

AMENDED
NOTICE OF BOARD OF REGENTS MEETING

Board business not completed on this day will be taken up on another day and time announced at the conclusion of the meeting.

Date: Thursday, April 20, 2017

Time: 9:30 a.m.

Place: Kaua'i Community College
Office of Continuing Education & Training (OCET), Room 106 C&D
3-1901 Kaumuali'i Highway
Līhu'e, HI 96766

AGENDA

I. Call Meeting to Order

- II. Public Comment Period:** 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. Registration for oral testimony on agenda items will be provided at the meeting location 15 minutes prior to the meeting and closed once the meeting begins. Written testimony may be submitted via US mail, email at bor@hawaii.edu, or facsimile at 956-5156. Oral testimony is limited to three (3) minutes.

III. Report of the President

IV. Committee Reports

- A. Report from the Committee on Independent Audit
- B. Report from the Committee on Intercollegiate Athletics
- C. Report from the Committee on Research and Innovation

V. Items for Discussion and/or Approval

A. For Action

- 1. Consent Agenda:
 - a. Minutes of the March 23, 2017 Meeting
- 2. Approval of Agreement for Chilled Sea Water for Air Conditioning at JABSOM
- 3. Report of the Permitted Interaction Group for the University of Hawai'i System Integrated Academic and Facilities Plan
- 4. Approval of University of Hawai'i System Integrated Academic and Facilities Plan

Accommodation required by law for Persons with Disabilities requires at least (5) five days prior notice to the board office at 956-8213 or bor@hawaii.edu.

5. Award of The Honorary Doctorate Of Humane Letters Degree To The Honorable Richard R. Clifton

B. For Information/Discussion

1. FY17 Q3 Extramural Awards Analysis
2. 2017 Legislative update

VI. Executive Session (closed to the public):

- A. Collective Bargaining: (To discuss authority of persons conducting labor negotiations and conducting negotiations pursuant to HRS §92-5(a)(3))
 1. Discussion of collective bargaining negotiations process

VII. Announcements

- A. Next Meeting: June 1, 2017 at University of Hawai'i Cancer Research Center

VIII. Adjournment

ATTACHMENTS

- A – Personnel actions posted for information only



UNIVERSITY
of HAWAII
SYSTEM

UNIVERSITY OF HAWAII
BOARD OF REGENTS

17 APR 17 P1:24

April 17, 2017

David Lassner
President

MEMORANDUM

TO: Jan Sullivan
Chair, Board of Regents

FROM: David Lassner
President

UNIVERSITY OF HAWAII
PRESIDENT'S OFFICE

17 APR 17 P1:19

RECEIVED

SUBJECT: Request BOR Approval of the Integrated Academic and Facilities Plan for the University of Hawai'i System

I. **SPECIFIC ACTION RECOMMENDED:**

It is recommended that the Board of Regents adopt the Integrated Academic and Facilities Plan for the University of Hawai'i System.

II. **RECOMMENDED EFFECTIVE DATE:**

Effective immediately.

III. **PURPOSE:**

The creation of a UH System Integrated Academic and Facilities Plan (IAFP) was requested by the Board of Regents to provide a strategic vision to align and leverage the unique mission, capabilities and resources of each campus while reducing unnecessary duplication and increasing collaboration across the System.

IV. **BACKGROUND INFORMATION:**

In October 2015, the Board passed a resolution for the development of a systemwide Integrated Academic and Facilities Master Plan to provide clarity around academic and facilities planning decisions and help frame future discussions and decision making in these areas. Several public Board of Regents meetings included discussion of the Plan.

A first draft of the framework was circulated for university-wide comment early in the Fall 2016 semester. Work continued with a Permitted Interaction Group involving Regents and Administration.

A penultimate draft was widely circulated for comment within the university in March 2017 and was included with the public materials for the March 2017 Board of Regents meeting.

This plan presented for approval represents that penultimate draft with consideration and integration as appropriate of all comments received.

The IAFP includes a vision and a set of systemwide guiding principles and priorities. It then outlines positioning statements for the four academic units (UH Mānoa, UH Hilo, UH West O'ahu, and UH Community Colleges), which provide the necessary structure to apply fiscal, human, and physical resources across our campuses more effectively and efficiently while continuing to advance the higher education goals of the state. The unit positioning statements describe mission differentiation across the UH System.

Next steps that support and advance the IAFP include:

- Revising the new program proposal process and associated policies that include an executive level review to ensure alignment with campus missions, Strategic Directions, and the IAFP. This will include an updated set of guidelines and a resource allocation template to better reflect current priorities and considerations, such as an analysis of facilities and resource needs and an assessment of risk. An update on the new program proposal process was presented at the March 2017 Academic and Student Affairs Committee meeting.
- Developing a new systemwide collaboration for distance and online learning that provides a framework for flexible and coordinated development of courses and programs that increase access and address high priority needs of the state. The plan includes recommendations for an updated distance learning structure across the system, including a re-examination of University and Education Centers, and the development of key programs. An update on the work was presented at the March 2017 Academic and Student Affairs Committee meeting.
- Systemwide academic planning through sector convenings to establish strong business and industry partnerships and promote an understanding of job demand, local industry dynamics, and the skills needed for successful employment in Hawai'i. Through this collaboration and shared knowledge, the UH System can strategically determine the optimal program mix and placement across the campuses, reduce unnecessary duplication, and maximize student pathways and opportunity.

- Creation and implementation of a Systemwide Enrollment Management Plan to strategically advance the enrollment cycle across the UH System. This plan integrates individual campus activities and provides a set of strategic system actions. A working draft of the plan was presented at the March 2017 Academic and Student Affairs Committee meeting.
- Active Facilities Planning at UH campuses that will feed into Long Range Development Plans and new rolling 6-year UH Capital Improvement Program plans each year. Plans will explore non-traditional funding opportunities within and among campuses to maximize facilities uses and contain capital funding needs across the UH System.

The IAFP will be used in budget planning and to update and conform relevant regents and executive policies and administrative procedures in the areas of academic, facilities, and financial planning. The administration will develop an implementation plan and provide the Board with annual progress updates. In addition, the IAFP will be reviewed at least every two years.

V. ACTION RECOMMENDED:

It is recommended that the Board of Regents adopt the UH System Integrated Academic and Facilities Plan as provided in Attachment 1.

Attachment

cc: Cyndi Quinn, Executive Administrator and Secretary of the Board

**Integrated Academic and Facilities Plan
for the
University of Hawai'i System**

Vision

Hawai'i is a special place where diverse people and communities live, work, learn and play together in a sustainable manner. Hawai'i's economy is vibrant and globally competitive, characterized by engaging living-wage jobs. Inspired by its host culture, Hawai'i treasures and protects its amazing environment as it promotes a high quality of life for all its people.

The University of Hawai'i system is the single most important contributor to the future of Hawai'i. The people of Hawai'i appreciate the excellence throughout UH, understand its value to the state and show their pride in their university system. UH campuses are recognized for their quality and value and are destinations of choice within Hawai'i and beyond. The UH System is the premier integrated higher education system in the country.

The University of Hawai'i System

The University of Hawai'i (UH) is the sole provider of public higher education in the State of Hawai'i and embraces the mission of Land Grant institutions across the country. It has an extraordinarily wide range of responsibilities ranging from educating every resident of Hawai'i, regardless of preparation, to training doctors, lawyers, teachers and engineers. UH provides the intellectual capacity to address Hawai'i's challenges and opportunities and stimulates the economy through its research and scholarship. UH as a whole cannot ignore any part of its mission, from traditional education of 18-year-olds to technical workforce development to serving non-traditional students to professional education to solving problems and developing new economic sectors that create meaningful jobs.

