

LATE TESTIMONY

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE CONCURRENT RESOLUTION 265
A RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AUDIT OF THE
HAWAII AIR NATIONAL GUARD

PRESENTATION TO THE
COMMITTEE ON PUBLIC SAFETY AND MILITARY AFFAIRS

BY

MAJOR GENERAL DARRYLL D. M. WONG
COMMANDER, HAWAII AIR NATIONAL GUARD

April 12, 2010

Chair Espero and Committee members:

House Concurrent Resolution 265 was transmitted to the Senate and received on March 29, 2010. The content of this measure were previously addressed in House Concurrent Resolution 113, which was deferred. We oppose this similar resolution for several reasons. There are already many external inspections and financial audits done to monitor the appropriate use of HIANG funding. The involvement of State resources is minor in comparison. There have been no significant findings in any of the audits of HIANG resource usage.

The annual budget for Hawaii Air National Guard (HIANG) is approximately \$120.8 million, of which 99.3 percent is federally funded, with 0.7 percent of the funding provided by the State, about \$800,000. The use of State funding is highly restricted and required as matching funds for federal dollars, at a rate of three federal dollars to one from the State. It pays for utilities, facility maintenance and custodial services. The total amount is therefore only \$3.2 million, \$800K from the State and the other \$2.4 million from the Federal government. The State provided funds are administered by the State Department of Defense and not the HIANG.

As to other areas that may be looked at by the Legislative Auditor, these are also well and thoroughly inspected by several levels of inspectors, both Federal and State. The HIANG management of federal resources, adherence to regulations and wartime mission readiness are routinely inspected by the Air Force Audit Agency, United States Property and Fiscal Office, National Guard Bureau, and the Pacific Air Forces Inspector General. During my tenure as Commander, the HIANG has successfully passed all inspections. The most recent major inspection occurred in February 2009. This was an Operational Readiness inspection measuring the command's ability to conduct their wartime mission. The grade received was an "Excellent" reflecting leadership's success in managing resources and programs to provide a trained and mission ready force. The HIANG's success has also been recognized by the AF with the HQ HIANG receiving the Organizational Excellence Award for 2005 and 2007 and the Wing receiving the highly competitive Outstanding Unit Award for 2010.

Just as important as inspection results and awards are the missions entrusted to this organization by the Air Force. The HIANG has been selected as the only Air National Guard unit to own a fifth generation fighter, the F-22 Raptor.

All of the above are earmarks of an extremely successful, professional and well managed organization. Expending the resources of the State Legislative Auditor to audit programs funded mainly by Federal monies and inspected by multiple agencies is duplicative and unnecessary. It is also unnecessary to audit a State expenditure that isn't controlled by the HIANG.

Mahalo for your time and consideration.