

MINUTES
BOARD OF REGENTS MEETING
APRIL 15, 2021

Note: On January 30, 2020, the World Health Organization declared the outbreak of COVID-19 a public health emergency of international concern, subsequently declaring it a pandemic on March 11, 2020. On March 16, 2020, Governor David Y. Ige issued a supplementary proclamation that temporarily suspended Chapter 92, Hawai'i Revised Statutes, relating to public meetings and records, "to the extent necessary to enable boards to conduct business in person or through remote technology without holding meetings open to the public."

I. CALL TO ORDER

Vice-Chair Randy Moore called the meeting to order at 8:31 a.m. on Thursday, April 15, 2021. The meeting was conducted with regents participating from various locations.

Quorum (11): Chair Benjamin Kudo; Vice-Chair Randy Moore; Vice-Chair Alapaki Nahale-a; Regent Simeon Acoba; Regent Kelli Acopan; Regent Eugene Bal; Regent Wayne Higaki; Regent Jan Sullivan; Regent Michelle Tagorda; Regent Robert Westerman; and Regent Ernest Wilson.

Others in attendance: President David Lassner; Vice President (VP) for Administration Jan Gouveia; VP for Community Colleges Erika Lacro; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Research and Innovation Vassilis Syrmos; VP for Information Technology/Chief Information Officer Garret Yoshimi; VP for Budget and Finance/Chief Financial Officer Kalbert Young; UH-Mānoa (UHM) Provost Michael Bruno; UH-Hilo (UHH) Chancellor Bonnie Irwin; UH-West O'ahu (UHWO) Chancellor Maenette Benham; Hawai'i Community College (HawCC) Chancellor Rachel Solemsaas; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

II. APPROVAL OF THE MINUTES

Regent Wilson moved to approve the minutes of the March 18, 2021, meeting, seconded by Regent Sullivan, and noting the excused absence of Chair Kudo, the motion carried, with all members present voting in the affirmative.

III. PUBLIC COMMENT PERIOD

Board Secretary Oishi announced that the Board Office received written comments as follows:

Written testimony relating to the proposed reorganization of UHM was received from Paul McKimmy on behalf of the Mānoa Faculty Senate, opposing the reorganization, and Jaret Leong on behalf of the Mānoa Staff Senate, offering comments.

Written testimony opposing the proposed reorganization of UHM in part was received from Allison Yap.

Written testimony offering comments on both the proposed reorganization of UHM and the final report of the COVID-19 Strategic Response and Economic Recovery Permitted Interaction Group was received from David Ross.

Written testimony in support of the Resolution Requesting a Comprehensive Plan to Achieve a Reimagined University of Hawaii was received from Mike Miyahira.

Written comments in support of the HawCC Nursing Program was received from Arthur Sampaga, Jr.

Written comments regarding HawCC's community outreach efforts was received from Gerald De Mello.

Written comments in support of the Construction Academy at HawCC was received from Liana Prudholm.

Written comments in support of workforce development and education on Hawai'i Island was received from the Kona-Kohala Chamber of Commerce.

Written comments related to the HawCC administration was received from the Associated Students of the University of Hawai'i (ASUH) HawCC Student Government that included a petition containing 147 names, Jeff Yamauchi, and Helen Nishimoto.

Late written comments in support of the Construction Academy at HawCC was received from Takamine Construction, Inc., Russell Rapoza, Sheila Ann Dagarag, and Grant Ka'au'a on behalf of Dean Cevallos.

Late written comments in support of workforce development and education on Hawai'i Island was received from Suisan Company, Ltd.

Late written comments in opposition to the proposed reorganization of UHM, in part, was received from members of the Study Abroad Council.

Late written comments expressing concerns with the consultation process for the proposed reorganization of UHM was received from members of the Committee on Administration and Budget of the Mānoa Faculty Senate.

Late written testimony in opposition to the final report of the COVID-19 Strategic Response and Economic Recovery Permitted Interaction Group was received from Jessica Hamad

Chair Kudo arrived at 8:37 a.m. and proceeded to conduct the remainder of the meeting.

Written comments may be viewed at the Board of Regents website as follows:

[Written Testimony Comment Received](#)

Late Written Testimony Comment Received

Oral testimony regarding the proposed reorganization of UHM was received from Paul McKimmy and Jaret Leong, who emphasized points made in their written comments.

Oral testimony regarding the HawCC administration was received from Jeff Yamauchi, Craig Kekahuna, Helen Nishimoto, Wendy Laros, TK Wehrsig, and Jessica Hamad. All testifiers emphasized points made in written comments submitted.