The UH System enjoys a unique opportunity through the integration and alignment of the work of its community colleges, baccalaureate institutions and its flagship research university. Not every part of UH can or should engage in every part of this mission across every disciplinary area. UH can work collaboratively and efficiently to meet the diverse needs of Hawai'i's communities. It is essential for UH to thoughtfully and intentionally weave together the capacities and interests of its diverse campuses and faculties if it is to achieve its vision.

This integrated academic and facilities plan is intended to provide a comprehensive plan for how the campuses will develop and work together to ensure that the entire mission of the UH System is addressed without undue duplication or inter-campus competition. In the current fiscal environment, each

campus cannot be all things to all people. The UH System must prioritize and evaluate all programs to provide that which the state needs most.

This document provides guidance on which programs belong on each campus and which buildings should be prioritized for construction or modernization. It provides the framework for decision-making in Hawai'i's integrated system of public higher education in today's economic environment.

This document is not the specific academic or facilities plan for each or any campus, but provides guidance for all such plans. Further, this document is not intended to duplicate or reaffirm the basic commitments of the University of Hawai'i and its campuses to principles such as equitable access, quality, sustainability, Native Hawaiian student success, indigenous knowledge, and the importance of a broad education that prepares lifelong learners and engaged civic-minded citizens. Those principles are embodied and outlined in other campus and system strategies, policies and plans.

Systemwide Guiding Principles and Priorities

These principles and priorities are intended to guide UH's approach to serving the people of Hawai'i and the world, and how it applies its fiscal, human and physical resources efficiently, coherently and collaboratively.

- UH supports and rewards collaboration across all programs and activities. New silos are discouraged and current silos are eliminated or reduced. The university prioritizes and integrates systemwide articulation and transferability in all academic planning.
- Duplication of academic programs takes place only with intention and sound justification. All programs are planned in a fiscally sound and sustainable manner and placed in appropriate locations. Considerations include type of program and mission, regional and statewide demand and availability of physical space, facilities and land.
- UH will increase and diversify enrollment. Centralized enrollment management support can enhance campus efforts with clear lines of responsibility, authority and accountability.
- To advance its academic mission and ensure modern well-maintained facilities, UH must strengthen diversity of its financial base beyond the continuing critical cornerstones of state funding and tuition revenue. Opportunities include leveraging land assets, generating more revenue from intellectual property, and increased philanthropy.

- UH is committed to shared use of facilities, particularly costly and specialized facilities. New capital projects must maximize long-term flexibility and include shared classrooms and resources to make the best use of institutional space. Campus space belongs to the university, not to a department, school or person. Specialized and costly facilities and capabilities can be shared externally to address community needs while generating revenue to support operating costs.
- UH land is an asset of the UH System, not each campus. UH will develop a systemwide plan for real estate assets that respects each campus mission while maximizing opportunities, including through the use of Public Private Partnership (P3) strategies where appropriate.
- UH is committed to prioritizing its investment of fiscal resources to support academic programs and facilities that reflect the principles and priorities set forth in this plan.

The Four Academic Units

This section applies the vision, framework and principles to each of the major academic units of the university system: UH Mānoa, UH Hilo, UH West O'ahu and the UH Community Colleges. It provides an assessment of where the units are now, as well as implications for the future.

UH Mānoa

As a land, sea and space grant University, UH Mānoa is the cornerstone of Hawai'i's system of higher education. It is an internationally recognized and globally competitive research university that complements its educational activities with a fundamental mission of innovation, knowledge generation and discovery that improves human life and wellbeing. UH Mānoa focuses on programs of excellence that emphasize Hawai'i's many strengths and advantages of location, population and geography. As a Carnegie "R1" research university, UHM inspires, nurtures and educates tomorrow's leaders while addressing the most challenging problems of our time.

UH Mānoa's research and scholarly activity attract substantial extramural funding to the state, foster the development of new businesses and generate high paying jobs. The research enterprise is itself a significant employer and brings unique insights to major local and global challenges and opportunities. UH Mānoa attracts internationally competitive research-intensive faculty who attract the best students. The research and scholarship mission should continue to grow in areas of excellence and emphasis, including areas of strategic importance to Hawai'i.

At present, UH Mānoa is not widely seen as the destination of choice for a large number of the very best undergraduate students, local and beyond, as would be expected of a research university of its caliber. Until recently, the university had to be all things to all students as the only baccalaureate granting college on O'ahu. This can change with the development of UH West O'ahu and growth at UH Hilo. But the undergraduate experience at Mānoa will also have to change.

UH Mānoa is in dire need of major investment in its instructional and research facilities, including state-of-the-art classrooms and laboratories that are environmentally and financially sustainable.

Research activities and the undergraduate experience need to be more fully integrated across disciplines and the campus as a whole. This will create more student and community engagement, thereby leveraging the unique capacity of this great research university.

As Mānoa continues to develop as a destination of choice for the best students, the admission standards may evolve to more closely reflect those typical of the world's best research-intensive universities. Not only will Mānoa become more attractive to the best local high school graduates, it will also attract more top national and international students. This process must strengthen the unparalleled diversity that is a hallmark of UH Mānoa.

UH Mānoa must also continue to meet the professional workforce needs of Hawai'i in areas such as education, medicine, nursing, law, business, social work and engineering. Work must continue to integrate education, innovation and scholarship, across disciplines, and to develop the next generation of Hawai'i's leaders.

Implications for UH Mānoa enrollment

Undergraduate enrollment management should focus on:

- Increasing market share from Hawai'i's high school graduates including competing strongly for more of the very best local students who might otherwise attend a mainland university.
- Distinctive Early College pathway programs that leverage unique Mānoa assets and capabilities.
- Increasing numbers of mainland U.S. students, starting with Western Undergraduate Exchange (WUE) students.
- Increasing numbers of international students.
- Building more robust recruiting and success programs for transfer students from UH community colleges that leverage and enhance the strong articulation agreements and curriculum pathways already in place.
- Improving retention and persistence of enrolled students.

Graduate enrollment management should focus particularly on attracting the best students to UH Mānoa graduate and professional programs defined as strategic. UH Mānoa can also do more to recruit UH undergraduates into some of its graduate programs, particularly master's degree programs. Graduate enrollment management is also tied to the availability of graduate student support and the recruitment and retention of world-class faculty.

Implications for UH Mānoa facilities

The lack of modern, well-maintained facilities and spaces has become a substantial deterrent to attracting the best students and faculty. Aging facilities and a deferred maintenance backlog of some \$500 million present potential risks to health and safety, public perception and reputation.

The emphasis over much of the past decade has been on the need to reduce the deferred maintenance backlog. However, a broader emphasis is now needed on modernization and optimizing space utilization. Students and faculty need more high-quality space. To address this, UH Mānoa must repurpose and modernize campus spaces to support priority programs and meet student and faculty needs. Aligning major renovations and new construction with strategic high priority needs is as important as eliminating the specific items in the deferred maintenance backlog. Fixing a leaky roof without also updating the classrooms or laboratories is not an approach that supports excellence in teaching or research.

This work must focus on the footprint that is actually required to meet the mission of the campus; campus redevelopment must reflect focused priorities. Historically, capital renewal has been approached with the assumption that existing buildings will be replaced or renovated to serve existing uses and individuals. This philosophy must change, and campus modernization should support shared facilities, classrooms, and labs, wherever possible. UH Mānoa must enhance the student experience and create high-quality learning environments consistent with current research. Flexible, digitally enabled spaces that foster collaboration, interaction, innovation and integration across disciplines are essential. Greater flexibility and adaptability will enable the campus to respond to changing needs and future requirements. This also means rethinking space as *university* space, rather than *college*, *departmental* or *individual* space.

