I. CALL TO ORDER

Chair Allan Landon called the meeting to order at 9:10 a.m. on Wednesday, June 10, 2009, at the University of Hawai‘i Mānoa, Campus Center Ballroom, 2465 Campus Road, Honolulu, HI 96822.

Quorum (12): Chair Allan Landon; Vice Chair Howard Karr; Artemio Baxa; Carl A. Carlson, Jr; Michael Dahilig (delayed); Mark Fukunaga; Chuck Gee; James J.C. Haynes, II; Dennis Hirota, Ph.D.; Eric Martinson; Teena Rasmussen; and Harvey Tajiri.

Excused (3): Ramon de la Peña, Ph.D.; Grant Teichman; and Ronald K. Migita.

Others in attendance: President David McClain, Ph.D.; Vice President for Budget & Finance/Chief Financial Officer Howard Todo; Vice President for Community Colleges John Morton, Ph.D.; Vice President for Research Jim Gaines, Ph.D.; Vice President for Legal Affairs Darolyn Lendio, Esq.; 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 MAY 20, 2009

Upon motion by Regent Karr and second by Regent Rasmussen, the minutes of May 20, 2009 were unanimously approved.

PUBLIC ANNOUNCEMENT

Chair Landon announced that the Board today will consider appointing Dr. M.R.C. Greenwood as University of Hawai‘i President. Her proposed salary will be $475,008, and subject to salary reductions, if any, borne by other University officers. He noted that a salary range of $450,000 to $550,000 was initially established before the presidential search began, and the range was disclosed in the Board’s public meeting in December 2008. Dr. Greenwood’s start date will be no later than August 24, 2009. Chair Landon then invited public comment on the proposed appointment and compensation.
III. PUBLIC COMMENT PERIOD

Board Secretary Presley Pang reported that he had forwarded to each Regent about three dozen email testimonies on the presidential selection the Board office received in the past week.

The following persons presented oral testimonies:

David Ross, UHM faculty and chair of the Executive Committee of UH Mānoa’s Faculty Senate, thanked the Board for having the most open presidential search in several years. The Faculty Senate also thanked the Board for having faculty members on the Selection Committee. Dr. Ross said that the Selection Committee consulted with the faculty throughout the process and kept the faculty apprised of its progress.

Dr. Ross said that the Senate Executive Committee believes that the Selection Committee could not have come up with a better candidate than Dr. Greenwood. The Faculty Senate encourages the Board to negotiate with Dr. Greenwood, and not to delay the search and appoint an interim president.

Doodie Downs of Hawai‘i Community College said she was very disappointed with the selection process because one candidate is not a choice. In addition, Dr. Greenwood has a controversial background.

Ms. Downs also questioned whether it is appropriate for two members of the Search Committee to campaign for candidate Greenwood.

Ms. Downs said that at this critical economic times, the University needs someone who can work with the Legislature for funding, and this requires a president with local savvy who is familiar with the legislative process.

Regent Rasmussen noted that Search Committee members did not send emails regarding Dr. Greenwood prior to candidate Dr. Robert Jones’ withdrawal.

Ms. Downs responded that in her view the Selection Committee should present the best qualified candidates for the Board to select. It should not be campaigning for a candidate.

Lilikala Kame‘eleihiwa, UH Mānoa faculty, read testimonies by Leilani Basham and Noe Noe Wong-Wilson (copies on file at the Board office). Ms. Basham, professor at UH West O‘ahu and representing that campus’ Native Hawaiian Council, expressed the Council’s concern over having just one final candidate. She wrote that it was clear that Dr. Greenwood, in speaking with Native Hawaiians on campuses, did not have any experience with indigenous peoples, and in particular, with Native Hawaiians.

Ms. Noe Noe Wong-Wilson, writing on behalf of Puko‘a Council, said that the Council thanks President McClain and his senior administration for working openly and
honestly with the Council, meeting monthly to discuss issues affecting Native Hawaiians.

