from $16m to $35m during the period June 30, 2011 to June 30, 2017. To reduce the historical gross student A/R balance and mitigate the risk of creating additional uncollectible student A/R, recommendations include:</td>
<td>Management response dated September 24, 2018 agreed with all recommendations.</td>
<td>An evaluation of corrective action status will be performed during fiscal year 2020.</td>
<td>Complete. Accepted by the Audit Committee on October 4, 2018.</td>
</tr>
<tr>
<td>Engagement</td>
<td>Primary Objective(s)/Audit Scope</td>
<td>Condensed Conclusions &amp; Comments</td>
<td>Management Response/Action Plan</td>
<td>Implementation Status</td>
<td>Status</td>
</tr>
<tr>
<td>------------</td>
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<td>--------</td>
</tr>
</tbody>
</table>
| 5. University of Hawai‘i at Mānoa (UHM)- Review of Student Fees for Professional Program | Evaluate the methodology for determining the professional fee amounts charged UHM students in addition to evaluating the adequacy, appropriateness, and usage of these fees by the respective professional program. | Overall, the establishment of professional fees for the College of Engineering, School of Nursing and Dental Hygiene and School of Architecture conformed to University policy. Internal Audit was unable to corroborate if the establishment of the professional fee for the Shidler College of Business was in conformance with University policy. Recommendations included:  
- Perform an annual review to validate whether the professional fee is reasonable based on past and expected future expense levels (all programs).  
- Implement processes and procedures for budgeting, tracking, and monitoring of professional fees and the associated expenses (all programs except for Engineering).  
- Enhance transparency by disclosing the purpose of the professional fee and the expenses incurred annually associated with the professional fees (all programs except Engineering). | Management response dated August 22, 2018 agreed with all recommendations.  
The expected date of addressing all findings and recommendations is April 2019. | An evaluation of corrective action status will be performed during fiscal year 2020 by Internal Audit. | • Complete.  
• Accepted by the Audit Committee on October 4, 2018. |
<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Condensed Conclusions &amp; Comments</th>
<th>Management Response/Action Plan</th>
<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>6. University of Hawai’i – Maunakea</strong></td>
<td>Evaluate University funds, lease payments and any external funds received in the support of stewardship, management, education and other activities related to Maunakea, as well as review transfers of funds between entities, including both the University and RCUH, and payments made to University-related support programs by Maunakea Observatories (Observatories) or other third parties.</td>
<td>University entities involved with Maunakea have developed processes and procedures to appropriately account for their respective financial transactions in connection with their management of Maunakea. Opportunities for improvement include:</td>
<td>Management response dated November 19, 2018 agreed with all recommendations.</td>
<td>An evaluation of corrective action status will be performed during fiscal year 2020 by Internal Audit.</td>
<td>• Complete. • Accepted by the Audit Committee on December 19, 2018</td>
</tr>
</tbody>
</table>

- **Type:** Operational, Financial
- **Period:** Three years ended June 30, 2017 with select information updated through the end of fieldwork
# Office of Internal Audit  
## Summary of Audit Engagements  
### Fiscal Year Ended June 30, 2019

<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Condensed Conclusions &amp; Comments</th>
<th>Management Response/Action Plan</th>
<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
</table>
| **7. Review of Cash Receipts Process** | Evaluate the University’s cash receipts process including 1) adequacy of internal controls; 2) proper segregation of duties; and 3) compliance with University policies. Additionally, assess compliance with the Payment Card Industry’s (PCI) Data Security Standard (DSS) given its significance to the cash receipts process. | PCI DSS Compliance: Internal Audit identified non-compliance with certain PCI DSS requirements in addition to identifying N/A responses that should be evaluated and considered an area for improvement and best practices. In addition, relevant PCI DSS requirements and training should be included in University policy. Internal Audit also believes that ITS and FMO should collaborate with and support Treasury’s PCI DSS compliance efforts. **Cash Receipts Process:** The University has sufficient processes, procedures and internal controls with respect to the initiation, authorization, processing and recordation of University related Cash receipts. Internal Audit noted instances of policy non-compliance with the most frequent exception relating to the untimely recordation of Cash receipts to KFS. | ITS and FMO are drafting a response. | An evaluation of corrective action status will be performed during fiscal year 2020 by Internal Audit. | • Complete.  
• To be presented to the Audit Committee on May 2, 2019 |
| **8. Review of the Sodexo Food Service Contracts** | Review and evaluate Sodexo’s compliance with the terms and conditions of the four Sodexo contracts (UHM, UHH, UHM Athletics and UH Maui College). In addition, identify contract terms and conditions that are beneficial to the University but that are not included in all contracts. | Overall, Internal Audit noted significant inconsistencies in the various Sodexo contracts. The University should investigate and consider the feasibility of entering into a single food services contract to drive efficiencies and ensure consistency of contract terms and conditions. Internal Audit noted minimal and insignificant instances of Sodexo noncompliance. | Not deemed necessary as no corrective actions were identified. | An evaluation of corrective action status will be performed during fiscal year 2020 by Internal Audit. | • Complete.  
• To be presented to the Audit Committee on May 2, 2019 |
### Exhibit 1

**Office of Internal Audit**  
*Summary of Audit Engagements*  
**Fiscal Year Ended June 30, 2019**

<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Condensed Conclusions &amp; Comments</th>
<th>Management Response/Action Plan</th>
<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
</table>
| 9. Associated Students of the University of Hawai‘i at Mānoa (ASUH) | Perform an operational and compliance review of service awards and graduate test preparation awards. | **Service Awards**: ASUH personnel generally complied with written ASUH and University policies and procedures and controls were generally operating as intended.  
Opportunities for improvement include:  
- Either comply with ASUH Senate Rule 19-4 or revise this rule to allow for flexibility in the granting of Service Awards.  
- Implement a consistent approach to documenting the granting of monthly Service Awards.  
**Graduate test preparation awards (GTPAs)**: ASUH personnel generally complied with written ASUH policies and procedures and controls were generally operating as intended.  
Opportunities for improvement include:  
- Enhance the eligibility review process to ensure conformance with written requirements.  
- Adopt policies requiring award payment within a specified period of time since certain awards were paid six months after student submission of required information. | ASUH Advisors and Executive Board will draft a response. | An evaluation of corrective action status will be performed by Internal Audit. | Pending ASUH review of the draft report and preparation of management’s response. |
<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
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<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10. Suspense and Clearing Accounts</strong></td>
<td>Internal Audit will assess compliance with AP 8.650, <em>Continuation Accounts</em>, and review the purpose of these accounts and the process of classifying such accounts for financial statement reporting purposes.</td>
<td>Preliminary: As of June 30, 2018, KFS had 961 accounts designated as an account type “Clearing” or “CL”. Of those, approximately 200 were active (i.e., financial transactions were recorded to the account) on average during fiscal years 2018, 2017 and 2016. FMO personnel informed Internal Audit that the CL or Clearing accounts are primarily utilized to record transactions for closed KFS accounts.</td>
<td>N/A</td>
<td>N/A</td>
<td>Preliminary planning meeting conducted. Information is being gathered and reviewed. Report is in draft form.</td>
</tr>
</tbody>
</table>
| 11. UHM Bookstore              | Review operational and financial aspects of the Bookstore, including inventory management and related accounting and operational controls, monitoring of outstanding accounts receivable and credit memos, and monitoring and management of financial results. | Preliminary:  
- Approximately $1.1 million of unapplied credit memos and chargebacks (approximately $100,000 greater than 120 days outstanding) as of June 30, 2018  
- Operating loss (operating expenses less operating revenues) of approximately $687,000 for the year ended June 30, 2018  
- Operating loss (operating expenses less operating revenues) of approximately $67,000 and $21,000, respectively. | N/A                            | N/A                   | Preliminary planning meeting conducted. Information is being gathered and reviewed. Report is in draft form. |
## Exhibit 1

