

**Notice of Meeting**  
**UNIVERSITY OF HAWAI'I**  
**BOARD OF REGENTS COMMITTEE ON RESEARCH AND INNOVATION**

Members: Regents Bal (Chair), Sullivan (Vice-Chair), Moore, Tagorda, and Wilson

**Date:** Wednesday, November 4, 2020

**Time:** 8:30 a.m.

**Place:** **Virtual Meeting**

*In light of the evolving COVID-19 situation, protecting the health and welfare of the community is of utmost concern. As such, this will be a virtual meeting and written testimony and oral testimony will be accepted in lieu of in-person testimony. Meetings may be monitored remotely via the livestream pilot project. See the Board of Regents website for information on accessing the livestream: [www.hawaii.edu/bor](http://www.hawaii.edu/bor). Mahalo for your consideration.*

**AGENDA**

- I. Call Meeting to Order**
- II. Approval of Minutes of the August 6, 2020, Meeting**
- III. Public Comment Period for Agenda Items:**

All written testimony on agenda items received after posting of this agenda and up to 24 hours in advance of the meeting will be distributed to the board. Late testimony on agenda items will be distributed to the board within 24 hours of receipt. Written testimony may be submitted via the board's website through the testimony link provided on the [Meeting Agendas, Minutes and Materials](#) page. Testimony may also be submitted via email at [bor.testimony@hawaii.edu](mailto:bor.testimony@hawaii.edu), U.S. mail, or facsimile at (808) 956-5156. All written testimony submitted are public documents. Therefore, any testimony that is submitted for use in the public meeting process is public information and will be posted on the board's website.

Those wishing to provide oral testimony for the virtual meeting may register [here](#). Given constraints with the online format of our meetings, individuals wishing to orally testify must register no later than 7:00 a.m. on the day of the meeting in order to be accommodated. It is highly recommended that written testimony be submitted in addition to registering to provide oral testimony. Oral testimony will be limited to three (3) minutes per testifier.

**IV. Agenda Items**

- A. University of Hawai'i Research: Overview of Ocean Sciences by Dr. David Karl, Director of the Center for Microbial Oceanography Research and Education
- B. Research Corporation of the University of Hawai'i (RCUH): A Historical Overview

C. Fiscal Year 2020-2021 1st Quarter Extramural Awards Update

**V. Adjournment**

**DISCLAIMER - THE FOLLOWING ARE DRAFT MINUTES AND ARE SUBJECT TO FURTHER REVIEW AND CHANGE UPON APPROVAL BY THE COMMITTEE**

**MINUTES**

**BOARD OF REGENTS COMMITTEE ON RESEARCH AND INNOVATION MEETING**

**AUGUST 6, 2020**

**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, Hawaii 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**

Chair Eugene Bal called the meeting to order at 9:36 a.m. on Thursday, August 6, 2020. The meeting was conducted virtually with regents participating from various locations.

Committee members in attendance: Chair Eugene Bal; Vice-Chair Jan Sullivan; Regent Randy Moore; Regent Michelle Tagorda; and Regent Ernest Wilson.

Others in attendance: Board Chair Benjamin Kudo; Regent Simeon Acoba; Regent Kelli Acopan; Regent Wayne Higaki; Regent Alapaki Nahale-a; Regent Robert Westerman; (ex officio committee members); 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 Academic Planning and Policy Donald Straney; 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 Chancellor Bonnie Irwin; UH-West O’ahu Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

**II. APPROVAL OF MINUTES**

Regent Moore moved to approve the minutes of the March 5, 2020, meeting, seconded by Regent Wilson, and the motion carried with all members present voting in the affirmative.

**III. PUBLIC COMMENT PERIOD**

Board Secretary Oishi announced that the Board Office did not receive any written testimony, and no individuals signed up to provide oral testimony.

**IV. AGENDA ITEMS**

**A. Committee Work Plan**

Chair Bal referenced the Committee Work Plan (Work Plan) that was provided to committee members in the materials packet stating that the Board Office prepared the Work Plan based upon what the committee has historically done and that the Work Plan was intended to be used as an outline of the work to be performed by the committee during the coming year. He remarked that, at the request of the administration, a review of the management relationship with the Research Corporation of the University of Hawaii was added to the Work Plan. He further stated that periodic briefings on extramural research projects being conducted by the university over the course of the year were also added to the Work Plan as this was an important issue.

