I. CALL TO ORDER

The meeting was called to order by Chair Allan R. Landon at 9:15 a.m. on Friday, September 19, 2008, at Building 388, Room 101-102, Hawai‘i Community College, 200 West Kawili Street, Hilo, Hawai‘i 96720.

Regents in attendance: Chair Allan Landon; Artemio Baxa, Esq.; Byron Bender, Ph.D.; Carl A. Carlson; Ramón de la Peña, Ph.D.; Marlene Hapai, Ph.D.; James Haynes, II; Dennis Hirota, Ph.D.; Howard Karr; Ronald K. Migita; Teena Rasmussen; and Harvey Tajiri. Excused: Michael Dahilig; Kitty Lagareta; and Jane Tatibouet.

Others in attendance: President David McClain, Ph.D.; Vice President for Academic Planning & Policy Linda Johnsrud, Ph.D.; Vice President for Administration Sam Callejo; Vice President for Budget & Finance/Chief Financial Officer Howard Todo; Vice President for Community Colleges John Morton, Ph.D.; Vice President for Legal Affairs and University General Counsel Darolyn Lendio, Esq.; Vice President for Information Technology/Chief Information Officer David Lassner, Ph.D.; Interim Associate Vice President for Student Affairs Karen Lee; Interim Executive Administrator and Secretary of the Board Presley Pang, Esq.; and others as noted.

II. APPROVAL OF MEETING MINUTES OF JULY 31, 2008

Upon motion by Regent de la Peña and second by Regent Hapai, the minutes of July 31, 2008 were unanimously approved, with the correction to Regent James Haynes II, rather than James Haynes III.

III. PUBLIC COMMENT

The following spoke in support of the CIP budget recommendation which gives the UH Hilo College of Hawaiian Language the highest priority for the Hilo campus:

1. Namaka Rawlins
2. Scott Kaua Newman
3. Kalena Silva
4. Kalani Whitaker
5. Lilikala Kameeleihiwa, who additionally informed the Board about UH Mānoa’s School of Hawaiian Knowledge’s plans for a new facility.
Regent Hapai congratulated ‘Aha Pūnana Leo for its 25 years and expressed her appreciation for all of the efforts of UH Hilo, Hawai‘i Community College, and UH Mānoa in expanding the awareness of Hawaiian culture.

Regent Baxa strongly supported the recommendations presented by the public, saying that if we do not nourish the Hawaiian language, it may be forgotten.

IV. REPORT OF THE PRESIDENT

President McClain noted the following:

• The 25th anniversary of ‘Aha Pūnana Leo.

• Fall 2008 enrollment is about 53,500, the highest ever. Most of the increase was at the Community Colleges. UH Mānoa’s enrollment was stable, possibly due to the 8 percent increase in graduating seniors.

• The most recent recipient of the President’s Making the Elephant Dance Award is Shanah Trevenna, the UHM’s student sustainability coordinator, who has worked to transform Saunders Hall into a green facility.

• The UH Foundation’s fundraising goal for this year is $40 million, for a cumulative goal for the Centennial Campaign of $275 million. As of September 16, 2008, $244.4 million has been raised.

V. ITEMS FOR BOARD ACTION

Approval of CIP Budget Recommendations for 2009-2011 Fiscal Biennium

Associate Vice President for Capital Improvements Brian Minaai requested approval of the fiscal biennium 2009-2011 CIP systemwide. He explained that this budget focuses primarily on capital renewal, backlog, health and safety, and a limited number of construction projects that reflect the highest priority of campuses. The budget is $344 million for the first year, $394 million for the second year, for a total of $738 million, of which $617 million will be funded by general obligation bonds.

Vice Chair Karr asked if it was normal to have building furniture budgeted later and not with the original building request. Associate Vice President Minaai responded that it is usually requested together, but in two cases, the Legislature did not provide sufficient funds in the initial appropriation.