### Office of Internal Audit
**Summary of Audit Engagements**
**Fiscal Year Ended June 30, 2019**

<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>FOLLOW-UP</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
| **12. Auditee Status – University of Hawai‘i Press** | Assess the implementation status of corrective action. | Six (6) recommendations identified in the prior year. | Management informed Internal Audit that all recommendations have been implemented. | All recommendations have been implemented. | • Complete  
• Accepted by Audit Committee on January 17, 2019. |
| | • Type: Follow-up  
• Period: Through December 31, 2017 | | | | |
| **13. Auditee Status – UHM Student Housing Services** | Assess the implementation status of corrective action. | Fourteen (14) recommendations identified in the prior year. | Management informed Internal Audit that all recommendations have been implemented or are in the process of being implemented. | All recommendations were implemented or in process with expected implementation in fiscal year 2020. In process recommendations included:  
• Monthly comparison of actual financial results to budgeted amounts for the corresponding period.  
• Renegotiate all expired contracts (e.g., laundry contract that expired in 2011).  
• Finalize draft deferred maintenance plan. | • Complete  
• Accepted by Audit Committee on January 17, 2019.  
• UHM Student Housing management provided a revised management response dated January 10, 2019.  
• I/A to perform additional follow up procedures in fiscal year 2020. |
| | • Type: Follow-up  
• Period: Through December 31, 2017 | | | | |
<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
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<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
</table>
| **14. Auditee Status – UHH Student Housing Services**<br>• Type: Follow-up<br>• Period: Through December 31, 2017 | Assess the implementation status of corrective action. | Ten (10) recommendations identified in the prior year. | Management informed Internal Audit that all recommendations have been implemented or are in the process of being implemented. | All recommendations were implemented or in process with expected implementation in fiscal year 2020. In process recommendations included:  
• Installation of air conditioning in Hale ʻAlahonua.  
• Improve the review process for the quarterly budget to actual financial analysis.  
• Evaluate StarRez features/modules to assist reconciling to KFS. | • Complete  
• Accepted by Audit Committee on January 17, 2019.  
• UHH Student Housing management provided a revised management response dated January 10, 2019.  
• I/A to perform additional follow up procedures in fiscal year 2020. |
| **15. Auditee Status - Travel Policy Compliance**<br>• Type: Follow Up<br>• Period: Through December 31, 2018 | Assess the implementation status of corrective action. | Ten (10) recommendations identified in the prior year. | Management response letter dated September 22, 2017 agreed with all findings and recommendations. <br>The expected date of addressing all findings and recommendations ranged from March 2018 – June 2018. | All recommendations were implemented or in process with implementation in fiscal year 2020. | • Complete.  
• To be presented to the Audit Committee on May 2, 2019. |
## Office of Internal Audit
### Summary of Audit Engagements
**Fiscal Year Ended June 30, 2019**

<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Condensed Conclusions &amp; Comments</th>
<th>Management Response/Action Plan</th>
<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>16. <strong>Auditee Status—Review of Employee Cell Phone Charges</strong></td>
<td>Assess the implementation status of corrective action.</td>
<td>Three (3) recommendations identified in the prior year.</td>
<td>Management response letter dated January 22, 2018 agreed with all findings and recommendations.</td>
<td>All recommendations have been implemented.</td>
<td>• Complete.</td>
</tr>
</tbody>
</table>
|                                              | **Type:** Follow Up  
**Period:** Through December 31, 2018                                                      |                                                                                                  | The expected date of addressing all findings and recommendations was December 31, 2018.       |                                                                                                        | To be presented to the Audit Committee on May 2, 2019.                                                  |
| 17. **Auditee Status – UHM Athletics Equipment and Apparel**   | Assess the implementation status of corrective action.                                        | Five (5) pending recommendations were assigned to the Head Equipment Mgr. who was expected to be hired in the prior year. | N/A                                                                                                  | All recommendations have been implemented or solutions have been developed that will be implemented in fiscal year 2020. | • Complete.     |
|                                              | **Type:** Follow Up  
**Period:** Through June 30, 2018                                                        |                                                                                                  |                                                                                                   |                                                                                                        | To be presented to the Audit Committee on May 2, 2019.                                                  |
| 18. **Auditee Status – UHM Commuter Services**                  | Assess the implementation status of corrective action.                                        | Four (4) pending recommendations were to be fully implemented by December 2017.               | N/A                                                                                                  | All recommendations have been implemented or solutions have been developed that will be implemented in fiscal year 2020. | • Complete.     |
|                                              | **Type:** Follow Up  
**Period:** Through June 30, 2018                                                        |                                                                                                  |                                                                                                   |                                                                                                        | To be presented to the Audit Committee on May 2, 2019.                                                  |
| 19. **Auditee Status—Associated Students of the University of Hawai‘i at Mānoa (ASUH)** | Assess the implementation status of corrective action.                                        | Internal Audit noted instances of noncompliance with ASUH investment policy.                   | Management response letter dated January 24, 2018 agreed with the management letter recommendation noting that ASUH will draft and present revisions of RP 8.207 to the BOR by June 2019 to address this | I/A noted that the ASUH investment portfolio has been in compliance with ASUH investment policy since late 2017 and recommended that ASUH improve documentation | • Complete.     |
|                                              | **Type:** Follow Up  
**Period:** Through December 31, 2018                                                      |                                                                                                  |                                                                                                   |                                                                                                        | Pending ASUH review of draft report and preparation of management response.                               |
<table>
<thead>
<tr>
<th>Engagement</th>
<th>Primary Objective(s)/Audit Scope</th>
<th>Condensed Conclusions &amp; Comments</th>
<th>Management Response/Action Plan</th>
<th>Implementation Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>20. Auditee Status - UHM Outreach College</td>
<td>Assess the implementation status of corrective action.</td>
<td>Eight (8) recommendations identified in the prior year.</td>
<td>Management response letter dated January 31, 2018 agreed with all recommendations.</td>
<td>Preliminary: All recommendations have been implemented or solutions have been developed that are expected to be implemented in fiscal year 2020.</td>
<td>Fieldwork complete. Audit report in draft form.</td>
</tr>
<tr>
<td>• Type: Follow-up</td>
<td></td>
<td></td>
<td>The expected date of addressing all recommendations range from the Fall 2018 semester to the Spring 2019 semester except that the 10-week NICE program course recommendation, which may be impacted by the campus reorganization.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Period: Through December 31, 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Auditee Status - University of Hawai‘i – Capital Improvement Projects and Repairs and Maintenance</td>
<td>Assess the implementation status of corrective action.</td>
<td>Thirteen (13) recommendations identified in the prior year.</td>
<td>Management response letter dated March 2, 2018 agreed with all recommendations, but noted for two (2) of the recommendations that an analysis of the risks vs benefits of implementation would be required.</td>
<td>Preliminary: All corrective actions have been completed or are in process.</td>
<td>Fieldwork in process. Audit report in draft form.</td>
</tr>
<tr>
<td>• Type: Follow Up</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Period: Through December 31, 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Auditee Status – Check</td>
<td>Assess the implementation status of corrective action.</td>
<td>Six (6) recommendations identified in the prior year.</td>
<td>Management response letter dated March 2, 2018</td>
<td>Preliminary: All corrective actions</td>
<td>Preliminary meetings</td>
</tr>
<tr>
<td>Engagement</td>
<td>Primary Objective(s)/Audit Scope</td>
<td>Condensed Conclusions &amp; Comments</td>
<td>Management Response/Action Plan</td>
<td>Implementation Status</td>
<td>Status</td>
</tr>
<tr>
<td>----------------------------------</td>
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<td>--------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------</td>
<td>---------</td>
</tr>
</tbody>
</table>
| Disbursements less than $2,500   | • Type: Follow Up  
• Period: Through December 31, 2018.                                               | 2018 agreed with all recommendations but will analyze the risks and benefits associated with the MCC restrictions and penalties for policy non-compliance. | are in progress and expected to be completed in fiscal year 2020.                               | conducted.                                               |         |
2019 University of Hawaiʻi Legislative Measures of Interest