The renovation and replacement of buildings also provides an opportunity to become more sustainable and energy efficient. Many of the buildings currently planned for renovation or replacement either do not have air conditioning systems or have inefficient retrofitted air conditioning. Louvered windows contribute to dust and noise in classrooms and laboratories. Renovation of these buildings will result in utility savings while reducing the deferred maintenance backlog and supporting enhanced teaching and research.

Serious consideration should be given to the evolution over the next decades of the entire UH Mānoa campus—from the lower campus to the upper campus to the Institute for Astronomy and Faculty Housing. A new master facilities plan will provide the impetus for the creation of inspiring spaces. Uniquely located in iconic Mānoa Valley, the flagship UH Mānoa campus can serve as a diverse source of innovation and education. Through strategic planning and public-private partnerships, the 300-plus acre campus can be transformed into a vibrant university campus that integrates world-class education and research with a mixed-use “college town” and shared community spaces.

Implications for UH Mānoa programs

UH Mānoa must focus on areas of selective emphasis and excellence. It can begin to transfer programs developed at Mānoa that may now be best delivered by other campuses within the UH System. It should also consider for termination degree programs and course offerings that lack critical mass or relevance. Greater focus can provide UH Mānoa the opportunity to grow compelling new programs in areas of emphasis and excellence. New undergraduate programs can attract more great students, for example in the area of sustainability where the campus has remarkable capability across its schools and colleges. And new professional master's programs for non-traditional students can serve community needs while generating revenue and building important new relationships.

A new initiative to realign UH Mānoa's academic organization provides an opportunity for positive change. The academic redesign initiative must consider scale as well as overlap of missions, expertise and facility needs. But even more importantly it must focus on objectives that will advance students, faculty and community. Organizational structure can help important advances such as: creating more appealing and relevant educational programs that attract students and help them succeed in their lives; enabling Mānoa to better address the grand challenges facing Hawai'i and the world while strengthening the economy of Hawai'i; increasing campus competitiveness for major research awards; and more strongly projecting research opportunities into undergraduate education. The academic redesign must encourage and support UH Mānoa's continued advancement as a world-class research university through increased integration of education and research, including across disciplines.

UH Hilo

UH Hilo is characterized as a comprehensive, regional university. The primary focus of the campus is on providing high quality baccalaureate and select postgraduate education. In carrying out this mission, UH Hilo offers programs that take advantage of the unique physical and social characteristics of the island, attracting and serving Hawai'i Island students who are qualified for baccalaureate entry and seek opportunities for highly engaging and experiential learning. This includes first-generation and non-traditional students, some of

whom attend part-time. Scholarship and research are an important part of faculty work and enhance student engagement in the unique learning environment of Hawai'i island.

While a primary target for UH Hilo is residents of the Big Island, its programs should also be attractive to prospective students from other islands, the Pacific, the mainland U.S. and other countries. University-bound students from O'ahu in particular may select UH Hilo not only for its distinctive undergraduate programs but also for its more rural setting, affordability, intimate character, and/or to leave home without leaving the state.

In addition to its undergraduate programs, UH Hilo currently offers 7 masters and 4 doctoral degree programs, 3 of each are not offered elsewhere in the state. UH Hilo is known for its distinctive role in advancing Hawaiian language immersion education and continues to prepare teachers for service in immersion schools. UH Hilo efforts at the postgraduate level will focus on ensuring the quality, relevance and enrollment level of its current graduate programs, including providing professional opportunity for residents of Hawai'i island.

Implications for UH Hilo enrollment

UH Hilo has the physical facilities to support more students than it currently enrolls and should plan to grow both to meet the needs for a more educated populace and to be more economically viable. Enrollment growth should focus on:

- Increasing market share of baccalaureate bound students from Hawai'i Island and throughout the state. Early College programs can help.
- Expanding transfer pathways for community college students, which will require improved alignment of requirements.
- Increasing recruitment of international and national students into programs of excellence or distinctiveness. In particular, UH Hilo can attract Pacific Island students and offer students from Western Undergraduate Exchange (WUE) states exceptional value as well as residential living.
- Increasing enrollment of West Hawai'i students served online and in person through Hawai'i Community College's Pālanui campus.
- Improving retention and persistence of enrolled students.

Implications for UH Hilo facilities

UH Hilo has largely completed its major construction plans. It is important to ensure that the campus does not develop a substantial deferred maintenance backlog. More significantly, the campus must ensure that teaching and learning spaces reflect modern technology and practice.

UH Hilo enjoys a wealth of real property assets. The Hilo Research and Technology Park represents a future opportunity. The highest current priority for land development is the creation of a commercial mixed-use district near the new residence hall to begin to create additional campus life opportunities while generating at least a modest revenue flow. Efforts to date to achieve this through public-private partnership have not succeeded to date, but will be renewed. Additional strategies to be explored will include exploration of integration with other county and state initiatives and partners.

Implications for UH Hilo programs

The focus for UH Hilo will be on baccalaureate programs and its current select postgraduate degrees, which are not available on the island via distance delivery. UH Hilo can serve more student needs on Hawai'i Island by continuing to design and offer degree programs that articulate with Hawai'i Community College and that can be delivered via Pālanui, the North Hawai'i Education and Research Center and beyond. UH Hilo must also better align its general education core with the rest of the UH System to improve transfer options for community college students.

UH West O'ahu

UH West O'ahu also has a community-based regional mission. UH West O'ahu provides baccalaureate degrees to students who live and work in the region and to those who choose to access its distinctive programs on campus or via distance learning. It has a primarily instructional mission with a professionally active faculty.

As the youngest baccalaureate campus, UH West O'ahu has the opportunity to evolve in some unique ways. It has developed a special applied focus critical to Hawai'i that should become a strong, recognized and distinctive component within the UH System. UH West O'ahu has a number of degree programs and concentrations that emphasize practical applications including creative media, cybersecurity, facilities management, sustainable community food systems and insurance. Many of these include very efficient applied baccalaureate degree pathways for community college transfer students. UH West O'ahu's interdisciplinary academic structure (without departments) enables the campus to remain academically nimble. Focusing on applied and technical programs, including potentially relocating some of UH Mānoa's highly applied professional programs, may strengthen UH West O'ahu, serve the region and enable UH Mānoa to focus on its primary mission as Hawai'i's research university.

As the baccalaureate campus with the highest percentage of distance and online courses and programs, and the highest percentage of part-time students, UH West O'ahu has the opportunity to recruit and support "non-traditional" students on all islands. West O'ahu can more readily pioneer new models of education

and more actively target older and part-time students than the other baccalaureate campuses do today. Instructional approaches such as competency-based education and Prior Learning Assessment may be particularly appropriate, complementing distance and online learning opportunities. Implementation of alternate forms of scheduling may be more inviting to part-time students, such as active duty and retired military, many of whom live and work in the region.

Implications for UH West O'ahu enrollment

UH West O'ahu is small and needs to increase its enrollment, to meet the needs of a demographically growing region and to gain economies of scale. This growth should focus on:

- Continuing to focus on community college transfer students.
- Aggressively seeking increased participation of baccalaureate bound high school students from Leeward and Central O'ahu and the North Shore. Early College career pathway programs can help.
- Continuing development and recruitment of students from throughout the state into distance and online programs.
- Recruiting underserved populations, including military and retired military.
- Recruiting international students.
- Improving retention and persistence of enrolled students.