Regent Migita asked how the reduction in deferred maintenance projects were prioritized. Associate Vice President Minaai responded that the campuses do the prioritization, assessing their backlog, capital renewal, and health and safety.

Upon motion by Vice Chair Karr and second by Regent de la Peña, the CIP budget recommendations for fiscal biennium 2009-2011 were unanimously approved.
IV. REPORT OF THE PRESIDENT (continued)

Host campus Hawai‘i Community College Chancellor Rockne Freitas invited four students to talk about their experiences at the College: Chris Aoki described how the College taught him how to learn; Lance Garner said that the College gave him leadership skills; Emi Kawashima spoke on her training for a career in international marketing; and Mark Anthony Damaso was inspired by the Construction Academy at Kealakekua to pursue a college education.

Regent Baxa counseled the students that being smart is not all that matters in succeeding—it is persistence in trying to achieve what you want. He further said that it doesn’t matter where you study—if you do the best you can in a small college, you compare favorably to the best at the best colleges.

V. ITEMS FOR BOARD ACTION (continued)

Approval to Expand the Scope of Work for Construction and Financing Opportunities for the Biomedical Sciences Building

UH Mānoa Chancellor Virginia Hinshaw explained that the Biomedical Sciences Building project is her highest priority because it can be accomplished rapidly, and faculty can be quickly and efficiently situated.

Regent Migita asked if the Administration has looked at the costs, because this project has doubled from the initial concept. Vice President Todo explained that the revenue bonds would be a 30-year bond, with debt service about $2 million per year, which Mānoa plans to fund 2/3 by RTRF and 1/3 by tuition and fees.

Regent Haynes asked if there was any allocation for maintenance and repairs going forward. There isn’t an allocation for operation and maintenance costs, but there is funding for furniture.

Chancellor Hinshaw said that the building will be used for other purposes than a science research facility, so some faculty will remain, but others will be moved in.

Chair Landon asked if banks have been approached for financing. Associate Vice Chancellor for Research Vassilis Syrmos responded that he, along with RCUH, contacted the three largest banks in the state and provided a business plan. Each bank was interested; details need to be worked out. The biggest issue is the inability of RCUH to issue a promissory note, even though the University is creditworthy. The banks’ boards of directors may have to approve financing.

Upon hearing that various Hawai‘i banks have been approached, the following Regents immediately recused themselves from further participation: Chair Landon, Vice Chair Karr, Regent Migita, and Regent Hirota.

Upon motion by Regent de la Peña and second by Regent Rasmussen, the request to expand the scope of work for construction and financing opportunities for the Biomedical Sciences building was unanimously approved, with recusals by Regents Landon, Karr, Migita, and Hirota.
Regents Landon, Karr, Migita, and Hirota returned to the meeting.

**Approval to Name the University of Hawai‘i at Mānoa School of Social Work as the Myron B. Thompson School of Social Work**

School of Social Work Dean Jon Matsuoka requested approval to rename the School to the Myron B. Thompson School of Social Work. Various constituencies, including the congressional delegation, legislators, community members, faculty, and the Thompson family, have all expressed their strong support.

Myron, or “Pinky” Thompson was a visionary who was at the heart of the Hawaiian renaissance movement and founded the Polynesian Voyaging Society. His passion was to improve the lives of Native Hawaiians. He was a compassionate man, wise and accepting, lover of music, full of life and conviction, a warrior against social injustice, and never satisfied with the status of Native Hawaiians.

Dean Matsuoka said that the School would be honored and humbled to bear the name of Myron Thompson, and would do their best to represent his legacy, his character, and his noble cause.

Upon motion by Vice Chair Karr and second by Regent de la Peña, the renaming was unanimously approved.

**Approval to Name Space in Bilger Hall as The W.M. Keck Research Lab in Astrochemistry**

Chancellor Hinshaw requested approval to name the master chemistry lab in Bilger Hall to The W.M. Keck Research Lab in Astrochemistry. The Keck Foundation awarded a grant to Dr. Ralf Kaiser, Professor of Chemistry, who will conduct research in astrochemistry in Bilger Hall.

