

THE SENATE  
THE HOUSE OF REPRESENTATIVES  
THE TWENTY-FOURTH LEGISLATURE  
INTERIM OF 2007/REGULAR SESSION OF 2008

COMMITTEE ON JUDICIARY AND LABOR

Senator Brian T. Taniguchi, Chair  
Senator Clayton Hee, Vice Chair

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Alex M. Sonson, Chair  
Rep. Bob Nakasone, Vice-Chair

NOTICE OF INFORMATIONAL BRIEFING

DATE: Friday, January 11, 2008  
TIME: 9:00 a.m.  
PLACE: Conference Room 016  
State Capitol  
415 South Beretania Street

A G E N D A

The committees will be receiving information from the following agencies on its second year fiscal biennium requests.

**Department of Budget and Finance:**

|                                  |         |
|----------------------------------|---------|
| Employees' Retirement System     | BUF 141 |
| Hawaii Employer-Union Trust Fund | BUF 143 |

**Department of Human Resources Development**

|   |         |
|---|---------|
| Work Force Attraction, Selection, Classification, and Effectiveness | HRD 102 |
| Support Services-Human Resource Development                         | HRD 191 |

**Department of Labor and Industrial Relations**

|   |         |
|---|---------|
| Workforce Development Program                     | LBR 111 |
| Workforce Development Council                     | LBR 135 |
| Hawaii Occupational Safety and Health Program     | LBR 143 |
| Wage Standards Program                            | LBR 152 |
| Hawaii Civil Rights Commission                    | LBR 153 |
| Hawaii Labor Relations Board                      | LBR 161 |
| Unemployment Compensation Program                 | LBR 171 |
| Disability Compensation Program                   | LBR 183 |
| Office of Language Access                         | LBR 316 |
| Labor and Industrial Relations Appeals Board      | LBR 812 |
| Employment Security Appeals Referee's Office      | LBR 871 |
| Data Gathering, Research, and Analysis            | LBR 901 |
| General Administration                            | LBR 902 |
| Office of Community Services                      | LBR 903 |
| Hawaii Career (Kokua) Information Delivery System | LBR 905 |

If you require special assistance or auxiliary aids or services to participate in the public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the committee clerk 24 hours prior to the hearing so

arrangements can be made.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT 586-6460.

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Representative Alex M. Sonson  
Chair

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Senator Brian T. Taniguchi  
Chair





TESTIMONY BY DAVID SHIMABUKURO  
ADMINISTRATOR, EMPLOYEES' RETIREMENT SYSTEM  
STATE OF HAWAII  
TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR  
AND  
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT  
ON  
BUF 141, EMPLOYEES' RETIREMENT SYSTEM  
BUF 941, RETIREMENT BENEFIT PAYMENTS  
SUPPLEMENTAL BUDGET REQUEST FOR FISCAL YEAR 2009

JANUARY 11, 2008

Chairs Taniguchi and Sonson and Members of the Committees, the first program that we want to discuss is BUF 141 - Employees' Retirement System:

I. Introduction

- A. The Employees' Retirement System's program objectives are to provide retirement and survivor benefits for over 106,000 State and county employees, retirees, and inactive vested members and to prudently maximize the return on its \$11.4 billion investment portfolio.
- B. The major activities include: pre-retirement counseling services; computation of retirement, disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals; processing semi-monthly and monthly retirement benefit payments to 35,324 retirees and beneficiaries; calculating and reporting the taxable portion on benefit payments; and safeguarding and accounting for investments in stocks, bonds, foreign

securities, mortgage loans, real estate, alternative investments, short-term instruments, etc.

- C. The ERS intends to meet its objectives by continuously seeking ways to improve service delivery to its membership and by developing long-term asset allocation strategies to secure consistent, positive investment returns while preserving capital.

## II. Program Performance Results

- A. During the fiscal year ending June 30, 2007, we successfully implemented the new Hybrid Plan; continued to design and install various components of a new pension management information system; continued to review and correct historical membership service credit records; and secured legislation to help reduce the ERS' \$5.1 billion unfunded liability.

The implementation of the Hybrid Plan in FY 2007 was our top priority and it was the biggest retirement program change in the last 22 years. In addition to enrolling new employees in the Hybrid Plan, we worked with State and county staff to electronically update their payroll and personnel computer systems for the 27,000 members who elected to switch to the Hybrid Plan on July 1, 2006. We

also received and began to account for approximately \$90 million in employee contributions from Hybrid Plan members during FY 2007.

