

OVERVIEW

Management Audit of Student Housing Services of the University of Hawai'i at Mānoa

Report No. 07-03, February 2007

Summary

This audit was conducted in response to Senate Concurrent Resolution No. 97 of the 2006 legislative session. The resolution resulted from concerns expressed by legislators and various stakeholders within the University of Hawai'i at Mānoa regarding the conditions of the student housing facilities, the safety provided to students living in the facilities, and the overall due process afforded to student residents concerning alleged infractions of the rules of student housing services or the student conduct code.

Because of delays in gaining access to student disciplinary records, we plan to issue two reports. This report addresses the maintenance of student housing, planned acquisition of new housing, and safety and security at the student housing facilities and on campus as a whole. The second report will address the application of the community standards of student housing services and the student conduct code as they apply to students residing in Mānoa student residential facilities.

The University of Hawai'i at Mānoa's Student Housing Services operates and maintains nine residence halls and two apartment complexes which collectively accommodate slightly over 3,000 students. According to the Board of Regents' student affairs policy, Student Housing Services should promote independent living, responsibility, community standards, and academic commitment through the operation of adequate, clean, safe and secure, and well-maintained housing for students.

We found that conditions in the dormitories and on campus do not meet the Board of Regents' standards for housing and are not conducive to student academic achievement or individual growth and development.

According to student housing industry standards, the recommended monetary level of repairs and maintenance should be approximately 2 to 4 percent of the estimated dollar amount that would be needed to replace the student housing facilities, commonly known as replacement costs. However, the university generally spends far less than the recommended amounts, resulting in an estimated \$45 million backlog of repairs and maintenance projects. One of the causes of this deficiency is that Student Housing Services does not generate sufficient revenues from the rental income of its dormitories and apartments. Insufficient revenues are in part due to low occupancy rates, which in turn is caused partially by outmoded, inefficient operations.

We also found that the university's desire to expand student housing by about 2,000 beds was not based on a demonstrated need. In addition, the procurement process of the current 814-bed dormitory construction of Frear Hall may have been



unduly restrictive and unfair to a large portion of developers and contractors. When the project changed from a “finance, design, build, and possibly manage” project to a “design and build” construction project, the university did not re-solicit proposals, which may have excluded developers and contractors that were either unable or unwilling to provide the financing and managing specifications in the request for proposals. Lacking full and open competition, the \$71 million contract to design and build Frear Hall may not be reasonable.

Lastly, Student Housing Services has not made necessary safety and security improvements to the dormitories and apartments and has not emphasized safety procedures. Moreover, leaders on the Mānoa campus have only recently begun taking action to protect student housing residents from dangers on campus such as criminal acts, accidents, and disasters. Critical work in this area remains to be done.

Recommendations and Response

To immediately improve the condition of the dorms, we recommend that the Board of Regents and the University of Hawai‘i System continue with an initiative to use portions of its authorized revenue bonds to upgrade the residence halls and apartments. In order to increase income to cover maintenance costs in the future, we recommend that the board and the university system assist Student Housing Services in achieving higher occupancy rates and setting higher, but affordable residence hall fees.

We also recommend that the University of Hawai‘i System re-evaluate its contract for an 814-bed Frear Hall and consider whether it would be cost-prohibitive to terminate the contract and, if not, re-solicit interest from developers in a scaled down project. Finally, to improve safety and security, we recommend that the University of Hawai‘i introduce legislation for Campus Security to be given arrest authority and authority to carry weapons. Moreover, we recommend that the many initiatives started as a result of an Ad Hoc Committee on Campus Security be completed, such as convening a task force to come up with a workable plan for keeping trees and shrubs trimmed and burned-out light bulbs replaced and putting the finishing touches on the emergency response plan.

In its response, the university agreed that the neglect and lack of maintenance to its facilities had a negative impact on students. The university disagreed, however, with our conclusions regarding its expansion plans for student housing, our assessment of its procurement process for Frear Hall, and the unsafe conditions on campus. After a careful review of the university’s comments, we stand by our findings. We made some minor changes and clarifications to our final report, none of which affected our overall findings and conclusions.

Marion M. Higa
State Auditor
State of Hawai‘i

Office of the Auditor
465 South King Street, Room 500
Honolulu, Hawai‘i 96813
(808) 587-0800
FAX (808) 587-0830