MINUTES
UNIVERSITY OF HAWAI‘I BOARD OF REGENTS’
SPECIAL MEETING OF
February 28, 2006

I. CALL TO ORDER

The meeting was called to order by Chairperson Kitty Lagareta on Tuesday, February 28, 2006, at 8:43 a.m., Campus Center Conference Chamber, Room 220, University of Hawai‘i at Mānoa.

Attendance

Present were Regents Andres Albano, Jr., Byron W. Bender, Michael A. Dahilig, Ramón S. de la Peña, James J.C. Haynes II, Kitty Lagareta, Ronald K. Migita, Alvin A. Tanaka, Jane B. Tatibouet, and Myron A. Yamasato; Executive Administrator and Secretary of the Board David Iha; and Executive Assistant Carl H. Makino. Regent Allan R. Landon was excused.

Also present were Mr. Walter Kirimitsu, University General Counsel; Mr. Sam Callejo, Vice President for Administration; Mr. Howard Todo, Vice President for Budget and Chief Financial Officer; Ms. Carolyn Tanaka, Associate Vice President for External Affairs and University Relations; and others.

II. PUBLIC COMMENT PERIOD

1. Mr. Walter Ritte began addressing the University’s patents on taro. Chairperson Lagareta explained to Mr. Ritte that under the Sunshine Law, he must confine his remarks to the item on the agenda. General Counsel Kirimitsu verified that under the Sunshine Law, Mr. Ritte could address this matter when it was placed on the Board’s agenda. However, it was the Chair’s discretion to allow Mr. Ritte to speak for a reasonable period provided there was no substantive discussion or deliberation. Chairperson Lagareta said the matter would be referred to Mānoa Chancellor Konan.

2. Dr. Joel Fischer, professor, University of Hawai‘i at Mānoa expressed that it would be a mistake to appoint Dr. McClain without a national search in order to ensure that the Board’s activities are open and transparent. An appointment without a search would confirm the view of many that everything that occurs at the
University is done in secret and without a modicum of transparency. He added that he had hoped the new Regents would bring change for the better but is disappointed by the increased secrecy and behind-the-scenes agreements. Such an appointment would be the most damaging precedent ever set by the Board.

3. Mr. Grant Teichman, President of the Associated Students of the University of Hawai‘i Mānoa (ASUH), expressed that there are certain processes in place to ensure that the best solutions are found. To ensure that the University gets the best people searches are conducted. While he understood the Regents’ rationale, he wondered if bypassing the search process would also bypass an opportunity for the University.

Chairperson Lagareta declared a recess at 8:55 a.m. and reconvened the meeting at 9:10 a.m.

4. State Senator Clayton Hee, Chairman of the Senate Committee on Higher Education, stated that there appeared to be a rush to make Dr. McClain the next UH President. He noted that the Board had cited the advice of Mr. Tom Ingram of AGB. However, in an article entitled, “The Best Laid Succession Plans,” that appeared in the January/February 2006 edition of the Association of Governing Boards of Universities and Colleges journal, the author did not support what Mr. Ingram advocated. According to the author, the Chronicle of Higher Education from January 2005 to July 15, 2005, noted that most presidents are hired from outside the system. Of the 18 insiders that were hired, only nine were acting or interim presidents. The author surmised that selecting a new leader most often is an inclusive process that must take into account the wishes of multiple stakeholders who may not share the same goals and objectives let alone the same candidate.

Senator Hee shared that in a meeting with ASUH President, Grant Teichman, he was informed that despite erroneous reports to the contrary, Mr. Teichman did not support appointing the interim president without a search. Furthermore, unsolicited email messages from faculty members questioned why the Board’s rush and secrecy. In addition his staff surveyed 65 universities to see if their presidents were hired from the outside or inside and whether a search was conducted. Of the Pac Ten schools, 90 percent were hired after conducting a search, eight came from the outside and one came from the inside after the search was conducted. Of the Big Ten schools, 91 percent were hired after a search was conducted from the outside, seven were hired from the outside, and three from the inside after a search was conducted. Of the Ivy
League schools, 88 percent were hired after a search was conducted, five came from the outside and two from the inside. Of the thirty-six land grant universities, 94 percent conducted a search of which 32 of the 36 were hired from the outside and two were hired from the inside.

On November 29, 2005, in an article published in the Honolulu Advertiser, interim President McClain advocated that the next permanent president should be selected “via a search.” On November 30, 2005, editorial writer David Shapiro wrote, “The true measure of the man came when the Regents were so pleased with his work that they considered skipping the customary nationwide search for Dobelle’s replacement and offering McClain the job. McClain was among those advising the Regents. It would be a mistake and he was exactly right. That’s just the kind of corner-cutting that for decades has kept UH from becoming a first-class university we all wish it to be. Choosing a president must be an open and thorough process that explores all options for making UH a powerful force to elevate the lives of our young people and help drive Hawai‘i’s culture and economy”.

Senator Hee concluded by announcing that he would include $250,000 in the University’s budget for a presidential search.