**B. Recommend Board Approval of New Regents Policy (RP) 12.211, Ethical Guidelines in the Conduct of Technology Transfer Activities**

Stating that the university is in a unique position to support basic and applied research on its campuses, identify and select those discoveries that have potential commercial value, and transform these inventions into commercially viable services or products that can be introduced to the private market, a process generally referred to as technology transfer, VP Syrmos provided background on the development of proposed RP 12.211. He reported that the State Legislature enacted proposals in 2017 that authorized the university to be more actively and directly engaged in the commercialization of its research products. Act 38, Session Laws of Hawaii 2017 (Act 38), was one such proposal that exempted technology activities sponsored by the university from certain sections of the State Ethics Code as long as the technology transfer activities complied with a regulatory framework and research compliance programs and policies approved by the board. Proposed RP 12.211, along with the implementation of Executive Policy 12.206 and administrative procedures, creates the regulatory framework and compliance programs contemplated by Act 38.

VP Syrmos emphasized that proposed RP 12.211 does not exempt technology transfer activities from the State Ethics Code but rather, transfers oversight responsibility from the State Ethics Commission to the university to identify, manage, and mitigate ethical conflicts of interest arising during the course of university-sponsored technology transfer activities. He also reviewed next steps that would be taken by the administration should the committee recommend approval of the proposed RP, including seeking full board approval at its August meeting.

Noting that the ultimate responsibility of overseeing the ethical portions of the proposed new RP and ensuring that technology transfer occurs in a proper manner rests with the board, Vice-Chair Sullivan inquired about a university policy that allowed faculty members to commit up to 20 percent of their university employment time to a private company established through their research efforts and how the administration was enforcing this policy. VP Syrmos responded that the 20 percent is a maximum and not a benefit that is automatically initiated. He stated that the amount of time a faculty member is allowed to work for the private company has to be negotiated between the faculty member, their department chair, and their dean. VP Syrmos noted that the situation becomes more complicated when the faculty member is the owner of the

private company and a decision has to be made on an issue where the company's position differs from the university's position. In order to address this scenario, the university has requested that faculty members who are owners of a private company established as a result of their university research efforts file a conflict of interest form and a conflict of interest management plan with the university.

Vice-Chair Sullivan stated that, while she was supportive of this RP and the modernization of the university's technology transfer policy, it would be prudent for the administration to provide annual reports to the committee noting any conflict of interest issues and requested that this requirement be established within the proposed RP. VP Syrmos concurred with Vice-Chair Sullivan noting that the administration could provide this information to the committee.

Regent Acoba noted that certain language contained in proposed RP 12.211 appears to imply that the university is exempted from certain federal regulations, as well as a number of provisions of the State Ethics Code, and requested clarification of this matter. VP Syrmos responded that extramurally funded projects, particularly those funded by the federal government, requires that the university comply with all applicable federal regulations, which are much more stringent than state regulations. He reiterated that Act 38 does not exempt the university from the State Ethics Code but rather, transfers oversight and enforcement responsibility for specific portions of the State Ethics Code relative to technology transfer activities from the State Ethics Commission to the university. Executive Policy 12.206, which will complement proposed RP 12.211, will also offer more specificity regarding this issue.

Associate General Counsel Presley Pang added that when Act 38 was first proposed, the university, at the Legislature's request, provided the Legislature with six specific provisions of the State Ethics Code that it believed created obstacles to technology transfer initiatives. Exemptions from these provisions were incorporated into Act 38. All other provisions of the State Ethics Code still apply to technology transfer activities. Mr. Pang agreed that the term "other" would be deleted in the phrase "must comport with all other applicable federal regulations..." in order to remove any ambiguity that any federal regulations would not be followed. Regent Acoba requested that the ethics code provisions that would not apply to technology transfers be specifically listed in the proposed RP 12.211. Mr. Pang agreed that these changes would be made.

Regent Moore moved to recommend board approval of the proposed RP 12.211 subject to the requested amendments being made to the proposed RP 12.211 and presented to the board at its August meeting, seconded by Vice-Chair Sullivan, and the motion carried, with all members present voting in the affirmative.

