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The Twenty-Fourth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment

> Testimony by HGEA/AFSCME, Local 152, AFL-CIO March 18, 2008

> > H.C.R. 83/H.R. 67 – REQUESTING THAT THE
> > DEPARTMENT OF ACCOUNTING AND GENERAL
> > SERVICES STUDY AND EVALUATE ALTERNATIVES
> > METHODS OF UPGRADING THE STATE'S PAYROLL AND
> > PERSONNEL SYSTEMS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, strongly supports the purpose and intent of H.C.R. 83/H.R. 67, which is to request the Department of Accounting and General Services (DAGS) to study and evaluate alternatives that will upgrade the state's payroll and personnel systems and report its findings to the 2009 Legislature. The current payroll system is about twenty (20) years old and still relies on manual processing at certain stages.

We have received complaints from employees who have waited months for the payment of step movements, mileage reimbursements, overtime and unused vacation to be processed. These problems will continue indefinitely unless steps are taken to streamline Hawaii's payroll system to make government more efficient. At some point, the current payroll system will be so antiquated that it may be difficult to find technicians or programmers to fix it if it breaks down. Upgrading the payroll system is not just about embracing new technology it is about getting rid of old technology that could possibly disrupt state government operations due to a systems failure. Ideally, the new payroll system should also have a human resources component as well.

The State of Hawaii has an opportunity and obligation to make changes that will improve the technology used to issue payments, streamline governmental operations, and enhance functionality. Our current payroll system is not adequate to meet the needs of today's government environment. By investing in the state's administrative infrastructure through the replacement of a 20-year-old payroll system, we can reduce the potential risk of a system failure. Upgrading the system will reduce ongoing maintenance expenditures, eliminate costs associated with exception processing, and automate numerous business processes that are now done manually. Departments should not have to rely on paper processing and manual entry into the existing legacy system.

The State of California is currently implementing a 21st Century Project that will replace its existing human resource/payroll systems with one that will provide electronic workflow, processing and approvals. Both management and employees will benefit from the new system that is customer centric. It will allow departments to have an automated, centralized position management and payroll system Employees will be able to manage their own personal and benefit information 24 hours a day, 7 days a week, including access to leave accounting and timekeeping information through the new system. Thank your for the opportunity to testify in support of H.C.R. 83/H.R. 67.

Respectfully submitted,

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