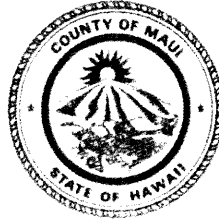


MICHAEL P. VICTORINO  
Mayor

SANDY K. BAZ  
Managing Director

TYSON K. MIYAKE  
Deputy Managing Director



DEPARTMENT OF MANAGEMENT  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793

April 10, 2019

Ms. Michele M. Yoshimura *M.Y.*  
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

Honorable Michael P. Victorino  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

For Transmittal to:

Keani N.W. Rawlins-Fernandez, Chair  
Economic Development and Budget Committee  
Maui County Council  
200 South High Street  
Wailuku, HI 96793

Dear Ms. Rawlins-Fernandez:

SUBJECT: **FISCAL YEAR ("FY") 2020 BUDGET** (MD-5) (EDB-1)

Thank you for your memo dated April 2, 2019 requesting information from the Budget Details for the Department of Management. Per your requests for the following information, please see below:

1. **Relating to page 10-5 of the Budget Details (index code 904011B, sub-object code 6132, Professional Services), explain the \$200,000 expansion request, as follows:**
  - a. **For countywide management training, \$50,000:**

**What type of management training will be provided and for which positions? Will the training be offered annually? Will the training be a requirement for staff to attend? Is travel involved? Why is**

APPROVED FOR TRANSMITTAL

*[Signature]* 4/12/19  
for Mayor Date

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**countywide training, such as this one, not the responsibility of the Department of Personnel Services?**

The countywide management training requested by the Department of Management is desired to provide training for department directors, deputy directors and, as applicable, division chiefs within all administration departments of the County. The type of training may include customer service, citizen engagement, leadership skills, team building, managing with data, outcome driven decision making, conflict resolution and negotiation, as well as other soft skillsets. The training is anticipated to be required of the directors and deputy directors. Travel is not anticipated to be involved as training will generally be in a group setting on Maui. Opportunities will also be provided for online training and possibly mentoring. Trainings will most likely not repeat annually but may rotate through the years. The Department of Personnel Services provides general training available to county employees on a variety of subjects. This training is focused on the administrative leadership, the decision was made to place it in the Department of Management in alignment to the Charter mandated responsibilities. These include: supervise the administrative functions of the departments and agencies of the executive branch; evaluate the management and performance of each of those agencies; and, prescribe standards of administrative practice to be followed by all agencies under his or her supervision.

**b. For operational audits, \$75,000:**

**What is the anticipated scope of the audits? What is the timeframe for the audits?**

The Department of Management is charged by the Charter to supervise the administrative functions of the departments and agencies of the executive branch; evaluate the management and performance of each of those agencies; and, prescribe standards of administrative practice to be followed by all agencies under his or her supervision; and, conduct a systematic and continual review of the finances, organizations, and methods of each department of the county to assist each department in achieving the most effective expenditure of public funds and to determine that such expenditures are in accordance with the budget laws and controls in force. The department desires to contract with subject matter experts to perform operation reviews of the departments and make recommendations for improvements. We anticipate the funding will be adequate to perform one or two operational reviews per year. Depending on the complexity of the analysis desired, reviews will take approximately three to six months to complete.

- c. **Explain the purpose of the request for performance management alignment (\$75,000).**

Mayor Victorino has embarked on an executive-level visioning and planning process that will capture the administration vision and strategic priorities, and identify milestone based outcomes and top-level plans to achieve the desired vision. Once that is developed, an effort will be required to integrate the executive plan with the departmental plans. The funding requested will allow for facilitation of the alignment of the different plans, understanding that each department may be in a different phase of planning and development of performance management measures and toolsets that assist in achieving the desired outcomes.

- d. **Explain the purpose of the request for network fleet services (\$135,000).**

Network Fleet Services is an ongoing service that allows management to track our vehicle fleet, location, function and maintenance requirements. The system utilizes GPS units installed in a majority of County vehicles. The funding request is to pay for the cellular service to collect the data and the software to view and analyze the data received from the GPS units.

- e. **Explain the purpose of the request for Click Fix Work Management software (\$15,000).**

See Click Fix is the vendor for the mobile application called COM (County of Maui) Connect. This application allows citizen engagement through the ability to report issues easily with any mobile device. The user sees a concern, click a picture, and report it. The system then notifies the appropriate department so that they can follow-up and address the concern. It is a very cost effective way to increase reporting and addressing public concerns.

