THE ASSOCIATED STUDENTS OF THE UNIVERSITY OF HAWAI‘I AT MĀNOA

2465 Campus Road, Campus Center Room 211A

Honolulu, Hawaii 96822

Executive Committee Meeting #6 of the 110th Senate

November 1st 2022, 5:00pm

Hybrid - Executive dining room or Zoom

**OPENING**

1. **Call to Order**

*President Ramirez called the meeting to order at 5:04pm on Zoom.*

1. **Roll Call**

Present: **[10]** President Ramirez, Vice President

Kasal-Barsky, Acting Treasurer Dulai, SAL Hermoso, Senator Goo, Senator Kim, Senator Sambrano, SAL Dizon, Senator Kang, Senator Martin

Excused Absent: **[2]** Secretary Cha, SAL Stephens

Unexcused Absent: **[0]**

Excused Late: **[0]**

Unexcused Late: **[1] SAL Chen**

Excused Early Departure: **[0]**

Unexcused Early Departure: **[0]**

On Leave: **[0]**

Advisor: **[1]** Advisor Manini

Ex Officio: **[0]**

Guests: **[1] Cory Kubota**

1. **Reading & Approval of Minutes**

*1. 110ECM05 10182022 DRAFT*

*President Ramirez* May I entertain a motion to accept meeting minutes?

*Senator Kang* Set motion.

*Acting Treasurer Dulai* Second.

*President Ramirez* Meeting minutes have been approved as is. So we're gonna have a correspondence with Corey Kubota. He’s from Accuity, so we do get annually an audit. And then it's based on the resolution that we've set up in the past over a few times, and it goes over a period of time to do this auditing process and it's an external audit. So I just think this is a perfect opportunity for those of you who want to be familiarized with some of the operations that ASUH does.

1. **Official Correspondence**
   1. Cory Kubota, Accuity -15 mins

*Cory Kubota* Hello everyone. Thank you for having me. My name's Cory Kubota. I'm the managing partner of Acuity llp. So we're a pretty large public accounting firm here in the state of Hawaii. And so we are actually contracted by the University of Hawaii to actually perform the financial statement audit and federal compliance audit of the university at large. In addition to the university's financial statement. We've been contracted to perform and we are prepared to issue financial statement audits of ASUH'S financial statements for the years end in June 30th, 2020 1, 20 20 and 2019. So I think during the course of the pandemic there was a pause in the, timing of completion of the audits, but we are prepared to issue essentially three years worth of financial statement audits. And so for your reference the ASUH constitution and bylaws, if you look at article 9 sub paragraph g, that's where your constitutional documents require an annual financial statement audit. And for those of you who are not familiar with what an audit is, it’s basically the financial statements of ASUH are yours as management and overseers of ASUH now you do have support of full-time faculty and staff at the University of Hawaii because the membership at the Senate level continues to turn. And so on an annual basis, ASUH prepares its own financial statements and basically from a financial standpoint, ASUH's. Primary sources of funding are from two aspects. One is student activity fees, which are assessed to all full-time undergraduate students. And then number two. Way back when, and you guys are definitely too young to know, but the stadium actually used to be down the street from UH Manoa. Okay? And when that land was sold, part of the proceeds from that land sale were used to create an endowment, the ASUH endowment. And those monies are invested and are intended to be maintained in perpetuity to generate income for you, the members of ASUH and the Senate, to actually give out and grant scholarships. Okay, so those are the two primary funding sources at your disposal, and then the main purpose of ASUH really is to better the undergraduate student life. Everyone. That's an undergrad here at the university then that's done through activities holding student activities awareness functions.

*Advisor Manini* Cory, I need to interrupt you because some of what you're saying is not accurate. One is I'm not a support staff member, so please do not refer to me as a support staff member. Secondly, the students are very actively involved in their finances, and so while these students are new, the former students were very actively involved in how they budget. The full-timers do not set their budget. They create their budget, and the president and former treasurer are well aware of that. The staff and the faculty do not set their budget and do not determine how they set their budget and what they vote on to pass. So some of what you're saying is not accurate, so I want to actually just correct it here so that they're not left with the impression because a lot of them are new and they don't know how the budgeting process happened. And so I wanna be sure they're not left with misinformation based on what you're saying.

*Cory Kubota* Okay. Bonnie Jean, I understand that, but we're not talking about the budget. We're actually talking about the actual reported and recorded financial numbers for ASUH's. Financial statements. So this has nothing to do with the, budget process.

*Advisor Manini* In terms of the, observation that you have, I believe the last I saw the draft, it was about them in terms of how much they're estimating that they're going to receive from fees.

