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MINUTES

BOARD OF REGENTS COMMITTEE ON INSTITUTIONAL SUCCESS MEETING

SEPTEMBER 5, 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 Lauren Akitake called the meeting to order at 9:00 a.m. on Thursday, September 5, 2024, at the University of Hawai'i (UH) at Mānoa, Bachman Hall, 1st Floor Conference Room 106A/B, 2444 Dole Street, Honolulu, Hawai'i, 96822, with regents participating from various locations.

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

Committee members excused: Regent Diane Paloma.

Others in attendance: Board Chair Gabriel Lee; Board Vice-Chairs Laurie Tochiki and Laurel Loo; Regent Joshua Faumuina; Regent William Haning; Regent Ernest Wilson (ex officio committee members); President David Lassner; Vice President (VP) for Administration Jan Gouveia; VP for Academic Strategy Debora Halbert; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Research and Innovation Vassilis Syrmos; VP for Information Technology/Chief Information Officer Garret Yoshimi; VP for Budget and Finance/Chief Financial Officer Kalbert Young; Interim VP for Community Colleges Della Teraoka; UH-Hilo Chancellor Bonnie Irwin; UH-West O'ahu Chancellor Maenette Benham; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Yvonne Lau; and others as noted.

II. APPROVAL OF THE MINUTES

Chair Akitake inquired if there were any corrections to the minutes of the August 1, 2024, committee meeting which had been distributed.

Regent Abercrombie asked if the administration was able to confirm whether or not the proposed United States Department of Veterans' Affairs Community Based Outpatient Clinic at the University of Hawai'i Maui College (UHMC) would be available for use by veterans living in the Pacific Island territories or commonwealths of the United States. President Lassner stated he would follow-up with UHMC Chancellor Lui Hokoana on this matter.

Chair Akitake advised committee members about the decision to defer a follow-up report on matters related to the School of Cinematic Arts at the University of Hawai'i at Mānoa (UHM), which had been requested for this committee meeting, to the committee meeting presently scheduled for November, stating the large number of items on this agenda requiring committee action within a limited timeframe warranted this postponement. She then inquired, once again, whether there were any corrections to the minutes of the August 1, 2024, committee meeting. Hearing none, the minutes were approved.

III. PUBLIC COMMENT PERIOD

Board Secretary Lau announced the Board Office's receipt of written testimony from numerous individuals regarding the Applied Research Laboratory (ARL) at UH. Additionally, she noted several individuals signed up to provide oral testimony.

Jeff Dixon, Tiare Martin, Matthew Nakamura, Carissa Heyes, Kainoa Azama, Dianne Deauna, Pearl Bachiller, Joshua Baghdady, and Brennan Yamamoto provided oral comments on ARL.

Jill Nunokawa provided verbal comments on both ARL and the UH/MW Group development agreement and ground lease for 550 Makapu'u Avenue on O'ahu.

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

[Written Testimony Received](#)

IV. AGENDA ITEMS

A. Semi-Annual Associated Student of the University of Hawai'i (ASUH) Stadium Stock Fund Investment Performance through June 30, 2024

Brandon Reed, ASUH President, reported on the history of, and context under which ASUH acquired, the Stadium Stock Fund; provided a brief summary 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; pointed out relevant portions of Regents Policy (RP) 8.207 applicable to ASUH's management and oversight of the Stadium Stock Fund; and spoke about the various programs, services, scholarships, awards, and student support activities funded by ASUH through the Stadium Stock Fund.

Regent Wilson arrived at 9:34 a.m.

Chair Akitake questioned whether the Stadium Stock Fund's portfolio was performing in-line with established benchmarks. She also asked if her understanding that actual payouts made from the Stadium Stock Fund were below the amounts available for allocation was correct. ASUH President Reed replied in the affirmative to both questions stating that the Stadium Stock Fund's portfolio is performing in-line with

established benchmarks and ASUH leadership is reviewing ways to ensure all of the funds available for dispersal in a given year are appropriately distributed.

B. Recommend Board Approval of UH / MW Group Development Agreement Ground Lease for 550 Makapu'u Avenue

Prior to commencing with this agenda item, Board Chair Lee noted his prior recusal from discussions on this matter when it was previously presented to the committee out of an abundance of caution due to a potential conflict of interest. However, after formally consulting with the Hawai'i State Ethics Commission, it has been determined that no such conflict exists and, as such, he informed regents of his intent to participate in deliberations on this agenda item.

