
Report on the Implementation of State Auditor's Recommendations 2021 – 2023

A Report to the Governor
and the Legislature of
the State of Hawai'i

Report No. 25-11
November 2025



OFFICE OF THE AUDITOR
STATE OF HAWAI'I



OFFICE OF THE AUDITOR

STATE OF HAWAI'I

Constitutional Mandate

Pursuant to Article VII, Section 10 of the Hawai'i State Constitution, the Office of the Auditor shall conduct post-audits of the transactions, accounts, programs and performance of all departments, offices and agencies of the State and its political subdivisions.

The Auditor's position was established to help eliminate waste and inefficiency in government, provide the Legislature with a check against the powers of the executive branch, and ensure that public funds are expended according to legislative intent.

Hawai'i Revised Statutes, Chapter 23, gives the Auditor broad powers to examine all books, records, files, papers and documents, and financial affairs of every agency. The Auditor also has the authority to summon people to produce records and answer questions under oath.

Our Mission

To improve government through independent and objective analyses.

We provide independent, objective, and meaningful answers to questions about government performance. Our aim is to hold agencies accountable for their policy implementation, program management, and expenditure of public funds.

Our Work

We conduct performance audits (also called management or operations audits), which examine the efficiency and effectiveness of government programs or agencies, as well as financial audits, which attest to the fairness of financial statements of the State and its agencies.

Additionally, we perform procurement audits, sunrise analyses and sunset evaluations of proposed regulatory programs, analyses of proposals to mandate health insurance benefits, analyses of proposed special and revolving funds, analyses of existing special, revolving and trust funds, and special studies requested by the Legislature.

We report our findings and make recommendations to the governor and the Legislature to help them make informed decisions.

For more information on the Office of the Auditor, visit our website:
<https://auditor.hawaii.gov>

Foreword

This is a report on the follow-up reviews of implementation by state departments and agencies of audit recommendations contained in audits issued in calendar years 2021–2023. We conducted the follow-ups pursuant to Section 23-7.5, Hawai‘i Revised Statutes, which requires the Auditor to report to the Legislature on each recommendation that the Auditor has made that is more than one year old and that has not been implemented by the audited agency.

We wish to express our appreciation for the cooperation and assistance extended to us by the various audited agencies and others whom we contacted during the course of the follow-up reviews.

Leslie H. Kondo
State Auditor

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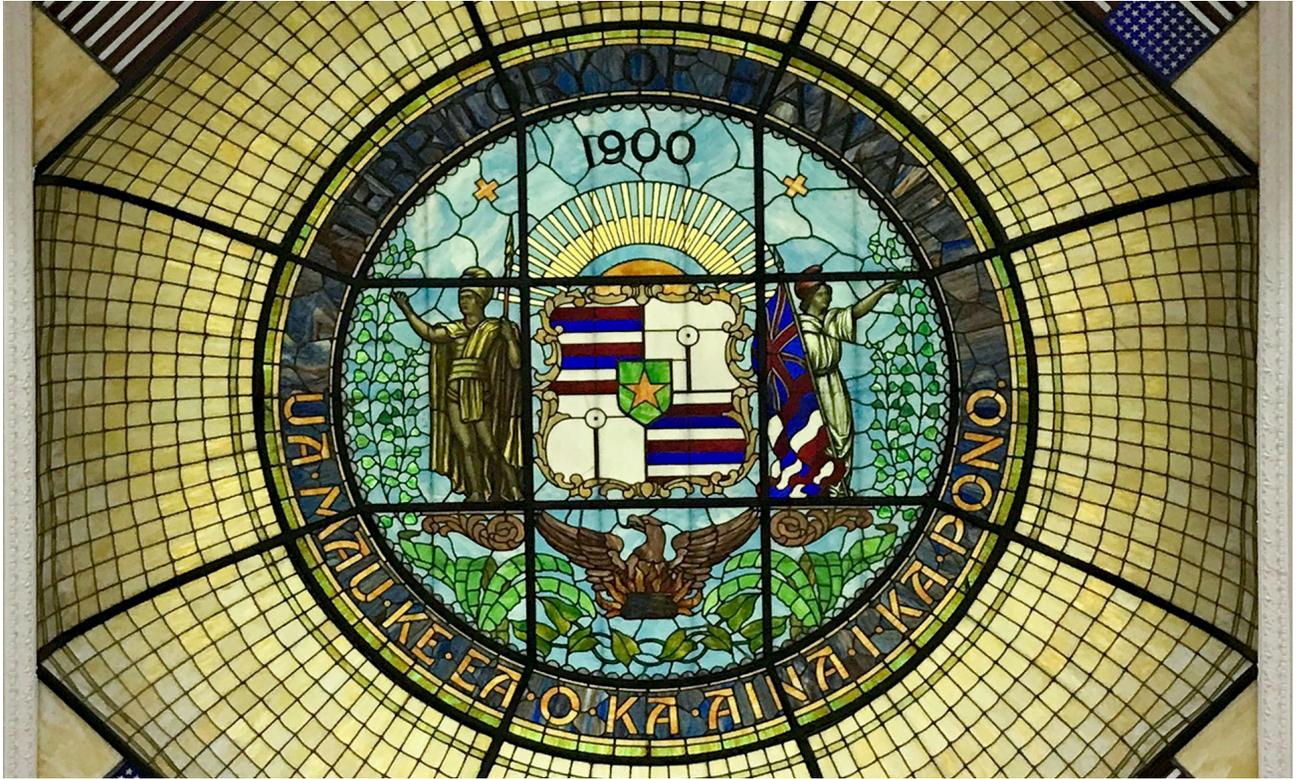


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Status of Implementation of Audit Recommendations from Reports Issued 2021 – 2023

Section 23-7.5, Hawai‘i Revised Statutes, requires the Auditor to report to the Legislature annually on each audit recommendation more than one year old that has not been implemented by the audited agency. Our office follows up on recommendations in two ways. First, on an annual basis, we send requests to the agencies for status of implementation of our recommendations and details on steps taken toward implementation. Second, we conduct an active follow-up two to three years after issuance of the audit report containing recommendations and issue a separate follow-up report. Here, we report the latest status on the implementation of recommendations made in our reports issued from 2021 to 2023.

Introduction

EVERY YEAR, we follow up on recommendations made in our audit reports. We ask agencies to provide us with the status of their implementation of the recommendations made as part of our audit starting a year after the report was issued. After two or three years, we conduct a more rigorous follow-up review. Those

Definition of Terms

WE DEEM recommendations:

Implemented

where the department or agency provided sufficient and appropriate evidence to support all elements of the recommendation;

Partially Implemented

where some evidence was provided but not all elements of the recommendation were addressed;

Not Implemented

where evidence did not support meaningful movement towards implementation, and/or where no evidence was provided;

Not Implemented - N/A

where circumstances changed to make a recommendation not applicable; and

Not Implemented - Disagree

where the department or agency disagreed with the recommendation, did not intend to implement, and no further action will be reported.

reviews, which we refer to as “active reviews,” include interviewing selected personnel from the agency and examining the agency’s relevant policies, procedures, records, and documents to assess whether action on recommendations has been taken. Our efforts are limited to reviewing and reporting on an agency’s implementation of recommendations made in the original audit report. We do not explore new issues or revisit issues from the report unrelated to our original recommendations.

From 2021 to 2023, we made 88 audit recommendations. Based on information self-reported by the agencies and information from active reviews, 74 of those recommendations have been partially or fully implemented.

In 2020, we suspended work on ongoing audits so those auditees could adjust to performing their work remotely and address COVID-19-related issues. During that time, we performed a series of limited scope reviews and financial reporting on pandemic-related issues such as contact tracing, reporting of cases, suspension of tax breaks during difficult fiscal times, and amounts in special and revolving funds. These reports were specifically applicable to the challenges facing our state in 2020, so any recommendations in those reports are not included in our count, and no follow-up on the implementation status of recommendations contained in those reports was warranted.

We based our scope and methodology on guidelines published by the United States Government Accountability Office (GAO) – formerly the General Accounting Office – including *How to Get Action on Audit Recommendations* and *Government Auditing Standards*, as well as on Section 23-7.5, Hawai‘i Revised Statutes (HRS).

According to the GAO, saving tax dollars, improving programs and operations, and providing better service to the public represent audit work’s “bottom line.” Recommendations are the vehicles by which these objectives are sought. However, it is action on recommendations – not the recommendations themselves – that helps government work better. Effective follow-up is essential to realizing the full benefits of audit work.

