



**Information Technology Steering Committee (ITSC)**  
January 14, 2025, Meeting minutes  
Remote Meeting via Interactive Conference Technology  
1151 Punchbowl Street, Conference Rm. 410, Honolulu, HI

Members Present

Christine Sakuda, Chair, CIO, Office of Enterprise Technology Services (ETS)  
Eugene Chang, IEEE Computer Society, Hawaii Chapter  
Garret Yoshimi, University of Hawaii  
Arnold Kishi, Center for Internet Security, MS-ISAC  
Joel Kumabe, Ohana Pacific Health  
Mai Nguyen Van, Judiciary  
Bill Kumagai, Transform Hawaii Government (THG)  
Michael Nishida, First Hawaiian Bank

Members Excused

Representative Kyle Yamashita, State Legislature  
Michael Otsuji, Hawaii State Department of Education  
Benson Choo, Finance Factors  
Marcus Yano, CBTS Hawaiian Telcom  
Senator Sharon Moriwaki, State Legislature

Staff

Candace Park, Deputy Attorney General  
ETS: Joanna Lee, James Gonser, Rebecca Cai, Lenora Fisher, Greg Dalin, Javzandulam Azuma, Jamie Ikeda, Shelley Izuno, Jussi Sipola, Tom Ku, Catherine Arellano-Alcotas, Juha Kauhanen, Sheila Oliveira, Brian Frey, Kelli Wang, Todd Omura, Sonny Kekipi

Guests

Alia Mendonsa, Info-Tech Research Group  
Aundria Giusti, Info-Tech Research Group  
Nandana Kalupahana  
Kendall  
Peter Fritz  
Hanna Lesiak

I. Call to Order; Roll Call

The meeting was called to order at 12:31 p.m. Quorum was established and roll call taken.

II. Public Testimony

None.

III. Legislative Updates

- a. An update of the Office of Enterprise Technology Services budget informational briefings.  
Chair Sakuda shares the budget requests that made it into the administrative packet.

1. Priority 23 – Microsoft Enterprise Agreement Subscription: Upgrade the MS license from G3 to G5 FY26=\$2,330,000
2. Priority 24 – Cybersecurity Risk Mitigation: Improve resilience of government services, address known critical technology gaps, and meet federal requirements to receive data and funding FY26=\$1,600,000
3. Priority 25 – HIWIN Telecommunications System Maintenance and Warranty: Supports critical public safety and emergency response FY26=\$630,000
4. Priority 26 – Adobe Enterprise Term Licenses: 3-year renewal of the unified Adobe ETLA contract =\$150,000
5. Priority 27 – Advisory Services: Secure expert advisory services essential for modernizing Hawaii's IT to infrastructure, aligning with HRS section 27-43, and ensuring compliance with strategic planning requirements FY26=\$280,000
6. Priority 28 – Datacenter Decommission and Migration Services: Enables the migration of critical applications out of the Kalanimoku Data Center to provide continuity of service FY26=\$1,600,000
7. Priority 29 – Independent Verification & Validation (IV&V): Helps insure large, complex IT projects stay on track FY26=\$300,000
8. Priority 30 – Microsoft Cloud Data Backup and Disaster Recovery Solution: Ensure business continuity and data integrity of state data in the Microsoft cloud FY26=310,000
9. Priority 32 – Establish Data/AI Office and AI Risk Management Tools & Geospatial License Renewal: Establish a central state Data/AI team with tools to break down data silos for inter-operability, improve data/AI quality for trust & accuracy, protect data for compliance, create central citizen view for disaster readiness, enable map data for emergency response, and ensure responsible use of AI for efficiency =\$1,613,000
10. Priority 38 – Digitalization of Control and Client Services Binders: Scan and digitize hard copy documentation and source code binders needed to support the production jobs on the mainframe in the event of a disaster =\$150,000

Member Chang comments that after close observation, he noticed weaknesses in the IV&V methodology that affects its effectiveness in how to manage projects.

Member Nishida questions the broadness of the cybersecurity funding. Is there a plan on how individual line items are to be spent using the \$1.6 million? Nishida also questions if costs are being duplicated in other categories.

Chair Sakuda responds that efforts are not being duplicated. The Office of Enterprise Technology Services (ETS) does not purchase cyber insurance, and Chair believes it is purchased by another division within the Department of Accounting and General Services.

Member Nishida also asks since the priority numbers are not sequential, does that mean there are other initiatives?

