

MINUTES

BOARD OF REGENTS COMMITTEE ON INDEPENDENT AUDIT MEETING

NOVEMBER 7, 2024

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

[Meeting Video](#)

I. CALL TO ORDER

Chair Michael Miyahira called the meeting to order at 11:47 a.m. on Thursday, November 7, 2024, at the Board of Regents Conference Room 106A/B, 2444 Dole Street, Honolulu, Hawai'i, 96822, with regents participating from various locations.

Committee members in attendance: Chair Michael Miyahira; Vice-Chair Lauren Akitake; and Regent Neil Abercrombie.

Committee members excused: Regent Wayne Higaki and Regent Diane Paloma.

Others in attendance: Board Chair Gabriel Lee; Board Vice-Chairs Laurie Tokuda and L8PnRRBO

reviewed statutory and other key responsibilities of the Committee, including oversight of the university's financial reporting and internal controls processes, various university related financial matters, both the external auditor and Office of Internal Audit, risk management issues, and compliance with ethical, legal, and regulatory requirements. Ms. Takamine went over the primary functions of the IA Committee, particularly with regard to its interactions with the external auditor, and talked about the concept of individual financial expertise, an attribute one member of the Committee must possess pursuant to Hawai'i Revised Statutes, as well as a few of the considerations which should be taken into account when making financial decisions. Mr. Horiuchi and Ms. Takamine also provided information on some of the work conducted by Accuity in accordance with its contractual obligations.

Chair Miyahira asked if the work conducted by Accuity ever involves audits of university programs. Mr. Horiuchi replied that Accuity is primarily tasked with performing financial rather than p arilskn (a-31.85,a)14 (i)6gts5 Td[(i)6 (al)6 4 (dc(ed S)1)10.1 (e0.0 (r)6.9 (ac)

accounting standards that would have a significant or material impact on the university which can be made available to the Committee and the board.

Chair Miyahira asked if Accuity's audits include recommendations to ensure management is remediating issues identified by the audit and following any corrective action plans developed. Ms. Takamine responded in the affirmative stating Accuity also reviews and evaluates corrective action plans created by management to ensure its consistency and that it addresses the deficiencies or issues identified by the audit.

Regent Haning inquired as to whether there was an avenue for Accuity to seek guidance or assistance when faced with a challenging issue. Ms. Takamine replied in the affirmative noting Accuity is an affiliate of Baker Tilly, a large accounting and advisory firm, and has the ability to reach out to this entity for technical and other types of advice or guidance if the need arises.

IV. EXECUTIVE SESSION (closed to the public)

Vice-Chair Akitake moved to convene into executive session, seconded by Regent Abercrombie, and noting the excused absences of Regents Higaki and Paloma, and with all members present voting in the affirmative, the committee approved convening in executive session to consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved, pursuant to Section 92-5(a)(2), Hawai'i Revised Statutes.

The meeting recessed at 12:14 p.m.

Chair Miyahira called the meeting back to order at 12:38 p.m. stating the committee met in executive session to discuss the matters as noted on the agenda.

V. AGENDA ITEMS (continued)

A. Update on the Search for a New Director of Internal Audit

Chair Miyahira reported on the search for a new Director of Internal Audit noting the receipt of applications from a number of individuals. He stated the Committee reviewed the applications and will be moving forward with the selection process.

VI. ADJOURNMENT

There being no further business, Chair Miyahira adjourned the meeting at 12:38 p.m.

Respectfully Submitted,

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Executive Administrator and Secretary
of the Board of Regents