IV. REPORT OF THE PRESIDENT AND COVID-19 UPDATE

President Lassner provided an update on the university's current state of affairs with regard to the COVID-19 pandemic stating that the university continues to remain vigilant to ensure the health and safety of students, faculty, and staff. He noted the success of the university's COVID-19 mitigation programs and acknowledged the outstanding efforts of its COVID response teams who have worked in partnership with the State Department of Health (DOH) to address pandemic-related health situations in accordance with all Centers for Disease Control and Prevention (CDC) and DOH COVID-19 guidelines and protocols. To date, the university has experienced a total of 117 confirmed COVID-19 positive cases across all ten of its campuses.

Administration of the COVID-19 vaccine continues to occur statewide and the university remains focused on vaccination efforts for members of the university community. President Lassner stated that all employees of the university have been given the opportunity to schedule their vaccinations and that all university students will soon become vaccine eligible. The university is also continuing its public educational and outreach efforts to address vaccine hesitancy and allay vaccination concerns.

As the university nears the end of the spring semester, it continues to actively prepare for a more normalized campus experience for its students over the next academic year with a projected increase in in-person course instruction and the associated increase in levels of engagement between students, faculty, and staff. Although it is expected that all university students who are residents of Hawai'i will have been afforded the opportunity to be vaccinated by the end of summer, uncertainty remains regarding the vaccination of students from other states and from abroad. The university is contemplating numerous actions to address this issue including the provision of vaccinations for unvaccinated individuals arriving on campus; vaccination requirements for physical attendance at the university, as well as all faculty and staff; mandatory COVID-19 testing for unvaccinated individuals; and regular surveillance testing for students who remain on campus such as those in student housing. However, numerous legal considerations regarding any possible actions, as well as questions about amendments to CDC and DOH COVID-19 protocols due to an increasingly vaccinated population, remain unanswered and the university must remain agile and responsive to constant change as it has been over the past year.

President Lassner stated that there was no additional information on the status of Higher Education Emergency Relief Funds (HEERF) since the last board meeting other

than that the United States Department of Education has provided clarification to a university professional organization noting that relief funds from the American Rescue Plan Act (ARPA) will be released to states in the coming weeks. This is not expected to affect the university since it continues to expend funds received from previous allocations of relief funding and is not currently reliant on ARPA funds in the near term. He reiterated, however, that while federal relief funding offers the university a tremendous opportunity to make strategic investments and improve its long-term fiscal stability, this one-time infusion of federal money will not be sufficient to relieve the projected, long-term budget pressures that will be faced by the university.

Extramural funding for research continues to witness steady growth with over \$375 million being awarded to date this fiscal year even without inclusion of any formula-based HEERF funding.

Preliminary indications show some improvement in enrollment although the situation remains dynamic. Summer session enrollment figures have increased with enrollment for the 2021 summer session exceeding summer 2020. Based upon admission applications received to date for fall 2020, which is currently the best available metric to gauge fall enrollment, it is projected that UHM and UHWO will experience increased enrollment and that UHH and the community colleges will experience decreased enrollment. While the decline in applications for admission to the university's community colleges is significant, our declines remain less than national averages. President Lassner also noted that community college enrollment figures are not indicative of the work they have done with respect to workforce development curriculums, which often consist of mainly non-credit coursework and is data which is not included in overall enrollment figures. The administration is continuing to evaluate its enrollment reporting to be more inclusive of non-credit education, which is an important part of our mission.

The community colleges are again partnering with Hawai'i P-20 Partnerships for Education (Hawai'i P-20) to continue the Next Steps to Your Future program (Next Steps) which is specifically designed to engage public high school graduates on all islands with higher education and career options. Next Steps is a summer onramp program that connects graduating high school seniors to available post-secondary education, training, and employment opportunities; offers free career exploration classes to eligible students at the community colleges; and includes the Hawai'i P-20 Summer Advising Initiative which links high school graduates with personalized advising to allow them to make informed decisions and take the critical steps needed to achieve their post-high school education plans at no cost. Through Next Steps, students can learn how to navigate college; discover the education and training available at the university; determine whether to enroll in college, seek employment, or both; explore career options; develop career plans; and identify next steps toward their career and life goals. Enrollment in Next Steps also allows students to begin earning credits toward a college degree and provides them with opportunities to pursue scholarship funds specifically reserved for program participants. Interest in this program has been strong with the community colleges engaging over 2,100 students in 2020, and a goal of reaching over 4,000 high school seniors this year.

Hawai'i P-20 has also been instrumental in the provision of early childhood education, which studies have indicated is an important precursor to future success in school and life. Unfortunately, as a state, Hawai'i is one of the weakest at providing early childhood education. However, in 2018 and 2019, Hawai'i P-20 developed and implemented a small-scale, free, three-week pilot summer program aimed at helping kindergarteners entering the educational system to transition and acclimate to classroom routines and social interactions. The success of this program, which was made possible through philanthropic funding, has led the State Department of Education to allocate federal stimulus money to expand the program statewide.

