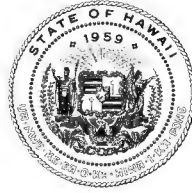


JOSH GREEN, M.D.
GOVERNOR
KE KIA'AINA



CHRISTINE M. SAKUDA
CHIEF INFORMATION
OFFICER
LUNA 'ENEHANA

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES

KE'ENA HO'OLANA 'ENEHANA

P.O. BOX 119, HONOLULU, HAWAII 96810-0119
Ph: (808) 586-6000 | Fax: (808) 586-1922
ETS.HAWAII.GOV

May 8, 2026

The Honorable Ronald D. Kouchi
President of the Senate
and Members of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawaii'i 96813

The Honorable Nadine K. Nakamura
Speaker and Members of the House of
Representatives Thirty-Third State
Legislature State Capitol, Room 431
Honolulu, Hawaii'i 96813

Aloha Senate President Kouchi, Speaker Saiki, and Members of the Legislature:

Pursuant to HRS section 27-43.6, which requires the Chief Information Officer to submit applicable independent verification and validation (IV&V) reports to the Legislature within ten days of receiving the report, please find attached the report the Office of Enterprise Technology Services received for the State of Hawaii'i, Department of Commerce and Consumer Affairs, Business Registration Modernization Project for February 2026.

In accordance with HRS section 93-16, this report may be viewed electronically at <http://ets.hawaii.gov> (see "Reports").

Sincerely,

Christine M. Sakuda
Chief Information Officer
State of Hawaii'i

Attachment



Hawaii Department of Commerce and Consumer Affairs Business Registration Modernization (BRM) Project

IV&V Status Report - FINAL

Reporting Period: February 1 – 28, 2026

Overview

- Executive Summary
- Dashboard
- IV&V Findings and Recommendations
- IV&V Approach and Methodology
- Appendices
 - A – IV&V Assessment Inputs
 - B – IV&V Criticality Ratings
 - C – Findings Log
 - D – Acronyms



Executive Summary

The DCCA BRM project continues to progress toward the April 6, 2026 go-live date, but the schedule remains highly constrained due to critical activities such as UAT 2, data/document migration, and multi-vendor coordination. To address increasing deployment risk, IV&V has opened a new preliminary concern (Finding #32) emphasizing the immediate need for formal planning, defined processes, and clear documentation as the project enters its final month.

Data migration remains a significant effort with teams continuing to meet regularly. DocuSign limitations may affect document migration and real-time document generation during quarterly rollovers. Because not all documents will be ready at go-live, BREG is prioritizing essential Day 1 documents, with the remainder to follow post-go-live.

Scenario walkthroughs are complete, and teams have shifted to defect remediation and requirements re-validation. Of approximately 250 pre-UAT defects, 75 have been resolved, with the remainder expected by early March. An updated UAT 2/Test Plan is forthcoming and should include detailed daily plans and contingencies. The SI noted that while testers will be able to test all forms and scenarios, formal UAT scripts will not cover all combinations, and testers will be encouraged to test additional variations independently.

UAT 2 is now scheduled for March 9 - 17, with the go/no go decision on March 18, on-site training and pre-production activities from March 23 - 27, cutover beginning April 2, and go-live planned for April 6, 2026.

The lack of formal multi-vendor governance has resulted in vendors overwriting each other's configurations in the migration sandbox, causing rework and schedule delays. ISCO and Accenture recommend segregating environments, so the migration sandbox is exclusive to Aalta, and pausing code refreshes until after go-live, though the timing for these changes remains unclear. ISCO is onboarding a new manager who may help reinforce governance practices, though oversight improvements have not yet materialized.

OCM leadership is meeting daily to monitor BREG readiness, and supervisors are actively keeping staff informed; however, operational capacity is strained as BREG is managing a 60-day operational backlog with staff working overtime to maintain daily operations. Given BREG's critical role in final testing, training, and go-live support, IV&V is elevating this risk (#28) to Medium criticality. BREG continues to assess how public-facing processes will be affected and are planning mid-March cutoffs for online filings and resubmittals to clear items before go-live and will coordinate associated communications.

Overall, the project is entering a compressed phase leading into UAT 2 and go-live. IV&V will continue to monitor risks related to meeting the schedule, data/document migration, testing completeness, multi-vendor governance, and resources, as these factors could impact the April 6, 2026 deployment.



