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University of Hawai'i regents, Dobelle agree on settlement

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Advertiser Education Writer

An agreement that rescinds the "for cause" firing of University of Hawai'i president Evan Dobelle, finds "no wrongdoing" by either Dobelle or the Board of Regents and gives Dobelle a total settlement package worth \$3.43 million was signed yesterday by the board and Dobelle.

In exchange, Dobelle will resign from the presidency effective Aug. 14, the same day he becomes a non-tenured UH researcher for two years at a salary of \$125,000 annually.

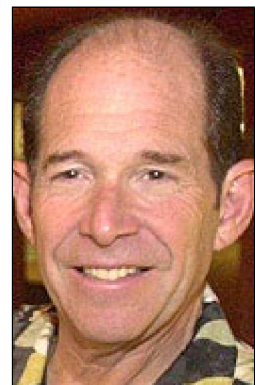
Under the details of the agreement, Dobelle will:

- Receive \$1.05 million in cash.
- Have the university pay his \$290,000 in attorney fees.
- Have the university make annual payments of \$40,000 for the remaining six years on a \$2 million whole life insurance policy. As part of this agreement the Dobelle family must pay back to the university \$400,000 in premiums on Dobelle's death, making the policy worth \$1.6 million.
- Give up his tenure option but accept an appointment for two years in a non-tenured UH faculty research position.
- Relinquish rights to about \$2.3 million from a combination of his salary under his original presidential contract and proceeds from an annual \$150,000 incentive fund, including 5 percent interest.

The direct cost to the university comes to about \$1.83 million. However, that amount does not include the university's legal fees.

The settlement signaled an end to six weeks of upheaval that began with the abrupt firing of Dobelle on June 15 and clears the way for the university to move forward, leaving behind an ugly chapter that capped more than a year of acrimony between the regents and Dobelle.

However, the regents' failure to reveal what they considered "the cause" for



EVAN DOBELLE



UH regents attorney William McCorrison had no comment for reporters as he left a meeting in which a settlement between the regents and fired UH president Evan Dobelle was announced.

Photos by Bruce Asato • The Honolulu Advertiser

Dobelle's dismissal in the first place leaves behind a lingering skepticism over their actions and unanswered questions about the political overtones surrounding the firing.

In reaching the mediated settlement yesterday after nearly four weeks of negotiations, both parties agreed there was "no finding of wrongdoing on the part of either Dr. Dobelle or the board."

Dobelle, reached in Boston, Mass., where he was attending the Democratic National Convention, said: "I'm sorry I can't contribute to the future of Hawai'i as president of the university, but I have confidence the management team that I hired can finish the job that we started and I will look to contribute in other ways."



The UH Board of Regents yesterday agreed to a settlement that calls for Evan Dobelle to receive \$1.05 million in cash and remain at the school as a non-tenured researcher with an annual salary of \$125,000.

Dobelle, 59, came to UH from Trinity College in Hartford, Conn., after a yearlong national search and was the most richly compensated president in UH history. He was fired just short of his third anniversary on the job, with four years remaining on his contract.

Regents hinted that there were concerns over his use of a protocol fund.

In a statement released as part of the settlement, both sides agreed "there were indeed several misunderstandings as the result of misinformation, as well as less than optimal communication between the board and Dr. Dobelle that exacerbated this problem."

The statement also noted that the board had fired Dobelle "for cause" June 15 "based on the information the board had at the time."

The statement went on to say:

"Based on the information the Board had at the time, the decision was made to relieve Dr. Dobelle 'with cause.'

"However, the board recognized at the time that it was obligated to apprise Dr. Dobelle of the basis of its 'for cause' decision, to allow him the opportunity to respond, and to reconsider their decision thereafter if warranted. This is the reason why the grounds for Dr. Dobelle's termination were not made public at the time.

"During the mediation process, Dr. Dobelle was apprised of the basis for the board's 'for cause' termination, and Dr. Dobelle was given the opportunity to respond to the issues raised.

"As in any dispute, there are always two sides. This dispute was no exception. However, while there is not an agreement on all issues, there is a deeper understanding of the perspectives of the parties, and how those perspectives came to be."

Board chairwoman Patricia Lee said the board would make no other comments after releasing the two-page statement and the agreement documents that accompanied it.

However, regent Trent Kakuda said, "I'm happy with the agreement."

It was not immediately known where the money will come from to pay Dobelle's settlement, and

attorney Barry Marr, one of two firms hired by the board to handle the dispute, would not comment.

"I can't get into that," Marr said later. He also said he does not know what the costs are for the regents' attorneys, including William McCorriston who joined the team as mediation began.

As the agreement became known yesterday, Dobelle's lead attorney, L. Richard Fried Jr., noted that Dobelle "is happy all parties have put the university first.

"He's very pleased the matter has been resolved," said Fried of Dobelle.

"This is a win for all parties," Fried continued. "Protracted litigation is in no one's best interests."

Tom Ingram, president of the Association of Governing Boards of Universities and Colleges, which provides guidance on many issues for universities throughout the nation, did not want to comment on the terms of the settlement, but he did say that Dobelle's lucrative contract and firing were "very unusual" for a public university.

