REPORT OF THE WASC VISITING TEAM

SPECIAL VISIT

To University of Hawaii

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Team Roster
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The evaluation team in conducting its review was able to evaluate the institution according to Commission Standards and therefore submits this Report to the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges for action and to the institution for consideration.
INTRODUCTION/BACKGROUND

This is an update to the Senior College Commission of the Western Association of Schools and Colleges (WASC), concerning the University of Hawaii System Office. In 2003 (at the University’s request) and subsequently in 2004 the Commission appointed a Special Visit Team and a follow-up Special Visit Team to review the University of Hawaii System Office as significant changes in the overall governance structure and organization of the University were planned and/or underway. Most importantly, the Board of Regents and a new president were implementing a plan approved by the Board in the spring of 2001 to establish a University of Hawaii System Office, including the Office of the President, which, reporting to the Board of Regents, would separate the President from the Chancellorship of the Manoa campus. In addition, the reorganization plan approved in December 2002 called for each of the seven community colleges to be headed by a chancellor each of whom, in addition to the chancellors at UH Manoa, Hilo and West Oahu, report directly to the President in one unified system operating with a unified Strategic Plan.

The Special Visit Team’s most recent report was submitted to WASC in late spring of 2004 based on a visit on March 14-16, 2004 and focused on four areas:

External Governance: concerning the relationship between the Board of Regents with the President’s Office and campuses; relations with the Governor and Legislature; and autonomy legislation, among other matters;

Internal Governance: concerning the internal reorganization of the UHS, notably the creation of a System Office, the President’s Office, Chancellor’s Council as well as other councils and other matters;

Strategic Planning: concerning the development of a system-wide Strategic Plan based on campus plans, which reflected the notion of one integrated University of Hawaii System and which provides the basis for setting priorities and resource allocations;

Financial Resources: concerning the general condition of finances, budgeting and financial management in the UHS.

Over the course of the two special visits there was extensive examination of the plans for the new system organization and of the implementation of these plans; examination of the external and internal structures being put in place for governance; the system-wide strategic planning process and goals; and new efforts to improve budgeting and financial
planning and priority-setting. In 2003, by prior arrangement, there were separate accrediting visits to the Hilo, West Oahu and Manoa campuses which allowed for the review of the impact of these changes on each of the campuses. Special attention was also paid to Native Hawaiian affairs since this was a major priority of the President. Of great importance in the findings of the second visit were concerns about the deteriorating relationship between the Board of Regents and the President and the impact of this situation on the ability of the UH System to go forward with the new organizational plans and strategic plan goals.

This report is an update to WASC from the Special Visit Team Chair, Dr. Lindsay Desrochers and the Executive Director of the Senior College Commission of WASC, Ralph Wolff, as requested by the Commission.

Only days before the Commission was to take up the March 2004 report at its June 2004 meeting, the UHS Board of Regents terminated its contract with the UH System President and appointed an Acting President (later to be appointed by the Board of Regents as the Interim President for a two-year term). Since the change was so new, the Commission postponed taking action on the 2004 Special Visit report to the System Office and requested that an update visit be conducted in Fall 2004 to assess the transition to new leadership. Even though the Commission does not accredit the System per se, the Board of Regents serves as the governing board for each of these three campuses (as well as the seven community colleges), which are accredited by the Senior College Commission. The Board and the President of the System are responsible for overall governance, strategic planning, budgeting, financial allocations, and financial monitoring of the three senior level campuses accredited by the Commission and as such, provide a very important context for the accreditation of these campuses.

FOLLOWUP SPECIAL VISIT APPROACH AND FINDINGS

The findings of this progress report will be presented in brief summary form.

During the course of this two-day follow up visit, the Team Chair and Executive Director had the opportunity to meet with six of eleven members of the Board of Regents including the Board Chair and Vice Chair. This included some new members as well as members who served on the Board at the time of the last visit. In addition, the team met with the Interim President, his team of vice presidents and other key staff including the new Vice Chancellor for Academic Affairs at Manoa, the Chancellor of the Hilo Campus, and by phone the Chancellor of the Manoa Campus. Also, the Team met with representatives of faculty government, student government, the Puko’a Council on Native Hawaiian affairs, the Board of Regents Secretary and legal counsel.

