

ATTACHMENT 8

POSITION SPECIFICATION

Position	Chief Executive Officer
Location	Honolulu, Hawaii
Organization	Kamehameha Schools Bernice Pauahi Bishop Estate

Kamehameha Schools Bernice Pauahi Bishop Estate (KSBE or Kamehameha Schools Bishop Estate) was created in 1884 pursuant to the Last Will and Testament of Bernice Pauahi Bishop (The Will), the last direct descendant of Hawaii's royal Kamehameha line. KSBE's exclusive purpose, in accordance with The Will, is to provide educational opportunities to children of native Hawaiian ancestry in perpetuity. To fulfill this purpose, KSBE is a charitable trust which operates and maintains a large K-12 private school on Kapalama Heights in Honolulu, as well as satellite schools and outreach educational programs throughout the islands. In accordance with The Will, the income from the estate of Bernice Pauahi Bishop, which originally comprised mainly of real estate holdings, would be used to build and support the Kamehameha Schools and other educational programs. Today, KSBE, while still maintaining its exclusive purpose of education, is a large, diversified organization. The schools and educational programs continue to expand. To support this expanding educational requirement, opportunities for revenues have been diversified to include investments in Hawaii, the mainland, and in other countries.

The Kamehameha Schools educate over 3,800 students per year from preschool through high school at various campus sites in Hawaii. The main campus at Kapalama Heights in Honolulu graduates approximately 450 high school students each year. Post-high financial aid scholarships aggregating over \$15 million are awarded each year to approximately 3,000 students attending university and colleges. The budget for the overall Kamehameha Schools system exceeds \$120 million annually.

To support the operation and maintenance of the schools, KSBE's assets have generated yearly revenues in excess of \$120 million. Some of these assets include:

- 173,000 acres of conservation land
- 189,000 acres of agricultural land
- 833 acres of commercial property which generate approximately 85% of KSBE'S annual revenue
- Investment portfolio which includes liquid assets such as paper securities

Organizational governance is provided by five Trustees who are individually and collectively responsible for the governance of KSBE, but not its day to day management. In 1998, the Trustees revised the organization's management to provide for a Chief

Executive Officer (CEO) to serve under and report to the Board of Trustees. The CEO would direct, administer and coordinate KSBE's activities, its subsidiary corporations, partnerships, affiliates and investments in accordance with the scope and terms of such delegations of authority as may from time to time be made to the CEO by the Trustees pursuant to the provisions of applicable law, including without limitation Chap. 554A and §554C-9 of the Hawaii Revised Statutes.

KSBE will be undergoing a strategic planning process in mid to late calendar year 1999. Consequently, the current KSBE organizational structure may be subject to change depending upon the recommendations of the strategic planning process. The CEO will be a key participant in this strategic planning. The current organizational structure approved by the Board of Trustees is attached.

Reporting Relationships

The CEO will report directly to the Chairperson of the Board of Trustees, serving as a communications conduit between the Board of Trustees and the KSBE management staff.

The President of Kamehameha Schools and the Chief Operating Officer will report directly to the CEO.

The President of the Schools is delegated the authority for all personnel decisions and actions relating to both faculty and schools' staff personnel.

Position Summary

In performing each function delegated to the CEO by the Trustees, the CEO owes a duty to the Trust to exercise reasonable care and skill to comply with the terms of the delegation. The CEO acts as a spokesperson for the organization and is directly responsible and accountable to the Board of Trustees for the operation of KSBE within the scope and terms of such delegated authority by the Board of Trustees. The CEO is accountable to the Board of Trustees for the planning, coordination, development and execution of plans to fulfill the vision and mission of KSBE and is responsible for assuring that goals and targets established from time to time by the Board of Trustees and communicated to the CEO are met and, if they are not, that necessary adjustments and corrections are made. The CEO's general activities are outlined below. It is emphasized, however, that the representations below are of a general nature and may include other activities and responsibilities as may be directed or delegated from time to time by the Board of Trustees.

Primary Responsibilities

Ensure that KSBE is operated in a manner that is consistent with its tax exempt status.

Plan, coordinate and direct the implementation of the Board of Trustees' educational goals and objectives.

Plan, coordinate and direct the implementation of the Board of Trustees' goals and objectives in the deployment of Estate assets and the overall management of Estate investment activities and properties.

Review budgets, plans and objectives and make recommendations to the Board of Trustees for the adoption or modification of policies to more effectively and efficiently implement these budgets, plans and objectives.

Determine and prescribe the tasks of, and the specific limitations on, the authority of the CEO's subordinates, including but not limited to tasks and limitations regarding (a) development of plans, goals and objectives within each department or division, (b) participation in the development of overall plans for KSBE, (c) making contractual commitments, (d) authorizing expenditures, (e) executing "routine legal documents" on KSBE's behalf, and (f) supervising, retaining, disciplining, transferring and terminating personnel, except those personnel who are assigned to the schools.

