

MINUTES OF THE MEETING OF THE  
ADMINISTRATIVE AND AUDIT COMMITTEE OF THE BOARD OF TRUSTEES OF THE  
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII

FEBRUARY 2, 2021

CITY FINANCIAL TOWER  
201 MERCHANT STREET, SUITE 1200  
HONOLULU, HAWAII 96813

Trustees present: Dr. Genevieve Ley, Chair  
(by teleconference) Mr. Bennett Yap, Vice Chair  
Mr. Craig Hirai  
Mr. Jerome Rauckhorst

Staff present: Mr. Thomas Williams, Executive Director (in person)  
(City Financial Tower Ms. Kanoë Margol, Deputy Executive Director (in person)  
by teleconference) Ms. Elizabeth Burton, Chief Investment Officer  
Ms. Donna Curry, Program Specialist  
Mr. Bart Asato, Program Specialist  
Mr. Larry Wolfe, Accounting Manager  
Mr. Keith Miyamoto, Information Services Manager  
Ms. Dale Kehau Kanae, Recording Secretary  
Ms. Lori Kim, Secretary

Attorney present: Mr. Ivan Torigoe, Deputy Attorney General  
(by teleconference)

Guests present: Mr. Peter Hanashiro, KMH LLP (in person)  
(by teleconference) Mr. Tyson Suehiro, KMH LLP (in person)  
Mr. Alfred Ko, RSM US Alliance

QUORUM/CALL TO ORDER

A quorum being present (Chair Ley, Vice Chair Yap, and Trustee Rauckhorst), Chair Ley called the meeting of the Administrative and Audit Committee (Committee) of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 2:33 p.m.

On a motion made by Trustee Rauckhorst, seconded by Vice Chair Yap, and unanimously carried, to be able to hold a meeting closed to the public and allow Trustees to participate by teleconference or other remote meeting technology, pursuant to the Governor of the State of Hawaii's Seventeenth Proclamation dated December 16, 2020, in order to implement social distancing measures.

PUBLIC COMMENT

Chair Ley called for public comment. There were no members of the public present by teleconference, therefore no public comments. There was also no public testimony received for this Committee meeting.

Due to the content of the reports, Chair Ley requested the Committee enter into Executive Session and requested that Agenda Item No. 2 be taken first.

ENTER EXECUTIVE SESSION

On a motion made by Vice Chair Yap, seconded by Trustee Rauckhorst, and unanimously carried, the Committee entered into Executive Session at 2:34 p.m.

(Public participation concluded by ending the teleconference link.)

(Trustee Hirai joined the meeting by teleconference).

KMH LLP's CLOUD RISK AND  
SECURITY ASSESSMENT –  
PHASE 1 REVIEW

KMH LLP's INTERNAL AUDIT  
UPDATE REPORT

KMH LLP's RE-EVALUATION  
OF THE RISK ASSESSMENT  
AND PROPOSED TWO-YEAR  
INTERNAL AUDIT PLAN

(After their presentations, Messrs. Hanashiro and Suehiro left the meeting by exiting the room, and Mr. Ko left the meeting by ending his teleconference.)

EXIT EXECUTIVE SESSION

On a motion made by Vice Chair Yap, seconded by Trustee Rauckhorst, and unanimously carried, the Committee exited Executive Session at 3:57 p.m.

APPROVAL OF MINUTES  
- SEPTEMBER 21, 2020

On a motion made by Vice Chair Yap, seconded by Trustee Rauckhorst, and unanimously carried, the Committee approved the minutes of September 21, 2020, meeting as presented.

ADJOURNMENT

On a motion made by Trustee Rauckhorst, seconded by Vice Chair Yap, and unanimously carried, Chair Ley adjourned the meeting at 3:57 p.m.

**REDACTED SIGNATURE**

Thomas Williams  
Executive Director

TW:dkik