PROJECT ASSESSMENT

February 2026

SUMMARY RATINGS

OVERALL RATING

M

PEOPLE

L

PROCESS

M

TECHNOLOGY

H

CRITICALITY RATINGS

H

HIGH

M

MEDIUM

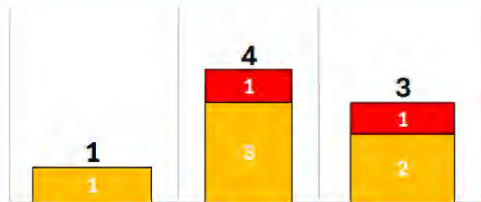
L

LOW

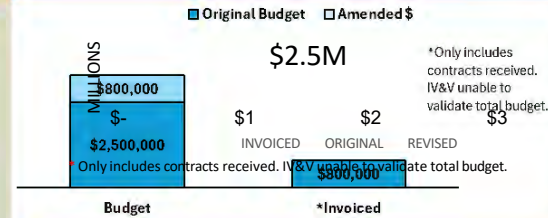
NA

N/A

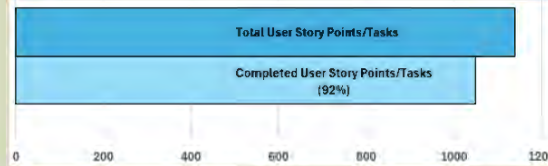
IV&V FINDINGS



PROJECT BUDGET



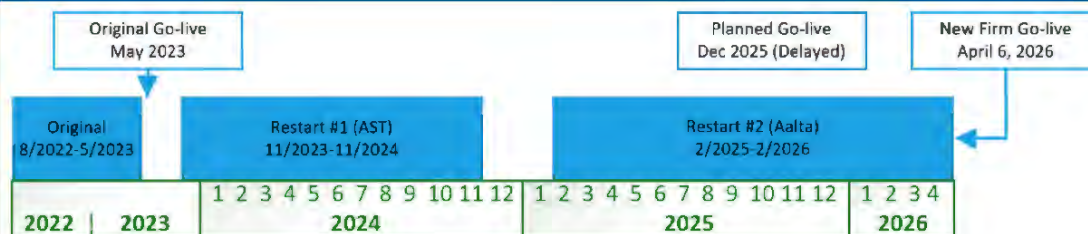
PROJECT PROGRESS



KEY PROGRESS & RISKS

- The project continues to progress toward the April 6, 2026 go-live, but the schedule remains highly constrained due to critical activities such as UAT 2, data/document migration, and multi-vendor coordination.
- The lack of multi-vendor governance has led to configuration conflicts in the migration sandbox; segregating environments and making the migration sandbox exclusive to Aalta is recommended.
- IV&V has opened a new preliminary concern (Finding #32) emphasizing the immediate need for formal deployment planning, defined processes, and clear documentation as the project enters its final month.

TIMELINE



BRM PROJECT



People

Team, Stakeholders & Culture

The criticality status of 'People' assessment area has increased from low to medium this reporting period. The increase in risk is primarily attributed to resource strain as the project moves into a resource-intensive phase prior to go-live, with minimal room for resource-related delays.

OCM leadership are meeting daily to monitor readiness activities and staff participation, and BREG supervisors are actively keeping staff informed. During this critical phase, consistent communication and planning are essential to maintain staff availability, especially as the schedule continues to shift.

Operational capacity remains strained, as staff are managing a significant operational backlog of approximately 60 days and are working overtime to keep up with daily responsibilities. Given BREG's essential role in final testing, training, and go-live support, IV&V is elevating **Risk #28** to Medium to reflect the need for sustained engagement and coordination throughout the remainder of the project.



Process

Approach & Execution

The project schedule is extremely tight; IV&V believes that the more preparation the SI completes prior to UAT, the lower the deployment risk, as this planning will alleviate issues that may be encountered during UAT and cutover. IV&V has opened a new preliminary concern related to go-live readiness (**see Finding #32**), emphasizing the immediate need for go-live planning, processes, and documentation as the project enters its final month.