Implications for UH West O'ahu facilities

UH West O'ahu does not currently have the buildings and facilities to accommodate growth. Two new buildings are now funded; the administration and health sciences building has broken ground, and the creative media building is in the planning stage. These current plans for two new buildings are consistent with the focus on the development of applied baccalaureate programs.

Unlike UH Mānoa, West O'ahu has substantial land assets to accommodate future growth and collaborative activities with other campuses and the community. One example might be a University Center at UH West O'ahu that would enable students in the West O'ahu service region to benefit from programs offered by other UH campuses.

As with UH Hilo, it is important that deferred maintenance or outdated facilities do not emerge as future issues for the new campus.

More important for UH West O'ahu is to complete, in partnership with the UH System, comprehensive master planning for the substantial land assets. The new high-level land plan lays out a general framework for development of the makai campus as well as the non-campus lands. The non-campus lands will be developed through a public-private partnership. Strategic opportunities include

the presence of two mass transit stations at UH West O'ahu and development of faculty and student housing that can serve the entire UH System.

Implications for UH West O'ahu programs

There should be a tight link between West O'ahu, its regional service area and workforce demand through programs that embrace 21st century innovation and provide needed technical and management skills. Monitoring and anticipating workforce needs in this evolving region will be critical to the region and the fiscal sustainability of the campus.

The current integration of community college technical programs with the applied baccalaureates at UH West O'ahu through 2+2 and 3+1 collaborations is a highly efficient approach to the delivery of technical credentials without duplication. This approach can be meaningfully extended with the addition of one or more baccalaureate STEM completion programs that serve the region.

West O'ahu avoids duplicating degrees offered by UH Mānoa and focuses on more applied and general degrees that are distinctive and serve its region. There may be select degrees offered by Mānoa that are required to strengthen and enhance UH West O'ahu's applied programs and address specific educational needs of the region. Over time, a limited number of applied master's degrees that meet these criteria may also be appropriate for development. It may also be appropriate to relocate particular applied programs from UH Mānoa to UH West O'ahu.

Community Colleges

The UH Community Colleges are critical in expanding access to higher education. The community college mission is enabled by open admissions, affordable costs, easy geographic access and robust programs and services to address college readiness.

The UH Community Colleges play a major role in Hawai'i's workforce development by providing degree and certificate programs in multiple career and technical fields. Students may use these skills for immediate employment. As pathways are developed and refined, these credentials increasingly provide the basis for transfer to a technical bachelor's degree at UH West O'ahu. The UH Community Colleges also address workforce needs across the state through non-credit programs, short-term training and professional development.

In addition, the baccalaureate pathway for community college students is well articulated, and several policies (common general education, dual enrollment, articulated major pathways, guaranteed admissions, etc.) provide opportunities that are beyond those of other higher education systems. Through many collaborative programs, community college students often engage with their

baccalaureate student counterparts and university faculty on other campuses of the UH system.

Implications for UH Community Colleges enrollment

The UH Community Colleges experienced a 40% enrollment increase during the recession, an increase that has since decreased to about 20% above pre-recession levels. In considering enrollment, the UH Community Colleges must focus on:

- Helping address the Department of Education's (DOE) goal to increase the college going rate from 54% to 65% of its graduating class. Most DOE students not currently going on to college would likely first attend a UH community college.
- Targeting working adults. Data suggests that Hawai'i under-enrolls adults in comparison to comparable mainland U.S. community colleges. Serving these largely part-time students would rely heavily on online education, workplace or community based delivery, evening classes and/or special cohorts. Transfer pathways to UH's baccalaureate programs should also be provided.
- Eliminating the enrollment gap for Pacific Island students, one of Hawai'i's fast-growing population segments, who are currently underrepresented in higher education.
- Building more of the successful international programs, with particular emphasis on bridging programs to the baccalaureate campuses.
- Committed to increasing the persistence of students to the second year and on to completion.

Implications for UH Community College facilities

The deferred maintenance backlog at the community colleges is scheduled to be eliminated over the next three years. As with the other campuses, there remains the importance of ongoing modernization to ensure that teaching and learning spaces meet current needs.

The highest priority in physical planning for the UH Community Colleges is to decide the direction and location(s) of Hawai'i Community College. The current Hawai'i CC site in Hilo is no longer acceptable. The path to a 21st-century future for Hawai'i CC needs to be affordable and should take full advantage of the proximity of UH Hilo so that high cost facilities, such as the library, can be shared. The new Pālanui branch campus is now serving students in West Hawai'i and will need to grow organically with enrollment.

The second priority for facilities development within the UH Community Colleges is for a replacement science and technology building at Honolulu CC. This long

overdue facility has been postponed because of the City & County requirement for upgrades in the Honolulu's sewage infrastructure, which are at last underway.

Implications for UH Community Colleges programs

The UH Community Colleges offer three applied baccalaureate degrees at UH Maui College to meet local workforce needs. Given the ability to develop 2+2 and 3+1 partnerships with UH baccalaureate campuses, there are no plans for further baccalaureate degree programs at UH Maui or other UH community colleges.

Technical programs are driven by local workforce demands and requirements. Planning tools and processes are now being developed and releases to ensure that data about Hawai'i's current and emerging economy, as well as the perspectives of Hawai'i business and industry, can play an important part in UH planning to respond to statewide workforce needs.

Next Steps

The next sections describe some of the actions necessary to implement this integrated academic and facilities plan, including activities already underway.

Implementation of a New Program Approval Process

The new program approval process will include a new initial assessment as to whether a proposed program is consistent with the mission and principles of this plan. This will help align program offerings more clearly and ensure appropriate placement of programs, reduce duplication and increase curricular pathways across the system. Only after this preliminary approval will a campus develop more a more formal new program proposal.

At the same time, the program proposal process must be streamlined and support far greater agility and responsiveness than today. UH needs to be able to quickly initiate new programs that respond to market demands, particularly when there are few or no new resource requirements. A new approach to describing the resource requirements and implications will be part of the process to provide better focus on overall resource use and allocation within the proposing academic unit.

The program review process will also be modified to assure that existing programs are functioning effectively and efficiently in a manner consistent with the principles of this systemwide integrated academic and facilities plan.

UH Systemwide Collaboration for Distance and Online Learning

Distance and online learning can help address some of the needs of Hawai'i residents without increasing the burden on UH facilities or requiring new programs in multiple locations. The development of an action plan to address distance learning is underway with implementation planned beginning in the 2017-18 academic year.

UH already has a robust set of courses and programs offered primarily via online delivery and interactive television. Many UH Mānoa professional schools serve the entire state through distance learning, and UH West O'ahu delivers many of its baccalaureate degrees and certificates to the neighbor islands. However, there has been no recent comprehensive update to planning for the systemic use of distance learning to affordably and effectively address the full range of high priority needs of the state. This includes workforce needs as well as the interests of many resident in lifelong learning opportunities.

A fundamental principle underlying UH distance learning for over 25 years has been that all campuses collaborate to serve Hawai'i's students. UH has a strong tradition of working together to support distance learning students through its University and Education Centers, which are now spread across six islands in locations including Moloka'i, Lāna'i, Hana, Lahaina, Kaua'i, West Hawai'i, Honoka'a and Wai'anae. Campuses with distinctive programs have been charged to embrace their responsibilities to serve not just those who are able to physically attend on-campus classes but students throughout the state.

