

## **MINUTES**

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

**OCTOBER 3, 2018**

#### **I. CALL TO ORDER**

Committee Chair Jan Sullivan, called the meeting to order at 11:00 a.m. on Wednesday, October 3, 2018, at the University of Hawai'i at Mānoa, Information Technology Building, 1<sup>st</sup> Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai'i 96822.

Committee members in attendance: Committee Chair Jan Sullivan; Regent Brandon Marc Higa; Regent Ernest Wilson Jr.

Committee members excused: Committee Vice Chair Eugene Bal; Regent Stanford Yuen.

Others in attendance: Board Chair Lee Putnam; Regent Randy Moore; Regent Michelle Tagorda (ex officio committee members); Vice President for Legal Affairs/University General Counsel Carrie Okinaga; Vice President for Academic Planning and Policy Donald Straney; Vice President for Research and Innovation Vassilis Syrmos; Vice President for Information Technology/Chief Information Officer Garret Yoshimi; Vice President for Budget and Finance/Chief Financial Officer Kalbert Young; Interim UH-Hilo (UHH) Chancellor Marcia Sakai; UHM Vice Chancellor for Research/Interim Vice Chancellor for Academic Affairs Michael Bruno; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Kendra Oishi; and others as noted.

#### **II. APPROVAL OF MINUTES OF THE MAY 24, 2018 MEETING**

Regent Wilson moved to approve the minutes of the May 24, 2018 meeting, seconded by Regent Higa, and the motion carried unanimously.

#### **III. PUBLIC COMMENT PERIOD**

Board Secretary Oishi announced that the Board Office received no written testimony, and no individuals had signed up to provide oral testimony.

#### **IV. AGENDA ITEMS**

##### **A. For Information and Discussion**

##### **1. Research & Innovation Year in Review and FY19 Outlook**

VP Syrmos provided an overview of fiscal year (FY) 2018 performance metrics and projections for FY19. Extramural awards for the FY18 fourth quarter finished 12.9% ahead of the FY17 fourth quarter, but the overall FY18 results in the amount of \$386.3 million were approximately 0.2% less than FY17. The university's investments in new

strategic hiring initiatives have started to pay off and results are expected to accelerate in the upcoming years.

Regent Moore arrived at 11:08 a.m.

Committee Chair Sullivan expressed concern about the lack of progress in meeting established targets. She noted that the federal budget is the largest in many years, and UH should be making more of an effort to take advantage of strategic opportunities. The Defense Advanced Research Projects Agency (DARPA) has committed to investing over \$2 billion in artificial intelligence over the next five years, and Congress is considering allocation \$1 billion for quantum science studies. VP Syrmos responded that administration has been reviewing the federal government's strategic priorities to identify opportunities. Committee Chair Sullivan noted that the majority of funding from the Strategic Capabilities Office (SCO) goes directly to the United States Indo-Pacific Command (PACOM). The FY19 budget is \$1.6 billion and UH did not receive any of that funding. VP Syrmos responded that the universities that received SCO funding had university-affiliated research centers and well-established relationships with PACOM and other commands.

## **2. Applied Research Laboratory Status Report**

Dr. Ben Jones, Applied Research Laboratory (ARL) Associate Director, provided an update on the ARL that included historical background, core competencies, and revenue and expenditure information. Dr. Jones also shared information on various projects, student training and internships, community outreach, and targets for the next five years.

A question was raised regarding whether there would be increased funding going to PACOM and the United States Special Operations Command (USSOCOM) given the naval activity occurring in the South China Sea. Dr. Jones explained that PACOM and USSOCOM are already receiving a large portion of the funding. The Office of Naval Research (ONR), the science and technology directorate for the Navy, has expressed interest in testing in realistic environments. The ARL is promoting Hawai'i as a testing and evaluation facility because there are capabilities here and in the proximity of the South China Sea. There are opportunities, but no projects have been funded to date.

Even though the UH ARL is relatively new, concerns were expressed regarding underperformance to date and setting targets too low. It would be helpful to understand how the UH ARL compares with other Navy University Applied Research Centers (UARCs). VP Syrmos responded that annual funding for other Navy UARCs were: \$1.2 billion for the Applied Physics Laboratory at John Hopkins University, \$350 million for the Applied Research Laboratory at Penn State University, \$120 million for the Applied Research Laboratories at the University of Texas at Austin, and \$80 million for the Applied Physics Laboratory at University of Washington. The UH ARL received \$16 million.

Additional concerns were expressed regarding the need to strategically develop the UH ARL and work more closely with PACOM. This is a missed opportunity and the committee requested more information on the university's progress in the future.

