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Committee on Asset and Resource Management
Trustee Oswald K. Stender, *Chair*
Trustee Robert K. Lindsey, Jr., *Vice-Chair*
Members
Trustee Rowena Akana
Trustee Peter Apo
Trustee S. Haunani Apoliona
Trustee Donald B. Cataluna
Trustee Colette Y. Machado
Trustee John D. Waihee, IV



STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
711 KAPI'OLANI BOULEVARD, SUITE 500
HONOLULU, HAWAII 96813

LIEUTENANT GOVERNOR'S
OFFICE

12 JAN -3 P1:45

Office of Hawaiian Affairs
COMMITTEE ON ASSET AND RESOURCE MANAGEMENT
(ARM)

DATE: Wednesday, January 11, 2012
TIME: 10 a.m.
PLACE: OHA Board Room, 5th Floor at above address

AGENDA

- I. Call to Order
- II. Approval of Minutes
 - A. November 30, 2011
- III. Community Concerns/Beneficiary Comments
- IV. New Business*
 - A. Native Hawaiian Trust Fund 3rd Quarter 2011 Performance Review by JP Morgan
 - B. Native Hawaiian Trust Fund 3rd Quarter 2011 Performance Review by Goldman Sachs
 - C. Ratification of the Revised Position Description for the Position of Chief Executive Officer as discussed at the ARM Committee meeting of October 12, 2011.
- V. Announcements
- VI. Adjournment

*The 72 hour rule, pursuant to OHA Operations Guide, may be waived for distribution of new committee materials.

A handwritten signature in black ink, appearing to read "Oswald K. Stender", written over a horizontal line.

Trustee Oswald Stender, Chair
Committee on Asset and Resource Management

1/3/12

Date

**Office of Hawaiian Affairs
711 Kapi'olani Blvd., Ste. 500
Honolulu, HI 96813**

Committee on Asset & Resource Management

January 11, 2012

MINUTES

Trustees Present:

Trustee Oswald Stender, Chair
Trustee Robert Lindsey, Vice Chair
Trustee Haunani Apoliona
Trustee Colette Machado
Trustee John Waihe'e, IV

Trustees Excused:

Trustee Rowena Akana
Trustee Peter Apo
Trustee Donald Cataluna

BOT Staff:

Makana Chai
Lei-Ann Durant
Reynold Freitas
Shirley Nakanishi

Dayna Pa
Ani Pang
Nathan Takeuchi

Administrative Staff:

Richard Pezzulo, Interim Chief Executive Officer/Chief Operating Officer
Malia Ka'aihue, Chief Knowledge Officer
Hawley Alamodin, Chief Financial Officer
Connie Cheng, Chief Investment Officer

Victor Lo
David Okamoto

Dirk Soma

Guests:

Roy Benham

Howard Hodel, Consultant

Goldman Sachs

Stephanie Ivy
Melania Lonchyna
Stephanie Spector

via video conference:
Samantha Davidson
Dong Yue Zhang

JP Morgan

Deborah Branaghan
Darren Smith

Robert "Bob" White

CALL TO ORDER

The meeting was called to order by Chair Oswald Stender at 10:10 a.m.

APPROVAL OF MINUTES

Trustee Waihe'e MOVED, SECOND by Trustee Apoliona, to approve the minutes of the November 30, 2011 meeting of the Committee on Asset and Resource Management.

MOTION PASSED by a unanimous vote of 5-0.

COMMUNITY CONCERNS/BENEFICIARY COMMENTS

None

NEW BUSINESS

A. Native Hawaiian Trust Fund 3rd Quarter 2011 Performance Review by JP Morgan

Bob White, Darren Smith, and Deborah Branaghan presented JP Morgan's 3rd Quarter 2011 Performance Review:

Beginning Market Value as of September 30, 2011:	\$95,200,000
Ending Market Value as of September 30, 2011:	\$95,105,880
Total Loss since inception (July 1, 2011):	\$13.4 million.

(Refer to materials distributed: Office of Hawaiian Affairs Board Report – September 2011 by State Street Global Services)

B. Native Hawaiian Trust Fund 3rd Quarter 2011 Performance Review by Goldman Sachs

Stephanie Ivy, Melania Lonchyna, and Stephanie Spector were joined, via video conference, by Samantha Davidson and Dong Yue Zhang and presented Goldman Sachs' 3rd Quarter 2011 Performance Review:

Beginning Market Value as of September 30, 2011:	\$173,836,482
Ending Market Value as of September 30, 2011:	\$135,524,203

Total Gain since inception (March 1, 2003):	\$96.8 million
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(Refer to materials distributed: Office of Hawaiian Affairs Board Report – September 2011 by State Street Global Services)

Howard Hodel, Consultant, and Connie Cheng, Chief Investment Officer, presented the following:

Native Hawaiian Trust Fund Overview Summary:

Beginning Market Value as of September 30, 2011:	\$362,072,875
Ending Market Value as of September 30, 2011:	\$325,410,537

Total Gain since inception (March 1, 2003):	\$176.5 million
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(Refer to materials distributed: Office of Hawaiian Affairs Board Report – September 2011 by State Street Global Services)

Hawaii Direct Investments Portfolio Overview Summary:

Beginning Market Value as of September 30, 2011:	\$11,119,218
Ending Market Value as of September 30, 2011:	\$14,488,675

Total Gain since inception (July 1, 2010):	\$7.5 million
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(Refer to materials distributed: Office of Hawaiian Affairs Board Report – September 2011 by State Street Global Services)

Short Term Liquidity Account Portfolio Overview Summary:

Beginning Market Value as of September 30, 2011:	\$22,610,660
Ending Market Value as of September 30, 2011:	\$13,914,569
Total Gain since inception (July 1, 2010):	\$2.0 million

(Refer to materials distributed: Office of Hawaiian Affairs Board Report – September 2011 by State Street Global Services)

C. Ratification of the Revised Position Description for the Position of Chief Executive Officer as discussed at the ARM Committee

Deferred

ANNOUNCEMENTS

1. ARM Committee Meeting on January 17, 2012 will be meeting at 8 a.m. instead of 10 a.m.
2. ARM Committee Meeting on January 19, 2012 will include CEO interview and selection discussions in Executive Session.

ADJOURNEMENT

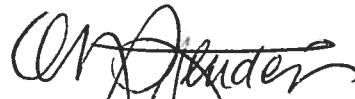
Trustee Apoliona MOVED, SECOND by Trustee Lindsey to adjourn the January 11, 2012 meeting of the Committee on Asset and Resource Management.

Chair Oswald Stender adjourned the meeting at 11:50 a.m.

Respectfully submitted,



Lei-Ann Durant, Aide/Secretary
Committee on Asset and
Resource Management



Oswald K. Stender
Committee on Asset and
Resource Management

Approved: January 17, 2012