Chair Akitake pointed out prior committee and board meeting dates where the administration's request for authorization to enter into a development agreement and option to lease with MW Group for approximately 2.5 acres of vacant, university-owned land located at 550 Makapu'u Avenue on O'ahu were previously considered and reviewed at length stating that, at its meeting held on May 16, 2024, the board voted to refer the matter back to the Committee on Institutional Success for further consideration. She also thanked VP Young, Michael Shibata, Director of the Office of Strategic Development and Partnership, and principals with MW Group for meeting with regents individually to go over the project in greater detail and expressed her appreciation to MW Group for providing regents with the opportunity to tour one of their facilities during an open house so as to gain a better understanding of their operations.

VP Young summarized information initially provided to the committee during its May 2, 2024, meeting regarding the abovementioned request, briefly touching upon the historical perspective on how the university acquired the acreage; various alternatives explored for utilization of the parcel; and the process used for soliciting and evaluating proposals to develop and lease the site, which resulted in the selection of MW Group from a list of respondents. He then proceeded to discuss four areas of concern about the proposed terms of the development agreement raised by regents during the May 16, 2024, board meeting, and the effort made by the university and MW Group to address these concerns, highlighting solutions developed for each issue to which both parties were agreeable.

Daniel Cody, Chief Investment Officer with MW Group, gave an overview of the company's origins, emphasizing it is a locally owned, privately held, commercial real estate development company with a portfolio consisting of, among other things, assets such as Plaza Assisted Living (Plaza) facilities. He briefly talked about the typical demographics of a Plaza facility, along with the services it provides, and underscored the benefits for the university, MW Group, and the community in general projected to be realized through this agreement.

Regent Abercrombie spoke in support of this agreement pointing out the growing need for assisted living facilities in Hawai'i, the expenses associated with the provision of long-term care, and failed attempts to address this matter at both the local and national level.

Chair Akitake conveyed her gratitude to the administration and MW Group for incorporating language within the proposed ground lease to ensure a review of collaborative opportunities to enhance the university's educational programming at the proposed facility is performed on an annual basis.

Regent Faumuina asked if regents would be able to review the final terms of the development agreement between the university and MW Group without delaying a vote on this matter. VP Okinaga clarified that the committee was only voting to recommend board approval of the major terms of the proposed ground lease for the noted parcel of land as provided in the materials packet and not the development agreement itself. However, regents would be able to review the final terms of the development agreement between the university and MW Group when they become available.

Referencing the discussion with the administration and MW Group regarding the affording of academic programming opportunities through this project, Regent Faumuina inquired about earlier versions of the language to be included in the lease agreement regarding academic programs that would work at MW Group facilities throughout the state, declaring his support for prior versions explicitly identifying Kapi'olani Community College (KapCC) and other community college campuses for these programs. He then asked if there was a rationale for the current proposed language not now specifically mentioning KapCC in the summary of major terms for the proposed ground lease. VP Young replied that, while KapCC is the primary campus with an interest in establishing educational opportunities at the Plaza facility planned for 550 Makapu'u Avenue, a number of other campuses have communicated a desire to develop experiential learning partnerships/internships, potential collaborative research studies, and other academic programs at Plaza facilities located near their respective institutions. As such, the language regarding educational programming within the major terms for the ground lease was kept more general in nature.

Mentioning the number of Plaza facilities located across O'ahu, Regent Abercrombie inquired as to whether the prospects of developing experiential learning curricula would be limited to the proposed facility on Makapu'u Avenue which was not his understanding. VP Young stated MW Group would be providing opportunities for collaborative academic programming to be established at any of its Plaza facilities across the island, including the one proposed for Makapu'u Avenue.

Regent Abercrombie moved to recommend board approval of authorizing the university to enter into a development agreement and option to lease with MW Group for real property located at 550 Makapu'u Avenue on O'ahu, seconded by Vice-Chair Miyahira, and noting the excused absence of Regent Paloma, the motion carried with all members present voting in the affirmative.