*Cory Kubota* There is that budget process. And we, noted that what was actually reported was different from that, and so we would expect to see some sort of reconciliation to see was it, was the actual number different from the budget because of what, and all we're asking for is that you as a governing body try to find that.

*Advisor Manini* Yeah, so we will be working with the students to show them where on the variance reports, the problem lay lied it lay, so that when they budgeted on their fees the budget was still not close enough to. What the actual amount received when students were paying their fees ended up being, And so that's basically what we're talking about. So I think if we're gonna get into these types of specifics, it is important to show the draft report and what we're talking about but according to Rudy, who stopped by my office a few minutes before the meeting began, That's not what the plan was for tonight. You don't want to go into the report and it was simply for you to introduce yourself and about Acuity and the work that you're doing. But I feel like it's going a little further into it at this point.

*Cory Kubota* I'm sorry, Bonnie, Jean. I didn't realize that it was, I wasn't told like how deep we were gonna get into, but I was actually under the impression we were looking to get the financial statements approved

*Advisor Manini* Yeah, so I think there's confusion in terms of what was requested tonight, cuz if you're gonna go into depth, then it's important. I think that the draft reports are present at this meeting for us to look at together. But I was just told that's not what's happening tonight, like five minutes before the meeting started. And so I don't think they're voting on anything tonight. Because they don't have anything in front of them and they've never actually voted on this item. The president follows up by writing a response to an audit. The Senate doesn't usually vote on it. So I think what we are doing is a bit different from how it's usually handled. But if we're gonna get in depth, I just think that everything should be completely transparent, including the draft report beyond the agenda, and the senators be able to have the opportunity to.

*Cory Kubota* No, I agree. I agree. So we can actually maybe another time for that.

*President Ramirez* So just wanna clarify that. I think maybe there was a communication error maybe on my part or when I was talking with Jamie Asato, I was mentioning it just to get people more familiarized with Acuity. The process of auditing and what may be specific for this year or in the terms of what would be provided, just so people in the executive committee who usually might be more involved in that process to just not feel like it's like a total shock to them. They're like, Why the group talking to us and what we're gonna be doing. So I'm not saying people would feel that way, but just maybe in case people would be like, What is this about? Or, I didn't know we would do that, so I was just thinking that would be a good timeframe.

*Cory Kubota* So the audit process itself is a governance tool so we are an independent party, so we're not part of the university. Okay. And so we are a third party that is checking the financial practices and the actual financial statements of ASUH And so your, your ASUH constitution requires that this annual audit be performed. Yeah I would say at another ASUH meeting, you guys can decide how you want to go through the process of approving and accepting the financial statements and then we do have an internal control comment that we would recommend that we report to you and then for you to follow up.

*Senator Martin* Since you said you're managing partner, including, I'm just curious, were you working for PWC before you were formed or?

*Cory Kubota* Yes*,* So I started my career with Coopers and Libra, and then we became PWC.

*Senator Martin* How do you determine what’s substantial?

*Cory Kubota* So we typically are using a materiality benchmark, like a percentage of total student activity fees or a percentage of total assets. Or if for a commercial enterprise that is profit oriented, We're most concerned about the net income bottom line, right? So we may key off of, let's say 5% of net income, and then that's the threshold that we're using. We want to catch or try to design our testing to identify misstatements in the financial statements, at least above that threshold. So you found something above that. So what to look for, what is important so there's operational aspects of your responsibilities. And then this is also another fiduciary responsibility in terms of the oversight of the organization's finances. That's all I had then for this. So Bonnie Jean, you actually have all of the drafts. So will you be releasing or can you discuss that with the executive committee on how you want to distribute it to the members? And then we can liaise to pick a date at for your next meeting and then we can come in and talk to, talk about it in