### **C. Fiscal Year (FY) 2020 Year-in-Review and FY 2021 Extramural Awards Outlook**

Prior to the presentation, Chair Bal congratulated the administration and the university's research community on exceeding expectations for the receipt of extramural awards for FY 2020 noting that the university obtained approximately \$450 million in extramural awards.

VP Syrmos reported on the receipt of extramural awards for FY 2020. He reviewed a breakdown of trends, significant awards, and award amounts by campus, as well as award revenues received to date and projected award revenues noting that the university received slightly less than internal projections and the administration would be reviewing the methodology of its projections to attempt to make them more realistic and achievable. For the second year in a row, total awards were over \$400 million, with a total of \$450.4 million being received in FY 2020. VP Syrmos noted that UH received \$139.5 million in award revenues for the fourth quarter of FY 2020, which was 54.2 percent more than the same period last year. He also reviewed the number of invention disclosures made, the number of patents applied for, and the number of licenses/options awarded for research projects for FY 2020.

VP Syrmos stated that, while growth in extramural funding has shown steady increases over the last three years and the university is cautiously optimistic that growth will continue, with award projections of approximately \$416.3 million in FY2021, the uncertainty caused by the coronavirus pandemic and its effect on the economy will pose a challenge.

Regent Wilson inquired whether the university was anticipating the receipt of additional research funding from the National Security Agency (NSA). VP Syrmos replied that the university has one to two small projects involving NSA funding. However, he noted that this was one area where the university could experience growth in research and development funding. The university is currently attempting to better align its core competencies in subjects such as cybersecurity, data science, computer science, and other areas of research that NSA is funding and thus increase the university's competitiveness for federal funding.

Vice-Chair Sullivan asked whether the extramural funding amounts noted by VP Syrmos included federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds. VP Syrmos replied that the extramural funding amounts he presented did not reflect CARES Act funds.

Stating that a \$10 million award for the Culinary Institute of the Pacific was received from the University of Hawai'i Foundation (UHF), Vice-Chair Sullivan asked why grants from UHF were considered as extramural grants. VP Syrmos explained that this has been the custom and practice of the university for over 40 years noting that UHF can only provide funds to the university through an external grant process. The administration is currently having internal discussions as to whether these funds should be counted as extramural funding for reporting purposes going forward. Vice-Chair Sullivan requested that the administration consider breaking out this funding source in a separate category to delineate it from other extramural funding received by the university.

Vice-Chair Sullivan remarked that, on the subject of innovation, data on new start-up companies appears to indicate that the university has to do a better job of stimulating these types of ventures. VP Syrmos replied that the data that was provided only accounted for start-up companies that used licensed technology from the university and did not include all start-up companies incubated by the university. If the definition for

what the university considers a start-up was amended to remove the use of licensed technology requirement, the data would have reflected a total of nine start-up companies incubated at the university in FY 2020.

Board Chair Kudo asked whether the entrepreneurship program at UHM's Shidler College of Business was involved with assisting start-up companies incubated at the university. VP Syrmos responded in the affirmative and stated that various budgets are currently being reviewed to determine the amount that can be allocated to maintain the interplay between investments and operating costs with regard to incubated start-up companies.

**D. Strategic Directions: Update on Metrics, Extramural Awards Targets vs. Actuals**

VP Syrmos stated that last year the administration began reviewing possible changes to metrics used by the university to determine the receipt of extramural awards, particularly with regard to established extramural funding targets versus actual amounts of extramural funding received by the university. He reviewed the process the administration has been using to determine possible amendments to these metrics including conducting reviews of historical data and the accuracy of assumptions used to establish extramural funding targets and noted some of the changes the administration is proposing for extramural awards and funding targets for FY 2021. It was also stressed that one key to maintaining or increasing the amounts of extramural funding witnessed by the university over the past several years is continuing to strategically invest in these efforts in the future. Historical data has shown that when investments in extramural funding efforts were lessened or severely restricted to address budget issues facing the university, the receipt of extramural funding became stagnant. The administration will continue to conduct in-depth, internal discussions on this matter going forward and also intends to involve the committee in these discussions.

**V. ADJOURNMENT**

There being no further business, Vice-Chair Sullivan moved to adjourn, seconded by Regent Tagorda, and with all members present voting in the affirmative, the meeting was adjourned at 10:42 a.m.

Respectfully Submitted,

Kendra Oishi  
Executive Administrator and Secretary  
of the Board of Regents