

NOTICE OF BOARD OF REGENTS MEETING

Board business not completed on this day will be taken up on another day and time announced at the conclusion of the meeting.

Date: Thursday, July 19, 2018

Time: 9:30 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

AGENDA

- I. Call Meeting to Order**
- II. Welcome Reappointed Regents Bal and Moore**
- III. Election of Officers**
- IV. Public Comment Period:** All written testimony on agenda items received after posting of this agenda and up to 24 hours in advance of the meeting will be distributed to the board. Late testimony on agenda items will be distributed to the board within 24 hours of receipt. Written testimony may be submitted via US mail, email at bor@hawaii.edu, or facsimile at 956-5156. Individuals submitting written testimony are not automatically signed up for oral testimony. Registration for oral testimony on agenda items will be provided at the meeting location 15 minutes prior to the meeting and closed once the meeting begins. Oral testimony is limited to three (3) minutes. All written testimony submitted are public documents. Therefore, any testimony that is submitted verbally or in writing, electronically or in person, for use in the public meeting process is public information.
- V. Report of the President**
- VI. Items for Discussion and/or Approval**
 - A. For Action Consent Agenda
 1. Minutes of the June 7, 2018 Meeting
 2. Approval of Indemnification Provision to Allow the University of Hawai'i to Accept Sponsored Research from the Smithsonian Astrophysical Observatory
 - B. For Information and/or Discussion
 1. Board Self-Assessment
 2. Report of the Permitted Interaction Group for UH-UH Foundation Relationship (information only)
 3. Update on UH - West O'ahu Mauka Lands

Accommodation required by law for Persons with Disabilities requires at least (5) five days prior notice to the board office at 956-8213 or bor@hawaii.edu.

C. For Action

1. Approval of New Kaka'ako Parking Rate Schedule under Board of Regents Policy RP 10.207, Parking and Operation of Motor Vehicles
2. Approval of the Establishment of the Kosasa Family Endowed Director of the Center for Cardiovascular Research at the John A. Burns School of Medicine
3. Final Report and Dissolution of the Permitted Interaction Group for Board Participation in the Community College Accreditation Institutional Self-Evaluation Report
4. Amendments to the Bylaws of the Board of Regents of the University of Hawai'i: Table of Contents; Article II (Membership and Organization); Article VIII (Robert's Rules of Order); and Article X (Conflicts of Interest)

VII. Executive Session (closed to the public):

A. Personnel: *(To consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved, pursuant to Section 92-5(a)(2), Hawai'i Revised Statutes (HRS))*

1. Evaluation of the President
2. Evaluation of the Executive Administrator and Secretary of the Board

B. Legal Matters and Real Estate Matters: *(To consult with the board's attorneys on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities, pursuant to Section 92-5(a)(4), HRS; and to deliberate concerning the authority of persons designated by the board to conduct labor negotiations or to negotiate the acquisition of public property, or during the conduct of such negotiations, pursuant to Section 92-5(a)(3), HRS)*

1. Quarterly Status Report on Litigation (*Section 92-5(a)(4), HRS*)
2. UH – West O'ahu Lands Transactions (*Sections 92-5(a)(3) and (4), HRS*)
3. VA Long-Term Care Facility Transaction (*Section 92-5(a)(3), HRS*)

VIII. Announcements

- A. Regents and Presidential Scholars Dinner, July 19, 2018, at the UHM Campus Center Ballroom
- B. Next Meeting: August 16, 2018, at University of Hawai'i at Mānoa

IX. Adjournment

ATTACHMENTS

Attachment A – Personnel actions posted for information only

18 703

Attachment A: Pursuant to §89C-4, Hawai'i Revised Statutes, the following proposed compensation actions for excluded Executive/Managerial are disclosed for purposes of public comment.

Executive/Managerial

Campus	Last Name	First Name & Middle Initial	Proposed Title	Unit	Nature of Action	Monthly Salary	Effective Date
UH Mānoa	Chapman	William	Interim Dean	School of Architecture	Appointment	\$16,250	August 1, 2018 - July 31, 2019
Kaua'i CC	Harriss	Frankie	Vice Chancellor	Academic Affairs	Appointment	\$9,584	July 20, 2018

UNIVERSITY OF HAWAII
PRESIDENT'S OFFICE

18 JUL -6 A8:53

RECEIVED

18 JUL -6 NO:02

UNIVERSITY OF HAWAII
BOARD OF REGENTS

Item V.
Report of the
President

NO MATERIALS

ORAL REPORT

Item VI.A.1.

Minutes of the June 7, 2018
Meeting

**MATERIALS
PENDING**



UNIVERSITY of HAWAII SYSTEM
UNIVERSITY OF HAWAII BOARD OF REGENTS

18 JUL -2 A11:25

RECEIVED

June 19, 2018

MEMORANDUM

TO: Chairperson, Board of Regents '18 JUN 22 A10:58

VIA: David Lassner President *David Lassner*

VIA: Carrie Okinaga Vice President for Legal Affairs and University General Counsel *Carrie Okinaga*

VIA: Kalbert Young Vice President for Budget and Finance/Chief Financial Officer *Kalbert Young*

FROM: Vassilis L. Syrmos Vice President for Research and Innovation *Vassilis L. Syrmos*

UNIVERSITY OF HAWAII PRESIDENT'S OFFICE

SUBJECT: Approval of Indemnification Provision to Allow the University of Hawai'i to Accept Sponsored Research from the Smithsonian Astrophysical Observatory

SPECIFIC ACTION REQUESTED:

It is respectfully requested that Board of Regents ("Board") for the University of Hawaii ("University") approve an indemnity provision in favor of Smithsonian Astrophysical Observatory ("SAO") to allow the University to accept research subawards issued by SAO pursuant to a prime award SAO receives from NASA. The request is made pursuant to Hawai'i Revised Statutes, Section 304A-110 (Indemnification of sponsored research), attached to this memorandum for your consideration as Attachment 1.

RECOMMENDED EFFECTIVE DATE:

Upon Board approval, the indemnity provision may be accepted in any SAO NASA subaward issued from time to time during calendar year 2018.

ADDITIONAL COSTS:

There are no additional costs associated with this request.

PURPOSE:

The purpose of this request is to allow the University to accept research subawards from SAO for calendar year 2018, where the subaward agreement requires the University to hold SAO harmless and indemnify it from various risks. Hawai'i law requires approval from the Board before the University agrees to indemnify, defend, and hold harmless a research sponsor.

BACKGROUND:

SAO is the research bureau of the Smithsonian Institution and is part of the Harvard-Smithsonian Center for Astrophysics ("CfA"). SAO holds a prime contract from the National Aeronautics and Space Administration ("NASA") and pursuant to this prime contract, issues Chandra X-Ray Center Awards ("Subawards"). The University has successfully collaborated with SAO for the past 22 years and has received, annually, subawards totaling between \$42,300 (in 1996) and \$249,918 (in 2001). To date, all of the awards have been to the Institute for Astronomy ("IfA").

Research conducted at IfA that uses the Chandra X-ray Observatory (CXO) focuses on stellar atmospheres, binary stars, black holes, active galactic nuclei, and galaxy clusters. Observational data on these subjects are collected by the CXO, an orbiting space telescope, and frequently also with telescopes on Mauna Kea, all of which are operated remotely by third parties. Infrequently, the Principal Investigators ("PI") or their students may travel to the Big Island to assist with the collection of observational data. If the PI or students travel to the Big Island, their roles are to determine the observational parameters which would maximize the scientific usefulness of the data obtained with the telescope. These observational parameter requests are submitted via computer to trained professionals operating the telescopes. Neither the PI nor their students are ever in physical proximity to either the telescope or the instruments. The subsequent reduction and analysis of the acquired astronomical data, from both orbiting and ground based observing facilities, is performed in offices at the IfA, located at [2680 Woodlawn Drive](#), which is part of the UH Manoa campus. The data analysis involves no hardware other than standard office equipment and computing facilities. Occasionally, a PI may travel to visit SAO for meetings and other business functions.

Indemnification and Hold Harmless Obligations

The subawards incorporate SAO's Cycle 19 Terms and Conditions for Chandra X-Ray Observatory Observing Cycle Awards ("Terms and Conditions"), which includes the following obligations:

Section VI – Liability

B. Indemnification

The Award Recipient agrees not to make any claim against the U.S. Government, NASA, or the Smithsonian Institution, its Regents, directors, officers, employees, volunteers, licensees, representatives and agents, with respect to activities under this Award for the injury or death of its employees or of contractor or subcontractor employees, or to the loss of its property or that of its contractors and subcontractors, whether such injury, death, damage or loss arises through negligence or otherwise, except in the case of willful misconduct.

In addition, SAO's Terms and Conditions also require the following general release (emphasis added):

D. General Release

Neither the Smithsonian nor NASA assumes any liability for the unauthorized use of patented or copyrighted materials. The Award Recipient must take such steps as may be deemed necessary to insure or protect itself, its employees and its property.

It is understood that the Award Recipient is undertaking the work hereunder as an independent contractor, not as an employee of the Smithsonian. Award Recipients are responsible for all actions taken or not taken in the performance of the activities under this Award, and the Smithsonian Institution and NASA expressly disclaim any responsibility to any third party therefore. **Further, to the extent allowable by law, the Award Recipient agrees to hold both the Smithsonian and NASA harmless from, and to accept all responsibility for, any harm suffered by anyone arising out of actions of the Award Recipient or its employees, agents, and representatives if visiting SAO.**

SAO will not modify or remove the University's indemnification or general release obligations.

Risk Analysis

Although the first clause is entitled "indemnification," this provision is similar to a "release" or "waiver" in that the University agrees not to file a claim against the U.S. Government, NASA, or the Smithsonian Institute. Because University does not envision a circumstance under which it would bring a claim against any of these entities for the injury or death of University employees or to the loss of its property during the performance of this research, and because the University will not hire contractors or subcontractors under this award, we do not believe that this release or waiver provision is problematic. It should be approved.

The "General Release" clause requires the University to hold SAO harmless from any damages arising from the actions of University personnel if visiting SAO. Since the majority of the PIs do not visit SAO during their projects, the hold harmless clause is unlikely to be invoked during the course of performing any subaward. If the PI does visit SAO, the risk of the visiting PI causing injury to third parties is remote, and can be mitigated by the visiting PI fully understanding and abiding by visitor protocols of the hosting SAO. The benefits of these site visits to SAO facilities for face-to-face interaction on a research project outweigh the risks to "hold harmless" the host, and the hold harmless obligation should be accepted.

Finally, it is noted that this kind of research—off-site analysis of astronomical data remotely collected—is not inherently risky, does not involve potential breaches of personal or private data, or require research protocols to protect human or animal research subjects. For the anticipated SAO subawards, the research benefits outweigh the risks of indemnification liability.

As indicated in the address field of this Memorandum, the president, following favorable review by the University general counsel, and the chief financial officer, approves the proposed indemnification.

ACTION RECOMMENDED:

It is recommended that the Board approve the Indemnification and General Release provisions as set forth in SAO's Cycle 19 Terms and Conditions for Chandra X-Ray Observatory Observing Cycle Awards, for all SAO subawards that may be awarded to the University for calendar year 2018.

Attachment (HRS § 304A-110)

c: Executive Administrator and Secretary to the Board of Regents

Attachment 1

[\$304A-110] Indemnification.

- (a) Notwithstanding any other law to the contrary, the board of regents may agree in writing to an indemnity provision by which the university agrees to indemnify, defend, and hold harmless any person, corporation, or entity that sponsors research at the university when all of the following conditions are satisfied:

 - (1) The person, corporation, or entity requires an indemnity in writing as a condition for providing a grant, benefit, service, or interest in or right to use property;
 - (2) The president, or the president's designee, following a favorable review by the university general counsel or the counsel's designee, approves the proposed indemnification; and
 - (3) The chief financial officer, pursuant to section 304A-108, has obtained an insurance policy or policies in an amount sufficient to cover the liability of the university that may be reasonably anticipated to arise under the indemnity provision or has determined that it is not in the best interest of the university to obtain insurance.
- (b) Nothing in this section shall be construed to expand the scope of liability of the university beyond that set forth in chapters 661 and 662.
- (c) Nothing in this section shall be construed to waive the immunity of the university from suit in federal courts guaranteed by the Eleventh Amendment to the United States Constitution. An indemnity provision not in strict compliance with this section shall not give rise to a claim against the university under this chapter or chapter 661 or otherwise waive the university's sovereign immunity.

Item VI.B.1.

Board Self-Assessment

**ITEM TO BE
DISCUSSED AT
MEETING**

Survey Results

2018 Board Self-Assessment

What are the most significant accomplishments for FY 2017-2018?

Board Accomplishments

- Increased focus on board governance (change in committee structure; roles and responsibilities of the board; development of annual board evaluation process)
- Increased focus on shared governance including increased faculty and student engagement and consideration of formal relationships
- Improved transparency and shared accountability of key decisions (appointing board liaisons to MKMB, UHF, RCUH; holding board retreat as public meeting to do a deep dive with university administrators)
- Robust evaluation of the President at the July and August 2017 meetings

University Accomplishments

- Achievement of Cancer Center NCI designation
- Rational CIP and renovation approaches
- Revisions to the Hawai'i Administrative Rules
- Support of graduation, early college, GPS, and workforce metric initiatives
- Support of energy savings programs
- Preliminary indications that extramural funding exceeds 2017 level
- Moving forward with research & innovation plan to improve UH's standing in global higher education community

Joint Accomplishments

- Approval, initiation, and forward movement of Integrated Academic and Facilities Plan (IAFP) to tie academic and facilities needs as a holistic approach
- Progress on management of Maunakea, including advancing rules and initiating EIS process
- Continued strong support of President (proceeding with rolling reorganization of UHM and UH System; establishing the principle that positions belong to the chancellor, not the unit at Manoa; establishing the premise that real estate belongs to the system, not the campus or the units)
- Initiated a systematic multi-year review of Board policies
- Completing the independent audit with no comments from auditor

What are the most important issues facing the University?

For the Board of Regents

- Continued focus of the role of governance and continued definition and evolution of the role and responsibilities of the board

For the University

Overall Strategy, Organization, and Management

- Reorganization of Mānoa and relationship to System
- System focus and staff burdens
- Retirement of chancellors and the number of interim high-level positions
- Redefining the university's competitive advantage as a regional institution for international students
- Redefining the importance of what it means for UH to be known as "Hawaiian Place of Learning"

Academics, Enrollment Management, and Tuition

- Address the decline in enrollment
- Need to increase enrollment, retention rate, and percentage of students who complete their certificates or degrees
- Meeting the educational needs for the State of Hawai'i through early college and other programs that appeal to local public high school students, private school students, and the growing number of non-traditional students pursuing higher education
- Develop a robust distance education program and adjust education delivery based on demand (traditional lecture vs. online)

Research & Innovation:

- Address lack of progress in innovation and research, including international research partnerships
- Maintaining excellence in research programs; raise extramural revenue to meet the \$1 billion goal set by former UH President and Board; build better infrastructure internally to foster successful extramural revenue generation

Joint

Overall Strategy, Organization, and Management

- Clarification of the roles for the University President and Mānoa Chancellor
- Continuously improving procedures and processes to increase efficiency and effectiveness, and free up resources for high priority activities
- Elaboration of the IAFP – action implications; integration of fiscal/personnel considerations as well as physical resources
- Greater focus on identifying and addressing strategic (long-term) issues vs. tactical (short-term) issues and determining areas of focus and non-focus
- Address efforts by legislators that undermine autonomy

Academics, Enrollment Management, Tuition

- Need to come to agreement on academic programs oversight
- Tuition schedule and strategy

Budget, Finance, and Facilities

- Financial viability of sports
- Increasing and developing philanthropic support of the university
- Examination and development of revenue sources (balance of public (state-funded) and private (tuition) support; P3 and real estate development; address ongoing budget shortfalls)
- Allocating UH resources (positions and dollars) toward university and student priorities
- Finding resources to bring facilities into the 21st century, especially Mānoa
- Address the \$700 million deferred maintenance backlog at Mānoa
- Leveraging land assets at UHH and UHWO lands

Maunakea:

- Continuing stewardship efforts
- Increased focus on holding administration accountable for meeting defined goals and objectives and to continually identify threats and opportunities for the UH System stewardship and future of Maunakea
- Resolve pending legal matters to restore confidence in the university's management of Maunakea for the purposes of the TMT project

SurveyMonkey Results

2017 Board Self Assessment

What are the top accomplishments for FY 2016-2017?

Board accomplishments

- Approval of tuition schedule
- Affirmation of UH commitment to civil liberties and non-violent discussion
- Staying within the framework of the strategic plan
- Smoothly integrating 2 new regents for a full 15 member board

University accomplishments

- Improved graduation rates
- Reduction in the time to graduate
- Integration of programs throughout system for ease of transfer
- Reaching academic highpoints such as supporting early college, graduating more students in four years, etc.
- Improved rankings nationally
- National and international recognition of the UH's world class research and educational programs
- Legislative funding of Hawai'i Promise Program
- Improved CIP planning/tracking process
- Innovation in CIP projects
- Huge gift from Jay Shidler
- Cancer Center turnaround

Joint accomplishments

- Integrated Academic and Facilities Plan
- Developing strategic vision and plan
- Improved system-wide budgeting process
- Building trust in the University through challenging decisions
- Fostering more positive relationships internal to the University
- Improved climate of public opinion for UH
- Improved relationship and understanding with the legislature
- Fairly successful legislative session
- UH has quality people in key leadership positions

SurveyMonkey Results

2017 Board Self Assessment

What are the most important priorities for FY 2017-2018?

For the board

- Clearly defining strategic goals/objectives for the administration
- Hiring a board executive secretary
- Focusing on strategic vs tactical (be less transactional)

For the university

- Resolution of the Thirty Meter Telescope issue and management of Mauna Kea
- Retaining the National Cancer Institute P-30 designation for the UH Cancer Center
- Growing enrollment throughout the university
- Improving retention rates for ongoing students
- Identifying and addressing underperforming programs
- Strengthening research innovation.
- Developing systemwide measureable goals for the evaluation of faculty.

Joint

- Addressing tuition and other educational costs
- Addressing/resolving UHM fiscal challenges
- Identifying likely models for the university of the future, using the SWOT process
- Assessing budget options in anticipation of continuing fiscal shortages.
- Addressing/resolving the UHM deferred maintenance backlog
- Modernizing teaching/learning facilities, especially at UHM
- Increasing interest from private industry in investing in the University and its students
- Identifying and adequately financing the cost of research
- Increasing research funds and allocating principal investigator salaries to grants
- Monetizing real estate assets
- Determining tactical steps to implementing the strategic plan
- Supporting the UH research enterprise to facilitate its continued success during challenging years ahead
- Determining and addressing student homelessness and hunger
- Continuing to build trust in the university's athletics program.
- Continuing to improve relationship and dialogue with the legislature.