For Presentation

UH Board of Regents
May 16, 2019
2019 Legislative Session

SUBJECT AREAS

• 2019 Budget Bills

• 2019 UH Legislative Package and Similar Measures

• 2019 Measures of Interest
  o Board of Regents
  o UH Operations
  o Resolutions

• Board of Regents’ Nominees

• Legislative Task Forces/Working Groups

• Other Concurrent Resolutions Adopted

• Legislative Calendar
HB 2 HD1 SD1 CD1
RELATING TO THE STATE BUDGET
Appropriates funds for the operating budget of the Executive Branch for fiscal years 2019-2020 and 2020-2021.
Update: Governor signed into law as Act 5, SLH 2019

HB 116 SD1 CD1
RELATING TO THE STATE BUDGET
Appropriates funds for the operating budget of the Executive Branch for fiscal years 2019-2020 and 2020-2021.
Update: Enrolled to the Governor

HB 1259 SD1 CD1
RELATING TO CAPITAL IMPROVEMENT PROJECTS
Update: Enrolled to the Governor
<table>
<thead>
<tr>
<th>Description</th>
<th>BOR FY20</th>
<th>BOR FY21</th>
<th>CD1 FY20</th>
<th>CD1 FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hawai‘i Promise Program</td>
<td>$ 19,700,000</td>
<td>$ 19,700,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raise Graduate Assistant Stipend (Mānoa)</td>
<td>$ 2,198,360</td>
<td>$ 2,242,327</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Mentors and Tutors (CCs)</td>
<td>$ 1,004,400</td>
<td>$ 1,004,400</td>
<td>$ 500,000</td>
<td>$ 500,000</td>
</tr>
<tr>
<td>Custodial &amp; Maintenance (Hilo)</td>
<td>$ 228,576</td>
<td>$ 228,576</td>
<td>$ 143,784</td>
<td>$ 143,784</td>
</tr>
<tr>
<td>Wayfinding Education Program (Hilo)</td>
<td>$ 375,000</td>
<td>$ 300,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learning Assistants and Peer Mentoring (Mānoa)</td>
<td>$ 956,600</td>
<td>$ 1,408,876</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Employment (Hilo)</td>
<td>$ 122,000</td>
<td>$ 231,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Employment (West O‘ahu)</td>
<td>$ 300,000</td>
<td>$ 300,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security Staff (Hilo)</td>
<td>$ 311,240</td>
<td>$ 311,240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HINET for SNAP Recipients (CCs)</td>
<td>$ 520,000</td>
<td>$ 520,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distance Education (West O‘ahu)</td>
<td>$ 1,000,000</td>
<td>$ 1,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convert 7.5 Positions from Tuition to General Funds (West O‘ahu)</td>
<td></td>
<td></td>
<td>$ 395,121</td>
<td>$ 395,121</td>
</tr>
<tr>
<td>Reduce (6) Positions and Funds for NHERC (Hilo)</td>
<td></td>
<td></td>
<td>$ (246,047)</td>
<td>$ (249,309)</td>
</tr>
<tr>
<td>Add (9) Positions and Funds for NHERC (CCs)</td>
<td></td>
<td></td>
<td>$ 634,171</td>
<td>$ 634,171</td>
</tr>
<tr>
<td>5 positions - Teacher Education Program (LeeCC)</td>
<td></td>
<td></td>
<td>$ 418,720</td>
<td>$ 418,720</td>
</tr>
<tr>
<td>Other Current Expenses (Aquaria)</td>
<td></td>
<td></td>
<td>$ 25,000</td>
<td>$ 25,000</td>
</tr>
<tr>
<td>Innovation Center (Maui)</td>
<td></td>
<td></td>
<td>$ 250,000</td>
<td>$ 250,000</td>
</tr>
<tr>
<td>Child Care Site Director (WinCC)</td>
<td></td>
<td></td>
<td>$ 65,000</td>
<td>$ 65,000</td>
</tr>
<tr>
<td>CTAHR - Ornamental Breeding and Clean Export Practices (Mānoa)</td>
<td></td>
<td></td>
<td>$ 400,000</td>
<td></td>
</tr>
<tr>
<td>Apiary Program (KauCC)</td>
<td></td>
<td></td>
<td>$ 60,000</td>
<td>$ 60,000</td>
</tr>
<tr>
<td>Reduce Funds for Performance Funding (System)</td>
<td></td>
<td></td>
<td>$ (2,000,000)</td>
<td></td>
</tr>
<tr>
<td>Reduce (1) position and Funds from Mānoa</td>
<td></td>
<td></td>
<td>$ (91,584)</td>
<td>$ (91,584)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 26,716,176</strong></td>
<td><strong>$ 27,246,419</strong></td>
<td><strong>$ 554,165</strong></td>
<td><strong>$ 2,150,903</strong></td>
</tr>
</tbody>
</table>
### 2019 CIP Budget
(General Obligation Bonds)

<table>
<thead>
<tr>
<th>Description</th>
<th>BOR FY 20</th>
<th>BOR FY 21</th>
<th>CD1 FY 20</th>
<th>CD1 FY 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renew, Improve, and Modernize (Systemwide)</td>
<td>$157,000,000</td>
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<td>Capital Renewal &amp; Deferred Maintenance (CCs)</td>
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<td>Science Building (HonCC)</td>
<td>$43,500,000</td>
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<tr>
<td>Pharmacy Lab Improvements (Hilo)</td>
<td>$3,000,000</td>
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<td>Renovate Sinclair Library to become Student Success Center (Mānoa)</td>
<td>$41,000,000</td>
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<td>Snyder Hall Replacement (Mānoa)</td>
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<tr>
<td>Renew, Improve, and Modernize (Hilo)</td>
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<td>Kuykendall Hall (Mānoa)</td>
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<td>Development &amp; Infrastructure (West O’ahu)</td>
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<td>General Education Building I (West O’ahu)</td>
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<td>Planning Projects (West O’ahu)</td>
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<td>Manono Campus Development (HawCC)</td>
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<td>Holmes Hall (Mānoa)</td>
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<td>Keller Hall / Physical Science (Mānoa)</td>
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<td>Agripharmatech Bioprocessing Facility (WinCC)</td>
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<td>Mānoa Mini Master Plan Phase 2 (Mānoa)</td>
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<td>CTAHR - Kula Ag Station (Mānoa)</td>
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<td>Aeronautical Science Program (Hilo)</td>
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<td>Hangar 111 (HonCC)</td>
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<td>PV Systems Buyout (CCs) (Reimbursable GO)</td>
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<td>Mānoa Athletics Master Plan (Systemwide)</td>
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<td>Clarence T.C. Ching Complex Field (Systemwide)</td>
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<td>Cancer Center Early Phase Clinical Trials Facility (Systemwide)</td>
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## 2019 Bills with Appropriations

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<th>Bill No.</th>
<th>Description</th>
<th>$$$ FY20</th>
<th>$$$ FY21</th>
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<td>HB 560*</td>
<td>Honolulu CC Energy System Technology Training</td>
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<td>HB 654</td>
<td>Cancer Center Research</td>
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<td>HB 843</td>
<td>Hawai‘i CC Applied Technical Education</td>
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<td>HB 1455</td>
<td>Maui College International Office</td>
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<tr>
<td>HB 1547</td>
<td>Athletics (Mānoa and Hilo)</td>
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<tr>
<td>SB 50</td>
<td>HI-NET (Community Colleges)</td>
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<td>$ 455,000</td>
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<tr>
<td>SB 316</td>
<td>Hawai‘i Promise Program (Community Colleges)</td>
<td>$ 700,000</td>
<td>$ 700,000</td>
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<tr>
<td>SB 989</td>
<td>Academy for Creative Media</td>
<td>$ 1,200,000</td>
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<td>SB 1404**</td>
<td>JABSOM Loan Repayment Program</td>
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<td>SB 1418</td>
<td>Pamantasan Council</td>
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<td><strong>Total</strong></td>
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<td>$ 7,277,650</td>
<td>$ 5,447,650</td>
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*Transferred from the Department of Business, Economic Development and Tourism

