I. CALL TO ORDER

Chair Howard Karr called the meeting to order at 9:15 a.m. on Thursday, October 15, 2009, at the University of Hawai‘i at Mānoa, Stan Sheriff Center Hospitality Room, 1337 Lower Campus Road, Honolulu, Hawai‘i 96822.

Quorum (14): Chair Howard H. Karr; Vice Chair Dennis I. Hirota, Ph.D.; Artemio C. Baxa; Carl A. Carlson; Michael A. Dahilig; Ramón S. de la Peña, Ph.D.; Chuck Y. Gee; James J.C. Haynes II; John C. Holzman; James H.Q. Lee; Eric K. Martinson; Teena M. Rasmussen; Harvey S. Tajiri; and Grant T.S. Teichman.


Others in attendance: President M.R.C. Greenwood, Ph.D.; Vice President for Academic Planning & Policy Linda Johnsrud, Ph.D.; Vice President for Budget & Finance/Chief Financial Officer Howard Todo; Vice President for Community Colleges John Morton, Ph.D.; Vice President for Legal Affairs and University General Counsel Darolyn Lendio, Esq.; Vice President for Research Jim Gaines, Ph.D.; Vice President for Information Technology Services/Chief Information Officer David Lassner, Ph.D.; Associate Vice President for Capital Improvements Brian Minaai; Associate Vice President for Student Affairs Karen Lee; Associate Vice President for External Affairs/University Relations Carolyn Tanaka; Interim Executive Administrator and Secretary of the Board Presley Pang, Esq.; Chancellor Virginia Hinshaw; Chancellor Rose Tseng; Chancellor Gene Awakuni; Chancellor Manuel Cabral; Chancellor Rockne Freitas; Chancellor Leon Richards; Chancellor Mike Rota; Chancellor Doug Dykstra; and others as noted.

II. APPROVAL OF MEETING MINUTES OF SEPTEMBER 17, 2009

Upon motion by Regent Gee and second by Regent Haynes, the minutes of the Board meeting conducted on September 17, 2009, were unanimously approved.

III. PUBLIC COMMENT PERIOD

1. Ashley Maynard, Chair of the Department of Psychology, UH Mānoa, requested immediate, adequate, contiguous and safe space for the Psychology Department and its classes, due to the evacuation of Gartley Hall on September 30, 2009. Gartley Hall housed the Psychology Department and was closed because of unsafe structural damage.
2. **David Ross**, Chair, UHM Faculty Senate, reported that the Faculty Senate requests the Board and the President to ensure that resources are allocated in a responsible way, and to resist being panicked into policy decisions that could permanently reduce the ability to provide students with the opportunities they deserve.

3. **Jon Osorio**, UHM faculty, expressed his concern over the lack of consultation with faculty regarding retrenchment. He proposed that the Board of Regents hold a public meeting to hear the concerns of faculty and students; that the Board declare that there will be no retrenchment; that the Board and the Administration join with faculty and students to pressure the Legislature and the Governor to restore the UH budget to FY2007 and 2008 levels.

4. **Lauren Ballesteros**, UHM student, asked the Board to consider the students’ experience in college when making decision on the budget. Retrenchment will reduce students’ ability to explore the full educational options and will result in a less enriching educational experience.

5. **Lilikala Kame‘eleihiwa**, UHM faculty, asked that the Board institute a policy of no retrenchment.

6. **Nandita Sharma**, UHM faculty, said that retrenchment is not acceptable. The faculty’s rejection of the Administration’s offer was ultimately not about faculty pay cuts but about the faculty’s commitment to quality, affordable education for students.

7. **Angela Krattiger**, UHM graduate student, expressed her concerns that the budget cuts that will be disproportionately absorbed by the Mānoa campus. She also requested a special Board meeting to hear the concerns of faculty and students; advocated a “no retrenchment” policy; and urged the UH Administration and the Board to actively advocate for public education in Hawai‘i.

