

**MINUTES**  
**BOARD OF REGENTS MEETING**  
**JULY 19, 2018**

**I. CALL TO ORDER**

Chair Jan Sullivan called the meeting to order at 9:32 a.m. on Thursday, July 19, 2018, at University of Hawai'i at Mānoa, Information Technology Building, 1st Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai'i 96822.

Quorum (14): Chair Jan Sullivan; Vice Chair Ben Kudo; Vice Chair Randy Moore; Regent Simeon Acoba; Regent Eugene Bal; Regent Brandon Marc Higa; Regent Wayne Higaki; Regent Michael McEnerney; Regent Jeffrey Portnoy; Regent Lee Putnam; Regent Douglas Shinsato; Regent Michelle Tagorda; Regent Ernest Wilson Jr.; and Regent Stanford Yuen.

Others in attendance: President/Interim UH-Mānoa (UHM) Chancellor David Lassner; Vice President for Administration Jan Gouveia; Vice President for Community Colleges John Morton; Vice President for Legal Affairs/University General Counsel Carrie Okinaga; Vice President for Academic Planning & Policy Donald Straney; Vice President for Information Technology/Chief Information Officer Garret Yoshimi; Vice President for Budget & Finance/Chief Financial Officer Kalbert Young; Interim UH-Hilo (UHH) Chancellor Marcia Sakai; UH-West O'ahu (UHWO) Chancellor Maenette Benham; Windward Community College (WinCC) Chancellor Douglas Dykstra; Executive Administrator and Secretary of the Board of Regents Kendra Oishi; and others as noted.

**II. WELCOME REAPPOINTED REGENTS BAL AND MOORE**

Chair Sullivan recognized Regents Eugene Bal (Maui County) and Randy Moore (At-Large) who were reappointed to five-year terms and thanked them for agreeing to another five years of service.

Chair Sullivan indicated that public comment would be taken up before elections. There were no objections.

**IV. PUBLIC COMMENT PERIOD**

Executive Administrator and Secretary of the Board (Board Secretary) Kendra Oishi announced that the Board Office received written testimony from Tabitha Carreira, Eleanore Chuang, and Bjarne Bartlett offering comments related to parking at the Kaka'ako campus.

Board Vice Chair Kudo and Regent McEnerney arrived at 9:34 a.m.

The following provided oral testimony:

1. Eleanore Chuang provided oral testimony summarizing her written testimony in support of the parking rate increase for Lot B in Kaka'ako, and encouraging the board to continue working on this issue until an appropriate solution to the longer-term problem of parking availability at Kaka'ako is addressed.
2. Bjarne Bartlett, UHM graduate student, provided oral testimony summarizing his written testimony encouraging the board to consider a shuttle service between UHM and Kaka'ako as a possible solution to alleviate the demand for parking.

Chair Sullivan expressed her gratitude to the board for allowing her the opportunity to serve as Chairperson for the past two years. It was a challenging, worthwhile, and memorable period of time during which her father passed away and he was the person who always told her that there was nothing more important to the State of Hawai'i and our future than the university. Regent Barry Mizuno, a friend and colleague who advised her in her role as Chairperson, also passed away during her tenure.

Chair Sullivan indicated her personal goals as chair were to provide for free discussion and opinions during meetings, to respect a diversity of opinions from the members and the public, to be very thoughtful in working with external constituencies on controversial and difficult matters, to leave the next chair and board with a well-functioning board office, and to maintain a respectful working relationship with the president and administration but still retaining the independence that is critical for a healthy governing board. She expressed appreciation for all the support she received from former Board Chair Moore.

She reminded the board of the amount of unfinished business and unresolved issues. A lot of time was spent on two issues she did not anticipate but the president felt were the most impactful and important to the future of the university and state: Maunakea and the UH Foundation (UHF).

Maunakea is a long-term issue with many moving pieces, the most visible of which is the ongoing litigation. The board, administration, and the next chair will have to contend with issues including the Environmental Impact Statement (EIS) process, parameters for a new lease, the Administrative Rules process, public hearings, a financial audit, potential legislation to change Maunakea's governance, and a discussion on the organizational and management structure for Maunakea. It will be critical to maintain collaboration and dialog with external constituencies, including: the Maunakea Management Board (MKMB), the Thirty Meter Telescope International Observatory (TIO), key legislators, the Office of Hawaiian Affairs (OHA), Mayor Harry Kim, the County of Hawai'i, the Department of Land and Natural Resources (DLNR), the Governor's office, and many others. Chair Sullivan expressed her hope that the board and administration will continue along the path that has begun.

