MINUTES

BOARD OF REGENTS’ MEETING

SEPTEMBER 17, 2015

I. CALL TO ORDER

Chair Randy Moore called the meeting to order at 9:31 a.m. on Thursday, September 17, 2015, at Leeward Community College, Campus Center Student Lounge, 96-045 Ala Ike Street, Pearl City, Hawai‘i 96782.

Quorum (12): Chair Randy Moore; Vice Chair Eugene Bal; Regent Simeon Acoba; Regent Wayne Higaki; Regent David Iha; Regent Ben Kudo; Regent Coralie Matayoshi; Regent Michael McEnery; Regent Barry Mizuno; Regent Michelle Tagorda; Regent Ernie Wilson; and Regent Stanford Yuen.

Excused (3): Vice Chair Jan Sullivan; Regent Jeffrey Portnoy; Regent Lee Putnam.

Others in Attendance: President David Lassner; Vice President for Academic Affairs, Risa Dickson; Vice President for Community Colleges, John Morton; Vice President for Legal Affairs and University General Counsel, Carrie Okinaga; Vice President for Research, Vassilis Syrmos; Vice President for Information Technology and Chief Information Officer, Garrett Yoshimi; Vice President for Budget and Finance/Chief Financial Officer, Kalbert Young; Interim UH Mānoa (UHM) Chancellor, Robert Bley-Vroman; UH Hilo (UHH) Chancellor, Don Straney; Leeward Community College (LeeCC) Chancellor, Manuel Cabral; Honolulu Community College (HonCC) Chancellor, Erika Lacro; Executive Administrator and Secretary of the Board of Regents, Cynthia Quinn; and others as noted.

II. APPROVAL OF MINUTES OF AUGUST 20, 2015 MEETING

Regent Mizuno moved to approve the minutes of the August 20, 2015 meeting. Regent Wilson seconded the motion, and the minutes were unanimously approved.

III. PUBLIC COMMENT PERIOD

Executive Administrator and Secretary to the Board of Regents, Cynthia Quinn announced that written testimony and late written testimony had been received, distributed to the board, and posted on the board’s public website from five individuals in support of the Vice Chancellor for Research appointment; from four individuals opposed to the Vice Chancellor for Research appointment; from one individual who offered comments on how to best support the research enterprise at UHM in lieu of hiring a Vice Chancellor for Research; and support for the Integrated Academic & Facilities Plan.
The following individuals provided oral testimony:

1. Dr. Bob Cooney, Professor at Department of Public Health Sciences, read comments from his written testimony that was submitted earlier.
2. Dr. Marguerite Butler, Associate Professor of Biology at UHM, supported the strategic thinking of the System-Level Integrated Academic & Facilities plan resolution but expressed concern over the lack of consultation with faculty regarding Snyder Hall and the unmet needs of the biology department.
3. Michael Goodie, a Leeward Community College student, offered a new water filtration and sewer system plan for the facilities being built on campuses and in support of sustainability for the island, which he handed out.

IV. REPORT OF THE PRESIDENT

President Lassner reported on the following news and activities of the month:

- Title IX status. The new system Office of Institutional Equity has been established with Jen Rose as the Director, which will be the lead office for compliance with Title IX and the Violence Against Women Act (VAWA) as well as coordinating activities, and providing economies of scale across the ten campuses. An interim policy was promulgated to advance compliance while the required consultation process with the collective bargaining organizations is completed. The policy establishes systemwide standards and procedures so that all 10 campuses can adopt a consistent response; clarifies the types of conduct prohibited; identifies how students, faculty and staff can seek confidential support or report incidences; and includes a flow chart to map processes and identify leads and primary contacts for each campus.

- The 2015 Men’s March Against Violence on O’ahu will be held in October with Jerris Hedges, Dean of the John A. Burns School of Medicine and Interim Director of the Cancer Center, as the Honorary Chair and Kap‘ōlani Community College (KapCC) as one of the hosting organizations. Several individuals from the university including Athletics Director David Matlin and Board Chair Moore participated on the organizing committee.

- The external consultants for the University of Hawai‘i Cancer Center business plan visited two weeks ago. They had reviewed existing reports and found valuable and helpful information. The individuals who were interviewed by the consultants were impressed with how knowledgeable and experienced they are. The first draft of the initial plan is expected in the beginning of October, and administration will work with the consultant to keep them on track. The plan is to have an objective, externally vetted business plan in time for the next legislative session.