Review and recommend to the Board of Trustees the appointment, employment, disciplining, transfer or termination of the Principal Executives (The President of the Schools and the Chief Operating Officer). All other personnel decisions and actions are delegated by the Board of Trustees to the CEO and the President of the Schools, as explained earlier.

Keep the Board of Trustees fully and currently informed concerning the condition of KSBE and its constituent elements and all important factors assessed to have an affect upon KSBE policies and operations.

Develop a strategic plan, along with the Kamehameha Schools Strategic Education and Operations Plan and the Strategic Spending Plan that are designed to fulfill KSBE's educational mission and goals, including plans and programs for the development, enhancement and deployment of KSBE's assets to financially support KSBE's long range educational mission and goals. Establish performance analysis systems to measure the outcomes of the strategic plan and make tactical changes to meet changing conditions.

Assume responsibility for and provide overall management of all KSBE operations, including the development and execution of fiscal controls; the acquisition of new assets; the use, development, management and diversification of new and existing assets and activities, actually or potentially, affecting the value of KSBE assets, such as land use

activities. Act as necessary to correct situations where programs and operations fall short of goals.

To the greatest extent reasonably achievable, develop and implement measurements of effectiveness that determine if KSBE is maximizing the prudent use and investment of its resources to fulfill its educational mission.

Meet with governmental executives and administrative and legislative representatives, attending community association meetings, public hearings and information meetings to coordinate and promote KSBE's goals and objectives.

Build and develop strong alliances with educational and business associates and affiliates.

Insure services being provided by consultants and contractors are essential to the mission and goals of KSBE and all transactions are being conducted under the highest standards of business ethics.

Develop and maintain ethically sound working relationships between staff members and partners, associates, subsidiaries and affiliates, lessees and tenants, consultants, community groups, and governmental agencies and commissions.

Guide and direct the Principal Executives (The President of the Schools and Chief Operating Officer), as necessary.

Develop and maintain a sound plan of organization. Provide plans for any major organizational change to the Board of Trustees for review and approval.

Motivate, develop and strengthen KSBE's management team with talent and technology, within approved budgetary limits, to ensure that sufficient depth of management is available to meet KSBE's present and foreseeable needs. Establish procedures to insure adequate management development and provision for capable management succession.

Direct, develop and implement procedures and controls to maintain adequate communications within and among the KSBE staff.

Develop the agenda and oversee the preparation of minutes for the regular meetings of the Board of Trustees. Brief the Board of Trustees on all matters which require their consideration and approval.

Oversee the development and establishment of adequate and equitable personnel policies, salary administration policies, incentive plans, and employee benefit plans.

Insure that all activities and operations are carried out in compliance with such directives as the Board of Trustees may give the CEO and within all applicable governmental laws, rules and regulations governing KSBE operations.

Respond to all inquiries made by the Board of Trustees and, depending upon the level or severity of the inquiries, to outside agencies and organizations.

Coordinate the preparation of reports to the First Circuit Court, income forecasts, tax reports and returns, operating budgets and reports to the Trustees.

Participate in public and civic activities to enhance KSBE's image and public relations.

Maintain a zero tolerance drug free environment within KSBE.

Create and maintain a positive working environment within KSBE that does not discriminate against any employee or student because of gender, race, cultural background, or religious beliefs. Maintain a zero tolerance environment against sexual harassment or any other unlawful abuses against students and employees.

Substitute for Principal Executives (The President of the Schools or the Chief Operating Officer) in their absence as necessary.

Assume such other duties and responsibilities as may from time to time be conferred upon the CEO by the Board of Trustees.

Authority Delegated

The authority delegated by the Board of Trustees to the CEO encompasses all such authority as is reasonably required to accomplish the tasks herein above required by the CEO.

Ideal Experience

To the greatest extent possible, the ideal candidate should have the following background and experience:

- Broad management experience at or near the top management of a large education institution, trust or business organization of comparable total asset worth.
- A caring and proven leader and manager who has handled complex operations in any of the following: large educational institution; large business; large diversified real estate and management business; or large financial institution.
- Unquestioned integrity and a positive executive image.
- Proven public speaking ability.

Qualifications

The ideal CEO will have the following minimum qualifications:

- A minimum of 15 years of general management experience, preferably as CEO, Chief Operating Officer or equivalent, in management of a large educational institution or major and diverse business organization.
- A college degree is essential, with graduate degrees such as a Master's degree, highly desirable.