Given the university's budgetary constraints, private donations have become more critical. Board leadership worked very hard to get the UHF board in sync with the university on goals. A lot of time was spent envisioning a new relationship between UH and UHF. The ongoing unfinished efforts include: selecting a new CEO for the UHF,

establishing parameters of a new agreement with UHF, and working with the UHF board on a new model for real estate development, starting with the Atherton property.

Chair Sullivan expressed her trust in the board's ability to come together and maintain the collegiality and shared goals that have been established in recent years.

### **III. ELECTION OF OFFICERS**

Chair Sullivan explained that there will be three votes, one for the chair, one for the 1<sup>st</sup> vice chair, and one for the 2<sup>nd</sup> vice chair. Nominations will be taken, no second is required, and voting will be done by ballots as required in the bylaws if there is more than one candidate. She called for nominations for the board chairperson position. Regent Yuen nominated Regent Ben Kudo as Chairperson of the Board of Regents. Board Vice Chair Moore nominated Regent Lee Putnam as Chairperson of the Board of Regents. Having no other nominations, the nominations were closed.

Chair Sullivan requested that Board Secretary Oishi distribute the ballots. Chair Sullivan explained that per statutory requirements, the board chair serves until the adjournment of the first meeting of the board held after June 30 of the next year. She will chair this meeting and the new chair will take over at the next meeting.

Board Secretary Oishi and Executive Assistant to the Board Melissa Matsuura distributed and collected the ballots.

VP Okinaga and Board Secretary Oishi tallied the votes. Chair Sullivan explained that a candidate must have a majority vote of eight to be elected. For the Chairperson of the Board of Regents, 14 votes were cast and Regent Putnam received eight votes; Regent Kudo received six votes. Regent Putnam was elected Chairperson of the Board of Regents for the 2018-2019 academic year.

Board Vice Chair Moore explained that he will be conducting the elections for the 1<sup>st</sup> and 2<sup>nd</sup> Vice Chairpersons of the Board of Regents since he is not seeking a leadership position. The bylaws provide for either one or two vice chairs. Chair Sullivan had asked Board Vice Chair Moore and Regent Yuen to poll regents for their interest in serving in a leadership position for the 2018-2019 academic year; whether they had any suggestions on candidates; whether there should be one or two vice chairpersons; and if one of the two vice chairpersons should be from the neighbor islands. Board Vice Chair Moore indicated that regents were unanimous that there should be two vice chairpersons, two regents thought one of the vice chairpersons should be from the neighbor islands but the other regents felt it was good practice but should not be required. Board Vice Chair Moore moved that two vice chairs be selected for the 2018-2019 academic year, Regent Portnoy seconded the motion, and the motion carried unanimously.

Board Vice Chair Moore indicated that the votes for the two vice chairpersons will take place separately. He called for nominations for the 1<sup>st</sup> Vice Chairperson of the Board of Regents. He explained that if someone does not get elected as 1<sup>st</sup> vice chairperson, then they can be nominated for the 2<sup>nd</sup> vice chairperson. Regent McEnerney nominated Regent Portnoy to serve as 1<sup>st</sup> Vice Chairperson of the Board of

Regents. Board Vice Chair Moore nominated Regent Sullivan to serve as 1<sup>st</sup> Vice Chairperson of the Board of Regents. Board Vice Chair Kudo nominated Regent Higaki to serve as 1<sup>st</sup> Vice Chairperson of the Board of Regents. Regent Higaki respectfully declined the nomination for the 1<sup>st</sup> Vice Chairperson of the Board of Regents and indicated his interest in the 2<sup>nd</sup> Vice Chairperson of the Board of Regents. Having no further nominations, the nominations were closed.

Board Vice Chair Moore requested that Board Secretary Oishi distribute the ballots. Board Secretary Oishi and Executive Assistant Matsuura distributed and collected the ballots. VP Okinaga and Board Secretary Oishi tallied the votes.