**Appropriation shall be expended by the Department of Health in coordination with the UH Mānoa John A. Burns School of Medicine
HB 398 HD1 SD2 CD1
RELATING TO THE UNIVERSITY OF HAWAII
Amends the composition of the Board of Regents of the University of Hawai‘i and reduces the number of board members from 15 members to 11 members. Specifies terms of holdover board members.
Position: No position
Update: Enrolled to the Governor
Hawai‘i Promise Program

SB 316 SD2 HD2
RELATING TO THE UNIVERSITY OF HAWAII
Appropriates funds to the University of Hawai‘i for additional funding for the Hawai‘i Community College Promise Program. Requires a report to the Legislature.
Position: Support
Update: Enrolled to the Governor

HI-NET

SB 50 SD2 HD1
RELATING TO HUMAN SERVICES
Appropriates funds to the University of Hawai‘i for the Hawai‘i Nutrition Employment and Training Program to include materials and supplies and the hiring of seven full-time equivalent instructional and student support positions.
Position: Support
Update: Enrolled to the Governor
Ceded Lands - Pro Rata

HB 402 HD1 SD2
RELATING TO INCREASING THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF PUBLIC LAND TRUST FUNDS
Requires that all grants and contracts awarded by the Office of Hawaiian Affairs shall be subject to be individually approved by the board of trustees. Reduces the University of Hawaii's portion of receipts from the use, sale, lease, or other disposition of lands within the public land trust to be collected during each fiscal year to the amount equal to the University of Hawaii's receipts derived from tuition and special funds utilized for Native Hawaiian programs. Establishes a public land trust revenues negotiating committee to determine the increase to the annual amount of the income and proceeds from the public land trust that the Office of Hawaiian Affairs shall receive annually under the state constitution and other state law. Requires the Department of Budget and Finance to conduct a financial review of the amounts of revenue generated from the public land trust. Requires the Auditor to report to the Legislature on a comprehensive review of programs administered by the State that serve Hawaiians. Appropriates funds. Prohibits any increases proposed by the public land trust revenues negotiating committee that are not already approved for use by or appropriated to the Office of Hawaiian Affairs until the fiscal and comprehensive reviews required by this measure are completed and submitted to the Legislature. Effective 7/1/2050.

Position: Oppose
Update: Failed to meet the final decking deadline
Land Development – Stadium Facility

HB 1586 HD1 SD2 CD1
RELATING TO THE STRUCTURE OF GOVERNMENT
Establishes the Stadium Development District comprising all state land under the Stadium Authority's jurisdiction. Authorizes HCDA to facilitate the development of all state property within the District. Requires a memorandum of agreement for matters affecting the District. Directs DLNR to transfer title of stadium lands to the Stadium Authority. Subjects leases of land within the District to not more than 99 years. Authorizes the issuance of revenue bonds and general obligation bonds. Appropriates funds. Requires annual reports to the Legislature.

Position: Support

Update: Enrolled to the Governor
Athletics

HB 1547 HD2 SD3 CD2
MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII
Appropriates funds to the University of Hawai‘i for athletics.
Position: Support
Update: Enrolled to the Governor

Online Privacy

HB 6 HD3 SD1
RELATING TO THE UNIFORM EMPLOYEE AND STUDENT ONLINE PRIVACY PROTECTION ACT
Establishes The Uniform Employee and Student Online Privacy Protection Act that adopts uniform laws on protecting the online accounts of employees, prospective employees, unpaid interns, applicants, students, and prospective students from employers and educational institutions. Takes effect 1/1/2050.
Position: Support
Update: Failed to meet the final decking deadline
UHWO – Film Studio

SB 33 SD3 HD2 CD1
RELATING TO ECONOMIC DEVELOPMENT
Increases the annual rolling cap for the Motion Picture, Digital Media, and Film Production Income Tax Credit. Requires the University of Hawai‘i, West O‘ahu campus and HTDC to execute a memorandum of understanding that commits the parties to enter into a no-cost lease agreement for at least 60 years that includes a provision for the transfer of title within 6 years to a certain parcel of land from the University of Hawai‘i, West O‘ahu campus to HTDC.

Position: Comments
Update: Enrolled to the Governor

HB 312 HD1 SD2
RELATING TO CREATIVE MEDIA
Requires the University of Hawai‘i, West O‘ahu campus, to offer a Bachelor of Arts degree in creative media by the start of the 2020 spring semester. Repeals the annual $35,000,000 rolling cap and extends the repeal date for the motion picture, digital media, and film production income tax credit; provided that title to a certain parcel of University of Hawai‘i, West O‘ahu campus land is successfully transferred to the Hawai‘i Technology Development Corporation. Appropriates funds.

Position: Comments
Update: Failed to meet the final decking deadline
HTDC

HB 624 HD1 SD3 CD1
RELATING TO THE STRUCTURE OF GOVERNMENT
Part I: Purpose section. Part II: Establishes the strategic development programs revolving fund and transfers powers, duties, and programs of the Hawai‘i Strategic Development Corporation (HSDC) under Hawai‘i Technology Development Corporation (HTDC). Part III: Makes conforming amendments. Part IV: Repeals HSDC and transfers all duties, employees, rules, records, and equipment from HSDC to HTDC. Part V: Lowers the cap on the technology special fund and transfers unencumbered balances to the general fund. Part VI: Appropriates funds for HSDC to transfer assets and continue the strategic development programs within HTDC.

Position: Comments on original version of the bill
Update: Enrolled to the Governor
2019 Select Measures of Interest
Operations

Immunization

HB 1157 HD1 SD2 CD1
RELATING TO POST-SECONDARY EDUCATION STUDENT IMMUNIZATIONS
Exempts students in post-secondary education programs from immunization requirements if they attend classes exclusively online or through distance learning, under certain conditions.
Position: Support
Update: Enrolled to the Governor

Collective Bargaining for Graduate Students

HB 1274 HD1 SD1
RELATING TO EDUCATION
Establishes a collective bargaining unit for graduate student assistants employed by the University of Hawai‘i. Effective 1/1/2051.
Position: Oppose
Update: Failed to meet the final decking deadline
Audit - UH Travel

SR 31 SD1
REQUESTING THE AUDITOR TO EVALUATE THE 2017 UNIVERSITY OF HAWAII INTERNAL AUDIT OF TRAVEL POLICY COMPLIANCE FOR FISCAL YEARS 2015-2017 AND REPORT TO THE LEGISLATURE
Position: Supportive
Update: Resolution adopted by the Senate

Audit - Title III Funding

SR 120
REQUESTING THE UNIVERSITY OF HAWAII OFFICE OF INTERNAL AUDIT TO CONDUCT AN AUDIT OF VARIOUS PROGRAMS AT THE UNIVERSITY OF HAWAII WEST OAHU THAT RECEIVE EXTRAMURAL FUNDING, INCLUDING TITLE III GRANT FUNDING
Position: Supportive
Update: Resolution adopted by the Senate
Board of Regents

SR 134 SD1
URGING THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAIÏ TO FOLLOW AND ABIDE BY THE PUBLIC NOTICE REQUIREMENTS FOR ITS MEETINGS PURSUANT TO CHAPTER 92, HAWAIÏ REVISED STATUTES
Position: Supportive comments
Update: Resolution adopted by the Senate

UH Manoa Faculty Classification

SR 149 SD1
REQUESTING THE UNIVERSITY OF HAWAI‘I BOARD OF REGENTS TO REVIEW AND, AS NEEDED, CONFORM THE CLASSIFICATION OF ITS FACULTY TO ENSURE GREATER ALIGNMENT WITH THE MISSION AND PURPOSE OF THE UNIVERSITY AND INCORPORATE THE ASSOCIATION OF AMERICAN UNIVERSITIES' MEMBERSHIP INDICATORS INTO ITS STRATEGIC PLAN FOR THE UNIVERSITY OF HAWAI‘I AT MĀNOA
Position: Supportive comments
Update: Resolution adopted by the Senate
GM 570 - Board of Regents of the University of Hawai‘i, Gubernatorial Nominee, ROBERT WESTERMAN, for a term to expire 06-30-2022