- Maunakea update. Yesterday the University of Hawai‘i formally began its first formal decommission of UHH’s Hoku Kea telescope. The process outlined in the Office of the Maunakea Management’s 2009 Comprehensive Management Plan was adopted by the Board of Regents and the Board of Land & Natural
Resources. The Hoku Kea telescope is first, to be followed by the Caltech Submillimeter Observatory telescope, and then the third telescope will be named by the end of the year following discussions with the astronomy community. This is the first most visible sign of UH's commitment to begin the decommissioning process for three telescopes at the summit by the time the Thirty Meter Telescope is operational.

- **Enterprise Risk Management (ERM) update.** The board and the Committee on Independent Audit have emphasized the importance of embracing an ERM approach to how the university does business. Leadership is collaboratively planning, the organization chart places ERM under the VP for Administration, but VP Okinaga and VP Young have been actively involved and VP Yoshimi will become more involved as they start looking into cyber risks. The Advisory Task Group (ATG) did substantial work on ERM and administration will be complying with the comprehensive statute adopted in 2013 that informs the plan. This program will help the university better manage the institution. They are also looking closely at the guidance offered by the Association of Governing (AGB) on the role of the board in overseeing ERM. A meeting is scheduled with the internal auditor to ensure appropriate involvement, including looking at using a survey to identify risks across the enterprise. There is also an executive policy on risk management that administration is monitoring, which will be updated to adopt a modern approach to ERM and reflect current best practices. Administration will continue working with the Committee on Internal Audit, which has primary responsibility under statute.

- **Update on the issuance of Revenue Bonds.** Meetings were held in San Francisco with the three rating agencies and the State Budget & Finance Director to show the importance of the university and commitment of the state. Standard & Poors reaffirmed the current A+ rating with stable outlook, Moody's reaffirmed a AA2, a slightly higher rating but a negative outlook; Fitch reaffirmed a AA with stable outlook, which is the best rating right now. There is some variability among the three agencies. All agencies acknowledged the substantial improvements since the last rating, but a one year turnaround without audited financials was not enough for them to upgrade either outlook or rating but the university could have been downgraded if the agencies did not see improvements. Hopefully the university will be in a better position next year if it wants to float any bonds. The agencies noted the board’s reserve policy and the compliance work, along with stable enrollment, strong research performance and market position, unlike other universities. The bonds were sold in New York last week, but the market conditions were not optimal, $166.2 million of bonds were sold, of which $157.7 million were refunding, which enabled the university to get better rates and save money. The transaction is expected to close on September 25, and details will be provided to the Committee on Budget & Finance.

- **Introduced the UH nominees for the annual Governor’s Awards for Distinguished Service, including:**
  - UH Nominee for Employee of the Year, Jill Laughlin, Educational Specialist at UHM’s Lyon Arboretum, who oversees the educational and volunteer
programs that strengthen the arboretum’s presence and outreach in the community. Lyon Arboretum hosts approximately 50,000 visitors each year who participate in classes, research projects, and volunteer and community activities, wrote the grant to fund construction of the Children’s Garden, and oversaw the design and construction of the Arboretum’s first ADA compliant facility. The Arboretum hosts 7,000 K-12 students per year and Ms. Laughlin aligns the curriculum activities to the Department of Education’s content and performance standards (Hawai’i Common Core). She has increased the instructional program for university students, including collaborations with Hawai’inuiākea and the community colleges, in partnership with the Garden Club and Honolulu Museum of Art. She also brought the Arboretum into the digital age and coordinated special projects such as social media development, use of QR codes and audio guide by cell phone, website renovation and the Arboretum’s mobile app. Ms. Laughlin was unable to attend and Arboretum Director Carl Evensen accepted the award on her behalf.

- **UH Nominee for Team of the Year** is the UH Community Colleges (UHCC) Systemwide Marketing Team comprised of Susan Lee, UHCC Director of Marketing; Bonnie Beatson, Marketing & Communications Director (Windward CC); Nicole Beattie, Marketing & Communications Director (UH Maui College); Kathleen Cabral, Marketing & Communications Director (LeeCC); Gary Ellwood, Enrollment & Marketing Specialist (Kaua‘i CC); Billie Takaki Lueder, Executive Assistance to Chancellor and Marketing Director (HonCC); Thatcher Moats, External Affairs/Relations Coordinator (Hawai‘i CC); Louise Yamamoto, Community Relations Director (Kapi‘olani CC); Paul Sakamoto, UHCC Web Developer; and Stephanie Kim, UH Director of Government Relations. The team promoted the 50th Anniversary of the Community Colleges last year and educated the state on the importance, diversity and impact of the community colleges. The team also won the prestigious Gold Paragon Award for Government & Community Relations by the National Council for Marketing and Public Relations, which received 1,700 nominations worldwide. This team exemplified the spirit of collaboration and working together as a system with representatives from the campuses, the community college system, and the overall UH system and shared resources, budgets, and talents in order to achieve a common goal and great success both locally and nationally.