President Lassner highlighted a notable achievement of the university stating that it has been selected as a site to host the Overwatch League's championship competition. Overwatch League, a major international and professional Esports gaming league, faced numerous challenges in organizing its championship competition this year because of teams being spread across the globe. Inconsistent travel restrictions due to the COVID-19 pandemic made the feasibility of holding the international competition in a single location unattainable, and slow variable Internet connectivity between continents created difficulties in ensuring fair competition between gamers. Hawai'i's relative resilience during the pandemic, as well as the university's mid-Pacific location and faster internet connections with Tokyo, led to Overwatch League officials selecting UHM as an ideal site to host its championship. As a result, the top teams in Overwatch League's West Division will be flown to Hawai'i where they will compete against the top teams in Asia. He noted that this achievement demonstrates the university's capacity to create a new kind of tourism opportunity, as well as provide an opportunity for students to participate in a major international competition for a multi-billion-dollar industry.

Campus Report

Chancellor Solemsaas noted that HawCC serves approximately 2,400 students on campuses in Hilo, Kona, and Honoka'a, and provided an overview and video presentation of the college's demographics and enrollment statistics, highlighting the ethnic diversity of the student body, which has a strong representation of native Hawaiian and part-native Hawaiian populations. It was also noted that HawCC's student body consists primarily of liberal arts majors, a large portion of which intend to transfer to a four-year university, followed by individuals enrolled in career and technical programs. She stated that HawCC is devoted to student success and that the success of its students matters for Hawai'i Island because 90 percent of its students are from Hawai'i Island and 78 percent remain on Hawai'i Island after graduation.

Despite challenges faced as a result of the large percentage of economically disadvantaged households located on Hawai'i Island, a student population base that is spread over a large land mass consisting of metropolitan areas and small towns within expansive and remote rural areas, and the lowest number of residents seeking to obtain a post-secondary education in the State, HawCC continues to strive to fulfill its educational promise to the community and hopes to achieve this by meeting two, self-established goals. These goals include meeting the educational demands of the community in relation to workforce needs thereby creating a skilled workforce for Hawai'i Island and improving educational access to students that will allow for increased

student success. Chancellor Solemsaas highlighted a number of programs and projects that have been implemented to achieve these goals including construction-based, educational programs for the development of homes in collaboration with the Department of Hawaiian Home Lands, as well as Habitat for Humanity and the Ka'u Dream Project, which is creating purposeful pathways from education to employment for students of Ka'u High School. HawCC, in collaboration with Hawai'i P-20, has also initiated a dual enrollment career and technical education pathway pilot project in auto mechanics at Kealakehe High School, which has shown promising results for college and career readiness, and plans to expand this program to include dual credit pathways in agriculture, construction technologies, and culinary arts in the coming year.

Chancellor Solemsaas stated that HawCC must also work to close the digital equity gap existing on Hawai'i Island that has been made evident during the COVID-19 pandemic by supporting efforts to address the lack of on-island, digital infrastructure; increase access to functional digital devices; and improve the digital literacy of both students and community members. Closing this gap will provide an opportunity to expand university programs to Hawai'i Island through distance education which will result in offering additional pathways for Hawai'i Island students to achieve post-secondary educational success.

Student Report

Ms. Helen Nishimoto, President of ASUH-HawCC, gave a presentation on the work and achievements of ASUH-HawCC noting that it is one of three governing bodies at HawCC and consists of representatives from each of the three campuses, many of whom serve on the various campus committees to provide student input on policy and other decisions that impact students. In accordance with its constitution, ASUH-HawCC serves as an advocate for all students of the campus community at both the campus and university system level and is charged with investigating and reporting on matters that are related to students, faculty, staff, and the administration of HawCC. She shared some of the initiatives and activities undertaken by ASUH-HawCC over the past year, including holding monthly food distribution events at the Manono and Palamanui campuses; sponsoring several domestic violence education activities and providing volunteers for the 2020 domestic violence conference; incentivizing participation in the electoral process; conducting monthly talk story sessions and podcasts to improve communications with students; and introducing resolutions to inform the administration of issues affecting students, faculty, and staff of HawCC.

Referencing a student experience survey conducted by the university system in spring 2020, Ms. Nishimoto highlighted a number of academic and personal challenges faced by HawCC students during the COVID-19 pandemic including the lack of internet access, the unavailability of adequate study spaces, and financial challenges. Over half of HawCC students also noted that they were not comfortable with taking courses online and would wait for the return of in-person instruction before resuming their studies.