Audit Recommendations Implementation Reports Issued 2021 – 2023

Determining progress

The time it takes an agency to implement a recommendation depends on the type of recommendation. While some fall fully within the purview of an audited agency and can be addressed relatively quickly, others may deal with complex problems, involve multiple agencies, or require legislative action, resulting in a longer implementation period. We recognize ample time should be afforded to agencies implementing recommendations for a follow-up system to be useful and relevant.

With those observations in mind, we have determined an “active” follow-up effort, where we review and assess an agency’s efforts to implement our recommendations, is most effective and relevant if conducted two to three years after publication of an audit report. Too short an interval between audit report and follow-up might not give agencies enough time to implement; too long might allow agencies to lose valuable personnel and institutional knowledge needed to implement change. This is consistent with the GAO’s experience that action on recommendations usually occurs in the first three years after the recommendation is made.

Our current policy is to conduct follow-ups on recommendations for a five-year period after issuance of the report. After this time, further action on recommendations is unlikely. At that point, a new audit may be more appropriate.

The following pages present our summaries of the most recent status for recommendations from reports issued in the last five years. In many cases, the latest status is based on the agencies’ responses to our formal requests for an updated status of implementation of our recommendations.

It is important to stress that, unlike our “active” follow-up reports, the agencies’ responses to our requests for updates are just that – status as reported by the agencies themselves. Reporting of these responses is not based on an independent assessment by our office. However, the responses do represent the most recent status available to us.

Copies of our reports, including active follow-up reports, are available on our website at <https://www.auditor.hawaii.gov/>.



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REPORT NO. 21-01
Audit of the Agribusiness Development Corporation



IN REPORT NO. 21-01, *Audit of the Agribusiness Development Corporation*, we found that the Agribusiness Development Corporation (ADC) had done little – if anything – to facilitate the development of agricultural enterprises to replace the economic loss created by the demise of the sugar and pineapple industries. Instead of leading the State’s agricultural transformation, ADC primarily manages 4,257 acres of land it started acquiring in 2012 as well as the Waiāhole Water System on O’ahu. Yet, we found that the corporation struggles to manage its lands, challenged by the myriad duties required for effective land management. We also found that ADC’s Board of Directors, as the head of the corporation, has provided minimal guidance and oversight of ADC’s operations.

In 2022, we issued a formal request for information to ADC on the status of audit recommendations from Report No. 21-01. The agency reported that 26 of our recommendations had been at least partially implemented,

and the 10 recommendations not implemented they either disagreed with or felt were no longer applicable.

In 2023, we issued another formal request for information on the status of audit recommendations. The agency reported that 25 of our recommendations had been at least partially implemented and 11 had not been implemented. Of the 11 recommendations not implemented, the agency disagreed with two, and noted that six were no longer applicable.

In November 2023, we received an update from the agency informing us that of the recommendations made to ADC, 25 had been implemented and six were no longer applicable. Of the five recommendations made to ADC’s Board of Directors, all five had been implemented.

The following is a list of recommendations made and a chronological summary of our follow-up efforts. Any findings by the Office of the Auditor are highlighted in yellow.

Recommendation	Status of Recommendation
<p>(1.) ADC should update and revise its mission statement to reflect the corporation's purpose more completely as intended by the Legislature to address, among other things, facilitating the development of Hawai'i-based agricultural enterprises and strategies to promote, market, and distribute Hawai'i-grown agricultural crops and value-added products in local, national, and international markets.</p>	<ul style="list-style-type: none"> <li data-bbox="797 369 1211 443"> <p>2023: ADC reports Implemented Self-reported November 16, 2023.</p> <li data-bbox="797 474 1211 548"> <p>2023: ADC reports Implemented Self-reported February 14, 2023.</p> <li data-bbox="797 579 1211 632"> <p>2022: ADC reports Implemented Self-reported March 4, 2022.</p>
<p>(2.) ADC should develop goals, objectives, policies, and priority guidelines that articulate and outline an agribusiness development strategy.</p>	<ul style="list-style-type: none"> <li data-bbox="797 762 1211 835"> <p>2023: ADC reports Implemented Self-reported November 16, 2023.</p> <li data-bbox="797 867 1211 940"> <p>2023: ADC reports Implemented Self-reported February 14, 2023.</p> <li data-bbox="797 972 1211 1024"> <p>2022: ADC reports Implemented Self-reported March 4, 2022.</p>
<p>(3.) ADC should develop an inventory of agricultural lands with adequate water resources that are or will become available due to the downsizing of the sugar and pineapple industries or for any other reason that can be used to meet present and future agricultural production needs.</p>	<ul style="list-style-type: none"> <li data-bbox="797 1085 1211 1159"> <p>2023: ADC reports Implemented Self-reported November 16, 2023.</p> <li data-bbox="797 1190 1312 1264"> <p>2023: ADC reports Partially Implemented Self-reported February 14, 2023.</p> <li data-bbox="797 1295 1312 1348"> <p>2022: ADC reports Partially Implemented Self-reported March 4, 2022.</p>
<p>(4.) ADC should develop an inventory of agricultural infrastructure that was or will be abandoned by the sugar and pineapple industries or by any other organization involved in the production of agricultural products such as irrigation systems, drainage systems, processing facilities, and other accessory facilities.</p>	<ul style="list-style-type: none"> <li data-bbox="797 1404 1211 1478"> <p>2023: ADC reports Implemented Self-reported November 16, 2023.</p> <li data-bbox="797 1509 1312 1583"> <p>2023: ADC reports Partially Implemented Self-reported February 14, 2023.</p> <li data-bbox="797 1614 1312 1667"> <p>2022: ADC reports Partially Implemented Self-reported March 4, 2022.</p>

Recommendation

(5.) ADC should prepare an analysis of imported agricultural products and the potential for increasing local production to replace imported products in a manner that complements existing local producers and increases Hawai'i's agricultural self-sufficiency.

Status of Recommendation

2023: ADC reports Not Implemented - N/A

Self-reported November 16, 2023, stating:

“The language was removed when [Section] 163D-5(a)(3) [of the Hawai‘i Revised Statutes] was amended. The task of analyzing the replacement of imported foods with local foods was removed from the Hawaii Agribusiness Plan. The new language tasks ADC with ‘Strategies for federal, state, county and community stakeholder actions that will promote the development and enhancement of Hawai‘i’s agricultural industries.’”

2023: ADC reports Not Implemented - N/A

Self-reported March 16, 2023*, stating:

“[Section] 163D-5(a)(3) [of the Hawai‘i Revised Statutes] was amended and the language was removed.

The task of analyzing the replacement of imported foods with local foods was removed from the Hawaii Agribusiness Plan. However, incentivizing farmers to attain USDA Good Agricultural Practices certification and to grow products that consumers want in affordable and sustainable ways, and which retailers will then sell, is a prerequisite to large scale local production. (Local farmers’ markets and Community Supported Agriculture have been available for a while, but have been unable to replace the large retail stores that import produce.)”

*Original response was dated February 14, 2023, but an amended response was sent via email on March 16, 2023.

2022: ADC reports Not Implemented

Self-reported March 4, 2022, stating:

“There is currently legislation that proposes to substantially change ADC’s focus, including whether ADC should be tasked with analyzing imports or exports or both.”

Recommendation

(6.) ADC should develop financial and other programs (such as advisory, consultative, training, and educational) to promote and facilitate the development of diversified agriculture and agricultural enterprises.

Status of Recommendation

2023: ADC reports Implemented

Self-reported November 16, 2023.

2023: ADC reports Not Implemented

Self-reported February 14, 2023, stating:

“Some of this task is duplicative of the Agricultural Loan program within the Department of Agriculture. The University of Hawaii extension service has staff and crop specialist on all the counties who visit farmers including the farmers on ADC property. The ADC works with the Natural Resources Conservation service as part of our leasing process and they provide expertise in soil management and may provide funding for some of their practices.

Because farming is a business, permitting and licensing functions and related training are already managed by various county, state, and federal offices.

The ADC is working to add staff to provide financial expertise, Accountant IV and V. We will work to add education training programs for farmer use by using and adapting existing materials from other departments or exterior sources. The tasks are ongoing and although filling the vacant positions will help to assemble these resources, we plan to use existing staff until the positions are filled.”