2017-18 Board and Committee Activities (Unofficial)

July 20, 2017							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
							<ol style="list-style-type: none"> 1. Election of officers. 2. Approval of minutes. 3. Public comment. 4. President's report. 5. Approval of establishment of Kosasa endowed professorship at JABSOM. 6. Briefing by VP Dickson of regents & presidential scholars program. 7. Received independent audit committee's annual report. 8. Discussed board self-eval process & procedure. 9. Title IX overview. 10. Quarterly litigation status report (exec session) 11. President's eval (exec session). 12. Board exec secy's eval (exec session) 13. Discussion (exec session) & approval of appointments of Don Straney & Marcia Sakai.

August 24, 2017							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
	<ol style="list-style-type: none"> 1. Reviewed bylaws, will determine which professional schools it wants to look at to determine UH subsidy to the prof schools. 2. Introduced to new UBS team. Full report on legacy endowment next month. 3. Recommended approval of FY 18 operating budget, incl BOR office and internal audit office; asked for fin'l analysis of research revenue & expenditure to understand the fin'l benefits of research. 	<ol style="list-style-type: none"> 1. Elected Mike McEnerney chair 2. Reviewed follow-up review of implementation of prior internal audit recommendations re p-Card. 3. Reviewed whistleblower hotline report 4. Reviewed FY 17 risk mgt office annual report. 5. Reviewed committee self-evaluation. 	<ol style="list-style-type: none"> 1. Discussed committee goals and objectives and work plan for the year. 2. Dave Matlin presented "value proposition of UH athletics." 3. Discussed AGB statement on boards' role re intercollegiate athletics. 4. "Coach's corner" discussion re UHM football with Nick Rolovich. 				<ol style="list-style-type: none"> 1. Public comment. 2. President's report. 3. UHF report. 4. Briefing by Greg Chun on Maunakea Mgt Board. 5. Committee reports. 6. Consent agenda: <ul style="list-style-type: none"> * Approval of minutes. * Approval of FY 18 operating budget. * Approval of indemnification for research. 7. Approval (10-2) of board reso affirming commitment to collaborative stewardship of Maunakea. 8. Appointment of PIG for community colleges accreditation self-eval. 9. Presentation of board travel guidelines. 10. Presentation of board and committee FY 18 meeting dates. 11. Eval of president (exec & open sessions).

2017-18 Board and Committee Activities (Unofficial)

September 21, 2017							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
	<p>1. Reviewed UBS report. UBS will move equity funds from ETFs and mutual funds to separately managed accounts to eliminate fossil fuel resource investments and move bond funds from mutual funds to ETFs. Overall cost will increase from 51 bp to 61-66 bp but it will eliminate fossil fuel investments without eliminating “energy” investments.</p> <p>2. Reviewed 4th Q FY 17 operating performance vs budget. The fin’l condition of the univ continues to improve, despite revenues < budget. Expenses have been controlled.</p> <p>3. Reviewed history of legacy endowment distribution – pres has authority to distribute up to 5% of rolling 5-yr avg (measured each 6/30).</p> <p>4. Recommended approval of supplemental budget (FY 19) policy paper.</p>			<p>1. Reviewed board bylaws that pertain to this committee and approved proposed goals and objectives for this the committee this FY.</p> <p>2. Discussed board self-evaluation instruments used in the past and developed last spring. The discussion will be used by board leadership to develop a self-evaluation instrument to be distributed to and completed by regents prior to the upcoming board retreat.</p> <p>3. Rec’d presentation from VP Morton on how the admin will work with board staff to review the 28 board policies in chapters 1-4 and bring proposed changes to this committee in Nov and subsequently to the relevant subject matter committee for discussion and action. Significant changes may require consultation with unions. Chapters 1-4 are gen’l provisions, admin, organization, and planning. Board policy is to review board policies every 3 years, so every year a batch will be reviewed (1-4, 5-8, 9-12).</p>	<p>1. Approved goals and objectives for the committee this FY.</p> <p>2. Recommended board approval of FY 18 CIP plan.</p> <p>3. Reviewed Q4 FY 17 report on major CIP</p> <p>4. Rec’d status report from VP Gouveia on real estate development initiatives – UHWO, Atherton Y, NOAA bldg., Leahi parcel, former PBS bldg., L/T plans for Manoa, Hawaii CC, CTAHR research stations on all islands, UHH “campus town” and the idea of a University zoning district.</p>	<p>1. Received and discussed FY 17 report from VP Szymos.</p> <p>2. Received and discussed update on UHM research strategy from VC Bruno.</p> <p>3. Approved proposed goals and objectives for the committee for this FY.</p>	<p>1. Public comment</p> <p>2. President’s report.</p> <p>3. Committee reports.</p> <p>4. Consent agenda: * Approval of minutes.</p> <p>5. Approval (10-3) of FY 19 supplemental budget policy paper.</p> <p>6. Approval of FY 18 CIP plan.</p> <p>7. Approval to request gov’s final approval of repeal of HAR Title 20 chapter 16 (personal records), 17 (collection of voluntary contributions), 20 (protection of educational rights and privacy of students), 24 (university-owned faculty housing units), 42 (Hawaii state postsecondary review program).</p> <p>8. Approval to post public notice to repeal HAR Title 20 chapter 2 (statements on rights and responsibilities of the UH community), 5 (tuition schedules), 6 (tuition waivers), 13 (use of university-owned facilities), 18 (student housing), 21 (fees of the UH system libraries), 22 (Waikiki Aquarium fees), 23 (UH special events arena admission fees and charges).</p> <p>9. Approval to hold public hearing regarding the simultaneous repeal of HAR Title 20 chapter 30 (rules of practice and procedure) and the adoption of chapter 30.1 (rules of practice and procedure) for the state board for career and technical education.</p> <p>10. Approval to hold public hearing regarding the simultaneous repeal of HAR Title 20 chapter 40 (rules of practice and procedure) and the adoption of chapter 40.1 (rules of practice and procedure) for the state post-secondary education commission.</p> <p>11. Review of potential board secretary candidates (exec session).</p> <p>12. Discussion regarding potential private donations (exec session).</p>

2017-18 Board and Committee Activities (Unofficial)

October 19, 2017							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
<p>1. Recommended approval of provisional new master of landscape architecture at UHM eff. fall 2018.</p> <p>2. Recommended approval of established PhD in public health, UHM (converts the existing doctorate in public health program to a PhD).</p> <p>3. Received update on fall enrollment.</p> <p>4. Received update from Steve Schatz on dual credits.</p>		<p>1. Accepted evaluation of corrective action taken by KCC on chancellor's office accounts at UHF in response to internal audit report of Sept 25, 2014.</p> <p>2. Accepted review of travel policy compliance</p> <p>3. Reviewed whistleblower report.</p> <p>4. Discussed evaluation of internal audit director (exec session).</p>					<p>1. Public comment</p> <p>2. President's report.</p> <p>3. Committee & affiliate reports, incl oral reports on RCUH, UCERA, MKMB, P-20 Council.</p> <p>4. Consent agenda</p> <ul style="list-style-type: none"> * Approval of minutes * Approval of new master of landscape architecture at UHM * Approval of established PhD in public health at UHM * Approval of amendments of BOR bylaws * Article II.D.2.a, Committee on academic & student affairs – reducing the "charge" to the committee from 16 items to 5. * Article II.D.4, Meetings [of the ASA committee] – from "shall be held at the various CC campuses" to "shall be held on each island on which there is a CC campus, to the extent practicable." <p>5. Modification for the term of previously approved donor recognition naming opportunity program at UHM Myron B. Thompson School of Social Work, from "10 yrs" to "as long as the named space exists and has not been substantially renovated."</p> <p>6. Modification of donor opportunity naming levels and spaces at School of Pharmacy, UHH.</p> <p>7. Dissolution of TG to investigate the evolution of governance with reps of Regents Emeriti</p> <p>8. Dissolution of TG to investigate real property monetization</p> <p>9. Appointment of TG to investigate and make recommendations for public-private partnership structure, projects, and priorities, goals and performance criteria for P3s.</p> <p>10. Discussion of request from JABSOM dean for BOR chair to sign statement of commitment from JABSOM to its accrediting body and assure the regents have reviewed the JABSOM annual report for FY 2015-16.</p> <p>11. Status of BOR exec sec'y search (exec session)</p> <p>12. Quarterly status report on litigation (exec session).</p>

2017-18 Board and Committee Activities (Unofficial)

October 31, 2017 (board retreat)
Full board
<ol style="list-style-type: none"> 1. Approved hiring new exec secretary of the board (exec session and open session). 2. Discussed implementation, issues and strategies of a 6-year rolling integrated academic & facilities plan. 3. Discussed public-private partnership concept, how it is used at other universities, and how UH could use it. 4. Discussed affordability, tuition, financial aid, and Hawaii Promise Program. 5. Discussed the board self-evaluation instrument and survey regents recently completed.

November 16, 2017							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
	<ol style="list-style-type: none"> 1. Recommended approval of investment managers & fund investments selected by ASUH for ASUH stadium stock fund. 2. Discussed and deferred action on proposed amendment to UBS contract for managing the legacy endowment. 3. Recommended approval of FY 19 operating budget with questions about \$238,932 and 8 positions requested to bring UHH campus security in-house to comply with <i>Konno</i> decision. 4. Recommended approval of reso authorizing UH to enter into tax-exempt lease-to-purchase agreements for energy-saving equipment at community colleges. 5. Recommended approval of reso authorizing UH to sell revenue bonds in part to refinance outstanding bonds at a lower interest rate. 			<ol style="list-style-type: none"> 1. Discussed admin report on guidelines used for exec & managerial employee salary adjustments for FY 19. 2. Discussed process & procedures admin will use for reviewing board policies Chapters 1-4. 3. Discussed AGB publications on "Consequential Boards." Chair will prepare a matrix of AGB's best practices for consequential governance and where our board stands on this matrix. 	<ol style="list-style-type: none"> 1. Reviewed and discussed 6-year CIP plan and recommended approval of FY 19 supplemental CIP budget request. 2. Received and discussed an update from Maenette Benham on UHWO's LRDP. 	<ol style="list-style-type: none"> 1. Reviewed and discussed 1st qtr report on extramural awards. 2. Received and discussed update on UH Cancer Center from Randall Holcombe. 3. Received and discussed presentation by VP Syrmos on the life cycle of a grant, from proposal to close-out. 	<ol style="list-style-type: none"> 1. Public comment 2. President's report. 3. Update from UH student caucus 4. Committee & affiliate reports, incl oral reports on RCUH, UCERA, MKMB, P-20 Council. 5. Consent agenda <ul style="list-style-type: none"> * Minutes * Approval of ASUH investment managers and fund investments for the ASUH stadium stock fund * FY 19 supplemental budget request * FY 19 supplemental CIP request * Tax-exempt lease-to-purchase (municipal lease) reso * 2017-18 UH revenue bond reso 6. Requested gov's final approval to repeal HAR chapter 20-1 "Rules of Practice & Procedure" and simultaneously replace them with a new HAR chapter 20-1.1 with the same title. 7. Requested gov's final approval to repeal HAR 20-8 "State Higher Education Loan Fund", HAR chapter 20-10 "Delinquent Financial Obligations" and HAR chapter 20-12 "Parking & Operation of Motor Vehicles" Revisions to R.P. 9.218 "delegation of personnel actions" 8. Approved establishment of endowed professorship at JABSOM 9. Approved indemnification of Geisinger Clinic from claims arising from UH use of patient data and biological tissue specimens. 10. Discussed (exec session) and approved (open session) a salary adjustment for internal audit director.

2017-18 Board and Committee Activities (Unofficial)

January 25, 2018							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
<p>1. Recommended revisions to R.P. 9.211 (health fund, retirement & other benefits), R.P. 9.218 (delegation of personnel actions and new R.P. 5.219 (emeritus/a title) to replace R.P. 9.211 delegating emeritus/a title to the president.</p> <p>2. Rec'd annual report on academic program actions FY 17</p> <p>3. Rec'd program on STAR program update.</p>	<p>1. Reviewed UBS FY 18 1st qtr report on legacy endowment fund.</p> <p>2. Reviewed UH rev bond post-issuance compliance report for FY 16.</p> <p>3. Reviewed UH FY 19 supplemental budget request update.</p>	<p>1. Reviewed accepted UH audited fin'l reports for yr ended 6/30/17.</p> <p>2. Approved annual report on fraud to legislature.</p> <p>3. Reviewed whistleblower report update.</p> <p>4. Reviewed update on enterprise risk mgt with updated "heat map."</p>	<p>1. Coach's corner with UHM baseball coach Mike Trapasso.</p> <p>2. Approved committee goals</p> <p>3. Reviewed UHM and UHH reports on academics - all teams are in good standing.</p>	<p>1. Update by VP Morton on revisions to board policy 2.204 on board self-evaluation.</p> <p>2. Update by VP Morton on revisions to board policy 2.203 on evaluation of the president.</p> <p>3. Discussion of governance - definition, best practices for system boards.</p>			<p>1. Public comment</p> <p>2. President's report.</p> <p>3. UHF 1st qtr FY 18 report.</p> <p>4. Committee & affiliate reports. *RCUH</p> <p>5. Consent agenda * Minutes * Approved revisions to R.P. 9.211 (health fund, retirement & other benefits), R.P. 9.218 (delegation of personnel actions and new R.P. 5.219 (emeritus/a title) to replace R.P. 9.211 delegating emeritus/a title to the president.</p> <p>6. Approved establishment of the William and Ellen Melohn chair in cancer biology at the UH cancer center.</p> <p>7. Update on sexual harassment and gender-based violence programs at UH.</p> <p>8. Reviewed and discussed annual report on sustainability at UH.</p> <p>9. Reviewed and discussed progress report on strategic directions accomplishments and metrics.</p> <p>10. Mid-year performance eval of president (exec session).</p> <p>11. Quarterly status report on litigation (exec session).</p> <p>12. Discussed policies re solicitation and acceptance of gifts (exec session).</p>

2017-18 Board and Committee Activities (Unofficial)

February 22, 2018							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
		<ol style="list-style-type: none"> 1. Accepted ASUH internal audit report and mgt response. 2. Accepted internal audit report and mgt response on cell phone charges 3. Accepted internal audit fin'l & operational review of outreach college and mgt response 4. Accepted external audit of UH agreed-upon procedures report to NCAA for 2017 football season. 5. Reviewed whistleblower report 6. Reviewed enterprise risk mgt report on cybersecurity. 7. Board education by Accuity re walk-through of UH fin'l statements. 			<ol style="list-style-type: none"> 1. Briefing on status of potential UHWO mauka land photovoltaic farm. 2. Update update on UHM space utilization study 3. Overview of UH R&M operating budget by campus: R&M, custodial, grounds. 	<ol style="list-style-type: none"> 1. Reviewed 2nd Q FY 18 extramural awards report 2. Update on UH implementation of Acts 38 & 39, 2017. 3. Update on UHWO research & innovation planning 	<ol style="list-style-type: none"> 1. Public comment 2. President's report. 3. Committee reports. 4. Consent agenda <ul style="list-style-type: none"> * Approval of indemnification of Space Technology Science Institute when UH researcher are visiting the STSci facility to allow UH IfA to accept subcontracts from NASA via STSci. 5. Discussed admin request to convey via quitclaim of 131.72-ac UHM CTAHR Wailae research station property to the State Agribusiness Development Corp. 6. Reviewed update of legislative bills and resos of interest to UH.

February 22, 2018 (special meeting re Maunakea)
<p>Full board</p> <ol style="list-style-type: none"> 1. Remarks by Mayor Harry Kim 2. Public comment 3. Reappointment of Gregory Chun, Herring Kalua, and Gregory R Mooers to the Maunakea Mgt Board. New members will be recommended for appointment for terms beginning July 1, 2018. 4. Approved (11-0-2) board reso requesting financial audit of Maunakea activities. 5. Briefing on background and current activity on Maunakea-related issues.

2017-18 Board and Committee Activities (Unofficial)

March 22, 2018							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
<p>1. Update on distance learning plan across the system.</p> <p>2. Update on systemwide enrollment management.</p>	<p>1. Reviewed 2nd Q operating budget. variance report</p> <p>2. Reviewed 2nd Q legacy endowment performance report.</p> <p>3. Discussed UBS contract revision.</p> <p>4. Recommended approval of procurement of credit card services for UH.</p>	<p>1. Approved incorporation of Maunakea fin'l mgt audit into the internal audit work plan.</p> <p>2. Accepted internal audit report and mgt response on check disbursements of amounts < \$2,500.</p> <p>3. Accepted internal audit report and mgt response on CIP and R&M projects.</p>			<p>Recommended approval of conveyance of UHM Waialea Livestock Research Station property to Hawaii Agribusiness Corp.</p>		<p>1. Public comment</p> <p>2. President's report.</p> <p>3. Committee and affiliate reports. * UHP * RCUH</p> <p>4. Task group reports *UH-UHF * Public-private partnerships</p> <p>5. Consent agenda *Minutes of Jan 25 and Feb 22 (2 meetings that date) * Approval of contract for credit card services.</p> <p>6. Authorized (12-2) pres to negotiate revision to UBS contract for institutional consulting services.</p> <p>7. Discussed (in open and exec sessions) and authorized pres to negotiate the conveyances of the Waialea Livestock Research Station (13-0-1) and the Hanamaulu tropical fruit disinfestation facility (13-0) to Hawaii Ag Dev Corp and State DOT-airports div, respectively. Moore recused on Hanamaulu property discussion and vote.</p> <p>8. Approved (13-1) board reso requesting development of a comprehensive real property asset mgt plan.</p> <p>9. Approved (10-3) board reso authorizing the president to develop a reorg that may combine the positions of UH president and UHM chancellor.</p> <p>10. Approved amendments to R.P. 10.207 (parking & operation of motor vehicles).</p> <p>11. After discussion in open and exec sessions, authorized admin to execute letters of intent/option agreements and a long-term agreement with prospective photovoltaic system developers for the use of UHWO lands relating to the HEC Co RFP for the supply of qualified renewable energy.</p> <p>12. Reviewed update on legislative bills and resos of interest to UH.</p>

2017-18 Board and Committee Activities (Unofficial)

April 19, 2018							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
		Recommended selection of Accuity LLP as external auditor, with lead auditor to rotate for FY 19 and for the remainder of the 3-4 yr contract.		<p>1. Discussed shared governance. Co-chairs of all-campus council of faculty senate chairs and chair of UH student caucus participated. Committee will consider at its next meeting proposed changes to the R.P. on governance and suggested practices that will better engage faculty, student, native Hawaiian and non-faculty staff organizations with the BOR.</p> <p>2. Reviewed the R.P. on board self-eval. Committee will consider at its next meeting revisions the R.P. "Statement of 3. Update by VP Morton on the status of the admin's review of R.P. chapters 1-4.</p>	<p>1. Briefing on long-range development plans.</p> <p>2. Deferred approval of Leeward CC's LRDP pending demonstration of its compliance with the Integrated Academic & Facilities Plan.</p> <p>3. Update on planning for Hawaii Community College – it will stay where it is.</p>		<p>1. Public comment</p> <p>2. President's report.</p> <p>3. Student caucus report.</p> <p>3. Committee and affiliate reports.</p> <p>4. Approval of minutes of March 22 meeting.</p> <p>5. Approval of selection of Accuity LLC as the UH external auditor for FY 18-20, with option to extend to FY 21 and delegation to pres to finalize the contract.</p> <p>6. Reviewed update on legislative bills and resos of interest to UH.</p> <p>7. Approval of admin recommendation to confer dean emeritus title on Donald B. Young, Jr.</p> <p>8. Quarterly review of litigation (exec session).</p>