A renewed planning initiative also provides the opportunity to re-examine the role and configuration of UH's University Centers. UH pioneered this concept in the 1990s with distributed offices to support the delivery of baccalaureate and master's degrees to three neighbor islands. The concept should perhaps now be expanded to include all sites and all campuses to support a more complete statewide framework for the delivery of programs. With this renewed development of strategic distance learning programs, UH must also develop a cohesive systemwide student support, communication and marketing strategy.

The new distance and online learning action plan will:

- Identify degree and certificate programs that should be delivered via distance and online learning to ensure that students statewide have access.
- Identify key transfer and major courses that should be delivered consistently on a known schedule to ensure that all students enrolled in a baccalaureate transfer pathway have access to major courses in a timely manner.

- Develop online baccalaureate, master's and associate degrees that are attractive to Hawai'i students who currently enroll in for-profit online institutions at higher costs, often incurring substantial debt.
- Identify any unique signature programs that can be developed, offered and marketed to external non-resident populations.
- Redesign and upgrade intake and support services to ensure the success of an increasing number of distance learning students.
- Redesign key courses and programs by adapting them pedagogically and structurally to fit the needs of non-traditional students.
- Develop and execute a statewide marketing and communication approach.

Systemwide Academic Planning and Sector Convenings

Effective and responsive academic planning in many areas requires strong partnerships with business and industry to understand the demand for qualified graduates, the skills those graduates need to be successful, and the dynamics of local industry. At the same time, in a time of limited resources units across the UH system must work together to provide an integrated suite of offerings to meet community and workforce needs without duplication. UH must accelerate and systematize its engagement both across campuses and with community stakeholders.

UH has initiated an industry sector engagement program to identify unmet and emerging needs in the state. A web-based sector/labor mapping tool was developed locally and is now being used to engage leaders of all major economic sectors in a formal, cyclical fashion. The new tool organizes all the jobs in the state of Hawai'i into sector groupings. Each job has its own web landing page that includes: current demand, projected demand, salary ranges, degree levels required by industry, skill sets required, and a listing of companies that are hiring.

The leadership of the banking sector and the chief information officers from all major sectors were the first to have been engaged in formal meetings around this tool, and more industry sector convenings are planned. This is already proving to be a powerful approach when used to inform systemwide academic planning around key workforce areas, and the intention is that these convenings will be a regular, recurring component of academic program planning.

The industry sector convenings and labor mapping tool provide valuable insights on the greatest current emerging workforce needs in specific regions. UH must use this information to meet those needs in a manner consistent with this systemwide integrated academic and facilities plan. UH must systematize how its differentiated campus roles can best be leveraged to meet the needs of students and employers. For example, UH does not currently have a comprehensive view of the roles and responsibilities of UH campuses to meet the needs of the hospitality sector, Hawai'i's largest industry. This applies

similarly in key employment areas such as: education, healthcare, agriculture, information and communication technologies, creative media and engineering.

Internal university convenings have started to collaboratively address critical shortages of K-12 teachers across the state. These meetings have been focused on creating and articulating clear pathways for both traditional students and returning students. The goals for such convenings include articulating clear and collaborative programming/pathways across the system, developing program pathways for those currently in classroom support roles who wish to obtain licensure and exploring ways UH can provide support to current teachers. An initial convening has taken place to explore programming for the hospitality sector.

As with the work in education, additional internal university convenings focused on systemwide academic planning for a specific sector must identify the needed curricular offerings and drive coherent credential pathways among campuses. These pathways can also extend into preparatory programs in high school through collaborations with the DOE and private schools. As a system, UH has the remarkable opportunity to offer a range of programming across campuses without unnecessary duplication.

Systemwide Academic Planning must:

- Provide information and insight about state workforce needs and student demand.
- Promote clarity and consistency between and among campuses that drives program placement, reduces unnecessary duplication, and maximizes student pathways and opportunity, including by collaboration with K12 partners.
- Guide strategic use of all resources including people, facilities & space, and dollars.

The development of specific academic programs remains the responsibility of campuses in accord with applicable policies, shared governance principles and practices, and accreditation requirements. Major changes and/or shifts in programs between campuses consistent with this plan, such as decisions to move a program from one campus to another, must be carried out in a consultative and orderly manner in full accord with applicable policies, shared governance, accreditation requirements and collective bargaining agreements.

Enrollment Management

UH must reverse the enrollment declines of the past five years. This sections above lay out general target populations for each unit, but UH needs a comprehensive and modern institutional approach to enrollment management.

Enrollment management includes recruitment, admissions, financial aid, retention, persistence and student outcomes. This work is increasingly data-driven, and work is underway to more systemically increase enrollment. Much of the work of enrollment management must occur at the unit level in strategic alignment with the mission and goals of each campus. But there is also an important role for our comprehensive public higher education system in statewide aspects. Work is now underway on a systemwide enrollment management action plan that will:

- Work with the DOE to increase the “going rate” of Hawai’i high school graduates to UH campuses through active marketing, coordinated engagement with college and career counseling programs and expanded dual credit programs such as Early College.
- Coordinate collaborative marketing initiatives such as inviting every public high school junior to visit a UH campus.
- Better communicate financial aid opportunities that can help students afford higher education and a UH campus and increase the number of high school and UH students who complete the Free Application for Federal Student Aid (FAFSA).
- Coordinate Early College policies and practices across campuses
- Align campus admission and transfer standards and processes.
- Simplify internal transfer processes, including for Early College students, to increase numbers of transfer students.
- Review and revise as appropriate system policies that impact campus enrollments.
- Provide data analytics and predictive modeling to identify target populations and strategies that will increase retention and student success across the system.
- Develop and utilize sensitivity analyses of the impact of tuition rates and related factors on attendance across the system.
- Report on enrollment in a consistent manner, including for specific target populations across major units.
- Identify opportunities for systemwide recruitment to the University of Hawai’i, with the message that there is a UH campus for everyone and a branding initiative that communicates the unique attributes of each.

Facilities Planning

There is much more to be done in developing concrete actions around facilities planning. Much of this will evolve within the campus strategic and facilities plans in accord with this integrated plan and coordinated across the system.

Seven of UH’s ten campuses are in a relatively steady state. The master plans for UH Mānoa, UH West O’ahu and Hawai’i Community College need comprehensive updates for development or redevelopment. Work is underway on these planning efforts, including Long Range Development Plans (LRDPs).

UH Mānoa is engaged in a new planning initiative that will result in a new facilities master plan that will drive the next LRDP. This will include developments from lower to upper campus and into Mānoa valley.

The UH West O'ahu planning initiative includes the makai campus lands and the proposed University Village public-private partnership. In addition, planning for the mauka lands addresses opportunities for alternative energy development, community-based agricultural and educational advancement and support of access to the new Honouliuli National Monument.

Strategic planning for facilities at Hawai'i CC has been underway for several years and is now reaching completion. The financial challenges facing UH and the state that limit major capital improvement initiatives, coupled with leveraging technology, may support the advancement of a new model for a 21st century community college serving Hawai'i Island.

Moving forward, all campus land and facilities plans must align with this integrated academic and facilities plan. Development at the seven campuses that are in a relatively steady state must follow their individual campus LRDPs and the new rolling 6-year UH Capital Improvement Projects Plan, which aggregates the needs and priorities of all ten UH campuses.

Recognizing that the built environment drives operating costs, new construction requests on any campus must be justified based on demonstrated utilization of what is already available. A pioneering space utilization study is underway at UH Mānoa to create a comprehensive information system that will help the campus understand how all building space is currently used and inform decision-making. This methodology can be extended systemwide. Moving forward there must be increased sharing of space, especially specialized space, on and even between campuses.