The second priority is the replacement of ERS' legacy computer systems that have been in use since the late 1980s. A consulting firm was retained in April 2005 to design and install a new pension management information system (PMIS) which includes the pension administration of the Contributory, Noncontributory, and Hybrid retirement plans; imaging; accounting; workflow; etc. During FY 2007, we implemented the Hybrid Plan pension administration system and an integrated financial accounting package.

The third major priority was to continue to research and correct membership service credit data which will be loaded into our new computer systems. The accuracy of members' years of service credit is especially important for those who plan to convert their Noncontributory service credits to the Hybrid Plan.

Even with these major projects and many challenges, ERS was still able to provide the following services in FY 2007:

- 3,344 retirement estimates prepared for members contemplating retirement
- 1,820 initial pension benefit payments for new retirees
- 1,189 interim pension payments for retirees' unused sick leave credits
- 511 final pension adjustments
- 162 disability claims completed
- 885 death claims completed
- 1,067 membership service credit claims certified
- 2,243 members counseled
- 23,041 telephone inquiries and correspondence
- 4,899 membership enrollment transactions.

Although the preceding services were performed, the ERS attempted to, but wasn't able to, keep up with all the member, retiree, and beneficiary demands and needs.

In FY 2007, the ERS had its best investment performance in the past 10 years with an investment return of 17.7%. The ERS invests for the long term

and each year's return must be viewed in relation to longer periods. The ERS' investment returns for the past ten years are as follows:

| <u>Fiscal Year<br/>Ended June 30</u> | <u>Net Investment<br/>Income</u> | <u>Investment<br/>Return</u> |
|--------------------------------------|----------------------------------|------------------------------|
| 1998                                 | \$ 1,251,839,166                 | 16.04 %                      |
| 1999                                 | 904,809,348                      | 10.41                        |
| 2000                                 | 695,151,054                      | 7.38                         |
| 2001                                 | (679,605,059)                    | (6.68)                       |
| 2002                                 | (503,995,090)                    | (5.52)                       |
| 2003                                 | 146,140,751                      | 2.97                         |
| 2004                                 | 1,236,414,927                    | 15.81                        |
| 2005                                 | 931,710,183                      | 11.30                        |
| 2006                                 | 988,347,837                      | 11.12                        |
| 2007                                 | 1,701,085,664                    | 17.71                        |

- B. Measures taken to streamline operations and maximize investment returns are consistent with the Department's mission to provide quality services effectively and within available resources.
- C. Performance measurements used to monitor program efficiency/success are primarily based on the program, planning and budgeting system and include the average time to issue refund checks to terminating employees; percentage of initial pension checks issued within one month of retirement; and annualized return on investments over the five past years. While reassignment of experienced staff to the critical projects increasing workload demands, legislative changes, and collective bargaining

retroactive pay adjustments have proved challenging, the ERS was able to meet most of its performance measures..

D. Changes made to increase efficiency and effectiveness of the program during the last two years includes:

1. New Computer System

The implementation of various components of its new pension management information computer system will make the ERS more efficient and effective. Oracle Financials, an integrated financial accounting system, was installed in FY 2007 to increase financial reporting capabilities and flexibility. In addition, the new PMIS system is able to process Hybrid Plan member contributions and other transactions in a timelier manner.

2. Reengineering Efforts

The ERS implemented many changes to save money, streamline its operations, and reduce paperwork.

3. Certificate of Achievement Award

The Government Finance Officers' Association of the United States and Canada (GFOA) recently awarded a Certificate of Achievement for Excellence in Financial Reporting to the ERS. The Certificate is the highest form of

recognition for excellence in state and local government financial reporting.

This marked the 16<sup>th</sup> year that the ERS has received this prestigious award.

### III. Problems and Issues

1. There are several workload issues that affect the ERS program. One is the undertaking of major projects that requires the dedicated efforts of ERS employees for successful completion. This includes the migration of 19 million payroll, personnel and other member transactions from 1957 through 2007 to the PMIS system; implementation of the pension administration systems for the Contributory and Noncontributory Plans; and implementation of the member and employer self-service modules. Over 8 million personnel, payroll, correspondence and other membership documents need to be imaged and indexed to allow for faster retrieval for research or response to member inquiries.

The upcoming Hybrid Conversion Project and support of the PMIS project will require continued assignment of ERS staff through 2008 and 2009.