2022: ADC reports Not Implemented

Self-reported March 4, 2022, stating:

“With respect to financial programs, see Detailed Response to Recommendation No. 5. Additionally, this task is duplicative of the Agricultural Loan program within the Department of Agriculture.

With respect to ‘other program (such as advisory, consultative, training, and educational)’, these types of activities benefit, and likely would be used, if at all, by small farmers. With respect to small farmers, see Detailed Response to Recommendation No. 5. With respect to large farmers, ADC’s large farmers are typically owned or controlled by national or international corporate entities who likely have their own programs.”

Recommendation

(7.) ADC should develop feasible strategies for the promotion, marketing, and distribution of Hawai'i agricultural crops and value-added products in local, national, and international markets.

Status of Recommendation

2023: ADC reports Not Implemented - N/A

Self-reported November 16, 2023, stating:

“Statute 163D-5(a)(5) was amended, and the language was removed.”

2023: ADC reports Not Implemented - N/A

Self-reported March 16, 2023*, stating:

“[Section] 163D-5(a)(5) [of the Hawai‘i Revised Statutes] was amended and the language was removed.

This work is produced by other departments and divisions and ADC plans to make use of existing studies to support the industry. DBEDT has resources to support ADC if there is a need to update studies.”

*Original response was dated February 14, 2023, but an amended response was sent via email on March 16, 2023.

2022: ADC reports Not Implemented

Self-reported March 4, 2022, stating:

“See Detailed Response to Recommendation No. 5.”

(8.) ADC should develop strategies to ensure the provision of adequate air and surface transportation services and associated facilities to support the agricultural industry in meeting local, national, and international market needs.

2023: ADC reports Not Implemented - N/A

Self-reported November 16, 2023, stating:

“Statute 163D-5(a)(5) was amended, and the language was removed.”

2023: ADC reports Not Implemented - N/A

Self-reported March 16, 2023*, stating:

“[Section] 163D-5(a)(5) [of the Hawai‘i Revised Statutes] was amended and the language was removed.

ADC has reached out to work with the foreign trade zone to support agricultural product aggregation and storage sites near transportation hubs and will continue to work with them.”

*Original response was dated February 14, 2023, but an amended response was sent via email on March 16, 2023.

2022: ADC reports Not Implemented

Self-reported March 4, 2022, stating:

“See Detailed Response to Recommendation No. 5. Additionally, ADC has previously commissioned a transportation study whose findings remain applicable today.”

Recommendation	Status of Recommendation
<p>(9.) ADC should develop proposals to improve data collection and the timely presentation of information on market demands and trends that can be used to plan future harvests and production.</p>	<ul style="list-style-type: none"> <li data-bbox="799 365 1386 516"> <p>2023: ADC reports Not Implemented - N/A Self-reported November 16, 2023, stating: “Statute 163D-5(a)(5) was amended, and the language was removed.”</p> <li data-bbox="799 554 1386 936"> <p>2023: ADC reports Not Implemented - N/A* Self-reported March 16, 2023**, stating: “[Section] 163D-5(a)(5) [of the Hawai‘i Revised Statutes] was amended and the language was removed.</p> <p>This task is duplicative of work that is, or should be, conducted by USDA, CTAHR and HDOA.”</p> <p>*Response indicated status as both “Not Implemented – N/A” and “Not Implemented – Disagree”. Based on our review of the Detailed Response, we believe “Not Implemented – N/A” is the intended response.</p> <p>**Original response was dated February 14, 2023, but an amended response was sent via email on March 16, 2023.</p> <li data-bbox="799 1050 1386 1220"> <p>2022: ADC reports Not Implemented - Disagree Self-reported March 4, 2022, stating: “See Detailed Responses to Recommendation Nos. 5 and 6. Additionally, this task is duplicative of work that is, or should be, conducted by CTAHR and HDOA.”</p>
<p>(10.) ADC should develop strategies for federal and state legislative actions that will promote the development and enhancement of Hawai‘i’s agricultural industries.</p>	<ul style="list-style-type: none"> <li data-bbox="799 1283 1211 1352"> <p>2023: ADC reports Implemented Self-reported November 16, 2023.</p> <li data-bbox="799 1390 1211 1459"> <p>2023: ADC reports Implemented Self-reported February 14, 2023.</p> <li data-bbox="799 1497 1211 1541"> <p>2022: ADC reports Implemented Self-reported March 4, 2022.</p>
<p>(11.) ADC should prepare, and revise as required, the Hawai‘i Agribusiness Plan.</p>	<ul style="list-style-type: none"> <li data-bbox="799 1604 1211 1673"> <p>2023: ADC reports Implemented Self-reported November 16, 2023.</p> <li data-bbox="799 1711 1211 1780"> <p>2023: ADC reports Implemented Self-reported February 14, 2023.</p> <li data-bbox="799 1818 1211 1862"> <p>2022: ADC reports Implemented Self-reported March 4, 2022.</p>

Recommendation

(12.) ADC should prepare short- and long-range strategic plans to facilitate development of Hawai'i-based agricultural enterprises to grow and export agricultural crops and value-added products.

Status of Recommendation

2023: ADC reports Implemented

Self-reported November 16, 2023.

2023: ADC reports Not Implemented

Self-reported February 14, 2023, stating:

“ADC has been in discussion with Office of Planning within DBEDT to contract the strategic planning process with ADC.

ADC was approved \$90K to contract a planner. After talking with planning companies it was determined that working with DBEDT office of special planning is best suited for this type of work. ADC is developing a scope of work and OP will be working with ADC on this planning process for ADC managed property.”

2022: ADC reports Not Implemented

Self-reported March 4, 2022, stating:

“See Detailed Response to Recommendation No. 5.”

(13.) ADC should, for each project, prepare or coordinate the preparation of business and agricultural development plans, as required by Section 163D-7, HRS.

2023: ADC reports Implemented

Self-reported November 16, 2023.

2023: ADC reports Not Implemented

Self-reported February 14, 2023, stating:

“With the approval of the ADC board, the ADC has leased agriculture lands to farmers who present their farming plan to the board for review. The ADC does not provide a plan for farmers to follow. ADC works with a farmer to understand the needs and if possible support the farmer with the infrastructure to successfully prep, plant, harvest and market a crop.

The ADC has worked to add infrastructure to vacant land and with the support of consultants and contractors installed a network of reservoirs and main waterlines and this work continues.”

2022: ADC reports Not Implemented

Self-reported March 4, 2022, stating:

“ADC is currently developing the infrastructure, similar to being in the midst of construction of building. Development plans for the use of the infrastructure should be developed. Out-sourcing assistance for this task will be required in the near future.”

Recommendation

Status of Recommendation

(14.) ADC should evaluate retaining consultants and other outside technical assistance to develop a current Hawai‘i Agribusiness Plan, short- and long-term strategic plans, business and agricultural development plans, and other tasks necessary to carry out the purposes of Chapter 163D, HRS.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Implemented**
Self-reported March 4, 2022.

(15.) ADC should obtain and document approval by the Board of Agriculture for agricultural projects, agricultural development plans, and project facility programs, before implementation, as required by Section 163D-8.5, HRS.

- **2023: ADC reports Not Implemented - N/A**
Self-reported November 16, 2023, stating:
“[Section] 163D-8.5 [of the Hawai‘i Revised Statutes] was repealed. ADC is now under the Department of Business & Economic Development administratively.”
- **2023: ADC reports Not Implemented - N/A**
Self-reported March 16, 2023*, stating:
“[Section] 163D-8.5 [of the Hawai‘i Revised Statutes] was repealed.

The ADC board reviews and determines if a project is approved or not.”

*Original response was dated February 14, 2023, but an amended response was sent via email on March 16, 2023.
- **2022: ADC reports Implemented**
Self-reported March 4, 2022.

Recommendation

(16.) ADC should obtain from the Board of Agriculture its policies and procedures for approval of ADC’s projects under Section 163D-8.5, HRS, including any delegations of authority.

Status of Recommendation

2023: ADC reports Not Implemented - N/A

Self-reported November 16, 2023, stating:

“[Section] 163D-8.5 [of the Hawai‘i Revised Statutes] was repealed... After review by the Attorney General, it was determined ADC is compliant with Chapter 163D.”

