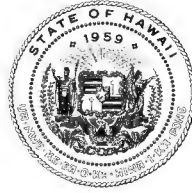


JOSH GREEN, M.D.
GOVERNOR
KE KIA'AINA



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CHIEF INFORMATION
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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 January 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: January 1 – 31, 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



Executive Summary

The DCCA BRM project has established a new, firm go-live date of April 6, 2026, with BREG and the SI agreeing that no additional schedule extensions are available. The project is awaiting an updated schedule from the SI; however, in the interim the SI has outlined proposed dates for upcoming phases, including pre-UAT 2 walkthroughs, UAT 2 (February 26-March 6, 2026), training, final validation, and sign-off by March 18, 2026.

The compressed timeline leaves minimal contingency for defect resolution, data remediation, or retesting. Given the proximity to go-live, IV&V recommends that the SI begin formal go-live planning meetings and finalize the go-live readiness checklist to support operational preparedness.

The project continues to manage defect volumes in advance of UAT 2; however, recent scenario walkthroughs identified functional gaps requiring additional work. These late discoveries heighten schedule risk as the project approaches final testing. BREG has reinforced that no new requirements are being introduced and has identified portal-related items that can be deferred until after go-live to support scope control.

Testing readiness remains unclear, as the Test Plan has undergone several updates, limiting visibility into final testing activities. The SI has indicated that a revised Test Plan will be delivered in the near term. To help mitigate testing and go-live risks, the SI has added a resource to support demonstrations, scenario refinement, and on-site UAT activities.

Data migration remains a significant effort, with the SI and BREG meeting daily to validate data and resolve migration issues. Although progress continues, activities appear behind schedule relative to standard DD&I expectations and are requiring additional time and resources. As a result, schedule flexibility is limited if further data issues arise. The full production migration is scheduled to begin on February 23, 2026.

BREG staff remain engaged and available to support validation efforts, in-person UAT 2, and training; however, the absence of a finalized schedule has limited resource planning.

Ongoing governance gaps continue to present risks to the project, including the lack of a multi-vendor governance structure. The SI has increased focus on multi-vendor coordination, but the all-vendor meeting planned for last month was canceled, and cross-vendor coordination expectations remain unclear. Additionally, system management processes have not yet been established. The project continues to utilize the SI's Freshdesk instance for ticket tracking and plans to transition to a DCCA-managed instance once licensing is obtained.

Overall, the project is entering a highly compressed phase leading into UAT 2 and go-live. IV&V will continue to monitor risks related to the schedule, data readiness, testing, and governance, as these factors could impact the April 6, 2026 production deployment.



PROJECT ASSESSMENT

January 2026

SUMMARY RATINGS

OVERALL RATING



PEOPLE



PROCESS



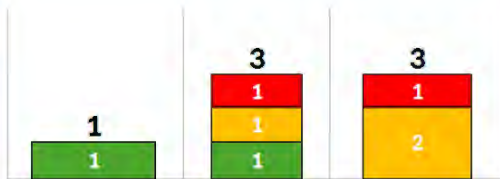
TECHNOLOGY



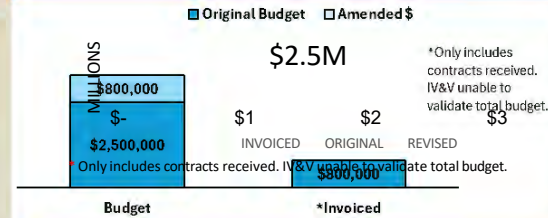
CRITICALITY RATINGS



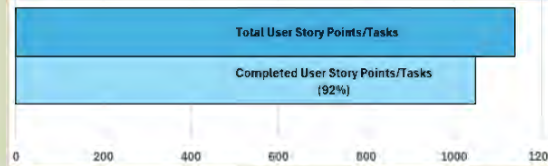
IV&V FINDINGS



PROJECT BUDGET



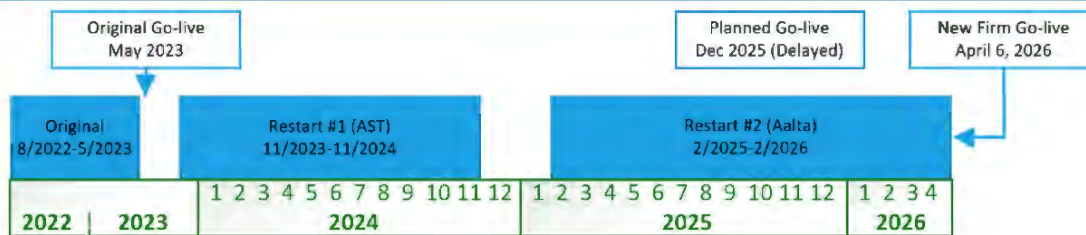
PROJECT PROGRESS



KEY PROGRESS & RISKS

- The project has set a new, firm go-live date of April 6, 2026, with BREG and the SI confirming no additional schedule extensions are available.
- Data migration remains a significant effort, with the SI and BREG meeting daily to validate data and resolve migration issues. Although progress continues, IV&V is raising this risk to high due to its continued pressure on the overall project timeline.
- Testing readiness remains unclear, as the SI is updating the Test Plan. To help mitigate testing and go-live risks, the SI has added a resource to support demonstrations, scenario refinement, and on-site UAT activities.