The Team received and reviewed a ten-page report from the UH System (November 2004), prepared in anticipation of the visit, which included materials concerning the refinements to the reorganization plan which the Board of Regents approved in 2003. The Team also reviewed a newly prepared Board of Regents orientation manual; a
statistical summary prepared by the UH system entitled “University of Hawaii: Measuring Our Progress, 2004 Update;” and a proposed re-organization plan for the administration of the Manoa campus.

Overall, the follow-up Team found that with respect to System leadership and governance, the situation has changed dramatically. The Board of Regents appointed the Acting President as Interim President for a two-year term (until August of 2006) to bring stability and continuity to UH System governance. Rather than tensions and acrimony between the Board and President, the Team found solid trust and the beginning of a very effective and professional working relationship between the President and the Board. All Board members interviewed clearly stated that they have invested in this Interim President the responsibilities of a chief executive officer and expect that he will work with the Board in an effective way. The Board members seem to have a clearer distinction between policy development and management, perhaps due to a proactive effort to engage in Board orientation and training during the last half year. As described below, progress has been made in several other areas reviewed by the Team.

External Governance

The Interim President, David McClain, has previously served as a faculty member and subsequently Dean of the UH Manoa College of Business (from January 2000 to June 2003), and then, after the System administration separated from the Manoa campus, as Vice President for Research (while also serving as business school dean), and then (from July 2003) as Vice President for Academic Affairs. When the contract with President Dobelle was terminated, Dr. McClain served as Acting President until, in August 2004, he was appointed as Interim President for a two-year term. The Board has committed to conducting a national search for a new president by the end of the two-year period, and the Interim President may be considered a candidate. The Team agrees that allowing this period of time for the situation to stabilize is a sound action, and already has seen evidence of the change in tone and effectiveness of the working relationships within the System and between the System leadership and the Board of Regents.

This improved relationship is reflected in a series of actions, as well as in a much-improved atmosphere. The System administrative structure has been reviewed and refined in a revision to the original organizational plan that has been recently adopted by the Board of Regents. Important in that plan is the development of a vice presidential role clearly focused on the budget and financial management responsibilities. Other important actions have been taken during the past six months which indicate that the governance business of the UH system is now better on track including moving forward with the chancellor search for the West Oahu campus (resulting in the recent hire of a chancellor); and allowing the Manoa Campus’ searches for academic affairs, research and financial officers to proceed to completion. The Board has also restored to the President of the System the authority to appoint without prior Board approval those appointees categorized as M, or managerial level; the Team had previously suggested that the Board should do so, and it has so acted to reflect its trust in the new administration. In addition, the President and the Board leadership report much improved agenda planning and
coordination, so that the Board can operate more effectively and in alignment with priorities jointly set by the Board and the President.

As also noted above, the Board has acted to improve its own functioning as well. It has compiled an orientation manual for new Regents, which the team found a very useful foundation in describing the role and responsibilities of the Regents, including attention to conflict of interest policy and practice. The Board also held a seminar with Tom Ingram, president of the Association of Governing boards, which led to a list of follow-up actions to be taken. Already the Board is moving to streamline the way it is conducting its committee and full board meetings, and experimenting with using the “Committee of the Whole” for more action items. It is also considering focusing on campuses and missions in special meetings to further understand campus matters. The Team also met with two new Regents and found that they had participated in a daylong orientation and were already deeply engaged in the work of the Board and would bring contributions to the perspectives of the Board.

All of these steps, and the commitments of the Board to further developing its work, are very positive signs. The Board and the President are commended for the change both in the tone and substance of their relationship. These positive steps will need to be sustained and, over time, institutionalized so that they become a regular pattern of functioning. Also needed is greater communication about the role of the BOR and President vis-à-vis the campuses and general public. As further discussed below, there still remains a lack of clarity between System and campus responsibilities and roles and, consequently, communications are confused for many.

