RCUH

Research Corporation
of the University of Hawai'i



ANNUAL REPORT 2018

ALOHA

For the past two years, the Research Corporation of the University of Hawai'i (RCUH) has invested in strengthening its foundational structures in information technology and professional development. As Ashley Pate Art counseled, "You're only as solid as what you build on." Our human and financial investments included integrating and modernizing all RCUH electronic systems, which enabled a wide range of new applications, better accessibility by mobile devices, and use of cloud and other services. They also included a sharper focus on expanding and enhancing training to equip employees to perform more proficiently in an ever-changing and increasingly technological society. The results of these investments—an array of new services provided to more individuals more cost-effectively—are presented in *Highlights of RCUH Achievements, 2016–2018*. Many of the initiatives highlighted in this report for the 2018 calendar year would not have been possible without the above investments.

We're pleased that a follow-up review of RCUH's performance audit by the State Auditor found that the corporation was one of only three state departments and agencies of the 23 that were audited in 2012–2016 which implemented all of their audit recommendations. In addition, the external audit of RCUH's finances by Accuity LLP, certified public accountants, indicated there were no findings of material weaknesses during the report period. Note that data in this report relating to RCUH's financial and personnel status are for the July 2017–June 2018 fiscal year.

RCUH's successes are largely due to the dedicated work of its core staff, who provide the fast, efficient, professional, and helpful services necessary to the thousands of projects and employees located within and outside of our state. We also want to acknowledge the talented principal investigators who diligently secure the millions of dollars in grants and contracts which advance research, development, and training and energize Hawai'i's economy.

We hope you enjoy this 2018 report of RCUH's programs and activities. It is also posted on the RCUH website at www.rcuh.com.



Eugene Bal III, Chair
Board of Directors



Sylvia Yuen, Ph.D.
Executive Director

PHOTO CREDITS

Front cover (from top left, clockwise): *UH Department of Psychology, Brain & Behavior Laboratory, Tzana Saldania • Pacific International Training Desk — Guam, David Hitzl • Pacific Cooperative Studies Unit (PCSU), Big Island Invasive Species Committee • Hawai'i Institute of Marine Biology, Gin Carter - Smithsonian Institution • National Astronomical Observatory of Japan (NAOJ), Subaru Telescope • PCSU, O'ahu Army Natural Resources Program, Roy Kikuta • NOAA, UH Joint Institute for Marine and Atmospheric Research • Gene-ius Day Program • Project OTIS - Oceanographic Technological Innovations & Solutions • Lyon Arboretum, Scott Nishi - UH Foundation • NOAA Fisheries Pacific Islands, James Morioka • Center for Microbial Oceanography: Research and Education • GoCook!, John Ridgeway • UH College of Tropical Agriculture and Human Resources (CTAHR), Godwin Polendey.* **Back cover:** *Hawaii Ocean Time-series (HOT), Thom Hoffman • HOT • NAOJ, Subaru Telescope • Lyon Arboretum, Scott Nishi - UH Foundation • RCUH • UH CTAHR • PCSU, Kaua'i Invasive Species Committee • Hawai'i Coral Reef Initiative • Pacific International Space Center for Exploration Systems • Pacific International Center for High Technology Research, O'ahu Army Natural Resources Program • PCSU, Kaua'i Endangered Seabird Recovery Project, Andre Raine.*

ABOUT RCUH

RCUH Board of Directors

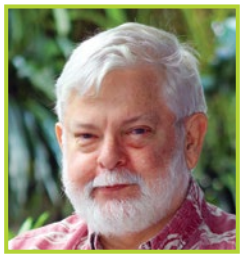
The affairs of the Research Corporation of the University of Hawai'i are under the general management and control of its eight-member Board of Directors.



Eugene Bal III
Chair



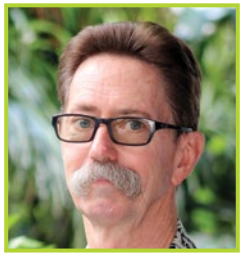
Donna Ikeda
Vice Chair



David Duffy



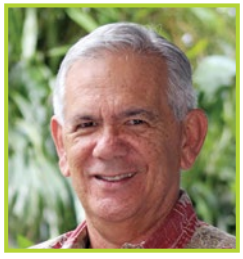
Kelli Goodin



Michael Maberry



Randolph Moore



Raynard Soon



Vassilis Syrmos

The Research Corporation of the University of Hawai'i (RCUH) was established by the Hawai'i State Legislature in 1965 as a public instrumentality and is attached to the University of Hawai'i for administrative purposes.

To fulfill its mission, RCUH is exempt from certain state procurement and personnel laws. This allows RCUH to provide rapid and efficient financial and human resources services that enable its clients to be more productive and to meet their research, development, and training objectives in a timely manner.

Our Vision

A Hawai'i where research, development, and training flourish and energize a prosperous state economy.

Our Mission

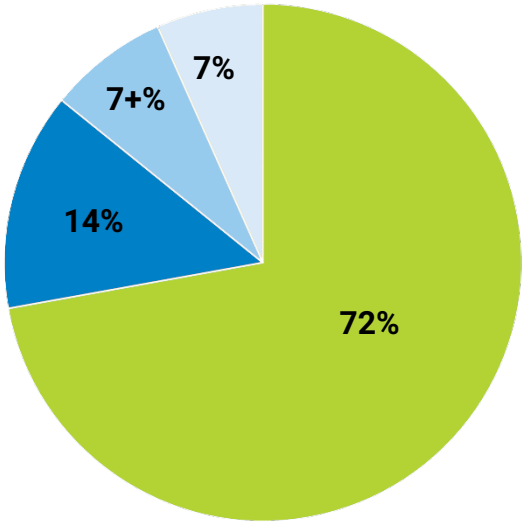
To support and enhance research, development, and training in Hawai'i, with a focus on the University of Hawai'i.

RCUH is an equal employment opportunity/ affirmative action employer. It is our policy to recruit and advance in employment qualified applicants and employees without regard to race, color, religion, sex, national origin, disability status, protected veteran status, or any other characteristic protected by law.