TIMELINE



BRM PROJECT

NOV	DEC	JAN	IV&V ASSESSMENT AREA	IV&V SUMMARY
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NA L	L	L
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People

Team, Stakeholders & Culture

BREG staff continue to support the project during the final stages before go-live by validating forms and scenarios, preparing for UAT 2, and conducting pre-testing activities. BREG leadership has indicated that staff are willing and available to support both remote validation efforts and in-person UAT and training activities. However, given competing departmental priorities and operational demands, the updated project schedule will be important to support effective resource planning and project support.

M	M	M
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Process

Approach & Execution

The project is awaiting an updated schedule from the SI; however, in the interim the SI has outlined proposed dates for upcoming phases, including pre-UAT 2 walkthroughs, UAT 2 (February 26-March 6, 2026), training, final validation, and sign-off activities targeted for completion by March 18, 2026. The compressed timeline provides minimal contingency for defect resolution, data remediation, or retesting. Accordingly, IV&V recommends that the SI initiate formal go-live planning meetings and finalize the go-live readiness checklist to support operational preparedness.

The project continues to manage defect volumes in advance of UAT 2; however, recent scenario walkthroughs identified functional gaps requiring additional work. These late discoveries elevate schedule risk as the project approaches final testing. BREG has reinforced that no new requirements are being introduced and has identified portal-related items that can be deferred until after go-live to support scope control.

Testing readiness remains unclear, as the Test Plan has undergone several updates, limiting visibility into final testing activities. The SI has indicated that a revised Test Plan will be delivered in the near term. To help mitigate testing and go-live risks, the SI has added an additional resource to support demonstrations, scenario refinement, and on-site UAT activities.



BRM PROJECT

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



Technology

System, Data, & Security

Data migration remains a significant effort, with the SI and BREG meeting daily to validate data and resolve migration issues. Although progress continues, activities appear behind schedule relative to standard DD&I expectations and are requiring additional time and resources. As a result, schedule flexibility is limited if additional data issues emerge. IV&V is raising the data migration risk to high and recommends incorporating contingency time into the schedule where possible due to the pressure this work is placing on the overall project timeline.

To improve transparency, the SI is providing reporting that includes record counts and error metrics. The full production migration is scheduled to begin on February 23, 2026. Document migration does not currently present a material risk, as production migration rates are approximately three times faster than those observed in staging environments.

Ongoing governance gaps continue to present risks to the project, including the lack of a formal, multi-vendor governance structure. The SI has heightened attention to multi-vendor governance and is actively working to collaborate; however, the all-vendor meeting planned for last month was canceled, and cross-vendor coordination expectations remain unclear. Additionally, system management processes have not yet been established. The project continues to utilize the SI's Freshdesk instance for ticket tracking and plans to transition to a DCCA-managed instance once licensing is obtained.



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.	L
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.	L
	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
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.	

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	<p>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.</p> <p>During the November 2025 UAT, testers reported that the system was not performing as expected in some areas. For example, of the 53 planned test scenarios, only 33 were fully executed; the remaining 20 required additional clarification, rework, development, or retesting. The SI also reported that the ten highest-volume forms require rule and validation clarifications from BREG supervisors, indicating that related requirements may have been incomplete or insufficiently validated prior to UAT.</p> <p>The SI is analyzing reported issues to determine how many represent true defects, enhancement requests, or previously missed or misunderstood requirements. Likewise, BREG and the SI are jointly reviewing all new tickets to prevent duplicates and ensure appropriate prioritization of follow-up work.</p>	

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	<p>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.</p> <p>The volume of defects identified during the November 2025 UAT may suggest that prior testing was insufficient. While the SI continues to facilitate additional testing with BREG, testing plans are being shared informally through email, making it difficult to track progress and verify that adequate testing is occurring.</p> <p>Without an updated, comprehensive test management plan, the project lacks clear visibility into the sequencing of testing activities—including interface testing, converted data testing, security testing, and full regression testing. The SI has stated they are rebaselining the project schedule, which should include a defined testing approach and a clear “definition of done” for both system testing and UAT.</p>	

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

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.	

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
• Draft DCCA-wide plans that can be utilized by all systems that DCCA owns.	Not Started
• Work with the new governance vendor to draft, at a minimum, an incident management plan and a help desk plan.	Not Started
• 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
 H	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.
 M	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.
 L	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



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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