

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2939

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2939 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII ACCOUNTING AND FINANCIAL MANAGEMENT SYSTEM,"

begs leave to report as follows:

The purpose and intent of this measure is to permanently authorize the University of Hawaii to maintain its separate accounting and financial management system.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services and the University of Hawaii System.

Your Committee finds that the University of Hawaii has maintained a separate accounting system since 1986, which has been compatible with state accounting system requirements and generally accepted accounting principles. Your Committee further finds that the University's most recent update of its financial system is the Kualii Financial System, which is a comprehensive financial software package that was developed and is supported by a consortium of universities throughout the country that use an open source and partner-enhanced process. Your Committee further finds that the Kualii Financial System serves the unique needs of the University's reporting, regulatory, and accreditation requirements, while also allowing for compatibility with external partners such as the Department of Accounting and General Services.



Your Committee notes that if the University's authority to implement its own accounting system is allowed to sunset as required under current law, the University will be legally required to revert to an older financial management system that is designed for more traditional state government entities instead of university systems. Accordingly, your Committee believes that permanently authorizing the use of a tailor-made accounting and financial management system is sound fiscal policy for the University of Hawaii and the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2939 and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

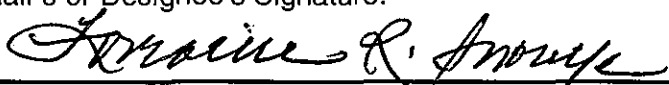


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2939	Committee Referral: HEA, WAM	Date: 2/26/2016		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
DELA CRUZ, Donovan M. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
ENGLISH, J. Kalani				✓
GALUTERIA, Brickwood				✓
HARIMOTO, Breene				✓
INOUE, Lorraine R.	✓			
RIVIERE, Gil	✓			
TANIGUCHI, Brian T.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	✓			
TOTAL	7			4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes