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DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | *KA ʻOIHANA LOIHELU A LAWELAWE LAULĀ*

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES | *KEʻENA HOʻOLANA ʻENEHANA*
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June 19, 2026

The Honorable Ronald D. Kouchi
President of the Senate
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaiʻi 96813

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

Aloha Senate President Kouchi, House Speaker Nakamura, 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 Hawaiʻi, Department of Human Services, Systems Modernization Project.

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 Hawaiʻi

Attachments (2)

State of Hawaii
Department of Human Services
HANA Modernization Project

Monthly IV&V Report: May 2026

- Monthly IV&V Report (Del. 4)
- Risk Identification Report (Del. 6)
- Status Report (Del. 11)

Report Contents (ctrl+click on name to jump to first slide in that section)

Executive Summary

- The SI continues to refine the project schedule. SI currently reports the project as 37% complete overall, with the requirements phase reported as being 64% complete. However, the SI continues to identify new use cases that are increasing the scope, and IV&V assesses that the project has not reached a point where progress can be comfortably measured against the baseline.
- The SI continues focus on establishing traceability between higher-level business processes (Business Requirement Documents) and downstream use cases.
- With active use case discovery ongoing, the number of identified use cases has increased by 20%, growing from 99 in April to 119.

Bottom Line: The project health remains **Cautionary / Yellow.** SI continues to take positive steps to mature the requirement analysis process. Even though the increase in the total number of use cases need to be carefully monitored, this may reflect the SI's continued effort to mature their requirements analysis practice.

Monthly IV&V Assessment Report (Del. 4): May 2026

- Overall Project Health - Last 3 Months

Mar 2026	Apr 2026	May 2026
▲	▲	▲

- Project health by Task Groups - Last 3 Months

Task Group	Mar 2026	Apr 2026	May 2026	Trend
Project Management	▲	▲	▲	↔
Technical Discovery / Pods	▲	▲	▲	↔
Requirements	⬢	⬢	⬢	↑
Solution Design	◆	◆	◆	↔
Configuration & Development	◆	◆	◆	↔
Testing	◆	◆	◆	↔
Interfaces & Data Conversion	◆	◆	◆	↔
Integration	◆	◆	◆	↔
Deployment	◆	◆	◆	↔

LEGEND FOR ASSESSMENT

●	**Satisfactory** – No Corrective Actions Needed
▲	**Caution** – Possible Corrective Actions Needed
⬢	**Critical –** Escalated for immediate action
◆	Not enough data is available

Findings At a Glance: May 2026

Issue

Confirmed gap requiring resolution.

2

Risk

Confirmed gap requiring resolution.

0

Preliminary Finding

Early signal warranting monitoring

1

The project currently has **2** outstanding observations and **1** open preliminary concern.

IV&V Risk Identification Report (Del. 6): May 2026
(page 1 of 4)

No.	Risk, Issue, Preliminary Concern	Category	Title, Date, Description	Priority	Probability	Impact	Exposure (Probability X Impact)	Significance / Recommendation
202508-01	Observation – **ISSUE**	Schedule	**Project Lacks Baselined Schedule** **5/31/2026: The SI continues to make progress toward establishing a stable baseline. The increase in identified use cases suggests that there is still some uncertainty regarding the full extent of project scope. At this point, the project does not yet appear to have reached a stage where the full scope has been fully identified. However, the SI appears to be making good-faith efforts and continues to show dedication toward establishing a full baseline.** 4/30/2026: The SI still remains in a pre-baseline stage. The SI has identified the full set of use cases and established a delivery cadence of approximately 2 use cases per 9-week cycle. With approximately 20 months remaining until the December 27, 2027 target completion, the SI has indicated they are working to fit this cadence into the broader project timeline; However, a credible path to completion using this approach has yet to be demonstrated. During this reporting period, the SI conducted 4 solution framing sessions covering 3 use cases. Due to limited visibility into what occurs after these sessions, IV&V is unable to assess whether the 9 weeks processing cycle is being met, the velocity at which use cases are progressing, or how they will be sequenced in a manner that credibly fits within the overall schedule constraint.	1	3	5	15	Without an accurate baselined schedule the SI team is unable to measure progress and identify late activities and their impact. IV&V recommends that the SI team focus on revising the schedule structure to enable the critical path to be identified and then baseline the schedule.