GM 571 - Board of Regents of the University of Hawai‘i, Gubernatorial Nominee, ALAPAKI NAHALE-A, for a term to expire 06-30-2023

GM 572 - Board of Regents of the University of Hawai‘i, Gubernatorial Nominee, KELLI ACOPAN, for a term to expire 06-30-2020

Update: All nominees were confirmed unanimously by the Senate on 4/24/19
Legislative Task Forces/Working Groups

• **HB 560 HD1 SD1 CD1** UH Community Colleges shall establish a committee of stakeholders to provide input and guidance on necessary energy training. 
  *Lead: UH Community Colleges*

• **HB 658 HD1 SD1** Department of Health shall establish the advanced practice registered nurse medical leadership working group, which includes the director of the Hawai‘i Center for nursing (or designee), to research and make recommendations to permit advanced practice registered nurses to be eligible for medical leadership positions. 
  *Lead: UH Mānoa*

• **HB 1013 HD2 SD2** Department of Health shall establish an involuntary hospitalization task force, which includes a representative from the behavioral health programs at UH, to examine certain sections of chapter 334, HRS, and make recommendations that will diminish unnecessary emergency department admissions. 
  *Lead: UH Mānoa*

• **SB 804 SD1 HD1 CD1** Department of Health shall establish an advisory group, which includes a representative from the John A. Burns School of Medicine, to oversee implementation of the palliative care pilot program. 
  *Lead: UH Mānoa*
Legislative Task Forces/Working Groups

- **HCR 113 HD1 SD1** Requesting the convening of a multiple language emergency notification working group, which includes the Chair of the Board of Regents (or designee), to develop notifications for people with limited English proficiency.  
  *Lead: UH Board of Regents*

- **SCR 120 SD1** Requesting the Hawai‘i Developmental Disabilities Council to convene a working group, which includes a representative from the Center on Disability Studies, to identify strategies and agreements to better coordinate services to individuals with intellectual and developmental disabilities.  
  *Lead: UH Mānoa*

- **SCR 204 HD2** Establishes a Native Hawaiian Intellectual Property Task Force, which includes the University of Hawai‘i, to develop a sui generis legal system to recognize and protect Native Hawaiian cultural intellectual property, traditional expressions and genetic resources.  
  *Lead: UH Mānoa/UH Hilo*
Other Concurrent Resolutions Adopted

HCR 25 HD1 SD1
REQUESTING THE DEPARTMENT OF AGRICULTURE AND HAWAII TOURISM AUTHORITY TO REPORT TO THE LEGISLATURE ON THE PROCESSING OF STATE OF HAWAII PLANT AND ANIMAL DECLARATION FORMS, INCLUDING THE COSTS INVOLVED

HCR 179
REQUESTING THE UNIVERSITY OF HAWAII BOARD OF REGENTS TO CONTINUE TO SUPPORT AND FUND THE INDUSTRIAL RELATIONS CENTER AS A VALUABLE LABOR-MANAGEMENT RELATIONS RESOURCE FOR THE PUBLIC AND PRIVATE SECTORS

HCR 216 HD1 SD1
SUPPORTING THE DEVELOPMENT OF COLLEGE ESPORTS AT THE UNIVERSITY OF HAWAII

SCR 205
URGING THE STATE BOARD ON GEOGRAPHIC NAMES TO CONSULT WITH COMMUNITY MEMBERS WHO HAVE DIRECT TRADITIONAL, CULTURAL, AND FAMILIAL TIES TO THE DISTRICT OF PUNA TO ESTABLISH APPROPRIATE NAMES FOR THE FISSURE 8 VENT AND OTHER FEATURES OF THE 2018 ERUPTION OF KILAUEA VOLCANO
June 24 – 35th day after *Sine Die* (intent to veto)
July 9 – 45th day after *Sine Die* (sign, veto, or become law without signature)
Conclusion
Addendum
HR 30 HD1
REQUESTING THE DEPARTMENT OF AGRICULTURE AND HAWAII TOURISM AUTHORITY TO REPORT TO THE LEGISLATURE ON THE PROCESSING OF STATE OF HAWAII PLANT AND ANIMAL DECLARATION FORMS, INCLUDING THE COSTS INVOLVED

HR 105 HD1
CONVENING THE MULTIPLE LANGUAGES EMERGENCY NOTIFICATION WORKING GROUP

HR 142
URGING THE ESTABLISHMENT OF A NATIVE HAWAIIAN INTELLECTUAL PROPERTY TASK FORCE TO DEVELOP A SUI GENERIS LEGAL SYSTEM TO RECOGNIZE AND PROTECT NATIVE HAWAIIAN CULTURAL INTELLECTUAL PROPERTY, TRADITIONAL CULTURAL EXPRESSIONS, AND GENETIC RESOURCES

HR 161
REQUESTING THE UNIVERSITY OF HAWAII BOARD OF REGENTS TO CONTINUE TO SUPPORT AND FUND THE INDUSTRIAL RELATIONS CENTER AS A VALUABLE LABOR-MANAGEMENT RELATIONS RESOURCE FOR THE PUBLIC AND PRIVATE SECTORS
HR 201 HD1
REQUESTING THAT THE COMPTROLLER CONVENE A WORKING GROUP TO REVIEW AND RECOMMEND IMPROVEMENTS TO STATE FACILITIES TO MAXIMIZE HEALTH AND COGNITIVE FUNCTION

SR 15 SD1
REQUESTING THE DEPARTMENT OF AGRICULTURE AND HAWAI'I TOURISM AUTHORITY TO REPORT TO THE LEGISLATURE ON THE PROCESSING OF STATE OF HAWAI'I PLANT AND ANIMAL DECLARATION FORMS, INCLUDING THE COSTS INVOLVED, AND CONVENE A TASK FORCE TO REVIEW THE EFFICACY OF SUCH FORMS

SR 16
REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO ESTABLISH A TASK FORCE TO REVIEW HAWAI'I'S CURRENT VOTER EDUCATION SYSTEM AND PROPOSE IMPROVEMENTS
SR 51 SD1
REQUESTING THE UNIVERSITY OF HAWAII AT MANOA COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES, DEPARTMENT OF AGRICULTURE, AND DEPARTMENT OF EDUCATION TO CREATE A STRATEGY FOR STUDENTS TO LEARN ABOUT MODERN FARMING

SR 78 SD1
DESIGNATING FEBRUARY OF EACH YEAR AS LIVER AND BILE DUCT CANCER AWARENESS MONTH IN THE STATE OF HAWAII

SR 83 SD1
REQUESTING THAT THE EXECUTIVE OFFICE ON AGING UPDATE THE 2013 WHITE PAPER ON ACTIVE AGING AND PROVIDE A FINAL REPORT ON ITS UPDATED VERSION NO LATER THAN THE START OF THE REGULAR SESSION OF 2021

SR 87
REQUESTING THE DIRECTOR OF TAXATION TO CONVENE A TASK FORCE TO CONSIDER WORLDWIDE COMBINED REPORTING OF CORPORATE INCOME
SR 91 SD1
URGING THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT, IN CONJUNCTION WITH THE OTHER PRINCIPAL DEPARTMENTS, OFFICE OF THE GOVERNOR, OFFICE OF THE LIEUTENANT GOVERNOR, LEGISLATURE, AND JUDICIARY TO IMPLEMENT A PILOT FELLOWSHIP PROGRAM TO TRAIN NEW EMPLOYEES FOR GOVERNMENT JOBS

