

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

**MARCH 5, 2026**

The minutes were taken from the audiovisual digital recording of the March 5, 2026, meeting and summarize each agenda topic followed by a time-stamp which points to the approximate time in the recording when the discussion occurred. In accordance with Section 92-9, Hawai'i Revised Statutes (HRS), a board may choose to use recordings, with the addition of a written summary, as its recorded minutes. The full video recording of this meeting may be viewed at the Board of Regents website as follows:

[Meeting Recording](#)

**I. CALL TO ORDER [00:00:04 – 00:00:40]**

Chair Lauren Akitake called the meeting to order at 9:00 a.m. on Thursday, March 5, 2026, at the University of Hawai'i (UH) at Mānoa, Bachman Hall, 1st Floor Conference Room 106A/B, 2444 Dole Street, Honolulu, Hawai'i, 96822.

Committee members in attendance: Chair Lauren Akitake; Vice-Chair Michael Miyahira; Regent Neil Abercrombie; Regent Diane Paloma; and Regent Wayne Higaki.

Others in attendance: Board Chair Gabriel Lee; Board Vice-Chair Joshua Faumuina; Regents William Haning, Laurel Loo, and Laurie Tochiki (ex officio committee members); President Wendy Hensel; Vice President (VP) for Administration Jan Gouveia; VP for Academic Strategy Debora Halbert; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Budget and Finance/Chief Financial Officer Luis Salaveria; VP for Information Technology/Chief Information Officer Garret Yoshimi; Interim VP for Community Colleges Lui Hokoana; Interim VP for Research and Innovation Chad Walton; UH-Hilo Chancellor Bonnie Irwin; Interim UH West O'ahu Chancellor Carlos Peñaloza; Interim UH-Mānoa (UHM) Provost Vassilis Syrmos; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Yvonne Lau; and others as noted.

**II. APPROVAL OF THE MINUTES OF THE NOVEMBER 6, 2025, MEETING**  
**[00:00:40 – 00:00:52]**

Chair Akitake inquired if there were any corrections to the minutes of the November 6, 2025, committee meeting which had been distributed. Hearing none, the minutes were approved.

**III. PUBLIC COMMENT PERIOD [00:00:52 – 00:01:48]**

Board Secretary Lau announced the Board Office's receipt of written comments from Robyn Tasaka on Agenda Item IV.C. regarding the contracting of the amended service subscription agreement with D2L, Ltd.

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

[Written Testimony Received](#)

Barring any objections, Chair Akitake stated she would be taking up Agenda Item IV.E immediately after Agenda Item IV.A to allow sufficient time for discussion on matters involving the university's capital improvement project (CIP) report. No objections were raised by regents.

**IV. AGENDA ITEMS [00:01:48 – 01:16:06]**

**A. Fiscal Year (FY) 2026 First and Second Quarter UBS Legacy Endowment Fund (Fund) Investment Performance Report [01:48:00 – 00:14:38]**

Kyle Yoneshige and Lori Hamano from UBS provided a report on the Fund for the first and second quarters of FY 2025-2026, reviewing both asset allocation and investment performance. While the Fund enjoyed sound performance over the course of the previous fiscal year and economic data thus far suggests the upward trend will continue, UBS believes this must be balanced against the high valuation in United States (U.S.) equities being witnessed at present and ongoing geopolitical instability when it comes to making investment decisions. Ms. Hamano and Mr. Yoneshige then briefed the committee on current financial conditions, going over information about, as well as data trends related to, earnings growth, profit margins, equity valuations, and fixed income yields. Additionally, they emphasized the need to consider the perpetual nature of the Fund and remain focused on long-term results rather than short-term turbulence in the economy and the markets; affirmed the Fund was compliant with fossil fuel divestiture mandates and all investment policies contained within Regents Policy (RP) 8.207; touched upon the rationale for UBS's decision to move \$5 million out of equities and into fixed income investments at the end of 2025; noted an annual distribution of just over \$2.4 million was made to the university from the Fund in the second quarter of FY 2025-2026 in accord with the investment goals established within RP 8.207; and mentioned the total cost of investments for the Fund is 0.44 percent and includes 0.20 percent in fees charged by UBS and 0.24 percent in fees charged by the investment manager.

Regent Abercrombie offered commentary on the national political landscape and took part in a brief conversation with Mr. Yoneshige on the impact this has, if any, on UBS's investment strategies for the Fund.

**E. FY 2026 Second Quarter CIP Status Report [00:14:38 – 00:59:34]**

Chair Akitake gave her rationale for taking this agenda item out of order mentioning questions which, as she understood it, were raised by the Legislature concerning the funding mechanisms used to pay for CIP cost overruns. She then invited the Board's designated legislative liaisons to speak to this matter.

