

## FINAL REPORT TO THE ACCESS HAWAII COMMITTEE

By

The Investigative Committee for Matters of the Suspension of the Collection of the  
Monthly Portal Management Fee

December 13, 2013

Committee Members: Sharon Wong (Chair), Kevin Thornton, Jacob Verkerke

### Background

At the June 6, 2013 Access Hawaii Committee meeting, Russell Castagnaro of the Hawaii Information Consortium, Inc. (HIC), who is the contracted Portal Manager, requested that the \$8,000 monthly fee being paid by HIC into the Access Hawaii Committee (AHC) Special Fund, be suspended. He stated that the amount HIC has contributed thus far is above the ceiling for the Portal Program Manager's position so he would like to suspend payments until the position is filled. He noted that HIC could use the \$8,000 per month to spend on projects, hire more staff, and generate more applications for the state.

After discussion, the AHC voted and approved to suspend the collection of a portal management fee automatically when there is a two-year reserve in place. Designated Chair Randy Baldemor decided that an investigative committee be formed to investigate the suspension of the collection of the portal management fee and develop a recommendation for the AHC. He appointed Sharon Wong as chairperson of the Investigative Committee, with Kevin Thornton and Jacob Verkerke as members.

The Investigative Committee met four times between June – December 2013, and included Russell Castagnaro in some meetings.

### Recommendations to the AHC Committee

The Investigative Committee presents its recommendations to the AHC Committee as follows:

1. Request that HIC provide a report to show a reasonable accounting of their use of the past months funds totaling approximately \$56,000 from June 6, 2013 –January 31, 2014, as these funds were not deposited into the AHC Special Fund account. The report would not be a detailed, line by line accounting of the money, but rather a more project-level, results-based description of accomplishments as a result of HIC using the \$8,000 monthly fee. HIC is willing to provide this report by the end of December 2013.
2. Request that HIC provide a Statement of Work (SOW) from February 1, 2014 through June 30, 2014 for \$40,000 worth of work. This assumes that the \$8,000 monthly fee will continue to be suspended through June 30, 2014. HIC has attached their draft SOW for the AHC's consideration. The AHC should review

and vote to approve the SOW prior to February 1, 2014; therefore an AHC meeting should be scheduled in January 2014 to discuss and approve the SOW.

3. The fee suspension should be kept in place while the AHC waits to see if the supplemental budget request will pass at the upcoming 2014 Legislative session. The supplemental budget request asks to raise the appropriation ceiling from \$90,018 to \$150,000. If that occurs, then a reasonable expectation is that the ceiling will be increased effective July 1, 2014 to \$150,000. Since the AHC voted to suspend payments when a two-year reserve is available, the monthly fee would automatically be reinstated since the special fund currently has approximately \$216,000, as opposed to the \$300,000 amount which would be required. Also, the Portal Program Manager position should be recruited at a higher salary effective July 1, 2014.
4. Since the Portal Manager contract is a Statement Procurement Office (SPO) contract (SPO VL No. 08-13), ask the SPO for a determination on whether the suspension of the monthly fee is within the contract scope or whether a contract amendment needs to be issued. Also request that SPO review all AHC final decisions to determine if other contract amendments are needed.

Attachment