C. Recommend Board Approval of Fiscal Year (FY) 2024-2025 Operating Budget

VP Young presented the university's proposed operating budget for FY 2024-2025, discussed the various assumptions considered in developing the expenditure plan, and spoke about the administration's efforts to align new university expenditures with the five foundational principles and four strategic imperatives of the University of Hawai'i

System Strategic Plan 2023-2029 (Strategic Plan). He reviewed budgeted, actual, and projected revenues and expenditures for each of the major units of the university across all fund categories, highlighting that, as compared to FY 2023-2024, total General Fund (GF) revenues are projected to rise by \$34.1 million, or 5.7 percent, though a large percentage of this upsurge in funding could primarily be attributed to the receipt of monies to pay for scheduled increases in collective bargaining costs. Expenditures are forecast to increase by \$190.5 million, or 16.8 percent, largely due to elevations in the university's fixed costs. Although the administration is expecting the university to realize a net operating loss of \$56.2 million, it was pointed out that this was inclusive of \$98.6 million in one-time, non-recurring expenditures and program investments predicted for FY 2024-2025 and that without these one-time expenditures, there could be a net operating gain of \$42.4 million. Reserve fund balances remain strong, with over \$729 million across all funds available for use should it become necessary during the course of the fiscal year, and are above the 16 percent target for operating reserves established under RP 8.203.

Regent Loo arrived at 9:58 a.m.

Regent Abercrombie sought clarification on language contained within the university's proposed operating budget which appeared to indicate an intent by the administration to utilize Tuition and Fees Special Fund (TFSF) monies to cover personnel expenses associated with a temporary hazard pay settlement negotiated between public sector unions and the State. VP Young explained that, as required by statute, salary increases and cost adjustments for employees remunerated, in whole or in part, from federal, special, or other similar funds, must be paid for, wholly or proportionally, as the case may be, via the respective fund from which the employee is originally compensated. In this case, employees whose salaries are paid for with TFSF monies will have their temporary hazard pay come out of the same fund.

Given this information, Regent Abercrombie voiced his opposition to the use of TFSF monies for temporary hazard pay compensation, stating that, in his opinion, GF monies should have been allocated to the university by the Governor and the Legislature for this purpose. He then offered his thoughts on the fairness of using TFSF monies to pay for a settlement negotiated between the State and public sector unions when student voices were not represented in these discussions.

Chair Akitake asked if there were any options to address the concerns raised by Regent Abercrombie. VP Young stated he did not believe the university had options not to pay temporary hazard pay or alternatives to the use of TFSF monies for temporary hazard pay compensation for employees already paid with TFSF for salaries. He also drew attention to specific statutory language contained within the Legislative Act authorizing the appropriation to cover the costs of the negotiated settlement and the restriction on using general funds to pay for this purpose.

A discussion ensued between Regent Abercrombie, President Lassner, and VP Young on, among other things, the collective bargaining process and student involvement in this activity, or lack thereof; the appropriateness of allocating funds from

sources other than GF to pay for a one-time settlement agreement; implications of utilizing monies from the TFSF, as well as other revolving and special funds, to pay for raises, fringe benefits, and other cost items associated with collective bargaining on university operations and self-funded programs; and the potential ramifications of refusing to fund negotiated temporary hazard pay compensation via the manner as prescribed by statute and outlined in the administration's operating budget. President Lassner also submitted he would be willing to work with regents over the next four months on drafting legislation for introduction during the next Legislative Session to address issues related to the use of special and other similar funds to pay for things such as fringe benefits.

Regent Higaki moved to recommend board approval of the FY 2024-2025 operating budget with a proviso that President Lassner be taken-up on his offer to work with regents on crafting legislation for introduction during next Legislative Session as noted in the previous discussion. The motion was seconded by Vice-Chair Miyahira.

Board Chair Lee inquired whether the motion would allow the FY 2024-2025 operating budget to proceed as originally put forth should attempts to introduce legislation crafted by President Lassner and the board be unsuccessful. Chair Akitake responded in the affirmative.

Regent Abercrombie continued to express his opposition to the use of TFSF monies to fund the temporary hazard pay settlement.

There having been a motion that was moved and seconded, a roll call vote was conducted, and noting the no vote of Regent Abercrombie and the excused absence of Regent Paloma, the motion carried with all other members present voting in the affirmative.

D. Recommend Board Approval of the Operating Budget for the Office of the Board of Regents (Board Office) and Office of Internal Audit (OIA) for FY 2024-2025

Board Secretary Lau and Glenn Shizumura, Director of OIA, presented the proposed operating budgets for the Board Office and OIA, respectively, for FY 2024–2025, along with information on budgeted-to-actual expenditures for prior fiscal years. They also provided summaries of their respective office personnel, as well as the activities of, and services provided by, each office. Although both of the proposed operating budgets were very similar to those from the previous fiscal year, cost adjustments for increased personnel costs due to scheduled salary increases contained in collective bargaining agreements and the restoration of the Board Office's domestic travel budget to pre-COVID-19 pandemic amounts were highlighted and reviewed. It was noted that both the Board Office and OIA budgets were well within budget allocations.