The reassignment of ERS permanent employees to the projects reduced staffing available for core operations. Although the ERS has 17 temporary positions, it has been extremely difficult to recruit



and retain temporary employees to support core operations. As a result, backlogs have accumulated at a faster pace than could be processed.

There has also been an increased need for member and retiree services. Over the past four years, major services provided by the ERS increased from 25,000 in 2003 to over 40,000 actions in 2007, an increase of 38%.

ERS' workload analysis determined that the increases in benefit related services will continue and grow as more "baby boomers" retire. Over 24,000 members (37% of active members) will be eligible to retire within the next 5 years and the ERS Actuary estimates 11,000 members will actually retire during the next 5 years. The number of retirees will increase by 29% to 43,000 in 2012.

The ERS has also identified additional services to members and retirees that are sorely needed. These services include counseling and limited financial planning for new hires and existing hires; issuing annual member statements which include estimated ERS retirement and Social Security benefits; continual employer training; and call center capabilities to provide immediate responses to all benefit inquiries.

These increases require a stable and permanent workforce. Without the conversion of the temporary positions to permanent status, the ERS will fall further behind in meeting current member demands resulting in significant backlogs.

2. Another issue is the ERS' unfunded liability which was impacted by the 2000 - 2001 bear market and the prior use of ERS' excess investment earnings to pay for other State and county government programs. The unfunded accrued liability amounted to \$5.107 billion on June 30, 2007. However, passage of Act 256, 2007 Session Laws of Hawaii increased employer contributions to the ERS effective July 1, 2008, authorized the Board to adjust actuarial salary increase assumptions, and placed a three-year moratorium on benefit enhancements. These actions have improved ERS' funded status from 65% in 2006 to 67.5% in 2007 and more positively positioned the ERS.
3. While the increase in workload continues to create difficulties for the ERS, conversion of temporary staffing included in the FB 2008-2009 supplemental budget request will help to minimize the increase in the backlogs caused by the redeployment of staff to various projects.

Further, long-term asset allocation strategies will be utilized to secure consistent and positive investment return while preserving capital. These actions and recent statutory changes are intended to improve the ERS' funding status.

IV. Expenditures for Fiscal Year 2007-2008

|                 | <u>Appropriation<br/>FY 08</u> | <u>Collective<br/>Bargaining</u> | <u>Transfers<br/>In<br/>Transfers<br/>Out</u> | <u>Restriction</u> | <u>Net<br/>Allocation<br/>and<br/>Estimated<br/>Total<br/>Expenditure</u> |
|-----------------|--------------------------------|----------------------------------|---|--------------------|---|
| (Pos.<br>Count) | (83.00)                        |                                  |   |                    | (83.00)   |
| PERS SERV       | 6,285,996                      | 207,306                          |   |                    | 6,493,302   |
| CURR EXP        | 4,319,000                      |                                  |   |                    | 4,319,000   |
| EQUIP           | 420,250                        |                                  |   |                    | 420,250   |
| TOTAL           | 11,025,246                     | 207,306                          | 0   | 0                  | 11,232,552  |
| (Pos.<br>Count) | (83.00)                        |                                  |   |                    | (83.00)   |
| Other Funds     | 11,025,246                     | 207,306                          | 0   | 0                  | 11,232,552  |

- A. There were no transfers made within this program.
- B. There were no transfers made between this program and other programs.
- C. There were no restrictions imposed on this program.

V. Supplemental Budget Requests for Fiscal Year 2008-2009

|                  | <u>Appropriation<br/>FY 09</u> | <u>Adjustments<br/>FY 09</u> | <u>Supplemental<br/>Request FY 09</u> |
|------------------|--------------------------------|------------------------------|---------------------------------------|
| (Pos. Count)     | (83.00)                        | (16.00)                      | (99.00)                               |
| PERS SERV        | 6,185,996                      | 250,000                      | 6,435,996                             |
| CURR EXP         | 4,177,000                      | 2,500,000                    | 6,677,000                             |
| EQUIP            | 587,220                        |                              | 587,220                               |
| <br>TOTAL        | <br>10,950,216                 | <br>2,750,000                | <br>13,700,216                        |
| <br>(Pos. Count) | <br>(83.00)                    | <br>(16.00)                  | <br>(99.00)                           |
| Other Funds      | 10,950,216                     | 2,750,000                    | 13,700,216                            |

