

From: Greg Hoxsie

Subject: 12/6/18 AHC Meeting Notes

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To: [jacob.verkerke@mauicounty.gov](mailto:jacob.verkerke@mauicounty.gov)

Questions for 12/6/18 AHC Meeting

1. Is it true that the HIC contract is coming up for bid by the end of this year? ...Why?
2. Over the past 8-9 years, approximately 11-12 billion dollars has flowed through the HIC portals. Where can someone find an accounting of the interest income associated with these transactions for the time HIC has the money which belongs to the State?
3. Why does the money flow to HIC in the first place and why is it not direct deposited into State accounts?
4. Is anyone providing oversight in terms of confirming how long HIC holds onto the money that belongs to the State? Checking bank statements, etc.....???
5. In the case of the arrangement between the Hawaii Film Office and HIC, 100% of the revenues generated are collected by and retained by HIC. Can someone explain how this is good for the State and its taxpayers? How many other agencies have a similar arrangement whereby 100% of the revenue is collected and retained by HIC?
6. Why do private employees at HIC have government email addresses? This creates the illusion that taxpayers are working with and communicating with a government entity and not a private company.
7. HIC has gone to great lengths to suggest on their website and annual reports that their services are provided at no cost to the State. Isn't that a bit more than a misleading statement? I see many examples of time and materials fees, hosting fees, transaction fees and other fees that are clearly costs to the State agencies as well as taxpayers.
8. Based on my review of the 2016 Annual Report, it looks like transactions at the State Procurement Office generated somewhere in the neighborhood of \$1,620,080.00 in revenue for HIC in 2016. I'm not talking about how much was collected, I'm talking about how much money went into HIC's coffers....Can someone explain how the eCommerce services for one State agency can cost 1.6 million in a year?
9. Why are the details of the 2017 Annual Report not available online?
10. Why are the various Statements of Work (SOW) not available for the public on the AHC website?

11. I'd like to suggest an independent audit of all the financial transactions between HIC and the State for 2017 and 2018 and maybe even further back to determine how much money is involved in totality on an annual basis.

12. I'd suggest the immediate removal of all the current AHC committee members to be replaced with paid, professionals (which are non-State Employees) that can provide a more thorough oversight function and protect the interests of the State and Taxpayers more effectively and to present the true financial arrangements to the general public in a transparent and easy to understand format.

13. Why is HIC paying for the salary of the Portal Manager, who is a State Employee? Doesn't this have the appearance of a conflict of interest?

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