Vice-Chair Miyahira moved to recommend board approval of the proposed FY 2024-2025 operating budget for the Board Office and OIA, seconded by Regent Higaki, and noting the excused absence of Regent Paloma, the motion carried, with all members present voting in the affirmative.

E. Recommend Board Approval of the FY 2025 Supplemental Capital Improvement Project (CIP) Expenditure Plan

VP Gouveia reviewed the proposed supplemental CIP expenditure plan for FY 2025 stating the plan correlates with CIP funding appropriated to the university via the State's supplemental budget, which was recently approved by the Legislature and governor. She pointed out data contained within the committee materials packet related to gross square footage of campus facilities, deferred maintenance backlogs, and Fall 2023 headcount enrollment for each of the 10 campuses of the university system; provided a comparative analysis of Fiscal Biennium 2023-2025 CIP funding requests in relation to actual CIP appropriations; mentioned several projects for which FY 2025 supplemental CIP funding was requested and what was ultimately appropriated for those projects; and noted several additions and reductions made to the university's CIP budget requests by means of legislative or gubernatorial actions.

Regent Abercrombie suggested the administration consider using some of the \$100 million in lump sum funding provided for University System/UHM Renew, Improve, and Modernize (RIM) projects to develop a plan for addressing the situation related to the Hale Noelani student housing facility.

Chair Akitake stated matters related to the Hale Noelani and Hale Wainani student housing facilities, including the financial resources needed to develop plans for and tackle the noted issues with each, would be briefly touched upon later in this meeting and discussed in further detail at a subsequent committee update on student housing at UHM.

Referencing comments made regarding a square footage moratorium on university construction projects, Chair Akitake requested VP Gouveia to provide the committee with additional information on this issue. VP Gouveia gave a brief history of a resolution adopted by the board in 2013, and subsequently amended in 2018, which effectively established a moratorium on new university construction projects that did not meet specific requirements. She stated this was part of a larger effort to place a greater emphasis on addressing the university's deferred maintenance backlog rather than new construction projects. Additionally, the resolution asked UHM in particular to reduce the overall square footage of facilities on its campus. As such, the administration has embarked on a broader approach to campus development stressing space utilization concepts to increase the efficiency and functionality of existing facilities and placing greater emphasis on the creation of flexible, adaptable, and open spaces when considering new construction projects.

In light of the board being made up of relatively new membership, Chair Akitake noted her intent to schedule a full presentation on the moratorium issue at a later committee meeting date.

Regent Abercrombie moved to recommend board approval of the FY 2025 supplemental CIP expenditure plan, seconded by Vice-Chair Miyahira, and noting the excused absence of Regent Paloma, the motion carried, with all members present voting in the affirmative.

F. Presentation on ARL at UH

Taking into account the large amount of information on this subject already provided in testimony, and in the interest of time, VP Syrmos drew attention to details on various aspects of ARL at UH in the committee materials which he initially intended to cover during his presentation. He then proceeded to speak about the recognition of UH as a center for research excellence in being named one of five United States Navy (US Navy) University-Affiliated Research Centers (UARCs), mentioning the four premier institutions of higher education which also serve as UARCs; the alignment of university affiliated research conducted for the United States Department of Defense (DoD) with the mission and Strategic Plan of the institution; and the necessity of, and university's commitment to, academic freedom for individual researchers to pursue topics of interest to them no matter how popular or unpopular the subject matter may be. He also reviewed a timeline of events leading up to the permanent establishment of ARL at UH and dates related to the renewal of the ARL contract stating the current contract is up for renewal this year.

Chair Akitake inquired as to who makes the decision to engage in or agree to accept research projects associated with a UARC. VP Syrmos replied the decision to accept or engage in such a project is left up to an individual faculty researcher and emphasized the university, US Navy, DoD, or any other federal or military agency does not direct a faculty member to engage in any research activity against their wishes.

Regent Abercrombie shared his thoughts on the subject of the university serving as a UARC as well as some of the important research being conducted by ARL at UH.

G. Update on Student Housing

VP Gouveia began by acknowledging the tremendous amount of work performed by employees of both the university and KMH LLC to develop a financial model for Student Housing Services (SHS) at UHM (SHS Financial Model). She then introduced Kyle Phillips, Senior Business Analyst in the Office of the VP for Administration, who would be giving the presentation.