Faculty Report

David Tsugawa, HawCC Faculty Senate Chair, spoke about the challenges faced by faculty members and lecturers at HawCC in adapting to changing instructional modalities due to the COVID-19 pandemic, as well as the work undertaken to address these challenges and ensure that the educational needs of HawCC's students were met without reducing teaching standards. He stated that faculty and lecturers realized the importance of preparing for the provision of online course instruction as a result of difficulties experienced during the spring 2020 semester and worked in collaboration with the Instructional Technology and Support Office, Media Services Office, and the Faculty Senate's Faculty Staff Development Committee to develop professional development programs and webinars that provided training in, and support for, effective synchronous and asynchronous online teaching.

In addition to improving instructional methodologies, faculty and lecturers embarked on initiatives to ensure that the core educational mission of HawCC was met. One such initiative was the establishment of a program to provide no-cost textbooks to students in an effort to reduce any economic barriers faced in achieving their educational aspirations. As a result of this effort, 30.3 percent of classes offered in spring 2021 at HawCC provided no-cost textbooks with a direct cost savings to students of approximately \$547,400. Other initiatives undertaken include the combining of the Ka'ao model, a four-stage process founded in Hawaiian mythology meant to transform the student experience, and advancement via individual development for higher education strategies, both of which focus primarily on student success, persistence, and retention, into the curriculum for first-year HawCC students starting in the fall.

Mr. Tsugawa also noted that HawCC faculty and lecturers remain committed to environmental preservation and sustainability as indicated by work conducted to finalize an academic subject certificate program in sustainability for the 2021 academic year.

Chancellor Solemsaas concluded the campus report by sharing that HawCC is celebrating 80 years of providing post-secondary education to the Hawai'i Island community. She stated that HawCC has been the beneficiary of tremendous community support, including the receipt of \$1 million from an anonymous, private donor, and noted that celebratory activities have been planned with a theme of giving back to the community through service.

Chair Kudo asked Chancellor Solemsaas to comment on concerns raised regarding the HawCC administration that were expressed in public testimony received by the board. Chancellor Solemsaas replied that the administration at HawCC continues to engage members of the HawCC community, particularly students represented by ASUH-HawCC, through monthly meetings in an effort to work collaboratively in serving both the students and community. She explained the approach used by the HawCC administration in addressing specific concerns raised regarding the use of federal relief funds and the investment of student fees but also acknowledged the need for the HawCC administration to make improvements in communicating actions and efforts undertaken in a more clear, concise, and transparent manner. VP Lacro added that she meets regularly with representatives from the various campus governance groups to listen to their concerns. After hearing concerns raised by HawCC students and consulting with Regent Acopan, she met with Chancellor Solemsaas to discuss and

develop a path forward to address and improve communication issues at HawCC. Additional meetings will also be held with students to ensure that concerns are being addressed.

Chair Kudo remarked that it is often beneficial to have an independent, third party examine, and possibly provide solutions to, issues affecting an organization or institution and offered the services of the board's Committee on Independent Audit, and by extension the Office of the Internal Auditor, as a mechanism to help resolve any issues being expressed by students with regard to HawCC, particularly financial issues.

Vice-Chair Nahale-a acknowledged the work undertaken by the HawCC administration in addressing a particularly challenging time for the campus, remarking that he was especially impressed with its efforts to more intentionally engage and connect with the Hawai'i Island community, and asked how, and in what ways, these connections have helped HawCC during the COVID-19 pandemic. Chancellor Solemsaas responded that community connections have been vital in establishing a collective approach to closing educational achievement gaps and expanding efforts to ensure student success. Engagement with the business community has also been key in addressing workforce development needs and improving efforts to establish, develop, and expand long-term, sustainable economic opportunities for Hawai'i Island.

Noting the \$1 million anonymous donation recently received by HawCC, Vice-Chair Moore asked about the use of the funds and whether there were any associated stipulations. Chancellor Solemsaas replied that the funds received were unrestricted and would be used as endowments for student scholarships and professional development for faculty and lecturers, as well as student leadership.

Referencing a reported reduction in the number of degrees and certificates awarded by HawCC in 2020, Regent Acoba inquired about HawCC's outlook regarding this academic statistic and any steps being taken to remedy this situation. Chancellor Solemsaas stated that digital equity and other educational challenges faced by students during the COVID-19 pandemic will more than likely result in the number of degrees and certificates awarded over the next academic year to remain largely unchanged. Nevertheless, HawCC is investing resources in an in-depth analyses of enrollment data to better understand the challenges faced by students regarding retention and persistence. She noted that collaborative efforts to improve student success, persistence, and retention, such as those mentioned during the Faculty Senate report, are ongoing, and that HawCC continues to work towards addressing digital equity issues by working with the community to improve digital infrastructure, including the availability of functional devices, as well as digital literacy.