8. **Cheryl Beredo**, UHM graduate student, said that she opposes retrenchment and called for a special meeting of the Board to hear student and faculty concerns.

9. **Brian Bilsky**, UHM graduate student, spoke against retrenchment.

10. **Keiki Kawai‘ae‘a**, UH Hilo faculty, spoke in support of constructing a College of Hawaiian Language building on the Hilo campus.

11. **Ka’iu Kimura**, UH Hilo graduate student, spoke in support of constructing a College of Hawaiian Language building on the Hilo campus.

12. **Jeffrey Rich**, President of UH Mānoa’s Graduate Student Organization (GSO), asked the Board to seriously consider GSO’s statement on the budget cuts that will be released after GSO meets that afternoon.

13. **Rachel Gundy**, UHM student, said that she is committed to her education, and asked what is the Board’s commitment to her education.

   Board Secretary Presley Pang reported that 6 written testimonies regarding the budget were received in the Board office from the following, and copies have been distributed to the Regents: Mark Ing, ASUH President; Keali‘i Gora, Administrator,
IV. REPORT OF THE PRESIDENT

President Greenwood stated that the current fiscal crisis has endangered the State’s education system and has put at risk our ability to prepare our youth with tools needed to enter the globally competitive workforce. She said that across the nation states are disinvesting in education. There are current proposals in Congress that provide funding to ensure educational success or to pay for new programs and studies on higher education. The UH is well positioned to take advantage of these opportunities, but it will take time. Hawai‘i must first address the immediate lack of funds.

President Greenwood reported that she is working with Senate Higher Education Committee Chair Jill Tokuda to convene a roundtable to plan for the future of higher education in Hawai‘i, with students, faculty, administrators, local legislators, educational and business leaders, as well as national leaders. She and Senator Tokuda will soon create a planning committee and suggest how it might lead to specific actions that can be taken to change the trajectory that we are on with the higher education budget. To support this initiative, public and private collaboration is needed to seek sponsorship and funding. President Greenwood encouraged those who testified this morning to join in this effort to work collaboratively to provide insight and new directions.

President Greenwood reported that she has completed her visits to nine campuses. At each campus she met with faculty, staff, and students. She will complete her visit with the 10th campus, Honolulu CC, in a few weeks.

Later this month President Greenwood will meet with the following in Washington, D.C.:

• Members of Hawai‘i’s congressional team;
• National Cancer Research Institute leadership;
• National Academy of Sciences president;
• Association of Land Grant Universities;
• Members of the federal executive branch agencies such as the Department of Education.

President Greenwood reported that she has created a Cancer Research Center advisory steering group to support the development of the Center. Members of the group include Regent Hirota, Chancellor Hinshaw, Vice President for Research Jim Gaines, Center Director Michele Carbone, JABSOM Dean Jerris Hedges, Research Corp. Executive Director Michael Hamnett, and other Mānoa faculty and System executives. The group meets weekly and has developed a plan designed to maintain National Cancer Institute (NCI) designation and to construct a facility that the University can afford.
Dr. Carbone recently won 2 grants funded by stimulus monies, each worth about $1 million over 2 years, allowing the Cancer Research Center to hire 2 professional translational physician/scientists. President Greenwood noted that this is a significant accomplishment in this extremely competitive environment, since the NCI made only 30 awards, and the UH was the only center awarded the maximum of 2 positions.

President Greenwood reported that the Community Colleges are aggressively pursuing student success. The University will be well-positioned to take advantage of the Obama community college initiative once it is approved by Congress.

Regarding the Thirty Meter Telescope, President Greenwood reported that subsection plans are moving forward, with management plans expected to be presented to the Board for approval in November.

Recently, a programmatic agreement was reached with the National Science Foundation for an advanced technology solar telescope on Haleakala. Part of the benefit package associated with the telescope is a proposal for $20 million over 10 years to Maui Community College for an educational program to cultivate the intersection of Hawaiian culture and knowledge with science, technology, engineering, and math courses. Construction is estimated at $300 million over 7 years, beginning in 2010.