The Puko'a Council strongly urges the Board to delay selecting a president and instead appoint an interim president from within the senior ranks to carry the University through these rough times. Puko'a Council also wrote that “Whoever is chosen, we at Puko’a will work openly and honestly with the new person-in-charge. We are optimistic that the new designee will also be willing to continue the great relationship that we have developed over time with the office of the President.”

Dr. Kame’elehiwa said that the University is currently in a fiscal crisis and right now needs a president who understands local politics. She strongly recommends an interim president.

Ms. Maile Sing, representing UH Hilo’s Hanakahi Advisory Council, said that the Council recommends an interim president and a larger pool of final candidates.

Dr. J.N. Musto, Executive Director of the University of Hawai‘i Professional Assembly, addressed the Board regarding the appointment of Mr. Michael Rota as Chancellor of Honolulu Community College. Dr. Musto said that although Mr. Rota is the best person for the chancellorship, he questioned the selection process, because Mr. Rota was not an applicant for the position. He encouraged the Board to appoint Mr. Rota as Chancellor, but to then look at the process of how Mr. Rota’s name emerged as appointee. Dr. Musto noted that the objective is to produce the best candidate, and in this case, it has produced, in his opinion, the best person for the position.

Mr. Hoku Akiu of Honolulu Community College expressed the concerns of the administrative staff over the selection of Dr. Greenwood. He said that because he and many staff lack the academic credentials of faculty and administrators, they feel intimidated and rarely speak out. But for this important selection, their voice should be heard.

Regent Baxa assured Mr. Akiu that his work is important, and that Mr. Akiu should not feel that his lack of credentials makes his views any less important.

Ms. Beuna Oates, of the Toastmaster East-West Center, expressed her concern over Dr. Greenwood’s conflict of interest at her previous position.

Ms. Liana Hofschneider, UH student, expressed her personal support for the appointment of Dr. Greenwood as president. Ms. Hofschneider also voiced her dissatisfaction with the selection process for the chancellorship of Honolulu Community College.
IV. REPORT OF THE PRESIDENT

President McClain announced that recent year-over-year comparisons of student registrations for the fall semester suggest that enrollment on the 10 UH campuses will surge more than 15% next fall, with the community colleges’ enrollment potentially up nearly 30%. Last fall’s enrollment at some 53,500 students was 6% above the preceding fall, and an all-time record; next fall’s enrollment could easily top 60,000 students.

The President noted that the Governor recently signed, as Act 94 of the 2009 Legislature, the bill granting the University an additional $100 million in special purpose revenue bonding authority.

The President reported that he had been advised by the Senate President’s office that Kathy Matayoshi has been designated for a four-year term on the Regents Candidate Advisory Council, starting July 1, 2009.

The President stated that the Mauna Kea Management Board is near the completion of the revision of its by-laws to allow for the inclusion of two members of the Board of Regents as ex-officio nonvoting members of MKMB. Regents Hirota and Martinson have been designated by Chair Landon for these two seats.

The President reported on the status of the University’s response to the Governor’s announcement on June 1 of three-day-per-month furloughs for most state workers and an equivalent restriction in the general funds budget for UH, the DOE and the Hawai‘i Health Systems Corporation. UH has not received formal notification of the amount of the reduction from the Governor’s office or the Department of Budget and Finance, but estimates the magnitude to be in the $50 million per year range for each of the next two fiscal years, FY 10 and FY 11.

This restriction comes in addition to a $46 million per year reduction in the University’s general funds budget approved by the 2009 Legislature, which is to be offset by an infusion of $22 million per year in Federal stimulus (ARRA) funds, for a net reduction of $24 million per year.

Thus taking the Governor’s restriction and the Legislature’s action together, UH expects to have a general funds budget in FY10 and FY11 some $75 million less than current levels. The UH general funds budget is about $725 million, including pass-throughs of fringe benefits and interest payments on debt; net of these amounts the general funds budget is about $460 million.

