

SCR162

Measure Title: REQUESTING A FINANCIAL AUDIT OF INFORMATION TECHNOLOGY
EXPENDITURES IN THE STATE EXECUTIVE BRANCH.

Report Title: IT

Description:

Companion:

Package: None

Current Referral: EDT, WAM

Introducer(s): KIM, CHUN OAKLAND, IHARA, Taniguchi, Wakai

DAVID Y. IGE
GOVERNOR



KEONE KALI
CHIEF INFORMATION
OFFICER

**STATE OF HAWAII
OFFICE OF INFORMATION MANAGEMENT & TECHNOLOGY**

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Testimony of
Keone Kali, Chief Information Officer,
to the Senate Committee on
Economic Development and Technology

Monday, March 30, 2015
2:45 p.m.
Conference Room 16
State Capitol

**S.C.R. No. 162
REQUESTING A FINANCIAL AUDIT OF INFORMATION TECHNOLOGY
EXPENDITURES IN THE STATE EXECUTIVE BRANCH.**

Chair Wakai, Vice Chair Slom, and Committee Members:

I am Keone Kali, State Chief Information Officer (CIO), providing comments supporting the intent of S.C.R. No.162. First, we appreciate the strong support this Legislature has provided for the State's technology initiatives during the short time I have been the State CIO. Second, with the funds you appropriated, we have made great strides in the past year to resolve critical issues like State network uptime and cyber security. Investments in the State's upgraded Content Delivery Network, Security Operations Center, and Hawaii Government Private Cloud (GPC) over the past year alone have built solid foundations across departments that will help us to collaborate, consolidate, and transform the way government does business. With those new platforms, the State inaugurated in January its updated Human Resources Management System (HRMS), a previously "at risk" system that had been waiting a decade for a cost-effective, robust, and reliable solution.

Based on direction from the new administration, OIMT is working closely with State Comptroller Douglas G. Murdock to focus on priority projects that will stabilize and improve the efficiency of government operations and services in the near-term and employ a business-like approach to prioritize projects that will deliver efficiencies and cost-savings within the next two years and within current funding levels and organizational structures.

To accomplish our refocused, targeted objectives, we request the committee support this resolution that will document statewide IT spending that we estimate is approximately \$150 million annually. While we currently monitor some IT spending, a comprehensive financial audit of State Executive Branch information technology expenditures will greatly help us to execute the level of enterprise technology budget planning that will improve the coordination and integration of overall business process and technology spending.

Further, compiling an accurate and up-to-date IT Investment Portfolio for the Executive Branch will provide a complete picture of technology investments, which is necessary to make strategic decisions to meet our target of reducing recurring IT costs in future years.

Thank you, again, for your ongoing support and for the opportunity to testify on this matter.

DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
Comptroller

**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES**

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

**WRITTEN TESTIMONY
OF
DOUGLAS MURDOCK, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
ECONOMIC DEVELOPMENT AND TECHNOLOGY
ON
MARCH 30, 2015**

S.C.R. 162

**REQUESTING A FINANCIAL AUDIT OF INFORMATION TECHNOLOGY
EXPENDITURES IN THE STATE EXECUTIVE BRANCH**

Chair Wakai and members of the Committee, thank you for the opportunity to submit written testimony on S.C.R. 162.

The Department of Accounting and General Services supports this measure and looks forward to the results of the audit as a means to improve operations in the best interest of the State on behalf of the public.

Thank you for the opportunity to submit written testimony on this matter.