Regent Acoba asked whether faculty believed that the learning environment at HawCC was effective given the reported conflicts that are alleged to be occurring on campus. Mr. Tsugawa acknowledged that there are difficulties facing students, faculty, staff, and administrators on the HawCC campus which have been amplified during the COVID-19 pandemic. While the faculty is cognizant of the concerns being raised by the students and has concerns of their own, he noted that all parties are moving forward in an attempt to overcome these challenges.

V. AFFILIATE REPORTS

There were no affiliate reports.

VI. REPORT ON THE ASSOCIATION OF GOVERNING BOARDS CONFERENCE ON TRUSTEESHIP (AGB Conference)

Regent Wilson provided a report on the AGB Conference stating that it was primarily focused on the three basic principles of trusteeship which include understanding the various roles and responsibilities of individuals and entities charged with the governance of an institution; leading by example and working collaboratively with an administration while maintaining an independence that will allow for actions to be taken that are in the best interests of the institution, particularly with respect to justice, equity, and inclusion; and having an awareness of the mission, constituents, culture, and context of the institution which will allow for strategic thinking that is focused on matters related to long-term sustainability. Topics of discussion also included pre-COVID transformation of governing bodies and a post-COVID new normal; the relationships between governing boards and the president and administration of an institution; students and some of the challenges they are facing; and the differences in core values of the various generational groups. He stated that he will furnish Regents with a written, follow-up report that includes more detailed descriptions and explanations of the topics discussed at the conference.

VII. AGENDA ITEMS

A. Approval of Amendments to Regents Policy (RP) 8.207, Investments

Regent Sullivan explained that the Committee on Budget and Finance reviewed proposed amendments to RP 8.207 at its March 4, 2021 meeting and unanimously voted to recommend board approval of the proposed amendments. At the March 18, 2021, board meeting, suggestions to further amend RP 8.207 to address concerns about Regent liability with regard to real estate investments and institute safeguards against the possibility of self-dealing in real estate projects were proffered and action on the adoption of all of the proposed amendments was deferred to the next board meeting in order to provide time for Regents and the public to review the additional changes and allow for further discussion.

Regent Acoba requested clarification of the methodology that will be used to calculate the amount of funds the board may invest in real estate under the amended policy. Vice-Chair Moore explained the rationale for the proposed amendments and provided a brief synopsis of the methodology that would be used to calculate the potential amount of funds the university could invest in real estate. He also noted that any investment in real estate proposed by the university would require board approval. Regent Sullivan added that the language used to establish the calculation methodology with respect to the amount of funds that could be made available for real estate investments was based upon a formula contained in the original iteration of RP 8.207 that was used to calculate the amount of endowment funds that could be used by the university for alternative investments. VP Young concurred with Regents Moore and Sullivan and provided a hypothetical example stating that, if the average value of the

endowment portfolio for the previous 20 quarters was \$100 million, the university would be afforded the opportunity to strategically invest up to 10 percent of the valuation of the fund, which would equate to \$10 million, in real estate pending board approval. However, he explained that the amended policy also stipulated that the amount of funds authorized to be invested in real estate are not required to be diminished if a subsequent analysis reflected a decrease in the endowment fund's valuation. Given the previous example, if a subsequent analysis determined that the valuation of the endowment fund's portfolio was \$90 million, the administration would not be required to divest any of the real estate investments already made to reflect this decrease.

Regent Sullivan moved to approve the proposed amendments to RP 8.207, seconded by Vice-Chair Moore, and the motion carried with all members present voting in the affirmative.

B. Final Report and Dissolution of the COVID-19 Strategic Response and Economic Recovery Permitted Interaction Group and Approval of Resolution Requesting a Comprehensive Plan to Achieve a Reimagined University of Hawaii

Chair Kudo reported on the findings and recommendations of the COVID-19 Strategic Response and Economic Recovery Permitted Interaction Group (Task Group), expounding upon the reasons for the Task Group's establishment and detailing the work it conducted over the past ten months. In particular, he noted that the Task Group held a total of 35 meetings to discuss various issues regarding the improved utilization of resources for strategic decision making in the wake of the economic impacts caused by the COVID-19 pandemic and focused its efforts on areas related to campus operations, financial impacts to university operations, and the university's role in the economic recovery of the State. The findings of the Task Group are contained within its final report and includes a recommendation for the adoption of a board resolution (Resolution 21-01) requesting that the administration develop a comprehensive plan to achieve a reimagined University of Hawai'i through the completion of seven action items and prepare this plan for presentation to the board, as well as implementation, prior to the end of the 2021 calendar year.