Upon motion by Regent Carlson and second by Regent Hapai, it was unanimously approved to name lab space in Bilger Hall as The W.M. Keck Research Lab in Astrochemistry.

**Approval of Lease Agreement for Rainbowtique at Ward Center**

Chancellor Hinshaw requested approval of the lease agreement, clarifying that the lease will be for five years, and the rent currently is about 10 percent of sales.

In response to Regent Rasmussen’s question, Chancellor Hinshaw said that the profit from the store is deposited into auxiliary services.

Regent Hapai asked how sales at the store is doing right now, given the downturn in the economy and tourism. Chancellor Hinshaw responded that the campus feels that it is a financially sound model to assume.
Upon motion by Vice Chair Karr and second by Regent de la Peña, the lease agreement for Rainbowtique at Ward Center was unanimously approved.

**Approval to Establish the Hon Kau and Alice Lee Endowed Faculty Fellowship in the UH Mānoa Shidler College of Business**

Chancellor Hinshaw explained that Shirley Ann Lee, a UHM graduate, has endowed $125,000, matched by Jay Shidler’s earlier gift, for a total of $250,000, in honor of her parents and as an expression of gratitude to the faculty for the learning experience she had at the Shidler College of Business.

Upon motion by Vice Chair Karr and second by Regent Bender, the establishment of the Hon Kau and Alice Lee Endowed Faculty Fellowship at the Shidler College of Business was unanimously approved.

**Approval of Established Status for the Graduate Certificate in Advanced Women’s Studies, College of Social Sciences, UH Mānoa**

Dr. Peter Quigley, Interim Vice Chancellor for Academic Affairs, requested approval of an established status for this program. This graduate certificate offers an interdisciplinary transnational feminist approach to the study of women and gender issues. The program provides a rigorous and integrated academic experience for students interested in feminist research and teaching, giving them a coherent program of study and contemporary scholarship with a special emphasis on Asia, Pacific, and Hawai‘i.

Upon motion by Regent Hapai and second by Regent Haynes, the change in status for the Graduate Certificate in Advanced Women’s Studies from provisional to established was unanimously approved.

**Review of Hawaii Community College Progress Report to the Accrediting Commission for Community and Junior Colleges (ACCJC)**

Vice Chancellor of Academic Affairs Doug Dykstra presented a detailed progress report to the Board.

The ACCJC made six recommendations based on the College’s accreditation self-study review. A follow-up report is due to the Commission by October 15, 2008.

1. The College should renew its attention to long-term planning and the connection of that planning to the program review and budgeting processes, and to assess the outcomes of its long-term planning document. The College has complied.
2. The College should align its planning program review and learning outcomes with the mission statement, including the mission of West Hawai‘i. The College has complied.

3. The College should implement student learning outcome assessment strategy across the campus. The College has complied.

4. Academic student services and academic support planning should be inclusive of all affected areas and campuses. The College has complied.

5. The College should have updated transition plans for campus development, repair and maintenance issues of both campuses. The College has complied.

6. There should be a memorialization of campus governance practices. The College has complied.

Regent Rasmussen asked if the West Hawai‘i campus will remain part of the Manono campus governance. Chancellor Freitas responded that it will be an independent campus with its own governance, but this may change. In response to another question from Regent Rasmussen, Chancellor Freitas said that there are permanent staff at the West Hawai‘i campus, and a few faculty commute at most once a week from Hilo to Kealakekua.

In response to Regent Haynes’ question, Chancellor Freitas said that there about 500 students at the West Hawai‘i campus.

Upon motion by Vice Chair Karr and second by Regent Carlson, the progress report was unanimously approved.

Quarterly Endowment Fund Performance Report by Third Party Monitor (information only)

Chair Landon recused himself from this item.

