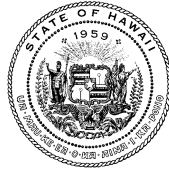


DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
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WRITTEN TESTIMONY
OF
CURT T. OTAGURO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE SENATE COMMITTEE ON
GOVERNMENT OPERATIONS

TUESDAY, FEBRUARY 9, 2021, 3:05 P.M.
CONFERENCE ROOM 016, STATE CAPITOL

S.B. 222

RELATING TO CENTRAL SERVICES.

Chair Moriwaki, Vice Chair Dela Cruz, and members of the Committee, thank you for the opportunity to submit testimony on S.B. 222.

The Department of Accounting and General Services (DAGS) supports the intent of S.B. 222 and would like to offer the following comments.

Currently the DAGS Accounting Division already works closely with the Office of Enterprise Technology Services (ETS) to maintain and purge accounts for systems maintenance of the financial accounting system FAMIS. Accounts are purged which meets the criteria of Appropriation Account Code Table created by ETS. The last purge was completed in October 2019 on a “as needed” basis for data cleanup. For accounts that are lapsed, DAGS will be able to identify appropriations at a point of time by providing a criteria to ETS for lapsed accounts. Departments at year end will encumber funds and requests are made to the Comptroller to re-establish lapsed funding for various exceptions. The FAMIS replacement would make this

requirement possible but would be very difficult to comply with before the new system is in place.

A \$17 million CIP funding request was approved for this initiative with Act 6, SLH 2020. The DAGS recently initiated a contracts encumbrance review for existing encumbrances five years or older based on the date of contract. The DAGS Audit Division assisted the DAGS Accounting Division with the review of these encumbrances totaling \$132.9 million. The initial findings determined that almost 18% or \$23.8 million of previously committed funding can be unencumbered by June 30, 2021. The DAGS will continue to review contract encumbrances on a periodic basis and work with departments statewide to assess which contracts over five (5) years old should be closed and unencumber these funds.

Thank you for the opportunity to testify on this matter.