Vice-Chair Miyahira provided context to discussions about the methodology used by the university to finance project cost overruns and change orders which occurred during a Senate Committee on Education hearing, as well as conversations he had with VP Gouveia on how best to present this information to the board so regents could be more cognizant of how these issues are dealt with by the university.

In response to a request made by Chair Akitake, VP Gouveia furnished information about the basis for the university's use of Repair, Improve, and Modernize (RIM) monies, along with other revenue sources, to fund CIP cost overruns and change orders. Among other things, she went over past procedures used by the Legislature with respect to the provision of CIP funding via line-item appropriations; mentioned some of the challenges and issues encountered by projects when utilizing this methodology; called attention to the university historically setting aside roughly 10 percent of a project's bid price as contingency funds to deal with cost overruns and change orders, which was the industry standard, in addition to a few of the drawbacks associated with this practice; talked about the concept of trying to address the broader issue of CIP, deferred maintenance, and the overall state of the university's facilities from a more strategic standpoint and in such a way so as to give the institution the greatest flexibility when it comes to financing these initiatives; and pointed out that authorizing language pertaining to the expenditure of RIM funding for this purpose is included within the State Budget bills passed by the Legislature.

Chair Akitake, Regent Abercrombie, and VP Gouveia engaged in robust discussions on several topics including the circumstances under which the notion to employ RIM monies for the financing of change orders and cost overruns was developed; legislative intent in regard to the utilization of RIM funds in this manner; whether approval to use this approach was ever granted by the board; the lapsing of CIP funds and the potential for these monies to be restored; fiscal accountability and management when it comes to the university's capital projects; past use of RIM monies to pay for student-housing capital projects authorized by the board; and the revamping of the quarterly CIP reports to include data on the use of alternative means of financing to address change orders and cost overruns, in addition to providing a clearer representation of modifications to a project's completion dates and expenditure amounts relative to what was contained within the initial CIP proposal. Chair Akitake and Regent Abercrombie also voiced their opinions about the need for greater transparency on these matters, given they are publicly funded projects, and the board's role in determining capital project priorities for the university, as well as their funding mechanisms.

Regent Paloma shared her perspectives on this matter, noting her recollection of discussions on the use of RIM monies as an alternative means of addressing CIP cost overruns and change orders occurring at a board meeting several years ago.

Answering a query posed by Regent Abercrombie, VP Gouveia stated approximately two percent of tuition and fees monies are set aside for the funding of facilities, noting this stipulation was incorporated into a tuition and fees increase proposal approved by the board a number of years ago. Regent Abercrombie reiterated concerns he has raised in the past regarding the use of tuition and fees monies for these kinds of purposes.

Chair Akitake voiced her opinions on the potential restructuring of the board's committees that was scheduled for discussion during the upcoming Committee on Governance meeting; the amount of time allotted to the committee for conducting its business, oftentimes leading to shortened presentations or abbreviated dialogue on the university's CIP and strategic-land initiatives; the possible role the aforesaid issue may have played in the proposal to restructure the board's committees; and possible solutions to resolve this situation without changing the committee structure including the formation of a CIP subcommittee and budgeting more time for meetings.

Although he acknowledged the relevance and validity of Chair Akitake's remarks, Vice-Chair Miyahira suggested it would be more appropriate for discussions on the topic of committee restructuring to occur during the Committee on Governance meeting.

Referring to some of the statements made during dialogue on the CIP issue, President Hensel stressed the administration regularly engages with the committee and board on the university's capital projects whether it be via its annual request for approval of the CIP budget request to be submitted to the Governor and Legislature, quarterly CIP reports, or presentations on specific capital projects. She also emphasized decisions concerning the university's capital projects are not made in isolation as proposals are reviewed by and discussed among members of the administration prior to anything being brought before the board for review and approval. Furthermore, the aforementioned quarterly CIP reports contain very detailed information on things like sources of funding, how these monies are being expended and for what purpose, and cost overruns, to name a few. Nevertheless, the administration would oblige any desire by regents to change the formatting of the quarterly CIP report, spend additional time talking about these projects, or increase board involvement on these matters.

Ross Richards, Director of the Office of Project Delivery, reviewed the status of CIPs through the second quarter of FY 2025-2026, highlighting the addition and removal of three and two projects, respectively, from the CIP status report. He also went over significant updates related to UHM's Student Success Center, the Waikīkī Aquarium discharge and intake system upgrade, and Kapi'olani Community College's Culinary Institute of the Pacific Phase 2, projects.

A brief exchange about the original cost estimate and timeline for the UHM Student Success Center project, as well as the overall increase in expenditures attributable to change orders, took place between Chair Akitake and Director Richards.

Regent Abercrombie engaged in dialogue with VP Gouveia on the McCarthy Mall segment of UHM's Mini Master Plan Phase 2 project discussing things like original construction timelines, completion dates, and costs; the sources of funding for this undertaking; the establishment of a project contingency fund; and some of the hurdles the endeavor is facing, such as conflicts between the City and County of Honolulu and State building codes.