The President reported that research awards to the University have passed the $200 million mark to date, compared to $160 million at this time last year. The University continues to do well in obtaining federal revenues.

President Greenwood reported that the faculty voted to reject the University’s collective bargaining proposal. She noted that each month’s delay in reaching a resolution makes the budget situation more pressing. The University proposed a 5% wage reduction, the lowest reduction for any state employee, and no change in the current retrenchment procedures for FY 2010. President Greenwood stated that she has publicly committed to no layoffs of tenured or tenure-track faculty for fiscal reasons through FY 2011. The University continues to believe in a balanced approach, using salary savings, payroll lags, vacancies, salary reductions, retirements, tuition revenues, increased efficiencies and cost-saving measures.

The budget reductions of $76 million have already been imposed by the Governor and the Legislature. The University is determined to do its best to support the best higher education to the students and the community, and will continue to advocate on behalf of the students, faculty, and staff. President Greenwood has asked her leadership team to stay positive and continue to do the best they can for our students. She said that, unfortunately, there will be some painful changes made due to the budget cuts. Efforts will continue to preserve the infrastructure as much as possible.

The President said that today’s reports by the Mānoa, Hilo, and West O’ahu campuses will provide a good idea of progress being made on strategic plans. These reports will be the basis of the biennium budget process for 2011-2013. The University needs to sharpen its long-range future and set forth future goals, objectives, and pathways.
Chair Karr stated that the Board of Regents is committed to supporting the University. He informed the audience that three-fourths of the Board are UH graduates or have been educators at the UH, and that the Regents are committed and passionate about what goes on at the UH. The University of Hawai‘i is the key to the future of the State of Hawai‘i. It is an economic generator that currently attracts over $400 million in grants and contracts annually. It is a major employer of the State, and is a source of future physicians, educators, lawyers, carpenters, emergency medical technicians, and all other professionals and skilled technicians who serve our community. Without a strong and viable University of Hawai‘i, the future of the State of Hawai‘i is in jeopardy. The Board and President Greenwood will continue to advocate for a strong University of Hawai‘i, and urge everyone to work together to make a better future for our institution. The Board and the University Administration encourage robust debate and understand that individual constituencies may see the current circumstances differently, but in the final analysis, we must all work together to deal with our budget shortfall and toward common goals if we are to succeed.

Chair Karr clarified an issue that was brought to his attention: whether the Board authorized a declaration of fiscal exigency. Chair Karr reported that, with the authorization of the Board, in a press release dated July 28, 2009, then President David McClain confirmed that a state of fiscal exigency existed at the University of Hawai‘i.

President Greenwood introduced UH Mānoa Chancellor Virginia Hinshaw and thanked her for hosting the Board at her campus.

Chancellor Hinshaw welcomed the Board and spoke about the current realities of a decline in education and an economic crisis. She said that the University needs to be able to control its positions and resources, and the flexibility to use them in the most effective, efficient manner possible to serve the State.

Chancellor Hinshaw said UH Mānoa must focus on what it can do well. It cannot keep doing more with less. It has to do better with the resources it has. Mānoa will have to make changes, even if they are unwanted.

Chancellor Hinshaw closed by saying that the focus going forward is developing plans for an investment in the future of the University of Hawai‘i at Mānoa so that it can continue to be an economic generator and a source of pride for Hawai‘i.

V. ITEMS FOR BOARD ACTION

Campus Report – UH Hilo (information only)

Chancellor Rose Tseng presented UH Hilo’s accomplishments and challenges over the last decade, and plans for the future of the campus. [Her presentation is on file in the Board office.]

Chancellor Tseng said that UH Hilo’s distinct mission is to provide quality undergraduate education, select graduate and professional programs that meet State needs, and research that benefits the community.
UH Hilo is meeting or exceeding all of its performance objectives: degrees/certificates awarded; Pell grants awarded; high school going rates; degree attainment of Native Hawaiians; extramural fund support; STEM (science, technology, engineering, and mathematics) degrees awarded; graduates in workforce shortage areas; and increase in non-state revenue.