Mr. Todd Au of Citi Institutional Consulting provided the quarterly report. He said that the second quarter is moot, given the current financial situation. That quarter saw more volatility in the credit markets. For that quarter, the University’s portfolio did well relative to the benchmark.

In response to Regent Haynes’ question about the effect of Lehman Brothers Chapter 11 filing, Mr. Au said that the portfolio managers at Neuberger Berman, a subsidiary of Lehman Bros., are viewing this as an opportunity to become a stand-alone company. The investments are in custodial accounts at Bank of Hawai‘i.

In answer to Regent Migita’s query, Mr. Au identified risk exposures, the most problematic being the Neuberger portfolio, a balanced portfolio that includes a position in AIG. The dollar amount of this exposure is $37,000, down from a $90,000 face amount. Other exposures are with Merrill Lynch, Morgan Stanley, a Wachovia bond, and a Citigroup bond, for a total of about $450,000 face value.
In response to Regent Haynes’ question, Mr. Au reported that the University has Fannie Mae and Freddie Mac bonds, but at this point, they are considered safe since they have been in receivership of the federal government.

Regent Migita asked Mr. Au’s opinion about the Hawaiian economy going forward. Mr. Au felt that we are going into a recession. Consumer spending will slow and reduction in travel and tourism will affect Hawai‘i.

Chair Landon returned to the meeting.

**Quarterly Financial Statement Report (information only)**

Vice President Todo summarized his report by stating that the University remains on solid financial ground.

**Quarterly Report on Campus Development (information only)**

Associate Vice President Brian Minaai reported on 13 design projects and 6 construction projects.

1. A new classroom building at UH Mānoa: in planning phase; $124 million estimated cost; $7.9 million appropriated; $116 million approved.

2. West Hawaii Campus: in planning and design phase; $32 million estimated cost; $2 million appropriated; $5 million committed by the Hiluhilu Dev. Corporation.

3. System information technology building at Mānoa: in design phase; $61.3 million estimated cost; $5 million appropriated; $56 million in construction and equipment approved in next biennium.

   Vice Chair Karr asked why this building costs less than the classroom building. It was explained that the technology building has less square footage (70,000 vs. 181,000 for the classroom building).

4. UHM’s Campus Center renovation and addition: in design phase; $43 million estimated cost; $43 million appropriated. Project is on schedule and on budget.

5. Regional biocontainment lab in Kaka‘ako: under design fee negotiations; $47.5 million estimated cost; $47.5 million appropriated. What may impact the schedule is a pending $12.5 million cash CIP request before the Governor, which will compete with all other general funds.

6. UHM performing arts building: in design phase; $107 million estimated cost; $2 million appropriated; $5.9 million requested in biennium budget.

7. UH Hilo student services building addition: in design phase; $28.5 million estimated cost; fully funded, on schedule.
8. UH Hilo Hawaiian language building phase one: in design phase; $34 million estimated cost; $2 million appropriated; Board has just approved $32 million in the biennium budget today.

9. Kapi'olani Community College Culinary Institute of the Pacific: in design phase; $20.3 million estimated cost; $3.3 million appropriated, and $5 million Hilton donation; additional funds required is about $17 million.

10. Leeward Community College education and innovation instructional facility: in preliminary design phase; $15.6 million estimated cost; $1.3 million appropriated; $14.3 million in the biennium budget approved today.

11. UHM Biomedical Sciences building expansion: $22.5 million estimated cost; $22.5 million in revenue bonds in biennium budget request.

12. Maui Community College science building: in preliminary design phase; $32 million estimated cost; $28.8 million appropriated, $3.2 million in equipment approved today in the biennium budget.

13. Windward Community College learning resource center: in design phase; $46 million estimated cost; $44 million appropriated; $1.6 million approved today for equipment in the biennium budget.