He said heads of universities are rarely let go for cause and even more rarely do they reach the point of threatening litigation. In most cases, he said, a resolution is reached so "everyone can leave with their heads up."

"Being a chief executive of a complex university is, first of all, a very tough business and boards know that and in this case felt compelled to offer a very generous package in the belief that this was a person who would bring the kind of leadership that was needed," Ingram said, speaking from his home in Delaware. "But life is what it is and sometimes there are just bad fits and you don't discover that until you work together for a while."

Ingram said the settlement was reached rather quickly and that was in the best interest of the state.

"It's best for everyone that this is settled and that everyone can get along with their lives and the university can get on with its business," he said. "This is really a good thing because these things when they dawdle on too long can be very harmful to the university and its reputation."

Staff writer Curtis Lum contributed to this report. Reach Beverly Creamer at bcreamer@honoluluadvertiser.com or 525-8013.

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The contract	The side letter	The settlement
Salary: \$442,000 a year for seven years.	A side letter signed by both Dobelle and then-regents' chairwoman Lily Yao stipulated that he would also receive:	Regents reverse Dobelle's termination "for cause" and there is no finding of wrongdoing on his part.
Incentive fund: \$150,000 annually plus 5 percent interest.	• Sabbatical leave in his sixth year at his president's salary.	Dobelle resigns effective Aug. 14 and becomes a
Buyout: Would have included		

paying an annual salary for the remaining four years of his contract, plus three years of accrued incentive payments. The total would have been more than \$2 million.

- Tenure as a full professor following his presidential appointment. It states that "after completion of your term as president you may return to teaching at the highest prevailing rate as a professor in your field."

nontenured researcher in the Department of Urban and Regional Planning.

Dobelle gets about \$1.8 million in compensation: \$1.05 million in cash, \$290,000 in attorney's fees and a salary of \$125,000 this year and next.

- Protocol money provided by the UH Foundation of \$150,000 a year.

Dobelle gets a \$2 million whole life insurance policy, with the family required to pay the university \$400,000 upon Dobelle's death.

- Dues paid for three country clubs as well as two clubs he belonged to at his hire.

- An additional \$10,000 from First Hawaiian Foundation in annual travel money or to be used at his discretion.

[See more.](#)

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CHRONOLOGY OF DOBELLE'S TIME AT UH

JULY 2001: Evan Dobbelle takes over as the 12th president of the University of Hawai'i. At a salary of \$442,000 plus benefits, he becomes the most richly compensated president in UH history. His contract runs through June 2008.

NOVEMBER 2001: Dobbelle hires two former associates to be chief financial officer and vice president for external affairs. Their annual salaries are set at \$227,000 and \$184,000, respectively.

NOVEMBER 2001: Dobbelle unveils ambitious plans for a Kaka'ako biotechnology park, which is expected to include a new medical school, the Cancer Research Center and the Pacific Biomedical Research Center.

AUGUST 2002: The UH Board of Regents praises Dobbelle in his first evaluation, ticking off a string of accomplishments, especially in bringing about "a change in attitude" throughout the system.

SEPTEMBER 2002: Dobbelle turns down a \$28,000 pay raise approved by the regents.

NOVEMBER 2002: Dobbelle, speaking as a private citizen in a television spot, endorses Democrat Mazie Hirono in the race for governor against Republican Linda Lingle.

MAY 2003: The first of a number of appointees to the Board of Regents by Gov. Lingle are seated. Ultimately, she will appoint eight members to the 12-member board. In the coming months, the relationship between Dobbelle and the board deteriorates.

APRIL 2004: Months of acrimony between regents and Dobbelle come to a head over whether the president's second-year evaluation should be made public in violation of long-

standing university practice. After an advisory opinion by the Office of Information Practices said the public's right to know superseded Dobbelle's privacy rights, regents release the evaluation. In it, they criticize Dobbelle for such missteps as launching a film school without telling the board; fiscal extravagance, including paying "outrageous salaries;" and not raising faculty salaries as he had promised. Dobbelle calls the evaluation a "highly unprofessional" collection of misstatements.

APRIL 2004: An outside consultant is hired to conduct Dobbelle's third-year evaluation.

JUNE 15: The Board of Regents fires Dobbelle "for cause" but declines to say what the cause is.

JUNE 22: Reports from the university's two accrediting bodies criticize the Board of Regents for micromanagement. One of the bodies, the Western Association of Schools and Colleges Accrediting Commission for Senior Colleges and Universities, also criticizes Dobbelle for being "distant" and failing to take an active leadership role.

JUNE 25: Dobbelle's attorney accuses the Board of Regents of failing to follow proper procedures in firing him and said the fired president was considering a lawsuit that would involve character defamation and contract violations.

JULY 1: Attorneys for Dobbelle and the regents announce that they have agreed to mediation to resolve their differences and avoid a lawsuit.

JULY 15: The regents change the effective date of Dobbelle's firing to Aug. 15, superseding a letter that said the termination was effective July 23.

JULY 29: Settlement reached.

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