Chair Sakuda explains that when the budget proposal is put together, not all of the requests make it into the administrative packet and are taken off. Thus, the gaps in numbers are the ones that are being funded.

Member Kumabe inquires whether the sunset of Windows 10 in this coming year is budgeted within the individual departments or is it included in ETS' budget.

Tom Ku, ETS, responds that all hardware purchases are handled within the agencies themselves.

Member Kumagai asks about the Microsoft Enterprise Agreement subscription, how those costs are allocated and what happens when the number fluctuates. When there are additional costs or if the State cuts back on funding, how are adjustments made for these issues?

Chair Sakuda answers that ETS determines conservatively the number of Microsoft licenses across the departments by asking how many users they have and estimates of how many users will increase over time. Tom Ku, ETS, adds that the numbers are looked at every year to see if there are any major increases, but normally it falls under ETS' main license.

Member Kumagai continues off of the response and wonders if departments increase their share of the allocation, is it represented in a fair way. The model may be something to review in the future.

Chair Sakuda gives a summary of the seven major priorities for the state IT Strategic Plan:

1. Optimize Process Efficiency
2. Improve System Modernization
3. Maximize the Value of Shared Services
4. Provide Business Continuity & Resiliency
5. Workforce Development
6. Enhance Cybersecurity Posture
7. Optimize the Responsible Use of Data & AI

Member Chang questions that having so much information in the IT strategic plan, are quarterly meetings for the ITSC enough time to discuss these items. Chang comments that with so little time to discuss, topics may be glossed over.

Chair Sakuda remarks that each ITSC member should think about a couple of things the ITSC is interested in supporting and focus on those items. The committee should not convene without reason and if more meetings would be helpful, then that can be worked out.

Member Kishi presents an observation regarding the budget proposals. The budget proposals outlined earlier in the meeting all fit into different parts of this framework. Different people in ETS as well as members of the ITSC could be using this to explain what IT goals and objectives the state has.

Member Kumagai comments on member Chang's question. The frequency of meetings was brought up before and due to member's schedules, maybe a subcommittee could be formed to focus on certain types of things and then share it with the rest of the committee. Chair Sakuda confirms that this tactic has been done in the past. Member Kishi agrees with the proposal.

- b. An update of the CIO Annual Report and State IT Strategic Plan presented to the legislature.

Chair Sakuda extends her gratitude to the Office of Enterprise Technology Services (ETS) team members and key partners who worked tirelessly and very hard to deliver the CIO Annual Report and the State IT Strategic Plan in December 2024. The reports are delivered to the Speaker of the House of Representatives and the President of the Senate.

- CIO Annual Report captures and highlights the accomplishments that were done in the last year and the progress that was made. Have it reflect the level of activity that ETS does on behalf of the State.
- IT Strategic Plan is being worked on by ETS. The next steps to operationalize the plan includes working with the IT Steering Committee, cabinet leadership, and IT directors across the state.

#### IV. Enterprise Financial System Modernization (EFS)

- a. Provide an overview of the EFS Request for Proposal (RFP) process.

Greg Dalin, ETS Enterprise Financial System (EFS) Modernization Project Manager, gives a brief overview. The EFS is currently focused on the procurement process. To protect the integrity of the impending RFP to be released and making sure it is fair to all potential bidders, only certain information can be shared.

EFS is a business transformation project that is trying to replace FAMIS, the state's central accounting system for over 55 years. Replace the system with something modern and built on new technology to accurately record and report financial transactions for the State.

The steps in the process are as follows:

1. Development & Solicitation: Develop the RFP, post solicitation conduct a pre-proposal conference.
2. Question & Answer Period: Vendors submit questions and answers or addenda are given to ensure all vendors have the same information.
3. Proposal Submission and Evaluation: Receive and evaluate proposals, attend in-person vendor demonstrations, update proposal evaluations.
4. Best and Final Offer (BAFO): Vendor BAFO and evaluate BAFO submissions to finalize vendor selection.
5. Award and Post-Award: Develop award determination to ensure vendor alignment and issue Notice of Award and proceed with post-award process.

Member Chang expresses interest in seeing the deliverables and acceptance criteria are because that was the root of the failure from the last time.

Mr. Dalin explains that there is an ETS project management framework that has various requirements for the vendors that must be met or exceeded as part of the proposal.

Off the explanation, member Chang asks if the deliverables are referring to qualifications and capabilities or results of a milestone.

Mr. Dalin clarifies that reviewing proposals will have detailed requirements and a price catalogue that are also listed deliverables that vendors need to provide as part of the RFP process.