2017-18 Board and Committee Activities (Unofficial)

June 7, 2018							
A&SA	B&F	IA	ICA	PA&BG	P&F	R&I	Full board
<p>1. Recommended approval of a Kapiolani CC \$40/semester student fee so all students could get a bus pass.</p> <p>2. Recommended acceptance of community colleges' self-evaluation reports.</p> <p>3. Received overview of program approval process.</p> <p>4. Recommended approval of program change from provisional to established for: * Kauai CC cert of achievement in medical assisting. * UHM BAS in engr technology. * UHM & UHH Doctor of Nursing Practice. * LCC AS in health info technology.</p> <p>5. Recommended approval of program changes: * LCC established AAT in teaching name change to AST in teaching. * UHH established</p>	<p>1. Recommended approval of 1-yr extension to 6/30/19 of the deadline to eliminate fossil fuel investments from the legacy endowment.</p> <p>2. Reviewed 3rd qtr operating budget variance report.</p> <p>3. Reviewed 3rd qtr UBS performance report on the legacy endowment.</p> <p>4. Received overview of federal tax law changes that may affect UH.</p> <p>5. Received review of legislative session.</p>	<p>1. Conducted annual review of committee charter.</p> <p>2. Approved FY 19 internal audit workplan.</p> <p>3. Accepted draft committee annual report to the board.</p> <p>4. Reviewed whistleblower report.</p> <p>5. Received update on enterprise risk mgt: admin will propose cybersecurity policy.</p> <p>6. Received update on status of audit of Maunakea activities.</p> <p>7. Received update on status of corrective action for travel policy review.</p>	<p>1. Coach's corner with UHH volleyball coach Gene Krieger.</p> <p>2. Recommended approval of revisions to R.P. 9.202 and 9.218 extending pres's authority to approve up to 5 yrs of original, amended or extended coach contracts.</p> <p>3. Rec'd update on UHM athletics finances and athletes' health & wellness.</p> <p>4. Rec'd update on UHH athletics finances and athletes' health & wellness.</p> <p>5. Recommended approval of committee goals.</p> <p>6. Conducted committee annual review.</p>	<p>1. Recommended approval of new RP. 2.207 on political activity of regents.</p> <p>2. Recommended approval of amendments to R.P. 2.204 – board self-eval.</p> <p>3. Discussed the parameters of the eval of the pres.</p> <p>4. Discussed and agreed not to adopt a "statement of expectations" for regents.</p> <p>5. Reviewed without discussion the committee's self-eval</p>	<p>1. Recommended approval of board reso clarifying that the Nov 2013 moratorium on new construction applies to construction that adds net sq.ft. of building space on a campus.</p> <p>2. Reviewed Kakaako campus parking issues.</p> <p>3. Reviewed 3rd qtr CIP status update.</p> <p>4. Admin provided overview of 21st century facilities metrics.</p>	<p>1. Admin provided update on UH patent and copyright policies.</p> <p>2. Admin provided update on facilities & admin cost rate proposal.</p> <p>3. Reviewed 3rd qtr extramural awards report.</p> <p>4. Reviewed update on metrics for strategic research & innovation/Hawaii Innovation Initiative.</p> <p>5. & Review-ed update on office of innovation and commercialization.</p>	<p>1. Public comment</p> <p>2. President's report.</p> <p>3. Committee and affiliate reports. * Maunakea Mgt Board</p> <p>4. Consent agenda * Minutes of April 19 meeting * Mandatory \$40/semester student fee at Kapiolani CC to provide all students with a bus pass * Acceptance of community colleges self-evaluation reports * Program approvals</p> <ul style="list-style-type: none"> • LCC redesignate the established AA in teaching to AS in teaching • UHH redesignate the established BA in chemistry to BS in chemistry <p>* Approval of extension of fossil fuel-free mandate for legacy endowment from 6/30/18 to 6/30/19.</p> <p>* Approval of intercollegiate athletics committee goals</p> <p>* Approval of policy changes: * RP 9.202 – classification plans and compensation schedules * RP 9.218 – delegation of personnel actions * RP 9.207 (new) – policy on political activity * RP 2.204 – policy on board self-evaluation (annually instead of every other year, design of the self-evaluation up to president and chair).</p> <p>* Approval of indemnification of University of Texas Medical Branch at Galveston for a Material Transfer Agreement with the UHM JABSOM.</p> <p>* Approval of indemnification of Children's Hospital of Philadelphia and Children's Oncology Group for a Material Transfer Agreement with the UHH, College of Pharmacy.</p> <p>5. Approval of reso on moratorium of growth in sq.ft. of facilities.</p> <p>6. Received report of the Permitted Interaction Group for board participation in the community colleges accreditation institutional self-evaluation report.</p> <p>7. Received annual report of the Independent Audit Committee</p> <p>8. Discussed the desirability of appointing board members as liaisons to the all-campus council of faculty senate chairs and the JABSOM dean's council, and formally designating a regent to liaise with the systemwide student caucus. There was no support for appointing a regent to the JABSOM dean's council.</p> <p>9. Authorized the admin to request the governor's final approval of the repeal of Hawai'i Administrative Rules, Title 20, all of which will after repeal be handled by board policy: * Chapter 2, "Statement on Rights and Responsibilities of the University of Hawai'i Community"</p>

2017-18 Board and Committee Activities (Unofficial)

<p>BA in chemistry to BS. 6. Conducted committee annual review.</p>						<ul style="list-style-type: none"> * Chapter 5, "Tuition Schedules" * Chapter 6, "Tuition Waivers" * Chapter 15, "Fees of the University of Hawai'i" * Chapter 18, "Student Housing" * Chapter 21, "Fees of the University of Hawai'i System Libraries" * Chapter 22, "Waikiki Aquarium Fees" * Chapter 23, UH Special Events Arena Admission Fees and Charges" <p>10. Approved (9-3-2) the following program changes from provisional to established.</p> <ul style="list-style-type: none"> * Kauai CC, certificate of achievement in medical assisting * Maui College, BAS in engineering technology * UHM and UHH, doctor of nursing practice * LCC, AS in health information technology <p>11. Approved the establishment of the Alexander & Francis Pickens Endowed Chair in Arts Education in the College of Education.</p> <p>12. Update on Maunakea stewardship.</p> <p>13. Authorized admin to request governor's approval to allow UH to hold public hearings regarding proposed Chapter 20-26, Hawai'i Administrative Rules, entitled "Public and Commercial Activities on Maunakea Lands."</p>
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REPORT OF THE PERMITTED ACTION GROUP FOR UH-UH FOUNDATION RELATIONSHIP

The purpose of this final report is to share the resulting findings and recommendations of the Permitted Interaction Group for UH-UH Foundation Relationship (PIG), to the full board. Deliberation and decisionmaking regarding the final report and dissolution of the PIG will take place during a subsequent meeting, pursuant to the statute on permitted interactions under the Sunshine Law, Section 92-2.5(b), Hawaii Revised Statutes.

I. Background

- A. The PIG was formed by the Board of Regents on June 1, 2017; link to minutes here:

<https://www.hawaii.edu/offices/bor/regular/minute/201706010930.regular.pdf>

1. The PIG included the following Regents:
 - a) Vice Chair Randy Moore, Chair of the PIG
 - b) Regent Wayne Higaki
 - c) UH Board Chair Jan Sullivan (ex-officio member of the UH Foundation (UHF) Board)
 2. UHF Trustees participating in the task group were Catherine Ngo, Chair; Rich Wacker, Vice Chair; Stanford Carr, Vice Chair; Kent Youel, Chair of the Strategic Plan Committee; and Scott Wo, Chair of the Investment Committee.
 3. UH President David Lassner and UHF President & CEO Donna Vuchinich participated in task group meetings. Shidler College of Business Dean Vance Roley participated in several of the task group meetings.
- B. Purpose of the PIG was to plan for the agreement between the UH and UHF that will replace the then-existing agreement expiring on June 30, 2018. The PIG was to focus on:
1. Review of the current relationship between UH and UHF.
 2. Inventory of best practices for fundraising.
 3. Evaluation of what is working and what needs more attention.
- C. The PIG and UHF Trustee participants (collectively, "Group") met at least seven times beginning in September 2017 and ending with an all-day

REPORT OF THE PERMITTED ACTION GROUP FOR
UH-UH FOUNDATION RELATIONSHIP

meeting in June 2018. The Group discussed various issues, as enumerated in the findings and recommendations below.

- D. Resource materials were provided and discussed. The Group found the Association of Governing Boards' publication entitled, "Illustrative Memorandum of Understanding Between a Public Institution or System and an Affiliated Foundation" to be of greatest relevance and utility; a copy is attached hereto.

II. Findings and Recommendations

- A. UHF is a separately incorporated designated as a 501(c)(3) nonprofit organization by the Internal Revenue Service. It raises money from private donors, stewards donors, accounts for the receipt and expenditure of donated funds, maintains records of donors and donations, invests donor funds (hiring and monitoring investment managers), and manages alumni relations for UH.
- B. UHF's annual operating expenses approximate \$13 million, of which UH pays \$3 million (the cap set by statute in 2006 on the amount of UH tuition and fees special funds that can be used to support UHF) and UHF generates the balance through unrestricted gifts, interest earned on donations prior to expenditure, and fees assessed on most donations, on fundraising events, and on the corpus of the UHF endowment.
- C. Beyond soliciting donations, UHF has recently expanded its strategic activities by purchasing the Atherton YMCA facility on University Avenue to secure property adjoining the land-locked UH Manoa campus. The property is leased to UH and work is underway to redevelop it as an innovation hub.
- D. The Group identified the following recommendations for elements of the new partnership between UH and UHF, which is to be formalized in a new agreement between UH and UHF:
 - 1. Make the UHF CEO concurrently a UH vice president and member of the president's cabinet.
 - 2. Make the UH president, currently an ex officio nonvoting member of the UHF board and executive committee, an ex officio voting member of the UHF board and executive committee.

REPORT OF THE PERMITTED ACTION GROUP FOR UH-UH FOUNDATION RELATIONSHIP

3. Identification of other UH resources that could be used to support advancement, to reduce the UHF fees on gifts and on the endowment corpus.
4. Potential expansion of the activities UHF may undertake on behalf of UH, such as real estate development.
5. Closer coordination and integration of strategic communications issued by UH and UHF.
6. Better integration of the alumni relations and development functions.
7. Better coordination and alignment of the efforts of UHF, UH, and other UH-affiliated nonprofits such as the UH Alumni Association, Ahahui Koa Anuenue, and Friends of the Cancer Center.
8. Identification of priorities for philanthropy that advance UH strategies.
9. Collaborative establishment of goals for the next multi-year fundraising campaign.

III. Conclusion

The Group members agreed at their June 9 all-day meeting that its objectives had been accomplished and the negotiation of a new contract would be the responsibility of the UH and UHF executives, for ultimate approval of the UH and UHF boards. Because of the short time left on the existing memorandum of agreement between UH and UHF, the Group members agreed that a short extension¹ of the current agreement was in order to provide sufficient time to negotiate a new, more detailed, longer term agreement.

The Chair expresses his gratitude to the PIG members and the participating UHF Trustees for their time and dedication.

¹ A three-month extension has since been executed.



Illustrative Memorandum of Understanding

**Between a Public Institution
or System and an Affiliated
Foundation**



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ABOUT AGB

Since 1921, the Association of Governing Boards of Universities and Colleges (AGB) has had one mission: to strengthen and protect this country's unique form of institutional governance through its research, services, and advocacy. Serving more than 1,280 member boards, nearly 2,000 institutions, and 35,000 individuals, AGB is the only national organization providing university and college presidents, board chairs, trustees, and board professionals of both public and private institutions and institutionally related foundations with resources that enhance their effectiveness.

In accordance with its mission, AGB has developed programs and services that strengthen the partnership between the president and governing board; provide guidance to regents and trustees; identify issues that affect tomorrow's decision making; and foster cooperation among all constituencies in higher education. For more information, visit www.agb.org.

Illustrative Memorandum of Understanding

**Between a Public Institution or
System and an Affiliated Foundation**

Institution-Foundation MOUs: Recommended Principles and Practices

Institutionally related foundations play a vital role in advancing the missions of public colleges and universities, serving as gift repositories, fundraisers, asset managers, and advocates, and undertaking real-property projects and other entrepreneurial ventures. When well-structured, foundation-institution partnerships enable public colleges and universities to leverage opportunities and resources otherwise unavailable to state entities and to engage the talent, insights, relationships, and financial support of community, business, and philanthropic leaders. The close integration of public and private entities may, however, create concerns about external influence over institutional affairs, conflicts of interest, and transparency and accountability. In 2005, the Association of Governing Boards of Universities and Colleges (AGB) and the Council for Advancement and Support of Education (CASE), working with a national task force, developed an illustrative memorandum of understanding (MOU) that was widely promulgated and served as a model for many institutions and systems. The 2005 illustrative MOU provided a catalyst and starting point for conversations among institution and foundation leaders about the role of foundations, the structure of development, and the respective responsibilities of institution and foundation boards. While the principles informing the 2005 MOU remain sound, the context in which foundations operate has changed significantly.

The growing need for private support is leading many institutions to explore changes to the structure of their development programs and encourage their foundations to play a more-active role in fundraising and assume increased responsibility for real estate projects. At the same time, institution administrators and boards may feel the need to exercise increasing levels of oversight over affiliated entities that represent important institutional resources and potential risks that might fall outside of the parameters of the institution's risk management practices. To help public institutions and foundations adapt to these changes, AGB, working with CASE and an advisory group of public higher education leaders, has revised the 2005 illustrative MOU, including guidance on issues that should be taken into consideration when thinking about foundation-institution partnerships and recommended practices for the development and implementation of MOUs. It should be emphasized that there is no definitive best model for foundation-institution partnerships; the illustrative MOU is presented as a starting point for a collaborative process of assessment and strategic thinking about how the foundation and institution can most-effectively work together. When developing an MOU, legislative or regulatory regimes, institution or system polices, institutional culture, financial considerations, and strategic objectives must be considered to identify the best model for a particular institution at a given point in time.

FOUNDATION INDEPENDENCE

Changed contexts and perceptions related to foundation independence merit special consideration. For several decades, foundation leaders saw foundation independence as a vital means of safeguarding donor privacy, ensuring foundations' ability to fulfill their fiduciary obligations and enhancing flexibility and fundraising capacity. AGB's 1994 publication, "College and University Foundations," outlined two different taxonomies that characterized foundations by relative degrees of institutional control, financial independence, operational autonomy, and scope of responsibilities. Foundations were seen as ranging from small, passive entities that served primarily as gift repositories and endowment managers, to robust, autonomous organizations that executed a comprehensive range of advancement and entrepreneurial services on behalf of their institutions. Endowment size, financial and operational independence, and board engagement were loosely correlated with fundraising capacity. The same publication included an analysis of court rulings on the applicability of state freedom of information laws to affiliated foundations. This and subsequent research suggested that organizational independence was a key factor in determining whether foundations should be treated as private corporations or state entities. In the past decade, however, court rulings, state legislation, changes in system policy, and heightened standards of accountability have changed. In California and Iowa, for instance, legislative and judicial actions have opened foundation records but created some protections for donor information. Recognizing the importance of transparency in sustaining trust, many foundations are increasingly opting to voluntarily disclose information to the extent possible without compromising donor privacy or business-sensitive information. The need to operate more efficiently, better share information, and demonstrate transparency has also led some institutions and foundations to integrate select functions. AGB's research suggests, however, that most foundation leaders believe that a degree of independence remains essential for foundations to fulfill their fiduciary responsibilities and advance their missions. The appropriate degree of independence for any foundation will be determined by multiple factors, including state law, system policy, financial resources, functions performed by the foundation, and institutional culture and history.

Well-crafted MOUs help clarify the boundaries between institution and foundation, identify and document state resources used by the foundation, clarify respective responsibilities for functions that may be conducted jointly by the foundation and institution, clarify relationships between institution and foundation staff, and affirm the foundation's status as an independently governed charitable corporation. When revising or developing a new MOU, institutions and foundations should ask if the relationship articulated in the MOU ensures that the foundation board has the capacity to exercise independent judgment in fulfilling its fiduciary obligations and commitments to donors. Legal counsel should be consulted to determine whether the terms of the MOU increase the likelihood that the foundation would be treated as a public entity subject to open records laws, prevailing wage standards, or other regulations applicable to state institutions that would limit its ability to serve its mission and advance institutional

priorities. Finally, the financial and operational implications of the MOU for both institution and foundation should be examined. An MOU that mandates a high degree of independence may incur spending on redundant staff or operational resources rather than putting funds to use in ways that could more efficiently advance institutional priorities.

PURPOSES OF THE MOU

- ✧ Thoughtfully undertaken, the process of developing or updating the MOU provides an opportunity for both institution and foundation leaders to examine how the foundation can most effectively advance the mission of the institution, develop a shared vision for the future partnership, and clarify mutual expectations and responsibilities.
- ✧ The MOU enumerates the primary ways in which the foundation supports the institution and clearly delineates the responsibilities of the foundation in its relationship with the institution and the institution with respect to the foundation.
- ✧ The MOU affirms the independent corporate status of the affiliated foundation and articulates the ways in which it fulfills its charitable purpose of institutional support. (The corporate status of affiliated foundations may also be addressed in state law or system policy.)
- ✧ The MOU provides transparency and accountability regarding the use of both state and private resources.
- ✧ The MOU documents the expectations of the institution or system and confirms the status of the foundation as a representative of the institution in its interactions with donors and the public. The MOU serves as an enforceable contract, but perhaps more importantly, it memorializes agreements about key elements of the foundation-institution relationship, providing a shared point of reference should disagreements between the foundation and institution arise.
- ✧ MOUs provide a vital source of continuity through leadership transitions and serve as an important tool to educate new administrators and board members, as well as external constituents, about the role of the foundation and its relationship with the primary institution.

