

# New technology will improve management of state finances

By Keith Regan

The state's Department of Accounting and General Services (DAGS) recently issued a request for proposals (RFP) to support the Enterprise Financial System (EFS) project — a \$68 million effort to overhaul the state's outdated financial system that drives key functions of our government.

Major information technology (IT) projects like this one can significantly modernize government and improve efficiency. But without a methodical, well-planned approach, these complex initiatives often fall short of expectations.

When we buy new technology for personal use, the stakes are relatively low — we might spend a few hours researching and still end up with a good experience. But implementing an enter-

prise-wide financial system for an entire state government is a different undertaking altogether. These projects not only involve intricate software upgrades but also a sweeping transformation in how government operates.

Recognizing this, Gov. Josh Green and the state Legislature appropriated \$31 million last year to jumpstart the project.

Legislators understood the urgent need to replace Hawaii's 55-year-old accounting system and saw the value of managing our nearly \$20 billion annual budget with greater accuracy and transparency.

Since then, we have been diligently preparing an RFP that will

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ensure we launch this critical upgrade on solid footing. This year, DAGS also requested additional funding in the biennium budget to support next steps.

As federal support continues to decline and major downsizing occurs in key federal departments, Hawaii's need for precise, efficient and adaptable financial tools becomes even more essential.

The new system will enable departments to share detailed, real-time financial data, empowering lawmakers to make more informed decisions and ensuring a more balanced and accountable state budget.

Our transformation journey began by defining a clear vision: where we are now, where we want

to be and how we plan to get there. That meant reexamining outdated processes and reimagining how technology can better support our goals.

We engaged in extensive conversations with accounting and fiscal staff from every department to map out their workflows. Understanding the day-to-day experiences of our users ensures the new system meets their needs and earns their buy-in. We also invited these staff members to attend vendor demonstrations, allowing them to see firsthand the kinds of tools they may soon be using.

Preparing for this transformation has required significant time, effort and investment. We've made a concerted effort to prepare our employees for what lies ahead, and we continue to assess our readiness at every stage.

Now that the RFP is live, we're

looking forward to reviewing vendor proposals. We've invited a cross-section of state staff and experts with private-sector transformation experience to participate in the evaluation process — ensuring we make the most informed decisions on software selection and systems integration.

Once a vendor is selected and contracts are in place, we anticipate a three-year implementation process. By taking the time now to plan deliberately — to “go slow to go fast” — we are setting ourselves up for success.

Done right, this transformation will benefit not only government employees, but all of Hawaii — residents, businesses and non-profits alike.

A more modern, transparent and responsive financial system will help us better serve the public, today and for generations to come.