## **B. ASUH (Greystone) Semi-Annual Investment Performance Review through December 31, 2025 [01:09:52 – 01:14:40]**

Hema Watson, Associated Students of the University of Hawai'i (ASUH) President, reported on the history of, and circumstances under which ASUH acquired, the Stadium Stock Fund; noted the market value of the Stadium Stock Fund's portfolio stood at \$13,749,249 on December 31, 2025; cited provisions under RP 8.207 identifying the responsibilities of ASUH's investment advisor, Graystone Consulting/Morgan Stanley, and govern the making of investment decisions related to the Stadium Stock Fund; provided overviews of the legislative and budgetary approval processes used by ASUH; reviewed budgeted versus actual payouts made from the Stadium Stock Fund over the past five years; and spoke about the various programs, services, scholarships, awards, and student support activities funded by ASUH through the Stadium Stock Fund.

Dustin Zimmerman, Institutional Consultant at Graystone Consulting/Morgan Stanley and ASUH's investment advisor, noted the earlier presentation made by UBS covered current economic conditions which he was intending to talk about but stated he would be available to answer any questions from regents.

A brief conversation took place between Chair Akitake and ASUH President Watson regarding Stadium Stock Fund withdrawal amounts relative to actual expenditures made by ASUH.

**C. Request Approval to Proceed with the Contracting of the Amended Service Subscription Agreement with D2L, Ltd. [00:59:34 – 01:09:52]**

VP Yoshimi presented information on the administration's request to proceed with the contracting of the amended service subscription agreement with D2L, Ltd. stating the aggregate value of the contract exceeds the \$5,000,000 threshold for the procurement of goods and services established under RP 8.201 and, as such, requires board approval. He pointed out the changes being sought were to an existing five-year agreement with D2L, Ltd., to provide a common software-as-a-service learning management system (LMS) for all of the university's students and employees; noted the amended service subscription agreement will increase the functionality of the already implemented LMS through the addition of several components including Accessibility+, Achievement+, Honorlock, and Lumi Tutor; and described the functions, features, and capabilities of each product, highlighting their benefits to students, faculty, staff, and the institution as a whole.

Replying to a question raised by Vice-Chair Miyahira, VP Yoshimi confirmed the four components being added to the LMS will be standardized across the university system and are proven products, although he called attention to the Lumi Tutor component being relatively new. However, he also stressed the administration has been following the development of Lumi Tutor for some time, did have an opportunity to observe the products capabilities during its testing phase, and believes it will be a very high value addition to the LMS.

Regent Paloma asked if homegrown peer tutoring services will still be available on each campus after Lumi Tutor is implemented to which VP Yoshimi replied in the affirmative.

In response to inquiries from Chair Akitake, VP Yoshimi stated the administration did have an expectation of being able to layer on some additional functions and features to the LMS once its base implementation was completed and sound. He also noted the administration does not anticipate returning to the board in the future to request further changes to the existing contract with D2L, Ltd., reiterating the reasons for this action being sought, including the need to be in compliance with RP 8.201, which requires approval to be received from the board for any contract where the aggregate value for the procurement of goods and services exceeds \$5,000,000.

Regent Higaki moved to recommend board approval of the request to proceed with the contracting of the amended service subscription with D2L, Ltd., seconded by Regent Paloma, and the motion carried with all members present voting in the affirmative.

**D. FY 2026 Second Quarter Financial Status Report [01:14:40 – 01:16:06]**

**F. University Land Related Strategic Initiatives and Partnerships Program, FY 2026 Second Quarter Report [01:14:40 – 01:16:06]**

**G. University of Hawai'i Revenue Bonds Private Use Analysis Update (Posted for Review Only) [01:14:40 – 01:16:06]**

**H. Annual Legacy Endowment Distribution for FY 2025 per Regent Policy (RP) 8.207 (Posted for Review Only) [01:14:40 – 01:16:06]**

Chair Akitake stated the reports for Agenda Items IV.D, IV.F, IV.G, and IV.H were contained within the committee materials packet, noted they were for information only, and asked if committee members or other regents had any questions on these items.

Regent Abercrombie offered commentary on the need for more time to take up some of these issues mentioning the ongoing University District Lands initiative, which is something he believes needs closure on, as one such item.

Chair Akitake concurred with Regent Abercrombie's observation and urged those responsible for developing the committee agenda take into consideration the amount of time budgeted for meetings and moving certain items, such as the CIP report and University Land Related Strategic Initiatives report, to the beginning of the agenda, stating there were a few instances in the past where she has suggested this.

**V. ADJOURNMENT [01:16:06 – 01:16:12]**

There being no further business, Chair Akitake adjourned the meeting at 10:16 a.m.

Respectfully Submitted,

/S/

Yvonne Lau  
Executive Administrator and Secretary  
of the Board of Regents