THE MOU: PRINCIPLES, PROCESS, AND IMPLEMENTATION

- ✧ The dialogue informing the development of the MOU may be more important than the resulting contract. Any effective foundation-institution partnership must be based on mutual understanding and trust. The MOU process, thoughtfully undertaken, is an invaluable means of fostering this.
- ✧ The institution president or chancellor, the chair or other representative of the institution's governing board, the foundation chief executive, and the foundation board chair should all participate in the process of developing the MOU and be signatories to the final document. This responsibility should not be delegated from the start to attorneys or other representatives. Discussion among the principle stakeholders helps to ensure that the final MOU will reflect a genuine consensus and address strategic issues rather than legal quibbles.

- The MOU process may follow naturally from strategic or campaign planning as a means of identifying how the foundation can most-effectively advance institutional priorities and objectives. An MOU developed in response to a specific conflict or issue will likely do little to foster effective collaboration and may limit the flexibility that is one of the benefits of a foundation.
- The MOU is intended to provide stability and continuity, but it should be reviewed on some regular basis. As noted above, the conclusion or planning of a campaign or development of a new strategic plan may provide the catalyst for revisiting the MOU, but absent such transitional events, the foundation and institution should review the MOU every five years or so. The review process provides an occasion for reflection on ways the foundation might be more effectively engaged. It can also help ensure that new staff and volunteer leaders understand the terms of the relationship, preclude mission drift or unwitting departure from policy, and head off potential conflicts.
- A joint retreat including the foundation and institution boards and staff provides a valuable opportunity to assess the existing relationship and explore ways to enhance and strengthen the partnership prior to review and revision of the MOU.
- An external facilitator with a sound understanding of institutionally related foundations can provide valuable insights into the way alternative foundation-institution models work and help ensure that the process is perceived as equitable.
- The MOU need not address every aspect of the foundation-institution relationship; existing institution and foundation policies may simply be referenced, and issues that are likely to require more regular reconsideration can be addressed in additional agreements.
- While MOUs serve important legal purposes, they should, to the extent possible, be written in plain language. An unduly legalistic MOU is less useful as a tool to orient and educate board members and may occlude rather than provide transparency regarding the foundation-institution relationship. For similar reasons, the MOU should not be so lengthy or detailed as to preclude easy perusal.

ELEMENTS FOR POSSIBLE INCLUSION IN THE MOU

Not every MOU will address the same elements, but the following issues should be discussed and considered for inclusion:

Foundation-Institution Relationship

- An introduction summarizing the overall relationship between the foundation and its affiliated institution or system. This statement should broadly define the foundation's responsibilities and clarify the foundation's standing as an independent public trust, specifying that assets held by the foundation are dedicated to support the mission of the affiliated institution or system.

- Designation of the foundation as the repository for gifts made in support of the institution in accordance with state law or institution policy and reference to policies regarding the acceptance of restricted gifts. The foundation's use of the institution's name and service marks/trademarks and the institution's use of the foundation's name and service marks/trademarks. A brief description of overlapping board structures, joint meetings, and reporting relationships of the foundation chief executive if he or she also serves as an officer of the institution. (Foundation bylaws typically enumerate institution administrators and others designated as ex-officio members of the foundation board.)

Responsibilities of the Institution or System

- A statement of the institution board's responsibilities relating to determination of institutional mission and priorities, employment and compensation of university employees, oversight of university operations, and other key issues where the work of the foundation and institution intersect.
- A description of the ways institutional priorities and objectives and other information essential to the foundation's ability to fulfill its mission will be shared with the foundation.

Responsibilities of the Foundation

- A statement of the foundation board's responsibilities for investment and stewardship of foundation assets, employment and compensation of foundation employees, and operational oversight and risk management.
- A statement of the foundation's responsibility to comply with state and federal laws, maintain its tax-exempt status, and avoid or properly manage potential conflicts of interest involving staff or board members.
- A description of the appropriate ways in which the foundation board may participate in advocacy efforts on behalf of the institution.
- A description of services and resources provided by the foundation in support of the institution, and notification of any change in business purpose or scope.
- A description of donor and alumni records owned by the foundation and provisions for the use of such data by the institution, if allowable by law.
- A description of required reporting, audits, and other accountability practices.

Finances and Administration

- A description of the reporting relationship of the foundation chief executive and authority for hiring, assessment, determination of compensation, and termination of the foundation chief executive.

- A description of compensation or other benefits provided by the foundation to institution administrators or staff.
- A description of how the foundation is financed, including a summary of institution resources (including staff, if any) provided for use by the foundation.
- Provisions for the use of unrestricted gifts.

Terms of the MOU

- A provision for updating and periodic review of the MOU.
- Definitions of terms and conditions, including circumstances for terminating the relationship or the dissolution of the foundation and distribution of the assets it holds. The MOU might also specify processes by which conflicts can be managed and mitigated.
- A formal adoption of the MOU by the institution's and/or system governing board's leaders and the foundation board's leadership.

A NOTE ON SYSTEMS AND SYSTEM FOUNDATIONS

System foundations may receive and manage resources supporting the system as a whole or manage endowments and other long-term investments on behalf of multiple campus foundations or accounts. Similarly, they may coordinate and support fundraising and provide development services for campuses across a system, provide support for planned giving or other specialized services for campus foundations/development programs, or play little role in supporting campus development. MOUs may, accordingly, vary widely from the illustrative model that follows, but many of the principles and practices outlined above remain applicable.

MOUs of foundations supporting campuses overseen by a system board may also vary from those affiliated with institutions with individual campus governing boards. While boards with oversight responsibility for multiple campuses may be tempted to mandate a uniform MOU for use with all foundations affiliated with campuses within the system, such an approach undermines the value of the MOU process, eliminating strategic discussion about the most-effective ways foundations can support their affiliated campuses and imposing structures that may not be well adapted to the specific circumstances of individual campuses and foundations. System boards do, however, have a fiduciary responsibility for the campuses under their oversight and may adopt policies for campus relationships with affiliated entities such as minimum reporting requirements and financial controls, limitations on the use of state resources, rules regarding compensation of institution employees by the foundation, and elements to be addressed in campus-foundation MOUs.

Illustrative Memorandum of Understanding Between a Public Institution or System and an Affiliated Foundation

Note: AGB commends this illustrative memorandum of understanding to their members for consideration when drafting or revising their own such documents. The following illustrative document includes examples of best practice that each foundation and public institution or system should consider based upon their own needs and relationships. Foundations and institutions are encouraged to consult with legal counsel when developing an MOU to ensure that the final document conforms to federal and state laws and policies.

THIS AGREEMENT was entered into as of this ____ day of _____, 20__, by and between the _____ [name of institution or system (the Institution)] and the _____ [name of the foundation (the Foundation)].

- ☞ The Foundation was organized and incorporated in ____ [year] for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and others for the benefit of the Institution.
- ☞ The Foundation exists to raise and manage private resources supporting the mission and priorities of the Institution, provide opportunities for students, and contribute to institutional excellence.
- ☞ The Foundation is dedicated to assisting the Institution by fostering a culture of philanthropy, growing the endowment, and providing financial and other support for long-term academic and other institutional priorities. *[Note: The MOU should identify specific functions such as real-property management or other entrepreneurial work assumed by the foundation in addition to or in lieu of fundraising responsibilities.]*
- ☞ As stated in its articles of incorporation, the Foundation is a separately incorporated 501(c)(3) organization and is responsible for identifying and nurturing relationships with potential donors and other friends of the Institution; soliciting cash, securities, real and intellectual property, and other private resources for the support of the Institution; and acknowledging and stewarding such gifts in accordance with donor intent and fiduciary responsibilities.
- ☞ The Institution designates the Foundation as the repository of private gifts made in support of the Institution unless otherwise specified by the donor. This provision might address whether the foundation can endorse checks made out to the university for gifts.
- ☞ In connection with its fundraising and asset-management activities, the Foundation retains personnel with expertise in advancement services, fundraising, gift planning, investment management, and other capacities necessary for the fulfillment of its mission and works with the Institution to assist and advise in such activities. *[Note: Not all foundations retain personnel; in such instances, personnel conducting foundation business report to other institutional staff, but the foundation board may be engaged in assessment processes and hiring and compensation decisions.]*

- ✧ The Foundation and the Institution will jointly establish gift-acceptance policies, naming policies, and provisions for the establishment of scholarships, chairs, and other endowed purposes.
- ✧ Consistent with its mission to help to advance the plans and objectives of the Institution, the Foundation is allowed to associate the name “Institution” in connection with the operations of the foundation; however, the Foundation will operate under its own seal and logotype and shall not use the university seal or other identifying marks in the promotion of its business and activities. *[Note: It is not unusual for foundations, upon mutual agreement, to have the authority to use the institution’s seal and marks.]*
- ✧ In consideration of the mutual commitments herein contained, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

INSTITUTION OR SYSTEM RESPONSIBILITIES

- ✧ The Governing Board of the Institution is responsible for overseeing the mission, leadership, and operations of the institution.
- ✧ The Governing Board of the Institution is responsible for determining philanthropic and strategic priorities.
- ✧ The Governing Board of the Institution is legally responsible for the performance and oversight of all aspects of Institution operations.
- ✧ The Governing Board of the Institution is responsible for the employment, compensation, and evaluation of all Institution employees, including the President or Chancellor (“President”). *[Note: In some cases, the foundation may provide funds to supplement the compensation of the institution’s chief executive. The governing board, however, remains solely responsible for setting total compensation and evaluating the performance of the chief executive.]*
- ✧ The Institution President is responsible for communicating on a regular basis the priorities and long-term plans of the Institution, as approved by the Governing Board, to the Foundation.
- ✧ The Institution recognizes that the Foundation is a separate, private corporation with the authority to keep all records and data confidential, consistent with the law.
- ✧ The President of the Institution shall serve as an ex-officio member of the Foundation Board and shall assume a prominent role in fundraising activities. *[Note: This can be with or without vote. Consult legal counsel for the most appropriate structure, and factor that into the language.]*
- ✧ The Chief Executive of the Foundation shall be included as a member of the Institution President’s cabinet and senior administrative team. *[Note: If the foundation is totally independent, the chief executive should have regular access to this group, and language in this document should reflect this.]*

- ✧ The Institution shall include the Foundation as an active and prominent participant in strategic planning for the Institution.
- ✧ The Institution shall establish and enforce policies that support the Foundation's ability to respect the privacy and confidentiality of donor records.
- ✧ The Institution shall ensure that gift funds and other privately contributed resources are used in compliance with donor intent.
- ✧ The Institution recognizes that the Foundation bears major responsibility for fundraising. University representatives will coordinate fundraising initiatives, including major gifts solicitations with the Foundation. *[Note: When a foundation supports a system or institution for which multiple affiliated entities raise and manage private support, the MOU should indicate how the organizations work together to most effectively identify, cultivate, solicit, and steward donors. The MOU might also clarify, without comprehensively detailing, the relationship between the foundation and alumni association or other affiliated entities.]*
- ✧ The President and other senior administrators of the Institution will work in conjunction with the leadership of the Foundation Board of Directors and the Foundation Chief Executive to identify, cultivate, and solicit prospects for private gifts.

FOUNDATION RESPONSIBILITIES

- ✧ The Foundation shall maintain its status as a separately incorporated 501(c)(3) nonprofit organization created to raise, manage, distribute, and steward private resources to support the various priorities of the Institution. *[Note: Language should be added to clarify the exact entity the foundation supports—for example, a system-wide university, a single campus, an academic unit within the university, or a campus within the system.]*
- ✧ The Foundation Board of Directors is responsible for the control and management of all assets of the Foundation, including the prudent management of all gifts, consistent with donor intent.
- ✧ The Foundation is responsible for the performance and oversight of all aspects of its operations based on a comprehensive set of bylaws that clearly addresses the board's fiduciary responsibilities, including expectations of individual board members based upon ethical guidelines and policies. The Foundation will apprise the institution of significant changes made to the bylaws.
- ✧ The Foundation shall establish and enforce policies to identify and manage potential conflicts of interest and ensure that foundation assets do not directly or indirectly unduly benefit an individual or other person.

- The Foundation is responsible for the employment, compensation, and evaluation of all its employees, including the Foundation Chief Executive. The Institution President will be included as a prominent participant in discussion and decision making regarding the hiring, assessment, and termination of the Foundation Chief Executive. *[Note: MOU language should clarify whether the foundation has its own employees or relies on institution employees to fulfill its responsibilities.]*
- The Foundation may earmark a portion of its unrestricted funds to a discretionary fund for the President of the Institution and will either transfer a percentage of those funds annually to the Institution in compliance with state law and university policies or reimburse appropriate presidential expenditures. *[Note: All such expenditures must comply with the IRS 501(c)(3) code and be consistent with the foundation's mission. Such funds will be audited as part of the foundation's annual independent audit.]*

Fundraising

- The Foundation shall create an environment conducive to increasing levels of private support for the mission and priorities of the Institution.
- The Foundation is responsible for planning and executing comprehensive fundraising and donor-acquisition programs in support of the strategic priorities identified by the President and Institution Governing Board. These programs include annual giving, major gifts, planned gifts, special projects, and campaigns as appropriate. *[Note: When there are shared responsibilities for fundraising, or if the institution is responsible for all fundraising activities, language should be added that clarifies each entity's roles and responsibilities. For example: The university wishes to hire the expertise of the foundation to provide coordination and assistance in the operation, development, accounting, management, and marketing activities of the university development office. Or the foundation wishes to provide such services, not as an employee or agent of the university, but as an independent organization.]*
- The Foundation will establish, adhere to, and periodically assess its gift-management and acceptance policies. It will promptly acknowledge and issue receipts for all gifts and provide appropriate recognition and stewardship of such gifts.
- The Foundation shall not accept grants from state or federal agencies, except in special circumstances that are approved by the Foundation Board of Directors and the governmental agency. *[Note: Some foundations, such as those serving in support of university health centers, can be called upon to accept and manage governmental grants].*

- The Foundation shall establish and enforce policies to protect donor confidentiality and rights. *[Note: See the “Donor Bill of Rights” developed by the American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP).]*

Asset Management

- The Foundation will receive, hold, manage, invest, and disburse contributions of cash, securities, patents, copyrights, and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred-gift instruments.
- The Foundation will establish prudent asset-allocation, disbursement, and spending policies that adhere to applicable federal and state laws including the Uniform Prudent Investor Act (UPIA) and the Uniform Prudent Management of Institutional Funds Act (UPMIFA).
- The Foundation will engage an independent accounting firm annually to conduct an audit of the Foundation’s financial and operational records and will provide the Institution with a copy of the annual audited financial statements, including management letters. *[Note: Management letters, including concerns and/or recommendations about management practices, are typically shared with institutional presidents or chancellors in those cases where the foundation is dependent or interdependent].*
- The Foundation will establish internal controls and other enterprise risk management practices commensurate with the Board’s fiduciary responsibility.

Entrepreneurial Activities

- The Foundation will explore current opportunities, including acquisition and management of real estate or personal property on behalf of the Institution, for future allocation, transfer, or use.
- The Foundation may serve as an instrument for entrepreneurial activities for the Institution and engage in such activities as purchasing, developing, or managing real estate for campus expansion and student housing, or participating in joint ventures that advance the mission of the institution. It also may hold licensing agreements and other forms of intellectual property, borrow or guarantee debt issued by their parties, or engage in other activities to increase foundation revenue with no direct connection to an institutional purpose.

FINANCES AND ADMINISTRATION

Transfer of Funds

- The Foundation will transfer funds to the designated entity within the Institution in compliance with applicable laws, Institution and Foundation policies, and gift agreements. *[Note: Disbursement policies should be developed in collaboration with institution administrators to facilitate effective financial planning while ensuring that gift funds are spent in a timely manner and in compliance with donor intent.]*
- The Foundation will disclose any terms, conditions, or limitations imposed by donor or legal determination on the gift. The Institution will abide by such restrictions and provide appropriate documentation.
- The Foundation's disbursements on behalf of the Institution must be reasonable business expenses that support the Institution, are consistent with donor intent, and do not conflict with the law. *[Note: Expenditures for luxury travel, presidential residences, or other donor cultivation activities perceived as lavish or conferring undue benefits on institution or foundation staff have repeatedly compromised the reputations of colleges and universities. Both foundation and institution boards have a responsibility to ensure that such risks are effectively managed.]*
- All requests for Foundation funds other than regular disbursements and expense reimbursements must be submitted to the Foundation by the President of the Institution or his or her designee.

Funding

- The Foundation, in collaboration with the Institution, is responsible for establishing a financial plan to underwrite the cost of Foundation programs, operations, and services.
- In consideration for Foundation services including, but not limited, to those enumerated in this agreement, the Institution will provide the Foundation with fair and reasonable compensation or payment for services. The amount of compensation will be negotiated on an annual basis by ____ [date] of the preceding year.
- In consideration of Foundation services, the Institution will also provide in-kind support including: [list major in-kind support such as staff, office space, and technology]. *[Note: Institution support for foundation services may be detailed in a separate contract for services. Also, if the foundation does not receive any funding from the institution or system, then language should specify this.]*

- The Foundation has the right to use a reasonable percentage of the annual unrestricted funds; assess fees for services; or assess fees on gifts, endowed funds, and other investments. *[Note: The use of fees and assessments should be decided in consultation with institution administrators, applied uniformly, and disclosed to donors.]*
- The Foundation, at its own expense, will provide office space, computer and telephone systems, utilities, adequate personnel, office supplies, and other such services that may be necessary or required to fulfill its responsibilities and obligations. *[Note: Depending on the degree of independence of the foundation, and if state law permits, the institution may help the foundation by providing support that may include personnel, office space, utilities, and services, or it may contract with the foundation for the services it provides; language should take this into account. Language should also be added to clarify whether the institution or the foundation owns the computer server and the records on the server. Institution gifts-in-kind should be appropriately reported in the foundation's annual report.]*
- The Foundation shall maintain, at its own expense, copies of the plans, budgets, and donor and alumni records developed in connection with the performance of its obligations.
- The Foundation will provide access to data and records to the Institution on a need-to-know basis in accordance with applicable laws, Foundation policies, and guidelines. The Foundation will provide copies of its annual report and other information that may be publicly released. *[Note: State regulations and case law should be taken into consideration to ensure that data-sharing practices are compatible with expectations regarding foundation and donor privacy.]*

TERMS OF THE MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding, made this ___ [day] of _____ [month], 20__ [year], by and between the board of the Institution and the Foundation (an Internal Revenue Code 501(c)(3) nonprofit corporation), is intended to set forth policies and procedures that will contribute to the coordination of their mutual activities.

To ensure effective achievement of the items of the agreement, the Institution and Foundation officers and board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities. The Institution and Foundation will review and amend this agreement at least every five years.

Either party may, upon 90 days prior written notice to the Chief Executive and Board Chair of the other party, terminate this agreement. The party initiating termination of the agreement must act in good faith to provide an opportunity for a meeting to include Institution and Foundation executives and Board Chairs (or the Board Chairs' designees) of both parties within 30 days of initial written notice of intention to terminate the agreement.

Notwithstanding the foregoing, either party may terminate this MOU in the event the other party defaults in the performance of its obligations and fails to cure the default within a reasonable time after receiving written show cause notice to the Chief Executive and Board Chair of the defaulting party.