SR 94 SD1
URGING THE UNIVERSITY OF HAWAII, IN CONJUNCTION WITH THE DEPARTMENT OF PUBLIC SAFETY AND DEPARTMENT OF LAND AND NATURAL RESOURCES DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT, TO STRENGTHEN AND ENHANCE THE SCHOOL-TO-CAREER PIPELINE FOR POSITIONS IN PUBLIC SAFETY

SR 95
REQUESTING THAT THE EXECUTIVE OFFICE ON AGING UPDATE THE 2013 WHITE PAPER ON ACTIVE AGING AND PROVIDE A FINAL REPORT ON ITS UPDATED VERSION NO LATER THAN THE START OF THE REGULAR SESSION OF 2021
SR 96
URGING THE GOVERNOR, THE DEPARTMENT OF AGRICULTURE, THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES, AND OTHER RELATED ENTITIES TO TAKE ACTION TO HELP EXPAND THE AQUACULTURE INDUSTRY IN THE STATE

SR 121
URGING ALL APPLICABLE STATE AGENCIES TO WORK TOGETHER WITH INTERESTED STAKEHOLDERS, INCLUDING THE HONOLULU HARBOR USERS GROUP, IN ASSESSING THE RISK OF AQUATIC INVASIVE SPECIES TO HAWAII, VECTORS, AND POSSIBLE MITIGATIONS, IN PREPARATION FOR THE ESTABLISHMENT OF NEW FEDERAL STANDARDS IN 2022

SR 127
DESIGNATING JULY 20, 2019, AS "TRANQUILITY BASE DAY" IN HAWAII TO HONOR THE FIFTIETH ANNIVERSARY OF THE APOLLO 11 LUNAR LANDING AT TRANQUILITY BASE AND URGING THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION TO INCLUDE TRANQUILITY BASE AND ASSOCIATED ARTIFACTS ON THE WORLD HERITAGE LIST
SR 142
REQUESTING THE STATE TO CONVENE AN ARTIFICIAL INTELLIGENCE ADVISORY COMMITTEE TO INVESTIGATE HOW TO IMPLEMENT, DEVELOP, AND REGULATE ARTIFICIAL INTELLIGENCE IN THE STATE

SR 146 SD1
SUPPORTING THE DEVELOPMENT OF A HAWAIIAN LANGUAGE PLAN, INCLUDING GOALS, BENCHMARKS, STRATEGIES, AND OUTCOMES, TO BUILD UPON ACCOMPLISHMENTS AND TO ACCELERATE THE NORMALIZATION OF OLELO HAWAII

SR 148 SD1
REQUESTING THE UNITED STATES ARMY CORPS OF ENGINEERS, STATE OF HAWAII, AND CITY AND COUNTY OF HONOLULU TO ESTABLISH A WORKING GROUP TO EXPLORE MATTERS RELATED TO THE ALA WAI WATERSHED
Other Single Chamber Resolutions Adopted

SR 164
URGING THE ESTABLISHMENT OF A NATIVE HAWAIIAN INTELLECTUAL PROPERTY TASK FORCE TO DEVELOP A SUI GENERIS LEGAL SYSTEM TO RECOGNIZE AND PROTECT NATIVE HAWAIIAN CULTURAL INTELLECTUAL PROPERTY, TRADITIONAL CULTURAL EXPRESSIONS, AND GENETIC RESOURCES

SR 165
URGING THE STATE BOARD ON GEOGRAPHIC NAMES TO CONSULT WITH COMMUNITY MEMBERS WHO HAVE DIRECT TRADITIONAL, CULTURAL, AND FAMILIAL TIES TO THE DISTRICT OF PUNA TO ESTABLISH APPROPRIATE NAMES FOR THE FISSURE 8 VENT AND OTHER FEATURES OF THE 2018 ERUPTION OF KILAUEA VOLCANO

SR 173 SD1
SUPPORTING THE IMILOA ASTRONOMY CENTER IN ITS EDUCATIONAL EFFORTS CONCERNING RESOURCES ON MAUNA KEA AT HALE POHAKU, ENCOURAGING THE TRANSFER OF EDUCATION OUTREACH AT HALE POHAKU, REQUESTING A REPORT REGARDING RESTRUCTURING OF THE INSTITUTE FOR ASTRONOMY AND MAUNA KEA SUPPORT SERVICES, AND REQUESTING THE CONTRIBUTION OF FINANCIAL CAPITAL TO CONSTRUCT THE IMILOA UKA FACILITY
Item VI.E.

Year in Review by the President

NO MATERIALS ORAL REPORT
Report on Board Office Operations

Board of Regents
May 16, 2019
Board Office: 4 FTE positions, 1 part-time
- Executive Administrator and Secretary
- Executive Assistant
- Private Secretary
- Operations Specialist (in recruitment)
- Student Assistant (part-time)

Coordinates and Supports Board and Committee Meetings:

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<th>Board</th>
<th>Committees</th>
<th>SBCTE &amp; SPSEC</th>
<th>TOTAL</th>
<th>Days</th>
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<td>31*</td>
<td>4</td>
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<td>12</td>
<td>36</td>
<td>3</td>
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<td>16–17</td>
<td>10</td>
<td>35</td>
<td>3</td>
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- Provides support to 15 Regents
- Serves as liaison to UH Administration
- Conducts research and responds to correspondence
- Manages official records

**General Overview**
# Office of the Board of Regents

## Financial Report through April 30, 2019

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<th>Fiscal Year 2018</th>
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<td>Total Expenses</td>
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<td>$1,127.15</td>
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Other Considerations

- Some previous expenditures may not be reflected in April 30 statement
- One vacant position
- Travel costs for May and June Board and committee meetings
- Travel costs for June administrative rules hearings
- Replacement of outdated office equipment
Item VI.G.

Plan for Board Self-Assessment under Regents Policy 2.202

ITEM WILL BE DISCUSSED AT MEETING
MEMORANDUM

To: Board of Regents
From: Kendra Oishi, Executive Administrator and Secretary
University of Hawaii Board of Regents
CC: Lee Putnam, Chair
Carrie Okinaga, VP for Legal Affairs/University General Counsel
Date: Friday, May 10, 2019
Subject: H.B. No. 398, Relating to the University of Hawaii

The purpose of this memorandum is to provide a summary, timeline of related events, and additional background on House Bill (H.B.) No. 398, H.D. 1, S.D. 2, C.D. 1, which was recently passed by the Legislature and subsequently transmitted to the Governor for consideration, for discussion at the May 16, 2019, Board of Regents (Board) meeting.

Background

During the 2019 legislative session, Senate Bill (S.B.) No. 919 was introduced with the intent of reducing the number of members on the Board and making additional changes to the responsibilities and composition of the Board. Several Regents expressed concerns and testified in opposition to the bill. At the March 28, 2019, Board meeting, the Board adopted a resolution urging the Legislature to defer action on S.B. 919, with 12 members supporting and 3 members opposing the adoption of the resolution. Modifications to the bill as it went through the legislative process removed several substantive concerns.

By the end of the legislative session, H.B. No. 398 ultimately became the vehicle for the Legislature to amend the composition of the Board. A summary of the bill and related timeline follow.

Summary of H.B. No. 398, H.D. 1, S.D. 2, C.D. 1

This bill does the following:

- Amends section 26-11, Hawaii Revised Statutes (HRS) by:
  - Reducing the number of members on the Board from 15 to 11.
  - Removing the provision that allowed the student member to be reapointed for an additional term even though he/she may no longer be a student at the time of reappointment.
  - Reducing the number of members from the City and County of Honolulu, i.e. Oahu, from 7 to 5.
- Amends section 304A-104, HRS, by specifying that a holdover member shall not serve as a member of the Board beyond the end of the first regular legislative session following the expiration of that member’s term.
• Provides for transition as follows:
  o Allows the members of the Board serving as of the effective date of the bill to continue to serve the remainder of their current term.
  o Specifying that as vacancies occur, that they be filled in accordance with the requirements of section 304A-104(a), HRS.
• Takes effect on June 30, 2019, if approved by the Governor or allowed to become law without signature.