**Report of Host Campus**

Chancellor Cabral welcomed everyone to LeeCC and gave a presentation that provided a snapshot of the campus in terms of the five UHCC strategic plan directions.

There continues to be improvement in increasing the number of successful graduates and transfers. The college evolved from a liberal arts college focusing on transfer students in 1968 to providing a variety of diverse Career & Technical Education (CTE) programs. This year LeeCC was voted #1 in CTE programs by *Honolulu Star*
Advertiser readers in this year’s People’s Choice Awards. In their flexible non-credit programs, LeeCC is developing a store front location that will provide employment advising and job skills development, part of which will be offices for the Local Workforce Investment Boards’ workforce investment boards’ One-Stop personnel, thus creating a strong synergy between the public workforce system and LeeCC. Next month, LeeCC will be launching Career Coach, an unique online service that helps connect students to career paths, one of the most valuable aspects being the linking of degree pathways to local job information (e.g., in demand jobs, average salaries).

LeeCC is undergoing the largest number of simultaneous renovation projects in the history of LeeCC campus. Projects include two Title III projects totaling $12 million to renovate 6 science labs on LeeCC campus, build a science lab for the Waianae Coast satellite campus at the Tycom building in Maili, the construction of a 300 seat amphitheatre, and much needed improvements at the Shade House which supports the Native Hawaiian Gardens on campus.

LeeCC took a major leadership role in researching and creating ways to reduce costs for textbooks averaging $700 per year per student through Open Educational Resources opportunities. This year 53 courses are being offered with no cost for textbooks, making LeeCC the campus offering the highest number of courses with this option, saving students approximately $150,000 to date.

The Early College program continues to grow with a 120% increase in participants from area high schools (164 to 260 in Fall 2015). The 86.2% average success rate is well above that of the normal student population. Waipahu High School is one of the outstanding partners, due to support from Principal Keith Hayashi. Reverse transfer continues to be an excellent example of the community colleges working as a system with UHM, 73 students were eligible in Spring 2014 and 95 in Spring 2015.

LeeCC is the only campus in UH System now providing a pathway to CTE teaching licensure in the DOE for candidates with degree or industry experience entering with career and technical content knowledge, but lacking teaching credentials. In the Alternative Certification for CTE Licensure program, the number of enrolled candidates increased from 2 in 2012 to 27 in 2014. As of Spring 2015, there are 8 of 11 who completed the program were hired by the DOE as licensed CTE teachers.

LeeCC also made a concerted to grow their Science, Technology, Engineering & Math (STEM) majors, a 311% increase in ASNS majors from 99 in 2012 to 407 in Fall 2015. Topping their CTE list is the Health Information Technology program, which boasts a 67% increase over two years with 195 declared majors as of Fall 2015.

LeeCC is taking this academic year to review and update their own strategic plan using a series of focused conversations to engage faculty, staff and students in developing their unique projects to compliment those of the community college strategic plan. The rail is having an impact on the community and LeeCC campus with a rail maintenance facility being constructed next door. A new park and lot is being built on
the Makai side of campus where the UHWO portables are, with funding from the Honolulu Authority for Rapid Transit, and brand new portables will replace the portables being displaced by the rail needs on the Ewa side of campus. Eventually LeeCC will have their own rail site located directly on campus, which will provide tremendous opportunities to LeeCC students and other students in the UH System. LeeCC is also focusing on providing opportunities for campus leadership development as part of succession planning, as senior faculty, staff and administrators are beginning to retire and a new generation must be nurtured to lead and guide the college on its next and best successes.

V. COMMITTEE REPORTS

Chair Moore noted that summaries of the committee meetings were included in the materials.

A. Report from the Committee on Budget & Finance

E. Report from the Committee on Planning & Facilities

Planning & Facilities Committee Chair Kudo summarized the committee report attached to these minutes (Attachment 1).

In connection with the Committee on Planning & Facilities’ consideration of a more holistic systemwide approach to facilities and academic planning, administration assisted the committee with drafting a resolution that is up for approval later on today’s agenda. No additional comments or questions from the board were raised.