There are six construction projects:

1. UHM’s Frear Hall, completed August 2008 for $71 million.

2. Kaua'i Community College’s One-Stop Center, phase one, just opened at a cost of $14.3 million.

3. UH Hilo’s Student Life Center, phase one, just opened at a cost of $20.9 million.

4. UHM’s Komohana agricultural complex in Hilo, estimated completion date of January 2009 at a cost of $15 million.

5. Kaua'i Community College’s One-Stop Center, phase two, estimated completion date of fall 2009 at a cost of $8.7 million.

6. UH Hilo’s science and technology building, estimated completion date of spring 2010 at a cost of $28.5 million.

Associate Vice President Minaai reported that there are three pending private/public partnership projects:

1. A cancer research center in Kaka’ako with Townsend Capital.

2. A U.S.-China Center in UH Hilo with Bridgecreek.

3. UH West O‘ahu campus development, with $44 million in GO bonds proceeds and $100 million in anticipated sales proceeds.

The projects total $800 million.
Vice Chair Karr requested that for future reports, the original estimated cost, the final cost, and the increase/decrease be provided for all projects.

Regent Rasmussen asked if construction costs will be decreasing in the future. Associate Vice President Minaai responded that in the last few months, dramatically lower bids have been received; however, the Administration foresees that, with fuel prices and competition for materials increasing, there will be substantial cost increases in the future. In the next two years, UH will focus will be on repair and maintenance.

Approval of Capital Projects Constituting University Projects in the University System to be Financed from the Proceeds of Revenue Bonds

Vice President Todo said that the University has $100 million of revenue bond authorization. We have to issue the bonds and encumber the proceeds by June 30, 2009. A listing of projects has been created, which total $201 million. The Board is being asked to approve this list, which then gives the Administration the authority to request approval from Budget and Finance. Once the approval is given, the Board will be asked to approve a specific bond resolution.

Some of these projects include identifying and acquiring existing apartment facilities complex on O'ahu for conversion to faculty housing. After some discussion, it was agreed to broaden “apartment complex” to “structure with the proper entitlements.”

Other projects involve development of new faculty housing units on O’ahu and acquisition and conversion of apartments in Hilo for student housing.

Regent Hirota asked if the Hilo apartments would affect the U.S.-China Center development. Associate Vice President Minaai responded that since the U.S.-China Center project will take some time to complete, and the short-term solution is to convert apartments. These converted units together with the U.S.-China apartments, will still not meet the student housing demand.

Additional projects for bond financing include student housing renovations at UHM’s Hale Aloha; UH West O’ahu’s Kapolei campus development; Wai’anae education center acquisition; faculty housing refinancing; UHM Biomedical Sciences building expansion; and UH Hilo’s bookstore campus center addition.

In response to Regent Carlson’s question on prioritization, Vice President Todo said that the projects are prioritized, based on the Strategic Plan.

In response to Regent Haynes’ question on faculty housing, it was explained that faculty can live in it up to six years; however, some faculty are allowed to stay longer for retention purposes. Chancellor Hinshaw said that a mortgage assistance program would help faculty relocate to other housing.

Chair Landon observed that all these CIP projects add to about a billion dollars. The University will be asked to justify a billion dollars worth of capital spending projects. We need to understand that these projects entail longer range planning consequences.
In response, Associate Vice President Minaai said that they looked at the workload, which is about $43 million for just repair and maintenance, and felt that the current staff could only handle $25 million. Additional positions are required to sustain that annual capital. They can comfortably handle new construction with existing staff.

Chair Landon commented that several elements must be reconciled, both in the planning and execution: after we build and pay for it, then how do we maintain it. He said that there may also be a need to decommission some of the old facilities, and this is an important part of the Board’s responsibilities.

Vice President Todo concurred with Associate Vice President Minaai that each campus, for each project, is to estimate the operating cost performance.

After some discussion, the Administration requested up to $250 million bond authorization for the identified projects, $100 million to 2013, and $150 million to 2015.

Upon motion by Regent Migita and second by Regent Carlson, the request was approved.