Board Vice Chair Moore reported as follows: For the 1<sup>st</sup> Vice Chairperson of the Board of Regents, 14 votes were cast. The number of votes necessary to be elected to office is eight. Regent Portnoy and Regent Sullivan each received seven votes. Board Vice Chair Moore indicated that because the vote was tied, a second vote will be conducted.

Board Vice Chair Moore requested that Board Secretary Oishi distribute the ballots. Board Secretary Oishi and Executive Assistant Matsuura distributed and collected the ballots. VP Okinaga and Board Secretary Oishi tallied the votes.

Board Vice Chair Moore reported as follows: For the 1<sup>st</sup> Vice Chairperson of the Board of Regents, 14 votes were cast. The number of votes necessary to be elected to office is eight. Regent Portnoy received eight votes; Regent Sullivan received six votes. Regent Portnoy was elected as the 1<sup>st</sup> Vice Chairperson of the Board of Regents for the 2018-2019 academic year.

Board Vice Chair Moore called for nominations for the 2<sup>nd</sup> Vice Chairperson of the Board of Regents. Regent Yuen nominated Regent Higaki as 2<sup>nd</sup> Vice Chairperson of the Board of Regents. Board Vice Chair Moore nominated Regent Sullivan as 2<sup>nd</sup> Vice Chairperson of the Board of Regents. Having no further nominations, the nominations were closed.

Board Vice Chair Moore requested that Board Secretary Oishi distribute the ballots. Board Secretary Oishi and Executive Assistant Matsuura distributed and collected the ballots. VP Okinaga and Board Secretary Oishi tallied the votes.

Board Vice Chair Moore reported as follows: For the 2<sup>nd</sup> Vice Chairperson of the Board of Regents, 14 votes were cast. The number of votes necessary to be elected to office is eight. Regent Higaki received nine votes; Regent Sullivan received four votes; and one ballot was blank. Regent Higaki was elected as the 2<sup>nd</sup> Vice Chairperson of the Board of Regents for the 2018-2019 academic year.

On behalf of Regent Yuen and himself, Board Vice Chair Moore expressed appreciation to all the regents for the assistance they provided during the polling for interest in leadership position process. Chair Sullivan thanked everyone and congratulated the new slate of officers.

## **V. REPORT OF THE PRESIDENT**

President Lassner provided a report highlighting the following:

- Congratulated the newly elected Board of Regents' leadership.
- A celebration was held on July 14 for the renewal of the National Cancer Institute designation for the UH Cancer Center. The event was attended by key supporters, policy makers, and donors, and research presentations and celebratory speeches were shared.
- The search is actively underway for a new UHF President and CEO. A search firm is being utilized and weekly calls are occurring with UHF Board Chair and the search firm to review prospects. They remain optimistic and positive that a candidate will be identified who can join UHF and take UH to the next level in philanthropy by the end of the year. A new agreement between UH and UHF is also being drafted. The agreement will be more of a partnership relationship rather than current "vendor" relationship agreement.

#### Hawai'i Graduation Initiative (HGI)

- A total of 23 incoming medical students at the John A. Burns School of Medicine (JABSOM) received full-tuition, 4-year scholarships totaling \$3.66 million from various community partners including The Weinman Foundation, Hawai'i Pacific Health, and The Queen's Health Systems. The 23 students represent approximately 1/3 of the incoming Class of 2022 and all are committed to practicing in Hawai'i. The scholarships allowed JABSOM to compete for some of the best and brightest local students, many of whom had offers from other medical schools.

#### Hawai'i Innovation Initiative (HII)

- Research revenue is up this year, which reverses a few years of decline, full details will be provided at a future Research & Innovation Committee meeting. The extramural enterprise employs over 10,000 individuals in Hawai'i.
- The W.M. Keck Foundation (Keck) recently awarded UH \$1 million for a microbiome research project, which is a new and important research area in which UH has built capacity and strength. This is the second major award UH received from Keck in this past year. Keck is noted for recognizing cutting edge, high risk, high reward science that often cannot be funded by federal agencies which tend to be more risk averse. This new project will allow UH to establish a microbiome observatory in Waimea Valley that looks at the entire watershed or ahupua'a. A project of this sort has never been done before anywhere, and it should provide insights into understanding the microbes in ecological systems and be able to create predictive models and a theoretical framework. Dr. Margaret McFall-Ngai is the lead on the project, and will be working with and mentoring an interdisciplinary team made up of some of the best young scholars from multiple departments. This kind of project establishes the foundations for a more impactful and productive research enterprise.

