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

## January 2024

Program ID/Title: AGS-103/CC 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 Annual Comprehensive Financial Report.

## II. Objectives and Policies

- A. #1 The issuance of the State's Annual Comprehensive Financial Report (ACFR) in conformance with generally accepted accounting principles (GAAP). This also includes the submission of the State's ACFR 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. The procurement and implementation of a new financial accounting system including the creation of a new Uniform Chart of Accounts.
- III. Action Plan with Timetable
  - A. Objective/Policy #1 The issuance of the ACFR 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 2022 ACFR including the government-wide accrual basis financial statements and the discussion and analysis of the financial statements. The FY 2022 ACFR was issued in December 2022.

- b. The State of Hawaii received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the eleventh consecutive year.
- 3. One Year
  - a. Prepare FY 2023 CAFR following GASB Statements, including GASB Statement number 96, Subscription Based Information Technology Arrangements (SBITA).
  - b. Continue accounting policy and procedure changes needed to implement GASB Statements, including the accounting of Leases and SBITA's and the way they are presented on the annual report.
- 4. Two Years
  - a. Evaluate any new GASB statements and their impact on the accounting policies and procedures including GASB Statement number 101 Compensated Absences.
  - 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 including a new Uniform Chart of Accounts.
  - 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. Participation

in creating a new uniform chart of accounts would require compiling department requirements, to ensure usability by all.

- 2. Past Year Accomplishments
  - a. Worked alongside various entities to create a new uniform chart of accounts to be available to all departments for new system implementations and continuous updating in 2022.
  - b. Participated in the initial steps of procuring and vendor selection of a new accounting system.
- 3. One Year
  - a. Continue to review current process and utilizing the State's intranet to improve processing and dissemination of financial information.
  - a. Assist in the implementation of a new financial accounting system.
- 4. Two Years
  - b. Participate in various training/meetings with functional and operational process group.
  - c. Continue to assist in the implementation of a new financial accounting system.
- 5. Five Years
  - a. Establish business process and procedures for the 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 ACFR 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 ACFR 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 ACFR and to process accounting data and reports. The implementation of a new financial accounting system on budget.