Approval of CIP and R&M Project Contracts for FY 2008-2009

Associate Vice President Brian Minaai requested approval for 4 design contracts totaling $12 million and 8 construction contracts totaling $5 million.

Upon motion by Regent Hirota and second by Regent Haynes, the contracts were unanimously approved.

Approval of Proposals for 2009 Legislature

Associate Vice President Carolyn Tanaka informed the Board that the University has three legislative proposals:

1. To amend the current law to exempt the University from the State Procurement Code and give authority to the Board of Regents to develop internal policies and procedures for the procurement of goods and services.

Regent Hirota expressed his concern that there was transparency in our contractor selection process.

2. To amend current law to increase the Board of Regents authorization of issue revenue bonds not to exceed $200 million and to extend the time period to fiscal year 2013.

This proposal was revised earlier at this meeting to the following: $250 million, $100 million to 2013, and $150 million to 2015.

3. Grant to the University the authority to adopt administrative rules to manage and regulate public and commercial activities on Mauna Kea lands leased from the State. To allow the University to assess and collect administrative
fines. The rules are needed to protect the cultural and natural resources from certain public activities and for health and safety concerns.

President McClain provided background information, saying that in 2005 the University was audited concerning its stewardship of Mauna Kea in accordance with its master plan established in 1999, and found to have performed well, except for one area. The State Auditor cited a lack of rule-making authority. The University responded that it has tried several times to obtain this from the Legislature. The Auditor advised persistence with the Legislature.

In response to Regent Carlson's question as to who is the land manager for Mauna Kea, President McClain said that it is the Mauna Kea Management Office, under the direction of UH Hilo and its Chancellor Rose Tseng.

Upon motion by Vice Chair Karr and second by Regent Haynes, the 2009 legislative proposals were unanimously approved, with the revisions cited for item #2.

**Approval of Amendment to BOR Policy, Chapter 2, Regarding Administration, to Reflect Current Organizational Structure and Practices**

President McClain explained that the amendment reflects the re-titling and establishment of vice president positions approved by the Board in recent year. The amendment also modifies acting president designations. In the President's absence (e.g. out of state or on personal leave), it is proposed that the Vice President for Academic Planning and Policy serve as Acting President; if the VPAPP is not available, then the Vice President for Community Colleges will serve as Acting President. If neither are available, the President has the authority to designate the acting president. Another change clarifies that the President delegates the administration and operation of each campus to its chancellor.

Upon motion by Regent Rasmussen and second by Regent Haynes, the amendments to Chapter 2 were unanimously approved.

*Lunch recess was taken at 12:45 p.m., followed by an executive session. The public session was resumed at 4:00 p.m.*

**Approval of Renewal of Lease Agreement with the Kuakini Medical Center**

Upon motion by Regent de la Peña and second by Regent Hapai, the renewal of the lease agreement was unanimously approved.

**IV. REPORT OF THE PRESIDENT (continuation)**

The President discussed the following:
Announced that the first task order of the Applied Research Laboratory will be to assess the water quality and sediment compositions in the waters of the Waianae ordinance reef bordering the O'ahu to determine the potential effect of discarded World War II munitions, aimed at addressing concerns that the previous 2006 NOAA study missed.

In response to the Governor’s instructions on controlling FY 2009 general fund expenditures for hiring, out-of-state travel, equipment purchases in excess of $10,000, motor vehicle purchases, and certain personal services contracts, President McClain has given Vice Presidents and Chancellors authority to approve mission-critical exceptions, except for themselves and for those positions which report directly to them, which will require the President’s approval. They must report their exceptions to the President weekly; he will review this directive by November 1st or sooner if needed.

The Governor had previously imposed a budget restriction for FY 2009 of approximately $3.9 million, which is based on a calculation that involves the University’s discretionary outlays, which total approximately $100 million.

For FY 2010 and FY 2011 operating budget developments, the Governor has required UH to prepare three scenarios: a $13.5 million reduction, a $22 million reduction, and a $30.5 million reduction.

