

Access Hawai'i Committee (AHC) Meeting DRAFT Minutes

January 10, 2019
10:00 a.m.

Videoconference Centers (VCC)

Kalanimoku Bldg., 1151 Punchbowl St., Rm. B10, Honolulu, HI 96813
Hilo State Office Bldg., 75 Aupuni St., Basement, Hilo, HI 96720
Wailuku State Office Bldg., 54 S. High St., 3rd Flr., Wailuku, HI 96793
Lihue State Office Bldg., 3060 Eiwa St., Basement, Lihue, HI 96766

Members Present

Douglas Murdock, Chief Information Officer, Office of Enterprise Technology Services (ETS)
Bonnie Kahakui, representing the Administrator, State Procurement Office (SPO)
Jennifer Brooks, Attorney, Office of Information Practices (OIP)
Stuart Okumura, Juvenile Justice Information System (JJIS) Coordinator, Department of the Attorney General (ATG)
Robert Su, IT Manager, Department of Taxation (TAX)
Kevin Thornton, Director of Information Technology and Systems Department, representing the Administrative Director of the Courts
Jules Ung, Director, Department of Information Technology, County of Hawai'i (VCC)¹
Jacob Verkerke, Chief Technology Officer, Department of Management, IT Services Division, County of Maui (VCC)¹
Mandi Swanson, IT Project Leader, representing the CIO, County of Kaua'i (VCC)¹

Members Absent

Curt Otaguro, Comptroller, Department of Accounting and General Services (DAGS)
Catherine Awakuni Colon, Director, Department of Commerce & Consumer Affairs (DCCA)
Keith Ho, Deputy Director, Department of Information Technology, City & County of Honolulu
Senator Glenn Wakai, State Senate
Representative Chris Lee, State House of Representatives

Other Attendees

Valri Kunimoto, Deputy Attorney General, ATG
Derek Ichiyama, Portal Program Manager
Todd Omura, ETS
Caroline Julian-Freitas, ETS
Susan Bannister, ETS
Burt Ramos, General Manager, Hawai'i Information Consortium (HIC)
Janet Pick, Director of Operations, HIC

I. Call to Order

Chair Douglas Murdock called the meeting to order at 10:03 a.m., at which time quorum was established.

¹Participated via VCC

II. Public Testimony

None.

III. Internet Portal Program Contract Extension

Member Kahakui stated that the current Internet Portal Manager contract has a one-year transition period, which terminates on January 3, 2020. There is no limit to the one-year extensions. The AHC will need to take action on the contract this year.

IV. Consideration to Form a Permitted Interaction Group to Address Concerns Raised in Public Testimony by Mr. Greg Hoxsie

Member Brooks stated that it would be appropriate to provide answers to Mr. Hoxsie's questions and that a Permitted Interaction Group (PIG) would be a good way to approach it. Member Kahakui made a motion to form a PIG to address Mr. Hoxsie's questions, which was seconded by Member Brooks. Member Kahakui mentioned that Mr. Hoxsie sent questions to several state agencies and if it's possible to consolidate his questions and provide one response. Member Verkerke stated that Mr. Hoxsie also sent questions to HIC and if those questions will be addressed by the PIG. Ms. Kunimoto recommended that the Committee only answer questions sent to the AHC. The proposed responses can be considered at the next AHC meeting. A vote was taken and the motion was approved unanimously. PIG members will consist of Chair Murdock, Member Verkerke, Member Kahakui (SPO), and Mr. Ichiyama.

V. Approval to Publish Internet Portal Frequently Asked Questions

ETS created a Frequently Asked Questions (FAQ) to provide general information for members of the public and government entities to be posted on the AHC website. Members suggested that HIC post the FAQ close to payment pages on agencies' websites. Mr. Ramos stated that HIC currently has a FAQ site but can place the ETS FAQ on the portal and payment sites. Chair Murdock recommended that ETS work with HIC in posting of the FAQ.