2. **Relating to page 10-13 of the Budget Details (index code 904015B, sub-object code 6132, Professional Services), \$630,000, explain the purpose of the requests for:**

- a. **Win10 desktop migration planning, \$250,000**

The current desktop Operating System deployed is Win7, which will reach end of service in 2020. The ITS Division is faced with migrating 2500 computers to Win10, and join them to the County's Active Directory domain as part of that migration and as the final step in the implementation of Active Directory. This will require careful planning and execution to avoid interruptions and loss of productivity. ITSD staff does

not have the experience to perform this planning and execute the migration without the assistance of expert outside professional help.

**b. Application Extender interface for Maui automated Planning and Permitting System ("MAPPS"), \$50,000**

Application Extender is the Countywide electronic document management and storage system. Documents submitted and produced through the use of MAPPS need to be stored in their final form into Application Extender (AX) for future retrieval. In order to make this movement to and from AX work efficiently from within MAPPS a special interface must be developed. This interface has 2 components, one on the side of MAPPS (which is included in the contract for the MAPPS project), and one on the side of AX. The requested funding is needed to pay the AX vendor or their implementation partners to develop their side of the interface. Without this interface, storage of essential documents associated with the permits issued through MAPPS will be cumbersome, unreliable, and present difficulties in retrieval.

**c. IASWorld interface for MAPPS, \$50,000**

IASWorld is the County's information system for the Real Property functions. Information needs to be exchanged automatically between this system and MAPPS, so that MAPPS has accurate real property information and so that IASWorld has accurate development information needed for correct assessment. Here too, the exchange of information needs to be in real time, and consists of two parts. The part on the side of MAPPS is also already included in the contract price for the MAPPS project. The requested amount is to pay for the part on the IASWorld system to complete the interface.

**d. Post go-live consulting for HR/Payroll, \$30,000**

Experience has taught the ITS Division, that once a new information system is fully implemented, and the County has used it for a period, that opportunities for further improvement and missed requirements are identified which would allow the County to work even more efficiently and effectively in using the new HR/Payroll system. It is also not unusual to be faced with changing requirements from some of the County's external partners, such as the State's ERS, which will prompt modifications to some of the interfaces created for these partners in the initial implementation. All these adjustments will require professional support from the Workday implementation consultants who have helped create the County's system. The requested funding is meant to be able to engage those consultants as necessary.

e. **PM/OCM consulting if no expansion position to implement 1A+3B from Strategic Plan Update, \$250,000**

1A+3B refers to Initiatives identified in the IT Strategic Plan Update completed in December 2018. During the pre-budget presentation, they were identified as critical steps in improving the Supply and Demand Balance, and in implementing the IT Governance structure necessary to manage IT Strategic Decision making. Such structure is necessary to align resources and improve alignment of Demand with the County's Strategic Objectives, so that the limited Supply of IT resources will be used to the organizations, and the community's, greatest benefit. Additional IT staff with specific experience and skill sets are necessary to make this happen. Without any expansion positions proposed by the Administration (ITSD requested several to alleviate the short fall in Supply resources), the Division will need to rely on external professional services to be able to work on the implementation of these critical initiatives.

While the main purpose of these professional services funds is to support the initiatives described in the previous paragraph, ITSD will face similar challenges in other areas if additional staff resources are indeed not provided in FY2020. Other sections of the Division are shorthanded as well, which has and will continue to impact customer support for 2500 employees; application support for the more than 400 applications in use at the County; GIS support for the growing reliance on digital maps—especially for emergency management; and, the ability to maintain and expand the server, data center, and network infrastructure that all IT functions depend on. The requested professional services will only alleviate these other staffing shortage to a limited degree, but will be critically needed to avoid moving backwards.

**Include a status update on MAPPS, HR/Payroll, and other projects that require these components.**

MAPPS is currently in the Configuration-and-Build Stage, which is made up of 11 iterations to review, develop, and validate a total of 144 workflows developed for the permitting and planning processes of the County. Overlapping this stage will be the tracks to develop reports, perform data conversion, and create interfaces. These efforts will continue into the start of the year 2020, followed by more testing and user training before final acceptance. The project schedule still plans to have the system go live in the last quarter of calendar year 2020.

HR/Payroll went live with its core payroll and human resource functions on April 1; the first paycheck from the new Workday system will be issued on April 15. The phase to fully validate and implement the time tracking

component will extend until August of 2019. In parallel with the time tracking phase, the project team will also implement additional HR functions, such as recruiting and performance management.