Internal Governance

The March 2004 report noted the importance of completing the transition of the President’s Office to a fully operating entity with clearly defined vice presidential portfolios and staffing; and, in particular, noted the importance of appropriate financial and budgetary expertise. That report also noted considerable concern about the lack of clarity of System vs. campus responsibilities and roles, particularly in relation to the Manoa Campus, which had previously served also as the base for most System operations.

In addition, the team expressed considerable concern about the lack of progress with issues at the Manoa campus in developing a clear sense of its role and relationship to the System administration. This finding led to the Commission requesting both a special visit to the Manoa campus in the fall of 2004 and that the team conduct a preliminary review of the situation there during this visit. The team found that while there has been progress with the revised System reorganization and there is greater engagement by the President’s Office with the Manoa Campus, there remains considerable need for further progress with respect to the Manoa campus. There remains considerable confusion, anxiety and frustration over the role and relationship of the Manoa Campus to the System.
Good progress has been made with the Interim President developing a revised System reorganization plan, which was approved by the BOR in November 2004. It is expected that this plan will reduce system administrative costs by $800,000. Currently under recruitment is a Vice President for Budget and Finance position and appointment of an interim Vice President for Academic Policy and Planning is imminent. The shift to “policy and planning” is an important distinction which implies that the focus of the vice presidential position is more policy and planning than operations. The Team notes, however, that elements of policy and planning are still within the purview of campuses. Additionally, other changes brought about by this reorganization include refining the role of the Chief of Staff to become the Vice President for Administration, and moving enrollment management issues to the Vice President for Academic Policy and Planning.

Still, significant personnel decisions are pending in the areas of information technology, human resources, and research grants and contracts, among others. These decisions directly bear on the Manoa Campus as the staff for significant portions of these functions remain for now with the President’s Office.

The Manoa Campus reorganization plan, however, is still pending, although it is expected that the plan will be presented for approval to the BOR in January 2005. The BOR and Interim President did permit the Chancellor to hire three key officers. As explained by one Board member, this was to give the Chancellor the opportunity to complete his planning process and to bring a plan forward to the President and the BOR. This plan approval is an essential step and is overdue. Considerable anxiety was apparent to the Team from the Manoa Campus faculty with respect to the System/campus relationship and System approval would help to ameliorate these concerns to some degree. Still to be resolved are the ways in which system offices will serve all campuses, or where Manoa as the largest campus, will have its own personnel and functions. A separate mission and identity does not mean independence from the System, and the way the balance of the roles of campus and system is worked out is a key priority for the coming year. Manoa has been stymied by the lack of an adequate infrastructure to support campus operations. Manoa’s needs are beginning to be addressed by the fact that a Vice Chancellor for Academic Affairs has now taken office; a Vice Chancellor for Research is soon to take office; and appointment of an interim Vice Chancellor for Budget to fill the temporary vacancy caused by the leave-taking of the incumbent is imminent.

The proposed reorganization plan for the Manoa Campus has been widely circulated and revisions appear to have been made based on feedback received. The lack of staffing in the Office of the Chancellor and the lack of resolution of the organization of student services has led to inaction in both areas, and there is need for both to be resolved as quickly as possible. While there remain a number of questions to be resolved, there is nevertheless need for a formal plan to be established as the basis for implementation. No system will be perfect, and any system will take time to iron out all issues. But while some forward momentum has developed, there is not yet enough for the Team to feel assured that a new Campus organization structure will be in place and functioning at the time of the upcoming Special Visit to the Campus in the fall of 2005. This is a matter of
some priority, and it will take the leadership of the Campus and the System, as well as that of the Board, to move as quickly as is feasible.

Also unclear is the role of the seven community colleges in the new System structure and how the System Office will relate to these campuses – as a singular group or individually. Further, UH Hilo and West Oahu are smaller comprehensive institutions and how they will relate to the System Office, what services will be provided by that Office to them or how they will provide those services to their own campuses (once the System/Manoa relationship is resolved) is still not entirely clear. These questions too will need to be worked out in time.

