

MAR 03 2016

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# SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A FORENSIC AUDIT OF THE  
UNIVERSITY OF HAWAII.

1           WHEREAS, the University of Hawaii has continued to be  
2 criticized for increasing costs of their deferred maintenance  
3 and prioritization of capital improvement projects; and  
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5           WHEREAS, the deferred maintenance backlog of the University  
6 of Hawaii has inflated to \$503,000,000, and the University must  
7 spend \$77,000,000 annually to prevent additional items from  
8 being added to the deferred maintenance list; and  
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10           WHEREAS, The University of Hawaii has submitted legislation  
11 to authorize the University to issue \$100,000,000 in revenue  
12 bonds for the purpose of financing the construction and  
13 maintenance of qualifying capital improvement projects; and  
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15           WHEREAS, increased fiscal responsibility is required on the  
16 part of the University of Hawaii to ensure that Hawaii's  
17 students receive high quality education at a high quality campus  
18 for a reasonable cost; and  
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20           WHEREAS, the term "forensic audit" refers to an  
21 investigative audit in which accountants specialized in  
22 investigative accounting seek to uncover frauds, misplaced or  
23 misused funds, and financial negligence; and  
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25           WHEREAS, various government agencies have specialized  
26 forensic accounting departments to detect economic damages or  
27 fraud against the agency; and  
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29           WHEREAS, conducting a forensic audit of the University of  
30 Hawaii could reveal misplaced funds, misused funds, and  
31 negligent spending and produce a more fiscally responsible  
32 university system; now, therefore,  
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# S.C.R. NO. 55

1 BE IT RESOLVED by the Senate of the Twenty-eighth  
2 Legislature of the State of Hawaii, Regular Session of 2016, the  
3 House of Representatives concurring, that the Auditor is  
4 requested to conduct a forensic audit of the University of  
5 Hawaii to determine financial fraud, misplaced or misused funds,  
6 and financial negligence; and  
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8 BE IT FURTHER RESOLVED that the Office of the Auditor is  
9 requested to report findings and recommendations to the  
10 Legislature no later than twenty days prior to the convening of  
11 the Regular Session of 2017; and  
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13 BE IT FURTHER RESOLVED that certified copies of this  
14 Concurrent Resolution be transmitted to the Auditor, Chairperson  
15 of the University of Hawaii Board of Regents, and President of  
16 the University of Hawaii System.  
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OFFERED BY: \_\_\_\_\_

