

**MINUTES  
UNIVERSITY OF HAWAI'I BOARD OF REGENTS'  
SPECIAL MEETING OF  
February 9, 2006**

**I. CALL TO ORDER**

The meeting was called to order by Chairperson Kitty Lagareta on Thursday, February 9, 2006, at 10:05 a.m. in the Campus Center Conference Chamber, Room 220, University of Hawai'i at Mānoa .

**Attendance**

Present were Regents Andres Albano, Jr., Byron W. Bender, Michael A. Dahilig, Ramón S. de la Peña, James J.C. Haynes II, Allan R. Landon, Ronald K. Migita, Alvin A. Tanaka, Jane B. Tatibouet, and Myron A. Yamasato; Interim President David McClain; and Executive Administrator and Secretary of the Board David Iha.

Also present were Mr. Walter Kirimitsu, University General Counsel; Mr. Sam Callejo, Vice President for Administration; Mr. Howard Todo, Vice President for Budget and Chief Financial Officer; Mr. Michael Unebasami, Associate Vice President; and others.

**Financial Issues**

General Counsel Kirimitsu explained that as the Board's attorney, he had to advise the Board of the Sarbanes-Oxley Act of 2002, which established new standards for accountability for corporate officers and Board directors, new requirements for acceptable corporate conduct, and new penalties, both civil and criminal, for transgressions. He explained that although the Act only applied to private corporations, that over the past years, the not for profit sector, including public universities, have found themselves under increasing pressure to adopt Sarbanes-Oxley standards. Therefore, the Board of Regents should be fully aware of their fiduciary duties over the financial management of the University. As attorney for the Board, General Counsel Kirimitsu briefed the Board on his legal interpretation of the requirements of the Sarbanes-Oxley Act and what are the duties of the Regents to meet and comply with the "gold standards" required by the Act. In this context of understanding the full extent of their duties, responsibilities and potential liabilities, he advised the Regents that they need to fully learn and be aware of the budget and finance system, structure and practices of the University. For this purpose, he said that Chief Financial Officer Todo and his associates will brief the Regents on the University's financial system and practices and the relevant issues which must be addressed to meet and comply with the "gold standards" prescribed by Sarbanes-Oxley.

Regent Landon moved to enter into executive session to consider personnel and legal matters and to consult with the Board's attorney in accordance with Hawai'i Revised Statutes, Section 92-5(a)(4) on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities with

February 9, 2006 - p.2

respect to financial issues. Regent de la Peña seconded the motion which was unanimously carried.

**III. ADJOURNMENT**

The meeting was reconvened at 1:10 p.m. and adjourned at 1:15 p.m.

Respectfully submitted,

Walter S. Kirititsu  
University General Counsel