While the Task Group recommends dissolution at this time since it has concluded its current scope of work, it recognizes that the underlying issue of long-term sustainability will continue to impact the University and the State as a result of the long-range economic impacts caused by the COVID-19 pandemic. As such, Chair Kudo stated that the reconstitution of the Task Group remains an option should it become necessary to address any additional matters.

Regent Westerman moved to accept the final report of the Task Group, seconded by Vice-Chair Moore, and the motion carried with all members present voting in the affirmative.

Regent Wilson moved to adopt Resolution 21-01, seconded by Vice-Chair Moore.

Regent Acoba remarked that Resolution 21-01 resulted from the work conducted by the Task Group and was based on dire projections made regarding a number of issues, particularly those dealing with fiscal matters, that were expected to severely impact the university as a result of the pandemic. However, circumstances have since changed and the university appears to be in a much better situation than it was one-year ago, although challenges remain. As such, some of the underlying assumptions that were posited and used to draft Resolution 21-01 may no longer be as pertinent and is something that should be considered when voting on the resolution.

Discussion ensued on the comments made by Regent Acoba with the consensus being that, while the situation facing the university has somewhat improved, questions remain as to the long-term effects the pandemic will have on the university. Thus, it is critical that the university begin strategic planning efforts and take into consideration budgetary actions and programmatic and administrative restructuring that will allow it to thrive in its multi-faceted mission and ensure long-term sustainability and viability. Regents also reiterated that stimulus funds received by the university is a one-time infusion of federal money that will not be sufficient to relieve the projected, long-term budget pressures that it will face.

Regent Acoba clarified that he was not implying that the university would not face fiscal challenges, as adequate funding to meet all the needs of the university has always been an issue, but rather he was merely stating that Resolution 21-01 appeared to be static, that some of the prior assumptions used to produce the resolution were no longer true, and that the vote on the resolution should be done with an understanding that it may need to be adjusted at some point in the future. He also believed that the administration should be requested to provide the board with updates on the economic and financial forecasts for the university which had been previously provided to allow for the exploration of any economic alternatives that might be considered by the university. Chair Kudo replied that Resolution 21-01 was drafted with this concern in mind and established a timeline for completion of the action items to allow for adjustments to be made should situations change.

Noting that Resolution 21-01 states, in part, that the administration is requested to develop a plan to achieve a vision for the university that is strategic and focused on the priorities for a reimagined university and not simply an elimination of programs and services or delineation of budget reductions, Regent Acoba asked how this would relate to the proposed phase 2 reorganization of the UHM administration. President Lassner stated that Resolution 21-01 considered the proposed reorganization of the UHM administration, which is based upon a conceptual plan that has been circulated and discussed for several years, and that there were no apparent inconsistencies. While the plan was to initially achieve the reorganization in a manner that was budget neutral, the pandemic required that the reorganization plan be adjusted to reduce administrative expenses in order to focus on education and research.

Regents thanked the Task Group for its work on this issue and the holistic approach it took to find ways of ensuring the long-term sustainability of the university. Of particular note were the efforts undertaken by the Task Group to involve members of

the university community and beyond in discussions on the future vision for the university.

There having been a motion that was moved and seconded, a vote was conducted, and the motion carried with all members present voting in the affirmative.

C. Approval of Phase 2 of the UHM Administration Reorganization Proposal (Reorganization Plan)

Regent Tagorda recused herself from deliberation on this item citing her involvement as a member of the UHM faculty in the submittal of comments on the Reorganization Plan and left the meeting at 10:52 a.m.

President Lassner provided a brief history and overview of the proposed Reorganization Plan and reviewed the manner in which it was developed. He noted that numerous meetings and discussions on this issue were held with various UHM stakeholders, including campus governance groups, over the span of more than two years, and emphasized the complexity and thoroughness of the development process, which included the creation of mini design teams to review and analyze various administrative functional areas, such as educational excellence and student success, as well as the formation of a master design team to review and analyze the findings and recommendations of the mini design teams. It was also underscored that all interested parties were given multiple opportunities to provide input and feedback on the new organization through both formal and informal consultations with campus governance groups, and that ample time for comment was provided to all stakeholders with deadlines often being extended to afford additional time for review of the proposal. The administration also attempted to make the development process as inclusive as possible by incorporating UHM stakeholder representation on each of the design teams early on in the development process.

While due consideration was given to all of the input and feedback received from stakeholders which resulted in a number of amendments being made to the proposed Reorganization Plan, President Lassner stated that the final version did not contain every suggestion or recommendation made by stakeholders. However, the administration is also committed to conducting periodic reviews of the new organization after its implementation to determine if additional changes are necessary. The administration believes that the Reorganization Plan, as well as the administrative structure it contains, is sound and that approval by the board will be in the best interest of UHM and the university community.