A. Workload or Program Request

| <u>Item</u>                                    | <u>Org<br/>Code</u> | <u>Cost Element</u>               | <u>MOF</u> | <u>Amount of Request</u><br><br><u>FY 09</u> |
|--|---------------------|-----------------------------------|------------|--|
| Conversion of Staffing to Permanent & Overtime | FA                  | (Pos. Count)<br>Personal Services | X          | (16.00)<br><u>250,000</u>                    |
|  |                     |                                   | X          | (16.00)                                      |
|  |                     |                                   | Total      | 250,000                                      |

This request is for the conversion of sixteen (16.00) temporary positions - six (6.00) Retirement Claims Examiners, one (1.00) Accountant, one (1.00) Clerk; two (2.00) Info Tech Specialists, five (5.00) Clerk Typists; and one (1.00) Account Clerk - to permanent status and \$250,000 for overtime in FY 2009. Funding for the positions is currently included in the ERS budget.

The requested position conversions and overtime funding will help address ERS' short and long-term workload issues and assist the ERS in recruiting and retaining experienced staff and improve customer service.

| <u>Item</u>           | <u>Org Code</u> | <u>Cost Element</u> | <u>MOF</u> | <u>Amount of Request</u> |
|-----------------------|-----------------|---------------------|------------|--------------------------|
|                       |                 |                     |            | <u>FY 09</u>             |
| Computer Maintenance. | FA              | Current Expense     | X          | 500,000                  |
|                       |                 | Total               | X          | 500,000                  |

This request for additional computer system maintenance includes: maintenance support and software licensing costs for the documents imaging and management system; security enhancements and software/hardware maintenance for the new self-service modules that are expected to be implemented by the end of FY 2008; and support requirements for the Oracle database, Oracle accounting software, user licenses, internet hardware and software and other security and maintenance related products. These cost items are not included in the ERS' current budget.

| <u>Item</u>        | <u>Org Code</u> | <u>Cost Element</u> | <u>MOF</u> | <u>Amount of Request</u> |
|--------------------|-----------------|---------------------|------------|--------------------------|
|                    |                 |                     |            | <u>FY 09</u>             |
| Hybrid Plan Option | FA              | Current Expense     | X          | 2,000,000                |
|                    |                 | Total               | X          | 2,000,000                |

We worked with several national public pension plan organizations and the Hawaii congressional delegation to secure support for federal legislation to allow for the conversion of members' Noncontributory Plan service credits from the current 1.25% benefit formula to the 2% Hybrid Plan benefit formula. Our efforts were successful as a special amendment was included in the federal Pension Protection Act of 2006 which now enables Hybrid Plan members to transfer funds from their deferred compensation and tax-sheltered annuity accounts to pay for the Hybrid conversion.

The requested funds will be utilized to conduct an extensive communication effort through a consulting firm that will assist members in making the best decision possible. The firm will be required to develop new computer programs to calculate individualized cost estimates to purchase service upgrades and the impact on each member's future retirement benefit. Individual counseling services will be provided for over 26,000 members who switched to the Hybrid Plan. Training of department payroll and personnel staff will be

required along with call center/phone support, website calculators and development and distribution of other informational materials.

B. Position Count Reductions.

None.

VI. There are no general fund restrictions/reductions imposed on this program.

VII. Capital Improvement Requests for Fiscal Year 2006-2007:

None.

VIII. Proposed Lapses of Capital Improvements Program Projects:

None.

The next program is BUF 941, RETIREMENT BENEFIT PAYMENTS.

I. Introduction

- A. This program was established by the 2007 Legislature to separately identify funds available for the payment of employer contributions for State government employee retirement benefits. These amounts were previously reflected as part of the BUF 141, Employees' Retirement System program.
- B. This program includes employer contributions for pension accumulation and social security/medicare. General fund appropriations for the Department of Education (DOE) and the University of Hawaii (UOH) are transferred at the beginning of each fiscal year and included in this program as interdepartmental transfer funds. Pension accumulation contributions are based on a percentage of payroll as stipulated in Chapter 88, Hawaii Revised Statutes. Social Security/Medicare contributions are federally mandated and based on assessment rates of 6.2% for social security and 1.45% for medicare.
- C. Administrative controls and procedures will be adhered to in order to meet objectives for timely payment and accurate financial reporting.

II. Program Performance Results



III. Problems and Issues

Discussion of program performance results and problems and issues are addressed in the BUF 141 program.