IV&V Risk Identification Report (Del. 6): May 2026

(page 2 of 4)

No.	Risk, Issue, Preliminary Concern	Category	Title, Date, Description	Priority	Probability	Impact	Exposure (Probability X Impact)	Significance / Recommendation
202508-02	Observation – **ISSUE**	Requirements	**JAR Session, Requirements, and Use Case Development Effectiveness** **5/31/2026: The SI conducted two Solution Framing sessions for "Manage Contact Information" functionality. The discussion revealed broader design considerations that intersected underneath the functionalities including data design, role-based records and opportunities for improvement exploiting Power Platform capabilities. SI appears to be developing a good awareness of these complexities. However, IV&V remains concerned that the current tempo may not support completion of user story within the planned nine-week cycle.** **Additionally, IV&V noted an uptick in staff changes, including BA departures and onboarding, which may have temporarily created a bottleneck in use case development progress.** 4/30/2026: The SI continues to mature their requirements process. Notably, the team is transitioning their requirement sessions away from fragmented, technically-focused discussions toward a more integrated 'left to right' storytelling approach that walks through the end-to-end business flow, aligning requirements to how users actually experience the process providing a stronger foundation for comprehensive requirements elaboration. Additionally, the SI has nearly finalized their Requirements Traceability Plan, which outlines how they will ensure traceability from high-level business processes down to technical design elements. However, execution remains a concern. Use case status has been largely stagnant over the past four weeks, with little downstream movement from 'In Progress' to 'Ready for Demo' or 'Ready for Dev,' indicating a potential bottleneck in converting active work into outcomes.	1	3	3	9	As requirements and requirements traceability are integral to the HANA solution, it is paramount that the JAR sessions establish a collaborative effort with DHS and the SI, to ensure that requirements are well formed, enumerated in use-cases, and agreed to by both parties. IV&V recommends that an appropriate amount of time is allocated in the project schedule for this important effort and ensure that this process will elicit the full set of requirements for the HANA modernization project. IV&V also recommends that DHS considers reviewing the JAR processes for potential improvements after the first few sessions are executed.

IV&V Risk Identification Report (Del. 6): May 2026

(page 4 of 4)

No.	Risk, Issue, Preliminary Concern	Category	Title, Date, Description	Priority	Probability	Impact	Exposure (Probability X Impact)	Recommendation
2026-04-23	Preliminary Concern	Requirements	**Use Case Definition Lacks Structural Consistency** **5/28/2026: The SI appears to be taking positive steps to connect use cases across multiple dimensions, including business processes, common solution functions, and data entities, as part of prototype development. IV&V considers this integrative thinking useful and somewhat reduces the concern regarding use-case maturity.** **However, some concern remains that these relationships may not yet be consistently documented, organized, or traceable in requirements management tools such as Jira.** 4/23/2026: The SI defines use cases as "bridge between business objectives and technical functionality." However, IV&V observes that the current set of use cases vary significantly in scope, ranging from broad functional domains that could encompass multiple business processes, to granular technical components. Without a consistent definition and structured decomposition, the use case inventory may not form a coherent basis for requirements traceability, sequencing, or test coverage, and gaps hidden at this stage are likely to surface as integration issues during build and testing.	**TBD**	**TBD**	**TBD**	**TBD**	IV&V recommends the SI establish and enforce a consistent use case definition and decomposition standard, ensuring each use case represents a meaningful and comparable unit of business-to-technical traceability, with larger processes broken down systematically and smaller technical components elevated or consolidated appropriately within a clear hierarchy.

