
HOUSE CONCURRENT RESOLUTION

REQUESTING AN ANNUAL REPORT WITH REGARD TO THE APPLIED RESEARCH
LABORATORY FOR EACH OF THE NEXT THREE YEARS FROM THE
UNIVERSITY OF HAWAII TO THE LEGISLATURE.

1 WHEREAS, this is a turning-point period of a new
2 millennium, as the people of Hawaii and members of the
3 Legislature reflect on the University of Hawaii during its
4 centennial year; and

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6 WHEREAS, the University of Hawaii has sought and received
7 greater autonomy, which entails greater responsibility to the
8 people of Hawaii to whom the Legislature remains accountable;
9 and

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11 WHEREAS, the Legislature did not receive timely financial
12 and budget information from the University of Hawaii during the
13 2002 and 2005 Regular Sessions and repeatedly at other times, as
14 documented in House Concurrent Resolution No. 213 (2005); and

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16 WHEREAS, the Legislature deemed it necessary to request the
17 Auditor to conduct a two-phased, system-wide financial audit of
18 the university's general and tuition funds and of the strategic
19 and financial plan that accounts for nearly ten per cent of the
20 State's executive budget; and

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22 WHEREAS, the Auditor found in both phases of the audit that
23 "the university struggles to demonstrate accountability," in
24 both the 2005 audit of the University of Hawaii at Manoa (Report
25 No. 05-15) and the December 2007 audit of the University of
26 Hawaii System, Phase II (Report No. 07-08); and

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28 WHEREAS, the Auditor in December 2007 concluded that: "the
29 university's current strategic plan has limited value and does
30 not promote accountability"; and

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1 WHEREAS, the Auditor also found that "the university needs
2 to improve its budgeting and internal financial reporting
3 processes in order to foster accountability" and that "certain
4 [university] policies and procedures over contracts are not
5 clear and enforced"; and

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7 WHEREAS, before considering the granting of full autonomy
8 to the University of Hawaii as it enters its second century and
9 to fulfill its responsibilities to the people of Hawaii, the
10 Legislature must be assured that the University of Hawaii has
11 formulated a mission, strategic vision and plans, and policies
12 and procedures that will provide a full and complete accounting
13 to the Legislature and the people of Hawaii; and

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15 WHEREAS, the people of Hawaii demand and have a right to
16 know how their public university is being managed as it enters
17 its second century; and

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19 WHEREAS, University of Hawaii President David McClain
20 declared on February 16, 2006 that the contract with the United
21 States Navy to establish an Applied Research Laboratory with the
22 University of Hawaii is "clearly the most visible contract" to
23 come before the Board of Regents "in many years"; now,
24 therefore,

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26 BE IT RESOLVED by the House of Representatives of the
27 Twenty-fourth Legislature of the State of Hawaii, Regular
28 Session of 2008, the Senate concurring, that the University of
29 Hawaii is requested to submit a report to the Legislature, no
30 later than twenty days prior to the convening of the 2009, 2010,
31 and 2011 regular sessions, respectively, that each include, the
32 following:

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34 (1) The amount of funds that the University of Hawaii
35 received under its contract with the United States
36 Navy for an Applied Research Laboratory, from whom the
37 moneys were earned and for what purposes;
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39 (2) The location of the research and what specific
40 measures were undertaken to safeguard the health and
41 safety of Hawaii's people and environment;
42
43 (3) The amount of funds spent on salaries and other
44 personnel costs to manage the Applied Research



1 Laboratory; the number of Applied Research Laboratory-
2 hired personnel brought to Hawaii; the number of
3 University of Hawaii faculty members and instructors
4 working solely or partially on the Applied Research
5 Laboratory; and the proportion of time top university
6 administrators, by name, devoted to Applied Research
7 Laboratory-related affairs;
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9 (4) The number of graduate students, undergraduates, and
10 small businesses that were funded under the Applied
11 Research Laboratory; and which outside companies were
12 subcontracted, and the amounts of each of those
13 subcontracts;
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15 (5) The amount of funds the University gave up in
16 licensing, patenting, commercialization rights, and
17 the value of technology transfer by assigning to the
18 United States government exclusive rights to Applied
19 Research Laboratory research; and
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21 (6) The true cost to the University for all
22 infrastructural expenses directly and indirectly
23 associated with the Applied Research Laboratory and
24 the amount of the University's compensation for these
25 costs; and
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27 BE IT FURTHER RESOLVED that in this age of globalization,
28 the University of Hawaii is requested to include in each of its
29 annual reports, the Applied Research Laboratory's impact on the
30 hiring, attracting or retaining of faculty and students,
31 including international faculty and international students, and
32 the projected impact of the Applied Research Laboratory's future
33 acceptance of military research requiring United States security
34 clearances; and
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36 BE IT FURTHER RESOLVED that the University of Hawaii is
37 requested to include in each of the reports, the impact that
38 Applied Research Laboratory has had on the underlying strategic
39 missions of the University since its founding a century ago in
40 terms of:
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42 (1) The discovery of knowledge for the benefit of the
43 people of Hawaii; and
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1 (2) The dissemination of knowledge, given that all
 2 research produced under the Applied Research
 3 Laboratory is routed through its funding agencies and
 4 owned by them; and
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6 BE IT FURTHER RESOLVED that the University of Hawaii is
 7 requested to disclose in each of the report how the public can
 8 gain access to the list of particulars about the Applied
 9 Research Laboratory that was requested by the Manoa Faculty
 10 Senate in its Resolution of November 14, 2007 on its policy on
 11 classified and proprietary research; and
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13 BE IT FURTHER RESOLVED that certified copies of this
 14 Concurrent Resolution be transmitted to the Chairperson of the
 15 Board of Regents of the University of Hawaii, the President of
 16 the University of Hawaii, the Chairperson of the Regents
 17 Candidate Advisory Council, the Chairperson of the Manoa Faculty
 18 Senate, and the Auditor.
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OFFERED BY: *Hanni Snow*

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