FINANCIAL & HR REPORT

Volume of Business by Project Type

Total Volume of Business: $275,933,413



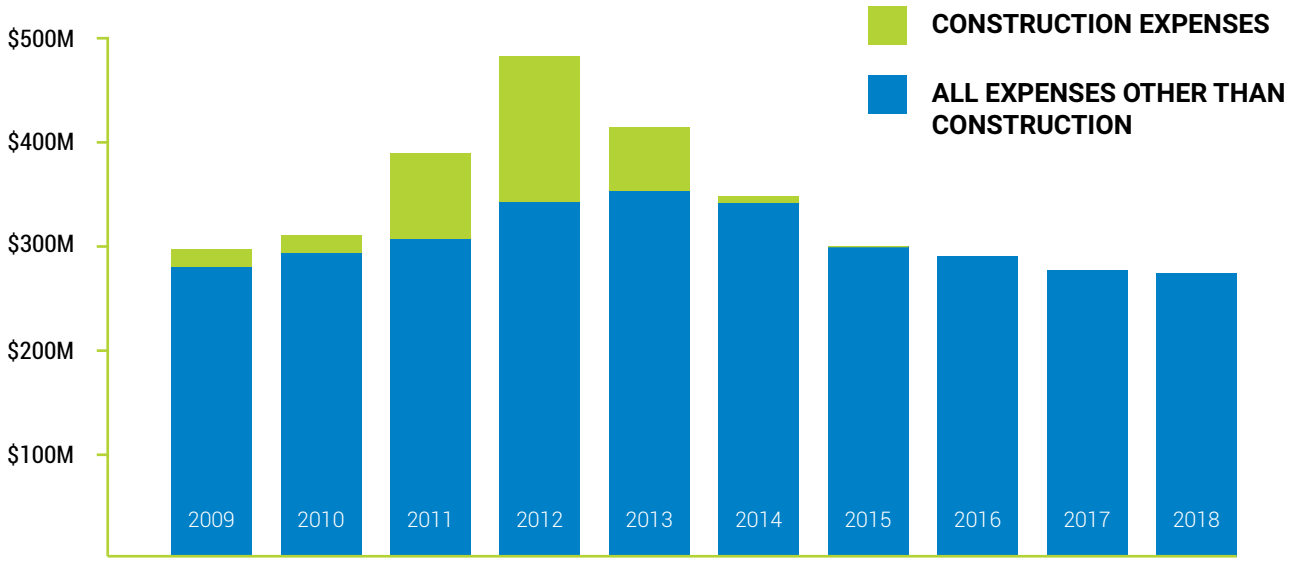
UH EXTRAMURAL PROJECTS ($199,113,606)
Externally sponsored federal and non-federal contracts, grants, and other agreements.

UH REVOLVING PROJECTS ($37,678,682)
Self-sustaining, income-generating projects established to support a specialized service activity, a recharge center, or other sales and service activities.

DIRECT PROJECTS ($20,715,267)
Projects assigned to and accepted by RCUH from non-UH organizations, including federal and state agencies, international organizations, and other not-for-profit organizations.

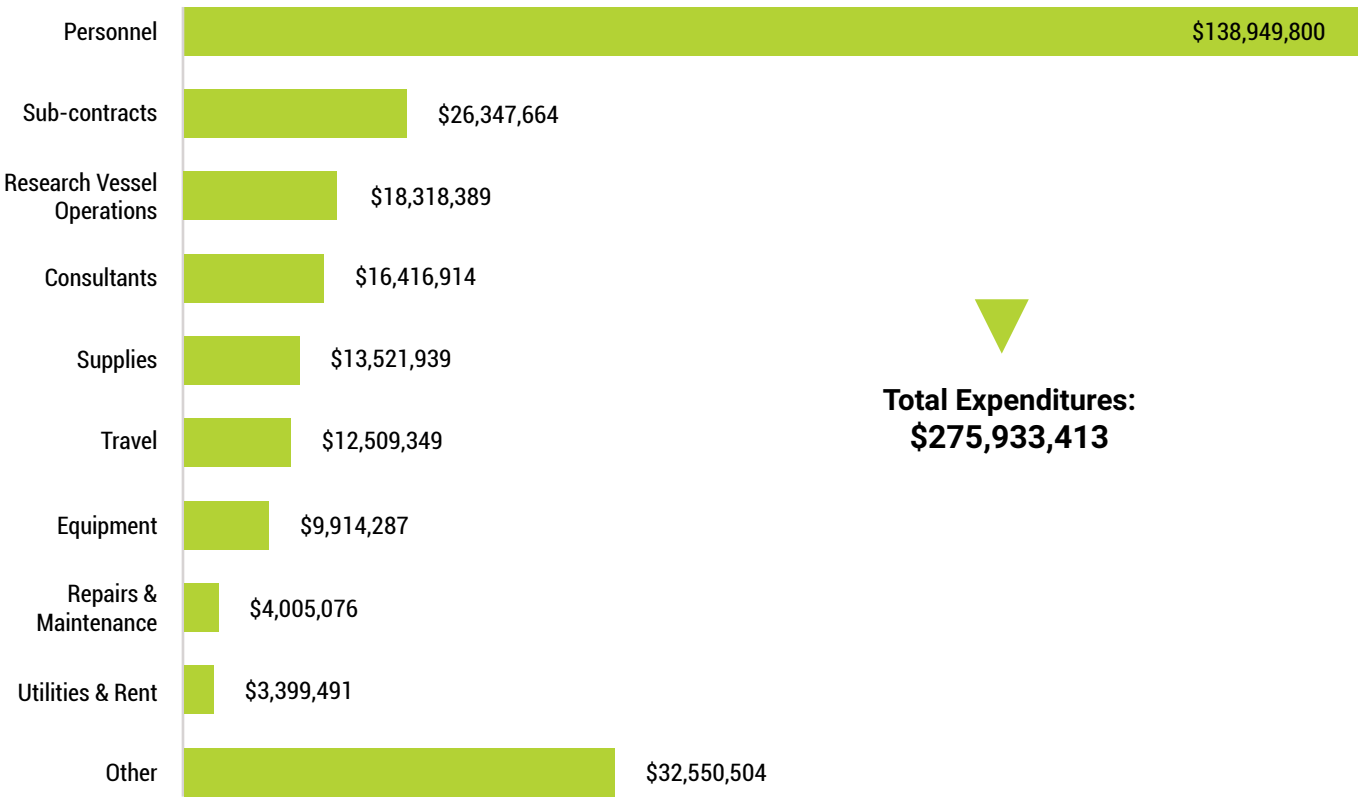
UH INTRAMURAL PROJECTS ($18,425,858)
Internally sponsored programs or activities funded with UH Research and Training Revolving Funds (RTRF) or Tuition and Fee Special Funds (TFSF).