5. Ms. Kainoa Kaumeheiwa-Rego, Chairperson of the University of Hawai‘i Student Caucus, presented the following resolution:

“Whereas, the University of Hawai‘i’s Board of Regents’ Task Group on the Presidential Search was charged with creating and executing a process by which to select a permanent president for the University of Hawai‘i system, and

“Whereas, the Task Group on the Presidential Search has officially recommended to the BOR that it suspend the national search for the University of Hawai‘i permanent president, and

“Whereas, it is the belief of this Caucus that the Task Force’s recommendation would disenfranchise University of Hawai‘i students, systemwide, from a decision that will significantly affect them, and moreover, other factions, such as faculty, administrators, and staff that likewise should be able to express themselves via a national presidential search, and

“Whereas, Interim-President McClain is in concurrence with this Caucus in its belief that a national search is the best practice for the
selection of a new President as noted in the report of the Board of Regents Task Group on the Presidential Search, and

“Be it therefore resolved, that the University of Hawai‘i Student Caucus respectfully requests that the Board of Regents not affirm the recommendation of the Task Group on the Presidential Search and furthermore abstain from making such significant decisions without ample time for contribution by the UH Community. “

6. Mr. Robert Bley-Vroman, testifying on behalf of the Mānoa Faculty Senate Executive Committee, said the faculty believed that there would be a presidential search and that the interim president did not intend to be a candidate. The Regents were engaged in selecting a search firm and the faculty truly believed that a search would take place and that a mechanism would be announced that would include the faculty’s participation. He added that at its meeting of February 15th, the Senate adopted a resolution regarding actions that ought to take place before candidates were interviewed. Two days later, however, the Regents’ Task Group recommended against a search and recommended offering the position to David McClain. Faculty members and Faculty Senate leaders asked that the Senate Executive Committee take a position. While it might be reasonable for the viewpoint of the faculty to be heard, the Executive Committee could not make statements on behalf of the faculty and a special meeting of the entire Mānoa faculty was impossible until mid-March because of stringent noticing requirements. There would be no opportunity to consider the issue beforehand and no opportunity for any formal input from the faculty. He emphasized that while he could not speak for the faculty he would cite a Faculty Senate resolution of February 15th which stated that before candidates were interviewed for either President or Chancellor (Mānoa), an updated review was needed of the chief roles and functions of the system and of the University of Hawai‘i at Mānoa given the changed and still evolving relationship of the new system office to the University. The day after the Senate passed its resolution, the interim President announced his devolution initiative. However, the Senate’s position was that studies must be completed and that the way toward devolution must be clear and concrete before any candidate for either Chancellor or President is interviewed.

7. Mr. Jim Tiles, Professor, UH-Mānoa and Vice Chairman of the Mānoa Faculty Senate Executive Committee, expressed that the faculty regarded a search to be “best practice.” He said that if the Board departs from best practice in the appointment of the President, it needs to explain its reasons. The Faculty Senate felt
that the Board’s rationale that it would be unlikely that there would be a better candidate is unproven. To the contrary, the faculty, according to Professor Tiles, contacted a number of individuals throughout the nation who might be interested in the position.

Chairperson Lagareta declared a recess at 9:35 a.m. and reconvened the meeting at 9:47 a.m. at which time she recommended that the Board review the report of the Task Group on Presidential Search. Members of the Task Group were Regents Bender, Dahilig, Landon, Tanaka, Yamasato and Lagareta.

The report summarized that the Board in September of last year, raised the issue of appointing Interim President McClain to the job permanently after he received an outstanding evaluation by the Regents. President McClain, at the time said that best practice would be to conduct a search and the Regents proceeded in that direction. Chairperson Lagareta acknowledged that one of the challenges was that the role of the system president and the chancellors was not well-defined and the Regents spent a great deal of time trying to understand and resolve this issue.

The suggestion that a national search firm be hired was initiated with a request for proposal being sent out in December. A number of proposals were received and the Task Group met to review the credentials and proposals. In early January two firms were selected as finalists and interviews were conducted by the Task Group. After interviewing the two firms, the Task Group decided to continue checking the background of the search firms while forming a list of individuals whose counsel would be sought on the role of system presidents. From these discussions, the Board learned that its chances of getting someone rated “outstanding” was less than 50 percent. The Board discovered that there is no best practice for selecting a system president. The consensus even with the people who conduct searches was that it is difficult to find outstanding system presidents because they often require a strong business background and along with academic credentials.

According to Chairperson Lagareta, all of the people the Board spoke to, including the search firms, asked why the Board was not trying to convince David McClain to remain on the job. If a person had been on the job for that amount of time, the consensus was that they should not have to qualify through a “cattle call.”

The Board had meetings with students across the campuses, and there was overwhelming support for President McClain. There was also feedback from the faculty in support of Dr. McClain.

In concluding, Chairperson Lagareta said the Board was impressed with President McClain’s ability to get things done and felt that with him, it had the best chance of working through the issues related to the system campus leadership
because there was a willingness not to be here forever that added to a healthy view of the issues.