Personal Characteristics

The following are the personal characteristics being sought in the successful candidate:

- A warm, confident personality, enabling the individual to lead by persuasion and example. An individual who instills basic values such as hard work, honor, integrity, family and discipline, while appreciating the need for humor and fun in the workplace.
- A consultative but positive leadership style. Exemplary communication and interpersonal skills, enabling the individual to communicate effectively with all levels of the KSBE organization, the Trustees, outside consultants, other participants in both educational and financial organizations, and with the community at large.
- An ability to listen carefully and respectfully to the opinions of others and to accept the useful contributions of subordinates, while at the same time keeping a clear sense of task objectives and goals and making sound decisions which assist in the implementation of such objectives and the achievement of such goals.
- Creative analytical and problem solving skills, which are not hampered by conventional approaches, but instead reflect an ability to think “outside of the box”. The confidence to champion a contrary or “unpopular” view.
- A positive attitude, enabling the active promotion and implementation of final decisions by the Board of Trustees even where such decisions may be contrary to the individual's personal views.
- A motivated and intuitive self-starter, with a strong work ethic and the potential to add value to the organization almost immediately.
- A bright, dynamic and trustworthy individual, having the ability to gain the confidence of the entire KSBE organization almost immediately.

- A manager who is organized, pays attention to detail without getting lost in it, who works effectively under pressure and is able to continually manage apparently conflicting priorities. A multiple, rather than a serial, processor of objectives.

Compensation

Further detail to be provided regarding CEO compensation.

POSITION SPECIFICATION

Position	Director, Internal Audit
Location	Honolulu, Hawaii
Organization	Kamehameha Schools Bernice Pauahi Bishop Estate (KSBE) and Subsidiaries

Position Summary:

The Director of Internal Audit (Director) is authorized and responsible for directing KSBE's internal audit function which primarily includes the development and execution of a Comprehensive Audit Program that serves to monitor the affairs of KSBE to ensure, among other things, the following:

- The terms of the Will of Bernice P. Bishop (the "Will") are fulfilled in perpetuity.
- Assets of the Estate are properly safeguarded from financial loss and it is used primarily for educational purposes.
- Policies and procedures by the Board of Trustees are adhered to.
- Compliance with applicable state and federal laws, regulations and agreements (including court orders, stipulations, and closing agreement with the Internal Revenue Service) is maintained.

The internal auditing function examines and evaluates the processes that provide oversight and controls in all areas of KSBE to determine whether they are effective and efficient, to identify where risk exist, and how to establish or improve processes and controls to mitigate risk to KSBE. In accomplishing these activities, the Director and members of the audit staff are authorized to have full, free and unrestricted access to all KSBE information and records, including those of the taxable subsidiaries and the Trustees.

The Director shall report directly to the Audit Committee. Administratively, the Director will report to the CEO.

Essential Job Functions:

Establishing policies for the internal audit function and directing its technical and administrative functions.

Developing and executing a Comprehensive Audit Program for the evaluation of the processes that provide oversight and controls in all areas of KSBE, including the Board of Trustees. Updating and adapting the audit program to meet the needs resulting from organizational changes.

Supervise and direct internal audit staff in the proper execution of the Comprehensive Audit Program.

Examining the effectiveness of the Board of Trustees and all levels of management in their stewardship of KSBE resources and their compliance with policies and procedures, government laws, regulations and agreements including court orders, stipulations and the closing agreement with the Internal Revenue Service.

Reviewing procedures and records for their adequacy to accomplish intended objectives.

Reporting the results of audit examinations, including recommendations for improvement.

Ensure that recommendations for improvement and correction of reported deficiencies are implemented and addressed in a timely manner.

Conducting special reviews of the request of the Audit Committee.

Attends Board of Trustees meetings, at the Director's discretion, to monitor the Trustees' oversight process and effectiveness.

Interaction with the Audit Committee, upper management and the external auditors.

Continuously evaluate and improve the overall efficiency and effectiveness of the internal audit function to ensure it achieves its stated mission.

Working Conditions:

Work is performed throughout KSBE, its subsidiaries, and related entities and requires travel to attend meetings and visit properties and investments of these entities throughout the world.

Work involves highly confidential information and, at times, may involve discussions with Trustees, management, and staff of a very sensitive nature.

Minimum Qualifications:

A bachelor's degree.

Certified Public Accountant designation. Five to six years of auditing experience including two or three years with a CPA firm.

Good understanding of general business, finance and accounting.

Good interpersonal, leadership, technical, analytical, administrative and supervisory skills.

Good oral and written communication skills.

Preferred Qualifications:

Certified Internal Auditor designation

Masters degree in Business Administration, Accounting, Finance or related field.

Auditing and/or tax experience involving an educational or charitable trust institution helpful.