B. Report from the Committee on Intercollegiate Athletics

Committee Vice Chair Acoba summarized the committee report attached to these minutes (Attachment 2). No additional comments or questions from the board were raised.

D. Report from the Committee on Personnel Affairs

Committee Chair Matayoshi reported that she was not given an opportunity to review the written report (Attachment 3) before it was distributed to the board. Since she was not able to attend the prior committee meeting, this past meeting was one at which goal setting was done. One goal involved the policy on executive & managerial (E/M) salaries and unfortunately she disagreed with the characterization of the discussion. They know Administration is very anxious to eliminate the committee’s oversight on E/M salaries and the committee is trying to find a way to improve a compensation structure that 70% of those surveyed by an independent consultant felt was not effective in meeting university policy and campus goals. The report says the committee noted positive results in the past year, but it is because of the committee’s oversight. The board needs to feel comfortable that the policy revisions will ensure that proper oversight will continue before it will give up review of the E/M salaries over $150,000.
Regarding faculty workload and teaching equivalencies, the concern is over cost of education and making sure they do everything in their power to allow students to graduate on time. Although the committee received a report on the current process, it was almost completely inadequate and she was not sure if subsequent improvements were underway. There are two other items not mentioned in the report that the committee plans to undertake this year, one is performance-based E/M salary increases that are tied to specific metrics like HGI and 21st Century Facilities, and the other involves whether there should be a policy to require research faculty to bring in a certain percentage of their salaries through extramural grants.

Another regent concurred that getting information and committee report summaries in advance was important and there needed to be a process change so agenda items are signed off by the committee chair. Not providing this information in advance is a disservice to the committee chairs.

F. Report from the Committee on Research & Innovation

Committee Chair Bal summarized the committee report attached to these minutes (Attachment 4).

Regent Iha clarified that for the UARC there were initially three years of non-classified research, and the way the report was written said they did classified research during the first three years. President Lassner reiterated that to date there has been no classified research, but the restriction has expired.

VI. ITEMS FOR DISCUSSION & APPROVAL

A. Future Deep Dive Topics:

Chair Moore noted that at the November Board retreat last year a number of topics were identified that the regents agreed would be appropriate to take more time to get background to help regents in their decisionmaking. The board has done some deep dives, and Intercollegiate Athletics Deep Dive is scheduled for November. Administration has proposed an Enrollment Management Deep Dive for October. Board leadership thought this was an appropriate time to identify other topics for the year. Some of the remaining topics from last year included:

- Shared governance, a concept unique to higher education word and topic most individuals outside of higher education are not exposed to otherwise.
- International programs.
- Research & Innovation, which is one of the strategic initiatives.
- Reserves.
- UHM Organization.
- Ethics.
Other topics suggested

- Look at the University of Hawai‘i Cancer Center in detail given the near term milestones that are going to occur and prior to making decisions about that Organized Research Unit.
- Update on looking at metrics to measure performance, and a periodic report on where the board stands with the 11 or 12 metrics the board adopted in January (may not be a deep dive).
- A periodic report on the system vs. campus structure and functions given the recent reaffirmation of the separation of the UHM Chancellor and system.
- Enterprise Risk Management recommendations to provide information needed to be able to understand (what is it and how is it addressed)
- Partnerships with the military (e.g., UARC), especially forming strategic relationships with the Department of Defense and the Combatant Command (COCOM) within the State of Hawai‘i. UH embarked on this issue last year, but it should probably be refreshed.
- Systemwide Utilization of Facilities. The Committee on Planning & Facilities has asked Administration to include in their action memorandums submitted the threshold question of whether additional space is necessary. Administration needs to ensure better utilization of space so the university is not continually adding to physical plant inventory and growing the deficit of repairs and maintenance. The resolution mentioned earlier empowers Administration to take on the task at the 30,000 foot level of coordinating physical plant facilities needs with program needs to better utilize and make more efficient use of facilities.
- Consolidation or Centralization of Administrative Functions both inside a campus and inside the system to avoid duplication (e.g., Financial Aid).
- University engagement with the community.

President Lassner commented the list was a mix of projects, priorities and deep dive topics. Deep dives were originally thought of as a way to address a complex topic and gain a common level of understanding, not necessarily executing a specific plan. He wanted to work with Administration and Board leadership to review and parse the list into a mix of project activities and deep dives. Chair Moore concurred with President Lassner’s recommendation and requested that the prioritization of the most interesting and pressing deep dive topics be brought back next month. Regents requested the list be provided in advance of the meeting so the regents can adequately prepare for the meeting.