Scenario walkthroughs are complete, and teams have shifted to defect remediation and requirements re-validation. Of roughly 250 pre-UAT defects, 75 have been resolved, with the remainder expected by early March. An updated UAT 2/Test Plan is forthcoming and should include detailed daily plans and contingencies. The SI noted that while testers will be able to test all forms and scenarios, formal UAT scripts will not cover all combinations, and testers will be encouraged to test additional variations independently. UAT 2 is now scheduled for March 9 - 17, with the go/no go decision on March 18, on site training and pre-production activities from March 23 - 27, cutover beginning April 2, and go live remaining set for April 6, 2026.

BREG and the SI are currently reviewing items that may constitute new requirements to be prioritized for post-go-live consideration. The SI has indicated that a more detailed testing and remediation schedule will be provided in the near term. Given the importance of requirements clarity and prioritization at this late stage in the project, IV&V is raising this risk to Medium (**Finding #30**).



BRM PROJECT

DEC JAN FEB IV&V ASSESSMENT IV&V SUMMARY
AREA



Technology

System, Data, &
Security

The lack of formal multi-vendor governance has resulted in vendors overwriting each other's configurations in the migration sandbox, causing rework and schedule delays. ISCO and Accenture recommend segregating environments, so the migration sandbox is exclusive to Aalta and pausing code refreshes until after go live, though the timing for these changes remains unclear. ISCO is onboarding a new manager who may help reinforce governance practices, though oversight improvements have not yet materialized.

Data and document migration continue to require substantial efforts. The full migration is expected to require 3 - 4 iterations, with 2 completed as of this reporting period. The teams continue to meet daily to validate and address migration issues, underscoring the criticality of migration activities. DocuSign throughput limits may affect both document migration and real-time document generation during quarterly rollovers. The SI has requested an increased limit but has not yet received confirmation. The SI has indicated that not all documents will be available at go-live and BREG is actively prioritizing the highest-value documents needed for Day 1 operations, with remaining documents to follow post-go-live.

With the continued absence of system management governance, the project plans to use the SI's FreshDesk instance through go-live. As a result, ISCO will not have visibility into tickets until the project transitions to a DCCA-managed instance.



IV&V Findings and Recommendation

Summary of IV&V Open Findings

IV&V Findings and Recommendations

Summary of IV&V Open Findings

Category	Type	#	Finding Title	Criticality
People	Risk	28	Over-allocation of BREG project members could lead to project fatigue, schedule delays, and reduced system quality.	M
Process	Issue	27	Adoption of an aggressive schedule could lead to poor system quality, user frustration, stretch BREG resources beyond their capacity, bad press, and ultimately project delays and an increased budget.	H
	Risk	30	Newly identified requirements emerging late in the project may impact development completion, thorough testing, and the project's ability to validate system functionality ahead of go-live.	M
	Risk	31	Unclear testing plans, execution, and results may limit the project's ability to thoroughly validate system functionality, increasing the risk of defects, incomplete coverage, or user dissatisfaction at go-live.	M
	Preliminary Concern	32	The project is approximately 1-month away from go-live and limited planning has been established and approved regarding go-live related processes.	M
Technology	Risk	16	The lack of a formal governance structure to oversee multiple applications in a single Salesforce organization may lead to errors with application development, data management, integration, maintenance, and operations of the applications.	M
	Issue	26	Challenges with data conversion and document migration could create project delays and negatively impact system quality.	H
	Risk	29	The absence of system management governance could lead to uncoordinated system changes, delays in resolving critical issues, or poor end-user support.	M

IV&V Findings and Recommendations

People


#	Key Findings	Criticality Rating
28	Risk - Over-allocation of BREG project members could lead to project fatigue, schedule delays, and reduced system quality.	M

Recommendations	Progress
<ul style="list-style-type: none">Consider ways to offload operational duties from BREG project team members to other staff.	In Progress
<ul style="list-style-type: none">Closely monitor project team workload, morale, and capacity, and consider ways to load balance for those that are experiencing higher workloads.	In Progress



IV&V Findings and Recommendations

Process

#	Key Findings	Criticality Rating
27	Issue - Adoption of an aggressive schedule could lead to poor system quality, user frustration, stretch BREG resources beyond their capacity, bad press, and ultimately project delays and an increased budget.	

