



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
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by
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SCR 44 SD1 / SR 31 SD1 – REQUESTING THE AUDITOR TO EVALUATE THE 2017 UNIVERSITY OF HAWAII INTERNAL AUDIT OF TRAVEL POLICY COMPLIANCE FOR FISCAL YEARS 2015-2017 AND REPORT TO THE LEGISLATURE.

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i is **supportive** of this resolution and appreciates the opportunity to share our progress in managing our travel expenses in a reasonable and appropriate manner.

Travel expenses can be a significant portion of an agency's operating budget. The University has implemented enhanced policies at the Regent Policy level and administration level over the past years to modernize management over operational areas – including travel. For example, the University of Hawai'i leads all other State agencies in implementation of an online travel system (eTravel).

As part of the University's on-going efforts toward continued improvements, the University's Internal Auditor conducted a review of UH Travel Policy Compliance in September 2017. The review identified five areas with recommended corrective actions. All of those have resulted in revisions to system processes or policy, but confirmation or validation that the revisions have resolved issues identified in the audit are still pending. Compliance reviews are typically done annually following an audit review, so I would expect that the Internal Auditor will be reporting their FY19 corrective action update report within the next few months. I believe continued ongoing refinements to capabilities within the system and enhancements to processes, procedures, and policies have also resulted in improvements to areas of compliance and management.

Thank you for this opportunity to testify.