Regent Matayoshi requested that the deep dive topics be more substantive than informational, with context for the board to delve into the problems and solutions publicly. The deep dive topics need to provide background and address the problems. Chair Moore concurred with Administration presenting the challenges and issues from various perspectives, so there is a common understanding moving forward.
B. Resolution Regarding an Integrated Academic and Facilities Plan for the University of Hawai'i System:

Regent Kudo thanked administration for their assistance in drafting the proposed resolution that was included in the materials. The resolution resulted from the work on the UHWO master plan over the past few years, which revealed a need for a holistic overview of the campuses regarding the various directions they were headed from both programmatic and physical plant standpoints to determine need. The board understands there are core courses and curriculums that need to be emulated in geographically disbursed campuses, but the university needs to better utilize facilities and fiscal and human resources to support programs. The resolution being considered addresses this issue given the decrease in legislative funding for higher education and the challenge of getting funding from other sources.

The resolution asks administration to develop a higher level, systemwide academic and facilities master plan that creates a strategic vision to align and leverage each campus’s unique mission and resources while reducing the unnecessary duplication and increasing collaboration and sharing to make a more effective and efficient use of fiscal, human, and physical plant resources and land assets while advancing the university’s higher education goals. The board recognizes that each campus has its individual personality, but with limited resources there are limitations regarding independence of campuses to pursue areas they feel are important for their community or constituency. Better utilization of facilities, including modes of communication (e.g., distance learning capabilities) is necessary to provide an overview and direction for campuses today and for the future, in order to plan for the academic, human, and physical plant needs at each campus.

Regent Kudo moved for approval of the resolution supporting a systemwide strategic academic and facilities plan, Regent Wilson seconded the motion.

Regent Matayoshi agreed this was long overdue and requested that distance learning be included in the resolution. Regent Wilson concurred and requested Administration consider a policy that encourages consolidation if the cost and number of students in any program that is duplicated is below a certain number unless there are compelling reasons to have the program on separate campuses. President Lassner indicated there was a draft policy on small programs that addresses this issue, not duplication specifically, but the policy must undergo faculty consultation.

Chair Moore noted there was a motion to adopt that was seconded, and request for language on distance learning to be incorporated. As a point of order, he asked if the board agreed with adopting the resolution as moved and seconded, and bringing the additional language back to the board for comment next month. The regents agreed, and the resolution passed by unanimous vote.

VII. EXECUTIVE SESSION
Upon motion by Regent Matayoshi, seconded by Regent Mizuno, the Board unanimously approved convening in executive session, pursuant to HRS §92-5(a)(2), to discuss fundraising, personnel, and legal matters as indicated on the agenda. The Board convened in executive session at 11:06 a.m. Following a motion to come out of executive session by Regent Mizuno, seconded by Regent Matayoshi, which was unanimously approved, executive session was adjourned at 3:16 p.m.

The meeting reconvened at 3:18 p.m. Chair Moore stated that the board went into executive session to discuss confidential matters regarding fundraising, personnel and legal matters as indicated on the agenda.

VIII. PERSONNEL ACTIONS

Attachments A-1 (For Approval), A-2 (For Information Only)

Chair Moore asked for a motion to approve the remaining personnel actions on Attachments A-1. Regent Acoba so moved. Regent Higaki seconded the motion. The motion carried upon unanimous vote.

Chair Moore noted that at President Lassner’s request, he waived any consideration of a salary increase. The board appreciates both President Lassner’s performance and indicated his time served as president would have provided an increase, and appreciated both his work and willingness to forego a salary increase.

Regent Yuen commented that it was very commendable of President Lassner to forego his salary increase, and asked other E/M employees to take that into consideration should there be any future salary raises.

IX. ANNOUNCEMENTS

Chair Moore announced the next board meeting was October 15 at UH Maui College.

X. ADJOURNMENT

There being no further business, Regent Matayoshi moved and Regent Mizuno seconded, and with unanimous approval, the meeting was adjourned at 3:19 p.m.