IV. Expenditures for Fiscal Year 2007-2008

|                          | Appropriation<br>FY 08 | Collective<br>Bargaining | Transfers In<br>Transfers<br>Out | Restriction | Net<br>Allocation<br>and Estimated<br>Total<br>Expenditure |
|--------------------------|------------------------|--------------------------|----------------------------------|-------------|--|
| CURR EXP                 |                        |                          |                                  |             |  |
| Pension Accumulation     | 348,126,676            | 11,164,588               | 0                                | 0           | 359,291,264  |
| Social Security/Medicare | 185,416,653            | 6,007,702                | 0                                | 0           | 191,424,355  |
| TOTAL                    | 533,543,329            | 17,172,290               | 0                                | 0           | 550,715,619  |
| General Fund             | 222,439,828            | 17,172,290               | 0                                | 0           | 239,612,118  |
| Interdepart'l Funds      | 311,103,501            | -                        | -                                | -           | 311,103,501  |

A. There were no transfers made within this program.

B. There were no transfers made between this program and other programs.

C. No restrictions are imposed on the program in FY 2008.

V. Supplemental Budget Requests for Fiscal Year 2008-2009

|                          | Appropriation<br>FY 09 | Adjustments<br>FY 09 | Supplemental<br>Request FY 09 |
|--------------------------|------------------------|----------------------|-------------------------------|
| CURR EXP                 |                        |                      |                               |
| Pension Accumulation     | 354,674,936            | 57,652,918           | 412,327,854                   |
| Social Security/Medicare | 189,351,663            | 8,421,723            | 197,773,386                   |
| TOTAL                    | 544,026,599            | 66,074,641           | 610,101,240                   |

|                     |             |              |             |
|---------------------|-------------|--------------|-------------|
| General Fund        | 224,622,703 | (24,567,851) | 200,054,852 |
| Interdepart'l Funds | 319,403,896 | 90,642,492   | 410,046,388 |

A. Workload or Program Request.

| Item                 | Org Code | Cost Element     | MOF | Amount of Request |
|----------------------|----------|------------------|-----|-------------------|
|                      |          |                  |     | FY 09             |
| Pension Accumulation | RB       |                  |     |                   |
|                      |          | Current Expenses | A   | (21,189,213)      |
|                      |          | Current Expenses | U   | <u>78,842,131</u> |
|                      |          | Total            |     | 57,652,918        |

Additional funding is required for pension accumulation due primarily to increases in the percentage of payroll contribution rate, effective July 1, 2008 as authorized by Act 256, SLH 2007. The Employees' Retirement System's June 30, 2006 actuarial valuation reported a poorer funded ratio of 65% (\$5.1 billion actuarial unfunded liability) as compared with 68.6% (\$4.07 billion actuarial unfunded liability) reported in the June 30, 2005 valuation. The reported funding period of 35.2 years also exceeded Governmental Accounting Standards Board (GASB) requirements. In recognition, the Legislature increased the percentage of payroll contribution rate from 13.75% to 15% for general employees and from 15% to 19.7% for police and fire based on a period of 29 years to amortize the unfunded liability. Pension

accumulation requirements for FY 2009 total \$434 million (all means of financing). Inter-departmental authorizations reflect transfers from UOH and DOE whose general fund appropriations include pension accumulation costs.

| Item                     | Org Code | Cost Element     | MOF | Amount of Request<br>FY 09 |
|--------------------------|----------|------------------|-----|----------------------------|
| Social Security/Medicare | RB       |                  |     |                            |
|                          |          | Current Expenses | A   | (3,378,638)                |
|                          |          | Current Expenses | U   | <u>11,800,361</u>          |
|                          |          | Total            |     | 8,421,723                  |

Social Security/medicare (SS/Med) requirements (all means of financing) total \$209.6 million in FY 2009 an increase of \$8.4 million over funds appropriated in Act 213, SLH 2007. SS/Med requirements are based on actual payroll data as of June 30, 2007.

Assessment rates are 6.2% for Social Security and 1.45% for Medicare. Like pension accumulation, interdepartmental transfers are from the UH and DOE whose general fund appropriation include SS/Med costs.

B. Position Count Reductions

None.

VI. There are no general fund restrictions/reductions imposed on this program.

VII. Capital Improvement Requests for Fiscal Year 2008-2009:

None.

VIII. Proposed Lapses of Capital Improvements Program Projects:

None.



