Chair Jan Sullivan called the meeting to order at 10:30 a.m. on Thursday, December 5, 2019, at the University of Hawai‘i at Mānoa, Information Technology Building, 1st Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai‘i 96822.

Committee members in attendance: Chair Jan Sullivan; Vice-Chair Michelle Tagorda; Regent Eugene Bal; and Regent Randy Moore.

Committee members excused: Regent Kelli Acopan.

Others in attendance: Board Chair Ben Kudo; Regent Simeon Acoba; Regent Wayne Higaki; Regent Michael McEnerney; Regent Alapaki Nahale-a; Regent Robert Westerman; Regent Ernest Wilson Jr. (ex officio committee members); President David Lassner; Interim Vice President (VP) for Community Colleges Erika Lacro; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Academic Planning and Policy Donald Straney; VP for Research and Innovation Vassilis Syrmos; VP for Information Technology/Chief Information Officer Garret Yoshimi; VP for Budget and Finance/Chief Financial Officer Kalbert Young; UH-Mānoa Provost Michael Bruno; UH-West O‘ahu Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

II. APPROVAL OF MINUTES OF THE OCTOBER 3, 2019 MEETING

Regent Moore moved to approve the minutes of the October 3, 2019, meeting, seconded by Regent Tagorda, and the motion carried unanimously.

III. PUBLIC COMMENT PERIOD

Board Secretary Oishi announced that the Board Office did not receive any written testimony, and no individuals signed up to provide oral testimony.

IV. AGENDA ITEMS

A. Fiscal Year (FY) 2020 1st Quarter Extramural Awards Update

VP Syrmos provided an update on extramural awards for the first quarter of FY 2020. He reviewed a breakdown of trends, significant awards, and award amounts by campus, as well as award revenues received to date and projected award revenues. VP Syrmos noted that UH received $176.2 million in award revenues for the first quarter of FY 2020, which was slightly less than the internal projection of $172.6 million, and
approximately $4.3 million, or 2.4% lower than the same period last year. He further noted that as of November 22, 2019, UH received $233.7 million in award revenues and that UH was projecting that it would receive $240.2 million in award revenues as of November 30, 2019, which amounts to an approximately 2.0% decrease from the $245.2 million awarded for the same period in FY 2019.

Regent Westerman arrived at 10:35 a.m.

B. Discussion on Proposed New Regents Policies (RP)

Prior to VP Syrmos’s presentation on the proposed new RPs, Chair Sullivan provided background and context prompting the development of the new RPs. She remarked that the Committee has had numerous discussions regarding the Research and Training Revolving Fund (RTRF) established under section 304A-2235, Hawai‘i Revised Statutes (HRS) and noted that section 304A-2235, HRS, explicitly states the types of funds to be deposited into the RTRF, that the Board is authorized to spend one hundred percent of RTRF funds, and stipulates the purposes for which RTRF funds may be used. Chair Sullivan stated that despite this authority and responsibility, to date, the Board has no policies in place to address this issue and that the Board should provide policy direction with regard to RTRF.

Chair Sullivan noted that proposed RP 12.209 would require a five-year strategic research plan to be developed and presented to the Board, with updates provided annually, and that proposed RP 12.210 would set aside a minimum of 10% of RTRF for strategic hiring in critical research areas and to set aside funds to be used for facilities.

1. RP 12.209, Strategic Research Plan

VP Syrmos provided an overview of proposed RP 12.209, noting that this proposed policy will help formalize what is already occurring with regard to strategic research planning and ensure that this planning is conducted in an organized and consistent manner. He noted that proposed RP 12.209 calls for a long-range plan that articulates university priorities for pursuing research growth during a five-year period and identifies specific strategies for implementing those goals. Additionally, proposed RP 12.209 requires that annual progress reports on the strategic research plan be made to the Board, which will provide updates and vital information and allow the Board to make recommendations for plan improvements. VP Syrmos remarked that it is intended that proposed RPs 12.209 and 12.210 work together harmoniously.