2023: ADC reports Not Implemented - N/A

Self-reported March 16, 2023*, stating:

“[Section] 163D-8.5 [of the Hawai‘i Revised Statutes] was repealed.

The Department of Agriculture Chair, along with the Department of Land and Natural Resources and Department of Business, Economic Development and Tourism designees all sit on both the ADC board and the Department board. Additionally, the Department of the Attorney General has assured us that our current practice complies with Chapter 163D.”

*Original response was dated February 14, 2023, but an amended response was sent via email on March 16, 2023.

2022: ADC reports Implemented & Not Implemented

Self-reported March 4, 2022, stating:

“See Detailed Response to Recommendation No. 5. Additionally, the Department of Agriculture Chair, and the Department of Land and Natural Resources and Department of Business, Economic Development and Tourism designees sit on both the ADC board and the Department board. Finally, the Department of the Attorney General is in accord with ADC’s method of compliance.”

(17.) ADC should, twenty days before each legislative session, submit a report of the corporation’s plans and activities to the Legislature and Governor, as required by Section 163D-19, HRS.

2023: ADC reports Implemented

Self-reported November 16, 2023.

2023: ADC reports Implemented

Self-reported February 14, 2023.

2022: ADC reports Implemented

Self-reported March 4, 2022.

Recommendation

Status of Recommendation

(18.a.) ADC should develop written policies and procedures relating but not limited to ADC Board oversight. The policies and procedures should address, among other things, the matters or types of matters that must be presented to the Board for information, consideration, and/or action; criteria establishing the actions which the Executive Director may authorize without the Board's approval, including powers delegated by the Board to the Executive Director, if any, as well as the process to periodically review the delegated authority; and the recordation of actions taken by the Board, which may include, among other things, confirmation of the Board's approvals, approvals with amendments, rejections, and/or deferrals.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Partially Implemented**
Self-reported March 4, 2022.

(18.b.) ADC should develop written policies and procedures relating but not limited to land and other ADC-owned property disposition application processes. The policies and procedures should address, among other things, the internal processes for evaluating applications for use of ADC-owned property (license, permit, right of entry, etc.), including criteria upon which applications are evaluated; and checklists to document completion of each step of the process, receipt of required information, and timely communication with the applicant.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Partially Implemented**
Self-reported March 4, 2022.

Recommendation

(18.c.) ADC should develop written policies and procedures relating but not limited to property management. The policies and procedures should address, among other things, the process to confirm the receipt of all required documentation and other information, such as certificates or other evidence of compliance with federal and state requirements, performance bonds or other security, certificates or other evidence of insurance; for inspection of ADC properties, including the information or types of information that should be documented and the frequency of inspections; for enforcement of license/permit/right-of-entry terms and conditions, including, issuance of notices of default; to evaluate the need for and type of security measures for a specific parcel; and to document completion of required processes or activities.

Status of Recommendation

2023: ADC reports **Implemented**

Self-reported November 16, 2023.

2023: ADC reports **Implemented**

Self-reported February 14, 2023.

2022: ADC reports **Partially Implemented**

Self-reported March 4, 2022.

(18.d.) ADC should develop written policies and procedures relating but not limited to file and document management. The policies and procedures should address, among other things, the types of documents retained by ADC and organization of those documents; staff responsibility for performing each file and document management task; document retention; and reporting of any release of personal information.

2023: ADC reports **Implemented**

Self-reported November 16, 2023.

2023: ADC reports **Partially Implemented**

Self-reported February 14, 2023.

2022: ADC reports **Partially Implemented**

Self-reported March 4, 2022.

(19.) ADC should create an electronic database that includes, among other things, an inventory of the corporation's lands, improvements, and other assets. The database should include all information reasonably necessary to manage those assets, such as the material terms of licenses, permits, rights of entry, and other agreements to use or occupy ADC assets; and should allow ADC to generate reports necessary for management of its assets, such as current tenant lists, vacancy rates, rent rolls, rent reopening dates, and license, permit, or right of entry termination dates.

2023: ADC reports **Implemented**

Self-reported November 16, 2023.

2023: ADC reports **Partially Implemented**

Self-reported March 16, 2023*.

*Status submitted March 16, 2023, but response dated March 4, 2022.

2022: ADC reports **Partially Implemented**

Self-reported March 4, 2022.

Recommendation

Status of Recommendation

(20.) ADC should create a filing system (or electronic document management system) that maintains documents in an organized manner and allows for the efficient retrieval of documents and/or files.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Partially Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Partially Implemented**
Self-reported March 4, 2022.

(21.) ADC should evaluate the retention of a private property management company to manage some or all of ADC's properties.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
 - **2023: ADC reports Not Implemented - Disagree**
Self-reported February 14, 2023, stating:

“Hiring a consultant whose job can be performed by a union position requires exemption approvals. Prior property managers out-sourced by ADC via contract were not able to do all things that a property manager typically does because the scope of work of the property manager had to accommodate the fact that the vendor would not be doing union-type of work. ADC questions how other departments are able to outsource property management work without exemptions.

The better solution is to create a property manager position within ADC. This would help ADC with its property management responsibilities while not violating collective bargaining agreements with the State.”
 - **2022: ADC reports Implemented**
Self-reported March 4, 2022.
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Recommendation

(22.) ADC should promulgate administrative rules to address, among other things, the application process for the use of ADC lands and other assets, including ADC’s process for evaluating applications; ADC’s administration and enforcement of the terms and conditions of licenses, permits, rights of entry, and other conveyance instruments, including those relating to inspections, notices of default, termination, eviction, and appeal rights; criteria and other procedures to create subsidiaries; criteria and other procedures to coventure, i.e., to invest in qualified securities of an agricultural enterprise, and to make direct investment in an agricultural enterprise; criteria and other procedures to apply and qualify for allowances and grants; criteria and other procedures to exercise ADC’s right of withdrawal from licenses, permits, and rights of entry; and criteria and other procedures to apply and qualify for rent credits.

(23.) ADC should evaluate the need to procure insurance against loss in connection with ADC-owned properties.

Status of Recommendation

2023: ADC reports Implemented

Self-reported November 16, 2023.

2023: ADC reports Implemented*

Self-reported February 14, 2023.

*Response indicated status as both “Implemented” and “Not Implemented – Disagree”. Based on our review of the Detailed Response, we believe “Implemented” is the intended response.

2022: ADC reports Not Implemented & Not Implemented - Disagree

Self-reported March 4, 2022.

[There was no Detailed Response.]

2023: ADC reports Implemented

Self-reported November 16, 2023.

2023: ADC reports Not Implemented - Disagree

Self-reported February 14, 2023, stating:

(same as below)

2022: ADC reports Not Implemented - Disagree

Self-reported March 4, 2022, stating:

“The State of Hawaii is self-insured. All property owned by ADC is included in its inventory, and is afforded coverage. Additionally, all ADC tenants are required to carry liability, and if applicable, property insurance, to name ADC as an additional insured under their policies, and to provide proof of insurance on an annual basis. To the extent that a tenant has an extraordinary activity being conducted on ADC property, ADC can require additional riders as conditions of a tenant’s tenure.”

Recommendation	Status of Recommendation
<p>(24.) ADC should obtain an opinion from the State Procurement Office as to whether the corporation's practice of offering negotiated rent credits to tenants and prospective tenants in exchange for services in common areas, unoccupied properties, or properties occupied by other tenants, such as road and reservoir construction, and/or materials is permitted under the Hawai'i Procurement Code.</p>	<ul style="list-style-type: none"><li data-bbox="799 365 1214 436">• 2023: ADC reports Implemented Self-reported November 16, 2023.<li data-bbox="799 470 1198 541">• 2023: ADC reports Implemented Self-reported February 14, 2023.<li data-bbox="799 575 1390 709">• 2022: ADC reports Not Implemented - Disagree Self-reported March 4, 2022, stating: "ADC has requested advice from the Department of the Attorney General on this recommendation."
<p>(25.) ADC should attend training on the Hawai'i Procurement Code, Chapter 103D, HRS.</p>	<ul style="list-style-type: none"><li data-bbox="799 768 1214 840">• 2023: ADC reports Implemented Self-reported November 16, 2023.<li data-bbox="799 873 1198 945">• 2023: ADC reports Implemented Self-reported March 16, 2023*. *Status submitted March 16, 2023, but response dated March 4, 2022.<li data-bbox="799 1062 1198 1121">• 2022: ADC reports Implemented Self-reported March 4, 2022.
<p>(26.) ADC should fill vacant staff positions with qualified persons in a timely manner.</p>	<ul style="list-style-type: none"><li data-bbox="799 1184 1214 1255">• 2023: ADC reports Implemented Self-reported November 16, 2023.<li data-bbox="799 1289 1198 1360">• 2023: ADC reports Implemented Self-reported February 14, 2023.<li data-bbox="799 1394 1198 1444">• 2022: ADC reports Implemented Self-reported March 4, 2022.
<p>(27.) ADC should develop and document annual performance goals and measures for each staff.</p>	<ul style="list-style-type: none"><li data-bbox="799 1509 1214 1581">• 2023: ADC reports Implemented Self-reported November 16, 2023.<li data-bbox="799 1614 1198 1686">• 2023: ADC reports Implemented Self-reported February 14, 2023.<li data-bbox="799 1719 1198 1770">• 2022: ADC reports Implemented Self-reported March 4, 2022.

