



DRAFT Minutes
BOARD OF DIRECTORS
Research Corporation of the University of Hawai'i
Tuesday, September 1, 2020
Virtual Meeting

PRESENT:

Eugene Bal, Kelli Goodin, Ken Hayashida, Donna Ikeda, David Karl, Michael Maberry, Jan Sullivan, Vassilis Syrmos

RCUH Staff: Leonard Gouveia, Nelson Sakamoto, Glenn Yee, Kaylee Hull
Attorney General's Office: Reese Nakamura

CALL TO ORDER:

The meeting was called to order by Chair Donna Ikeda at 9:03 a.m.

APPROVAL OF MINUTES:

Upon motion made (Hayashida), seconded (Goodin), and duly carried, the minutes of the June 30, 2020 meeting were approved as circulated.

FINANCIAL STATEMENTS FOR MONTH ENDED 7/31/2020

Mr. Yee reviewed the financial statements for the period ending 7/31/20. He noted that there was a decrease in cash assets relative to last year, however the drop in funds is normal at this time of year and that there is no cause for concern. He explained that the volume of cash assets varies as projects spend their funds, which corresponds to a similar decrease in liabilities.

Director Goodin inquired as to whether the decrease is related to the close of the fiscal year and whether RCUH should expect to receive an influx of cash when new projects are awarded monies at the start of the federal fiscal year (October 1st). Mr. Yee noted that the amount of cash and advances vary throughout the year as it depends when new projects receive funding as well as when they spend their monies.

Director Karl requested clarification as to why RCUH core staff would not be receiving salary adjustments this fiscal year, unlike project staff who may be eligible to receive an adjustment.

Mr. Sakamoto explained that during budget discussions, the RCUH Leadership Team decided to forgo salary adjustments for core staff to keep costs within control. Mr. Yee added that during the budgeting process RCUH anticipated a reduced budget from the State and wanted to take proactive measures. This resulted in a 10% reduction to RCUH's budgeted expenditures for the 2020-2021 fiscal year. If RCUH were to receive an increase in revenues, spending could be adjusted accordingly.

Director Karl mentioned that salary adjustments for project staff open up the equity/inequity issue that is frequently brought up regarding Principal Investigators (PIs) who control their own funds. He added that certain Administrative, Professional, and Technical (APT) employees who are funded by state general funds will not be receiving raises this year, while other project staff who are funded by extramural monies may be expecting salary enhancements. Director Karl suggested it may have been better to have a moratorium on salary adjustments across the board, but he is aware that RCUH would not be able to enforce a restriction since PIs control their own funds.

Mr. Sakamoto clarified that when these guidelines are announced, RCUH emphasizes that salary adjustments are dependent upon the availability of funds, among other factors.

Director Maberry noted that there could be situations in which different types of employees (i.e., APT, RCUH) are working within the same unit. Director Syrmos reiterated that this is a very sensitive issue within UH since there could be both RCUH and UH employees funded through Research Training and Revolving Funds (RTRF) working in the same unit. For instance, a situation could occur in which these RCUH employees receive salary adjustments, while APT employees receive salary reductions or furloughs. Director Syrmos acknowledged that employees on extramural funds are under different circumstances.

Mr. Yee closed out the discussion by noting that RCUH's expenses are currently on track.

EXECUTIVE DIRECTOR'S REPORT

Mr. Gouveia thanked the board for participating and for giving him this opportunity to serve as executive director of RCUH. He is excited about moving RCUH forward in support of its mission and vision in light of the difficult and uncertain times we currently face. It is his belief that now more than ever, it is important to work closely together keeping the best interests of UH, RCUH, and the State of Hawai'i in mind in all that we do.

Before addressing key points in his report, Mr. Gouveia noted for the record that he is married to UH Vice President of Administration Jan Gouveia, and that he was previously employed by UH, working under UH Vice President for Research and Innovation Dr. Vassilis Syrmos for the last seven years. He made this information known during the interview process to ensure full transparency and wanted to reiterate those facts for new board members who may not be aware of this.

Following this declaration, Mr. Gouveia provided comments on some of the matters identified in his Executive Director's Report:

- **RCUH operations:** The RCUH core staff (approx. 40+ employees) is currently split and operates at two physical locations. The Director's office, Finance, and Corporate Services are located in the UH Mānoa Innovation Center (MIC). RCUH's Human Resources Department is located in Burns Hall at the East-West Center (EWC) on the UH Mānoa campus. Mr. Gouveia has begun initial discussions with EWC management to determine whether there is available/adequate space to accommodate all of RCUH's core staff in Burns Hall. He also acknowledged that many details need to be addressed before a final decision is made.
- **COVID-19:** The current pandemic is still a large part of our daily lives and RCUH is doing its best to keep up with the heavy workload to support UH researchers and their projects in light of UH receiving a total of \$450.4 million in extramural funding to close FY2020, representing the second highest total for UH extramural funding in the history of UH.
- **Classified Research Security Review:** Mr. Gouveia thanked Brenda Kanno for her work as RCUH's Facility Security Officer (FSO) over the years, and for her efforts in transferring the responsibilities and duties of her position. He announced that Ms. Kanno completed her final security review with no vulnerabilities and that all RCUH FSO duties have been officially transferred to himself.
- **UH Cancer Center Clinical Research Facility:** The expected service-ordering of the UH Cancer Center Clinical Research Facility construction project to RCUH is still pending approval from the UH Board of Regents (BOR). As stated in the report, Mr. Gouveia will provide a presentation to the RCUH Board of Directors after BOR approval and before the MOA between UH and RCUH is signed.

- **2022-2027 Strategic Plan:** Mr. Gouveia has met with numerous parties over the past two months and has decided to create a Strategic Plan Committee. Details of how this committee will be established, including the makeup of this team, are still under consideration. He is currently communicating with internal/external stakeholders. Mr. Gouveia has also scheduled standing monthly meetings with Director Syrmos to discuss issues and concerns and will schedule additional meetings as appropriate.

Mr. Gouveia opened the floor for suggestions, thoughts, or questions on RCUH's strategic planning process, but no comments were made at this time.

APPOINTMENT OF AUDIT COMMITTEE & DELEGATION OF AUTHORITY TO APPROVE FY 2020 AUDITED FINANCIAL STATEMENTS

Chair Ikeda appointed Vice Chair Maberry to chair the Audit Committee and announced that Directors Hayashida and Sullivan will serve as committee members. Upon motion made (Maberry), seconded (Bal), and duly carried, the Board granted the committee authority to approve the audit report on behalf of the board.

ELECTION OF OFFICERS

Upon motion made (Goodin), seconded (Hayashida), and duly carried, Chair Ikeda and Vice Chair Maberry will continue to serve in their respective roles for another one-year term.

ADJOURNMENT

The meeting adjourned at 9:30 a.m.

Kaylee Hull
Executive Administrator

NOTE: Unless otherwise noted in minutes, all motions were passed unanimously.