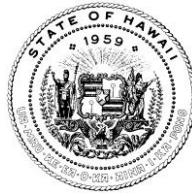


JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'AINA



DEPT. COMM. NO. 700  
KEITH A. REGAN  
COMPTROLLER  
KA LUNA HO'OMALU HANA LAULĀ

CHRISTINE M. SAKUDA  
CHIEF INFORMATION OFFICER  
LUNA 'ENEHANA

**OFFICE OF ENTERPRISE TECHNOLOGY SERVICES**  
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December 10, 2025

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

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

Aloha Senate President Kouchi, 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 Hawai'i, Department of Commerce and Consumer Affairs, Business Registration Modernization Project.

In accordance with HRS section 93-16, this report may be viewed electronically at <http://ets.hawaii.gov> (see "Reports").

Sincerely,

A handwritten signature in blue ink, appearing to read "CSakuda".

Christine M. Sakuda  
Chief Information Officer  
State of Hawai'i

Attachment



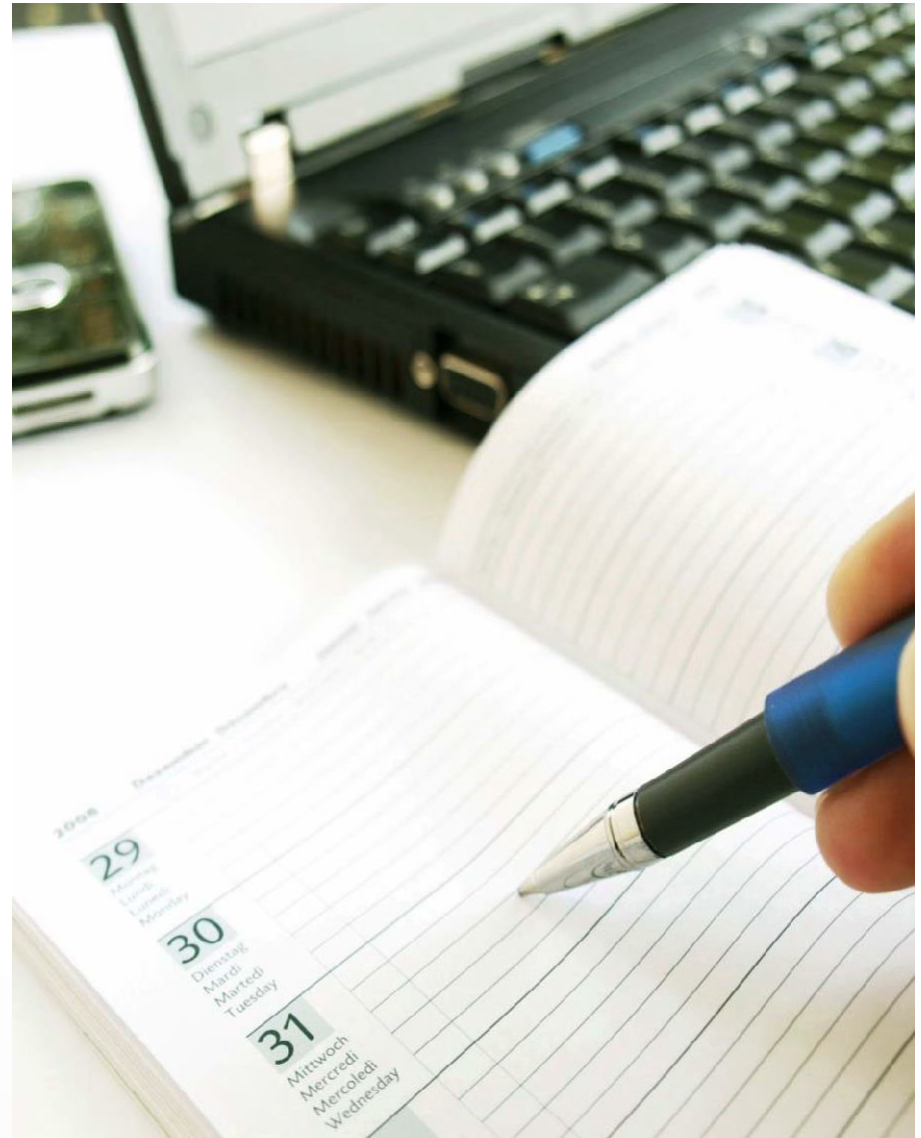
# Hawaii Department of Commerce and Consumer Affairs Business Registration Modernization (BRM) Project

