

MINUTES

BOARD OF REGENTS COMMITTEE ON INDEPENDENT AUDIT MEETING

OCTOBER 5, 2023

A video recording of this meeting may be viewed at the Board of Regents website as follows:

[Meeting Video](#)

I. CALL TO ORDER

Chair Lauren Akitake called the meeting to order at 12:49 p.m. on Thursday, October 5, 2023, at the University of Hawai'i (UH) at Mānoa, Information Technology Building, 1st Floor Conference Room 105A/B, 2520 Correa Road, Honolulu, Hawai'i 96822.

Committee members in attendance: Chair Lauren Akitake; Vice-Chair Gabriel Lee; Regent Neil Abercrombie; and Regent Wayne Higaki.

Committee members excused: Regent Diane Paloma.

Others in attendance: Board Chair Alapaki Nahale-a; Regent William Haning; Regent Laurel Loo; Regent Abigail Mawae (ex officio committee members); President David Lassner; Vice President (VP) for Administration Jan Gouveia; VP for Academic Strategy Debora Halbert; VP for Information Technology/Chief Information Officer Garret Yoshimj; VP for Budget and Finance/Chief Financial Officer Kalbert Young; Associate VP for Legal Affairs Gary Takeuchi; Executive Administrator and Secretary of the Board of Regents (Board Secretary) Yvonne Lau; and others as noted.

II. APPROVAL OF MINUTES

Chair Akitake inquired if there were any corrections to the minutes of the September 7, 2023, committee meeting which had been distributed. Hearing none, the minutes were approved.

III. PUBLIC COMMENT PERIOD

Board Secretary Lau announced that the Board Office did not receive any written testimony, and that no individuals signed up to provide oral testimony.

IV. AGENDA ITEMS

A. Approval of Audit Plan Supplement for the University of Hawai'i at Mānoa (UHM) Student Housing for Fiscal Year (FY) ended June 30, 2024

Glenn Shizumura, Director of the Office of Internal Audit (OIA), provided the rationale for the addition of an audit of student housing at UHM to the Internal Audit Work Plan for FY 2023-2024 (Audit Plan) explaining that the request to prepare this Audit Plan supplement was made at the September 7, 2023, committee meeting. He

reviewed the contents of the Audit Plan supplement which included, among other things, background information on student halls and residences at UHM; a listing of relevant university and regent policies related to student housing; a chart denoting the administrative structure of UHM Student Housing, although it was noted that subsequent to July 1, 2023, all responsibility to manage UHM Student Housing was temporarily transferred to the Office of the Vice President for Administration (OVPA); the objectives and scope of the audit; the auditing procedures that will be used; and the estimated time of performance and completion. He also briefly spoke about work that will be performed by KMH LLP, a Hawaii based professional service organization that was engaged by OVPA to provide consulting services to, and conduct a review of various financial, operational, and compliance matters associated with, UHM Student Housing. It was noted that OIA will commence its work upon the committee's approval of the Audit Plan supplement.

Regent Abercrombie sought verification that the audit being performed by OIA will be complementary to, rather than duplicative of, the work that KMH LLP was engaged to undertake. He also questioned whether OIA's audit will be looking into issues such as the reasons for the lengthy closure of, as well as the lack of air conditioning at, certain residential halls and asked if OIA would be able to provide regular reports to the committee on the progress of its audit. Director Shizumura confirmed that the audit being conducted by OIA will be complementary to the work being performed by KMH LLP. Regarding the contents of OIA's audit, Director Shizumura replied that the OIA will be gathering and verifying information related to UHM student housing for the purposes of assisting the board in determining how to move forward on this issue. He also stated that regular reports on the status of the audit project can be provided to the committee.

Chair Akitake provided context to the Audit Plan supplement request reiterating that this was something that was suggested by regents during the September 7, 2023, committee meeting. She noted that the administration had recently restructured administrative oversight of student housing at UHM and thanked the administration, especially OVPA, for working with the committee and OIA to ensure that the work being requested from OIA and that being done by KMH LLP are not duplicative. She also expressed her belief that there were actually two tracks being taken by OIA with respect to this audit. The first was a monitoring track whereby OIA would participate in monthly meetings with KMH LLP to receive regular project updates. The second track was more forward looking in nature whereby OIA would gather historical information about UHM Student Housing, review items such as UHM's policy with respect to student housing prioritization and student housing resident surveys, research student housing data from other public universities, and provide this information to the committee and ultimately, the board. Any information received by the board could then be utilized to determine whether issues existed at UHM Student Housing that need to be addressed or if changes to university or regent policies regarding student housing were warranted.

Regent Abercrombie moved to approve the Audit Plan supplement for the UHM Student Housing for FY ended June 30, 2024, seconded by Vice-Chair Lee, and noting the excused absence of Regent Paloma, the motion carried with all members present voting in the affirmative.

Prior to adjournment, Regent Abercrombie requested that representatives from KMH LLP be invited to provide an update on the scope and timeline for its consulting services and that the administration present an overview of UHM Student Housing given the recent transfer of administrative duties to OVPA.

Discussions ensued on Regent Abercrombie's request with Board Chair Nahale-a expressing concerns about delving into the managerial functions of the university and President Lassner providing background on how past audits were conducted.

V. ADJOURNMENT

There being no further business, Chair Akitake adjourned the meeting at 1:03 p.m.

Respectfully Submitted,

/S/

Yvonne Lau
Executive Administrator and Secretary
of the Board of Regents