STRATEGIC AND BUDGETARY PLANNING

Progress was observed with respect to the strategic planning process with the linkage, through a “stocktaking” effort, of the Strategic Plan to budgetary planning. As noted by the March 2004 report, the UH System made considerable progress in the area of strategic planning over the past two years, and following a comprehensive planning process, launched a campus-by-campus “stocktaking” exercise. Each campus was to establish where it was going, with what efforts and with what need in resources.

The stocktaking exercise has continued, and has led to the generation of a list of potential areas for development by each campus. The $125 million annual price tag of all of these improvements has been reduced to $35 million in the State biennium budget request submitted by the University as a way of more realistically portraying the highest needs of each of the campuses and the UH System as a whole. As the State economy is improving, there is some hope for success here.

Given the uncertainty of the State funding process until its completion, it is hard for campuses to plan in great detail, but within the budget framework submitted, planning needs to continue and to be further fleshed out. Further, steps are being taken to link financial planning with the Strategic Plan, and to assess the impact of different levels of funding. These steps will need to continue. Also, longer-term revenue projections are being developed with an eye to the need to balance revenue sources including State funds, tuition and other revenues. With the recruitment of a new CFO these efforts can be further developed and provide a useful guide for the President and BOR.

SPECIAL STRATEGIC PLAN ISSUES

UH West Oahu Campus

The March 2004 Special Visit Team noted the importance of clarifying the UH System’s intent with respect to fully establishing UH West Oahu. The current Team notes that significant steps to achieve the full establishment of the West Oahu Campus are taking shape. The BOR and Interim President appear committed to a public/private partnership
for building the Campus, and a new, well-qualified chancellor has been hired. Clearly, much remains to be done to establish full-scale operations at West Oahu and long-term planning will be one of the first goals of the new chancellor. But movement, under the leadership of the Interim President, is apparent.

John A. Burns School of Medicine and Other Health Sciences Program

In the March 2004 report the Special Visit Team noted that there was significant confusion surrounding the placement of the John A. Burns School of Medicine in the governance structure of the Manoa Campus. At that time the Board of Regents (BOR) had appointed a Task Force to review the status of that School and certain health sciences programs in order to determine appropriate governance of those programs and the upcoming launch of a significant new location for the programs at Kaka’ako. Since the last visit, the BOR has received a report with recommendations from the Task Force regarding the School of Medicine. And, appropriately, the BOR has referred this report and recommendations to the Interim President for his review and recommended action. Since the plan is for programs to start at the Kaka’ako campus within the year, it is extremely important to clarify what programs will be moved to this new location and to whom they will report.

Native Hawaiian Issues

Finally, the Team met with representatives from the Puko’a Council and learned of the importance of the commitments of the past and current leadership to support Native Hawaiian students and programs. Special funding to strengthen such programs has been included in the State budget request from the BOR. We believe this is quite consistent with the UH System’s Strategic Plan. In light of the University’s core commitment to ahupua’a, there also should be a review of how this commitment is reflected in the general practices and programs of the University for the long term. Certain additional activities such as the establishment of a PhD program in Native Hawaiian Languages at UH Hilo are pending before the BOR and with the President and are also indicative of this commitment.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

In sum, the Team found significant progress in most areas cited by the previous team. The restoration of trust and the positive working relationship between the BOR and the Interim President provides opportunity for both to focus on important substantive issues. Much will also depend on the level of financial support provided by the State to the UH System to realize the goals and priorities established by the University through its extensive strategic planning, stocktaking, and financial budgeting approaches.

In the spirit of encouraging further development, the Team makes the following recommendations:
1. The positive and productive relationship currently enjoyed between the Board of Regents and the System Office needs to be sustained and institutionalized over time in formal working relationships and procedures.

2. There is need for an organizational Plan for the Manoa Campus to be approved as soon as possible to provide the basis for working through key issues in the definition of campus and System roles and functions, particularly as related to this large and complex campus.

3. As the relationship with the Manoa campus comes to be resolved, there is need to determine how services and support will be provided to the other campuses in the System, defining when they are to be provided to all ten, when to all but Manoa, and/or when to the senior colleges individually and the community colleges collectively.

4. There is need to determine which programs will be moved to the Kaka’ako campus and how they will be governed.