

# RESOLUTION

## **Requesting Financial Management Audit of Maunakea Activities**

WHEREAS, the University of Hawai‘i (“university”) recognizes its kuleana and role in the responsible management and stewardship of Maunakea across multiple dimensions; and

WHEREAS, in 1968, the State Department of Land and Natural Resources (“DLNR”) issued a 65-year lease to the university, as lessee, for approximately 13,321 acres situated atop Maunakea for use as a science reserve; and

WHEREAS, in 1998, by mutual agreement approximately 2,033 acres were withdrawn from the lease, leaving an area of approximately 11,288 acres at the summit of Maunakea under the management of the university; and

WHEREAS, in 1999, DLNR conveyed to the university a 55-year lease for approximately 19.26 acres at Hale Pohaku – mid-level support facilities and visitor center; and

WHEREAS, pursuant to a non-exclusive easement with DLNR, the university also manages a portion of the Summit Access Road between Hale Pohaku and the university-managed summit area (the total acreage of the summit area, Hale Pohaku mid-level facilities area, and Summit Access Road easement area under university management is hereinafter referred to as “Science Reserve”); and

WHEREAS, in April 2009, a Comprehensive Management Plan that had been developed by the university and approved by the Board of Regents was adopted by the State Board of Land and Natural Resources (“BLNR”) to provide a management framework to address existing and future uses and activities within the Science Reserve; and

WHEREAS, on March 25, 2010, the BLNR approved four sub-plans that had been developed by the university and approved by the Board of Regents addressing public access, cultural resources management, natural resources management, and decommissioning, which were incorporated into the Comprehensive Management Plan (hereinafter collectively referred to as “CMP”); and

WHEREAS, public concerns have emerged and been made known to the Board of Regents and university administration regarding the university’s operational and financial management of the Science Reserve through various university-related entities including but not limited to the Office of Maunakea Management, Institute for Astronomy, and Maunakea Observatories Support Services, which receives administrative support through the Research Corporation of the University of Hawai‘i (RCUH); and

WHEREAS, the Board of Regents desires that these public concerns be objectively studied and properly addressed; and

University of Hawai‘i Board of Regents

**R E S O L U T I O N**

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WHEREAS, the State Auditor has conducted several audits of the management of Maunakea and the Science Reserve and has published several follow-up recommendations to those management audits, as recently as July 2017 (Report No. 17-06); and

WHEREAS, the audits conducted by the State Auditor were management and compliance audits and did not include a financial management audit.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents hereby requests, in conjunction with the university administration, that the University of Hawai‘i Office of Internal Audit perform a financial management audit of the relevant university-related entities engaged in Maunakea stewardship and management; and

BE IT FURTHER RESOLVED that the audit shall:

- (1) Study all university funds, lease payments, and any external funds that are received and used in the support of stewardship, management, education, and other activities related to Maunakea; and
- (2) Review transfers of funds between entities including both the university and RCUH, and payments made to university-related support programs by Maunakea observatories or other third parties; and

BE IT FURTHER RESOLVED that the Board of Regents requests that this audit be commenced no later than March 1, 2018, and a report made to the Board of Regents no later than September 30, 2018; the final audit report shall summarize findings and shall also contain specific recommendations on improvements to existing practices or procedures.

Adopted by the Board of Regents  
University of Hawai‘i  
February 22, 2018