Should the Institution choose to terminate this agreement, the Foundation may require the Institution to pay, within 180 days of written notice, all debt incurred by the Foundation on the Institution's behalf, including, but not limited to, lease payments, advanced funds, and funds borrowed for specific initiatives. Should the Foundation choose to terminate this agreement, the Institution may require the Foundation to pay debt it holds on behalf of the Foundation in like manner.

Consistent with provisions appearing in the Foundation's bylaws and its articles of incorporation, should the Foundation cease to exist or cease to be an Internal Revenue Code 501(c)(3) nonprofit corporation, the Foundation will transfer its assets and property to the Institution, to a reincorporated successor Foundation, to another 501(c)(3) organization affiliated with the Institution, or to the state or federal government for public purposes, in accordance with the law and donor intent.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.

Chair
Board of The Institution

Chair
Board of The Foundation

Date: _____

Date: _____

President or Chancellor
The Institution

Chief Executive
The Foundation

Date: _____

Date: _____

ACKNOWLEDGMENTS

With thanks to the members of the AGB MOU Task force, for their review and revision of the illustrative memorandum of understanding and the development of the associated recommendations regarding purposes, principles and practices.

The AGB MOU Task Force

- ✧ **David Bass**, Task Force staff; director of foundation programs and research, AGB
- ✧ **Carol Cartwright**, president emerita, Kent State University; consultant, AGB Consulting
- ✧ **Ed Davis**, president, Texas A&M Foundation
- ✧ **Brian Flahaven**, director, legislative, foundation, and recognition programs, Council for Advancement and Support of Education
- ✧ **Thomas K. Hyatt**, partner, Dentons; senior fellow, AGB
- ✧ **James L. Lanier, Jr.**, former vice chancellor for institutional advancement and CEO, East Carolina University Foundation; senior fellow, AGB
- ✧ **Kathleen S. Mehfoud**, chair and former university rector, University of Mary Washington Foundation
- ✧ **Thomas C. Meredith**, former commissioner of higher education, Mississippi University System; senior fellow, Ingram Center for Public Trusteeship and Governance; consultant, AGB Consulting
- ✧ **Donna Vuchinich**, president and CEO, University of Hawaii Foundation
- ✧ **John Walda**, president and CEO, National Association of College and University Business Officers

ADDITIONAL RESOURCES

Effective Foundation Boards: A Guide for Members of Institutionally Related Foundations. AGB Press, 2012.

Margin of Excellence. The New Work of Higher Education Foundations, by Rick Legon. AGB, 2005.

The Governance Committee (Foundation Boards), by Jim Lanier. AGB Press, 2014.



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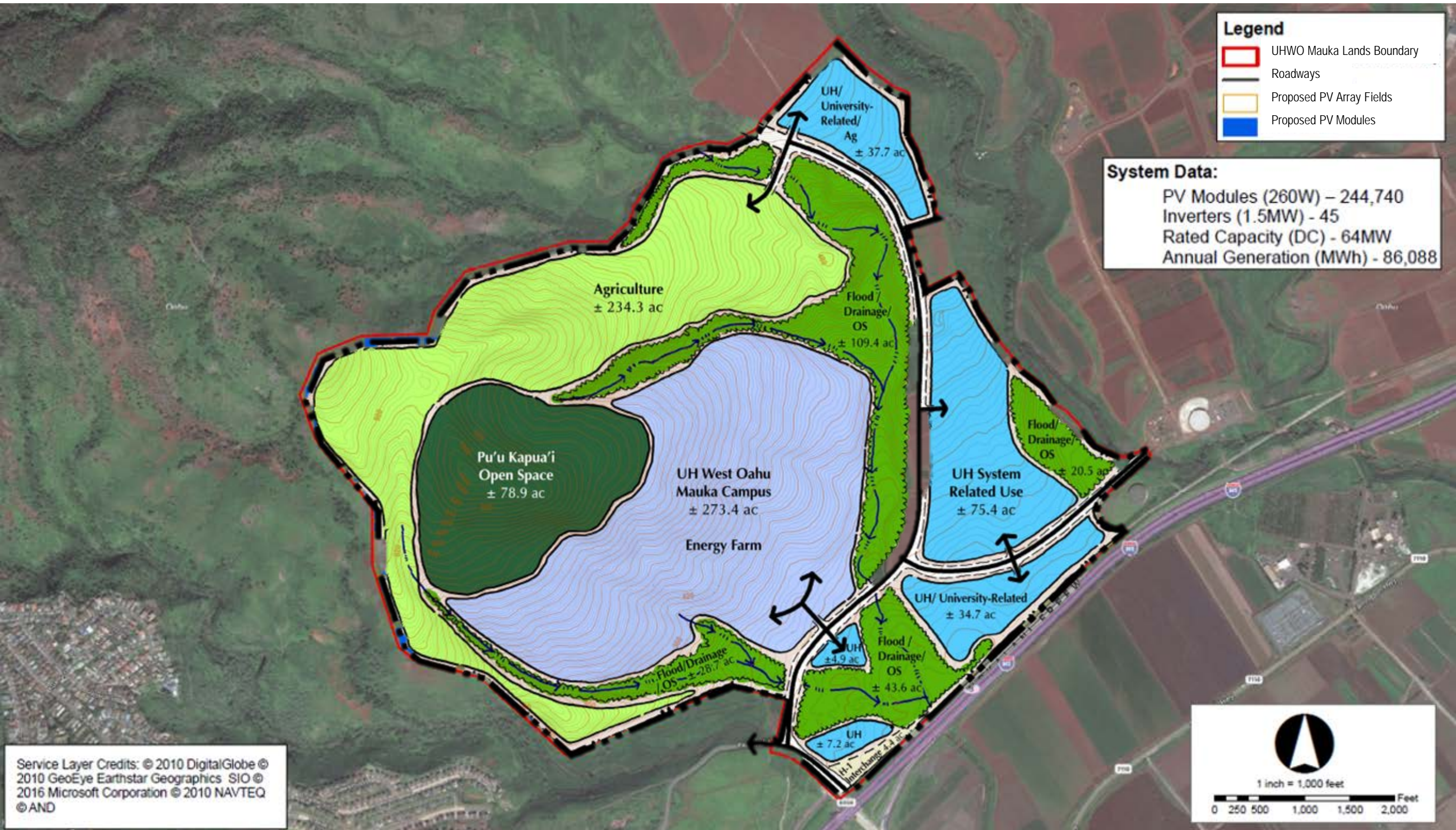
Update on UH – West O‘ahu Mauka Lands

Board of Regents

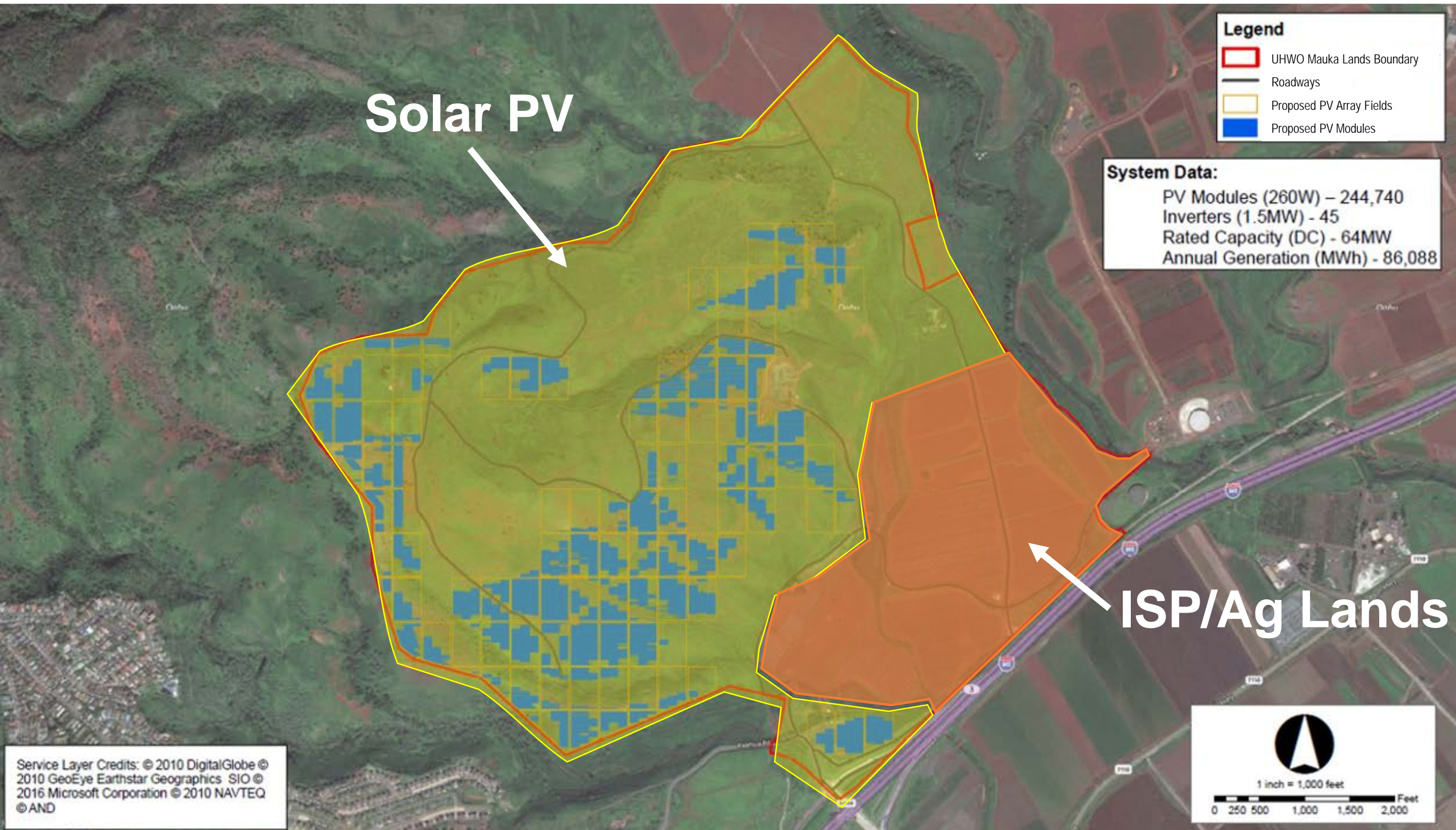
July 19, 2018



UH WEST O'AHU MAUKA LAND PLAN (APPROVED BY BOARD OF REGENTS SEPTEMBER 2014)



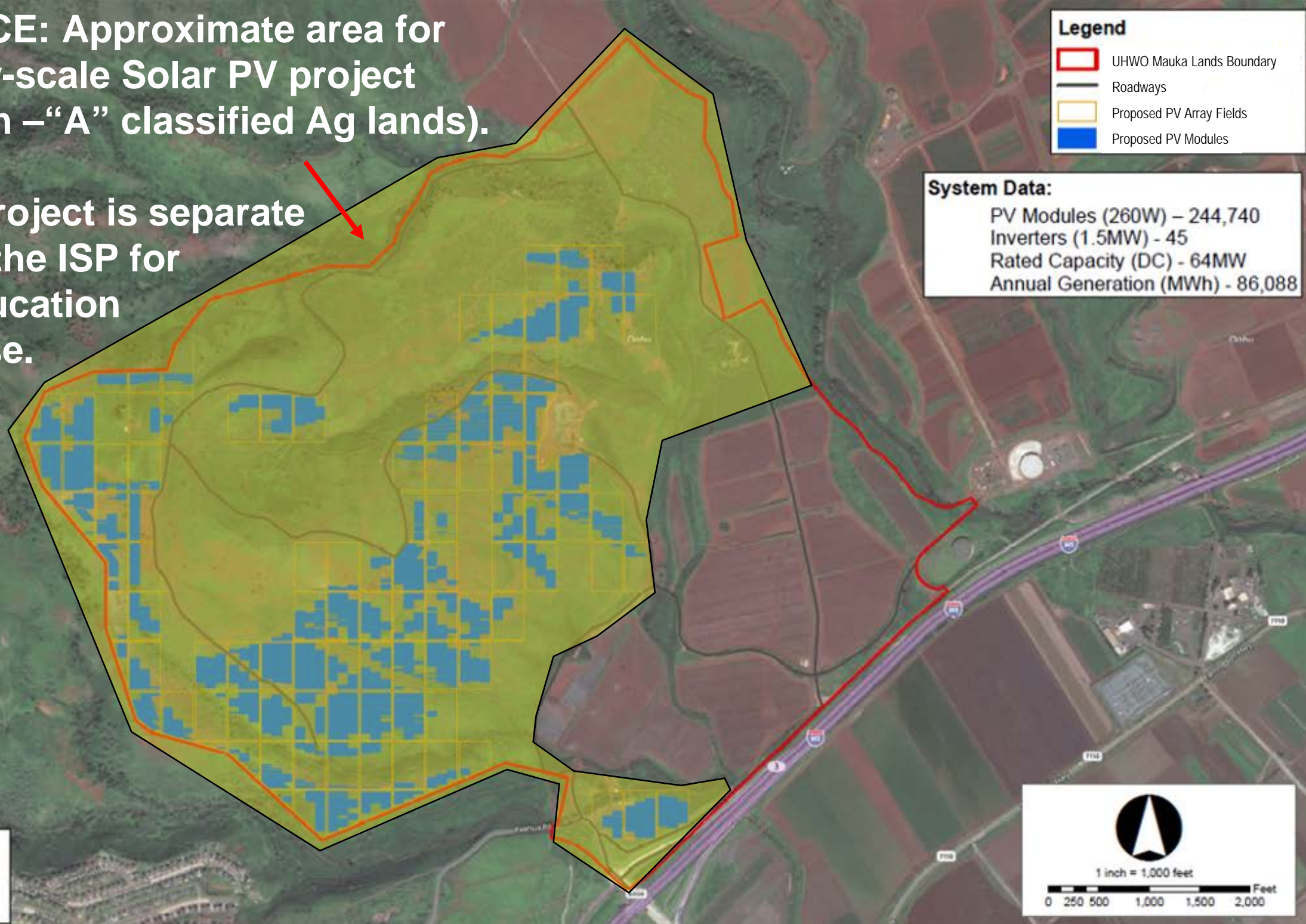
UH WEST O'AHU MAUKA



UH WEST O'AHU MAUKA SOLAR PV

FOR REFERENCE: Approximate area for proposed Utility-scale Solar PV project (includes all non –“A” classified Ag lands).

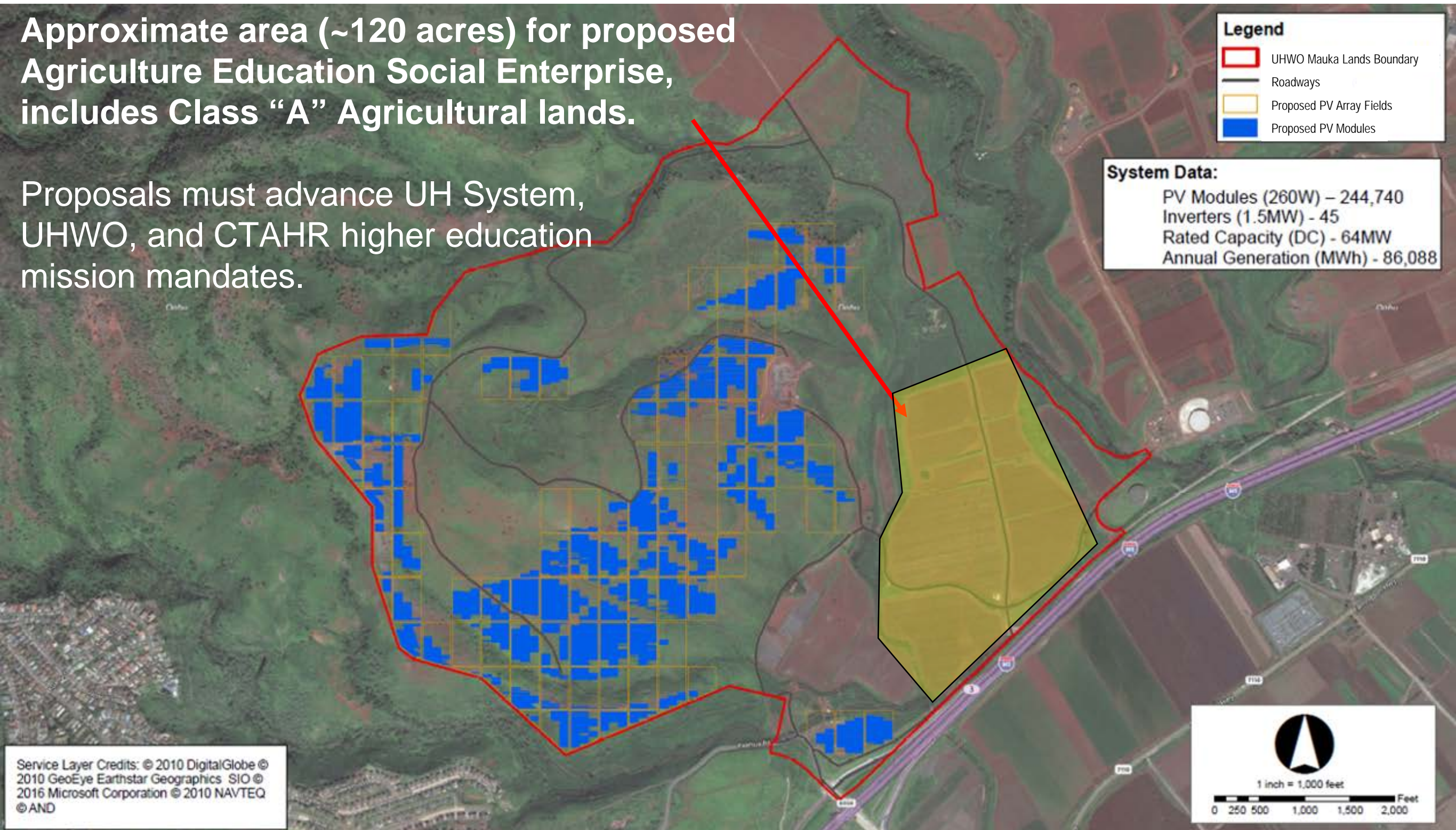
This Solar PV project is separate and apart from the ISP for Agricultural Education Social Enterprise.



UHWO MAUKA LANDS ISP

Approximate area (~120 acres) for proposed Agriculture Education Social Enterprise, includes Class "A" Agricultural lands.

Proposals must advance UH System, UHWO, and CTAHR higher education mission mandates.