VI. Financial Reporting by Hawaii Information Consortium

Mr. Omura reported that ETS and SPO found discrepancies with how the numbers were prepared and reported by HIC in the annual reports to the Legislature. ETS sent HIC a communication with a list of questions, which HIC have since responded to. ETS and SPO are mostly satisfied with the responses and are working with HIC to address the questions and issues. Most of the discrepancies can be attributed to the different time frames being used in the annual report versus reporting periods from HIC and the use of audited versus unaudited numbers in the annual reports versus what are received from HIC. Going forward, HIC will follow a more consistent reporting period to minimize inconsistencies. Member Kahakui stated that SPO received the audited reports and cross-checked them against the past financial reports. There are just a few areas that need to be addressed. ETS and SPO will continue to work with HIC to minimize any further inconsistencies.

Member Verkerke asked if this issue and the improved way of reporting should be documented to avoid future problems. Mr. Ichiyama noted that a Standard Operating Procedures is being drafted by HIC as to what is to be reported, when its to be reported, standardize terminology, and standard times of report. Chair Murdock asked if this should be added to the contract as a deliverable or requirement. Member Kahakui stated that the reports will be based on a mutually-agreed format.

Mr. Ramos stated that their reports are done by calendar year. Since they had to submit the report before the end of the year, the report never reflected a full 12-month period. He also stated that the content is vastly different from what is expected in an annual report for other state organizations, but HIC will streamline its reports going forward to be more in line with the state's expectations and for transparency. The committee will be updated at the March meeting.

Member Thornton entered the meeting at 10:23 a.m.

VII. Audit of Hawaii Information Consortium - Requirements

Mr. Omura stated that at the last meeting, questions were raised about an audit of HIC operations. He noted that it is a requirement of the contract subject to approval by the AHC. ETS will meet with HIC to focus on the controls and processes. Member Brooks asked if the discrepancies are from the unaudited reports and not seeing the audited reports. Mr. Omura agreed that that's part of the problem. The audit is done 120 days after the calendar year. Mr. Ramos stated that their audit is done by Price Waterhouse Cooper, which is a calendar year audit. Mr. Ramos stated that going forward their reports will be for fiscal year as requested. Discussion on having a fiscal year audit will have to go to its corporate office.

VIII. Consideration to Form a Permitted Interaction Group to Review the Access Hawaii Committee Special Fund Financials and to Assess the Sufficiency of the Funds Currently Being Collected

Mr. Omura reported that there are insufficient funds to fund the Portal Program Manager's position and small operational budget. He asked if a PIG should be created to take a closer look at the figures and the monthly payment from HIC to ETS noting that there is a substantial gap. Member Kahakui stated the contract allows for up to 5% increases year to year, which cannot be changed now but could be put in future Request for Proposals. Mr. Omura noted that there is a substantial gap. Chair Murdock recommended that this first be handled by ETS.

IX. Annual Report to the Legislature

The annual report was delayed due to the discrepancies in the financial report. In the submittal, the report will acknowledge the discrepancies. Chair Murdock asked if further explanations of discrepancies are needed to make the report clearer. The report gives the impression that the audited financial summaries are attached. Chair Murdock suggested the wording be changed to "included in Table 3".

Member Verkerke asked for the reason for the decrease in net income in 2017 and 2018. Mr.

Ramos explained that the probable reason was that the Department of Taxation went on-line and services moved to that project. HIC can provide a statement explaining the change in income. Member Brooks made a motion to approve the annual report with changes to page 6 and letter, which was seconded by Member Su.

X. Good of the Order

A. Next Meeting: March 7, 2019, 1:00 p.m.

XI. Adjournment

Member Verkerke made a motion to adjourn the meeting, which was seconded by Member Brooks. Vote was taken, and the motion unanimously passed. Meeting adjourned at 10:55 a.m.

Recorded by: _____
Susan Bannister, ETS

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