Regent Wilson asked if delaying board action on the proposed Reorganization Plan for one month to allow additional time for review would have any unintended consequences. President Lassner replied that a one-month delay in approving the proposed Reorganization Plan would make it difficult for the administration to meet its goal of implementation by the start of the upcoming fiscal year as well as delay the process to begin permanently filling some of the interim positions within the administrative structure. He added that the concerns raised by some of the UHM

stakeholders that prompted their request for a one-month deferral could continue to be addressed and did not necessitate a delay in board approval.

Regent Acoba noted some of the concerns raised about the proposed Reorganization Plan by the UHM Faculty Senate, including its apparent lack of an itemized list for budget savings and positions that were eliminated or created and clear criteria to evaluate its implementation, particularly with regard to student success, and expressed his own concerns about the ability of Regents and the general public to adequately review the proposal given its length and complexity. Sandy French, Interim Vice-Chancellor for Administration, Finance, and Operations, replied that approximately 45 administrative unit positions, many of which were vacant this past spring, were eliminated by the Legislature to achieve a cost savings of approximately \$3 million. President Lassner added that administration can provide a specific listing of all the positions that were eliminated under the proposed Reorganization Plan and by the Legislature. He also addressed the concern raised about the lack of clear criteria to evaluate implementation as it relates to student success, stating that the administration primarily uses retention and graduation rates as metrics to gauge student success and will continue to do so. However, multiple factors affect a student's academic success, including some that are beyond the control of the university, and it would be difficult to isolate any specific factor, such as the implementation of the Reorganization Plan, as the sole contributor to the rate of a student's success.

Vice-Chair Nahale-a remarked that he supported the proposed Reorganization Plan and did not believe a one-month delay would be beneficial in achieving agreement among all parties. Although he considers some of the concerns raised by UHM stakeholders to be legitimate and valid, he also stated that he is of the opinion that the administration already has the authority to address many of these concerns and should be afforded the flexibility it needs to determine appropriate actions to attain success. The board must then hold the administration accountable for the outcomes and results of their actions.

Regent Sullivan acknowledged the work and efforts of the administration in developing the proposed Reorganization Plan and expressed her support for moving forward with the proposal.

Regent Acoba also acknowledged the work of the administration in developing the proposed Reorganization Plan, stated his belief that this was a continuation of the process that was begun with Phase 1 of the Reorganization Plan, and opined that it was the duty of the board to follow through with this process. He reiterated his concerns with respect to the adequacy of time provided for both the Regents and general public to review such a lengthy and complex document and requested that, in the future, the administration present proposals that are complex and make substantial changes to the university in parts to allow for greater scrutiny of the important changes. President Lassner responded that the proposed Reorganization Plan has been online since November 2020 and that the only changes made that are included in the final proposal were made as a result of the consultation process and input received, but agreed to assist in making complex material more digestible in the future.

Vice-Chair Moore moved to approve the Reorganization Plan, seconded by Regent Wilson, and noting the abstention of Regent Acoba, and the excused absence of Regent Tagorda, the motion carried with all other members present voting in the affirmative.

Regent Tagorda returned at 11:24 a.m.

D. Legislative Update

VP Young highlighted several measures and priority issues that the university is following at the Legislature this year including bills relating to the State budget, university budget and legislative package, and items of interest involving the administration and board. The operating and capital improvement budgets for the State are currently awaiting conference committee discussions. It is anticipated that the budget bills will be positioned for a final vote of the Legislature within the next few days. Additional legislative measures that could have an impact on the university or board were also reported on, as was the legislative calendar and timetable for the remainder of the session. Furthermore, it was noted that the Senate Committee on Higher Education held a meeting to consider recommending confirmation for three Regent nominees and a decision is expected to be rendered shortly.

Noting several questions posed to him about the Cancer Center's early phase clinical research center, as well as its business plan, Regent Higaki requested that the administration provide a review of this issue to the board. President Lassner agreed and said that VP Syrmos would lead the effort. He also noted that information on the early phase clinical research center and Cancer Center business plan has already been given to the board but that the administration could provide a more detailed presentation of these issues at a future meeting. He also noted that the business plan has been shared with the Hawai'i Cancer Consortium, which includes the chief executive officers of all the major healthcare providers and organizations in the State, and that its representatives may be requested to participate in any presentation given since the Consortium has actively supported the early phase clinical research center.