The Governor encourages use of other funding sources to sustain our services, which would include RTRF, tuition, and a variety of other funds.

The budget instructions encouraged capital renewal and deferred maintenance funding by bonding. In our CIP budget, the Administration has restricted new projects to one per campus.

UCERA, the University Clinical Education and Research Associates, supports the clinical academic and research activities of the faculty of the John A. Burns School of Medicine (JABSOM) and provides clinical training and education to students. It also provides health care to the general public with special attention to the poor and other underserved populations in Hawai’i and the Pacific. Its board is lead by the Dean of JABSOM.

Over the past five years, UCERA has faced changes in the leadership of the UCERA management, the UCERA board of directors, and the medical school dean’s position. Inefficient operations were compounded by staff turnover and underdeveloped financial control mechanisms. Federal and state compliance guidelines regarding research grant oversight have evolved. Guidelines for position compensation and billing processes have changed without concurrent structural and operational changes. In January 2008, a new chief operating officer was hired to implement a more efficient billing and collection process, implement a compliance program and develop a financially viable model and implement fiscal controls for UCERA.

In April 2008, several financial reviews and control processes to strengthen the UCERA financial operation and structure were established.
At the end of June 2008, it is estimated that UCERA had an outstanding liability to JABSOM that was somewhat higher than the $1.5 million reported to the Board of Regents’ Audit Committee in February 2008 for the fiscal year ending June 2007.

At Chair Landon’s request, status reports on the ongoing review of UCERA’s operation will be given to the Board at the October meeting and at subsequent meetings as necessary.

VI. ACCEPTANCE AND APPROVAL OF GIFTS, GRANTS AND CONTRACTS

President McClain reported that, in addition to Attachment A which lists the gifts, grants, and contracts, there is also Attachment A2, a request for an indemnity provision concerning an agreement between the University of Hawai‘i and the International Vaccine Institute (IVI), an international nonprofit agency established by the United Nations and based in South Korea.

The agreement contains a warranty provision representing that UH has the right and authority to grant licenses and rights to the IVI. UH can grant licenses to charitable projects and has the right to sublicense the patent and copyrights resulting from this project. Potential third-party claims could arise from sublicensees of a patent developed during the project.

Because this project is primarily a blood-collection analysis that will result in a statistical report, there is only a remote probability of a third-party claim. The Office of General Counsel considers it extremely unlikely that UH would be required to defend or indemnify the sponsor.

Upon motion by Regent Hirota and second by Regent de la Peña, the gifts, grants and contracts were unanimously approved.

Upon motion by Vice Chair Karr and second by Regent Carlson, the indemnity provision with the International Vaccine Institute was unanimously approved, with reservations by Regent Hapai.

VII. APPROVAL OF APPOINTMENTS, CHANGES IN APPOINTMENTS, LEAVES OF ABSENCE, PROMOTION, TENURE, WAIVER OF MINIMUM QUALIFICATIONS, EMERITUS TITLES, SHORTENING OF PROBATIONARY PERIOD, SALARY ADJUSTMENTS, POSITION ACTIONS, CLASSIFICATION, PRICING

Board Secretary Pang noted that four individuals submitted testimony supporting permanently appointing Karen Lee as the Associate Vice President for Student Affairs.

Upon motion by Regent de la Peña and second by Vice Chair Karr, the personnel actions, including the appointment of Karen Lee were unanimously approved.
VIII. ANNOUNCEMENTS

The next Board meeting will be on October 23, 2008 at Maui Community College.

Chair Landon announced Regent memberships to the various standing committees, task groups, and affiliated organizations. [Board Secretary note: see attached.]

IX. ADJOURNMENT

Upon motion by Regent Bender and second by Regent Carlson, the meeting adjourned by unanimous decision.

Respectfully Submitted,

Presley W. Pang, Esq.
Interim Executive Administrator
and Secretary of the Board
## 2008-2009 BOR Committee Memberships  
as announced on September 19, 2008

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