**What is the cost allocation to departments that benefit from these programs being implemented?**

These programs are truly of an enterprise-wide nature, prompting the placement of the necessary funding to be in the Department of Management, ITS Division. Currently, there is no method in place to allocate (and recover?) cost to departments. ITSD anticipates that in the next few years, the County's financial management system IFAS will be review for upgrade or replacement, at which time cost allocation for IT services to departments can be considered.

**3. Relating to page 10-14 of the Budget Details (index code 904015B, sub-object code 6138, R & M – Services/Contracts), \$1,420,000, explain the purpose of the requests for:**

Note: It is the policy of the County to fund maintenance costs for the County's hardware and software through the ITSD budget, as ITSD is ultimately the principal agency with responsibility for the upkeep of information systems. Before this policy was implemented, departments struggled with this responsibility and at times found themselves faced with tasks and expenses related to information system maintenance they were ill-equipped to handle. The County does not really have an option to decide whether or not to pay these annual fees. If the County does not pay, it loses the right to use the solution and/or will not receive updates, fixes, or support from the vendor.

**a. Workday, \$500,000**

The contract for the implementation and use of the cloud-based Workday HR/Payroll solution has fixed the annual online “subscription” fee for continued use of the software at \$500,000. This fee is based, among other things, on the number of employees at the County and on the modules of the software in use by the County. FY2020 will be the first year that these maintenance and use fees will be paid outside the implementation contract.

**b. InvestiPro (Corporation Counsel), \$15,000**

InvestiPro is an online software solution for conducting (internal) investigations. Corporation Counsel's expertise allowed them to select this solution that was implemented in 2018. This investigation support software will be used by all departments when faced with the need to conduct internal investigations. FY2020 will be the first year that these

annual maintenance and use fees will need to be paid.

**c. Bomgar (Cyber), \$30,000**

Bomgar is a suite of products at the heart of our efforts to protect the County's data and IT resources from cyber-attacks. A component of this suite specifically for the protection of desktop computers used by the County's employees will be fully implemented in FY2019. FY2020 will be the first year that maintenance fees will need to be paid for this solution.

**d. Cloud IAS World, \$155,000**

IASWorld is the software solution in use by the RPA Division to manage the assessment and collection of real property taxes. In FY2020 this software will be upgraded and converted to a cloud-based version. At that time, the maintenance and usage fees for the new version of this critical software solution will be due and payable.

**e. Thales (Cyber), \$12,000**

ITSD uses the Thales solution to manage system logs for forensic investigation in its efforts to prevent or mitigate damage from cyber-attack threats. The acquisition and implementation of this solution was funded through a grant from the Department of Homeland Security. The County will be responsible for the annual maintenance fees. This is an important component of the arsenal of counter measures to protect the County from cyber-attacks.

**f. Mobile Device Management (Cyber), \$70,000**

The increasing reliance on mobile devices by employees for County work responsibilities represents an increasing risk of malware contamination or indirect cyber-attacks. ITSD has selected a Management solution that will be an important tool to reduce the risks associated with the use of these devices. The solution is a cloud-based product that will require annual maintenance and usage fees starting in FY2020.

**g. Project Portfolio Management, \$68,000**

As discussed earlier, providing more Balance between Supply and Demand of IT services is one of the Division's biggest challenges. In FY2019, a project portfolio management solution was selected to help in managing projects and the allocation of IT staff resources for the more than 40 projects active or in the pipeline. The use of this cloud-based solution will require annual maintenance and usage fees, which will start in FY2020.

**h. Exchange Cloud, \$150,000**

ITSD will complete the migration of its email functions off of GroupWise to Microsoft Exchange and Outlook in FY2020. The Exchange solution will be based in the cloud, just like the Council Services' implementation. Annual maintenance and usage fees will be due for the first time in FY2020 for the County's Exchange email solution.

**i. SQL Svr Software Assurance (required per audit), \$20,000**

Microsoft conducted a software license audit of the County of Maui. The SQL Server database licenses must be enrolled in Microsoft's Software Assurance program to permit the County of Maui to use these licenses as it intends in the 3 resilient datacenters. This will have the added benefit of ITSD being in a better position to apply upgrades needed to reduce cyber security risks. In FY2020, these Software Assurance fees will become due for the first time.

**j. Annual support contract cost increase at 10 percent, \$400,000**

Besides the new maintenance funding requested above, the ITS Division manages approximately \$4,000,000 worth of annual hardware, software, and cloud maintenance and usage agreements. It is industry standard, and largely non-negotiable, for vendors to increase these maintenance fees by 10% each year, ostensibly to offset their increasing costs of keeping their products up to date and fully functional. The funding provided in the budget for ITSD to pay these fees for the County's information systems, needs to be adjusted by the same percentage each year.