Recommendations	Progress
<ul style="list-style-type: none">• Take steps to assure sufficient OCM planning and activities are performed to manage user expectations and inform users of potential system limitations, known bugs, work arounds, and process changes, as a result of their aggressive schedule.	In Progress
<ul style="list-style-type: none">• Leadership take steps to closely monitor project team capacity and assure resources are not overallocated and operational and project duties are not significantly impacted.	In Progress
<ul style="list-style-type: none">• Carefully track to the project schedule critical path to assure project delay risks can be mitigated.	In Progress



IV&V Findings and Recommendations

Process

#	Key Findings	Criticality Rating
30	Risk - Newly identified requirements emerging late in the project may impact development completion, thorough testing, and the project's ability to validate system functionality ahead of go-live.	M

Recommendations	Progress
<ul style="list-style-type: none">Conduct a structured review of newly identified requirements to determine whether they represent defects, enhancements, or missed requirements, and prioritize them in alignment with the revised go-live date.	In Progress
<ul style="list-style-type: none">Ensure regression testing is completed to assure new requirements are not impacting the established workflows and functionality.	In Progress
<ul style="list-style-type: none">Re-baseline the schedule with additional contingency time to account for new requirements.	In Progress
<ul style="list-style-type: none">Enact a formal change management process to ensure that new requirements are discussed, understood, documented, and prioritized before implementation.	In Progress



IV&V Findings and Recommendations

Process


#	Key Findings	Criticality Rating
31	Risk - Unclear testing plans, execution, and results may limit the project's ability to thoroughly validate system functionality, increasing the risk of defects, incomplete coverage, or user dissatisfaction at go-live.	M

Recommendations	Progress
<ul style="list-style-type: none">Build testing activities into the re-baselined schedule to ensure there is sufficient test coverage of all functionalities.	In Progress
<ul style="list-style-type: none">Provide an updated, comprehensive test management plan that includes tracking and metrics to support the late stage of the project.	In Progress
<ul style="list-style-type: none">Re-test functionality in parallel with defect remediation to maximize use of the time available before the new go-live date.	In Progress



IV&V Findings and Recommendations

Process

#	Key Findings	Criticality Rating
32	<p>Preliminary Concern - The project is approximately 1-month away from go-live and limited planning has been established and approved regarding go-live related processes.</p> <p>IV&V believes the following documentation is necessary to assist in communicating go-live planning and ensure a mutual understanding between the SI and BREG:</p> <ul style="list-style-type: none"> -Go / No-Go checklist: Used to assist in determining if the project is ready to go-live as planned. -Implementation Workbook: Contains information such as go-live necessary processes, resources, timing, etc. 	

Recommendations	Progress
<ul style="list-style-type: none"> • The SI formalize an implementation playbook including metrics for daily reporting during the go-live process. 	Not Started
<ul style="list-style-type: none"> • The SI begin conducting regular implementation meetings to ensure staff understand their roles during cutover. 	In Progress
<ul style="list-style-type: none"> • BREG begins to establish a go/no-go checklist, which can be used to facilitate a go/no-go decision. 	Not Started



IV&V Findings and Recommendations

Technology


#	Key Findings	Criticality Rating
16	Risk - The lack of a formal governance structure to oversee multiple applications in a single Salesforce organization may lead to errors with application development, data management, integration, maintenance, and operations of the applications.	M

Recommendations	Progress
<ul style="list-style-type: none"> Develop and document a formal governance structure that supports multi-vendor Salesforce platform development. 	In Progress
<ul style="list-style-type: none"> Clearly define the scope of the governance structure, stakeholder, which applications it will oversee, and what activities it will cover. 	In Progress
<ul style="list-style-type: none"> Determine the governance structure, policies, and guidelines that will govern the development, change management, issue resolution, security, maintenance, and operations of the applications. 	In Progress



IV&V Findings and Recommendations

Technology

#	Key Findings	Criticality Rating
26	Issue - Challenges with data conversion and document migration could create project delays and negatively impact system quality.	 H