Recommendation

Status of Recommendation

(28.) ADC should evaluate each staff's performance annually and document that evaluation.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Implemented**
Self-reported March 4, 2022.

(29.) The Board of Directors should develop and document annual goals and performance measures for the Executive Director that allow the Board to evaluate the Executive Director's work, annually, to ensure compliance by the corporation with statutory requirements and achievement of its statutory purposes, among other things.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Implemented**
Self-reported March 4, 2022.

(30.) The Board of Directors should evaluate the Executive Director's performance annually based on the annual goals, performance measures, and other relevant criteria; document that evaluation.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Implemented**
Self-reported March 4, 2022.

(31.) The Board of Directors should document the specific authority delegated to the Executive Director, including, but not limited to, the types of access and use of ADC property for which the Executive Director can approve without notice to or approval by the Board; and the rent credits and other amendments to Board-approved contract terms for which the Executive Director can approve without notice to or approval by the Board.

- **2023: ADC reports Implemented**
Self-reported November 16, 2023.
- **2023: ADC reports Implemented**
Self-reported February 14, 2023.
- **2022: ADC reports Implemented**
Self-reported March 4, 2022.

Recommendation	Status of Recommendation
<p>(32.) The Board of Directors should attend training on the State's open meetings law (the Sunshine Law), Part I of Chapter 92, HRS.</p>	<ul style="list-style-type: none"><li data-bbox="760 363 1219 436">• 2023: ADC reports Implemented Self-reported November 16, 2023.<li data-bbox="760 468 1219 541">• 2023: ADC reports Implemented Self-reported February 14, 2023.<li data-bbox="760 573 1219 646">• 2022: ADC reports Implemented Self-reported March 4, 2022.
<p>(33.) The Board of Directors should ensure that the Board's minutes sufficiently document "[t]he substance of all matters proposed, discussed, or decided," among other things, as required by Section 92-9(a) (3), HRS.</p>	<ul style="list-style-type: none"><li data-bbox="760 688 1219 762">• 2023: ADC reports Implemented Self-reported November 16, 2023.<li data-bbox="760 793 1219 867">• 2023: ADC reports Implemented Self-reported February 14, 2023.<li data-bbox="760 898 1219 951">• 2022: ADC reports Implemented Self-reported March 4, 2022.



PHOTO: DEPARTMENT OF PUBLIC SAFETY

REPORT NO. 22-05

Audit of the Department of Public Safety

<hr/> <p>Number of Recommendations: 4</p> <hr/> <p>Number of Recommendations Partially or Fully Implemented: 4</p> <hr/> <p>Percent Partially or Fully Implemented: 100%</p> <hr/>	<h3 style="margin-top: 0;">Audit Recommendations by Status</h3> <p>In Report No. 22-05, we made a total of 4 recommendations to the agency.</p> <div style="display: flex; align-items: center; margin-top: 10px;"> <div style="display: flex; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> </div> </div> <div style="margin-top: 10px;"> <ul style="list-style-type: none"> Implemented Partially Implemented Not Implemented Not Implemented - N/A Not Implemented - Disagree </div> <p style="text-align: right; margin-top: 20px;">Source: Office of the Auditor</p>
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IN REPORT NO. 22-05, *Audit of the Department of Public Safety*, we found that the Department of Public Safety (PSD) used an outdated shift relief factor that was calculated more than five decades ago. To determine the number of security staff positions (Adult Correctional Officers or ACOs) needed to safely operate facilities without having to close posts, suspend inmate programs, re-assign ACOs, and rely on significant amounts of overtime, correctional institutions employ a staffing multiplier called a shift relief factor, an important metric that accounts for staff absences. PSD also had not developed a process to accurately and consistently collect the data needed to calculate the shift relief factor. Without an up-to-date and accurate shift relief factor, the department does not know the number of ACO positions it needs to operate its correctional facilities, and as a result, its wardens must routinely resort to “band-aid” solutions to cover security posts in their facilities: closing posts, suspending inmate programs, re-assigning staff, and excessive overtime.

In 2023, we issued a formal request for information to PSD on the status of audit recommendations from Report No. 22-05. The agency reported that three of our recommendations had been implemented, and one recommendation was not implemented.

In 2024, we issued another formal request for information on the status of audit recommendations. The Department of Public Safety was reorganized earlier that year, so the request was directed to the Department of Corrections and Rehabilitation (DCR). The agency still reported the one recommendation as not implemented.

In 2025, we issued another formal request for information on the status of audit recommendations. The agency reported the remaining recommendation was now partially implemented.

The following is a list of recommendations made and a chronological summary of our follow-up efforts. Any findings by the Office of the Auditor are highlighted in yellow.

Recommendation

(1.) The Department should update its shift relief factor using actual ACO leave and attendance data (instead of calculating the shift relief factor based on the amount of leave an ACO is legally entitled to use). In addition to when ACOs are out on scheduled and unscheduled leave, the data should include the number of hours (or days) ACOs are unable to work at their assigned posts because of required training or other temporary reassignments, among other things.

Status of Recommendation

2025: DCR reports **Partially Implemented**

Self-reported August 29, 2025.

2024: DCR reports **Not Implemented**

Self-reported September 7, 2024, stating:

“Consistent with the detailed response dated 7/28/23, it remains difficult to determine an effective Shift Relief Factor (SRF) when utilizing factors that are unknown or not static. As of 6/30/2024, our ACO vacancy rate was at 30%, or 70% staffing. We do not have an adequate baseline to determine what our actual needs are. If a new SRF is formulated which would require a request to the legislature for additional staffing, DCR continues to believe it would be unreasonable and fiscally irresponsible towards the taxpayers of Hawaii since we are unable to fill our positions at our current SRF of 1.65 per seven (7) day post and 1.25 per five (5) day post. DCR continues to believe our SRF needs to be evaluated once we are at 90% staffing level to more accurately determine the effects on operations and proper levels of staffing. In 2024, DCR increased recruitment efforts for Adult Corrections Officer (ACO) positions and added additional ACO academy classes in an effort to increase our staffing levels statewide.”

2023: PSD reports **Not Implemented**

Self-reported July 28, 2023, stating:

“The shift relief factor may be better known by utilizing this methodology, however the term ‘unscheduled’ will be so inconsistent, the changes will bring instability in the calculations. Vacancies are also not factored in and even if they were, the unpredictability of them will distort the data even more since they are not static. It is difficult to determine an effective SRF when utilizing factors that are unknown or not static.

PSD is only able to extract data from August of 2021, that is the date PSD started using the Hawaii Information Portal system (HIP) that is now used to collect and track time and attendance data. The NIC model will require three years of data to formulate the SRF.”

Recommendation

Status of Recommendation

(2.) The Department should prioritize the collection of accurate and timely ACO leave and attendance data needed to calculate an accurate and up-to-date shift relief factor and communicate that priority as well as the purpose and objective of collecting the data to correctional facility wardens and other department personnel who are responsible for the leave and attendance data.

2023: PSD reports **Implemented**

Self-reported July 28, 2023.

(3.) The Department should develop policies, procedures, and processes to ensure each correctional facility operated by the department collects and compiles complete and consistent time and attendance data necessary to compute an accurate and up-to-date shift relief factor.

2023: PSD reports **Implemented**

Self-reported July 28, 2023.