*Advisor Manini* Yeah, Corey, what I'm gonna say to you is Rudy has all of this information as the president. So Rudy will be the one deciding when it's shared. And if it's on the agenda, like that's not something I'm going to decide. And so when Rudy is ready, Rudy should put it on the agenda and then if he wants you to come in at that same meeting, then that's what should happen. I wanna be really clear, I think it was Kyle, who is asking a question that the substantial difference is basically if you look at your budget act, which I've shared with you last meeting because you guys had some questions about your budget, and those of you who are brand new to the Senate, like you just came in within the last 30 to 45 days. You didn't have the benefit of actually seeing your budget because your budget was passed prior to you being elected into the Senate and. When it comes down to what they noted, it was related to 20 19, 20 20, and 2021 fiscal year, and the budget was being created estimating that ASU H would receive about 120 to $125,000 in student fee revenues. But however, what was found in the audit. You were receiving more around the $100,000 amount. One of those years was in the $99,000 amount. The other two years were in the hundred thousand dollars amount. And so in terms of why it wasn't at one 20 to 1 25 and. Why didn't we adjust that amount, like in a subsequent year. There's a reason why it's like that. Part of it is to do with the guidance the ASU h Senate received from the SLD fiscal office. The fiscal office gives us guidance in terms of our anticipated revenue, and so we usually just go based on the guidance that the SLD fiscal. Gives us in terms of the variance reports. So we gotta look at the variance reports of actual spending. The way that the variance reports were being created during those years by our fiscal office. It was also lumping in revenue that gets That comes in for the next fiscal year. So for example, when we are still in fiscal year 22, students start paying for registration for fall semester, like in the late spring and early summer, when it's still the previous fiscal year. So as that revenue is coming in, it's actually for the next fiscal year, starting July 1st, but some of those payments are getting processed earlier than July 1st, and. What the fiscal office was doing is it was putting it in one of the columns in the variance report. And so it was looking like you guys were making a hun about 120, but that was just not caught in terms of the way that we were looking at the variance reports. And then there's a third issue of that ASU h Some of the revenue for ASU H'S $5 fees may be getting waived through the outreach college. For students who are enrolled at Outreach College, they're waiving fees. And so Rudy has been aware of this because he's been part of discussions. With the other presidents of the other CSOs because all of the CSO revenues are being impacted by Outreach College, waiving fees, and it's been virtually impossible for us to access accurate information about how much. How much fees are actually being waived by Outreach College, Like how many students specifically are having their fees waived because they're coming in through Outreach College instead of the regular Manoa registration process. And so we've been working on that separately as a combined CSO issue to try to get to that data. To show us where we might be able to track that accurately to be sure every single CSO is receiving the student fees that they should be receiving. At this point, SLD does not have the ability to get that information. And in terms of what is received, the cashiers basically are the ones that are determining what comes into our accounts and the bur. Of the university. So all of that is combined. So in terms of this significant amount, it's because we were budgeting for one 20, we were not receiving one 20. If ASU h were to expand a hundred percent of its budget, you could have been short. And then over in terms of Your anticipated revenue, ASU in those years did not spend anywhere near your full budget and so therefore, or your full ability to even pull from your portfolio, and so therefore, you were not in the red, to my knowledge in these years. And so Cory can correct me if. If I'm mistaken about you being in the red, but it, to my knowledge, you are not so ideally to be fully financially responsible, we should have adjusted 20 and 21 to be closer to 100,000 versus 120,000 anticipated revenue. So when this firm reported to us that they had noticed, We worked with Lanny and I worked with this year's budget, and Melvin and Rudy were involved to be sure that line item in your budget, that anticipates fee revenue is down to 100,000. If you win, you end up getting a little bit more. Then we'll have to watch to see when the variance reports come out next year. And so at the end of this fiscal year, it's coming out monthly, but we won't know the full picture to the end of the year. Now, in terms of the way the variance reports were being made, we have Eddie, who is in charge of our business life services unit. Made it clear with Wing in terms of who's currently our fiscal officer, to be sure that item is moved so that there's no misinterpretation in the variance report, that we would actually be collecting one 20 in one fiscal year. So that's everything that has come out, and I think it's important that you have transparency, but looking at reports so that you can see what I'm talking about. Cory do you have anything else to add?

*Cory Kubota* It takes a lot of time to pull, gather, and try to gather information from a lot of different sources. So it is not small. Let's put it that way. And I even, Not at all. Yeah. The issue with Outreach College is probably even going to become more compounded by the fact that there are more parts of this university's strategic plan to enable more and more students to attend classes and take advantage of all of the different campuses and. There, that brings into question how are fees going to be allocated across campuses? If you have somebody that initially registers, let's say, at West Oahu, but is spending and taking a lot of courses at Manoa, are there processes for dividing up the fees associated with those types of students? And previously it. Those were not complexities that this organization really needed to think about because it was one campus. The student registered at that campus, the student took all of their classes at that campus so all of the fees for ASU h were there increasingly, and especially even because a lot of students are taking virtual classes it, the lines get blurred. You know whose fees belong to. So that is something as a, as a governing body, you're gonna have to keep a, keep tabs on and making sure that you're not being shortchanged.

