

MAR 13 2015

SENATE CONCURRENT RESOLUTION

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

1 WHEREAS, the Office of Information Management and
2 Technology is responsible for modernizing the State's patchwork
3 of antiquated information technology systems, and for
4 streamlining business practices across eighteen departments, one
5 hundred eight attached agencies, and one hundred sixty-eight
6 boards and commissions; and
7

8 WHEREAS, the State's information technology infrastructure
9 is both dilapidated and decentralized; and
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11 WHEREAS, as of January 2013, the State spent only 1.4 per
12 cent of its budget on information technology while the national
13 average was closer to three per cent; and
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15 WHEREAS, as of January 2013, out of the State's forty-one
16 thousand employees, only seven hundred forty-six were in
17 information technology, and many of them were scattered across
18 various departments and agencies; and
19

20 WHEREAS, the State's accounting system, inventory
21 management system, tax system, and health care entitlement
22 system all run on legacy machines whose eventual breakdown would
23 mean the irretrievable loss of data; and
24

25 WHEREAS, the Office of Information Management and
26 Technology enterprise architecture team is working across state
27 departments and attached agencies to compile an accurate and up-
28 to-date information technology investment portfolio for the
29 executive branch; and this due diligence will provide a complete
30 picture of technology investments in terms of both short-term



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1 operating and long-term capital expenditures, which is necessary
2 to make strategic decisions for future projects; and
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4 WHEREAS, the State's information technology budget is
5 decentralized across the executive branch, limiting the
6 opportunities for consolidation of procurement efforts,
7 leveraging economies of scale, and transition to integrated
8 systems; and
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10 WHEREAS, the Auditor is authorized to examine and inspect
11 all accounts, books, records, files, papers, and documents and
12 all financial affairs of every department, office, agency, and
13 political division; now, therefore,
14

15 BE IT RESOLVED by the Senate of the Twenty-eighth
16 Legislature of the State of Hawaii, Regular Session of 2015, the
17 House of Representatives concurring, that the Auditor is
18 requested to conduct a financial audit of executive branch
19 departments and attached agencies, excluding the Department of
20 Education, University of Hawaii, and Office of Hawaiian Affairs,
21 with regard to information technology expenditures; and
22

23 BE IT FURTHER RESOLVED the Auditor is requested
24 specifically to review the information technology expenditures
25 of executive branch departments and attached agencies with the
26 exclusion of the Department of Education, University of Hawaii,
27 and Office of Hawaiian Affairs over the past four fiscal years
28 from fiscal year 2010-2011 to fiscal year 2013-2014 for the
29 following:
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- 31 (1) A listing of all purchase orders, credit card
32 transactions, and contract encumbrances for
33 information technology expenditures for all means of
34 financing;
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- 36 (2) A listing of hardware, software, consultant,
37 telecommunication, network, and infrastructure
38 acquisitions;
39
- 40 (3) A listing of the amounts and purposes of expenditures;
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- 1 (4) A listing of all information technology and related
- 2 technical positions, such as radio and
- 3 telecommunication positions in departments, and the
- 4 budgeted and actual salaries for these positions;
- 5
- 6 (5) A summary of information technology expenses by
- 7 department; and
- 8
- 9 (6) A listing (with estimated value/costs) of all
- 10 information technology services and products received
- 11 that do not appear as department expenditures, such as
- 12 equipment, programming support, or telecommunications
- 13 services provided by partnering federal or non-profit
- 14 agencies or through means outside the State
- 15 procurement process;
- 16

17 BE IT FURTHER RESOLVED that the Auditor is requested to
 18 submit findings and recommendations, including any proposed
 19 legislation, to the Legislature not later than twenty days prior
 20 to the convening of the Regular Session of 2016; and

21
 22 BE IT FURTHER RESOLVED that certified copies of this
 23 Concurrent Resolution be transmitted to the Auditor, the
 24 Comptroller, the Chief Information Officer, the Chairperson of
 25 the Board of Agriculture, the Attorney General, the Director of
 26 Finance, Director of Business, Economic Development, and
 27 Tourism, Director of Commerce and Consumer Affairs, the Adjutant
 28 General, Chairperson of the Hawaiian Homes Commission, Director
 29 of Health, Director of Human Resources Development, Director of
 30 Human Services, Director of Labor and Industrial Relations,
 31 Chairperson of the Board of Land and Natural Resources, Director
 32 of Public Safety, Director of Taxation, and Director of
 33 Transportation.

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