Member Kumabe asks what percentage of phases 1-3 of the committee consists of stakeholder departments versus IT.

Mr. Dalin responds that there should be one and the rest are people who have a stake in the process with the state.

## V. Data and AI Strategy Update

- a. An update of the Hawai'i Data & AI Strategy to drive trust, transparency, citizen satisfaction, and innovation through responsible use of data and AI in public services. Including an update on guideline documents from the Data Task Force.

Rebecca Cai, ETS Chief Data Officer, gives an overview. The vision is to drive trust, transparency, citizen satisfaction, and innovation by improving security, quality, accessibility, accountability of data and AI. The mission is to cultivate a data-driven, impact-focused, and citizen-centric culture to promote data sharing and integration, privacy protection, evidence-based policy making, and responsible use of data and AI.

The goals and objectives are as follows:

1. Protect privacy, ensure security and compliance: Create data classification and masking standards for all data and AI use and protect data privacy according to Federal and State laws & regulations
2. Improve quality, accuracy and reliability: Establish standards, procedures and tools to manage and improve data quality and define data and AI governance according to data quality to promote trust.
3. Promote accessibility and inter-operability: Catalog all state data and integrate master data to enable citizen-centric solutions and establish data sharing standards and recommend tools to improve inter-operability.
4. Drive accountability and transparency: Identify owners of data set and AI use cases with clearly defined responsibilities and update open data standards to ensure governance & transparency in data & AI use.
5. Ensure equity and ethical responsible use of data & AI: Build data and AI governance framework to ensure equity throughout their lifecycle and create auditing mechanism to ensure equitable and ethical use in data and AI.

There are 14 deliverables that are being focused on, 10 were completed in 2024, and 4 to be completed in 2025. There are 7 completed data policy documents that were changed to guidelines due to lacking resources to enforce it.

Member Kumagai asks how far along we are towards fruition on this in a buy in standpoint across the state and concept to funding, to resources, to commitments.

Ms. Cai responds that in order to ensure success, small business focused steps on use cases are important. They work with different departments. The low amount of budget asked for tools is because departments are waiting to share the cost by pitching in.

Member Chang is curious about applying latest AI tools. Is there a philosophy about dealing with AI tools in terms of well established and others that are in beta testing.

Ms. Cai responds that with data there is a big concern of data leakage of confidential information. Secondly, how much can you trust AI? If the quality is bad then you know it cannot be trusted. There is also the concern about copyright issues. Every vendor has their own testing philosophy on testing. Thus, state CDO's have an AI Coalition to see how best to govern it and would it be able to be governed 100%.

Member Nishida inquires if in the requested budget there are additional requests to help or are the departments expected to do the categorization. Is the only responsibility to set guidelines and pick the tool, but all the responsibilities are left to the departments to do, or is the intent to centralize that type of function.

Ms. Cai explains that it will be a collaboration between ETS and the departments. It's the department's data so heavy lifters will be needed who knows the data the best. However, additional resources for data governance, data quality, data management, data science, data engineering, data visualization, and more. Chair Sakuda further explains that there is a \$1.6 million budget request this year with hope that it will start to build and help with human capacity.

#### VI. Hawai'i Annual Code Challenge (HACC) Completion Update

##### a. Provide highlights of the Ninth Annual HACC with winners.

James Gonser, ETS Senior Communications Officer, gives a brief overview. The HACC was held in November 2024 at UH West Oahu. The HACC is a place where teams of high school, college, and young professionals form teams to write code for challenges to make state government better by doing projects that could hopefully be used within the state government. Not only is it, but it is also a workforce development project. We are looking for young people that will be interested in technology and hopefully will look for careers here in Hawaii.

There were 9 teams that were the winners, they took home \$8000 in prizes and the prize money: first place was \$3000, second was \$2000, and third place was \$1000. This year, for the first time, there was a meet and greet after the challenge where the sponsors set up tables and took the time to meet with the kids that were involved. Next year is our 10th year planning and coordinating and we're already working on developing sponsors, Transform Hawaii Government being one of them.

#### VII. Good of the Order

##### a. Announcements

The ITSC meeting recurs every 3 months on the 4th Thursday; the next meeting is set for end of February. Chair Sakuda announced she will not be able to attend so the meeting will need to be moved.

##### b. Next Meeting: End of February or early March.

VIII. Adjournment

Chair Sakuda called for adjournment. With no objections, the meeting was adjourned at 1:26 p.m.