(4.) The Department should develop an automated process or processes to collect and compile the leave and attendance data needed to calculate an accurate and up-to-date shift relief factor. If the department re-purposes the existing Kamakani tool to collect and compile the leave and attendance data needed to compute its shift relief factor, we recommend that the department consider Kamakani to be an interim measure to determine its actual staffing requirements. An automated process or processes is needed to replace the current process or processes that require department personnel to manually copy and input leave and attendance information from certain forms to other forms.

2023: PSD reports **Implemented**

Self-reported July 28, 2023.

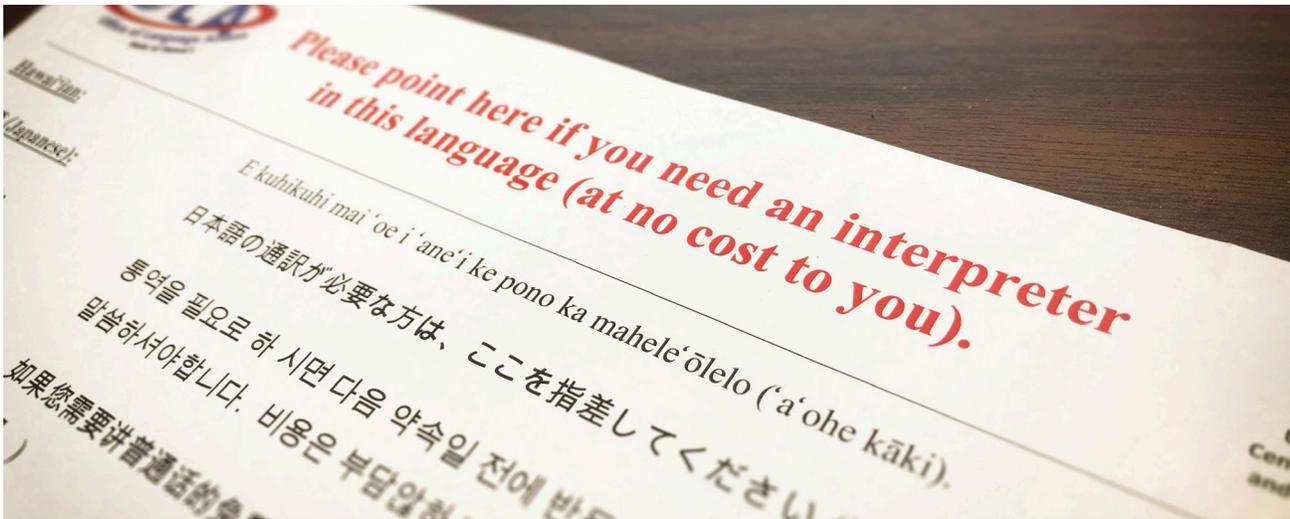
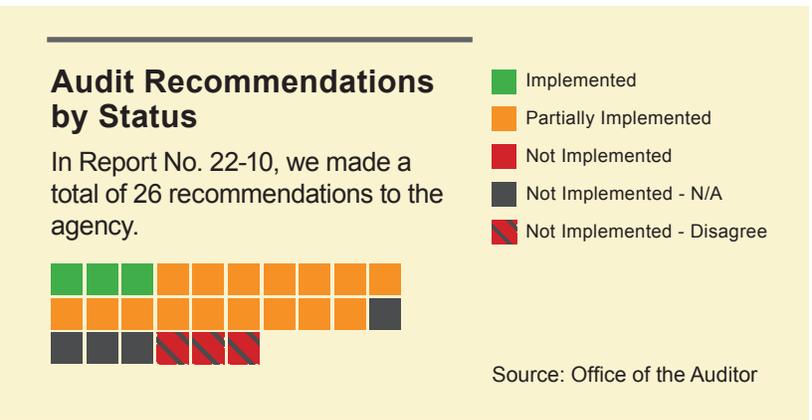


PHOTO: OFFICE OF THE AUDITOR

REPORT NO. 22-10 Audit of the Office of Language Access

Number of Recommendations:	26
Number of Recommendations Partially or Fully Implemented:	19
Percent Partially or Fully Implemented:	73%



IN REPORT NO. 22-10, *Audit of the Office of Language Access*, we found that the Office of Language Access (OLA) has done little of consequence to address the language access needs of limited English proficient persons or to ensure meaningful access to services, programs, and activities offered by state agencies and covered entities. We found an agency whose efforts to review and monitor language access plans, which should ensure that agencies have a process through which they will provide people who are limited English proficient meaningful access to services, programs, and activities, is nothing more than a paper exercise. In addition, OLA’s Language Access Resource Center (LARC) is required by statute to maintain a publicly available roster of language interpreters and translators that includes each individual’s qualifications and credentials based on OLA guidelines and in consultation with the Language Access Advisory Council. However, the roster maintained by OLA does not include any OLA-approved

qualifications and credentials, and we found that applicants are not required to show proof of their qualifications and competency before they are added to the roster.

In 2023 and 2024, we issued formal requests for information to OLA on the status of audit recommendations from Report No. 22-10. As of 2024, the agency reported that 19 of our recommendations had been at least partially implemented, four recommendations were not applicable, and four recommendations were not implemented because they disagreed.

The following is a list of recommendations made and a chronological summary of our follow-up efforts. Any findings by the Office of the Auditor are highlighted in yellow.

Recommendation

Status of Recommendation

(1.a.i.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding Language Access Plans: The specific information or types of information that state agencies and covered entities must include in their language access plans, including the language access plans required to be submitted every two years by Section 321C-4, HRS.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.a.ii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding Language Access Plans: The process and procedure state agencies must follow to consult with the Executive Director when establishing their language access plans as required under Section 321C-4, HRS.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.a.iii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding Language Access Plans: The process and procedure for submitting a language access plan for approval by the Executive Director.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

Recommendation	Status of Recommendation
<p>(1.a.iv.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding Language Access Plans: The criteria applied by the Executive Director in reviewing, approving, and monitoring an agency or covered entity’s language access plan for compliance with Chapter 321C, HRS.</p>	<p>2024: OLA reports Partially Implemented Self-reported November 18, 2024.</p> <p>2023: OLA reports Partially Implemented Self-reported November 30, 2023.</p>
<p>(1.a.v.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding Language Access Plans: The requirement that the Executive Director must approve state agencies’ language access plans.</p>	<p>2023: OLA reports Not Implemented - Disagree Self-reported November 30, 2023, stating:</p> <p>“OLA disagrees with this recommendation due to the lack of enforcement authority. However, in the final draft of the HARs, §11-220-15, titled 'Compliance Score, Findings, and Recommendations,' a process and procedure are established to assist state agencies in achieving desirable outcomes while fostering working relationships among each other.”</p>
<p>(1.a.vi.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding Language Access Plans: The requirement that the Executive Director must approve covered entities’ language access plans.</p>	<p>2023: OLA reports Not Implemented - Disagree Self-reported November 30, 2023, stating:</p> <p>“OLA disagrees with this recommendation due to the lack of enforcement authority.”</p>

Recommendation

Status of Recommendation

(1.b.i.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the Language Access Coordinator: The process and procedure state agencies must follow to designate a language access coordinator, including the time by which the agency must inform the Executive Director when the agency designates a new coordinator.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.c.i.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The process and procedure by which OLA will “[p]rovide oversight, central coordination, and technical assistance to state agencies in their implementation of language access requirements,” as required under Section 321C-6(1), HRS.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.c.ii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The process and procedure by which OLA will “[p]rovide technical assistance to covered entities in their implementation [of Chapter 321C, HRS],” as required under Section 321C-6(2), HRS.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

Recommendation

Status of Recommendation

(1.c.iii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The time by which state agencies and covered entities must provide competent oral language services to limited English proficient persons who seek access to services, programs, or activities.

2023: OLA reports **Not Implemented - N/A**

Self-reported November 30, 2023, stating:

“Under §321C-3, HRS, each entity is required to take reasonable steps to ensure meaningful access to services, programs, and activities for persons with limited English proficiency (LEP). However, the term 'reasonable steps' is subjective and can be challenging to define precisely and inclusively. The appropriate measures depend on the totality of the circumstances present at the time of the encounter.

Nevertheless, as a key element of the language access plan, §11-220-8(d) of the draft HARs requires agencies to address all components related to oral language services. This ensures that agencies are prepared and can respond appropriately when situations arise that necessitate the provision of competent oral language services to LEP individuals.”