- A recent research study came out last week that looked at the impact of climate change on rat lungworms.
- The Honolulu Climate Change Commission issued recommendations on sea-level rise guidance and climate change. Three of the five commission members are UHM faculty, including the chair and vice chair of the commission. This is an example of how UH is impacting policy based on its own research.
- UH's Asteroid Terrestrial-Impact Last Alert System (ATLAS) telescopes on Maui and Mauna Loa identified a small incoming space rock approximately 5 hours before it entered the earth's atmosphere. The advance warning and prediction of impact would have allowed for timely evacuation in a situation where a larger object may pose a danger to human life upon impact.

#### High Performance Mission-Driven System (HPMS)

- Scientists at UHH and UHM continue to help with the Kīlauea eruption response. Even though school is not in session, Hawai'i Community College culinary and agriculture students and faculty are actively engaged in feeding evacuees. Produce is being grown and harvested at the Pana'ewa site in East Hawai'i, which is being used several times a week to prepare multiple meals to feed as many as 300 people in coordination with The Salvation Army.
- The Small Business Regulatory Review Board unanimously approved UH moving forward with public hearings on the Maunakea administrative rules and provided feedback which is being taken into consideration. On July 10, the Governor gave his approval for UH to proceed with public hearings on the rules. Minor revisions were also made to the rules in response to the new law enacted that makes all UH premises non-smoking. Two public hearings are required by law, but UH will be holding four public hearings in September including two on Hawai'i Island and one each on O'ahu and Maui. Regents Acoba and Portnoy volunteered to serve as hearings officers, with Regents Moore and Kudo agreeing to serve as back-up hearings officers.

President Lassner concluded his report by recognizing Jenny Son, a janitor at the UHM Queen Lili'uokalani Center for Student Services Building, who was honored with the 2018 UH President's Award for Excellence in Building and Grounds Maintenance.

## **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**

Regent Portnoy moved to approve the consent agenda, seconded by Board Vice Chair Moore, and the motion carried unanimously.

## **B. For Information and/or Discussion**

### **1. Board Self-Assessment**

Chair Sullivan noted that the regents had received three handouts: the 2018 Board Self-Assessment Survey Results; the 2017 Board Self-Assessment SurveyMonkey Results; and an unofficial compilation of the 2017-2018 Board and Committee Activities. She asked whether the regents were happy with the process and noted that last year there was discussion about the need for more clarity in the bylaws about the assessment process which has been conducted differently over the years. There have been comments that the board focuses too much on transactional matters and not enough on strategic issues, which has been very hard to change for a variety of reasons. It has also been challenging to make better use of the board's annual strategic meeting.

Approximately five years ago, the board formed the Advisory Task Group on Operational and Financial Controls Improvement (ATG) to consider utilizing a third party to review how administration was organized and how administration and the board could function better. The ATG utilized local consultants who conferred with the Association of Governing Boards of Universities and Colleges (AGB) for input. The ATG issued a report with recommendations to the board that were subsequently implemented over the years. One recommendation resulted in the formation of the VP for Administration position, which did not exist prior to the ATG report and resulted in a reorganization of the system. Another recommendation was to utilize committees more effectively because prior to that time committees were not very active. She expressed her personal opinion that the board could do more and it was a good time to evaluate what the board is doing and how it can improve.

Chair Sullivan requested that the board consider allocating a small portion of the budget to retaining a third party consultant to review the functionality of the organizational structure established through the ATG report and the offices of the vice presidents, how well the board and committees are operating, and make recommendations for improvement. She noted that it would be helpful to have a disinterested third party review best practices at other universities and provide the board with some context as to how the university and board are doing.

Comments were raised regarding support of retaining a third party consultant, the difficulty of self-evaluation and the benefits of an independent review, and that it may be useful to seek input from a local consultant who understands the local culture and politics.