UHWO MAUKA LANDS ISP

The University of Hawai‘i seeks proposals from parties with expertise and experience in agriculture education, commercial organic agriculture, workforce development, youth leadership training and land development to expand concepts and strategies that:

- Create educational pathways that improve rates of student recruitment, retention and completion
- Integrate with the curriculum of the UHWO Bachelor of Applied Science in Sustainable Community Foods Systems (“SCFS”)
- Forge strategic alliances with institutional and community partners whose values and goals align with the UH System and UHWO
- Leverage private contributions for student scholarships and program support at UHWO
- Provide a specific and detailed educational/workforce program aligned with an agricultural farming enterprise
- Create quality employment opportunities for UHWO students and the community
- Engage in commercial-scale certified organic, diversified fruit and vegetable farming (i.e., not livestock or pasturing)
- Foster human connection with the ‘āina to restore the land and produce agricultural abundance
- Comply with all governmental land use and development regulations

PURPOSE OF THE ISP

The UHWO Mauka Lands provide a wide range of opportunities for the University of Hawai'i to collaborate with various programs that advance the UHWO, CTAHR, and UH System missions and goals in the areas of:

- ✓ *UH Sustainability Policy: Operations, Curriculum, Research, Community Engagement, Cultural Connections*
- ✓ *Experiential and interdisciplinary educational programming in agriculture*
- ✓ *Native Hawaiian cultural knowledge and traditional practices*
- ✓ *Applied research in sustainable and organic agriculture*
- ✓ *Pasturing, land stewardship and restoration*
- ✓ *Economic development and business innovation*
- ✓ *Solving real-world problems*
- ✓ *Workforce development*
- ✓ *Environmental protection and natural resources management*
- ✓ *Renewable energy programs to address the UH System Net Zero mandate*
- ✓ *National Park Service – Honouliuli Internment Camp - National Park*

The awardee of the UHWO Mauka Lands ISP will be expected to work cooperatively and collaboratively with UHWO Academic Programs, including the SCFS Program and the proposed Hawaiian Institute for Sustainable Community Food Systems (HISCFS)*.

** Note: HISCFS is a separate proposal to NSF currently under development for a capacity-building grant that does NOT involve any of the UH Mauka Land.*



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New Kaka'ako Parking Rate Schedule

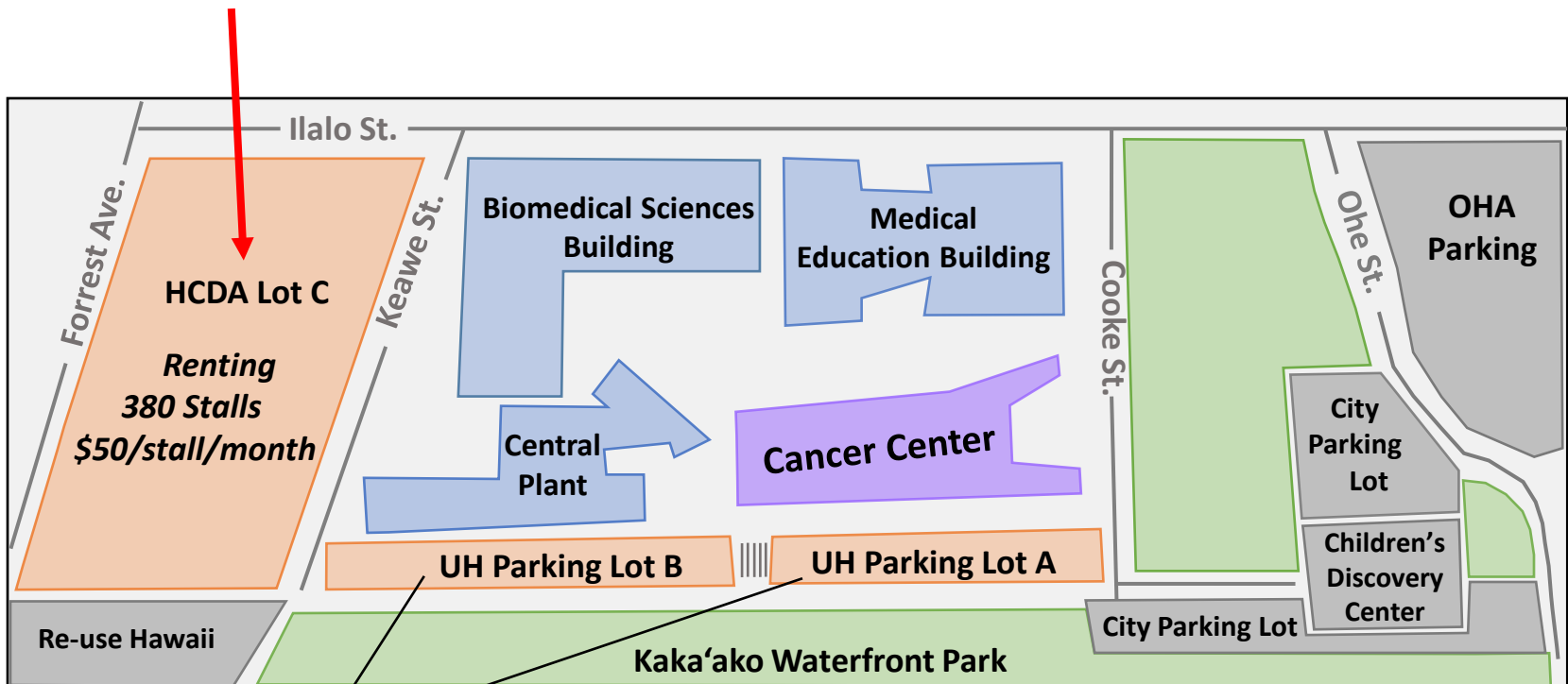
Board of Regents

July 19, 2018



HCDA Parking Rate Increase – Effective September 1, 2018

325 Stalls
Increase to \$100/stall/month
+ 3% increase annually

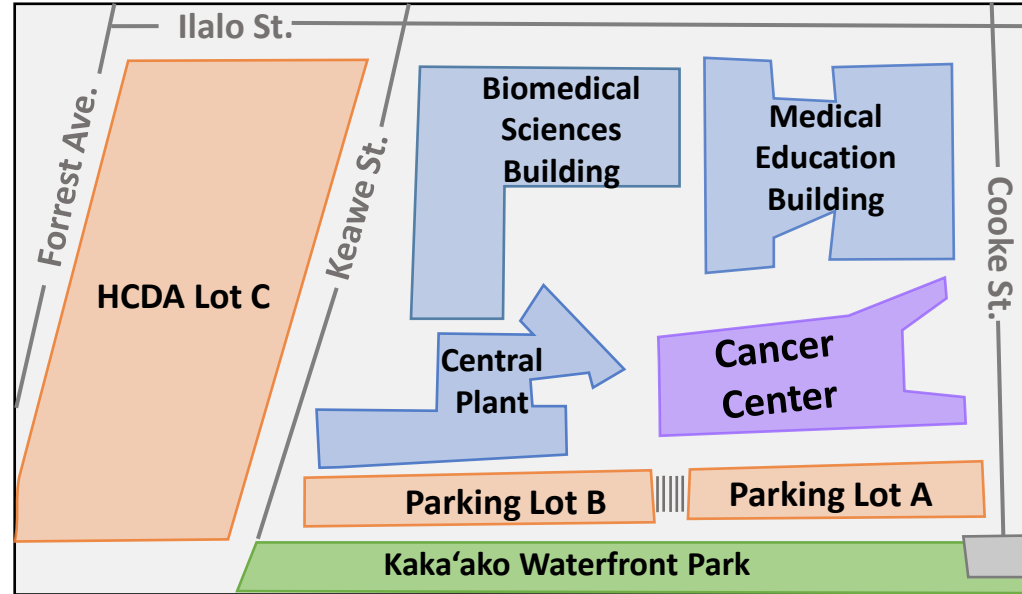


55 Stalls
Employees pay
\$48.25/stall/month

Proposed Kaka'ako Parking Rates

HCDA Lot C Rate (Effective 9/1/2018):

FY19	\$100.00
FY20	\$103.00
FY21	\$106.25
FY22	\$109.25
FY23	\$112.50

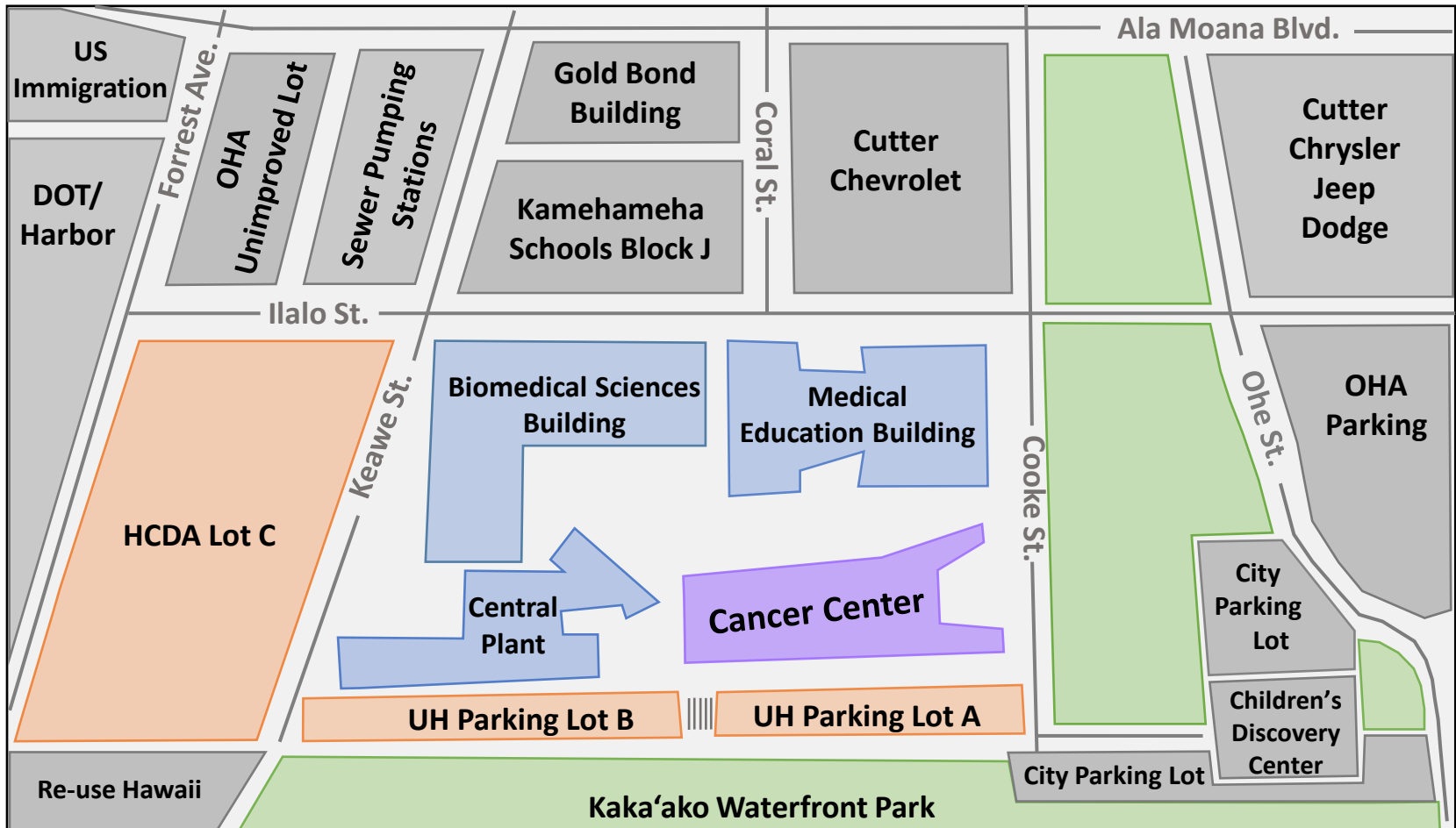


Proposed Kaka'ako Monthly Rates (Parking Lots A & B):

	Employees	Students	Moped/ Motorcycle
FY19	\$100.00	\$50.00	\$15.00
FY20	\$103.00	\$51.50	\$15.50
FY21	\$106.25	\$53.00	\$16.00
FY22	\$109.25	\$54.50	\$16.50
FY23	\$112.50	\$56.25	\$17.00

Near-Term Outlook

1. Fall 2018: Proposed Mānoa Campus parking rate increase effective Fall 2019
2. Develop long-term parking solution for Kaka'ako site





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UNIVERSITY OF HAWAII
BOARD OF REGENTS

18 JUL 17 P5:51

July 17, 2018

RECEIVED

'18 JUL 12 P3:38

MEMORANDUM

TO: Jan N. Sullivan
Chairperson, Board of Regents
University of Hawai'i

VIA: David Lassner *David Lassner*
President, University of Hawai'i

VIA: Jan Gouveia *Jan Gouveia*
Vice President for Administration, University of Hawai'i

VIA: Kathy Cutshaw *Kathy Cutshaw*
Vice Chancellor for Administration, Finance, and Operations
University of Hawai'i at Mānoa

FROM: Deborah Huebler *Deborah J. Huebler*
Director, Campus Services
University of Hawai'i at Mānoa

UNIVERSITY OF HAWAII
PRESIDENT'S OFFICE

SUBJECT: APPROVAL OF NEW KAKA'AKO PARKING RATE SCHEDULE

SPECIFIC ACTION REQUESTED:

It is requested that the Board of Regents approve an amendment to Board of Regents Policy (RP) 10.207, Parking and Operation of Motor Vehicles, to establish a separate parking permit fee schedule for the University of Hawai'i at Mānoa (UHM) Kaka'ako parking lot. Several technical and housekeeping revisions to the existing UHM permit fee schedule are also proposed.

RECOMMENDED EFFECTIVE DATE:

The start of the Fall 2018 semester.

ADDITIONAL COST:

While this request presents an increase in parking rates for University of Hawai'i at Mānoa (UHM) Kaka'ako parking lot users, there are no additional institutional costs.

PURPOSE:

The purpose of the proposed amendment to attachment 1 of RP 10.207, Parking and Operation of Motor Vehicles, is to add a Kaka'ako parking permit fee schedule to UHM's established parking permit fee schedule. Establishment of a separate UHM Kaka'ako parking permit fee schedule for the small 55-permit onsite parking lot at the University of Hawai'i at Mānoa John A. Burns School of Medicine (JABSOM) and the University of Hawai'i Cancer Center (UHCC) will allow the parking fees paid by users of this lot (collectively the Onsite Users) to be consistent with the parking fees paid by University of Hawai'i (University) students, faculty, staff, and visitors (collectively the Offsite Users) who park at the larger adjacent non-University off-campus parking lot known as Lot C (Lot C). The Offsite Users have enjoyed access to Lot C for a number of years under various agreements with the Hawai'i Community Development Authority (HCDA). Lot C currently accommodates about 380 Offsite Users on a monthly basis, mostly from JABSOM and UHCC.

Since 2013, Lot C has satisfied 82% of the University's parking requirements for JABSOM and UHCC under the land use entitlements authorized by HCDA. The Offsite Users' access to Lot C, however, is subject to HCDA management and assessment of the parking fees.

The present HCDA/University parking agreement for the use of Lot C is scheduled to expire on August 31, 2018. HCDA and the University signed a new 5-year parking agreement, effective September 1, 2018, under which the parking fees will increase by 100% and the number of available parking spaces will be reduced to about 325.

The new Kaka'ako parking fee schedule is necessary to bring the parking fees paid by the OnSite Users in line with the parking fees paid by the Offsite Users at Lot C. If the new Kaka'ako parking fee schedule is not approved, the Onsite Users will be paying half as much to park onsite as the Offsite Users will pay to park at Lot C. Approval of the new Kaka'ako parking fee schedule will address and alleviate this inequity.

Moreover, the University plans to use some of the additional parking fees paid by the Onsite Users to help defray the increased Lot C parking cost for the University's students.

Several technical and housekeeping revisions to the UHM parking permit fee schedule as proposed in the amendment to Attachment 1 of RP 10.207, Parking and Operation of Motor Vehicles, include: removal of the 2010 UHM fee schedule, removal of the summer fee schedule for the lower and upper UHM campus (the summer fee schedule is redundant of the existing semester fee schedule), and clarifying that the fee for one reserved parking stall for certain designated University officials is 150% of the rate for employee parking in the zone in which the reserved stall is located.

BACKGROUND INFORMATION:

History

In October 2002, approval was granted to develop and construct the JABSOM complex consisting primarily of the Medical Education Building and the Biomedical Sciences (Research) Building (BSB) (collectively all comprise the Project) on 9.898 acres of land leased from HCDA in the Kaka'ako Makai district. Phase 1 of the Project was completed in 2005 and included two onsite parking areas (Lot A and Lot B with over 200 parking stalls) and one offsite parking area (Lot C with about 400 parking stalls). Initially, all of the parking areas, including Lot C, were managed by UHM Commuter Services.

In October 2010, construction began on Phase 2 of the Project, which was the new UHCC facility. Construction of the new UHCC facility was completed in February 2013 and resulted in a reduction of onsite parking spaces from over 200 stalls to 68 stalls. In order to remain in compliance with the parking requirements contained in the HCDA development permit issued to the University in 2002 (and as subsequently amended in 2010), the University had to include the Lot C parking spaces it was using.

The University's Lot C parking agreement with HCDA expired on August 31, 2013. The University and HCDA entered into a five-year Lot C parking agreement, effective as of September 1, 2013. While the new Lot C parking agreement specified that Lot C parking management would return to HCDA, HCDA would reserve at a minimum, 326 monthly parking permits for the University to enable the University to continue to meet its overall parking requirement. At that time, HCDA also agreed to closely align the Lot C parking fees with the parking fees charged for UHM's upper campus parking at \$50 per month per stall compared to \$48.25 per month per stall for UHM upper campus parking; provided that if UHM parking fees were to increase, the Lot C parking fees would increase in an equivalent amount.

Parking Change Initiated by HCDA

In July 2016, HCDA notified JABSOM and UHCC that HCDA's Board of Directors had approved Stanford Carr Development, LLC's master development plan for Lot C, including the construction of the "Sandbox" project. Construction of the master development on Lot C is to occur in three phases. Although HCDA did not anticipate Phase I construction to begin until early 2017, HCDA did inform JABSOM and UHCC that the Lot C parking fees were likely to increase. Under the new Lot C parking agreement, HCDA is increasing the monthly parking fee from \$50 to \$100 per month in the first year, with a 3% annual increase thereafter.

Impact

The HCDA monthly parking fee increase from \$50 to \$100 is anticipated to have the following adverse impacts:

- Affordability impact. JABSOM and UHCC employees and University students will end up paying significantly more for parking at Lot C as compared to that paid by University employees and students for parking on UH Mānoa's upper and lower campus zones. University students include JABSOM students and graduate students involved with

- research at UHCC and the BSB. Some of these students have testified that with the proposed parking fee increase, Lot C would no longer be an affordable parking alternative.
- Limited payroll deduction benefit. Recognizing the increased parking fees applicable to the Kaka'ako area, pursuant to a separate parking fee schedule, will enable the University employees who qualify for pre-tax payroll deductions for parking fee payments to claim the entire increased Lot C parking fee. If the new Kaka'ako parking fee schedule is not established, the University employee pre-tax payroll deduction benefit would be limited to only the amount of the lower parking fees applicable to the UH Mānoa upper and lower campus zones. Having to pay significantly more for parking (assuming the subsidy is not continued at its current levels) plus not being able to fully deduct the increased parking fee required would create a hardship for University employees who park at Lot C.