The Task Group concluded that Chairperson Lagareta and Regent Landon should meet with David McClain to discuss some of the new information to see if “the door was shut” and if he was absolutely clear that he would not be interested in the job. There were indications, however, that he would discuss this further with the Board. The Task Group on the Presidential Search, therefore, recommended that the Board of Regents suspend its national search for a University president and instead appoint Board Chair Lagareta and Regent Landon to negotiate with David McClain the terms and conditions for his appointment as President of the University of Hawai‘i.

Regent Haynes moved to approve the findings and recommendations of the Presidential Search Task Group and the authorization and appointment of Chairperson Lagareta and Regent Landon, to negotiate with David McClain the terms and conditions for appointment as President of the University of Hawai‘i in accordance with the Sunshine Law. Regent Migita seconded the motion.

Regent Dahilig remarked that as a member of the Task Group, he stood behind his contributions to the report and would vote for the motion. He believed that this recommendation suits the University at this time, a time when the University is regaining its footing and experiencing successes in the accreditation status of the campuses, and preparing for the University's centennial role.

Many student government officers understood the Task Group’s rationale and did not raise direct objections to Dr. McClain. However, the resolutions of both the Student Caucus and the UH-Hilo student association simply asked for time to process the recommendation and an opportunity for discussion and input. He received a similar request from the ASUH-Mānoa president. As a former student leader, he sympathized with their concerns surrounding this atypical process and believed that the Board needs to meet with the students as well as other constituencies to discuss the expectations of the system presidency and how Dr. McClain will fit into their vision for the University of Hawai‘i.

Regent Bender said he had watched David McClain make decisions and was impressed with his command of what is different and special about Hawai‘i, the kind of things that someone from elsewhere would take months to learn. He was comfortable in supporting the motion before the Board.

Regent Migita said that after listening to the testimonies, he supported the recommendation but concurred with Regent Dahilig that the Board must listen to its constituencies about this appointment process. He said that he is also concerned about clearly defining the system president’s and chancellors’ role in the area of campus leadership.
Regent Haynes said he admired the fact that President McClain did not avoid the hard decisions. That was a mark of a strong leader. He added that, in his opinion, McClain had functioned as the president even during the prior administration’s tenure. Regent Tanaka concurred that President McClain already has, as Regent Bender indicated, the sensitivity for the system and the campuses. He supported, at this time, going forward with David McClain as the next president for the University.

Regent Tatibouet said that after listening to the testimonies and while there were good points made, “the grass always seems greener elsewhere.” However, there is not always someone from elsewhere who can do a better job than what is being done already. She stated that President McClain has the academic skill set and the business skill set and as she had been on a search committee for a president at another major university, the University of Hawai‘i needs to weigh what it already has.

Regent Yamasato said he supported David McClain who had accomplished so much in the year and a half that he has been interim president. President McClain had to deal with major projects such as West O‘ahu and the Mānoa dormitories and attacked everything head on. He said that, with at least three more years, David McClain will get the University to a level that can be handed over to a successor that can take the University to a higher level.

Regent de la Peña said he was impressed with how David McClain handled the presidency during the last year-and-a-half. He supported the report but echoed Regent Dahilig’s wishes that the constituencies should be given time to interact with the Regents to express their concerns.

Chairperson Lagareta said that some of the issues that compelled her to come to this decision are very much vision-related and in terms of David McClain’s vision for the University of Hawai‘i, she had not been in an environment that is as convoluted and ineffective as this system can be at times. The University is one of the largest institutions in the entire state and is a massive asset to the State. The vision that she has come to respect in David McClain is his strong vision for increased autonomy. The University is a huge asset and should not be a farm for retired cronies and it is not a place where little financial empires are protected at the risk of damaging the greater good. There are many things that need to be done to improve the system and David McClain’s vision is to move the University in a direction of being state-supported but not micro-managed by government. In this regard, according to Chairperson Lagareta, David McClain has stood up to a number of people at a great risk to his own effectiveness.

Chairperson Lagareta informed that she had attended a presentation by Mr. Jim Collins in San Diego about a year-and-a-half ago with Regent Bender and Secretary Iha. Mr. Collins had researched corporate behavior and issues. His address at the Association of Governing Boards’ conference was about his book
in which he writes about top leaders who lead with an ego for the institution they represent. The question he posed to the academic community was why the corporate world understood that the next savior comes from inside the organization while higher education never carefully looks from within. That discussion at an academic conference was very enlightening and relevant to this discussion.

Chairperson Lagareta commented that the testimonies presented represent typical challenges faced by interim appointees. For example, student leader Grant Teichman, according to Chairperson Lagareta, had differed with the interim president on the alcohol issue; Professor Fischer had differed (with President McClain) on the issue of the University Affiliated Research Center; Senator Hee had gone head-to-head with the interim president over autonomy. She urged that the Regents remain aware of these differences when considering their testimonies. She added that she had watched issues of courage with this Board and was aware of Regents coming up for confirmation who were told that their confirmation would be in jeopardy if they voted the wrong way. She said she would support the Task Group’s recommendation to keep Dr. McClain as president.

Upon call, the motion was unanimously carried.

**XII. ADJOURNMENT**

The meeting was adjourned at 10:25 a.m.

Respectfully submitted,

David Iha, Executive Administrator
and Secretary of the Board