There was general consensus regarding retaining a third party consultant and consideration on a future board or Committee on Personnel Affairs and Board Governance agenda.

### **2. Report of the Permitted Interaction Group (PIG) for UH-UH Foundation Relationship (information only)**

Board Vice Chair Moore explained that this report shares the findings and recommendations of the UH-UHF Relationship PIG and as required in under Section 92-2.5(b), Hawai'i Revised Statutes (HRS), deliberation and decision-making regarding the report and dissolution of the PIG will take place at the August board meeting.

### **3. Update on UH – West O'ahu Mauka Lands**

VP Gouveia provided an update on UHWO Mauka lands that included the history of the UHWO Mauka Land Plan approved by the Board on September 25, 2014, and a map of the lands. The land comprises approximately 990 acres, of which approximately 700 acres may potentially be used for a solar PV farm initiative, and approximately 200 acres may potentially be used for system and campus sustainability/agricultural program initiatives.

VP Gouveia provided the status of the Hawaiian Electric Company (HECO) request for proposals (RFP) for a utility-scale solar PV project. Six developers expressed interest in the RFP. UH was informed that only two developers remain, with both making the short-list for the HECO. Administration anticipates being contacted by both developers to renegotiate some of the initial terms and will provide any additional information to the board when it becomes available.

Questions and comments were raised regarding why other developers did not pursue the RFP. VP Gouveia explained that she did not have any information on why the other developers chose not to pursue the RFP, but one possible explanation is that the slope of the land is not ideal for certain types of panels. The condition of the soil is unknown, which created uncertainty on whether the panels could be drilled into the ground. The short timeframe to turn in proposals to HECO may have also been a factor.

Questions and comments were also raised regarding land classification, the slope of the land, and the rationale for choosing the parcel near the freeway. The land classification is a combination of A through D, and the project could not be built on A classified lands. The bulk of the layout of the project has a slope of 15%, which is within the threshold for being economically viable. VP Gouveia indicated that the university issues RFPs as a matter of best practice even though it is not required by law. The selected parcel was one of the more prime parcels because it was flatter and more accessible than other more hilly parcels, which is why it was chosen as the site for the project.

A suggestion was made that administration contact the National Park Service (NPS) regarding access to the area. Primary access to the parcel is undetermined at this point, but there is an existing dirt road nearby that leads to the area that has been designated for the Honouliuli National Monument. Administration has worked with the NPS, but NPS has not yet informed the university regarding the final layout for ingress/egress to the monument.

Questions and comments were raised regarding provisions would encourage PV developers to come up with creative ideas that benefit the university and HECO. The



PV developer will be responsible for all costs for development, access, and removal. This is purely a land transaction for UH. The developer will be responsible for the technology that feeds HECO's grid, which will help HECO meet their energy requirements. Administration is regularly evaluating the current technologies available and hope to be able to put out our own RFP or partner with HECO through a green tariff program to add more PV on the Mauka or Makai properties at West O'ahu and will definitely be looking at generation, storage, and transmission technologies.

UH System Sustainability Coordinator Matt Lynch provided an overview of the UHWO Mauka Lands Invitation to Submit Proposals (ISP) and examples of potential projects. UH is looking for the appropriate partner to develop a social enterprise on the Class A agricultural lands that would function as its own independent entity, but one that is designed to be integrated with and supportive of the UHWO campus efforts. A social enterprise is defined as an organization that applies commercial strategies to maximize improvements in financial, social, and environmental well-being, which covers the core elements of sustainability. Kahumana Organic Farm & Café Community and MA 'O Organic Farms are examples of local social enterprises.

Questions and comments were raised regarding the envisioned process and timeframe for making use of the lands, and whether administration considered developing its own long-range plan for the land. VP Gouveia responded that an ISP has been drafted, which is expected to be released within the next month, developers will have six months to submit proposals, and administration has allotted three months to vet proposals and identify a developer. The university will have to negotiate and enter into a long-term agreement with a developer, which hopefully can be brought to the board for review and approval within the next year.