Mr. Phillips went over data pertaining to student housing at UHM including statistics regarding facilities, revenues, and expenditures for FY 2024; spoke a little about the intent of developing the SHS Financial Model, stating it was meant to be used as a tool to inform decision-making relative to capital planning, operational service levels, and the rate structures needed to sustain a financially viable program; discussed some of the benefits of the Financial Model's ability to track revenues and expenses on a per bed basis; touched upon the process and longitudinal criteria employed to determine the state of existing building systems and sub-systems in addition to the terminology used to describe the condition of each; and briefly reviewed a very preliminary, seven-year CIP plan for SHS and some of the plan's objective targets emphasizing the administration's prioritization of urgent projects. At present, university staff is in the process of testing and refining the SHS Financial Model and expects to make a more detailed presentation on this model to the committee at a future meeting.

Noting the descriptors used to indicate the condition of a building's individual system or sub-system, Chair Akitake asked for a rough estimate of building criteria falling within each category. Mr. Phillips stated roughly 68 percent of the noted building systems or sub-systems are considered to be fair or better, 22 percent are denoted as being poor, which means persistent issues or concerns exist whereby major renovations or replacement may be required, and 10 percent are designated as unsatisfactory to the point where issues or concerns are considered urgent requiring total replacement of a system, piece of equipment, or materials.

Vice-Chair Miyahira questioned whether the administration would be dealing with issues related to the Hale Noelani student housing facility at some point in time. Mr. Phillips stated the SHS Financial Model is designed to be scalable and has the flexibility to incorporate other student housing facilities such as Hale Noelani into the overall student housing plan for UHM in the future. Although VP Gouveia concurred with Mr. Phillip's statement, she emphasized that the Hale Noelani facility was not included in the seven-year CIP plan for student housing mentioned earlier since it has been deemed uninhabitable and the administration's primary goal, at present, is to maintain student housing inventory currently in service. However, the administration is reviewing its options for the Hale Noelani facility.

Board Chair Lee asked if the administration was intending to flesh out various student housing scenarios using the SHS Financial Model, including ones involving the charging of market rents, bed rates gradually increasing to market rents, public private partnerships, demolition of buildings, and so on. VP Gouveia responded in the affirmative, stating staff will be developing a variety of "what if" scenarios using the SHS Financial Model.

Regent Wilson inquired as to whether costs associated with preventative maintenance were incorporated into the SHS Financial Model. VP Gouveia replied that various degrees of preventative maintenance programs can be integrated in the SHS Financial Model and noted the intent of the administration to put forth several variations of these programs when it develops the "what if" scenarios mentioned above. Mr. Phillips added that the Financial Model also allows for the factoring in of surplus revenue generation which could then be used to fund preventative maintenance programs for each building which are above and beyond normal operational costs.

Mentioning the goals and objectives of the seven-year major CIP plan, Board Vice-Chair Tochiki asked if the SHS Financial Model looks at any returns on investments in student housing facilities which might be experienced by the university. Mr. Phillips replied that while the SHS Financial Model is primarily based upon qualitative financial and facility data, it will be possible for the results of CIP investments to be looked at objectively to make a determination on returns on investments such as the enhancement of student life or increased enrollment. VP Gouveia concurred with Mr. Phillips but emphasized the SHS Financial Model does not include portions specific to return on investments. However, as was pointed out by Mr. Phillips, data obtained from the SHS Financial Model can be further analyzed to gain a better understanding of returns on investment.

Regent Abercrombie expressed his concerns about the administration's seven-year major CIP plan for student housing facilities at UHM given it did not appear to take into consideration the relationship between enrollment and student housing and excluded Hale Noelani. President Lassner explained that this presentation was intended to be a summary of the SHS Financial Model so as to lay the groundwork for a more detailed discussion on student housing at UHM tentatively scheduled for the October board meeting.

Chair Akitake invited Ross Murakami, a partner with KMH LLC, to share his thoughts on the SHS Financial Model.

Mr. Murakami spoke about some of the collaborative work performed by KMH LLC, the administration, and UHM SHS staff since June 2023 to develop a stable financial model for the operation and maintenance of UHM's residence halls that takes into consideration all related cost factors, noting the model went through numerous iterations before it was ready for testing. He also briefly touched upon the intent of the SHS Financial Model which, among other things, was meant to analyze SHS's current bed rate structure within the context of fiscal self-sustainability to determine the necessity and extent of any price increase so that proper upkeep of the various housing facilities can be ensured going forward. Mr. Murakami stated, in his opinion, the model is at a point where it can be utilized by the administration.