UH Hilo’s contributions to the local economy in 2007-08 was $240.4 million, an increase from $100 million in FY03-04. For every $1 that the State invested in UH Hilo, at least $3 went back to the community. In 2008, UH Hilo was the second largest employer in East Hawai’i.

Chancellor Tseng declared that UH Hilo has a proven track record of success, through persistence and a robust entrepreneurial spirit. She said that they dream big at UH Hilo, wanting the best for their students, the institution, the community, and the State.

Regent Rasmussen asked what caused the drop in nonresident enrollment. Chancellor Tseng said that they have been focusing on recruiting resident students.

Regent Gee commended the staff of UH Hilo on its accomplishments and progress, and asked if UH Hilo can continue to meet its projections, given the current economic situation. Chancellor Tseng responded that the campus may not grow as quickly, but staff are committed to serving the community and the State.

Regent Holzman asked why the number of first-time freshmen decreased in 2009. Chancellor Tseng explained that the decrease is due to the economy, but overall enrollment has increased due to an increase in transfers. She said that students in their rural community tend to enter community colleges initially because of the lower tuition.

Regent Holzman asked how long it takes a student to graduate. Chancellor Tseng responded that 62% graduate in 6 years.

Vice Chair Hirota congratulated UH Hilo for achieving the five critical workforce areas.

Regent Rasmussen asked if there is articulation between Hawai’i Community College and UH Hilo to enable students to seamlessly transition from one to the other. Chancellor Tseng responded affirmatively, adding that she has been working with Hawai’i CC Chancellor Rockne Freitas to support seamless transfer for almost all programs.

VI. REPORT OF THE UNIVERSITY OF HAWAI’I FOUNDATION

Foundation President Donna Vuchinich reported that at the end of this quarter, fundraising totaled $8.7 million, and the Foundation is on track towards its goal of $40 million for the year.

The Alumni Association is currently updating its database of over 200,000 alumni.
Regent Rasmussen asked about the effect of staffing cuts on operations. President Vuchinich responded that they’ve reorganized, become more focused, and are doing things differently, utilizing more technology.

Regent Gee asked if alumni support continues to grow, which President Vuchinich confirmed. Regent Gee commented that alumni support extends beyond its dollar value; it reflects a commitment to the University.

V. ITEMS FOR BOARD ACTION (continued)

Campus Report – UH West O‘ahu (information only)

Chancellor Gene Awakuni provided an update on UH West O‘ahu (UHWO). [His presentation is on file in the Board office.]

UHWO began as a liberal arts college. In 2006, its mission changed to a four-year, comprehensive university emphasizing baccalaureate education founded in liberal arts, service, professional, career-related, and applied fields. Its curriculum is based on meeting State and regional needs through partnerships with the Community Colleges and its distance education programs.

Chancellor Awakuni described how the campus has met the System goals by providing flexible course schedules and learning formats; increasing enrollment; increasing retention programs; increasing financial aid; adding programs that meet the workforce needs of the State; increasing service learning projects; strengthening Hawaiian Pacific studies faculty and courses; and lessening reliance on general funds through 2015.

Chancellor Awakuni reviewed the Kapolei campus development, and said that now is the ideal time to build, due to low construction costs.

The Chancellor ended by saying that the campus’ future challenges are to increase the regional college-going rate to meet or exceed the statewide rate; to provide adequate space for projected enrollment growth; and to secure appropriate resources to complete the new campus.

Campus Report – UH Mānoa (information only)

Chancellor Virginia Hinshaw presented University of Hawai‘i Mānoa’s report. [This report is on file in the Board office.]

Chancellor Hinshaw said that UHM provides a multicultural global experience in a Hawaiian place of learning.