From a land use perspective, the land is classified as Class A agricultural lands which are intended for agricultural use only. While the intent is for a developer to operate independently, the plan will integrate things that are important to the university such as workforce development, internships, and business innovation initiatives. President Lassner indicated that UH has never operated a farm before and did not want to undertake such an endeavor given the substantial financial risks associated with being a farmer in Hawai'i. Under the proposed arrangement, the developer's resources will be at risk instead of the university's financial resources. The goal is to have increased agriculture on O'ahu that supports the university's academic programs and students with financial benefit to the university and without financial risk.

### **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**

VP Gouveia explained that a status update was provided to the Committee on Planning and Facilities at its May meeting on the parking situation at JABSOM and Cancer Center, which included a chronology of Kaka'ako development, information regarding the Parking Lot C agreement that expires August 31, 2018, and three parking options. She gave a presentation on the rate structure that was negotiated with HCDA for fiscal years 2019 to 2023, which goes into effect on September 1, 2018, and the

recommended Kaka'ako monthly parking rates for Lots A and B. This will establish a separate rate structure for parking at Kaka'ako to match the HCDA Lot C rates for employees. Students that park in Lots A and B will not be impacted by the rate increase, but students are most likely to park in Lot C. The moped and motorcycle rate is being adjusted accordingly.

VP Gouveia also provided a near-term outlook for Kaka'ako parking that included bringing a proposal to the board in Fall 2018 for a UHM campus parking rate increase that, if approved, would go into effect in Fall 2019. The possibility of developing a longer-term parking solution for Kaka'ako parking on neighboring parcels was also discussed. JABSOM has been working with neighboring lot-owners in the area regarding partnering on a solution. The existing site that UH owns does not offer any solution, and building a parking facility is cost-prohibitive at an approximate cost of \$50,000 to \$60,000 per stall.

Questions were raised regarding the number of students who will likely park in Lots A and B. JABSOM Dean Jerris Hedges indicated that most student parking will be in Lot C, with approximately 75 stalls anticipated to be set aside for students. The increased rates for Lots A and B will be utilized to subsidize Lot C parking for students.

Discussion occurred as to whether board policy should be revisited to consider delegation of authority for parking rates. President Lassner explained that parking rates used to be in the Hawai'i Administrative Rules and that process is a much more time consuming than board policy amendments. This is the first time since moving parking rates into board policy that the board has dealt with approving parking rates, and it is something that the board could consider delegating.

Additional comments acknowledged administration for its time and effort on this issue and that HCDA was thoughtful in taking student needs into consideration at its public hearing.

Regent Yuen moved to approve the new Kaka'ako Parking Rate Schedule, seconded by Regent Wilson, and the motion carried unanimously.

**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**

JABSOM Dean Hedges explained that this particular endowed professorship for cardiovascular research was established approximately eight years ago and at that time, Mrs. Minnie Kosasa directed that this endowed professorship be anonymously established. Mrs. Kosasa passed in spring of this year, and her family offered their support for naming this directorship in honor of Mrs. Kosasa.

Regent Wilson moved to approve the establishment of the Kosasa Family Endowed Director of the Center for Cardiovascular Research at JABSOM, seconded by Board Vice Chair Moore, and the motion carried unanimously.

The board noted its appreciation to the Kosasa family for their considerable generosity to JABSOM through the years.

**3. Final Report and Dissolution of the Permitted Interaction Group for Board Participation in the Community College Accreditation Institutional Self-Evaluation Report**

Board Vice Chair Moore requested the approval of the dissolution of the PIG for Board Participation in the Community College Accreditation Institutional Self-Evaluation Report (ISER) that was formed on February 23, 2017, with the charge to meet with affected community colleges as well as the accreditation team in conformance with accreditation requirements. The members of the PIG were Board Vice Chair Moore; Regent Wilson (Maui Island); Regent Higaki (Hawai'i Island); the Kaua'i Island regent; Regent Acoba; and Regent Putnam (Chair of the Committee on Academic & Student Affairs). He explained that the PIG met two times and determined that the board met the 13 accreditation standards for the Accrediting Commission for Community & Junior Colleges.

Board Vice Chair Moore moved to approve the final report and dissolution of the PIG for Board Participation in the Community College Accreditation ISER, seconded by Regent Putnam, and the motion carried unanimously.