Volume of Business 2009–2018



When construction expenses are included, RCUH's volume of business reached a peak in 2012. Without construction, the volume of business peaked in 2013. While there has been a decline since then, the volume of business for the past four years has been relatively stable.

Financial Expenditures



Total Expenditures:
$275,933,413

Sample of RCUH's 2018 Transactions

Transactions	Number
Timesheets	59,166
Vendor payments	50,927
Non-PO payments	30,188
Purchase orders	16,295
Travel requests	11,265
Cash receipts	10,028
W-2s issued	3,587
Terminations	1,489
New hires	1,417

RCUH is a tremendous asset to our program. It provides the flexibility and administrative nimbleness required to hire and manage staff, insure needed travel support, and purchase supplies for our project.

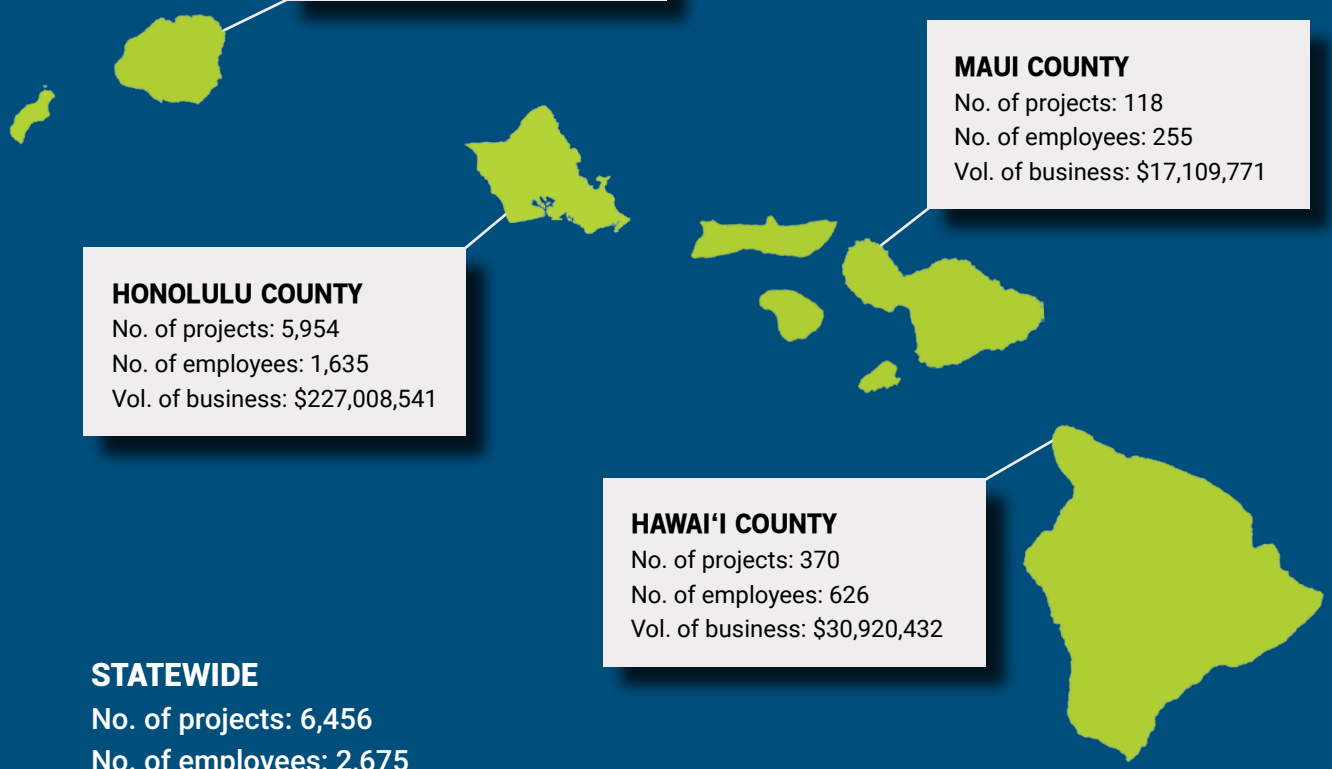
Michael Hamnett
Principal Investigator
Hawai'i Coral Reef Initiative

COMMUNITY IMPACTS

RCUH projects make important contributions to the state of Hawai'i and her communities. The millions of dollars these projects secure from federal and private sources for the advancement of science and the betterment of Hawai'i's people greatly enhance the state's economy. In fiscal year 2018, RCUH's volume of business was $275,933,413, with all counties benefiting from these funds and their multiplier effects. Moreover, RCUH's 2,675 employees are located throughout the state, and they enrich their communities by volunteering their time, expertise, and talents to improve the well-being of children and families, schools, and agencies where they live.

Projects by County

OTHER (Continental U.S. + non U.S.):
79 employees



KAUA'I COUNTY
No. of projects: 14
No. of employees: 80
Vol. of business: $894,669

MAUI COUNTY
No. of projects: 118
No. of employees: 255
Vol. of business: $17,109,771

HONOLULU COUNTY
No. of projects: 5,954
No. of employees: 1,635
Vol. of business: $227,008,541

HAWAI'I COUNTY
No. of projects: 370
No. of employees: 626
Vol. of business: $30,920,432

STATEWIDE
No. of projects: 6,456
No. of employees: 2,675
Vol. of business: $275,933,413
Avg. salary: $60,284

Geoffrey Bower

Geoffrey Bower is the chief scientist for Hawai'i Operations with the Academia Sinica Institute of Astronomy and Astrophysics, which is based in Taipei, Taiwan. He is involved with numerous research projects using telescopes in Hawai'i and around the globe. In Hawai'i, he leads projects to detect some of the most distant objects in the universe using a telescope on Mauna Loa and to make images of black holes using telescopes on Mauna Kea.