Recommendations	Progress
<ul style="list-style-type: none"> SI acquire highly skilled data conversion and DocuSign specialist. 	In Progress
<ul style="list-style-type: none"> SI prioritize data conversion planning and develop a clear, detailed approach and realistic timeline for moving forward. 	In Progress
<ul style="list-style-type: none"> SI prioritize implementing a proof of concepts (POC) for data conversion tasks, including a POC for migrating legacy documents into DocuSign to assure the solution will fully meet BREG's needs. 	In Progress
<ul style="list-style-type: none"> Consider various data cleanup opportunities including establishing ongoing data clean up processes to continually improve data quality throughout the lifetime of the system. For example, prompting online users to review/correct their existing contact and other information when they log into the portal. 	In Progress



IV&V Findings and Recommendations

Technology

#	Key Findings	Criticality Rating
29	Risk - The absence of system management governance could lead to uncoordinated system changes and/or user incident tracking, which could result in delays in resolving critical issues, confusion, and/or poor end-user support.	M

Recommendations	Progress
<ul style="list-style-type: none"> • Draft DCCA-wide plans that can be utilized by all systems that DCCA owns. 	Not Started
<ul style="list-style-type: none"> • Work with the new governance vendor to draft, at a minimum, an incident management plan and a help desk plan. 	Not Started
<ul style="list-style-type: none"> • Request that Aalta provide content for system management plans, leveraging documentation they have developed for other clients—such as processes and procedures for managing a help desk. 	In Progress



Appendices

Appendix A – IV&V Inputs




IV&V activities performed during the reporting period:

- Risk review meetings with BREG
- Risk review meetings with the SI
- BREG project leadership meetings
- BREG OCM meetings
- ISCO Salesforce governance meetings
- SI status report reviews
- System demo reviews
- SI deliverable document reviews



Appendix B – IV&V Criticality Ratings

See definitions of Criticality Ratings below:

Criticality Rating	Definition
	A high rating is assigned if there is a possibility of substantial impact to product quality, scope, cost, or schedule. A major disruption is likely and the consequences would be unacceptable. A different approach is required. Mitigation strategies should be evaluated and acted upon immediately.
	A medium rating is assigned if there is a possibility of moderate impact to product quality, scope, cost, or schedule. Some disruption is likely and a different approach may be required. Mitigation strategies should be evaluated and implemented as soon as feasible.
	A low rating is assigned if there is a possibility of slight impact to product quality, scope, cost, or schedule. Minimal disruption is likely and some oversight is most likely needed to ensure that the risk remains low. Mitigation strategies should be considered for implementation when possible.



Appendix C – Findings Log

The final findings log has been provided as a separate spreadsheet.



Appendix D – Acronyms

Acronym	
BREG	Business Registration
BRM	Business Registration Modernization
DCCA	Department of Commerce and Consumer Affairs
DD&I	Design, Development, and Implementation
ISCO	Information Systems & Communications Office
IV&V	Independent Verification and Validation
KPI	Key Performance Indicator
OCM	Organizational Change Management
PCG	Public Consulting Group
POC	Proof of Concept
RICO	Regulated Industries Complaints Office
SI	System Integrator
UAT	User Acceptance Testing



The background is a solid blue color. It features several white-outlined rounded rectangles and squares of various sizes scattered across the page. Some are solid white outlines, while others are semi-transparent blue squares. The text is centered in the middle of the page.

IV&V Approach and Methodology

IV&V Approach and Methodology

- What is Independent Verification and Validation (IV&V)?
 - The goal of IV&V is to help DCCA implement a solution that meets user requirements and is built according to best practices
 - IV&V services are provided by an independent third party that assesses the project against industry standards to provide an unbiased view to stakeholders
 - IV&V helps improve project visibility, identify potential project challenges, and provide risk mitigation strategies to address project risks and issues
- PCG IV&V Methodology
 - Consists of a 4-part process made up of the following areas:
 1. **Discovery** – Discovery consists of reviewing documentation, work products and deliverables, interviewing project team members, and determining applicable standards, best practices and tools
 2. **Research and Analysis** – Research and analysis is conducted in order to form an objective opinion.
 3. **Clarification** – Clarification from project team members is sought to ensure agreement and concurrence of facts between the State, the Pacxa Contractor, and PCG.
 4. **Delivery of Findings** – Findings, observations, and risk assessments are documented in this report and an accompanying Findings Log. IV&V reports are point-in-time documents with findings accurate as of the last day in the reporting period. These documents are shared with the State and ALIAS Contractor project leadership for review and consideration.





Solutions that Matter