**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)**

Changes to the bylaws are being proposed to establish a Subcommittee on Investments for purposes of demonstrating progress towards best practices regarding fiduciary oversight. Other amendments are being recommended for purposes of consistency and streamlining and to remove the requirement that the Committee on Academic & Student Affairs include regents from the four major islands, which has been problematic due to vacancies in some of the neighbor island regent seats. It was noted that there is no accreditation requirement to have representation from the four major islands.

The board discussed removing the requirement for the Committee on Academic & Student Affairs to have regents from all four islands. Regent Acoba moved that the amendment to delete the requirement that the Committee on Academic & Student Affairs include regents from all the four major islands be deleted. There was no second and the motion failed. Regent Putnam moved to change it to be "desirable" to have representation from the four major islands rather than required. Board Vice Chair Moore seconded the motion. Regent Acoba indicated he would vote against it because academic and student affairs is a primary function of the university and it would be helpful to have one regent from each county given there are major institutions on the other islands that have specific circumstances that need to be addressed.

Regent Portnoy commented that bylaws should not be aspirational because it will interfere with the operation of the board. Regent Bal reminded everyone that this

requirement for neighbor island regents to be on the Committee on Academic & Student Affairs was derived from the dissolution of the Committee on Community Colleges, which was integrated into the Committee on Academic & Student Affairs. Regent Putnam withdrew her motion and Board Vice Chair Moore withdrew his second.

Regent Putnam moved to approve the following amendments to the bylaws, seconded by Regent Acoba, and the motion carried unanimously:

- Page 2: delete an obsolete item from the Table of Contents.
- 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 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.

Regent Acoba moved to reject the proposal to remove the requirements for regents from four islands. Chair Sullivan ruled that there was no need for a motion, since no motion was made to adopt the proposal to remove the requirement for four neighbor island representatives.

Discussion continued on the subject of a Subcommittee on Investments. A question was raised regarding whether there was a limit on the number of regents who could serve on a committee and VP Okinaga responded that she would research the matter and get back to the board.

VP Okinaga explained that the proposed provision to require the Budget & Finance Chair to appoint three members to serve on a Subcommittee on Investments that is required to hold at least one meeting a year was to elevate the board's fiduciary responsibility regarding investments by having something more specific.

Comments were made regarding other boards having a separate investment committee and budget and finance committee; the committee being a standalone; whether there was a requirement for meeting quarterly; and whether subcommittees have to follow the Sunshine Law.

VP Young responded that there was no requirement for quarterly meetings, the quality of the discussion was more important. VP Okinaga indicated that subcommittees have to follow Sunshine Law.

Regent Portnoy moved to set up a separate, independent Committee on Investments, Regent McEnerney seconded.

Board Chair Sullivan commented that she would vote against the motion because it is important that each committee has a specific mission in the bylaws, and the board should vote on exactly what the mission of an investment committee would be, so she preferred delaying the decision and letting new leadership come back with specific language.

The motion was withdrawn. There were no objections.

Board Vice Chair Moore moved to request administration and the staff draft amendments to both bylaws and board policies that would incorporate the establishment of an Committee on Investments and come back to the board with specific language for review and approval, Regent Wilson seconded.

Regent Putnam commented that perhaps administration could take into consideration a Committee on Advancement.

There being a motion that was moved and seconded, the motion was put to a vote and carried unanimously.

## **VII. EXECUTIVE SESSION**

Upon motion by Regent Higaki, seconded by Regent Higa, the board unanimously approved convening in executive session 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); and 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. The board convened in executive session at 12:05 p.m. Following a motion to come out of executive session by Board Vice Chair Moore, seconded by Regent Yuen, which was carried unanimously, the executive session was adjourned at 2:02 p.m.

The meeting reconvened at 2:03 p.m. Chair Sullivan stated that the board went into executive session to consult with the board's attorneys to discuss matters as indicated on the agenda.

## **VIII. ANNOUNCEMENTS**

Chair Sullivan announced the next board meeting is scheduled for August 16, 2018, at the University of Hawai'i at Mānoa.

## **IX. ADJOURNMENT**

There being no further business, Board Vice Chair Moore moved to adjourn, and Board Vice Chair Kudo seconded, and with unanimous approval, the meeting was adjourned at 2:04 p.m.

Respectfully Submitted,

/S/

Kendra Oishi  
Executive Administrator and Secretary  
of the Board of Regents