Dr. Bower maintains a significant presence on Hawai'i Island, reaching a wide variety of audiences and communities through his outreach activities. He gives frequent public lectures at the 'Imiloa Astronomy Center, the Mauna Kea Visitor Center, and other venues and is a valued volunteer in local public schools and the Hilo Public Library, teaching science and computing classes, judging science fair exhibitions, and supporting local teachers.

As Christian Wong, Executive Director of the Hawaii Science and Technology Museum (HSTM), summarizes: *Geoff is incredibly active in serving the people of Hawai'i Island, volunteering many hours of his time promoting STEM education in our community. He delivers public lectures about his work in astronomy, serves as a mentor and judge for local science fairs, delivers coding classes for kids, and serves on the board of the HSTM. Geoff is always willing to share his considerable knowledge and talents with the people of Hawai'i Island, especially our keiki, and the contributions he makes to our community are invaluable and far reaching.*







"I want to make sure that all of the keiki of Hawai'i Island have the opportunity to achieve their full potential through science that sparks the imagination and opens doors."





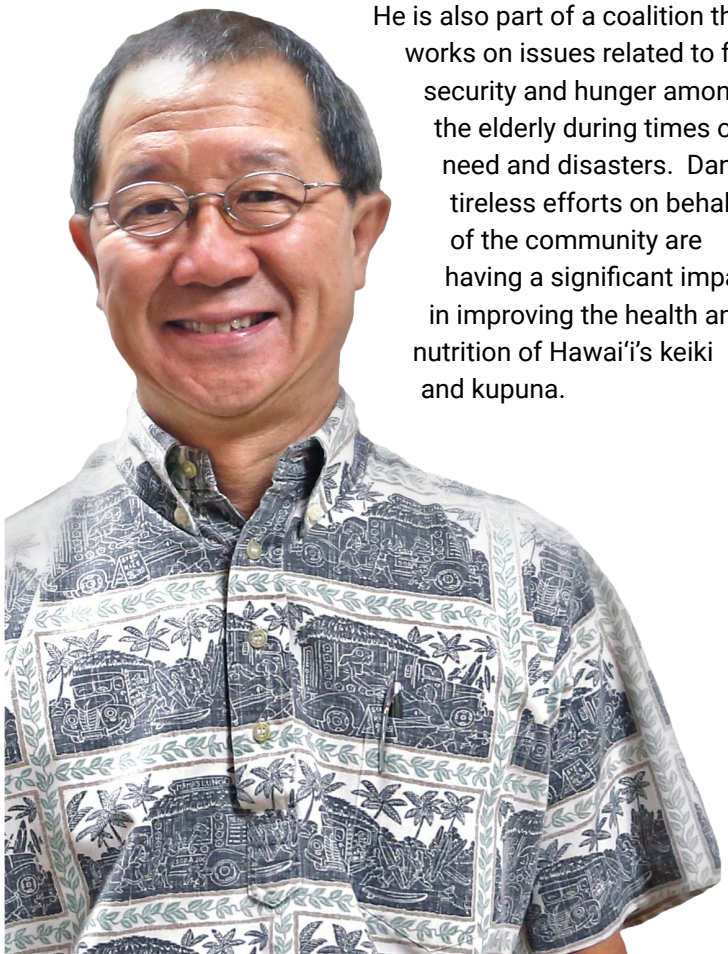
"I always enjoy working with people who are willing to work 'outside the bento box.' I want to make a difference by giving dedicated people the resources they need—from the UH and community partners—to make positive changes."

Daniel Leung

Daniel Leung, program coordinator of the Culinary Arts Program at Kapi'olani Community College (KCC), has a vast community network and actively participates in initiatives that provide food to underserved people and improve their health and well-being. Integrating KCC into these initiatives has benefited all parties. KCC's academic expertise enriches the talent pool of the partnership, which is able to attract funders and implement programs beyond the reach of a single entity. For example, leading a partnership of eight agencies, Daniel received a grant and a food truck from funders to have hot food delivered five days a week during the summer break to children who are eligible for free school lunches. His efforts provided 24,000 meals during the summer of 2018.

Daniel also serves on the Lt. Governor's Farm-to-School Advisory Committee, which assists the Department of Education in purchasing and utilizing greater amounts of fresh and local farm products in the statewide school lunch program. Hawai'i's economy, farmers, and school children all benefit from this win-win-win program.

He is also part of a coalition that works on issues related to food security and hunger among the elderly during times of need and disasters. Daniel's tireless efforts on behalf of the community are having a significant impact in improving the health and nutrition of Hawai'i's keiki and kupuna.



Mary Ann Nemoto

Mary Ann Nemoto serves as the project administrator of the Learning to Grow project at Windward Community College. Funds from the U.S. Department of Health and Human Services support this multi-faceted educational outreach program that focuses on Hawai'i's low-income families and their young children. In one facet of the program, more than 13,400 packets of materials are mailed annually to caregivers, engaging them in learning how to provide the care and enriching environment that children need for optimal development.

Mary Ann extends her professional work by using her knowledge, training, and insights to actively enhance the lives of young children throughout the state. She has made numerous presentations and conducted many workshops on early development and learning to policymakers, principals, teachers, parents and grandparents, university students, special education and home-based instructors, and others.

She has also been instrumental in the development of publications that delineate standards which raise the quality of early care provided to children. In addition, Mary Ann has served as a pro bono consultant and on state, non-profit agency, and university committees. Because of her dedication, thousands of Hawai'i's most vulnerable keiki are having more positive early experiences, which promote better health and academic outcomes and lead to brighter futures.







"It just brings me joy to translate scientific research into usable resources that families and care providers can understand and use with young children."