**Include a status update on Workday, cybersecurity efforts, and other projects that require these components.**

A status on the Workday project was provided above. An update on cybersecurity efforts can be provided in executive session at the appropriate time, but will not be included in this response to protect the County's interests in this matter. The annual maintenance fees funded through this sub-object code are typically for information systems that have emerged from the project stage and are in active deployment.

**What is the cost allocation to departments that benefit from these programs being implemented?**

Annual maintenance fees enterprise-wide are the responsibility of ITSD, prompting the placement of the necessary funding to be in the Department of Management, ITS Division. Currently, there is no method



in place to allocate (and recover?) cost to departments. ITSD anticipates that in the next few years, the County's financial management system IFAS will be review for upgrade or replacement, at which time cost allocation for IT services to programs can be considered.

**Why is the Department of Management reporting a \$15,000 expense for InvestiPro for the benefit of the Department of the Corporation Counsel? Why is this expense not listed under the Department of the Corporation Counsel?**

The Department of the Corporation Counsel played a critical role in the selection of InvestiPro, and will be responsible for guiding the process of departmental internal investigations. The use of InvestiPro will be Countywide. The ITS Division has the expertise to manage the maintenance of the solution and to manage the vendor relationship for this product, and thus should be responsible for the payment of annual maintenance and usage fees, as it is for practically all of the County's information solutions.

**4. Relating to page 10-15 of the Budget Details (index code 904015B, subject code 6230, Registration/Training Fees), \$90,000, explain purpose of the requests for:**

**a. Workday IT Administration, \$20,000**

Once the implementation of the Workday HR/Payroll solution is complete, the County can no longer rely on the implementation consultants to perform technical administration tasks on the system that a customer like the County of Maui is responsible for. During the early months of FY2020, while the final phases of the implementation are being completed, ITSD staff will need to be trained to be ready to perform those administrative responsibilities to ensure that the Workday solution will be properly configured to adjust to changing operational and regulatory requirements.

**b. Ivanti IT Service Management System Upgrade training, \$15,000**

Ivanti is the solution used to create and manage IT Service, Incident, and Change tickets. To ensure the appropriate functionality in support of the County's needs, the solution needs to be periodically reconfigured and upgraded. To avoid costly professional service charges when the Ivanti vendor would perform these tasks, ITSD staff will be trained to be fully prepared to perform such tasks.

**c. Energov Advanced System Administration training, \$45,000**

Energov is the software deployed for the MAPPS project. Before the completion of the project ITSD staff needs to be trained to perform technical administration tasks on the system that a customer like the County of Maui is responsible for. Even during the implementation stages before final deployment, County IT staff needs to be engaged with the vendor to perform such tasks to ensure thorough understanding and competency, necessary for the support of the MAPPS solution after deployment.

**d. Cyber Security Training for three staff, \$45,000**

The ITS Division's Information Security Section consists of three IT staff members. Cyber security threats are changing and expanding constantly. It is imperative that these team members have the opportunity to be informed, educated, and trained continuously to be prepared to protect the data and IT infrastructure to the best of their ability. The cost of remediation and mitigation of a successful cyber-attack far exceeds the cost of training staff consistently.

**Will registration and training fees be incurred annually? Which positions will benefit from this training?**

The IT industry in general, and the cyber security component in particular, changes constantly, rapidly, and dramatically. Training of IT staff is a responsibility that must be taken seriously for the County of Maui to be able to function effectively and efficiently. Training and registration cost will need to be included in the ITSD budget every year, or the challenge to catch up will be so much greater. Training will benefit all positions within the Division.

**5. Relating to page 10-16 of the Budget Details (index code 904015C), explain why equipment listed for the Department of Finance, Department of Planning, Department of the Prosecuting Attorney, and Department of Parks and Recreation are included in the Department of Management's budget.**

The ITS Division is the central IT agency for the County. It has the responsibility for purchasing IT equipment throughout the County. Exceptions are those pieces of equipment that are so specialized for a particular departmental function that the ITS Division lacks the expertise to purchase or maintain. Otherwise, equipment to be purchased is identified and requested by and for the ITS Division for the benefit of all departments in the County. When the equipment is specifically earmarked for expansion positions for departments, the request will be identified as being for the benefit for those departments, maintaining the relationship between equipment and the expansion position. Inclusion in the ITSD budget allows

for the adherence to IT equipment standards and for the benefit of the most favorable pricing available to the ITS Division through quantity purchasing.

Sincerely,

A handwritten signature in black ink, appearing to read "Sandy Baz". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Sandy Baz  
Managing Director