IV&V Status Report - FINAL

Reporting Period: September 1 – 30, 2025

# 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 project appears to be making good progress and has finished sprint 10 of the 13 planned development stage sprints. BREG and the SI remain cautiously optimistic about meeting the planned go-live date of December 7, 2025, with user acceptance testing (UAT) planned for November 3-17, 2025. The SI has provided a new project progress dashboard showing that approximately 89% of user story points have been completed.*

*Progress has been made in addressing previously missed requirements. For example, ISCO selected Amazon Simple Email Service (SES) as the third-party tool to support bulk email functionality, stating that it provides a strong alternative to Salesforce for handling large email volumes. Additionally, the SI has completed initial development and testing of the new scanning solution that will replace Kofax. With these decisions finalized, the SI stated that they remain confident there are few significant remaining hurdles and do not expect these recent challenges to impact the go-live date.*

*The SI's OCM team recently conducted a survey of BREG supervisors with feedback indicating a strong desire for demonstrations that showcase end-to-end functionality that includes walking through complete system processes from start to finish.*

*BREG and IV&V remain concerned with the absence of established multi-vendor and system governance, particularly in areas of incident and help desk management. To mitigate multi-vendor risks, the project has elected to let the SI manage their own production deployments. The SI stated they will work closely with other vendors to assure proper coordination during deployment activities to avoid any unexpected bugs or downtime.*

*IV&V remains concerned that BREG's tester capacity to perform next month's UAT activities may be constrained by ongoing operational workload. IV&V also remains concerned with the potential for unexpected issues during data migration due to the presence of unclean or poorly formatted data within legacy/source systems.*