Credit: JABSOM (Tina Shelton)

The unique aspect of RCUH allows rapid and efficient financial and human resources services which enable more productivity to meet research and training objectives. Their staff is very knowledgeable and easy to communicate with, resulting in administrative tasks being addressed quickly and efficiently.

Marla Berry
Principal Investigator
UH John A. Burns School of Medicine

HIGHLIGHTS OF ACHIEVEMENTS

External Audit

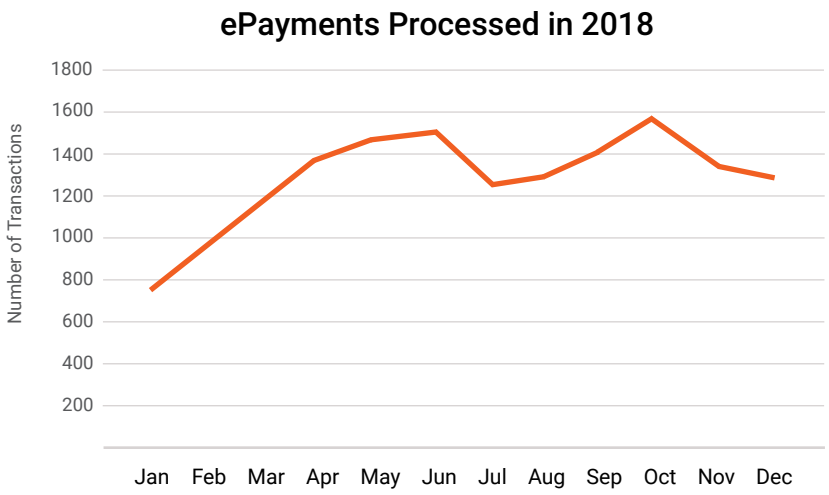
The Hawai'i State Auditor's *Report on the Implementation of State Auditor's Recommendations 2012–2016* was issued in November 2018. Its findings included the performance audit conducted on RCUH in 2015, which examined the corporation's efficacy and effectiveness. Among the 23 agencies for which follow-up reviews were conducted, RCUH was 1 of only 3 agencies which had implemented all of its recommendations.

SuperQUOTE™

RCUH users are now able to conduct electronic solicitation of quotations and sealed bids via CommercePoint's SuperQUOTE™ system. This allows project staff to procure goods and services more efficiently.

Electronic Payments

ePayments eliminate the printing and delivery of paper checks and reduce or remove the problems related to those transactions, such as lost checks. RCUH enrolled 3,154 vendors and employees in this program and processed 14,048 ePayment transactions in 2018.



Forecasting Tool

This long-awaited tool provides project personnel with the ability to forecast expenditures without the need to manually input transactions or personnel data from two separate IT systems. These data are now integrated into a single unified interface. Budget scenarios can be created by inputting proposed expenditures from which the forecasting tool can be used to develop projected financial statements. This enables principal investigators, project managers, and fiscal administrators to make informed decisions regarding the management of funds in the present to ensure balanced budgets in the future.

Drill-Down Functionality

Project personnel can now easily access a list of transactions comprising expenditures for a given point in time. Clicking on a specific transaction on the list brings up the originating document for the transaction. In addition, users can sort and easily find the detailed cost reports they are seeking in the RCUH Financial Portal.

Position Request & Approval

A new Position Request Form has reduced the University of Hawai'i's review and approval process for RCUH service-ordered positions from 2–4 weeks to 2 days. The significant improvement in processing time was due to these changes implemented by RCUH:

- taking the lead in working with UH on identifying problems in the present system,
- revising the form that requests an RCUH service-ordered position to address the problems,
- combining two stand-alone applications into one process, and
- inserting "smart features" in the new interface to provide a more intuitive process to the revised position request and approval form.

"RCUH supports every aspect of the operation of the UH Marine Center—all employees, and all costs associated with ship operations and technical support are managed through RCUH. It would be extraordinarily difficult to carry out this function, essentially a small business, without the support provided by RCUH."

Alexander Shor
Associate Dean
UH School of Ocean and
Earth Science and Technology



Credit: UH Marine Center



Thank you for an insightful forum! The information was well received, and I learned new topics and terms that I had never heard of before. The truth brought up in the forum was overwhelmingly scary, but very important topics to discuss.

Feedback from webcast participant

Annual Forum

The RCUH Annual Forum focused on *Cybersecurity: Protect, Detect, Respond* and featured three panelists:

- **Brian Tuskan**, Senior Director of Security, Microsoft Corporation
- **Will Bales**, Supervisory Special Agent—Cyber, Federal Bureau of Investigation Honolulu
- **Garret Yoshimi**, VP for Information Technology/CIO, UH System

UH and the UH Association of Research Investigators (UHARI) served as co-sponsors of the forum, which was held on the UH Mānoa campus and live-streamed throughout Hawai'i. Over 300 people participated in the event. Confidential assessments indicated that 80% or more of the attendees agreed or strongly agreed that the forum was informative and well presented and that it increased their knowledge of the subject.

Training

ONLINE: RCUH continues its advancement towards more online training, which can be available at any time and any place, and provides more people with professional development opportunities. In 2018, RCUH launched the RCUH Training Portal, a learning management system that includes a library of general-interest courses (e.g., cybersecurity, agenda setting, communicating effectively) and RCUH-developed courses (e.g., Hawai'i State Ethics Code, Sole Source). Nearly 3,400 registrants enrolled in online training in 2018.

RCUH developed four new courses in 2018: Introduction to Human Resources Department, EEO/Sexual Harassment Prevention Training for Employees, EEO/Sexual Harassment Prevention Training for Supervisors, and Purchase Orders and Contracts.