A question was raised regarding the rationale for including the Maui High Performance Computing Center (MHPCC) Vanguard Center for High Performance Computing (VCHPC) and other projects as new awards when they are legacy programs and not new funding. VP Syrmos explained that legacy programs sometimes move within the UARCs because of the ease of procuring services. UHM Dean of the School of Ocean and Earth Science and Technology (SOEST) Brian Taylor explained that the four other ARLs have existed over 70 years and have staff comparable to the total size of SOEST and are standalone organizations with approximately 1,000 employees. The UH ARL has 15 staff that is not comparable to a prime R1 university. Other ARLs have built capacity in areas outside of their primary expertise in response to needs from the armed services.

The UH ARL leverages existing capacity and is reinvesting in hiring new faculty. Building capacity will take a while because the UH ARL is at the front end of the building process. The UH ARL does not have the capacity to pursue a large new contract. Dr. Jones indicated that the Naval Sea Systems Command and the Department of Defense does not want the UH ARL to be the prototype firm, but rather be a rapid pre-prototyping organization that is responsive to the Navy as the primary sponsor. He agreed that an \$80 million ceiling over the next five years is low given the capacity at the university and the UH ARL team, but this is what has been agreed to for the first five years.

Regent Tagorda left at 11:50 a.m.

A question was raised regarding how the UH ARL is ensuring that existing resources are being optimized. Dr. Jones responded that quarterly and monthly meetings have been held with sponsors to raise awareness about the UH ARL and its capabilities. The UH ARL will be transitioning from administering contracts to conducting research in-house and has identified on- and off-island talent to develop capabilities. He noted that PACOM primarily provides operational funding for testing, which generally lasts about one year. There will be an opportunity for the UH ARL to play a key role in rapid development testing. The ONR has growth potential, but will require building connections with the programs in Washington D.C. The UH ARL has been making those connections and will continue to do so.

### **3. Strategic Directions – Extramural Awards Targets vs. Actuals**

VP Syrmos provided an overview of extramural awards targets versus actuals for FY15 to FY18. FY14 was used as the base year for targets because it was the first year that projections were not artificially inflated by temporary American Recovery and Reinvestment Act stimulus funding awards. The current 5% growth rate per year is based on historical trends.

Because targets were only met in FY15, it appears unrealistic that the targets can be achieved and decisions have to be made whether to adjust the targets. One reason the university has not done better with extramural funding is the hiring freeze that took place when UHM was experiencing financial difficulties and attempting to bring their budget into alignment with board policy. The hiring freeze caused a decrease in funding at some of the top research units. VP Syrmos noted that discussions are being held with campuses on determining appropriate targets.

Concern was expressed regarding the need for a holistic conversation about resource development across the system and whether the university has the resources to meet the demands of the future. VP Syrmos responded that UHM is doing well with subject matter expertise and grant development, but the System needs to improve. The committee will be exploring this further.

A question was raised regarding whether the university is positioned from a resource perspective to meet the future demands of research. VP Syrmos responded that there is talent on all campuses. UHM is developing a process of matching faculty and their expertise to areas of opportunity and potential for funding. The university is considering establishing a customer service office within the Office of Research Services to relieve some of the administrative burden on faculty.

A question was raised regarding areas of importance that are not currently measured by the university. VP Syrmos explained that what the university measures projects our values as an institution. Areas such as scholarship; creativity engagement; types of awards, publications, and salutations; the number of National Academy of Science members; and the number of fellows are all important and the university needs to do a better job of managing those items in a persistent manner and bringing them to the forefront.

Committee Chair Sullivan requested that administration re-evaluate metrics, targets, and goals, and return to the committee. Administration will also review whether the right things are being measured. She requested that administration consider a broader strategy with tactics, starting with the university's goal and mission. She also requested additional information on the university's plans to grow the graduate student base, hiring strategies, and grant support services.

#### **4. Research Faculty – Current Hiring and Comparative Data**

Due to time constraints, this item was deferred to the next committee meeting.

#### **5. Update on Mānoa Innovation Center**

VP Syrmos provided an overview on the Mānoa Innovation Center that included background information on the property, current tenants, layout and square footage, and estimated annual income. The building is at 90% capacity and administration needs to establish a reserve fund for maintenance. Administration is reviewing plans for the building and the revenue stream and will report back to the committee within the next 12 to 24 months.

### **B. For Review and Approval**

#### **1. Approval of Committee Goals and Objectives**

The committee reviewed the goals and objectives to increase research funding, support faculty in the growth of the research base, and transform facilities and programs to promote innovation and collaboration.

Regent Higa moved to approve the committee goals and objectives, Regent Wilson seconded, and the motion carried unanimously.

**V. ADJOURNMENT**

There being no further business, Regent Higa moved to adjourn, and Regent Wilson seconded, and with unanimous approval, the meeting was adjourned at 12:40 p.m.

Respectfully Submitted,

/S/

Kendra Oishi  
Executive Administrator and Secretary  
of the Board of Regents