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**ADMINISTRATIVE & AUDIT STANDING COMMITTEE MEETING  
HAWAII TOURISM AUTHORITY  
Wednesday, November 22, 2023, at 1:00 p.m.**

**Virtual Meeting**

**MINUTES OF THE ADMINISTRATIVE & AUDIT STANDING COMMITTEE MEETING**

<b>MEMBERS PRESENT:</b>	Mike White (Chair), Mufi Hannemann (Vice-Chair), David Arakawa, Dylan Ching, Mahina Paishon-Duarte
<b>MEMBERS NOT PRESENT:</b>	James Tokioka (Ex Officio, DBEDT Director)
<b>HTA STAFF PRESENT:</b>	Daniel Nāho'opi'i, Isaac Choy, Ilihia Gionson, Maka Casson-Fisher
<b>LEGAL COUNSEL:</b>	John Cole

**1. Call to Order and Opening Protocol**

Chair White called the meeting to order at 1:05 p.m. Mr. Casson-Fisher did the opening cultural protocol by referencing phases of the moon and finding time to appreciate loved ones during this Thanksgiving holiday.

**2. Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic**

Mr. Gionson did the roll call, and members were confirmed in attendance and by themselves.

**3. Approval of Minutes of the October 18, 2023, Administrative and Audit Standing Committee Meeting**

Mr. Hannemann made a motion to approve the minutes, and Mr. Ching seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

#### **4. Response from the State Auditor on the Status of Implementation of Audit Recommendations (Report No. 18-04 (Follow-up Report No. 22-09**

Mr. Choy said the first two partially implemented recommendations were based on the HTA getting more personnel. They asked the legislature twice for more personnel, but they refused twice. The other partial implementor was based on the HTA not auditing 100% of the expenses coming from the HCC that they pay on a monthly basis. He said they audit 25 receipts monthly and have been doing so for the past couple of years. They had no exceptions. It makes no sense to look at 100% of those expenses at that confidence level. They will continue the process as stated in the policy.

Chair White said he noticed that the items said: "self-reported." He asked Mr. Choy to elaborate. Mr. Choy said that when they responded to the legislative auditor, they gave an 189-page response. Not only did they answer the question, but they also provided audit evidence that their response was being adhered to. Self-reported meant they looked at the work and also looked at the audit evidence. Mr. Arakawa asked what the audit's general standard of acceptance is. Mr. Choy said 100% of something is not an audit. An audit is a sampling tool, and they use physical sampling to ensure the confidence level is high enough. There is a formula for the confidence level.

Mr. Hannemann asked Mr. Choy to elaborate on the audit report that the HTA needs to have more personnel. Mr. Choy said the audit was about the HTA's inefficiency in the procurement in 2018. The auditor said the staffing they had was inadequate to be looking at all the necessary documentation. Subsequent to that, the HTA asked for more personnel, but they did not get any more personnel. The request was continuously rejected. Mr. Choy said he now personally does the inspections on an ad hoc basis, but he does it when he has time. He said they need someone who looks at the reports on a more systematic basis to get a better response. He said they have the procedures in place. There were no further questions.

Chair White asked Mr. Cole to explain why they could go into Executive Session to discuss personnel matters. Mr. Cole said they would go into Executive Session pursuant to HRS section § 92-5 (a) (2), which allows for the session if the Board or committee is considering higher evaluation, dismissal, or other matters of employees or officers that may affect their individual privacy interests. Chair White said there were two items to be discussed in the session. He asked for a motion to go into Executive Session for agenda items 5 and 6. Ms. Paishon-Duarte made a motion, and Mr. Hannemann seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

**5. Discussion on the Role and Compensation of the Hawai'i Tourism Authority's Interim President and CEO, Chief Brand Officer, and Others \*\*\***

**6. Discussion of Various Personnel Issues\*\*\***

**7. Adjournment**

Mr. Cole gave a summary of the Executive Session. He said they discussed the role and compensation of the HTA's interim President CEO, CBO, and others. They had a good discussion, and they do not need any voting, action, or recommendation now.

The adjournment was moved, seconded, and carried unanimously. The meeting was adjourned at 2:31 p.m.

Respectfully submitted,



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Sheillane Reyes  
Recorder