Securing the funding needed to modernize the UH Mānoa campus may be one of the most significant challenges facing UH and the state. In addition to demonstrating high performance in planning and construction, UH must understand how much space is needed and ensure that all non-state sources of funding are leveraged.

Whenever possible, opportunities for creative financing and revenue generation through public private partnerships and Transit Oriented Development (TOD) should be explored as supplements or alternatives to public funding. Public private partnerships opportunities in particular should be pursued to enhance campus development and generate revenue at UH West O'ahu, UH Hilo and UH Mānoa. TOD opportunities are developing now at UH West O'ahu, Leeward CC, and at Honolulu CC. When rail is extended to Mānoa, there will be even greater opportunity for conceptualizing multi-campus initiatives and collaborations.

The considerations above will drive a new approach to prioritization and planning of facilities and capital improvement across the UH System with an increasingly statewide perspective.

Institutionalizing Implementation

The principles of this plan will be incorporated into biennium budget planning, annual operating budgets, 6 year CIP plans and academic program approvals and reviews.

Following adoption of this plan by the Board of Regents, the plan will also be used to update and conform relevant regents' policies, executive policies and administrative procedures. This work will begin with a review of policies in the areas of academic, facilities and financial planning.

The administration will develop an implementation plan that will be presented to the Board of Regents and will provide annual updates on. It is intended that this plan will be reviewed at least every two years and updated as appropriate.

MINUTES

BOARD OF REGENTS MEETING

APRIL 20, 2017

I. CALL TO ORDER

Chair Jan Sullivan called the meeting to order at 9:30 a.m. on Thursday, April 20, 2017, at the University of Hawai'i Kaua'i Community College (KauCC), Office of Continuing Education & Training (OCET), Room 106 C&D, 3-1901 Kamuali'i Highway, Līhu'e, Hawai'i 96766.

Quorum (11): Chair Jan Sullivan; Vice Chair Ben Kudo; Vice Chair Randy Moore; Regent Simeon Acoba; Regent Wayne Higaki; Regent Michael McEnerney; Regent Jeffrey Portnoy; Regent Lee Putnam; Regent Michelle Tagorda; Regent Ernest Wilson Jr.; and Regent Stanford Yuen.

Excused (3): Regent Eugene Bal; Regent Brandon Marc Higa; Regent David Iha.

Others in attendance: President/Interim UH-Mānoa (UHM) David Lassner; Vice President for Academic Planning & Policy Risa Dickson; 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 Research & Innovation Vassilis Syrmos; Vice President for Information Technology & Chief Information Officer, Garret Yoshimi; Vice President for Budget & Finance & Chief Financial Officer Kalbert Young; UH-Hilo (UHH) Chancellor Donald Straney; UH-West O'ahu (UHWO) Chancellor Maenette Benham; Kaua'i Community College (KauCC) Chancellor Helen Cox; Executive Administrator and Secretary to the Board Cynthia Quinn; and others as noted.

Vice Chair Kudo open the meeting with special remarks to Chair Sullivan and family upon the passing of her father, Roy Takeyama, Emeritus Regent and former special assistant to the UH President; UH Secretary; and Board Secretary. He acknowledged the exemplary service of Mr. Takeyama, the key role Mr. Takeyama played in the welfare of the university, and how he started the Association of Emeritus Regents (AER). He read aloud a letter from the AER offering condolences to Chair Sullivan and her family. At the conclusion, Vice Chair Kudo requested a moment of silence in honor of Mr. Takeyama. Chair Sullivan expressed her thanks for the kind words and condolences.

II. PUBLIC COMMENT PERIOD

Executive Administrator and Secretary of the Board Cynthia Quinn announced that the board office received one late written testimony from Marguerite Butler raising

comments and concerns regarding the Integrated Academic and Facilities Systemwide Plan. The following individuals provided testimony:

1. Gregory Wong, Director of Customer Services at Honolulu Seawater Air Conditioning (HSWAC), provided testimony in support of the HSWAC Agreement on the agenda for approval.
2. John Casken, Chair of the UH Mānoa Faculty Senate (UHMFS), provided testimony regarding UHMFS resolutions in support of faculty concerns related to the framework of the systemwide integrated academic and facilities plan; results of a comprehensive survey of UHM faculty regarding extending the dual roles of the president and the UHM chancellor, and finding common ground between regents, administration and faculty. He extended an invitation to regents to attend the award ceremony for UHM Board of Regents Medals for Excellence in Teaching and Research.
3. Marguerite Butler, UHM Associate Professor and member of UHMFS Executive Committee, summarized her written testimony regarding concerns about the consultation process related to the systemwide integrated academic and facilities plan, statements made in the plan, and leadership, and requested the board consider delaying adoption of the plan.

III. REPORT OF THE PRESIDENT

President Lassner provided a report that included the following highlights:

1. Registration is underway for summer and fall 2017 using the award winning new STAR Graduation Path System (GPS) systemwide, that contains S-designated courses to identify courses related to sustainability, and the campuses are continuing with other sustainability opportunities (e.g. micro grid and photovoltaic projects).
2. UHH's Office of Mauna Kea Management and Kahu Kū Mauna and Pacific Consulting Services were recognized with the highest honor by Historic Hawai'i Foundation for their work in preservation, rehabilitation, and restoration, and interpretation of the state's architectural, archaeological and work on Maunakea.
3. A joint grant from the National Science Foundation and the National Endowment for the Humanities, led by UHH Ka Haka 'Ula O Ke'elikōlani Hawaiian Language College and UHM Linguistics Department, was awarded to build a Hawaiian Spoken Language or 'ōlelo Hawai'i digital repository to preserve the heritage and advance the university's role as a model indigenous serving institution, which will initially be released via Ulukau: The Hawaiian Electronic Library.
4. Earth Day activities were underway on all campuses and include a March for Science statewide, led by UHM faculty and around the country as a nonpartisan effort on the importance of science in advancing the society and wellbeing for all.
5. Capital improvement projects (CIP) updates are provided quarterly to the planning and facilities committee and the full board, and to date, regarding major projects, the Culinary of the Pacific has been completed and issued a certificate of occupancy and will serve multiple campuses; the UHH College of Pharmacy

and UHM Law School Community Legal Outreach Center, and the UHWO Administration Building are all underway, on budget, and on time.

6. The UHWO Academy of Creative Media (ACM) design-build is proceeding with charrettes including external and internal stakeholders on programming that will drive the design. The Life Sciences Building is also proceeding, although bids exceed budget estimates, the demolition is moving forward for summer pending permitting.

Report of the Host Campus.

President Lassner introduced KauCC Chancellor Helen Cox, who provided a slide presentation showing an even balance of student demographics, enrollment holding, with an increase in distance learning, and highlighting exceeding performance measures in degrees. The Community College Survey of Student Engagement results aided in identifying areas the campus is strong and biggest barriers to student success. Based on the survey results, the student success pathways focus on connection and entry points, and placement programs were modified to accelerate students through the program. Pass rates for below college level courses have increased, and more offerings are provided for early college programs to increase connections. The campus is revamping program assessment to focus on completion and employment, enhancing innovation programs, and increasing international experiences to broaden student perspectives.

Comments and questions were raised regarding the percentage gap between student success in the 2 year technical certificates versus 4 year broad liberal programs, increasing success rates for developmental programs and high school participation, and workforce development status with the Pacific Missile Range. Chancellor Cox explained the 30% career & technical education versus 70% liberal arts proportion fluctuates at entry and the gap narrows upon completion, at which time either they transfer or leave for employment. Improvements to the developmental education program is in its first year with the expectation that math will improve, while English is a work in progress to find the right model. The electronics and engineering programs are working with the Pacific Missile Range base personnel on needs in areas including project work on sustainability in areas such as the marsh, water, photovoltaic systems, and the telescope.