# PROJECT ASSESSMENT

September 2025

## SUMMARY RATINGS

### OVERALL RATING

M

PEOPLE

L

PROCESS

M

TECHNOLOGY

M

#### CRITICALITY RATINGS

H

HIGH

M

MEDIUM

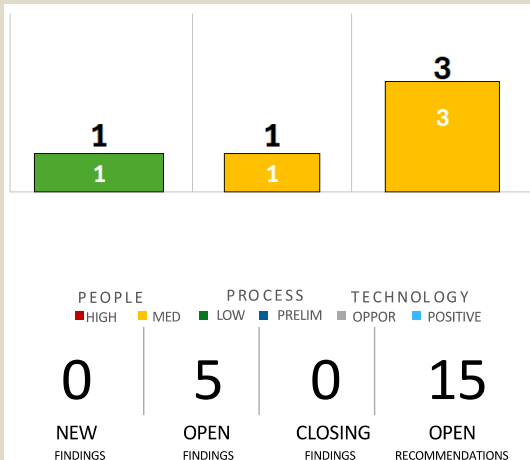
L

LOW

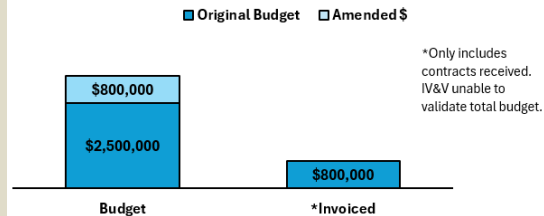
NA

N/A

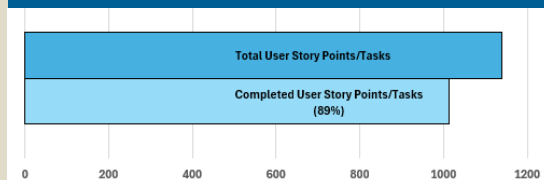
## IV&V FINDINGS



## PROJECT BUDGET



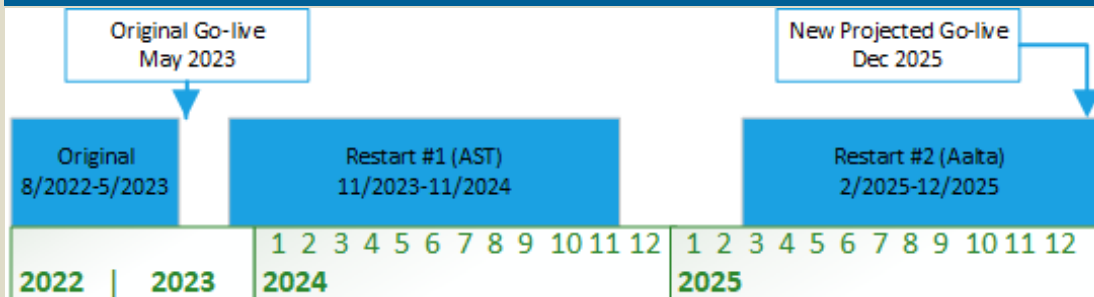
## PROJECT PROGRESS



## KEY PROGRESS & RISKS

- The SI and BREG are cautiously optimistic they are on track to meet the new go-live date of Dec. 7, 2025.
- UAT is scheduled to begin November 3, 2025.
- The project has made progress in addressing some previously missed requirements. Now that these decisions have been made, it clears the way to accelerate development related to these components.

## TIMELINE



# BRM PROJECT

JULY	AUG	SEPT	IV&V ASSESSMENT AREA	IV&V SUMMARY
L	L	L	<b>People</b> Team, Stakeholders, & Culture	<p>BREG staff continue to fulfill project requirements while also managing their ongoing operational responsibilities. The SI's OCM team recently conducted a survey of BREG supervisors to assess their understanding of and readiness for the upcoming system changes. Feedback indicated a need for demonstrations that showcase end-to-end functionality, walking through complete system processes from start to finish. Survey results also indicated an eagerness for training and the need to understand the new system so the BREG system support team can advise and effectively assist the public at go-live. The SI and BREG continue to plan for UAT, training, and go-live. The SI is currently developing a draft training plan to be delivered in October, with training sessions planned for November 17-25, 2025. IV&amp;V remains concerned that BREG's tester capacity to perform next month's UAT activities may be constrained by ongoing operational workload.</p>
M	M	M	<b>Process</b> Approach & Execution	<p>The project has finished sprint 10 of the 13 planned development stage sprints. BREG and the SI remain cautiously optimistic about meeting the planned go-live date of December 7, 2025, with UAT planned for November 3-17, 2025. The SI introduced a new project progress tracking dashboard that now measures progress by user story points and currently shows overall development at 89% complete.</p> <p>The SI reported some challenges related to changes in BREG customer forms and have had to perform some rework to update forms already developed in the new system; however, the SI stated these changes are not expected to impact the project schedule.</p> <p>Progress has been made in resolving previously missed requirements. For example, ISCO selected Amazon Simple Email Service (SES) as the third-party tool to support bulk email functionality, stating that it provides a strong alternative to Salesforce for handling large email volume on a pay-as-you-go basis. In addition, the SI has completed initial development and testing of the new scanning solution that will replace Kofax. With these decisions finalized, the SI stated that they remain confident there are few significant remaining hurdles and do not expect these recent challenges to impact the go-live date.</p>



# BRM PROJECT

JULY   AUG   SEPT   IV&V ASSESSMENT AREA   IV&V SUMMARY

M M M **Technology**  
System, Data, &  
Security

DCCA executive leadership reported they are in the process of onboarding a consultant with governance expertise, with the goal of establishing common DCCA-wide governance prior to system go-live. To mitigate multi-vendor risks, the project has elected to let the SI manage their own production deployments. The SI has stated they will work closely with other vendors to assure proper coordination during deployment activities to avoid any unexpected bugs or downtime. To address the absence of formal incident and help desk management plans, the SI intends to implement a ticket management system with predefined workflows designed to enforce governance and ensure robust help desk support for system users at go-live.