Last year UHM began a prioritization process, with committees submitting recommendations to the Chancellor, including budget recommendations.
Chancellor Hinshaw reviewed the following performance measures: increased degree attainment of Native Hawaiians by 53% from 2001; 25% increase in degrees and certificates of achievement earned since 2001; improved articulation with the Community Colleges; increased disbursement of Pell grants (22.5% increase since 2003); increased going rates of public and private Hawai'i high school graduates (400 additional students since 2000); increased extramural research and training support (13% increase from 2007); decreased invention disclosures, patents, and licenses; 35% increase in degrees in STEM fields; on target with producing State’s work shortage areas of teachers, nurses, hospitality workers, but below target with computer/IT and social workers; decreased deferred maintenance backlog; 40% increase from 2003 in non-state revenues.

President Greenwood asked the Regents to use the information provided by the campus presentations to inform the public of the depth of the UH System and the critical importance of maintaining and building our future. She said that there is excellence on every campus, and the University community must get this message across to the public.

Regent Martinson remarked that these presentations have provided him with a firmer understanding of our different campuses and what the University offers as a system. He requested the Administration to provide the Regents with a condensed version to present to the community. President Greenwood responded that the Administration will develop a presentation.

Regent Baxa commented that the Mānoa campus, the flagship, research campus, should not be abandoned.

Chair Karr suggested a Board task group to work on this initiative.

Chair Karr asked how increased enrollment at West O'ahu would affect the Mānoa campus. Chancellor Hinshaw responded that Mānoa is developing new enrollment goals and management plans, and can still grow in enrollment, but the facilities must be in line with that growth. She said that there is a great need to increase the educational attainment of the State, each campus has a role to play, and each campus can grow together.

Approval of Lease for Office Space in the Oceanit Center for Surge Space for Mānoa Operations

Regent Martinson recused himself from this item, declaring a potential conflict of interest.

UH Mānoa Vice Chancellor for Administration Cathy Cutshaw requested approval of a lease for office space in the Oceanit Center. This 7,200 square fee of space is needed to temporarily relocate non-instructional units currently on campus to free space for the displaced Psychology Department faculty and staff who were evacuated from Gartley Hall.
Regent Gee asked if accommodations closer to campus were explored. Vice Chancellor Cutshaw responded in the affirmative, adding that the alternate spaces they considered were inadequate or too costly.

Upon motion by Regent Haynes and second by Regent Dahilig, with a recusal by Regent Martinson, the Board unanimously approved leasing office space in the Oceanit Center as summarized in the Major Term Sheet, and authorized the President to negotiate, finalize, and execute the lease and any related documents deemed necessary or appropriate.

Regent Martinson returned to the meeting.

Approval of UH Supplemental Budget Request for FY10-11

Vice President Howard Todo requested approval of the supplemental budget. The capital improvements requests focus on reducing deferred maintenance. The University can more quickly create space by repairing and renovating existing buildings rather than building new buildings. Repair and maintenance would be funded by bond proceeds or other federal or special funds and not by general funds. This budget includes $13.5 million for the initial renovation of Gartley Hall. However, that initial estimate will increase, due to the discovery of more significant structural damage.

An addition to this supplemental budget from the original budget presented to the Board in September 2009 is $31 million for the construction of UH Hilo’s College of Hawaiian Language building. This building supports the University’s mission as the only provider of public higher education in Hawai‘i, embracing its unique responsibilities to the indigenous people of Hawai‘i and to Hawai‘i’s indigenous language and culture. In addition, the project is ready for construction and thus will support economic development.

The total CIP supplemental budget request is for $336.6 million in general obligation bond funds and $36.6 million in authorizations to spend federal and special funds.

With regard to the operating budget request, because of a $46 million reduction by the Legislature and a $54 million restriction by the Governor, and a predicted further reduction in revenues by the Council on Revenues, the University is limiting its request for new funds to just one item -- funding for the Office of Mauna Kea Management to implement and enforce the Comprehensive Management Plan. The CMP is essential for the development and operation of astronomy research programs on Mauna Kea. This request is for $2.18 million.

