

MINUTES

**BOARD OF REGENTS COMMITTEE ON INSTITUTIONAL SUCCESS
MEETING**

JUNE 6, 2024

A video recording of this meeting may be viewed at the Board of Regents website as follows:

[Meeting Video](#)

I. CALL TO ORDER

Chair Gabriel Lee called the meeting to order at 11:48 a.m. on Thursday, June 6, 2024, at the University of Hawai'i (UH) Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai'i 96822, with regents participating from various locations.

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underscoring the substantive benefits expected to be received by UH through these agreements.

Regent Abercrombie conveyed his belief in the positive impacts the development of broadband infrastructure will have on research at the university and questioned whether ITS and the Office of the Vice President for Research and Innovation (OVPRI) were integrating their efforts on this matter. He also asked if the landing sites at KauCC and UHWO offered increased connectivity between the 10 campuses of the university system and inquired about the capital expenditure needs, as well as the administration's seeking of legislative funding, for the facilitation of these projects. VP Yoshimi responded that ITS and OVPRI are working collaboratively on broadband infrastructure efforts relative to research opportunities. He also stated the two aforementioned landing sites will allow for greater interconnectivity with areas outside of Hawai'i and, by default, provide this access to other campuses within the university system through its internal network. With respect to capital expenditures and funding, VP Yoshimi remarked that the university is anticipating the commercial lease rents will be sufficient to fund the university's capital needs for establishing its fiber connections to the continental United States. The university is also confident that lease rents, investmentse (t)2 (ui)6 (v)

Regent Abercrombie continued to question the competence of past and present administrations with respect to the PBS Hawai'i building issue.

Vice-Chair Akitake asked about the scheduled completion date of the feasibility study for redevelopment of the 'Ewa Parcel, the source of the \$2 million appropriation for demolition of the PBS Hawai'i building, as well as the lapsing date of these funds, and the timing of the demolition. While she did not have an answer as to when the feasibility study would be completed, VP Gouveia stated the current source of funding for demolition of the PBS Hawai'i building is contained within appropriations made for the university's Renew, Improve, and Modernize projects, pointing out these monies are set to lapse on June 30, 2024. She also provided historical information on the timeframe for demolition of the PBS Hawai'i building, as well as the decision to proceed with this action, noting past attempts to lease out the facility, which were unsuccessful due to the building's condition, and highlighting carrying costs for the facility which continue to be incurred by the university.

Given the above response and the concerns raised regarding the ACM/CINE program's facilities, Vice-Chair Akitake questioned whether clearer communications with the progr

VP Gouveia presented information on an ESPC awarded to AECOM in June 2022 as part of the university's larger efforts to bring to fruition a number of energy-savings projects to the UHM campus. For the edification of newer regents, she went over what constituted an ESPC, the benefits of such an agreement, and statutory requirements applicable to both an ESPC and a private energy savings company, or ESCO, contracted by a facility owner to carry out energy conservation measures, commonly referred to as ECMs. She also provided details on the general scope of the ESPC with AECOM which involves the upgrading and expansion of a chilled water loop currently used by several buildings on the UHM campus for their Heating, Ventilation, and Air Conditioning, or HVAC, systems; reviewed the financing costs and projected energy savings of the nine ECM projects encompassed by the ESPC, in addition to the three agreements which the university is anticipating it will enter into with AECOM; and discussed the next steps in the ESPC process, including seeking board approval for the aforementioned agreements.

Regent Mawae left at 1:32 p.m.

The meeting recessed at 1:42 p.m.

The meeting reconvened at 1:47 p.m.

D. Fiscal Year (FY) 2023-2024 Third Quarter Financial Report

VP Young provided the FY 2023-2024 third quarter financial report stating that, with only one quarter of the fiscal year remaining, the university appears to be in a positive position relative to spending and revenue trends. He pointed out that overall revenues from all sources of funding were slightly higher than what was experienced in the third quarter of FY 2022-2023, with the exception of Research and Training Revolving Fund revenues, which were marginally lower; highlighted an increase in expenditures due to a variety of factors including a considerable growth in on-campus activity, high inflation for products and services, increased utility costs, and costs associated with previously agreed upon collective bargaining agreements; and presented systemwide and campus specific revenue and expenditure data.

Regent Miyahira asked if the administration was forecasting continued increases in university expenses. VP Young replied in the affirmative, stating outlays for labor costs, which accounts for an extremely large percentage of the university's expenditures, are scheduled to increase in the next fiscal year due to previously agreed-upon collective bargaining agreements.

E. Annual Legacy Endowment Distribution for FY 2023-2024 per RP 8.207

VP Young gave a brief overview of the history of the Legacy Endowment Fund (Fund) stating that its corpus was received and invested on behalf of the university prior to the creation of the University of Hawai'i Foundation (UHF) and is, therefore, separate and apart from the UHF endowment fund. The Fund is currently managed by UBS Financial Services, who provides quarterly investment performance and asset allocation reports to the board throughout the fiscal year.

Chair Lee called the meeting back to order at 2:51 p.m. stating the committee met in executive session to discuss the matters as noted on the agenda.

VI. ADJOURNMENT

There being no further business, Chair Lee adjourned the meeting at 2:52 p.m.

Respectfully Submitted,

/S/

Yvonne Lau
Executive Administrator and Secretary
of the Board of Regents