Outreach

Upon learning of HCDA's intent to increase Lot C parking fees, JABSOM, UHCC, UHM and University System leadership (University Administration) began strategizing to determine next steps to find affordable offsite parking for University students and employees. The Office of Hawaiian Affairs and Kamehameha Schools, who own surface parking lots in the Kaka'ako area, were contacted. Unfortunately, they indicated their parking lots are either not readily available and/or would require parking fees in excess of the \$100 per month per stall parking fee at Lot C. HCDA was approached to extend the availability of Lot C and was willing to do so subject to the payment of the increased monthly parking fees, management by an outside vendor, and need for space at Lot C for the development of the proposed Stanford Carr, LLC Lot C master development project which includes a Lot C parking garage. HCDA asked University Administration if they were interested in partnering to build a Lot C parking garage. However, it was estimated that the cost to build would be about \$45,000 per stall, due to its location on reclaimed land above an in-filled reef shelf. The high price of construction would likely result in parking fees that would be viewed as unaffordable by University employees.

JABSOM and UHCC recently commissioned an independent parking study. Completed in October 2017, the parking study concluded that HCDA's proposed Lot C parking fees (after the proposed increase) are consistent with the parking fees at the surrounding surface parking lots. The study also confirmed that the opportunities for offsite surface parking on a long-term basis are decreasing and very limited. Finally, the study indicated that while additional onsite parking could be built, it would need to be a parking structure within the courtyard between JABSOM and UHCC, and, as mentioned, the cost for such a structure would be unaffordable.

Proposed Changes

There are currently 55 onsite parking stalls available for University employees, out of a total of 68 onsite stalls (noting thirteen onsite parking stalls are reserved for visitor parking or other purposes, and not available for employee parking permits). These stalls are managed by UHM Commuter Services and are priced at the UHM Upper Campus parking rate. JABSOM and UHCC administration represent the majority of the Onsite Users. Establishing a new Kaka'ako parking fee schedule for Onsite Users would: (a) increase the parking fees for the Onsite Users to levels equivalent to what will be paid by the Offsite Users for Lot C and (b)

enable the University employees parking at Lot C to claim the full payroll deduction benefit (to the extent that any subsidy does not cover the parking fee increases).

Having affordable student parking options is a Liaison Committee for Medical Education (LCME) accreditation requirement as part of LCME Standard 5: Education Resources and Infrastructure, noting resources and infrastructure, which requires that financial and physical facilities must be readily available and accessible across locations to meet the needs of the medical students. Additionally, LCME Standard 12.3 Personal Counseling/Well-Being Programs requires facilitating the physical and emotional demands of a student's medical education.

With the increased parking revenue received from Onsite Users through the implementation of a new Kaka'ako parking fee schedule, the University is able to offer this required affordable student parking option by subsidizing the Lot C parking fees for University students.

Therefore, the University Administration is requesting that separate parking fees be established for the UHM Kaka'ako parking lot as proposed in the amendment to Attachment 1 of RP 10.207, Parking and Operation of Motor Vehicles. The increased parking fees under this new schedule match the increased parking fees by HCDA in the new HCDA/University Lot C parking agreement, including the 3% annual increases. Further, under the new schedule, the monthly parking fees for University students would be established at 50% of University employee parking fees. Finally, although the new Lot C parking agreement does not provide for moped or motorcycle rates, it is proposed that parking fees for mopeds and motorcycles be doubled to be in alignment with the doubling of the monthly automobile parking rates, with an increase from \$7.50 per month to \$15 per month, with 3% annual increases.

As discussed above, several technical and housekeeping revisions to the UHM parking permit fee schedule as proposed in the amendment to Attachment 1 of RP 10.207, Parking and Operation of Motor Vehicles, include: removal of the 2010 UHM fee schedule, removal of the summer fee schedule for the lower and upper UHM campus (the summer fee schedule is redundant of the existing semester fee schedule), and clarifying that the fee for one reserved parking stall for certain designated University officials is 150% of the rate for employee parking in the zone in which the reserved stall is located.

ACTION RECOMMENDED:

It is recommended that the Board of Regents approve the proposed amendment to Attachment 1 of the Board of Regents Policy 10.207, Parking and Operation of Motor Vehicles, to establish a separate parking permit fee schedule for the UHM Kaka'ako parking lot, and to make technical and housekeeping revisions to the existing UHM permit fee schedule.

Attachments:

Board of Regents Policy, RP 10.207 Parking and Operation of Motor Vehicles
Proposed Amendment to Attachment 1, Redline
Proposed Amendment to Attachment 1, Clean



Regents Policy Chapter 10, Land and Physical Facilities
Regents Policy RP 10.207, Parking and Operation of Motor Vehicles
Effective Date: March 18, 2018
Prior Dates Amended: Oct. 31, 2014 (recodified)
Review Date: August 2019

I. Purpose:

To set forth policy regarding president's authority regarding parking and operation of motor vehicles.

II. Definitions:

No policy specific or unique definitions apply.

III. Policy:

- A. The board shall approve fees for parking permits and parking fees per day, per hour, or fraction thereof on the roadways and in the parking areas under the jurisdiction of the university at an open meeting of the board subject to the requirements of Chapter 92, Hawai'i Revised Statutes.
- B. Current board-approved fee schedules for each respective campus shall be attached to this policy as follows:

University of Hawai'i at Mānoa	Attachment 1
University of Hawai'i at Hilo	Attachment 2
Honolulu Community College	Attachment 3
Kapi'olani Community College	Attachment 4
Leeward Community College	Attachment 5
Kaua'i Community College	Attachment 6
University of Hawai'i - Maui College	Attachment 7

- C. Other than as set forth above, the board delegates its authority to properly administer and manage the parking and operation of motor vehicles at each respective campus to the president, as set forth in Chapter 20-12, Hawai'i Administrative Rules, as amended. The board further delegates to the chancellors of the respective campuses the authority to establish appropriate procedures for the appeal of citations and penalties by students, employees, or other persons designated by the chancellor.

IV. Delegation of Authority:

The implementation of this policy shall be entrusted to the president.

V. Contact Information:

Office of the Vice President for Administration, 956-6405, vpadmin@hawaii.edu

VI. References:

- <http://www.hawaii.edu/offices/bor/>
- <http://hawaii.edu/offices/bor/adminrules/chapter12.pdf>

VII. Exhibits and Appendices:

Attachments 1 to 7.

Approved as to Form:

/S/
Kendra Oishi
Executive Administrator and
Secretary to the Board of Regents

03/22/2018
Date

**AMENDMENT TO ATTACHMENT 1 OF THE BOARD OF REGENTS POLICY RP
10.207, PARKING AND OPERATION OF MOTOR VEHICLES**

(REDLINE)

(a) Parking Permits

(1) Employee (Mānoa Upper Campus)

<u>FY</u>	<u>FY</u>	<u>Semester</u>	<u>Summer</u>	<u>Annual</u>
	2010	\$175.00	\$175.00	\$525.00
	2011 and thereafter	\$193.00	193.00	\$579.00

(2) Employee (Mānoa Lower Campus)

<u>FY</u>	<u>FY</u>	<u>Semester</u>	<u>Summer</u>	<u>Annual</u>
	2010	\$129.00	\$129.00	\$387.00
	2011 and thereafter	\$142.00	142.00	\$426.00

(3) Employee (Kaka'ako Zone)

<u>FY</u>	<u>Monthly</u>	<u>Semester</u>	<u>Annual</u>
2019	\$100.00	\$400.00	\$1200.00
2020	103.00	412.00	1236.00
2021	106.25	425.00	1275.00
2022	109.25	437.00	1311.00
2023	112.50	450.00	1350.00

~~(3)~~ (4) The president, chancellor, vice presidents, vice chancellors, deans, and directors of major research institutes may, upon approval and payment of ~~an additional~~ the fee in the amount of 50% of the established fee set forth herein, be provided with one reserved parking stall as determined by the Parking Office. For the purpose of this section, the fee is 150% of the rate for employee parking in the zone in which the reserved stall is located.

~~(4)~~ (5) Student Permits (Mānoa Lower Campus)

FY	<u>FY</u>	<u>Semester</u>	<u>Summer</u>	<u>Annual</u>
	2010	\$129.00	\$129.00	\$387.00
	2011 and thereafter	<u>\$142.00</u>	-142.00	<u>\$426.00</u>

(6) Student Permits (Kaka'ako Zone)

<u>FY</u>	<u>Monthly</u>	<u>Semester</u>	<u>Annual</u>
<u>2019</u>	<u>\$50.00</u>	<u>\$200.00</u>	<u>\$600.00</u>
<u>2020</u>	<u>51.50</u>	<u>206.00</u>	<u>618.00</u>
<u>2021</u>	<u>53.00</u>	<u>212.00</u>	<u>636.00</u>
<u>2022</u>	<u>54.50</u>	<u>218.00</u>	<u>654.00</u>
<u>2023</u>	<u>56.25</u>	<u>225.00</u>	<u>675.00</u>

~~(5)~~ (7) Evening Permits (~~per month~~ Mānoa Upper Campus and Lower Campus)

FY	<u>FY</u>	<u>Monthly</u>
	2010	\$21.00
	2011 and thereafter	<u>\$24.00</u>

~~(6)~~ (8) Moped/Motorcycle Permits (Employees and Students Mānoa Upper Campus and Lower Campus)

FY	<u>FY</u>	<u>Semester</u>	<u>Summer</u>	<u>Annual</u>
	2010	\$27.00	-\$27.00	\$81.00
	2011 and thereafter	<u>\$30.00</u>	-30.00	<u>\$90.00</u>

(9) Moped/Motorcycle Permits (Employees and Students
Kaka'ako Zone)

<u>FY</u>	<u>Monthly</u>	<u>Semester</u>	<u>Annual</u>
<u>2019</u>	<u>\$15.00</u>	<u>\$60.00</u>	<u>\$180.00</u>
<u>2020</u>	<u>15.50</u>	<u>62.00</u>	<u>186.00</u>
<u>2021</u>	<u>16.00</u>	<u>64.00</u>	<u>192.00</u>
<u>2022</u>	<u>16.50</u>	<u>66.00</u>	<u>198.00</u>
<u>2023</u>	<u>17.00</u>	<u>68.00</u>	<u>204.00</u>

(b) Hourly or Daily Parking

Hourly or daily parking fees may be set at rates not to exceed the following:

- (1) \$4.00 per hour or any fraction thereof. Persons losing time-stamped tickets or driving vehicles parked before daily kiosk opening must pay for the entire time lapsed between opening of the lot and their departure.
- (2) \$16.00 per day or any fraction thereof payable on either entrance or exit in certain zones or areas designated by the chancellor or chancellor's designee.
- (3) The chancellor or chancellor's designee shall establish the time periods at which said fees change from hourly to daily or vice versa.
- (4) The chancellor or chancellor's designee shall set or waive fees for parking for special events or disabled persons.

AMENDMENT TO ATTACHMENT 1 OF THE BOARD OF REGENTS POLICY RP 10.207,

PARKING AND OPERATION OF MOTOR VEHICLES

(CLEAN)

(a) Parking Permits

(1) Employee (Mānoa Upper Campus)

<u>FY</u>	<u>Semester</u>	<u>Annual</u>
2011 and thereafter	\$193.00	\$579.00

(2) Employee (Mānoa Lower Campus)

<u>FY</u>	<u>Semester</u>	<u>Annual</u>
2011 and thereafter	\$142.00	\$426.00

(3) Employee (Kaka'ako Zone)

<u>FY</u>	<u>Monthly</u>	<u>Semester</u>	<u>Annual</u>
2019	\$100.00	\$400.00	\$1200.00
2020	103.00	412.00	1236.00
2021	106.25	425.00	1275.00
2022	109.25	437.00	1311.00
2023	112.50	450.00	1350.00

(4) The president, chancellor, vice presidents, vice chancellors, deans, and directors of major research institutes may, upon approval and payment of the fee set forth herein, be provided with one reserved parking stall as determined by the Parking Office. For the purpose of this section, the fee is 150% of the rate for employee parking in the zone in which the reserved stall is located.

(5) Student Permits (Mānoa Lower Campus)

<u>FY</u>	<u>Semester</u>	<u>Annual</u>
2011 and thereafter	\$142.00	\$426.00

(6) Student Permits (Kaka'ako Zone)

<u>FY</u>	<u>Monthly</u>	<u>Semester</u>	<u>Annual</u>
2019	\$50.00	\$200.00	\$600.00
2020	51.50	206.00	618.00
2021	53.00	212.00	636.00
2022	54.50	218.00	654.00
2023	56.25	225.00	675.00

(7) Evening Permits (Mānoa Upper Campus and Lower Campus)

<u>FY</u>	<u>Monthly</u>
2011 and thereafter	\$24.00

(8) Moped/Motorcycle Permits (Employees and Students Mānoa Upper Campus and Lower Campus)

<u>FY</u>	<u>Semester</u>	<u>Annual</u>
2011 and thereafter	\$30.00	\$90.00

(9) Moped/Motorcycle Permits (Employees and Students Kaka'ako Zone)

<u>FY</u>	<u>Monthly</u>	<u>Semester</u>	<u>Annual</u>
2019	\$15.00	\$60.00	\$180.00
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Hourly or daily parking fees may be set at rates not to exceed the following:

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- (2) \$16.00 per day or any fraction thereof payable on either entrance or exit in certain zones or areas designated by the chancellor or chancellor's designee.
- (3) The chancellor or chancellor's designee shall establish the time periods at which said fees change from hourly to daily or vice versa.
- (4) The chancellor or chancellor's designee shall set or waive fees for parking for special events or disabled persons.



UNIVERSITY of HAWAII MĀNOA

UNIVERSITY OF HAWAII BOARD OF REGENTS

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DT 8363 John A. Burns School of Medicine Office of the Dean

DTS-18971

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June 18, 2018

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MEMORANDUM

UNIVERSITY OF HAWAII PRESIDENT'S OFFICE

TO: Jan Naoe Sullivan Chair, Board of Regents

VIA: David Lassner President, University of Hawaii System

FROM: David Lassner Chancellor, University of Hawaii at Manoa

Donna Vuchinich President & CEO, University of Hawaii Foundation

Jerris R. Hedges Dean, John A. Burns School of Medicine, University of Hawaii at Manoa

SUBJECT: REQUEST FOR ACTION TO APPROVE THE ESTABLISHMENT OF THE NAMED ENDOWED DIRECTOR OF THE CENTER FOR CARDIOVASCULAR RESEARCH AT THE JOHN A. BURNS SCHOOL OF MEDICINE.

SPECIFIC ACTION REQUESTED:

It is requested that the Board of Regents (BOR) approve the establishment of the named Kosasa Family Endowed Director of the Center for Cardiovascular Research at the John A. Burns School of Medicine (JABSOM) in recognition of this gift.

RECOMMENDED EFFECTIVE DATE:

Upon BOR approval.

ADDITIONAL COST:

No additional costs are associated with this request.

PURPOSE:

The purpose of this endowed fund is to support the position of the Director of the Center for Cardiovascular Research (CCR) at JABSOM to advance the research mission of the CCR, help bridge the cardiovascular research and clinical needs of JABSOM and its

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major hospital partners throughout Hawai'i, and thereby help build a strong and credible academic cardiology program.

Funds will be used at the Director's discretion and will enhance the Director's ability to identify areas of greatest need and strategically invest in CCR. It will also enable the Director to take advantage of unanticipated opportunities to address key priorities with CCR.

Examples of how funds could be used include but are not limited to the following:

1. To recruit and retain talented faculty; to support quality research and provide seed research funding, particularly among promising junior faculty;
2. To provide a salary or supplement for the designated holder of the directorship or for CCR faculty;
3. To cover expenses for faculty and staff travel, professional meetings, lodging and travel of visiting scholars, lecturers and research collaborators;
4. To cover expenses for equipment, supplies and other items which may best serve the needs of the CCR.

The Funds shall be used at the discretion of the Director of the Center for Cardiovascular Research. The Endowed Director of the CCR shall be proposed by a committee appointed by the Dean of JABSOM. The Committee will serve in an advisory role to the Dean of JABSOM, who will make the final decision in awarding the endowed directorship.

The Endowed Director of the CCR will make an annual report to the Dean of JABSOM on research and progress of the Center for Cardiovascular Research.

BACKGROUND:

The funding for this naming opportunity is from a gift exceeding the \$1,000,000 minimum to establish the Directorship position, in honor of the Kosasa family.

The Kosasa family legacy started with Sidney Kosasa who was a student attending UC Berkeley School of Pharmacy during WWII when he was interned at the Tule Lake relocation camp in California. In 1943, he married Ms. Minnie Ryugo at the camp. After their release, they eventually returned to Hawai'i, formed a family company, and opened a drugstore, Kaimuki Pharmacy, later known as Thrifty Drugs. In 1964 Sidney and Minnie Kosasa opened the first ABC Store. Today, the chain of ABC Stores is one of the most successful business enterprises in Hawai'i.

Today, family members have found many avenues to give back to the community.

ACTION RECOMMENDED:

It is recommended that the BOR approve the establishment of the named Kosasa Family Endowed Director of the Center for Cardiovascular Research at JABSOM in recognition of this gift.

c. Executive Administrator and Secretary of the Board of Regents Oishi

Item VI.C.3.

Final Report and Dissolution
of the PIG for Board
Participation in the
Community College
Accreditation Institutional
Self-Evaluation Report

**ITEM TO BE
DISCUSSED AT
MEETING**



UNIVERSITY
of HAWAII®
SYSTEM

July 13, 2018

MEMORANDUM

TO: Jan Naoe Sullivan, Chair
Board of Regents

FROM: Kendra Oishi *KOishi*
Executive Administrator and
Secretary to the Board of Regents

SUBJECT: Amendments to the Bylaws of the Board of Regents of the University of Hawai'i: Table of Contents; Article II (Membership and Organization); Article VIII (*Robert's Rules of Order*); and Article X (Conflicts of Interest)

SPECIFIC ACTION REQUESTED:

It is requested that the Board of Regents ("Board") approve the proposed changes to the Bylaws to establish a Subcommittee on Investments for purposes of demonstrating progress toward best practices regarding fiduciary oversight. Other amendments are being recommended for purposes of consistency and streamlining. The amendments are summarized below:

- Page 2: delete an obsolete item from the Table of Contents.
- Pages 6-7: add a provision that requires the Budget & Finance Chair to appoint 3 members to serve on a Subcommittee on Investments that is required to hold at least one meeting a year.
- Page 9: remove reference to *Robert's Rules of Order* with regard to the Chair serving as an ex-officio voting member of all committees.
- Page 9: delete the requirement that the Committee on Academic & Student Affairs include regents from the four major islands.
- Page 12: clarify the provision adopting *Robert's Rules of Order* as the Board's parliamentary authority to allow for some flexibility between the various governing authorities.
- Page 12: minor clarifying edit to the conflict of interest provision regarding business interests.