The SI also identified system environment timeouts within DCCA that could slow data conversion; however, it remains unclear whether this will impact the schedule. In addition, the SI noted that the OpenText system has experienced instability and slow performance, requiring ongoing oversight. The SI is working with ISCO to mitigate these issues and does not currently anticipate schedule impacts.

The SI has reported some challenges with unclean legacy system data as they began preparing for data migration activities. IV&V remains concerned with the potential for unexpected issues during data migration due to the presence of unclean or poorly formatted data within legacy/source systems.








# 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.	
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.	
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.	
	Issue	26	Challenges with data conversion and document migration could create project delays and negatively impact system quality.	
	Risk	29	The absence of system management governance could lead to uncoordinated system changes, delays in resolving critical issues, or poor end-user support.	

# IV&V Findings and Recommendations

## People

#	Key Findings	Criticality Rating
28	<b>Risk</b> - 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"><li>Consider ways to offload operational duties from BREG project team members to other staff.</li></ul>	In progress
<ul style="list-style-type: none"><li>Closely monitor project team workload, morale, and capacity, and consider ways to load balance for those that are experiencing higher workloads.</li></ul>	In progress

# IV&V Findings and Recommendations

## Process

#	Key Findings	Criticality Rating
27	<b>Issue</b> - 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.	M

Recommendations	Progress
<ul style="list-style-type: none"> <li>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.</li> </ul>	In progress
<ul style="list-style-type: none"> <li>Leadership take steps to closely monitor project team capacity and assure resources are not overallocated and operational and project duties are not significantly impacted.</li> </ul>	In progress
<ul style="list-style-type: none"> <li>Carefully track to the project schedule critical path to assure project delay risks can be mitigated.</li> </ul>	In progress

# IV&V Findings and Recommendations

## Technology

#	Key Findings	Criticality Rating
16	<b>Risk</b> - 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
• Develop and document a formal governance structure that supports multi-vendor Salesforce platform development.	In progress
• Clearly define the scope of the governance structure, stakeholder, which applications it will oversee, and what activities it will cover.	In progress
• 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	<b>Issue</b> - Challenges with data conversion and document migration could create project delays and negatively impact system quality.	M

Recommendations	Progress
• SI acquire highly skilled data conversion and DocuSign specialist.	In progress
• SI prioritize data conversion planning and develop a clear, detailed approach and realistic timeline for moving forward.	In progress
• 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
• 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.	Not Started

# IV&V Findings and Recommendations

## Technology

#	Key Findings	Criticality Rating
29	<p><b>Risk</b> - 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.</p> <p>There is currently a lack of clearly defined system governance processes and procedures. The project currently lacks important system governance documentation including incident management, change management, and help desk management plans.</p> <p>The absence of a centralized and coordinated approach to system management may lead to delays in resolving critical issues, unapproved or poorly coordinated changes being introduced into the system, and poor user support experiences. This could negatively affect system stability, stakeholder confidence, and overall project success, particularly as the project transitions to production support phases.</p>	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.	Not Started

# 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
	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.
	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.
	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

<u>Acronym</u>	
<b>BREG</b>	Business Registration
<b>BRM</b>	Business Registration Modernization
<b>DCCA</b>	Department of Commerce and Consumer Affairs
<b>ISCO</b>	Information Systems & Communications Office
<b>IV&amp;V</b>	Independent Verification and Validation
<b>KPI</b>	Key Performance Indicator
<b>OCM</b>	Organizational Change Management
<b>PCG</b>	Public Consulting Group
<b>POC</b>	Proof of Concept
<b>RICO</b>	Regulated Industries Complaints Office
<b>SI</b>	System Integrator
<b>UAT</b>	User Acceptance Testing

The background is a solid blue color. It features several white-outlined squares of various sizes, some of which are partially cut off by the edges of the frame. There are also several semi-transparent blue squares scattered across the background, creating a layered effect. The title text is centered in the upper half of the image.

# **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**