Regent Rasmussen asked how long it would take for the assessment of Gartley Hall. Associate Vice President Brian Minaai responded that the University is currently in negotiations with structural and soil engineers, and expects a report in three months. Mr. Minaai said that soil contractions due to an underground stream have affected structures in the area from Mid-Pacific School down to the School of Architecture.
Regent Rasmussen asked what is being done for more permanent space for the Psychology Department. Vice Chancellor Cutshaw responded that they are doing a space needs assessment.

Upon motion by Regent Gee and second by Regent Haynes, the CIP and Operating supplemental budget requests for July 1, 2010 to June 30, 2011 were unanimously approved.

**Approval of UH Legislative Proposals**

Stephanie Kim, Director of Government Relations for the University System, presented five legislative proposals requested by the University:

1. Amend Act 106 by removing the repeal date which authorizes the transfer of all University funds, with the exception of general funds, into the UH Commercial Enterprises Revolving Fund to finance the establishment of new enterprises.

2. Amend Act 161 by removing the repeal date which gives the UH authority over their finances pursuant to Act 321.

3. Amend Section 304A-105 by reinstating the procurement code exemption and authority to develop procurement policies and procedures previously conferred upon the Board of Regents by Act 115.

4. Add a new section to Chapter 304A which establishes the UH CIP project assessment special fund for the purpose of defraying the cost of carrying out CIP projects managed by the University.

5. Amend Section 304A-2601(b) to allow the Board of Regents to establish fees for campus parking at an open meeting subject to the requirements of Chapter 92, HRS, and exempt from the public notice, public hearing, and gubernatorial approval requirements of Chapter 91, HRS.

Regent Dahilig said that he will vote for approval of these legislative proposals with reservations, due to his objections to the proposal regarding campus parking fees.

Regent Teichman asked why the University lost its exemption from the Procurement Code. Vice President Todo responded that the University was included among the group of several entities that lost their exemption five years ago. The University has been attempting to reinstate it ever since.

Regent Rasmussen asked how UH’s exemption from the Procurement Code will be justified.

Vice President Todo explained that the Procurement Code is very cumbersome. Under the current economic situation, there are more protests of bids awarded. Under the Procurement Code, the protest procedure slows down the procurement process. General Counsel Lendio added that there are 15 pending protests filed so far.
President Greenwood said that this package of legislative proposals seeks relief from some of the regulations that costs the University money and prevents the University from moving quickly when labor and materials are inexpensive. The proposals reflect the theme that if the Legislature cannot authorize additional funds, the Legislature should at least relieve the University from onerous regulations.

Regent Teichman asked why the University is asking to be exempt from public notice and hearing on campus parking fees. General Counsel Lendio responded that public notice and public hearing on proposed fees will continue to be required, but the final decision will rest with the Board of Regents, rather than the Governor. General Counsel Lendio said that this exemption streamlines the process. Currently, the formal rulemaking process takes almost a year.

Regent Dahilig commented that he opposes this proposal because he wants a process that allows sufficient time for student and faculty participation.

Regent Gee asked for assurance that there are strong internal controls if the exemptions are legislated. Chair Karr responded that the University now has an Internal Auditor who can oversee the procedures.

Upon motion by Regent Martinson and second by Regent Baxa, with Regents Teichman and Dahilig voting “Yes, with reservations,” the five 2010 UH legislative proposals were approved by all 14 Regents present at the meeting.

**Approval of CIP and R&M Contracts for FY09-10**

Associate Vice President for Capital Improvements Brian Minaai requested approval of one professional services project totaling $325,000 and two construction projects totaling $9,745 million. All projects are for repair and maintenance.

Upon motion by Regent Martinson and second by Regent Lee, the CIP and R&M contracts were unanimously approved.

**Approval of UH Foundation Contract Extension**

UH Foundation President Donna Vuchinich requested a one-year extension of the services agreement between the Foundation and the University, from January 1, 2010 to December 31, 2010. Under this agreement, the Foundation provides fundraising and alumni relations services to the University.

Upon motion by Regent Dahilig and second by Regent de la Peña, the one-year extension of the UH Foundation contract was unanimously approved.