Respectfully Submitted,

/S/

Cynthia Quinn
Executive Administrator and
Secretary of the Board of Regents
Meeting Report
UNIVERSITY OF HAWAI‘I
BOARD OF REGENTS’
COMMITTEE ON BUDGET AND FINANCE
AND
COMMITTEE ON PLANNING AND FACILITIES

Date: Wednesday, September 2, 2015
Time: 12:30 p.m.
Place: University of Hawai‘i at Mānoa
   Information Technology Building
   1st Floor Conference Room 105A/B
   2520 Correa Road
   Honolulu, Hawai‘i 96822

The committee received and reviewed two items: 1. Fourth Quarter Financial Report for Fiscal Year Ending June 30, 2015; 2. An Approach for Supplemental Budget Proposals for the Operating Budget and Capital Improvement Projects; and discussed further the consideration of a Systemwide Master Plan for Academic Programs and Facilities.

Regarding the Fourth Quarter Financial Report for Fiscal Year Ending June 30, 2015 showed no fiscal imbalance for all revenues, with the exception of UHH that has a small modest imbalance where revenues were slightly less at $300k for all revenue types. The ending balance relating to the operating budget and spending plan, based on this report, compared the ‘actual’ amount of ending balances versus when it was approved on forecasted balances, and the result is on slide 3 shows all campuses finished on the mark if not better, except UHM that was down by $22k, which is not significant. UHH also missed the mark at under $1M but has a substantial reserve. All other campuses were better than estimated.

Regarding revenues, primarily tuition, all campuses ended with higher than prior balances because of the increase in tuition and forecasts. Aggregated, the projected revenue was close to actuals, except at the system level, revenues were $11M less than projected out of $971M. Although there is no clear correlation between $11M deficit and expenditure levels without a campus level review, UHM and System did not expend as much as forecasted which helped offset revenue short performance. UH Hilo and UH West O'ahu spent more, mostly because of general fund appropriations.

Performance on all revenue sources at the system level was at 3.4% across all, and a reduction of 2.74% systemwide. Campuses performed in alignment with projection, and the decline is waning if not improving, due to proactive management of expenditures. Looking forward, there is a need build reserves except UHH. The FY16 budget anticipates building reserves except that UHM is on a multiyear schedule beyond 2016. The reserves can only be funded with unrestricted funds, so other special and revolving funds are not included in the reserve and reported for each campuses by grouping of funds.

As of the last two reports, the financial condition is less than optimal but improving. With the start of FY16 Q1 report, it is expected to improve, but with some limitations on what can be provided. The financial systems will be upgraded and reflect in FY 2017 that is hoped to provide...
more information such as nature of expenditures, and variance granularity, and deferrals of expenditures to determine actual savings and not impact quality. It is more of a trending report that compares current figures to what was allocated, with the goal to have an actual budget upon which to determine savings. UHM continues work on restructuring and internal allocation methodology to report in November with a goals to decrease and prioritize expenditures to move forward.

The committee is encouraged because the deficits have stopped and is very pleased with UHM’s performance. The next step is to look to develop management tools to assess if management techniques are working and the level of impact on the operating budget, such as matching every expense category to the period budgeted. The committee recognized the dramatic shift from current practice, but FY16 approved budget is a step in direction and aligns with goals set by the Regents. The committee recognized the great strides and hard work of administration, and suggested consideration of a special agenda item, on the impact of cutting expenses on quality of education and human resources, and where it is occurring.

External agencies for bonds have noted declining performance on reserves, fiscal problems for flagship, industry trends in reduction in enrollment, affordability of industry with tuition increases, growing long term liabilities not addressed eg. Pension, fringe, long term debt, and diminishing state funding. UH has stronger than avg (30%) state support enviable across the nation, although the support has been declining over 5-10 years. Feedback received from rating agencies recognized that the historical decline has waned, but also sees a 5 year of decline and a one year is not an indicator. It appears that the UH is at status quo but are looking more optimistically at management, governance, Board support of direction. The rating is challenged because of UHM is the largest campus and has poor reserve performance. The University needs to execute on that to demonstrate improvement.

Regarding the Approach for Supplemental Budget Proposals on the Operating Budget and Capital Improvement Projects, Administration presented an update on process and precursor to the timeline in approving the submittal. FY 17 proposals may include some initiatives as new budget items and supportive of specific performance based funding initiatives. The schedule is targeting review over the next 2 weeks to validate and vet proposals and CIP requests. Generally, the approach is to continue to look to GO bonds as primary funding for new CRDM, and beyond FY 17 to consider diverse funding strategies to meet all needs as it will coincide with a new tuition schedule and a new biennium. It is anticipated to set an upcoming joint meeting for Sept 30, and then board approval at the Oct 15 Board meeting in order to submit the final proposal to the State B&F timely.