TESTIMONY BY JAMES WILLIAMS  
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND,  
DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE SENATE COMMITTEE ON JUDICIARY AND LABOR AND  
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT  
BIENNIUM BUDGET REQUESTS FOR FISCAL YEAR 2008-2009

JANUARY 11, 2008

BUF 143, the Hawaii Employer-Union Trust Fund (Trust Fund)

Chairpersons Taniguchi and Sonson and Members of the Committees:

I. Introduction

- A. The objective of this program is to administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements.
- B. The Board of Trustees determines the nature and scope of the benefit plans offered, negotiates and enters into contracts with insurance carriers, administers self-funded plans, establishes eligibility and management policies for the Trust Fund, and oversees all Trust Fund activities. The staff trains State and county personnel and fiscal officers on enrollment procedures, collects employer and employee contributions, remits premiums to insurance carriers, provides enrollment services to State and county retirees, administers the federal COBRA Law, assists

the Department of Human Resources Development in administration of the State of Hawaii's Premium Conversion Plan and complies with HIPAA privacy and security regulations and policies related to enrollment information.

- C. The program intends to meet its objective by securing necessary staff, computer systems and consultants to support recently implemented self-funded plans and to fully develop the trust's investment program.

## II. Program Performance Results

- A. The Trust Fund has met its statutory mandate to provide the best possible benefits to public employees and retirees at a cost that is reasonable both for employee-beneficiaries and employers. The Trust Fund has implemented new benefit plans and made continued efforts to improve customer services and administrative processing.
- B. The progress made by the Trust Fund is in support of both the Department's mission and the Trust Fund's objective of providing quality services effectively and within available resources.
- C. The Trust Fund's performance is measured by the timeliness and accuracy of enrollment processing and accounting transactions; responsiveness to employee-beneficiary and other stakeholder inquiries in a timely manner, availability of the computer system,

and compliance with other federal programs and requirements.

D. Since its inception, the Trust Fund has implemented several measures to improve responsiveness to employee-beneficiary inquiries and accuracy of enrollment processing. The Trust Fund has employed Business Solution Technologies (BST) to assist the Trust Fund with on-going support and maintenance of the PeopleSoft Health Fund Information Management System. BST assisted the Trust Fund staff with the configuration of the new benefit plans offered to employee-beneficiaries effective July 1, 2007. Significant changes were implemented and the Trust Fund was able to process 91% of all documents by July 2007. The Trust Fund is in the process of upgrading its telephone system so that it can handle the increase in telephone inquiries.

E. Performance measures for the supplemental budget year are focused on benefit administration consistent with the purpose of the program's appropriation.

### III. Problems and Issues

A.1. The Trust Fund provides health and other benefit plans for approximately 54,000 active employees and 37,000 retirees. Effective January 1, 2007, the



EUTF implemented a Medicare Part D prescription drug plan for Medicare-eligible retirees. Effective July 1, 2007, the Trust Fund began offering new benefit plans and more options for its employee-beneficiaries. The Trust Fund also implemented self-funded PPO medical and prescription drug benefit plans. Both the self-funded plans and the Medicare Part D Prescription Drug Plan for retirees will require in-house expertise on complex inquiries and research of Medicare related issues and support of administration of self-funded plans. Maximizing the use of available technology and automation are key requirements for the EUTF to achieve its operational objectives.

- B.1 To address the difficulties associated with the increase in workload 1.00 FTE position is included in the supplemental budget request.
- A.2 The EUTF Board of Trustees has the ultimate responsibility to administer the plan prudently and in the interest of the plan's participants and beneficiaries. The EUTF currently has funds to invest due to the premiums that were returned by the insurance carriers.
- B.2 The EUTF currently has funding for an investment consultant in its FY 2008 budget and has included a

supplemental budget request to continue these services in FY 2009. The EUTF Board of Trustees has approved issuance of a Request for Proposal for an investment consultant in January 2008 with an anticipated contract start date of June 1, 2008.

A.3 The Government Accounting Standards Board (GASB) has issued statements No. 43, Financial Reporting for Post employment Benefit Plans Other Than Pension Plans, and 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB). GASB 43 was implemented by EUTF for fiscal year ending June 30, 2007 and GASB 45 must be implemented by the employers for fiscal year ending June 30, 2008.