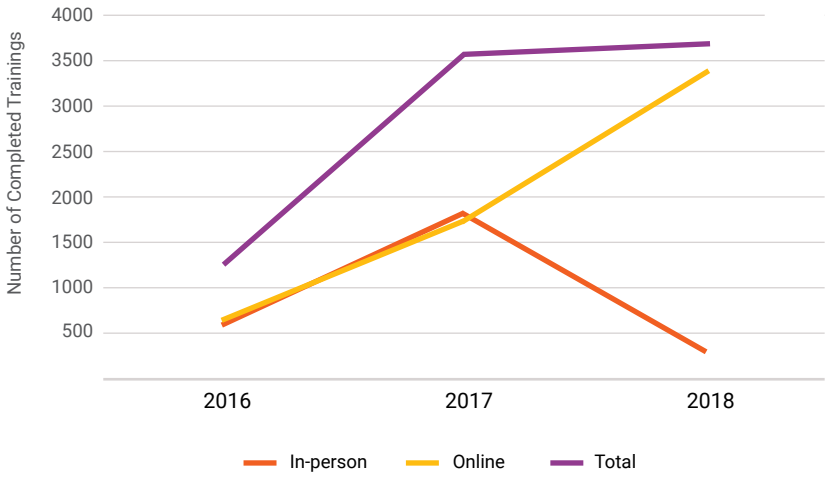
Credit: Pacific International Training Desk - Guam (David Hitzl)

IN-PERSON: RCUH provided the following in-person training in 2018:

- Workplace Violence
- Annual Performance Evaluation
- eSign

These sessions reached approximately 250 employees on Hawai'i Island, Kaua'i, Maui, and O'ahu. Ninety-one percent of attendees rated these sessions as high quality. Small in-person training sessions were also conducted at the request of the UH John A. Burns School of Medicine, UH College of Natural Sciences, and UH Office of Public Health Studies. These sessions were well received, and project staff were appreciative of the customized service.

Participation in Online and In-Person Training



Keep up the great work! I've been around for a long time and have seen steady and great improvements in website, information, training, overall services, and leadership.

Feedback from RCUH survey participant



Credit: UH Animal and Veterinary Services Program

AWARDS & HONORS

2018 Outstanding Employee Awards

On November 5, 2018, more than 200 principal investigators, project staff, and supporters gathered at Waialae Country Club to recognize 25 outstanding RCUH employees who made demonstrable, significant, and exemplary contributions to their projects during the past fiscal year or years.

Researcher/Project Manager/Professional Category



1st Place: Janel Yamamoto, *UH College of Tropical Agriculture and Human Resources*

In just one year, Janel has made significant improvements to UH's GoFarm Hawai'i (GFH) AgBusiness program. She expanded the new farmer training program on the neighbor islands and worked with community partners to generate more land-leasing options for GFH graduates.



2nd Place, tie: Erica Davis, *UH John A. Burns School of Medicine*

As Associate Director of the Hawai'i/Pacific Basin Area Health Education Center, Erica assists her principal investigator with managing 14 employees, 10 grants, and 9 centers. She was instrumental in developing a workplace wellness program and the passage of HB 916, which will provide $500,000 for a healthcare provider loan repayment program.



2nd Place, tie: Christian Miki, *UH College of Natural Sciences*

Christian has faced many challenging situations as lead engineer and instrument physicist for the Antarctic Impulsive Transient Antenna (ANITA) project. When his principal investigator fell ill, Christian stepped in to lead a team of international physicists and engineers to ANITA's third successful mission in Antarctica.

HONORABLE MENTIONS: Tara Clemente, Stanley Lio

Project Support Staff Category



1st Place: Waynele Yu, *UH College of Education*

Waynele is the face of UH's Master of Education in Teaching (MEdT) program. She developed and implemented a new recruitment plan, which included streamlining the application process and using customer relationship management software to track all applicants and prevent drop-offs.



2nd Place: Nicole DiManno Martin, *University of Hawai'i at Hilo*

Nicole worked with her principal investigator to set up an experiment in lowland wet forests in Hilo. She conducts the fieldwork, organizes the field crew, and observes the forest in an effort to restore this damaged Hawaiian ecosystem. Nicole's observations have led to scientific breakthroughs and efficiency improvements.

HONORABLE MENTIONS: Joao Garriques, Jason Irei, Christopher Yoakum

Team Category



1st Place: TASI/PHIDC, Hawai'i All Payer-Claims Database

Jessica Okamura, Jose Aquino, Sean Okamoto, Thomas Pali

This team developed the Hawai'i All Payer-Claims Database, which collects and analyzes detailed medical, pharmacy, and dental service data and claim costs for about 48% of the state's Medicare, Medicaid, and EUTF beneficiaries.



2nd Place: Center on the Family, Title IV-E Waiver Demonstration

Annalynn Macabantad, Dana Senaha

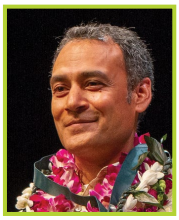
Anna and Dana worked together to create the state's first single comprehensive child welfare evaluation database. Their goal is to prevent children from entering the state foster care system and to help children exiting foster care.

HONORABLE MENTIONS: Academia Sinica Institute of Astronomy and Astrophysics (Derek Kubo, Kristen Laguana, Peter Oshiro, Ranjani Srinivasan), Subaru Telescope (Eiji Kyono, Kiaina Schubert, Thomas Winegar), UH Marine Center (Ross Barnes, J. Scott Ferguson)

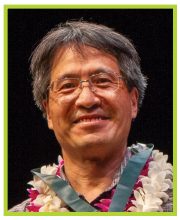
UH Excellence in Research Awards

In 2018, RCUH provided cash awards to recipients of the Regents Medal for Excellence in Research Award ($5,000 each to two faculty members) and the Mānoa Vice Chancellor for Research Student Excellence in Research Award ($500 each to three students).

Faculty Recipients



Samir Khanal



Bo Qiu

Student Recipients



Sam Grunblatt



Zhibin Liang



Nathaniel Wehr

RCUH Fellowship Awards

RCUH provides financial support to full-time doctoral students at the University of Hawai'i at Mānoa through an endowment fund established in 1986. The following Ph.D. students were presented with awards from the RCUH Graduate Fellowships Fund in 2018:

Mirza Baig
Matthew Bond
Michelle Brown
Malgorzata Citko
Deirdre Clyde
Michael Coe
Georgia Fredeluces
Vera Hanaoka
Joshua Hibit
Kelsea Hosoda
Wenyi Ling
Emily Pesicka
Terence Rose
Benjamin Schrager
Daniel Strange
Nana Suzumura
Henryk Szadziewski
Van Wishingrad
Mei Xu
Irmak Yazici



For the past 30 years, RCUH has facilitated—indeed enabled—the research conducted at Station ALOHA. Ocean science is a team sport, and RCUH continues to be an asset to our program and invaluable member of the HOT team.