Timeline
• Tue. 1/29/19: The Candidate Advisory Council sent names to Governor for three Honolulu County seats whose terms begin 7/1/19
• Thu. 3/28/19: Board adopts resolution urging the Legislature to defer action on S.B. No. 919 until full and further consideration could be given to the implications of the provisions of the bill
• Tue. 4/30/19: H.B. No. 398 passed Final Reading in the House and Senate
• Wed. 5/1/19: H.B. No. 398 was transmitted to Governor
• Thu. 5/16/19: Board of Regents Meeting
• Mon. 6/24/19: Deadline for Governor to provide Legislature with notice of intent to veto (note: providing notice of intent does not mean the Governor will veto)
• Sun. 6/30/19: Effective date of bill
• Sun. 6/30/19: Terms end for three City and County of Honolulu Regents, one of whom applied for consideration of another term
• Tue. 7/9/19: Last day to veto or bills go into effect without Governor signature
• Thu. 7/18/19: Board of Regents Meeting

Follow up Action
Various Regents have raised questions concerning H.B. No. 398, in regard to the size of the Board, proportionality of representation, impact to student representation, and implementation.

Following customary practice the University will be given an opportunity to send comments and advice for the Governor's consideration as he makes his decision on the bill. President Lassner declines to respond, based on prior experience and his understanding of the will of the Board. Therefore, the Regents have the responsibility to decide on a response, if any.

Several alternatives are open for the Board's response, including submitting no response and submitting comments and/or recommending veto.

The Board may choose to consult with its Counsel before deciding on its course of action.
Item VI.H.1.
Executive Session
Legal Matters

ITEM TO BE DISCUSSED IN EXECUTIVE SESSION
Item VI.I.
Preparation for Election of Board Officers

ITEMS TO BE DISCUSSED AT MEETING
Item VII.A.1. and VII.A.2.

Executive Session

Personnel Matters

ITEMS TO BE DISCUSSED IN EXECUTIVE SESSION
Item VII.A.3.

Executive Session

Personnel Matters

ITEM TO BE DISCUSSED IN EXECUTIVE SESSION
Item VIII.A.
Personnel Actions (A-1 for Approval)

MATERIALS
MEMORANDUM

TO: Lee Putnam  
Chair, Board of Regents

FROM: David Lassner  
President

SUBJECT: REQUEST FOR WAIVER OF RECRUITMENT AND APPOINTMENT OF MS. AMY LUKE AS ASSISTANT TO SENIOR EXECUTIVE (EXECUTIVE ASSISTANT TO PRESIDENT)

SPECIFIC ACTION REQUESTED: 
It is requested that the Board of Regents approve the waiver of recruitment and appointment of Ms. Amy Luke as Assistant to Senior Executive (Executive Assistant to President), University of Hawai’i, at an annual salary of $135,000 ($11,250 monthly), subject to executive/managerial adjustments, as appropriate.

RECOMMENDED EFFECTIVE DATE: 
May 17, 2019

ADDITIONAL COST: 
The requested salary is less than the prior incumbent, who vacated the position in February 2017.

PURPOSE: 
This appointment will provide the necessary assistance to the President in addressing a number of matters under the purview of the President, to include system level, systemwide and Mānoa matters.

BACKGROUND INFORMATION: 
Pursuant to Board of Regents Policy, RP 9.212, Executive and Managerial Personnel Policies, and the associated executive policy and procedure, the waiver of recruitment for and appointment of positions reporting directly to the President shall be approved by the Board of Regents. The waiver of recruitment is standard practice for executive assistants and has been appropriately reviewed before submittal of this request.

This position serves as the trusted assistant to the President, who serves as the chief executive officer of the Board, the UH system and the UH Mānoa campus, and provides leadership and support in the management of matters reporting directly to the President. In addition, this position addresses a number of operational and programmatic campus matters, and assists with the development and implementation of initiatives and programs. Work performed has
systemwide impact and requires necessary coordination and collaboration with UH system level offices, UH Board of Regents office, throughout the Mānoa campus and across the UH System.

Ms. Luke currently serves as Private Secretary to the President, a position she has held since December 2014 when she was recruited from service as Executive Assistant to the previous Governor’s Chief of Staff. In this capacity, she is the highest, appointed private secretary (level III) within the University of Hawai‘i and has served as my personal and confidential assistant since shortly after I was appointed President. During the past 4-1/2 years, Ms. Luke has managed a number of matters on my behalf and with the departure of Mr. David Lonborg, former Executive Assistant to President, in February 2017, she has assumed a number of daily operational needs in facilitating matters, discussions and action memos with senior leaders and their executive assistants on time-sensitive BOR and presidential action memos, coordinating with a number of systemwide and campus offices on both unique and daily issues, and handling a variety of matters within the Office of the President. Soon after I began service as interim Chancellor of UH Mānoa, the Private Secretary to that position retired and Ms. Luke assumed additional duties. She has handled requests from external agencies including international universities and organizations, federal and state departments, and private groups and individuals.

Her experience within the state government and legislative body spans nearly 14 years, and she has served as key assistant to high ranking officials and legislators. Prior to the University, she served as the Executive Assistant to former Chief of Staff in the Office of the Governor, and served in various key office capacities for the Hawai‘i State Legislature including the offices of the House Legislative Management Chair and Vice Chair; House Tourism, Culture and International Affairs Vice-Chair; and House Judiciary Chair. She has nearly 14 years of state service that provides our leadership and teams the depth and breadth of knowledge and skills to help effectively operate the Office of the President.

Committed to self-improvement, Ms. Luke completed her master’s degree in public administration this semester from UH Mānoa. She previously earned a bachelor’s degree in peace and conflict studies, with emphasis in mediation, negotiation and conflict resolution. Both degrees are highly relevant to this position and the skills required to effectively manage my office and the many highly complex internal and external relationships.

Waivers of recruitment for this position of Assistant to Senior Executive have historically been approved given the nature of the position as the trusted and personal assistant to provide discretion of the senior executive to appoint based on their needs, as is the practice with other similar positions in UH and across state government. System EEO/AA and the Office of Human Resources have been consulted and there are no issues.

This position of Assistant to Senior Executive is assigned to the UH System and UH Mānoa salary schedule and band SM-1. The minimum of this band is $75,000, the midpoint is $112,500 and the maximum is $150,000. The proposed annual salary is $135,000 which takes into consideration her overall compensation (which has included overtime after multiple other staff departures, as appropriate for a civil service Private Secretary) and the continuous expansion of the duties she has been assigned. The data for the assigned CUPA-HR 2017-18 (public) survey position reflect a 20th percentile of $88,542, a median of $99,129 and 80th percentile of $119,617, which we believe represents assistants more closely aligned with professional level assistants in Hawai‘i than highly experienced executive assistants.
Ms. Luke has been instrumental in working closely with the offices of the Board of Regents, vice presidents and campus executives as well as numerous faculty and staff as necessary. Her experience, knowledge, professionalism and sound judgment are key to the success of the Office of the President. Given her experience and the level of the executive she serves, and in consideration of the comparable positions and her current compensation, the proposed salary is appropriate.

**ACTION RECOMMENDED**
Based on the foregoing, it is recommended that the Board of Regents approve the waiver of recruitment and appointment of Ms. Amy Luke as Assistant to Senior Executive (Executive Assistant to President), University of Hawai‘i, at an annual salary of $135,000 ($11,250 monthly), subject to executive/managerial adjustments, as appropriate.

Attachments:
1. Curriculum Vitae
Summary of Qualifications
Extensive experience in conflict/dispute resolution, problem-solving, management of staff and public relations. Excellent analysis, communication, presentation, facilitation and mediation skills. Progressive experience in Hawai'i State government managing multiple schedules, coordinating community and legislative events, campaigns, and fundraisers. Attentive to details and adept at building relationships at all levels.