The President reported that he has consulted with a number of groups within and external to the University to discuss the University’s response to these budget reductions: the University Community Partnership, the Council of Chancellors, leaders from the Student Caucus, the All-Campus Council of Faculty Senate Chairs and the
Puko’a Council, as well as the UH System leadership team. The President affirmed that administrative salary reductions will be part of the University’s response.

    UH is monitoring the situation at the state level, and expects the furlough initiative to be challenged by several unions; the outcome of that challenge will indicate whether furloughs are an option for UH. Other options include increased efficiency of operations (including energy efficiency), reduced salaries for administrators, use of reserve funds, and programmatic adjustments. Meanwhile, collective bargaining discussions continue; the contract with the faculty union runs through June 30.

    President McClain indicated he will continue to communicate with the University community as the UH response to the Governor’s budget restrictions takes shape.

    Regent Rasmussen inquired about the magnitude of expected tuition revenues in FY10 and FY11. President McClain replied that FY10 revenues were expected to increase about $20 million above current levels, and FY11 revenues about $40 million above FY09 levels. A substantial fraction of anticipated FY10 increases have already been allocated to addressing the general funds reductions imposed by the Legislature, and to staffing the increased courses that the enrollment surge will require.

    Regent Gee inquired about how UH will deal with such a large surge in enrollment at the community colleges. Vice President Morton replied that the Federal stimulus funds were an important part of UH’s strategy to meet this challenge.

    **Executive Session**

    At 10:20 a.m., upon motion by Regent Haynes and second by Regent Tajiri, the Board unanimously approved moving to an executive session pursuant to HRS §92-5(a)(2), (3), and (4) to discuss the evaluation and appointment of specific presidential candidates; to consider legal and real estate matters; and to consider the authority of persons designated by the Board to conduct labor negotiations and the conduct of such negotiations.

    **Public Session**

    At 12:45 p.m. the Board returned to public session in the Campus Center Ballroom.
VI. PERSONNEL ACTIONS LISTED IN ATTACHMENT B

Upon motion by Regent Dahilig and second by Regent Gee, the Board unanimously approved the following personnel actions:

Douglas Dykstra  
Chancellor of Windward Community College  
July 1, 2009 – June 30, 2011 at a salary of $12,084 per month

Michael Rota  
Chancellor of Honolulu Community College  
July 1, 2009 – June 30, 2011 at a salary of $14,800 per month

V. ITEMS FOR BOARD ACTION

Appointment of University President

Regent Haynes moved to appoint Dr. M. R. C. Greenwood as the President of the University of Hawai‘i System. The terms and conditions of her appointment will be consistent with the terms outlined during executive session and subject to final mutual agreement on other matters as will be set forth in a formal appointment contract. Regent Carlson seconded the motion. Upon affirmative vote by Regents Baxa, Carlson, Dahilig, Fukunaga, Gee, Haynes, Hirota, Karr, Landon, Martinson, Rasmussen, and Tajiri, the Board unanimously approved the appointment of Dr. Greenwood as the President of the University of Hawai‘i.

President McClain read the following congratulatory message: “Dr. M.R.C. Greenwood is a brilliant, internationally recognized scholar and a proven and transformational academic leader. Her experience will be invaluable in guiding our university and our State through today’s economic challenges and in positioning UH for growth and greatness in the first decade of our second century.

I congratulate her on her selection by the Board of Regents as the 14th President of the University of Hawai‘i, welcome her to the UH ‘ohana, and pledge my full support and that of my leadership team to insure a smooth transition.”
EXECUTIVE SESSION

At 12:55 p.m., upon motion by Regent Gee and second by Regent Martinson, the Board unanimously approved to return to executive session to discuss personnel matters, real estate development negotiations, and collective bargaining negotiations, and to discuss various other matters with University Counsel. [Regent Fukunaga was excused.]

RETURN TO PUBLIC SESSION AND ADJOURNMENT

At 2:00 p.m., the Board convened in public session.

There being no further business, upon unanimous consent, the Board adjourned.

Respectfully Submitted,

Presley W. Pang, Esq.
Interim Executive Administrator
and Secretary of the Board