David Karl
Principal Investigator
UH School of Ocean and
Earth Science and Technology



PROJECT SPOTLIGHTS

The following projects exemplify how investing in research, development, and training can energize the state's economy and enrich communities. They represent all of RCUH projects, which have garnered millions of federal and private funds and won widespread respect for their work. RCUH is proud to contribute to the success of these valuable projects and their talented and knowledgeable directors and staff.

Hawaii Ocean Time-series

In October 1988, a team of UH scientists established Station ALOHA as an open-ocean observatory for physical, biogeochemical, and ecological investigations. ALOHA, A Long-term Oligotrophic Habitat Assessment, is the stated mission of the Hawaii Ocean Time-series (HOT) program.

At approximately monthly intervals since then, scientists, engineers, students, and technicians from around the world have embarked on more than 300 expeditions to observe and record both natural and human-induced variations in ecosystem structure and function at this remote open-ocean location. The sustained measurements at Station ALOHA provide some of the only multi-decadal ocean observations from which future changes to the ocean can be gauged.

The HOT program has received continuous funding from the National Science Foundation (NSF) since its inception. Between 2006 and 2016, NSF also funded the Center for Microbial Oceanography: Research and Education (C-MORE), and in 2014 the Simons Foundation established a decade-long international program dubbed SCOPE, the Simons Collaboration on Ocean Processes and Ecology.

Both C-MORE and SCOPE were created on the intellectual foundation that was built by the HOT program, and both have complemented the long-term time-series. Since 2006, these two programs have brought in $85 million to UH in addition to NSF's direct support for HOT. This $150 million investment in microbial oceanography over the past three decades from public and private sources has literally put UH on the map for excellence in ocean sciences.

Hawai‘i/Pacific Basin Area Health Education Center

You've got a friend in me could serve as the motto of the Hawai‘i/Pacific Basin Area Health Education Center (AHEC) at the John A. Burns School of Medicine at UH Mānoa.

To improve the health of the underserved through education, AHEC does the following:

- helps any K–16 student in Hawai‘i who is interested in a healthcare career;
- finds a speaker for any school on health or health careers; and
- entertains any idea to improve the healthcare system so that everyone gets the care they need, where they need it, and when they need it.

From its beginning in 1995, AHEC has grown to 9 centers in Hawai‘i and the Pacific Basin—2 centers on O‘ahu (Waimānalo and Wai‘anae) and 1 each on Hawai‘i Island, Kaua‘i, Moloka‘i, Republic of Palau, Commonwealth of the Northern Marianas, American Samoa, and Yap.

Over $40 million has been awarded to support AHEC's four primary activities:

- Educating and recruiting students to health professions from K–16 schools.
- Educating health professions students in the rural and underserved communities of Hawai‘i, often in multi-professional teams.
- Recruiting healthcare professionals to rural and underserved areas and providing continuing education.
- Conducting health professions workforce assessments to determine shortages.



AHEC's activities encompass the following:

- Current State of Hawai‘i's Health Workforce
- Annual Hawai‘i Health Workforce Summit
- Teen Health Camp
- Hawai‘i Health Career Academy
- Project ECHO (Extension for Community Healthcare Outcomes)
- Hawai‘i State Loan Repayment Program
- Hawai‘i Pre-Health Career Corps



In 2018, Hawai'i P-20 received a $28.8 million grant for seven years. These funds will help GEAR UP Hawai'i foster college and career aspirations in middle school, high school, and first-year college students using the "6-16" counseling model. This model aims to provide a pathway for students to explore careers, increase academic preparation, and transition successfully into college and career.



Hawai'i P-20

Hawai'i P-20 is a statewide partnership led by the Hawai'i State Executive Office on Early Learning, Hawai'i State Department of Education, and the University of Hawai'i System. It works on programs and initiatives to strengthen the education pipeline from early childhood through postsecondary education and training in support of student achievement. By identifying opportunities, innovating programs, collaborating with stakeholders, and providing data-supported evidence to influence education policies and programs, Hawai'i P-20 focuses on improving outcomes for Hawai'i's students and community.

These are some of the program's many initiatives:

55 by '25 Campaign
This public awareness campaign raises awareness about Hawaii's education goal: 55 percent of working-age adults (25–64 years old) having a two- or four-year degree by the year 2025.

The Hawai'i P-3 Initiative
The Initiative focuses on improving outcomes for vulnerable children, including Native Hawaiians, Pacific Islanders, and low-income children who perform persistently below their peers on standardized measures. The goal is to have all of Hawai'i's children reading at grade level by the third grade.

GEAR UP Hawai'i
Since 2000, GEAR UP Hawai'i has been awarded over $70 million in funds from the U.S. Department of Education to increase the number of low-income middle and high school students who are prepared to enter and succeed in postsecondary education. Between 2018 and 2025, GEAR UP Hawai'i will provide services to nearly 19,000 students statewide.

Early College Programs
This initiative provides Hawai'i public high school students the opportunity to enroll in hundreds of UH classes and earn both high school and college credits while still in high school. Early College has proven to be a successful strategy in reducing opportunity and achievement gaps between economically disadvantaged students and their non-disadvantaged peers.

