The Hon. Randolph G. Moore  
Chair, Board of Regents  
University of Hawaii  
2444 Dole Street  
Honolulu, Hawaii 96822

RE: Public Testimony for Agenda Item VIII B.1.  
Meeting: February 25, 2016, University of Hawaii at Hilo

Chair Moore and Regents:

We can agree that a fundamental purpose of our public university is access to higher education. That access comes at a price. The University is unique among other public institutions in our state because it has its own sources of revenue. However, I have some concerns about raising student tuition at this time.

Our University is beset by a number of competing financial interests. How to keep and attract quality faculty. How to keep and attract quality support staff (custodial to clerical). How to keep and attract quality students (improve student experience). University funding generally comes from three (3) sources: (1) Funding by the Legislature; (2) tuition; and (3) funds generated through faculty research. I respectfully suggest that the Regents also look at reducing costs.

A number of years ago, a prior University administration sparked an unprecedented increase in salaries for administrators and grew the number of administrative positions. That mistake was compounded by a recent administration. I questioned the need to link national salaries to what administrators are being paid now. In my limited opinion, the salary levels have not shown any appreciable improvement in University operations, academics or access. An analysis should be conducted to determine whether every administrative position is needed at the system and campus level. Each administrative position should provide some kind of value or return to the University.

The University also has a number of assets that are underutilized. The University should take a comprehensive look at any and all possible revenue producing assets and either lease or sell them off. The recent lease of part of West Oahu College was a move in right direction. Additionally, is the University getting the best value from the use of its intellectual property? Perhaps more can be done to maximize any financial return to the University.

The University should look at evaluating and terminating underutilized programs. There are a number of departments that should be consolidated, transferred or eliminated. For example, while serving on the Board, I suggested the Institute for Astronomy be relocated to the Island of Hawaii. That suggestion was met with fierce opposition by the former director, not because of
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the economics or benefit to the University, but because of the “lifestyle” advantages of living on Oahu as opposed to the Island of Hawaii.

Financial stability has always been a concern for the Regents. The Board has done its job admirably in the face of sometimes hostile and unfounded opposition to tuition increases. The Legislature faces a number of competing financial needs which means reduced allocations to the University. However, the University’s operating costs will continue to increase.

Raising student tuition will never meet all of the University’s financial needs. But it is part of helping the University meet some of those needs. As equally important is the need to reduce costs. Ideally, for every dollar we increase tuition and fees, the Regents and University Administration should show how they are saving or reducing costs by a similar amount.

Thank you for the opportunity to submit testimony on this important issue.

Respectfully,

Ted H. S. Hong