B.3 Implementation of GASB 43 will require additional workload for the Trust Fund accounting staff to ensure that valuations required to determine OPEB obligations are conducted and results are properly reported and accounted for.

IV. Expenditures for Fiscal Year 2007-2008

|                     | Appropriation<br>FY 08 | Collective<br>Bargaining | Transfers In<br>Transfers<br>Out | Restriction | Net<br>Allocation<br>and Estimated<br>Total<br>Expenditure |
|---------------------|------------------------|--------------------------|----------------------------------|-------------|--|
| <b>(Pos. Count)</b> | (26.00)                |                          |                                  |             | (26.00)  |
| PERS SERV           | 1,869,665              | 59,035                   |                                  |             | 1,928,700  |
| CURR EXP            | 7,065,554              |                          |                                  |             | 7,065,554  |
| EQUIP               | 2,746,180              |                          |                                  |             | 2,746,180  |
| <br>                |                        |                          |                                  |             |  |
| TOTAL               | 11,681,399             | 59,035                   | -                                | -           | 11,740,434   |
| <br>                |                        |                          |                                  |             |  |
| <b>(Pos. Count)</b> | (26.00)                |                          |                                  |             | (26.00)  |
| Trust Funds         | 11,681,399             | 59,035                   | 0                                | 0           | 11,740,434   |

- A. There were no transfers made within this program.
- B. There were no transfers made between this program and any other program.
- C. No restrictions are imposed on the program in FY 2008.

V. Supplemental Budget Requests for Fiscal Year 2008-2009

|                     | Appropriation<br>FY 09 | Adjustments<br>FY 09 | Supplemental<br>Request FY 09 |
|---------------------|------------------------|----------------------|-------------------------------|
| <b>(Pos. Count)</b> | (26.00)                | (1.00)               | (27.00)                       |
| PERS SERV           | 1,766,765              | 63,806               | 1,830,571                     |
| CURR EXP            | 2,524,643              | 300,000              | 2,824,643                     |
| EQUIP               |                        |                      | 0                             |
| <br>                |                        |                      |                               |
| TOTAL               | 4,291,408              | 363,806              | 4,655,214                     |
| <br>                |                        |                      |                               |
| <b>(Pos. Count)</b> | (26.00)                | (1.00)               | (27.00)                       |
| Trust Funds         | 4,291,408              | 363,806              | 4,655,214                     |

A. Workload or Program Request.

| Item                              | Org Code | Cost Element                      | MOF | Amount of Request<br>FY 09 |
|-----------------------------------|----------|-----------------------------------|-----|----------------------------|
| Senior Health<br>Benefits Analyst | EU       | (Pos. Count)<br>Personal Services | T   | (1.00)<br>63,806           |
| Total                             |          |                                   |     | (1.00)<br>63,806           |

Implementation of the Medicare Part D Prescription Drug Program and the self-funded benefit plans on July 1, 2007 have created new customer service and case work requirements and administrative and oversight functions previously handled by carriers. The requested Senior Health Benefit Analyst position will field complex inquiries and

case work related to Medicare plans, assist participants on the multitude of self-funded plan benefit issues, analyze and make recommendations to the Board on adjudication of benefit claims, and lead cost recovery efforts.

| Item                                 | Org Code | Cost Element    | MOF | Amount of Request<br>FY 09 |
|--------------------------------------|----------|-----------------|-----|----------------------------|
| Investment<br>Consultant<br>Services | EU       | Current Expense | T   | \$300,000                  |

Under Chapter 87A-24(2) and 87A-24(3), the EUTF Board of Trustees is authorized to invest the funds of the Trust and maintains a fiduciary responsibility for prudent action. The EUTF currently has funds to invest due to the premiums that were returned by insurance carriers. In addition, the EUTF anticipates that in response to reporting of Other Post Employment Benefits (OPEB) obligations, the State and counties may "pre-fund" the cost of providing future retiree benefits. The EUTF needs to develop its investment plan and policies to be ready to invest funds. It takes time to get an investment program developed and to the point where funds are invested according to the plan. Also, if funds (for OPEB) are received from employers and the EUTF has no investment plan or program for long term investment, the actuary may use a lower discount rate resulting in higher liabilities than if a higher discount rate were used. The 2007 Legislature authorized

expenditure of FY 2008 funds to secure an investment consultant and this request is for the continuation of these services in FY 2009.

B.. There are no position count reductions for this program.