Regent Higaki requested an update on issues regarding several processes and procedures of the University of Hawai'i Housing Program (Faculty Housing Program) that were raised at the February 6, 2020, meeting of the Committee on Independent Audit (IA). VP Gouveia replied that an extensive audit of the Faculty Housing Program that included reviews of policies, procedures, budget reserve levels, management, and oversight issues was conducted by the Office of Internal Audit (OIA) in 2010 and discovered several significant issues. Subsequent to the 2010 audit, follow-up audits and reviews were conducted in 2013, 2019, and 2021 to ensure that any issues found were rectified. OIA presented all four audits to the board, with the most recent audit indicating that the Faculty Housing Program has addressed all issues noted in the audits to the satisfaction of OIA. However, based upon concerns raised in Senate Concurrent Resolution 115, the administration is conducting its own internal review. Additionally, she noted that RP 9.209 which governs the Faculty Housing Program is currently undergoing an extensive review and analysis. The administration can provide more detailed updates on both its internal review of the Faculty Housing Program and

the analysis of RP 9.209 once they have been completed. Regent Higaki requested that the administration present this information at the upcoming IA meeting and Vice-Chair Moore, who serves as the Chair of IA, agreed to this request.

Referencing recent issues with student housing, in particular power outages occurring at the dormitories, Regent Higaki asked whether the administration had any information regarding these concerns and if a review of this matter could be provided at the next meeting of the Committee on Planning and Facilities (P&F). President Lassner responded that a report could be provided to P&F but noted that some of the recent power outages were the result of interrupted service caused by heavy rains and flooding that were beyond the control of the university and that the university does its best to respond to these situations. However, the administration is working to identify ways in which these issues may be mitigated in the future.

Chair Kudo questioned whether Senate Bill (SB) 628 which seeks to transfer the Oahu regional health care system in its entirety from the Hawaii Health Systems Corporation (HHSC) to the DOH would impact the future development or repurposing of the university's Leahi parcels. VP Young stated that SB 628 would impact the lease that is currently in place between the university and HHSC for land owned by the university upon which Leahi Hospital is situated. SB 628 could also have secondary impacts on the future disposition of three parcels of university-owned land adjacent to Leahi Hospital, collectively known as the Leahi parcels, but is dependent upon the scope of DOH's plan to expand services provided at the facility upon its transfer. Chair Kudo expressed his belief that the administration needs to be proactive in preserving the university's interests in the Leahi parcels, particularly with regard to possible future income generation or use for programs in the healthcare field. VP Young stated that the administration is in agreement and is taking such an approach on this measure.

Stating that Senate Resolution (SR) 166, in part, urges the university and University of Hawai'i Professional Assembly to convene a task force to examine and assess the university's tenure system, Chair Kudo asked whether the recent appointment by the board of a permitted interaction group to review and investigate the issue of tenure would address the scope of the SR. VP Young replied that the work of the permitted interaction group currently taking place may be sufficient to address the requests made in SR 166 thereby alleviating the need to create another task force whose work might be duplicative.

Chair Kudo inquired as to the differences between the House and Senate versions of the budget bills. VP Young stated that the amounts of funding provided were substantially similar in each version of the budget, but that the details on how to address budget shortfalls using federal relief monies differ. While the university will face some reductions in its general fund budget for the upcoming fiscal year, the extent of these reductions over future fiscal years remains uncertain as the Legislature appears to be taking a wait-and-see approach on the impacts any economic recovery will have on the State's overall financial picture.

E. Report of the Maunakea Planning Task Group (For Information Only)

Chair Kudo noted that the Report of the Maunakea Planning Task Group that contains its findings and recommendations, as well as a proposed resolution and an independent evaluation of the implementation of the Maunakea comprehensive management plan, has been provided to Regents in the board materials packet and is for information only, with discussion and potential action to occur at the next board meeting.

VIII. EXECUTIVE SESSION

Regent Sullivan made a motion to convene in executive session, seconded by Vice-Chair Moore, and with all members present voting in the affirmative, the board approved convening in executive session to carry-out deliberations 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), 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 Sections 92-5(a)(4), HRS.

The meeting recessed at 11:59 a.m.

Chair Kudo called the meeting back to order at 1:14 p.m. and announced that the board met in executive session to discuss several issues as stated on the agenda.

IX. ANNOUNCEMENTS

Chair Kudo announced that the next board meeting was scheduled for May 20, 2021, at a location to be determined.

X. ADJOURNMENT

There being no further business, Regent Wilson moved to adjourn, seconded by Vice-Chair Moore, and noting the excused absence of Regent Sullivan, and with all other members present voting in the affirmative, the motion carried and the meeting was adjourned at 1:15 p.m.

Respectfully Submitted,

/S/

Kendra Oishi
Executive Administrator and Secretary
of the Board of Regents