*Advisor Manini* Yeah, definitely. At this point students, I want you guys to understand, like with the five CSOs, like currently we have to at SLD figure out to get the university to help us be able. Be sure that every dime that should be going to each CSO is being received at this point, we don't have the data access to double check that they're actually giving us everything each CSO should, actually get, and so we're gonna have to actually work towards doing more of that. And we are collectively with the presidents of each of the CSOs moving towards asking about. These fees are being waived. So it's definitely pushing that I want you to understand one more thing is that when an external audit firm like Acuity, and I do respect Acuity highly, they're always extremely professional and fair. And Having external audits are way more expensive, but it does really feel like they are actually extremely fair in trying to help us improve how we operate, and I do respect the work that they're doing and them raising this to our attention, but I want you to understand that it's not always one simple answer, right? And so when something like this comes to somebody like me and the way my brain works, I wanna figure. Where are the breakdowns that are making this happen? Because I knew that within ASU h, like with the president, the treasurer or the finance chair, like in different years, either the treasurer or the finance chair is involved with drafting the budget along with the president, and I'm usually working with them. And then Alani is the chair of finance. So she comes into play in terms of finance review. And so I knew that the ASU H folks specifically the. And the advisors when we were working with you all that we are going based off of what we're being provided at the program level, right? And so I knew that what you, what the guidance we're receiving in terms of what we should be receiving was what we were going off. And then our variance reports. The problem was those two items were Not as accurate as we need them to be, so that our numbers are as close to reality as possible. And so that is something we have to fix in terms of what's coming to us. And then also the variance reports will be changing. And so I hope that kind of gives you a little bit more information when Rudy puts the item on the agenda. We're actually looking at it in black and white. I hope that some of this information will help you and then you can also potentially have more questions based on what and Rudy, everything I said, which I believe is being recorded, is probably gonna be a part of your response.

*Cory Kubota* Yeah. So thank you. Yeah. I think that was a good primer discussion. Yeah. And then, yeah, so when you're ready you can put it on the agenda to actually walk through the financial statements. I would ask though, these financial statements are a little stale already. We're talking about 2021. And we're actually gearing up to get started with the 2022 audit. So the sooner that we could put that on the agenda and finalize and issue these reports the better. Thank you so much.

1. **Testimony**

**REPORTS**

1. **Executive**
   1. President

*President Ramirez* Okay. So in terms of reports, I'm gonna just email more of the informal, not informal, more formal writing to everybody just based on time. Treasurer?

* 1. Vice President
  2. Treasurer

*Acting treasurer Dulai* Just turn in your rate sheets preferably by the end of the week.

*President Ramirez* So we still have a waiver of the rules regarding the rate sheet. So if we can just remind people just to complete them when you have a chance very, soon. Okay. And then secretary Min Ji is not feeling well today, we can communicate another time about what she may wanna mention. We can move on to administrative reports.

* 1. Secretary

1. **Administrative**
   1. Advisor

*Advisor Manini* I just wanna say to the executive committee especially because you’re the leaders of the Senate that I had sent an email this week about the amount of legislation that you recently passed and the tight timeframe in which. There is to process it, which is why the President has called an emergency add on a general senate meeting for tonight to try to get the paperwork moving faster. So really in terms of when it hits the finance committee, I think that with, Healani and Jason, if there needs to be good communication about the timeline and not just the line items, if it's fiscally allowable and that she will be able to pay it out if it's passed based on university policy, but that the timeline when it goes into the Senate and gets approved. Possible to actually process all of those physical documents to be able to implement the events or activities that y'all are trying to do. Cuz when I looked at it, I already knew that she would probably have two business days to process for about nine different events that you guys are having, which includes the blood drive and every single separate event going on in ASU H week and then there was still, I think the dangling ones, I think it was actually seven or eight. But the dangling ones I'm thinking about to make it to nine, was the two that are going on this week, Sunday. And then I think either tomorrow or something, you guys have an event at Campus Center, right? the amount of events and the timeframe, makes it extremely difficult for Alani. And it's not just Alani processing, it's wing processing in the fiscal office. And while ASUH funds, hanis position, ASU H doesn't fund the fiscal office positions. Campus center board funds those positions and they support all five CSOs, including and the department. So if you don't. Appropriately, and you're doing things last minute. As a Senate, it doesn't mean that your items will be prioritized to be taken care of, especially if you haven't given yourselves enough, enough planning time. So I definitely want you as the leaders of the Senate because you lead these committees and you. As the years go by, usually the chairs of committees are the ones that become the president and the vice president and the treasurer and the secretary. So I want you as leaders to think more about what timelines might be necessary in order for this type of processing to occur. So fortunately, Rudy was able to call the. The next meeting and hopefully we'll have quorums so you guys can approve your minutes. And then hellani, it will give Hellani an additional week, I believe at least five more business days or so to a process for all of these items. But even that is still a tight timeline. So I think there needs to be better communication like. What's really clear to me is there's a lot of energy for ideas brainstormed ideas to try to reach to your students. And I don't, I can't knock you guys on that, especially coming back from c the students really need the interaction and the opportunities to interact with other students in that sense, I think your heart is in the right place to want to. Create those opportunities for student engagement and involvement with other students. We just gotta kind get the timelines good so that we are able to fully process it and it doesn't get jammed up. And then there's embarrassment cuz you can't deliver what you want to deliver. I think it just takes more communication and, discussion and, we're, we are committed to doing that and trying to come up with ideas. Calling an emergency meeting to try to help you guys through that. So that's it. Thank you very much.