(1.c.iv.A.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The criteria state agencies and covered entities must apply in determining the number or proportion of limited English proficient persons served or encountered in the eligible service population.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

Recommendation

Status of Recommendation

(1.c.iv.B.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The criteria state agencies and covered entities must apply in determining the frequency with which limited English proficient persons come in contact with the services, programs, or activities.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.c.iv.C.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The criteria state agencies and covered entities must apply in determining the nature and importance of the services, programs, or activities.

2023: OLA reports **Not Implemented - N/A**

Self-reported November 30, 2023, stating:

“OLA is not the appropriate authority due to a lack of expertise in every subject matter. OLA will defer to each agency in determining the nature and importance of their services, programs, or activities, as they are subject matter experts in their respective areas. Each agency is unique, with different missions and priorities in operating their agencies. Therefore, they should be autonomous in determining their own programs, services, and activities.

Nevertheless, agencies can utilize the ‘OLA Language Assistance Services Self-Assessment Tool’ in applying the four-factor analysis, and OLA is available for technical assistance.”

(1.c.iv.D.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The criteria state agencies and covered entities must apply in determining the resources available to the state agency or covered entity and the costs.

2023: OLA reports **Not Implemented - N/A**

Self-reported November 30, 2023, stating:

“OLA will defer this responsibility to each individual agency. This approach is taken because each agency is unique, possessing different levels of resources. Therefore, it is more appropriate for each agency to assess its own resources and costs related to the implementation of Language Access Plans.”

Recommendation

Status of Recommendation

(1.c.v.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The time by which state agencies and covered entities must provide written translation of vital documents to limited English proficient persons who seek access to services, programs, or activities if required to provide translation of those documents under Section 321C-3(c), HRS.

2024: OLA reports **Not Implemented - N/A**

Self-reported November 30, 2023, stating:

“Under §321C-3, HRS, each entity is required to take reasonable steps to ensure meaningful access to services, programs, and activities for persons with limited English proficiency (LEP). However, defining ‘reasonable steps’ precisely and inclusively is challenging due to its subjective nature. The appropriate measures largely depend on the specific circumstances encountered at the time.

In line with this, as a critical element of the language access plan, §11-220-8(e) of the draft HARs mandates that agencies address all components related to written language services. This provision aims to ensure that agencies are well-prepared and can respond effectively when situations require the provision of written language services or alternative modes of access for LEP individuals.”

(1.c.vi.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The process and procedure for agencies to inform OLA when they are unable to provide a person who is limited English proficient with reasonable access to the agency’s programs, services, or activities.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

Recommendation

Status of Recommendation

(1.c.vii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The information agencies must provide OLA about their efforts to eliminate barriers to language access when reasonable access to agency programs, services, or activities is not provided to a person who is limited English proficient.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.c.viii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The process and procedure to be used by the Executive Director in attempting to eliminate language access barriers to the agency's programs, services, or activities for a person who is limited English proficient.

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

Recommendation	Status of Recommendation
<p>(1.c.ix.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The requirement that agencies address and implement recommendations offered by the Executive Director to eliminate barriers to language access or, if an agency disagrees with the Executive Director’s opinion and/or recommendations, the process and procedure by which the agency must notify the Executive Director of its disagreement.</p>	<p>2024: OLA reports Partially Implemented Self-reported November 18, 2024.</p> <p>2023: OLA reports Partially Implemented Self-reported November 30, 2023.</p>
<p>(1.c.x.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the implementation of Language Access Plans: The process and procedure by which an agency must provide information about action taken to implement the Executive Director’s recommendations.</p>	<p>2024: OLA reports Partially Implemented Self-reported November 18, 2024.</p> <p>2023: OLA reports Partially Implemented Self-reported November 30, 2023.</p>
<p>(1.d.i.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the Language Access Resource Center: The requirements to be included on LARC’s roster of language interpreters and translators, including the necessary qualifications and credentials established by OLA.</p>	<p>2024: OLA reports Partially Implemented Self-reported November 18, 2024.</p> <p>2023: OLA reports Partially Implemented Self-reported November 30, 2023.</p>

Recommendation

(1.d.ii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the Language Access Resource Center: The process and procedure by which someone can request to be included on LARC’s roster of language interpreters and translators, including the information that must be submitted to OLA.

Status of Recommendation

2024: OLA reports **Partially Implemented**

Self-reported November 18, 2024.

2023: OLA reports **Partially Implemented**

Self-reported November 30, 2023.

(1.d.iii.) The Office of Language Access should adopt administrative rules that implement and interpret the language access law, Chapter 321C, HRS, prescribing the procedures and requirements agencies and covered entities must follow to comply with the statute. Specifically, the administrative rules should include the following regarding the Language Access Resource Center: The process and procedure to test and certify language interpreters and translators.

2023: OLA reports **Not Implemented - Disagree**

Self-reported November 30, 2023, stating:

“Currently, OLA lacks the capacity and subject matter expertise to become a credentialing body for certifying language interpreters and translators. This is because certification is a formal process that validates an individual’s proficiency and competence in language interpretation. It typically involves a rigorous assessment of the interpreter’s skills, knowledge, and ethical understanding of the profession. Certification often pertains to specific fields, such as legal, medical, or community interpreting.

Therefore, OLA defers this process to more appropriate entities, like the National Board of Certification for Medical Interpreters (NBCMI) and the Certification Commission for Healthcare Interpreters (CCHI), which certify medical interpreters, as well as state court interpreter certification programs.

Nevertheless, OLA does provide language proficiency tests as a basic foundation for those interested in becoming language service providers and offers periodic skill-building training to enhance the abilities of current providers.”

Recommendation

Status of Recommendation

(2.a.) The Office of Language Access should develop and document policies, procedures, and processes to provide direction and consistency in OLA's performance of the following responsibilities: OLA's review and monitoring of language access plans for compliance with Chapter 321C, HRS, and administrative rules adopted by OLA, notification of non-compliance, and follow-up with agencies and covered entities on corrective measures.

2023: OLA reports **Implemented**

Self-reported November 30, 2023.

(2.b.) The Office of Language Access should develop and document policies, procedures, and processes to provide direction and consistency in OLA's performance of the following responsibilities: Tracking and monitoring agency language access plans, including notification to agencies that they are not in compliance with filing requirements and the deadline for two-year updates.

2023: OLA reports **Implemented**

Self-reported November 30, 2023.

(2.c.) The Office of Language Access should develop and document policies, procedures, and processes to provide direction and consistency in OLA's performance of the following responsibilities: Review of qualifications and credentials of interpreters and translators requesting to be included on the roster maintained by the Language Access Resource Center.

2023: OLA reports **Implemented**

Self-reported November 30, 2023.



PHOTO: MAPS DATA: GOOGLE; USGS, LDECO-COLUMBIA, NSF, NOAA, SIO, NOAA, U.S. NAVY, NGA, GEBCO, SOEST/UJHM

REPORT NO. 23-04

Audit of the Office of Hawaiian Affairs

Number of Recommendations: **22**

Number of Recommendations Partially or Fully Implemented: **21**

Percent Partially or Fully Implemented: **95%**

Audit Recommendations by Status

In Report No. 22-05, we made a total of 22 recommendations to the agency.

	Implemented
	Partially Implemented
	Not Implemented
	Not Implemented - N/A
	Not Implemented - Disagree

Source: Office of the Auditor

IN REPORT NO. 23-04, *Audit of the Office of Hawaiian Affairs*, we found that the Office of Hawaiian Affairs (OHA) had not fully developed its Commercial Property and Legacy Land Programs, neglecting to establish and adopt foundational strategies and policies identified as “guiding principles” more than a decade ago. In October 2021, OHA purchased two commercial properties, 500 N. Nimitz Highway and a partial interest in the adjacent Iwilei Business Center, for \$47 million, with the stated intent to redevelop the properties in the future. However, without guidelines and criteria, OHA had no roadmap and little understanding of potential costs to redevelop. We also found that OHA failed to develop its Kaka‘ako Makai lands, received from the State more than 10 years ago, after having spent more than \$6.5 million on consulting contracts. And in our review of the Legacy Land Program, we found that OHA’s lax oversight and management of its legacy land stewards and stewardship agreements increased the risk that culturally significant properties “core” to OHA’s mission may be misused and put OHA’s trust assets at risk. Even

where agreements were in place, OHA did not enforce their terms.