**Approval of Community Colleges Midterm Accreditation Reports**

Vice President for Community Colleges John Morton requested approval of the Community Colleges Midterm Accreditation reports. Vice President Morton reported that
the Community Colleges are accredited on a six-year cycle, and all campuses are accredited until January 2013. The accreditation process requires a midterm report by each college on progress of implementing the association recommendations, and progress on meeting the college’s own self-recommendations. These midterm reports must be reviewed and approved by the Regents prior to submission to the accrediting commission.

Vice President Morton explained that Maui Community College is not included in these reports because Maui CC is under the jurisdiction of the "senior" accrediting commission due to Maui’s offering of 2 baccalaureate degrees.

Regent Gee asked for a matrix of the Community Colleges’ strengths and weaknesses and progress. Vice President Morton agreed to provide this.

President Greenwood commented that the University is working so well among the campuses that we may be pushing some standards of the accrediting commission.

Chair Karr requested that, in the future, the Board’s Committee on Community Colleges reviews the reports and makes a recommendation to the full Board.

Upon motion by Regent de la Peña and second by Regent Baxa, the Community Colleges Midterm Accreditation Reports were unanimously approved.

Regent Martinson expressed his observations and comments regarding the financial challenges the University faces and the issues that must be addressed. He said that the University’s strategic plan has a vision that rests on and embraces the concept of “ahupua’a.” Regent Martinson read the following excerpts from the UH Strategic Plan:

“…Within the ahupua’a, a wise conservation system was practiced to prevent exploitation of the land and sea, while allowing the people to use what they needed for sustenance.

...The University of Hawai‘i system of public higher education embraces the Native Hawaiian reverence for the land the ahupua’a practice of sharing diverse but finite resources for the benefit of all...the University as a system of interdependent and collaborative institutions will ensure the responsible allocation, management, and sustainable use of limited resources and the generous sharing of diverse expertise.”

Regent Martinson said that each campus is also an ahupua’a, within the ahupua’a of the System. The System is part of the ahupua’a of our State and broader community. Regent Martinson urged that the Regents remember those values and principles as the Board deliberates on the financial decisions that must be made by the Board, for the best interests of the System.

Chair Karr concurred, and thanked Regent Martinson for reminding the Board of the ahupua’a values and principles.
RECESS AND EXECUTIVE SESSION

Upon motion by Regent Rasmussen and second by Regent Dahilig, the Board unanimously approved convening in executive session, pursuant to HRS §92-5(a)(2), (3), (4), following a lunch recess.

A lunch recess was taken at 1:00 p.m., followed by an executive session.

The Board reconvened in public session at 3:20 p.m.

VII. ACCEPTANCE AND APPROVAL OF GIFTS, GRANTS AND CONTRACTS

Vice President for Research Jim Gaines reported that the University had the best first quarter ever, with $185 million received. It appears that the University will continue to receive increasing amounts. However, Vice President Gaines cautioned that these awards include stimulus monies. This fiscal year to date, the University has received $31 million in stimulus money. Even without stimulus monies, the University is a $400 million extramural research entity, and growing.

Regent Gee requested that one or two research grants be highlighted in these reports to illustrate the scope and diversity of research being conducted by the University.

Regent Martinson commented that the grants underscore the need to implement a technology transfer unit that can enable the University to take advantage of the scientific and technological discoveries being made by our scientists and researchers.

No Board action was necessary for this report.

VIII. ANNOUNCEMENTS

Chair Karr announced that the next meeting of the Board of Regents will be on Thursday, November 19, 2009, at Leeward Community College.

There will also be a Board workshop on Wednesday, November 18, 2009, facilitated by Terrence MacTaggart of the Association of Governing Boards.

IX. ADJOURNMENT

There being no further business, the meeting was adjourned by unanimous consent at 3:26 p.m.

Respectfully Submitted,

Presley W. Pang, Esq.
Interim Executive Administrator
and Secretary of the Board