* 1. Operations Manager

1. **Judicial Branch**
2. **Standing Committees**

*President Ramirez* Okay, so I'm gonna move down to the next item for new business. And this is just a reminder with cash memos we just go into executive session. Cuz what we'll be discussing then we just have to keep within the discussion.

* 1. Campus Life

*Chairperson Kang*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*
  1. Elections

*Chairperson Kim*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*
  1. External Affairs

*Chairperson Goo*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* 1. Finance

*Chairperson Chen*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*
  1. Internal Affairs

*Chairperson Dizon*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*
  1. Investments and Long Range Planning

*Chairperson Dulai*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*
  1. Student Affairs

*Chairperson Sambrano*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*
  1. Undergraduate Academic Affairs

*Chairperson Santiago*

*Our Progress*

* *None*

*Our Plans*

* *None*

*Issues*

* *None*

*Miscellaneous*

* *None*

1. **Ad-Hoc**

**SPECIAL ORDERS**

**UNFINISHED BUSINESS & GENERAL ORDERS**

**NEW BUSINESS**

So at this point I'm gonna entertain a motion to go into executive session.

*Vice-President Kasal-Barsky*  Set motion.

*Senator Martin* Second.

*President Ramirez* Thank you so much. I'm gonna pause the recording. Okay, so we just have one bill that we're gonna just, I will assign to a committee

1. **Cash memos for March**
2. **Senate Bill 24-23 Funding for Student Feeding during Finals**

*President Ramirez* So I assign Senate Bill 24-23 to the finance committee for review and then that is it for a new business. So we're gonna go down to open forum.

**OPEN FORUM**

*President Ramirez* Is there anything people would like to talk about?

*Senator Martin* Yeah I was just gonna say before we go into the Senate meeting, which I know is right after this. We were talking about a communication breakdown, and I definitely think like I've been in and out of the office and seeing different senators. I saw Senator Lum there for the first time yesterday. She's helping organize blood drive and we're all taking different classes at different times and we're all in different places, and we all have different ideas and different events going on, especially with ASUH Week, just a week or two away. I know we have a discord. I don't think it's being utilized enough. So I think at the Senate meeting in 10 minutes we should probably ask people what is their most common form of communication via it, Instagram, whatever it is, and find something that people look at. Cause even I haven't looked at the discord in me cause I looked at it for like the first time yesterday. It was super inactive. But besides that I think that we need a new form of communication and I don't think that a text group chat with 20 people is really the most ideal. I feel like we should at least ask people at the next meeting and try and see if we can't fix that and have a flow of ideas even while we're not in a meeting together.

*President Ramirez* Sounds good. Thank you. Okay. Any more things to mention? It can also be mentioned at the GSM as well. Okay. So may I understand a motion to enter closing?

*Vice President Kasal-Barksy* Set motion.

*SAL Hermoso*  Second.

**CLOSING**

1. **Announcements**

*President Ramirez* Thank you so much. In terms of announcements, I echo what Jaylin did mention again is just please as soon as you can just turn in your rate sheet if you haven't done it yet. Okay. I'm gonna go into adjourning the meeting.

1. **Adjournment**

*President Ramirez* I move to adjourn.

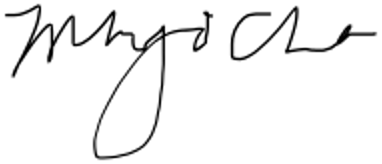
*Vice President Kasal-Barksy* Set motion.

*Senator Martin*  Second.

*Vote was in favor. Motion Carries.*

*Executive Committee Meeting #6 was adjourned at 5:52pm.*

Respectfully Submitted,



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Min Ji Cha

Secretary