H. FY 24 Fourth Quarter CIP Status Report as of June 30, 2024

VP Gouveia reported on the status of CIPs through the fourth quarter of FY 2023-2024, stating that ongoing projects are moving forward as anticipated with no major changes or issues to report. She also mentioned three items which have been added to the report including the Snyder Hall replacement project, a sewer line improvement project for Coconut Island, and a long-range planning services project for UH System campuses.

Regent Abercrombie questioned whether PBR Hawai'i, the entity contracted to perform a feasibility study for the university's 'Ewa parcel, was made aware of the letter from the governor to the board about his vision for the noted land. VP Gouveia responded in the affirmative.

Chair Akitake asked VP Gouveia to briefly speak to the timeline for the project involving upgrades to the Waikīkī Aquarium discharge and intake system given it was started in 2019. VP Gouveia stated the Waikīkī Aquarium discharge and intake system upgrade project was a design-bid-build project with a design contract being awarded in 2019. She then spoke about some of the delays experienced by the project, including those connected to permitting, the receipt of funding from the Legislature, and the necessity to obtain shoreline management area approvals. Nevertheless, Phase 1 of the project is expected to get underway in the near future with Phase 2 of the project anticipated to begin once permits are received, funding becomes available, and Phase 1 is complete.

I. FY 24 Fourth Quarter Financial Report

VP Young referenced the FY 2023-2024 fourth quarter financial report provided to the committee in its materials and stated the university concluded the fiscal year in good financial condition, with no significant variances against the budget forecast, and has slightly improved its aggregate reserve balances.

J. Multi-year Financial Forecast, FY 2024-2030

VP Young explained that, in accordance with RP 8.204, the administration was providing a rolling six-year financial plan (Financial Plan) for the university in conjunction with the university's expenditure plan, which was presented earlier. While multi-year financial plans are valuable tools, he cautioned they should be treated as point-in-time forecasts and dynamic documents that must be fluid and adaptive to changes in economic conditions. Accordingly, the purpose of the Financial Plan is to review and identify areas of fiscal concern that the university may face over the next several years.

Although fiscal deficits of approximately \$25 million per year are being forecasted based upon anticipated revenues and planned expenses, the substantial size of the university's reserve fund balances are sufficient to address these shortfalls. Additionally, it was pointed out that the strength of the university's reserve fund balances will provide investment opportunities for strategic imperatives, future initiatives, and unanticipated requirements, while still maintaining compliance with conditions relating to reserve fund level set forth in RP 8.203.

VP Young spoke about several of the assumptions and factors considered in developing the Financial Plan; highlighted revenue and expenditure projections, as well as forecasted reserve fund and net operating revenue balances, through FY 2030; and stated that, overall, the university will be in a stable financial position over the next few years. He also stressed the Financial Plan will continue to be refined over the course of the next six years as economic conditions change.

Regent Abercrombie requested information on the total amount of money which would be paid to university employees as a result of the negotiated hazard pay settlement agreement discussed earlier during this meeting. VP Young replied that hazard pay for university employees subject to the settlement agreement, which only includes individuals who were members of the Hawai'i Government Employees Association during a specified employment period, amounted to approximately \$43 million in the aggregate, based on salaries, for this fiscal year, with about \$29 million being attributed to GF, \$8 million to TFSF, and the remainder to federal, special, or other similar funds.

Vice-Chair Miyahira shared his thoughts on the Financial Plan stating it is an excellent tool and a great way to look at the potential effect of future decisions on the university's finances.

Regent Abercrombie moved to accept the Financial Plan, seconded by Vice-Chair Miyahira, and noting the excused absence of Regent Paloma, the motion carried with all members present voting in the affirmative.

K. Annual Report on Real Property Actions Delegated Pursuant to Regents Policy (RP) 10.201, for FY 2023-2024

L. Annual Report on Short Term Investments

Chair Akitake noted the reports for Agenda Items IV.K. and IV.L. were in the committee materials packet and asked if regents had questions or concerns about either. Hearing none, both reports were accepted.

V. ADJOURNMENT

There being no further business, Chair Akitake adjourned the meeting at 11:31 a.m.

Respectfully Submitted,

Yvonne Lau
Executive Administrator and Secretary
of the Board of Regents