Chancellor Cox introduced the Kaua'i Faculty Senate Chair Victoria Mathis, who reported on the student success on a small campus, with high demand for small courses responsive to the community and workforce needs. The programs are agile, meet schedule needs, provide social and peer cohort support, utilizes existing space and resources. She highlighted the hybrid and electronic technology programs, medical assisting, and the recent creative media program. Discussion regarded the policy for terminating small programs, and impact on students in the program, and the impact of STAR GPS in managing course offerings. Chancellor Cox shared the many options utilized to address courses with low enrollment, such as revamping required program

courses, and offering certain elective courses less frequently, while still assuring students that a course will be held if it is in the STAR system.

IV. COMMITTEE REPORTS

A. Report from the Committee on Independent Audit

Committee Chair Moore summarized the committee report attached. No additional comments or questions from the board were raised.

B. Report from the Committee on Intercollegiate Athletics

Committee Chair Portnoy summarized the committee report attached. No additional comments or questions from the board were raised.

C. Report from the Committee on Research and Innovation

Committee Vice Chair Kudo summarized the committee report attached. No additional comments or questions from the board were raised.

V. ITEMS FOR DISCUSSION & APPROVAL

A. For Action

1. Consent Agenda:

a. Minutes of the March 23, 2017 Meeting

Vice Chair Moore moved to approve the consent agenda item, seconded by Regent Wilson, and the motion passed, with Regent Higaki excused.

2. University of Hawai'i System

a. Approval of Agreement for Chilled Sea Water for Air Conditioning at JABSOM

Chair Sullivan noted that the item did not go to committee, and thanked Regent Yuen, Chair of the Committee on Planning and Facilities, who agreed to allow the item to come directly to the full board due to time constraints as the next board meeting is not until June 1, 2017.

At 10:30 a.m., the board went into recess. The meeting reconvened at 10:39 a.m. VP Young provided a slide presentation on the item for approval, highlighting critical points regarding the need to find an alternative service for the John A. Burns School of Medicine (JABSOM) prior to 2025, when the current service with the Board of Water Supply (BWS) expires. He explained that the objective is to find a service that will reduce costs, is more ecologically friendly, and utilizes modern efficient technologies, to replace the current service that requires an electrical cooling system. The proposed agreement with the service provider Honolulu SeaWater Air Conditioning, LLC (HSWAC), provides cold seawater cooling, utilizing technology tested in Hawai'i and

internationally, and the terms contain early trigger safeguards for the university from financial liability and commitment with opt out provisions if milestones or performance requirements are not met. Administration believes that the agreement meets the objectives, mitigates risk if the contractor is unable to complete the project and deliver uninterrupted service as stated, and incorporates redundancies to deliver service as stated. It was noted that while entitlements are obtained, there is still a substantial amount of work to be done. The fees are fixed for the 20 year term. The financial pro forma was explained regarding the projected rates and resulting \$475,000 in annual savings. Construction can start as early as 2018. He noted that representatives from UH administration, JABSOM, the service provider HSWAC, and Natural Energy Laboratories of Hawai'i (NELHA) were available to answer questions.

Questions and concerns raised by the board included the urgency warranting accelerating the process for two months to bring matter directly to the board without the benefit of committee review; level of expertise and experience of the service provider and integrity of the groundbreaking project; significance and benefit to the service provider in having the university as part of the customer base; impact on service as other users come on board; assessing the benefit of fixed price versus rates that fluctuate with inflation; and responsibility for and feasibility impact from paying the fee to cancel the BWS contract.

Eric Masutomi, President & CEO of HSWAC, explained that the initial plans did not include the JABSOM site. The timing is warranted to ensure the entitlements remain in place upon amendment to include the JABSOM site, secure financing, and begin construction, as the project has been under discussion for over two years and due diligence was conducted by UH administration, who is recommending approval. The university would be the second largest customer next to the state of Hawai'i as compared to the 10 current customers, which would benefit the service provider in terms of securing financing and establishing creditworthiness. The system has a fixed capacity, so the university would receive its service regardless of additional customers. There are no plans to include the Cancer Center as that facility has different needs and a relatively new system is in place. The fixed fee is a negotiated rate set by the service provider and not subject to the Public Utilities Commission, likely at the lowest rate and provides stability. However, if the rate exceeds market rates in the future, the fee would not be affected, although that is not a foreseeable projection. Payment of the cancellation fee for the BWS contract is part of the agreement to be the responsibility of the service provider. The estimated rate of return for the service provider is projected to be approximately 12 percent.

VP Gouveia disclosed that she was the attorney for the BWS in 2005 when the chilled water services agreement was signed with UH, and has recused herself from the direct negotiations.

Eric Crispin, Vice President at 'Ohana Real Estate Investors, sister company to Ulupono Initiative, a majority investor in HSWAC, added comments regarding background, experience, and financial qualifications of the investors of Ulupono, and

explained how the driver of the project is the environmental benefit for renewable energy, and if successful is projected in totality to represent 1% of renewable energy for the state of Hawai'i, and 4% for the university, which is the second largest consumer of energy to the military. The favorable returns ensure the stability of the project even if HSWAC were to go bankrupt.

Additional concerns and questions were raised regarding needing time to review and address questions, an inconsistency noted in the presentation stating the Cancer Center would not be included in the project, whereas the materials state otherwise and was not amended nor stated upfront until questioned, and the marketing and research value of the project. It was explained how the project provides the university a solution to a known need to be weighed with the unknown cost of not proceeding to find a replacement with a better and cheaper solution and the risk of criticism for not moving forward. The agreement acknowledges the risks and mitigates risks with opt out provisions. Further delays could result in higher financing costs.

Chair Sullivan added comments regarding her respect for process, and explained that administration informed her that the agreement had been in discussion for two and a half years warranting moving forward for a vote to conclude matters. She recognized that the decision is difficult although forward looking and overdue, and Hawai'i is geographically unique to be able to take advantage of the opportunity that align with and make a big statement regarding the university's sustainability goals. She noted that administration should be commended on its due diligence, as any project requiring construction and financing involves risk, and administration worked hard to mitigate risks with opt out provisions. She asked for a motion to approve with the condition that the university will not have to absorb the costs associated with the termination of the BWS contract, and if financial cost savings as presented change significantly, the action item will return to the board for review and evaluation. Regent Wilson so moved, seconded by Regent Yuen.

Regent Portnoy indicated he would vote no because he has not had the time to exercise due diligence and has questions that have yet to be addressed. He would likely be in favor of the action if it was taken up at the June meeting. He noted that despite the work of the two and a half years, he knew nothing about the project.

Regent Acoba indicated he would vote no, explaining a two level analysis regarding time to review where two more months would not make a significant difference in the outcome, and a matter of respect to allow other regents time to review, and which verifies the importance of the decision that should not be rushed.

Regent Putnam stated she found the materials satisfactory, and her questions were answered. She benefitted from the discussion. The individuals displayed a high degree of responsibility in evaluating the project, and the project is highly appropriate in terms of operations and sustainability. It was clarified that the motion was conditioned only as to the responsibility and feasibility impact regarding termination of the BWS contract that was estimated to cost up to \$3 million. President Lassner further added that upon

approval, administration will work with the service provider to resolve the matter accordingly, and if unsuccessful then administration would have to come back to the board to explain how the termination liability will be absorbed.