IV&V Status Report: **May** 2026

Task Area: Project Management

- Project Plans In Progress
  - The Project Management Plan remains incomplete as the SI continues to estimate project scope. Because the SI is still identifying additional use cases, the scope remains open-ended, making it difficult to estimate the full project duration with confidence.
  - IV&V assesses that groundwork toward completed Project Management Plan continues in the background, and overall Project management performance has remained consistent. Overall, the Project Management rating remains **Yellow** for this reporting period.

Task Area: Requirements

- Ongoing Requirements Elaboration and Use Case Development
  - The SI continues to work on use cases and map them to related business processes, common solution functions, and data entities. These efforts are intended to support prototype development through the two-week release cadence, intended to help facilitate feedback from DHS stakeholders and supporting iterative refinement.
  - IV&V considers this approach useful for facilitating stakeholder feedback and supporting validation at an initial product level. However, IV&V suggests that equally extensive efforts should be made to document "testable" and "detailed" requirements so prototypes can be refined into production-ready product that can withstand rigorous testing.
  - The SI has made consistent improvements this month, however the progress appears to remain modest and open ended. Therefore, the Requirement rating remains **Red** for this reporting period.

IV&V Status Report: **May** 2026

Task Area: Design

- Not Yet Rated – No Current Activities

Task Area: Configuration & Development

- Not Yet Rated – No Current Activities

Task Area: Testing

- Not Yet Rated – No Current Activities

Task Area: Interfaces and Data Conversion

- Not Yet Rated – No Current Activities

Task Area: Integration

- Not Yet Rated – No Current Activities

Task Area: Deployment

- Not Yet Rated – No Current Activities

IV&V Status Report: **May** 2026

Task Area: Technical Discovery/ Pod

Pod Team	Activity Summary
User Access Management	Continued post-release enhancement work. Further refining use cases.
Core Entity	Completed the second iteration of Solution Framing for Manage Contact Information. Continues to set up the underlying data/entity foundation in the testing environments
Special Functions (SFM)	Continues to focus on FTW related use cases, with the current emphasis appears to be on data model development and requirements refinements
Data Service (Code Table/ Data Conversion)	Refining Code Registry functionality addressing DHS and UI/UX feedback. Continuing data model discussions

IV&V Status Report: **May** 2026

Task Area: Technical Discovery/ Pod (Continued)

Pod Team	Activity Summary
Messaging Service	Continues a feasibility assessment to evaluate how MS Teams integration could support HANA's communication needs
Notes and Activity Management (NAM)	Prototyped "System Activity Solution" to support upcoming Solution Framing sessions for related functions
Communication Management	Worked on Communication Management/ Notice template capability

IV&V Status Report (Del. 11): **May** 2026

Meetings and Other Sessions attended

Date	Meeting Name	Meeting Owner
None	Bi-Weekly HANA Modernization Technology Checkpoint	eWorld
5/7, 5/14, 5/21, 5/28	eWorld, DHS, IV&V Sync meetings	Mark Osman, eWorld, IV&V
5/12	HANA Mod Project: TMS IV&V Report Review	IV&V
5/7, 5/14, 5/21, 5/28	Weekly HANA Modernization Status Meeting	Mark Osman, eWorld
5/1, 5/8, 5/15, 5/29	IV&V Weekly Meeting (TMS, N. Ekimoto, S. Nakasone, M. Choi)	IV&V
5/12, 5/21	HM Solution Framing Working Session	eWorld

IV&V Status Report (Del. 11): **May** 2026

New Deliverables Reviewed

DED or Document?	Deliverable Name	Date Submitted	Date First Reviewed	Date Reported
Document	Deployment Plan DED (Version 2)	5/22/2026	5/26/2026	

IV&V Status Report (Del. 11): **May** 2026

Planned Activities for Next Month (**June** 2026)

Description	Comments
Review Project Deliverables	As completed by DHS
Attend Requirements Working Sessions	
Attend all Project Meetings with DHS PMO and eWorld	