General Counsel has reviewed the attached draft and we are in agreement with the proposed revisions.

RECOMMENDED EFFECTIVE DATE:

Effective upon adoption by the Board of Regents.

ACTION RECOMMENDED:

Recommend approval to revise the Bylaws establish a Subcommittee on Investments for purposes of demonstrating progress toward best practices regarding fiduciary oversight, and make other amendments for purposes of consistency and streamlining.

Attachments:

Bylaws of the Board of Regents of the University of Hawai'i (Ramseyer)

BYLAWS OF THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII
(as of [October 19, 2017] July 19, 2018)

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**BYLAWS OF THE BOARD OF REGENTS
UNIVERSITY OF HAWAI'I**

ARTICLE I. Definitions

As used in these Bylaws:

“Board” or “BOR” means the Board of Regents of the University;

“HRS” means the Hawai'i Revised Statutes, as may be amended from time to time;

“Meetings” shall not include rule-making hearings, declaratory rulings or contested cases under Chapter 91, HRS;

“Chairperson” means the chairperson of the board;

“President” means the President of the University;

“Secretary” means the Executive Administrator and Secretary of the Board; and

“University” means the University of Hawai'i system and its various campuses.

ARTICLE II. Membership and Organization

- A. Membership. The membership of the Board shall be as required by Chapter 304A-104, HRS. The members of the Board shall serve without pay, but shall be entitled to reimbursement for necessary expenses while attending meetings and while in the discharge of duties and responsibilities.

Notwithstanding the term of office, the term of a Board member shall expire upon the failure of the member, without valid excuse, to attend three consecutive meetings duly noticed to all members of the Board. The Chairperson or acting Chairperson of the Board shall determine if the absence of the member is excusable. The expiration of the member's term shall be effective immediately after the third consecutive unattended meeting and unexcused absence.

- B. Officers, Organization. As required by Section 304A-104, HRS, the Officers of the Board shall consist of a Chairperson, up to two Vice-Chairpersons, and a Secretary (who shall be appointed by the Board and shall not be a member of the Board). The Chairperson and up to two Vice-Chairpersons shall be elected at its first meeting after June 30 of the next year or thereafter until their successors are elected and have qualified and whose election shall be immediately certified by the Board to the Lieutenant Governor. The President shall act as the chief executive officer of the Board.

1. Term. The term of the office of Chairperson and up to two Vice-Chairpersons shall be for one year. A Chairperson may serve more than one term, but not more than two consecutive terms.
2. Vote. Votes for the Chairperson and up to two Vice-Chairpersons of the Board shall be by ballot if more than one person is nominated for an office.
3. Succession. In the event of a vacancy in the office of the Chairperson, the First Vice-Chairperson shall succeed as Chairperson for the unexpired term. If at that time there is a vacancy in the office of the First Vice-Chairperson, the Second Vice-Chairperson shall succeed as Chairperson for the unexpired term. If at that time there is also a vacancy of the office of the Second Vice-Chairperson, the Secretary shall succeed as Chairperson for the sole purpose of conducting an election as soon as possible for a new Chairperson to serve for the unexpired term.

C. Duties of Officers.

1. Chairperson. The Chairperson, in addition to presiding at all regular and special Board meetings, shall:
 - a. Appoint the chairperson and members of the standing committees and any other committees.
 - b. Acknowledge communications, petitions, requests, and proposals on behalf of the Board and, except in emergencies, refer same to the President or Secretary or an appropriate Committee of the Board for action or recommendation so as not to detract from the Board's governance and fiduciary responsibilities.
 - c. Maintain liaison with the President to see that there is an effective working relationship between the University administration and the Board.
 - d. Approve all press releases and public statements made by the Board.
 - e. Approve agenda items for any regular or special meeting of the Board.
 - f. Coordinate the efforts of the Board's standing committees to strengthen the roles and functions of same.
2. Vice-Chairperson(s). The First Vice-Chairperson will assume the duties and responsibilities of the Chairperson in the absence of the Chairperson and will undertake such other duties as may be assigned by the Chairperson. If there is a second Vice-Chairperson, he/she will assume the duties and responsibilities of the First Vice-Chairperson in the absence of the First-Vice

Chairperson and will undertake such other duties as may be assigned by the Chairperson or First Vice-Chairperson.

3. Secretary. The Secretary shall serve under the direction of the Board through the Chairperson and shall provide the necessary administrative support services to the Board. The Secretary shall:
 - a. Prepare and distribute the agenda for each of the regular and special Board and standing and other committee meetings.
 - b. Schedule regular and special Board meeting dates in consultation with the Chairperson.
 - c. Record and prepare minutes and reports for each of the regular and special Board and standing and other committee meetings.
 - d. Be responsible for securing information from the University administration.
 - e. Acknowledge and answer routine correspondence directed to the Chairperson and/or Board.
 - f. Serve as liaison between the University administrative staff and the Board.
 - g. Review policy proposals submitted by the University administration.
 - h. Maintain a calendar of the Board's unfinished business.
 - i. Conduct research and analysis of policies relating to the governance of the University by the Board.
 - j. Review rules and regulations affecting the University in accordance with the Hawai'i Administrative Procedures Act.
 - k. Maintain, collect, and preserve the official records of the Board.
 - l. Collate and index policies which are adopted by the Board.
 - m. Serve as "Records Officer" under the State archives program.
 - n. Serve as "Certifying Officer" of official University documents.
 - o. Perform additional duties as assigned by the Chairperson and the various standing and other committee chairpersons.

D. Standing Committees of the Board.

1. Establishment of Standing Committees. To facilitate consideration of policy matters that must be approved by the Board, seven standing committees are established. Authority to act on all matters is reserved for the Board, and the functions of each standing committee shall be to consider and make recommendations to the Board.
2. Standing Committees. The following are the standing committees of the Board and their functions:
 - a. Committee on Academic and Student Affairs
 - (1) Review the academic mission and strategic direction of the system and its major units.
 - (2) Periodically review to what extent programs support the mission and strategic direction of the University.
 - (3) Monitor the quality and effectiveness of educational programs.
 - (4) Develop and maintain policies governing academic and student affairs.
 - (5) Review actions proposed by the President which fall under current board policies and procedures, including requests for exceptions.
 - b. Committee on Budget and Finance
 - (1) Work in concert with the University administration relating to operating and capital improvement budgets.
 - (2) Examine the budgetary process, budget proposals, expenditure plans, and development plans.
 - (3) Discuss the implementation of the budgetary decisions with the University administration, especially amendments thereto or when circumstances require deviations from expenditure plans.
 - (4) Review matters related to business affairs, endowment funds, and other financial assets of the University.
 - (5) Exercise general oversight and policy direction over the University's financial systems and programs.
 - (6) The committee chairperson shall appoint three committee members to serve on a Subcommittee on Investments that shall hold one or more meetings every calendar year. The committee chairperson

shall designate one of the subcommittee members to serve as the chairperson of the subcommittee.

c. Committee on Planning and Facilities

- (1) Review, study, and make recommendations to the Board relative to the long-range plans for the development of the University, considering academic needs, priorities, and fiscal capabilities of the State.
- (2) Review, study, and make recommendations to the Board relative to the physical facilities master plans for each campus in the University system and to periodically review approved campus master plans in order to recommend revisions, if necessary, to meet the needs of the University.
- (3) Review proposals relative to naming of University improvements and facilities and make its recommendations to the Board.
- (4) Review policies and make recommendations to the Board on matters pertaining to the use of University facilities and ensure an environment that is complementary to the educational mission of this institution.

d. Committee on Personnel Affairs and Board Governance

- (1) Review and consider policies and practices relating to university personnel.
- (2) Ensure board statutes, bylaws, policies, and rules are being reviewed and updated on a routine and regular basis.
- (3) Ensure board education and board member development is provided for board members.
- (4) Provide recommendations to the board regarding best practices for board effectiveness.

e. Committee on Independent Audit

- (1) Advise the Board regarding the Board's responsibilities to oversee:
 - (a) the quality and integrity of the University's compliance with legal, regulatory and policy requirements, financial reporting and financial statements, and internal controls related to risks;

- (b) the function, disclosures, and performance of the University's compliance, internal control, and risk management systems regarding ethics and compliance, risk, finance, and accounting, and the adequacy of such systems; and
 - (c) the independent certified public accountant's qualification, independence and performance, as well as performance of the internal audit function.
 - (2) Review the annual internal audit plan and the extent to which it addresses high risk areas.
 - (3) Review the annual report of the internal audit department and discuss significant issues of internal controls with the Internal Auditor and management.
 - (4) Discuss the planned scope of the annual independent audit with the independent certified public accountants and review the results of the audit with the independent certified public accountants and management.
 - (5) Receive and review the annual certified financial reports with the independent certified public accountants and management.
 - (6) Recommend to the Board the certified public accountants to serve as the independent auditor, and their fees.
 - (7) Revise the scope of the annual audit, and approve any services other than audit and audit related services provided by the certified public accountants.
 - (8) Provide recommendations to the Board regarding approval of the internal audit mission statement, the committee's charter, and other governance documents related to both internal and external compliance and auditing activities at the University.
- f. Committee on Intercollegiate Athletics
- (1) Serve as a liaison between the Board and the respective campuses and their athletic departments.
 - (2) Advise the Board regarding its responsibility to oversee:
 - (a) the health, safety and academic progress of student-athletes;

- (b) fiscal integrity and budgetary concerns;
- (c) compliance with NCAA and conference requirements; and
- (d) any event or situation that may draw unusual public interest to the athletics program, a particular team, student athlete, or department employee.

- (3) Review annual reports on the academic standing and progress of student athletes, including, but not limited to, the Academic Progress Rate report.
- (4) Recommend policies governing all aspects of Intercollegiate Athletics at the University.

g. Committee on Research and Innovation

- (1) Evaluate and approve long range plans that establish the strategic goals and objectives for research, innovation, and technology transfer at the University.
- (2) Review and make recommendations regarding investments, policies, and practices relating to University research, innovation and technology transfer programs.
- (3) Review and make recommendations on proposals to establish or to terminate Organized Research Units (ORU) and research centers.
- (4) Work in concert with Administration to establish performance goals and metrics to evaluate progress against the strategic goals and objectives.

3. Appointment of Committee Members. The chairperson and voting members of each standing committee shall be appointed by the Chairperson and shall serve for one year or until the appointment of their successors. The Chairperson shall be an ex-officio, voting member of all standing committees ~~[in accordance with Robert's Rules of Order]~~. All board members who are not voting members of a committee or committees shall be ex-officio, ~~[non-voting]~~ **nonvoting** members of such committees. The President, as chief executive officer of the University, shall assign a member of the University administrative staff to each standing committee who shall be the administrative liaison with the chairperson of the committee.

~~[The Committee on Academic and Student Affairs shall include Regents from the four major islands.]~~

4. Meetings. Each standing committee shall schedule meetings as appropriate. The Committee on Academic and Student Affairs meetings shall be held on each of the islands with community college campuses, to the extent practicable.
5. Referrals to Committees. Each standing committee shall consider all matters referred to it by the Chairperson and shall make appropriate recommendations within a reasonable time to the Board.
6. Progress Reports. Each standing committee shall make progress reports to the Board periodically or when requested by the Chairperson.
7. Task Groups. Task groups may be established by the Chairperson upon authorization by the Board, and with such powers and duties as determined by the Board. The tenure of a specific task group shall expire at the completion of its assigned task.

E. New Board Member Orientation

New Board members shall be scheduled to receive an orientation within one month of the beginning of their term. The orientation shall include, among other things, an overview of the University system, BOR responsibilities, accreditation standards for Board governance, and BOR policies and practices. New Board members shall also be provided with a Reference Guide covering these and other topics.

ARTICLE III. Advisory Committee and Consultants

- A. Creation. The Board may create an advisory committee, as necessary, which shall serve as advisory to the Board. The committee membership shall be appointed by the Chairperson, subject to approval by the Board. The tenure of the advisory committee shall expire at the completion of the assigned task.
- B. Consultant Services. The Board may engage the services of consultants as it deems necessary.

ARTICLE IV. Meetings

- A. Number and Place of Meetings. The Board shall meet not less than ten times annually (July 1, thru June 30) and may from time to time meet in each of the counties of Honolulu, Hawai'i, Maui, and Kaua'i. The Board shall at each meeting set the time and place for its next regular meeting.
- B. Special Meetings. Special meetings may be called by:
 1. The Chairperson;

2. The Secretary, upon request by a majority of the members of the Board; or
 3. Any Board member, with the consent of the Chairperson.
- C. Call for Committee Meetings. Standing committee meetings shall be called by the Secretary in consultation with the committee chairperson. In the event of a joint meeting, the Chairperson shall designate the presiding committee chairperson.
- D. Public Notice of Meetings. All meetings of and public appearances before the Board and its standing committees shall comply with chapter 92, HRS, and shall be as set forth in the Rules of Practice and Procedure of the Board of Regents (Hawai'i Administrative Rules, Title 20, Subtitle 1, Chapter 1).

ARTICLE V. Quorum

A majority of all voting members to which the Board or its standing committees are entitled shall constitute a quorum.

ARTICLE VI. Voting

Voting by the Board and its standing committees shall be as set forth in the Rules of Practice and Procedures of the Board of Regents (Hawai'i Administrative Rules, Title 20, Subtitle 1, Chapter 1).

ARTICLE VII. Legal Counsel

- A. The University General Counsel. The University General Counsel shall be designated as legal counsel for the Board. The University General Counsel or the University General Counsel's representative(s), in the capacity of legal counsel for the Board, shall be present at all regular and special meetings and certain standing committee meetings of the Board.
- B. Requests for Written Legal Opinions. Requests for any written legal opinion of the University General Counsel shall be made by the Chairperson or designee with the full knowledge of the Board. Whenever a legal opinion is rendered by the University General Counsel, such opinion shall be in writing and along with a copy of the written request for such opinion, distributed immediately to all Board members.
- C. Conflicts. By policy and organizational structure, the University General Counsel serves the Board as well as the University administration. Understandably, there may be occasions when it becomes necessary to avoid a perception of conflict, or actual conflict, or to obtain specialized legal expertise. At such times, the Board may exercise its discretion in securing the services of independent legal counsel through the Secretary.

ARTICLE VIII. Robert's Rules of Order

Meetings shall be conducted in accordance with the current edition of Robert's Rules of Order [shall apply in situations not covered by] insofar as they are applicable and not inconsistent with these bylaws, or applicable statutes[,] or rules.

ARTICLE IX. Amendments

These bylaws may be amended only by two-thirds (2/3) vote of all the members to which the Board is entitled. Any proposed amendment to the bylaws shall be submitted in writing for consideration and vote by the members at a Board meeting.

ARTICLE X. Conflicts of Interest

- A. Standard of Conduct. Members of the Board shall comply with the provisions of these bylaws and are subject to the standards of conduct and financial interest disclosure requirements of Chapter 84, HRS (State Ethics Code) and must act in accordance with Chapter 84, HRS.
- B. Fiduciary Responsibility. Members of the Board serve a public interest role and thus have a clear obligation to conduct all affairs of the University in a manner consistent with this concept. Members of the Board are expected to place the welfare of the University above personal interests, the interests of family members, or others who may be personally involved in affairs affecting the University. All decisions of the Board shall be made solely on the basis of a desire to promote the best interests of the University and the public good.
- C. Disclosures. In the event the Board must consider any matter for the University which also directly involves:
 - 1. a regent or a member of the regent's family (which shall be a spouse, parents, siblings and their spouses, children and their spouses, and any household member);
 - 2. a public or private organization with which a regent is affiliated, as defined below; or
 - 3. a regent's personal financial interest as defined under chapter 84, HRS;

Any affected regent, at the first knowledge of the matter, shall fully disclose, as noted below, the precise nature of the interest or involvement.

For purposes of this article, an affiliation exists if a regent or a member of the regent's family is an owner (which shall be defined as: (1) an ownership interest valued at more than \$5,000; or (2) 10% or more ownership of the business),

officer, director, trustee, partner, employee (which shall also include legal counsel, consultant, contractor, advisor, or representative) or agent of such organization.

All disclosures required under this article must be directed in writing to the Secretary who, together with the University General Counsel, shall be responsible for the administration of this bylaw.

Matters covered under this article shall be reported initially to the Chairperson for appropriate action. Should the Chairperson be the regent with a potential conflict, the matter shall be reported to the Vice Chairperson. Should both the Chairperson and the Vice Chairperson have a potential conflict, the matter shall be reported to the chairperson of a Board standing committee in the order as listed in Article II, Section D of the bylaws of the Board.

Information disclosed to the Secretary shall be held in confidence to the extent authorized by law.

This disclosure requirement shall not apply to any regent who declares a conflict of interest and recuses himself/herself from consideration of the matter before the Board.

- D. **Determination of Conflicts.** Questions concerning possible conflicts of interest shall be directed to the Secretary. Board shall resolve the questions by majority vote at a Board meeting in compliance with Chapter 92, HRS. Where any matter covered by Chapter 84, HRS, is involved, the potential conflict shall be referred to the State Ethics Commission for disposition. Questions of potential conflict not covered by Chapter 84, HRS, may be referred to the University General Counsel for a legal opinion, except that questions of conflict under Section 78-4, HRS, shall be referred to the University General Counsel for a legal opinion.

Restraint on Participation. A member of the Board who has declared a conflict of interest and recused himself/herself or who has been found to have a conflict of interest in any matter before the Board shall refrain from participating in the consideration of the proposed matter. The regent may not vote on such matters before the Board and may not be present during the Board's deliberation and at the time of vote.

- E. **Sanctions and Remedies.** Any Board action favorable to a regent obtained in violation of this bylaw is voidable on behalf of the Board; provided that in any proceeding to void a Board action pursuant to this bylaw, the interests of third parties who may be damaged thereby shall be taken into account. Any proceeding to void a Board action shall be initiated within sixty (60) days after the determination of a violation under this bylaw. The Board may pursue all legal and equitable remedies and/or sanctions through the University's legal counsel. Any Board action imposing a remedy or sanction under this section must be initiated within one year after the action of the Board that is affected by a violation.

Item VII.A.1. & A.2.

Executive Session

Evaluation of the President
Evaluation of the Executive
Administrator & Secretary of
the Board

**ITEMS TO BE
DISCUSSED IN
EXECUTIVE
SESSION**

Item VII.B.1. to B.3

Executive Session

Quarterly Status Report on
Litigation

UH – West O‘ahu Lands
VA Long-Term Care Facility
Transaction

**ITEMS TO BE
DISCUSSED IN
EXECUTIVE
SESSION**