2. RP 12.210, Research and Training Revolving Fund

VP Syrmos provided a brief history of the RTRF and an overview of proposed RP 12.210 which requires that a minimum of 10% of total RTRF recovered by each campus be set aside for strategic hiring in priority research areas and allows for the adoption of special assessments to facilitate the issuance of revenue bonds for facility construction or rehabilitation. He noted that the set-aside for hiring provided for under proposed RP 12.210 must work in conjunction with the strategic research plan established under proposed RP 12.209. Additionally, proposed RP 12.210 requires that annual progress reports be made to the Board on the use of funds by each campus and that the reports
include but not be limited to information on related revenues, commitments, and carry-over funds.

VP Syrmos noted that the goal for the Office of the Vice President for Research and Innovation (OVPRI) is to complete drafts of proposed RPs 12.209 and 12.210 for consideration by the Committee by February 2020 and present the proposed policies to the Board for action. Once the policies are adopted, OVPRI will establish a working group to discuss the reshaping of executive policies to implement the new policy directives and distribute executive policy changes for discussion by the end of FY 2020.

Regent Bal inquired as to what the scale of the special assessment under proposed RP 12.210 would be since we did not want to overcommit funding that might not be available. VP Syrmos responded that use of a consultative process to determine the scale would be the best approach and that the annual reports to the Board were vitally important to maintain proper control of financing issues and inject realism into funding figures.

Regent Acoba asked about decisions on the distribution of RTRF, regardless of whether the distribution was based on productivity or percentage-based under proposed RP 12.210, and who would be making these decisions. VP Syrmos responded that OVPRI makes the final decision. Regent Acoba then questioned whether a 10% minimum set-aside requirement of RTRF to each campus affected OVPRI’s discretion on determining where funds should be distributed to achieve the maximum benefit for the University. VP Syrmos stated that OVPRI had faith in the chancellors of each campus and that OVPRI would continue to be involved in the overall process, particularly with regard to high-profile hires.

Regent Acoba inquired as to what form the special assessment would take. VP Syrmos stated that this is something that would be discussed by the working group which would develop a prescriptive policy with regards to the special assessment.

Regent Acoba questioned the rationale for the 10% minimum set-aside requirement and asked how the changes proposed under proposed RP 12.210 would help to invigorate research efforts as the data appears to indicate that research funding has remained flat for several years. VP Syrmos remarked that the purpose of both proposed RPs was to revitalize and stimulate research efforts, including the active hiring of individuals capable of securing greater research dollars in their particular fields of work. However, he reiterated that RTRF is only one part of a bigger picture and that these policies have to work in conjunction with other policies for long-term sustainability.

Regent McEnerney asked whether campuses that do not acquire research awards or funding would receive RTRF funds. VP Syrmos stated that those campuses would not receive RTRF distributions. Regent McEnerney then inquired if RTRF distributions were made via check or through internal accounting. VP Syrmos responded that distributions are made through internal accounts.

Board Chair Kudo and Regent Higaki arrived at 11:05 a.m.
Chair Sullivan remarked that the 10% set-aside of RTRF was a suggested starting point for discussion noting that other universities centralize their funding and provide more than 10% for hiring purposes and building their research portfolio. She noted that the RTRF contains approximately $50 million and that the Board does not review these funds as part of the operating budget so it is unclear as to what the bulk of these funds are used for. Chair Sullivan also stated that a more specific strategic research plan should be submitted to the Board that contains, among other things, strategic facility requirements and dollar amounts the University is hoping to gain through investments in priority research areas, noting that providing these types of measurable metrics would allow the Board to make more informed decisions as to the policies guiding the use of RTRF.

V. ADJOURNMENT

There being no further business, Regent Moore moved to adjourn, Regent Bal seconded the motion, and with unanimous approval of the members present, the meeting was adjourned at 11:09 a.m.

Respectfully Submitted,

Kendra Oishi
Executive Administrator and Secretary
of the Board of Regents