IV&V Status Report (Del. 11): May 2026

Deliverables for Initial IV&V Review Next Month (June 2026)

DED or Deliverable?	Deliverable Name	Date Expected	Comments
	TBD in accordance with Project Schedule	N/A	

Organizational Change Management (OCM)
IV&V Report: May 2026

- **OCM assessment is finalized and approved by DHS in April**
  - **No update in this reporting period**

Mahalo Nui

TECHNOLOGY MANAGEMENT SOLUTIONS

Appendix A - Ratings Definitions

IV&V Findings

Indicator	Priority	Description	Criteria
1	Priority 1	Concerns and Observations ranked as Priority 1 are those that IV&V expects will yield **significant** opportunities for improvement or corrective action for the HANA project.	Critical that the Project resolve immediately and that pose a **significant** threat or impact to the project.
2	Priority 2	Concerns and Observations ranked as Priority 2 are those that IV&V expects will yield **moderate** opportunities for improvement or corrective action for the HANA project.	Essential that the Project resolve as soon as possible and that pose a **moderate** threat or impact to the project.
3	Priority 3	Concerns and Observations ranked as Priority 3 are those that IV&V expects will yield **minor** opportunities for improvement or corrective action for the HANA project and are focused primarily on conforming to existing standards or processes.	Important that the Project resolve within a reasonable timeframe, given other project priorities, and that pose a **minor or limited** threat or impact to the project.

Task Group Measurement Criteria

Legend for Task Group Assessment

	Satisfactory – No corrective actions necessary. All life cycle activities conform to requirements. Standards, practices, and conventions are satisfactory. Risks or issues may exist and contain appropriate mitigation or resolution steps, and the project is adequately addressing them. The current technical risk to the project and software quality is low.		**Caution** – There may be a need for corrective action now or quite soon. Some life cycle activities are not in alignment with requirements. Some standards, practices and conventions may require process improvement to achieve desired outcomes. Risks or issues are often not identified or contain stale mitigation or resolution steps. The current technical risk to the project and software quality is moderate.		**Critical** – Escalated for immediate action. Many life cycle activities are not in alignment with requirements. Many standards, practices and conventions require corrective action to achieve desired outcomes. Risk mitigation is not effective, or issue resolution is not timely. Critical processes are not effective and are resulting in delays or rework. The current technical risk to the project and software quality is significant.		Not enough data is available to decide about project health.

Appendix B - Ratings Definitions – Risk Exposure

Risks

Impact
How severe would the outcomes be if the risk occurred?

Probabiity
What is the likklihood the risk will happen?

	Insignificant 1	Minor 2	Significant 3	Major 4	Severe 5
5 Almost Certain	Medium 5	High 10	Very high 15	Extreme 20	Extreme 25
4 Likely	Medium 4	Medium 8	High 12	Very high 16	Extreme 20
3 Moderate	Low 3	Medium 6	Medium 9	High 12	Very high 15
2 Unlikely	Very low 2	Low 4	Medium 6	Medium 8	High 10
1 Rare	Very low 1	Very low 2	Low 3	Medium 4	Medium 5

Appendix C - HANA Modernization Project Summary

- DHS/BESSD has selected eWorld as the Systems Integrator (SI) to design, develop, and implement a modernized version of the HANA system, which currently supports programs such as Child Care, First-to-Work (FTW), and Employment and Training.
- The modernization effort requires the vendor to use DHS's existing systems and tools to expand and enhance key program functions. This includes:
  1. Developing a public portal for Child Care, FTW, and Employment and Training benefits
  2. Implementing an intelligent online application intake process that adapts to applicant responses
  3. Strengthening provider and client management, including eligibility, determination, and payment issuance
  4. Improving program-benefit data management, participation tracking, payments, and financial reporting
  5. Creating a more consistent service experience by integrating multiple support channels - phone, email, and webform
  6. Developing statewide childcare navigation tools using GIS
  7. Delivering ad-hoc enhancements as program needs evolve