

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
ANNUAL REPORT ON GOALS, OBJECTIVES AND POLICIES

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Program ID/Title: AGS-103 / Recording and Reporting

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I. Goal

The program goal is the prompt and proper recording of the State's financial transactions. The goal includes the timely processing of documents and issuing of reports, including the publication of the State's Comprehensive Annual Financial Report.

II. Objectives and Policies

- A. #1 - The issuance of the State's Comprehensive Annual Financial Report (CAFR) in conformance with generally accepted accounting principles (GAAP). This also includes the submission of the State's CAFR to the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement in Excellence in Financial Reporting program.
- B. #2 - Enhancements to the processing and accessing of financial information in the Financial Accounting and Management Information System (FAMIS), the State's official accounting system and the procurement and implementation of a new financial accounting system.

III. Action Plan with Timetable

- A. Objective/Policy #1 - The issuance of the CAFR in conformance with GAAP.
  - 1. Required Action - Implementation of Governmental Accounting Standards Board Statements (GASB Statements) that require accrual basis government-wide financial statements including infrastructure capital assets, and depreciation of all capital assets except for land and land improvements.
  - 2. Past Year Accomplishments
    - a. Prepared FY 2015 CAFR including the government-wide accrual basis financial statements and the discussion and analysis of the financial statements. The FY 2015 CAFR was issued in December 2015.

- b. The State of Hawaii received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the fourth consecutive year.
  3. One Year
    - a. Prepare FY 2016 CAFR under GASB Statements.
    - b. Continue accounting policy and procedure changes needed to implement GASB Statements.
  4. Two Years
    - a. Evaluate any new GASB statements and their impact on the accounting policies and procedures.
    - b. Continue evaluation of the accounting system and preparation of financial statements under the existing GASB statements and any new GASB statements.
  5. Five Years
    - a. Evaluate future GASB statements and the impact on the accounting policies and procedures.
    - b. Continue evaluation of the current accounting system and preparation of financial statements and make changes as needed by GASB statements.
- B. Objective/Policy #2 - Enhancements to the processing and accessing of financial information in FAMIS and the procurement and implementation of a new financial accounting system.
  1. Required Action - Enhancements to the processing and accessing of financial information in FAMIS requires the review of the current process and utilizing the State's intranet to improve processing and dissemination of financial information. Participation in a new financial accounting system would include establishing requirements, assist in procurement, evaluation of proposals and selection, and implementation.
  2. Past Year Accomplishments
    - a. No new enhancements were implemented in FY 16.

3. One Year

- a. Provide assistance and support in providing requirements for a new financial accounting system.
- b. Provide assistance in the procurement and vendor selection for a new financial accounting system.

4. Two Years

- a. Support the Enterprise Resource Planning (ERP) Project led by the Comptroller as it relates to recording and reporting of accounting information.
- b. Participate in the fit-gap analysis which will determine what the new financial system can and cannot provide.
- c. Identify and develop alternatives for functionalities the new system cannot provide.

5. Five Years

- a. Implement a new financial accounting system.

IV. Performance Measures

- A. Customer Satisfaction measure – GFOA’s awarding of its Certificate of Achievement in Excellence in Financial Reporting to the State’s CAFR and the number of departments utilizing the new financial system as its primary system of information.
- B. Program Standard measure - The publication within six months after the fiscal year is closed for the CAFR and the prompt processing of the accounting data and reports and the implementation within five years of a new financial accounting system.
- C. Cost Effectiveness Measure - Cost effectiveness is measured by the amount of overtime incurred to complete the CAFR and to process accounting data and reports. The implementation of a new financial accounting system on budget.