Lyon Arboretum

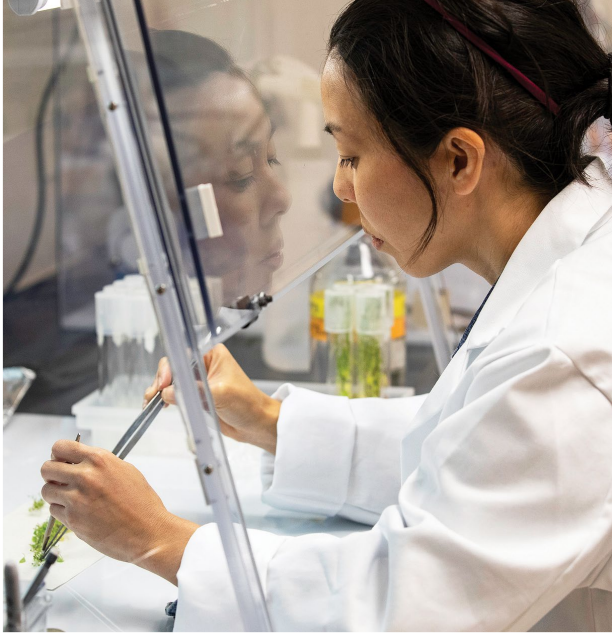
The 193-acre Harold L. Lyon Arboretum, a research unit of the University of Hawai'i, was established in 1918 as a test site by the Hawaii Sugar Planters Association (HSPA) to control erosion and runoff in the upper Mānoa watershed. It was acquired by the University in 1953 but remained closed to the public until 1970, when it began offering educational programs for all ages, special events, tours, and other amenities typical of a public garden.

Today the Arboretum serves as an integral partner in efforts to research and conserve the state's native flora. The Arboretum receives approximately 40,000 visitors annually.
Its mission is to inspire and cultivate the conservation of tropical plant biodiversity and connect it to Hawai'i's culture through education and research.

It is one of the few arboreta in the world to receive an ArbNet Level IV ranking (the highest level accredited) by the Morton Arboretum register and boasts one of the largest conservation collections of Hawaiian ethnobotanical and native plants.

The Arboretum grounds also house the Hawaiian Rare Plant Program (HRPP), a conservation unit started in 1992 which has become the leading research and propagation center for critically endangered and threatened native Hawaiian plants. The HRPP holds the largest collection of native Hawaiian plant species in the world, with more than 26 million seeds belonging to some 600 taxa and over 30,000 in vitro living collections that collectively represent more than half of the native plant taxa found in Hawai'i.

These impressive figures place the Lyon Arboretum and its collections in a unique position for the conservation of rare and endangered species in the state and as a key repository of tropical species from around the world.



The Arboretum reached a significant milestone in 2018 when it celebrated its centennial! Some of the special events held during the year included these:

- Micropropagation Lab Opening
- Royal Visit from Prince and Princess Akishino of Japan
- Centennial Symposium
- Ho'olaule'a Centennial Celebration
- 100-Tree Giveaway



AUDITOR'S REPORT



Report of Independent Auditors

To the Board of Directors of
The Research Corporation of the University of Hawai'i

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Stand*ards*, issued by the Comptroller General of the United States, the statements of net position of The Research Corporation of the University of Hawai'i, State of Hawai'i (the "Corporation") as of and for the years ended June 30, 2018 and 2017, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended (not presented herein); and in our report dated November 20, 2018, we expressed an unmodified opinion on those financial statements.

In 2018, the Corporation adopted Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses for other postemployment benefits. As a result of adopting this standard and management's determination, the restatement of the financial statements as of and for the year ended June 30, 2017 is not practical because the Corporation's postemployment health care and life insurance benefits information, prepared in accordance with the requirements of GASB Statement No. 75, was not available prior to July 1, 2017. Therefore, the Corporation has restated the beginning net position for the fiscal year ended June 30, 2018.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the financial statements from which it has been derived.



Honolulu, Hawai'i
November 20, 2018

an independent member of BAKER TILLY INTERNATIONAL

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The Research Corporation of the University of Hawai‘i
State of Hawai‘i
Condensed Statements of Net Position
June 30, 2018 and 2017

	2018	2017
Current assets	$ 38,381,867	$ 40,611,385
Capital assets	3,144,704	2,527,330
Deferred outflow of resources	68,233	-
Total assets	$ 41,594,804	$ 43,138,715
Current liabilities	$ 27,597,538	$ 27,547,075
Noncurrent liabilities	4,727,464	5,183,775
Total liabilities	32,325,002	32,730,850
Net position		
Invested in capital assets	3,144,704	2,527,330
Unrestricted	6,125,098	7,880,535
Total net position	9,269,802	10,407,865
Total liabilities and net position	$ 41,594,804	$ 43,138,715

The Research Corporation of the University of Hawai'i
State of Hawai'i
Condensed Statements of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2018 and 2017

	2018	2017
Operating revenues		
University of Hawai'i	$ 6,970,732	$ 6,653,265
Other sponsor agencies	681,275	756,360
Total operating revenues	7,652,007	7,409,625
Operating expenses		
Personnel costs	4,213,586	4,172,682
Data processing services	1,223,071	1,235,327
Depreciation	570,588	447,500
Project development	541,357	509,896
Insurance	407,314	341,683
Office and equipment rental	227,932	227,001
Professional and technical support	211,441	186,874
Other expenses	621,113	623,056
Total operating expenses	8,016,402	7,744,019
Operating loss	(364,395)	(334,394)
Nonoperating revenues		
Intergovernmental (Federal awards)		
Revenue	-	41,504
Expense	-	(41,504)
Interest income	331,853	131,014
Decrease in net position	(32,542)	(203,380)
Net position		
Beginning of year, as previously reported	10,407,865	10,611,245
Restatement due to change in accounting principle	(1,105,521)	-
Ending of year, as restated	$ 9,269,802	$ 10,407,865

The Research Corporation of the University of Hawai‘i
State of Hawai‘i
Condensed Statements of Cash Flows
Years Ended June 30, 2018 and 2017

	2018	2017
Operating activities		
Cash received from operations	$ 7,410,407	$ 8,535,735
Cash payments for operations	(7,341,636)	(7,044,279)
Project expenditures and reimbursements, net	8,084,230	(9,164,695)
Net cash provided by (used in) operating activities	8,153,001	(7,673,239)
Capital and related financing activities	(1,218,081)	(954,215)
Investing activities	(1,077,350)	(6,373,566)
Increase (decrease) in cash	5,857,570	(15,001,020)
Cash		
Beginning of year	8,155,583	23,156,603
End of year	$ 14,013,153	$ 8,155,583



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