Regarding Consideration of Facilities planning in a Systemwide Master Plan for Academic Programs and Facilities, that was discussed at the P&F and AA. The committee tasked administration to assist in drafting a resolution to bring to the board for consideration that would encourage administration to embark on a holistic master plan that will both look at programs and physical facilities to not only be effective in reaching education segments of community, but to prioritize programs, utilize efficient use of human and physical resources. The plan would align all campuses LRDP. It was noted that when working on the UHWO master plan, there are more efficient and cost effective opportunities with a holistic plan to determine what each campus should and could provide to better utilize programming that drives facilities, and becoming one system than 10 separate campuses.
Meeting Report

UNIVERSITY OF HAWAI'I
BOARD OF REGENTS' COMMITTEE ON INTERCOLLEGIATE ATHLETICS

Date: Wednesday, September 2, 2015
Time: 9:00 a.m.
Place: University of Hawai'i at Mānoa
       Information Technology Building
       1st Floor Conference Room 105A/B
       2520 Correa Road
       Honolulu, Hawai'i 96822

The committee discussed the overall purpose of the committee, reviewed 4 areas of focus in the bylaws, and considered goals and objectives. There is a deep dive report in November and another on health and safety in January. The reports and deep dives will help better inform the committee in conducting its oversight. The committee agreed that it has the duty to serve as a liaison between the Board and the respective campuses and their athletic departments,

Regarding advising the Board on its responsibility to oversee the academic progress of student-athletes, and reviewing annual reports on the academic standing, including, but not limited to, the Academic Progress Rate report, the committee concurred that its primary role is to focus on review of metrics and performance once a year, usually in November for the prior year. The committee discussed the addition of a report on athletes who participate in advance programs to promote education as role models, performance data by sport; and a higher focus on graduation success and failure rate.

Regarding advising the Board on its responsibility to oversee the fiscal integrity and budgetary concerns; the committee agreed the focus is to review, comment, critique and support, and the Chancellor’s responsibility is to balance the budget. Discussions related to financial solvency concerns, and the need to incorporate in policymaking the true value of athletics that includes intangible values of community pride, access to education through scholarships, economic impact to the state, branding Hawai'i. Strategies discussed included providing a better metric that compares the programs to performance of peers in the same conferences, increasing publicity, better measurement and management of expectations of constituents (public, business, legislature), potential revenue streams, trends overtime and how the board can help improve efforts.

Regarding advising the board on its responsibility to oversee the health, safety of student-athletes, the committee agreed Administration provide a new report regarding risk assessments in areas such as athlete health, concussion protocols, and safety, that will include leading practices that high performing institutions follow, and recommendations on reviewing and monitoring and metrics.
Regarding advising the board on its responsibility to oversee compliance with NCAA and conference requirements, the committee chair noted that for the purposes of briefing the new members, that there may be potential action when appropriate regarding an NCAA matter and litigation that may come before the committee this year.

Regarding recommending policies governing all aspects of Intercollegiate Athletics at the University, the committee concurred to periodically review and recommend changes to the policies and bylaws as needed and to consider matters referred by the board and brought by administration. Committee and ex-officio members and administration are encouraged to email the board secretary with any agenda topics for consideration.

Regarding advising the board on its responsibility to oversee the handling of any event or situation that may draw unusual public interest to the athletics program, a particular team, student athlete, or department employee, the committee agreed that the primary focus is policy making and oversight to ensure plans and protocols are in place to address issues as they arise. The issues can be brought to the committee for feedback.
The committee met and reviewed the bylaws and set goals and objectives for the year. The committee received testimony from two persons in support of a search for a new director for the Cancer Center.

Regarding the bylaws, the committee agreed that the Committee should be focused at a higher level, and a matrix drafted by Chair Moore will be reviewed at the next committee meeting.

Regarding goals and objectives, the committee concurred to revise policy on EM salaries to delegate approval to administration by the end of the year, or the committee will need to extend the policy again. The committee agreed there needs to be a balance between the Regents’ fiduciary duty to raise questions and the CEO to understand the budget and constraints and the philosophy of the board to manage. The committee noted positive results in the past year. The committee agreed to discuss proper framework and policy to ensure that the positive work continues without board involvement, setting the overall goals, and holding the president accountable.

Regarding faculty workload and teaching equivalencies, the committee earlier received a report on the current process, and subsequent improvements underway. The goal is to complete the review this year.