In 2024, we issued a formal request for information to OHA on the status of audit recommendations from Report No. 23-04. The agency reported that 21 of our recommendations had been at least partially implemented and one recommendation was not implemented because OHA is waiting for other steps to be completed.

In 2025, we issued another formal request for information to OHA on the status of audit recommendations. The agency reported that 21 of our recommendations had been at least partially implemented and one recommendation was not implemented because OHA disagreed with the recommendation.

The following is a list of recommendations made and a chronological summary of our follow-up efforts. Any findings by the Office of the Auditor are highlighted in yellow.

Recommendation	Status of Recommendation
<p>(Board, 1.a.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include goals and objectives of OHA’s ownership or control of real estate, generally.</p>	<ul style="list-style-type: none"> <li data-bbox="797 365 1328 436"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="797 474 1328 537"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.
<p>(Board, 1.b. & c.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include goals and objectives of each type or classification of real estate defined by OHA. OHA defines its real estate landholdings as a variety of property types, including (1) corporate real estate; (2) investment property; (3) legacy lands; and (4) programmatic lands. As such, our recommendations below are relevant to these four property types as defined by OHA. See Real Estate Vision, Mission, and Strategy Policy adopted in 2007; Committee on Land and Property Policy Guidelines adopted on July 3, 2014; and Board of Trustee Bylaws approved March 2020.</p>	<ul style="list-style-type: none"> <li data-bbox="797 634 1315 705"> ⋮ 2025: OHA reports Implemented Self-reported April 30, 2025. <li data-bbox="797 743 1315 806"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.
<p>(Board, 1.d.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include the allocation of each property type in relation to OHA’s overall real estate portfolio.</p>	<ul style="list-style-type: none"> <li data-bbox="797 1283 1315 1354"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="797 1392 1315 1455"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.
<p>(Board, 1.e.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include criteria relating to acquisition for each property type which should include, for example, location (e.g., local, national, international) and other considerations (e.g., land area, zoning, availability of infrastructure, development potential, environmental issues, etc.)</p>	<ul style="list-style-type: none"> <li data-bbox="797 1551 1315 1623"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="797 1661 1315 1724"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.

Recommendation

(Board, 1.f.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include criteria relating to use of each property type (e.g., no golf courses, etc.)

Status of Recommendation

2025: OHA reports **Not Implemented - Disagree**

Self-reported April 30, 2025, stating:

“OHA does not believe this action is required for the following reasons:

The proposed Investment Policy for Investment Lands and Legacy Lands will mandate a procedure wherein Staff must prepare a business case for each acquisition, which would specify the investment objectives. This business case will, of course, include discussion of the intended use(s) for the property to be acquired.

Current policies (e.g., the HRE Plan) already set forth the goals for owning Investment Lands and Legacy Lands (e.g., generating returns for OHA in the case of Investment Lands and cultural, environmental, and programmatic returns in the case of Legacy Lands). The purpose for new acquisitions or ongoing management of existing assets is more relevant than the use to which the property is put. For example, if an investment asset has a change in highest and best use, a policy restricting use to a specific asset class may impair the returns OHA might achieve if leadership provided staff more flexibility in how the asset is managed.

Use is better addressed through asset planning, which is a procedure, rather than a policy. As noted in OHA’s response in Section 1.a, new procedures around asset planning will be adopted.”

2024: OHA reports Partially Implemented

Self-reported April 30, 2024.

(Board, 1.g.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include criteria relating to the return on investment, as applicable, for each property type (e.g., rates of return, etc.)

2025: OHA reports **Partially Implemented**

Self-reported April 30, 2025.

2024: OHA reports Partially Implemented

Self-reported April 30, 2024.

Recommendation	Status of Recommendation
<p>(Board, 1.h.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include criteria relating to disposition of each property type (e.g., hold/sell analyses, etc.)</p>	<ul style="list-style-type: none"> <li data-bbox="800 369 1312 436"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="800 478 1312 537"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.
<p>(Board, 1.i.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include, for property types whose goals and objectives include development, criteria relating to development of each property type (e.g., current land use, development potential, utilities, access, etc.)</p>	<ul style="list-style-type: none"> <li data-bbox="800 638 1312 705"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="800 747 1312 806"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.
<p>(Board, 1.j.) OHA’s Board of Trustees should develop and adopt policies that align with OHA’s statutorily required strategic plan to guide OHA’s decisions relating to real property that include criteria relating to the funding of real property acquisitions (e.g., favorable financing, etc.)</p>	<ul style="list-style-type: none"> <li data-bbox="800 999 1312 1066"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="800 1108 1312 1167"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.
<p>(Board, 2.) OHA’s Board of Trustees should develop and continually update OHA’s strategic plan to include an account of OHA’s program and administrative structure as required by Section 10-6(a)(1), HRS.</p>	<ul style="list-style-type: none"> <li data-bbox="800 1268 1219 1335"> ⋮ 2024: OHA reports Implemented Self-reported April 30, 2024.
<p>(Board, 3.) OHA’s Board of Trustees should develop and implement a conceptual master plan for OHA’s Kaka’ako Makai lands.</p>	<ul style="list-style-type: none"> <li data-bbox="800 1499 1312 1566"> ⋮ 2025: OHA reports Partially Implemented Self-reported April 30, 2025. <li data-bbox="800 1608 1312 1667"> ⋮ 2024: OHA reports Partially Implemented Self-reported April 30, 2024.

Recommendation

Status of Recommendation

(Board, 4.) OHA’s Board of Trustees should develop and implement long-range plans for each real property in which OHA has an interest.

2025: OHA reports **Partially Implemented**
Self-reported April 30, 2025.

2024: OHA reports **Partially Implemented**
Self-reported April 30, 2024.

(Administration, 1.) OHA’s Administration should develop documented procedures to implement board-approved policies relating to real property.

2025: OHA reports **Partially Implemented**
Self-reported April 30, 2025.

2024: OHA reports **Partially Implemented**
Self-reported April 30, 2024, stating:

“Procedures will be developed after the Real Estate Strategy and real estate policies are completed.”

(Administration, 2.) OHA’s Administration should prohibit stewards from using OHA property without a valid agreement.

2024: OHA reports **Implemented**
Self-reported April 30, 2024.

(Administration, 3.) OHA’s Administration should require all agreements with stewards using OHA property to be in writing, with all terms and conditions contained in the agreement.

2024: OHA reports **Implemented**
Self-reported April 30, 2024.

(Administration, 4.) OHA’s Administration should require stewards to comply with all terms and conditions of agreements.

2024: OHA reports **Implemented**
Self-reported April 30, 2024.

(Administration, 5.) OHA’s Administration should review and assess stewards’ use of OHA property and compliance with the agreement at the end of each term.

2024: OHA reports **Implemented**
Self-reported April 30, 2024.

(Administration, 6.) OHA’s Administration should develop criteria to determine whether to enter into an agreement, including renewing or extending an agreement, with the steward relating to OHA property.

2024: OHA reports **Implemented**
Self-reported April 30, 2024.

Recommendation	Status of Recommendation
<p>(Administration, 7.) OHA's Administration should develop written procedures that assign and describe the responsibilities of OHA managers and staff relating to the oversight of the stewards and management of the agreements with those stewards for use of OHA property. The purpose of the procedures should be to, among other things, monitor stewards' compliance with the terms and conditions of the agreements, including the use of the property, as well as to ensure stewards do not use OHA property without a valid agreement.</p>	<p>2024: OHA reports Implemented Self-reported April 30, 2024.</p>
<p>(Administration, 8.) OHA's Administration should develop written procedures to address and enforce non-compliance with the terms and conditions of agreements (e.g., notices of default, eviction, etc.)</p>	<p>2024: OHA reports Implemented Self-reported April 30, 2024.</p>
<p>(Administration, 9.) OHA's Administration should develop written procedures or other internal controls that allow and require regular review by a supervisor or other management personnel of assigned staff's oversight of the stewards and management of the agreements to ensure that assigned staff are performing their responsibilities as management intended.</p>	<p>2024: OHA reports Implemented Self-reported April 30, 2024.</p>
<p>(Administration, 10.) OHA's Administration should develop and implement written procedures to ensure that copies of board policies and other OHA procedures maintained by trustees, administration, and other staff are current, up-to-date, and complete (i.e., all approved amendments and other revisions compiled in one document).</p>	<p>2024: OHA reports Implemented Self-reported April 30, 2024.</p>