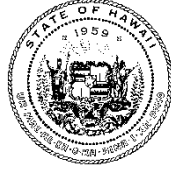


DAVID Y. IGE
GOVERNOR



RODERICK K. BECKER
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN COMMENTS OF
RODERICK K. BECKER, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE ON WAYS AND MEANS
ON
WEDNESDAY, MARCH 29, 2017
1:40 P.M.
CONFERENCE ROOM 211

H.B. 849, H.D. 1, S.D. 1

RELATING TO THE UNIVERSITY OF HAWAII ACCOUNTING AND FINANCIAL
MANAGEMENT SYSTEM.

Chair Tokuda, Vice Chair Dela Cruz, and members of the Committee, thank you for the opportunity to submit written comments on H.B. 849, H.D. 1, S.D. 1.

The Department of Accounting and General Services supports repealing the sunset provisions from Act 321, SLH 1986, with respect to the University of Hawaii, giving them flexibility by exempting them from Sections 40-1, 40-2, 40-4, 40-6, 40-58, and 40-81, Hawaii Revised Statutes.

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



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
March 29, 2017 at 1:40 p.m.

by
Kalbert K. Young
Vice President for Budget & Finance/Chief Financial Officer
University of Hawai'i System

HB 849 HD1 SD1 – RELATING TO THE UNIVERSITY OF HAWAII ACCOUNTING AND FINANCIAL MANAGEMENT SYSTEM

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means:

Thank you for this opportunity to testify. The University of Hawai'i (UH) **supports** HB 849 HD1 SD1, Relating to the University of Hawaii Accounting and Financial Management System. This bill reinstates the authority of UH to maintain a separate accounting and financial management system that is compatible with the State of Hawai'i accounting and financial system. The University has had statutory authority to maintain a separate accounting system since 1986.

UH updated its financial system to the Kualii Financial System (KFS) at the start of Fiscal Year 2013, on July 1, 2012. KFS is a comprehensive financial software package that was developed and is supported by a consortium of universities that use an open source and partner enhanced process. Thus, it serves the needs of UH's reporting, regulatory, and accreditation requirements, while also allowing for compatibility with external partners, such as the State Department of Accounting and General Services (DAGS).

Because KFS is an open source project, there are no large license fees similar to off-the-shelf vended products, and the only costs are the physical hardware costs and the personnel to support the software systems. Over twenty other schools have also implemented KFS, including Cornell University, Indiana University, Michigan State University, University of Connecticut, University of Maryland, Colorado State University, University of Arizona, University of California at Irvine, University of California at Davis, and the University of Southern California.

Thank you for your time and consideration.