Regarding Post Tenure reviews, the committee received a report on the current status, and subsequent improvements, such as implementation of biography bibliographies online, are pending. The committee will continue to receive progress reports. The matter of unionized coaches is deferred to the ICA committee for review.

The committee met in executive session on personnel matters involving setting salary ranges for upcoming searches planned for the Dean of Natural Sciences, University of Hawai‘i at Mānoa, Director of Research Institute, University of Hawai‘i Cancer Center, University of Hawai‘i at Mānoa, the Associate Vice President for Legal Affairs, University of Hawai‘i System, and the Associate Vice President for Student Affairs, University of Hawai‘i System.
The committee reviewed the research and innovation performance metrics, and
discussed adding measures to refine and establish new with data to support, based on
a sampling of
4-5 institutions’ measures that are possible with data available. The metrics include:
1. Total R&D expenditures to a clear picture of activity in a given fiscal year and can
   measure against an NSF survey that all institutions participate;
2. Total R&D ratio to tenured faculty under IPEDs to measure productivity used by
   other institutions, and it has previous year numbers (3-5 years) that can serve as a
   baseline;
3. Industry funded research as a percentage of total R&D that can show relevancy
   of commercialization to industry and the engagement of faculty and research in industry.
4. Other sponsored project expenditures is a metric that can help to understand
   how well the CCs training programs or others are performing and want to keep up the
   success. 5. Licensing royalties received to actual revenue to show the level of success
   of patent and technology licenses, and in recovering investment in technology.
6. Other new companies such as start up companies in UH that exclusively depend
   on UH produced technology, and how many UH invested in and incubated to start up
   through xlr8er companies that do not use exclusive ID but use different models.
7. The number of campus competitions are work in progress with other colleges to
   show innovation impact on students, mostly undergraduate, and can measure the
   activity of students’ participation in competitions, programs , credit courses on
   entrepreneurship, inventory of businesslike activities, ilabs an innovation hub with a
   physical presence in UHM and UHH underway to be strategically located on campus
   where students can bring ideas and questions to stimulate entrepreneurship and
   innovation in that space, akin to other institutions across nation.

To this end, the committee received an update on the ilab building that is the old ITS
building next to campus center, minor renovation complete. There was a soft opening
with some courses this fall and partnering with ‘Iolani and the Sullivan Center. There is
also a committee with architecture students to design the furniture and space. There is
a January opening to coincide with renovations for PACE at Shidler. There will be a UH
Innovation Day in January with an open house for the community for open house on
innovation and entrepreneurship.

There was discussion about utilization of the RTRF budget and expenditure for projects
as a metric once the new rate is renegotiated, and establishing stress targets noting the
substantial increase of 50-60% over the same period, and considering metrics to reflect excellence. Eg. Lagging (expenditure) and leading indicator (# of that year). There was consideration of adding a metric for innovation base development as increasing STEM should have an impact on startups and licensing to establish strategic areas of excellence, as growth areas are best.

The committee received a briefing on the Status of University Affiliated Research Center and Applied Research Laboratory (ARL) Awards for FY14 & FY15. The awards are usually in October and November. The Navy has expressed interest in certain areas and collaborating ongoing; the Department of Defense participation is incentivized with receiving overhead costs now. There are efforts to engage parents with their student child with a goal to keep the talent at home. The program is developing a virtual shopping mall with anchor stores and technical companies who need talented students and the student has many opportunities to find the job that fits and be involved early from High school, and obtains skillsets that translates well and transportable.

Concerns raised regarded the focus, target and purpose of research at UH. It was explained that UARC is different in age and integration with internal research and whereas other institutions are standalone entities that have hands off relationship. UH has a 21st century UARC that is now involved in technology and cybersecurity and the need to adapt quickly to how the way students learn. In the past, it was an org that could perform classified research, and later a moratorium was placed on classified research for 3 years, and has not returned on campus. Seeking more funding continues from other armed services, such as PACOM, Hickam, US Airforce, Natl Geospatial, and PMRF.

The committee reviewed the timeline for the Long-Range Plans and Goals for University of Hawai‘i Strategic Directions: Hawai‘i Innovation Initiative. The office will gather input by Oct 30 to report back by January. The committee also reviewed policies on research and discussed the process that would require consult with the unions and legal review before seeking board approval. The revisions discussed ranged from housekeeping and clarification matters on investigator authority, academic freedom, ensuring highest and best use to meet strategic directions, aligning ORUs with academic units, needs and justification analysis. Items regarding the RCUH were deferred until the next meeting when the RCUH will be making a presentation.