Regent Higaki remarked that governance is to trust the administration team and raise questions and discuss to ensure the due diligence was done properly. Vice Chair Kudo concurred and added that the trust is not blind trust, as evidenced by the probing questions in and outside of the board meeting. He noted that peers have already implemented sustainability projects to save significant costs and the future, and can empathize with the difficulty to get to net zero by promoting changes, such as with the current micro grid legislation that is meeting with significant doubt and opposition. He is in favor of the project and comfortable with the level of discussion.

Regent Yuen noted that the message to the Legislature is that the university is moving forward by incorporating new concepts, and embracing initiatives with improving technologies. He concurred that the discussion and lessons learned helped to make his decision, and asked administration to review other projects that may be in discussion for a long time for updates and eliminate blindsiding the board. He agreed the project needs to move forward and feels minimal risk with high benefit due to the discussion and his expertise as an engineer.

Regent Wilson and Regent Higaki called for the question. A motion and second on the floor, a vote was taken, and the motion passed with Regent Portnoy and Acoba voting no.

VI. EXECUTIVE SESSION

A. Collective Bargaining: (To discuss authority of persons conducting labor negotiations and conducting negotiations pursuant to HRS §92-5(a)(3))

1. Discussion of collective bargaining negotiations process

Due to time constraints, Chair Sullivan called for a motion to recess for lunch, and following lunch to go into executive session to discuss matters as indicated on the agenda, after which time the public meeting will reconvene. Regent Wilson so moved, seconded by Vice Chair Kudo, and the motion carried unanimously. The board recessed at 12:28 p.m. The board went into executive session at 1:00 p.m. Following the conclusion of the discussion in executive session, Vice Chair Moore moved to come out of executive session, seconded by Vice Chair Kudo, and the board came out of executive session at 1:20 p.m.

V. ITEMS FOR DISCUSSION & APPROVAL (cont.)

A. For Action (con't.)

The board reconvened at 1:28 p.m. at which time Chair Sullivan noted that the board went into executive session to discuss matters as indicated on the agenda.

- 3. Report of the Permitted Interaction Group for the University of Hawai'i System Integrated Academic and Facilities Plan**
- 4. Approval of University of Hawai'i System Integrated Academic and Facilities Plan**

Chair Sullivan recounted the history and board resolution creating the permitted interaction group to assist administration in developing a systemwide integrated academic and facilities plan, the number of meetings held, and that the draft was presented by administration at the prior board meeting. She expressed her gratitude to the members for their contributions and time, and asked the president to elucidate further on the plan on the minor changes made.

President Lassner explained how the action memo expands on the development of the draft with officers, was shared with academic chairs systemwide, and faculty senate chairs at all 10 campuses, and the UHMFS Chair shared the draft with all UHM faculty during the public phase of consultation. He acknowledged comments and suggestions regarding how he could make the consultation process more effective. He expressed that launching of the task group helped accelerate the pace; the draft circulated last month represented the original version strengthened with the addition of guiding principles and priorities, which the task group helped provide focus, and significantly strengthened the next steps sections, many of which were already under discussion with the board committees on planning and facilities and academic and student affairs regarding enrollment and academic planning enhancements. Subsequently, the updated plan was posted and input solicited via the UH website and email to the UH community. There were 10 -15 specific comments and suggestions received and incorporated regarding the inclusion of terms such as shared governance and quality; none were substantive as to content. While the impetus of the plan may affect the location of programs, such decisions would take place consistent with all principles of shared governance and policy and approval.

Questions and comments regarded clarity of process and veto authority of faculty; resulting changes to the undergraduate program experience and implication of a Research 1 status; and timetable for next steps, if any. It was explained that under board policy and national principles of shared governance, the faculty have primary responsibility for curriculum, and administration has the responsibility to consult with faculty, but there are very few matters where faculty exercise a veto. The emphasis for the undergraduate experience in a Research 1 campus is distinguished from other campuses by bringing research faculty in greater contact with undergraduates. A Research 1 university should reflect a reputation at home that it is a destination for Hawai'i's best students and beyond, as does Stanford University where the higher academic achievers is part of the mission differentiation. It is a long term goal to raise standards at UHM, but only as enrollment stabilizes and grows, and so as not to hurt enrollment or opportunity. For example, when tracking the success of community college student transfers to UHM results in low retention but good performance, there is a need to consider whether raising the standards will ensure success. Vice Chair

Moore added that the long term the goal is for the public schools to develop high performing students that can be encouraged to go to UHM, and in the meantime, the focus is on attracting high achieving students to attend UHM in lieu of a peer school. There is no specific timetable; administration plans to provide reviews and updates periodically to the board, consistent with the principles and ideas discussed.

Vice Chair Moore moved to approve the plan as presented, seconded by Regent Higaki, and the motion carried by unanimous vote.

5. Award of The Honorary Doctorate Of Humane Letters Degree To The Honorable Richard R. Clifton

President Lassner explained the merits of the proposal as indicated in the action memo. Upon conclusion, having no further questions, Vice Chair Moore moved to approve the award as proposed, seconded by Regent McEnerney, and the motion carried upon unanimous vote.

B. For Information/Discussion

1. FY17 Q3 Extramural Awards Analysis

VP Symos reported that the third quarter analysis was not posted in time for the committee meeting and the report provided now shows the levels similar to the last quarter, and year to date is as expected. He cautioned that the April rate of awards is 50% lower than last year due to a delay by the federal government in transmitting awards that will not occur until after April 28, 2017. No questions were raised.

2. 2017 Legislative update

Chair Sullivan recognized Vice Chair Kudo and Regent Acoba applying for reappointment and their willingness to continue to serve. VP Young noted the confirmation hearing was completed and headed for a floor vote. With less than two weeks remaining in the session, the operating budget progression is in the midst of conference committee review. The Senate draft is more favorable than the House version for operating funds, and provides for authorization of positions and funding for the Cancer Center. Additional item highlighted included funding for the Hawai'i Promise program in the budget and a similar bill for the Hawai'i Promise Program is in conference. Funding was also provided for Title IX. Funding for Capital Improvement Project (CIP) positions for construction managers are in the operating budget that replaces a legislative bill that was deferred due to unfavorable amendments. The Senate CIP appropriations are significantly lower than the House draft with only one year of funding, but progression is expected. The Senate has not funded the Culinary Arts of the Pacific, while the House has provided \$20 million with \$10 million private matching funds required. Corrections to prior provisos are also progressing, and he noted the Senate version was more favorable than the House. Bills still moving include prohibiting smoking on all UH campuses; Hawai'i Promise Program; Hawai'i Green

Special Fund; uniform laws providing online information protections; other bills heading to conference include JABSOM physician workforce assessment fees, micro grid for UH-West O'ahu, and repealing sunset provisions on the university's accounting & financial management system. Legislative report repeals have passed and waiting for Governor's signature. Regarding collective bargaining, arbitration awards are still pending which may affect funding decision. Upon decking and conclusion of the budget conference committee, appropriation bills will follow. No questions were raised.

VII. ANNOUNCEMENTS

Chair Sullivan announced that the next committee meetings will be held on May 17 and 18, and the next board meeting is June 1, 2017 at the Sullivan Center at the UHM Cancer Center.

VIII. ADJOURNMENT

There being no further business, Vice Chair Moore moved to adjourn, seconded by Vice Chair Kudo, and with unanimous approval, the meeting was adjourned at 2:20 p.m.

Respectfully Submitted,

/S/

Cynthia Quinn
Executive Administrator and
Secretary of the Board of Regents