Experience

Dec. 2014 – PRIVATE SECRETARY

University of Hawai'i, Office of President David Lassner

Serve as personal and confidential assistant to the System President. Manage and provide coordination of office and daily administrative operations relating to System vice presidents, chancellors, department offices and the Board of Regents. Manage workflow requests from state, federal, county, international and private organizations and assist with government relations and legislative strategy. Manage and organize document facilitation and follow-up on issues requiring consent and approval from various stakeholders. Serve as liaison to and inform staff of implementation of President's strategic initiatives and mandatory actions. Draft, edit, and review legislative, business transaction and action memos; letters of support for grant applications, scholarship awards and federal programs; and all outgoing correspondence prior to finalizing for signature and distribution. Manage student, parent and vendor complaints via oral and written correspondence and route various complaints to the appropriate campus, department and entity. Plan, organize and host campuswide fundraisers to support Aloha United Way and Hawai'i Foodbank campaigns.

Feb. 2013 – EXECUTIVE ASSISTANT

Dec. 2014

State of Hawai'i, Office of the Governor, Chief of Staff Bruce Coppa

Provide support and oversight of daily administrative operations relating to state departments, divisions and offices and requests from federal, county, international and private organizations. Manage and organize workflow and office functions. Assist with restructuring, developing guidelines and drafting letters of support for grant applications, legislative initiatives and human resources. Ensure uniform office and department compliance and track and respond to requests for public information. Facilitate confidential and sensitive information including pardons, commutations and appointments to Governor's Cabinet and attached agencies. Manage constituent complaints via oral and written correspondence. Supervise front office duties. Draft annual performance reviews for employees. Serve on Operations' employment review panel for potential new hires.


Hawai'i State Legislature, Office of House Legislative Management Chair (2008-2010) and Vice-Chair (2010-2012) and House Tourism, Culture and International Affairs Vice-Chair (2008-2012)

James Kunane Tokioka

Manage Representative's legislative, district, office and external operations including personnel support, inventory and accounting. Interviewed, hired and supervised workflow of Representative's annual office staff, priorities and implementation of key projects. Prepare Representative's remarks for external events and stand in for Representative at community functions. Serve as lead staff on key 15th district projects. Coordinate legislative events, including community/committee meetings (communications, logistics, materials and follow-up). Develop and draft District related bills and resolutions. Compiled and drafted Capital Improvement Project bill for the 14th, 15th and 16th House Districts. Composed proposed drafts for amendments and work with drafting agencies. Met with lobbyists and analyzed legislative proposals. Served as lead on all committee activities (quick research, preparation of materials for informational briefings, televised hearings and panels) and liaison to all GLA's and bills. Drafted testimony for hearings and all correspondence, certificates and letters of recommendation. Tracked Representative's personal, district and committee bills and contacted district leaders for participation. Served as lead liaison to campaign organization and main coordinator for all annual fundraising for campaign and charity events. Established computer database and filing system for all constituent requests. Launched an e-mail database and designed an e-newsletter template for monthly e-community newsletters.
**OFFICE MANAGER AND COMMITTEE CLERK**  
Nov. 2008 – Nov. 2006  
Hawai'i State Legislature, Office of House Judiciary Chair Tommy Waters  
Managed Representative’s legislative, district, office and external operations. Interviewed, hired and supervised workflow of Representative’s office and Judiciary staff, priorities and implementation of key projects. Stood in for Representative at community functions and prepared Representative’s remarks for external events. Served as lead staff on key 51st district projects. Coordinated legislative events, including community/committee meetings (communications, logistics, materials and follow-up). Assisted in development of House Judiciary Package and District related bills. Drafted potential legislation/proposed drafts for amendments and testimony for hearing. Met with lobbyists and analyzed legislative proposals. Served as lead liaison to all Judiciary related bills/GIA’s. Tracked Representatives personal/district bills and contacted district leaders for bill testimony. Prepared Representative’s bill binders (3rd and Final Reading on senate and house bills, including decision-making materials). Served as lead on all committee activities (quick research, preparation of materials for informational briefings, televised hearings and panels). Drafted correspondence and certificates. Served as liaison to campaign organization and coordinated “Opening Day” and annual fundraising events. Managed personnel support, inventory and office accounting.

**OFFICE MANAGER**  
July 2006 – July 2006  
Hawai'i State Legislature, Office of Representative Ryan Yamane  
Managed Representative’s legislative, district, office and external operations. Prepared Representative’s remarks for external events and stood in for Representative at community functions. Coordinated legislative events, including community meetings (communications, logistics, materials and follow-up). Drafted correspondence (legislative memorandums, constituent responses and community newsletters). Drafted certificates (community service, leadership accommodations, service learning projects, lifetime achievement awards, community and environmental contribution efforts and graduation/honor rolls). Managed personnel support, equipment inventory and office accounting. Organized, prepared and setup town meetings and events. Organized and assisted in volunteer coordination, pick up and drop off for community wide recycling project to benefit Mililani High School.

**COMMITTEE CLERK AND LEGISLATIVE AIDE**  
Hawai'i State Legislature, Office of Representative Brian Schatz, Honolulu, HI  
Compiled testimony and collated packets for Representatives according to specific protocol. Researched community and governmental organizations that handle citizens’ concerns and questions. Drafted correspondence (legislative memorandums, constituent responses and community newsletters). Worked with federal, state and city agencies on jurisdictional issues. Organized and hosted fundraisers to benefit the Hawai'i Foodbank.

**CLIENT SERVICES REPRESENTATIVE**  
May 2005 – Nov. 2005  
Certus Corporation, Hawai'i Branch  
Provided clients with the strategies, information and techniques to improve both the quality and efficiency of their services. Helped clients recover under-payments, reducing costs and improving quality through reengineering of the administrative functions. Worked independently with limited supervision. Provided expertise on all billing components and research programs i.e. SMS, Shared Medical Systems, and CMS, Premise or Electronic Remittance Advice Systems.

**LEGAL ADVOCATE AND LAW CLERK**  
Feb. 2004 – Nov. 2004  
Legal Aid Society of Hawai'i, Wai'anae Unit, Wai'anae, HI  
Provided civil legal services to financially disadvantage citizens. Personal case list involved public assistance, housing, family problems and consumer law. Assisted staff attorneys with legal research projects and preparation of legal documents and court forms. Involved in court proceedings, representing disabled clients in benefits denial hearing and follow-up of appropriations and/or appeals.
Leadership and Community Roles

Campaign Manager and Assistant to the Treasurer, Friends of Tommy Waters, HI (2014, 2018, 2019)
Field Volunteer, Abercrombie for Governor, Shan's Friends, David Ige for Governor, Mark Takai for Congress, HI (2014)
Volunteer, Office of State Representative James Kunane Tokioka (2013-present)
Field Volunteer, Caldwell for Mayor (2012-present)
Field Volunteer, Brian Schatz for Lieutenant Governor, Friends of Blake Oshiro, Friends of Kim Coco, HI (2010)
Member, Chinese Civic Club Association, HI (2009-present)
Field Volunteer, Friends of Amy Monk, Friends of Blake Oshiro, Friends of Ryan Yamane, HI (2008)
Member, Young Democrats of Hawai'i (2008-present)
Windward Civilian Military Council, District Representative, HI (2007-2008)
Kailua/Waimānalo Neighborhood Board, District Representative, HI (2007-2008)
Database Coordinator and Field Volunteer, Schatz for Congress, Honolulu, HI (2006)
Volunteer and Classroom Assistant, Peacemaking Class, Farrington High School, Honolulu, HI (2005)
Volunteer and Legal Advocate, Legal Aid Society of Hawai'i, Wai'anae Unit, HI (2004)

Education

University of Hawai'i at Mānoa • Honolulu, HI
Degree: M.A., Public Administration Program (2019)
Degree: B.A., Major: Peace and Conflict Studies, Emphasis: Mediation, Negotiation, Conflict Resolution
Outside Concentration: Political Science (2005)

Computer Skills


References

Available upon request.