VI. There are no general fund restrictions/reductions imposed on this program.

VII. Capital Improvement Requests for Fiscal Year 2008-2009:  
None.

VIII. Proposed Lapses of Capital Improvements Program Projects:  
None.





**STATE OF HAWAII**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**  
235 S. BERETANIA STREET  
HONOLULU, HAWAII 96813-2437

**SENATE COMMITTEE ON JUDICIARY AND LABOR**  
**HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT**  
**BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**  
**JANUARY 11, 2008**  
**9:00 a.m.**

**TESTIMONY BY MARIE C. LADERTA, DIRECTOR**  
**DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT**

Honorable Chair Taniguchi, Chair Sonson, Members of the Senate Committee on Judiciary and Labor, and Members of the House Committee on Labor & Public Employment:

**INTRODUCTION**

I am Marie Laderta, Director of the Department of Human Resources Development. I am here today to present the Department of Human Resources Development's (DHRD) Supplemental Budget for the Fiscal Year 2008 – 2009.

Our Department's operations are primarily guided by legislative mandates, Executive orders, State and Federal laws, as well as administrative agency and court orders.

In addition to performing in accordance with legal, legislative and executive mandates, our Department's role is focused on supporting the Governor's Office and our sister agencies. As such, we are charged with the recruitment of State employees, employee labor relations, the development of the workforce of the State, and the handling of workers' compensation claims. Emphasis is given to the State as a public employer because of its public leadership to be fair in its recruitment to all people seeking a career with the State and the development of its workforce for career employees to meet the challenges of evolving public policy, technology, and public expectations.

The information that will be covered is as follows:

- Department-Wide Budget Summary (pages 2 – 6)
- Budget Structure (pages 7 – 8)
- Departmental Overview (pages 9 – 12)
- HRD 102 (pages 13 – 16)
- HRD 191 (pages 17 – 19)



DEPARTMENT-WIDE BUDGET SUMMARY INFORMATION

1. Totals for Department FY08 budget with restrictions and emergency requests and FY09 proposed operating budget adjustments by means of financing

Attachment 1  
 Department-Wide Summary Information  
 Totals for Proposed Department Budget Adjustments (by Method of Funding)

| MOF             | FY08                               |                    |                             | Total FY08<br>(a)+(b)+(c) |
|-----------------|------------------------------------|--------------------|-----------------------------|---------------------------|
|                 | Act 213/07<br>Appropriation<br>(a) | Restriction<br>(b) | Emergency<br>Request<br>(c) |                           |
| A               | 16,847,468                         |                    |                             | 16,847,468                |
| B               | 700,000                            |                    |                             | 700,000                   |
| U               | 4,886,281                          |                    |                             | 4,886,281                 |
| Dept.<br>Totals | 22,433,749                         |                    |                             | 22,433,749                |

| MOF             | FY09                               |                  |                 | Total FY09<br>(d)+(e)+(f) |
|-----------------|------------------------------------|------------------|-----------------|---------------------------|
|                 | Act 213/07<br>Appropriation<br>(d) | Reduction<br>(e) | Addition<br>(f) |                           |
| A               | 16,844,870                         |                  |                 | 16,844,870                |
| B               | 700,000                            |                  |                 | 700,000                   |
| U               | 4,886,281                          |                  |                 | 4,886,281                 |
| Dept.<br>Totals | 22,431,151                         |                  |                 | 22,431,151                |

2. Identify any emergency requests for FY08

Attachment 2  
 Department-Wide Summary Information  
 Fiscal Year 08 Proposed Emergency Requests

| Program ID             | MOF | Title of Emergency Requests | FTE | \$ Amount |
|------------------------|-----|-----------------------------|-----|-----------|
|                        |     | None                        |     |           |
| Dept. Totals<br>by MOF |     |                             |     |           |

3. Summary of FY09 proposed operating budget adjustments by Program ID

Attachment 3  
Department-Wide Summary Information  
Fiscal Year 09 Proposed Budget Adjustments

| Program ID          | MOF | Program ID Title | FTE | \$ Amount |
|---------------------|-----|------------------|-----|-----------|
|                     |     | None             |     |           |
| Dept. Totals by MOF |     |                  |     |           |

4. Description of FY09 proposed operating budget adjustments by Program ID

Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments

| Program I.D. | Description of Adjustment | FTE | \$ Amount | MOF |
|--------------|---------------------------|-----|-----------|-----|
|              | None                      |     |           |     |
|              |                           |     |           |     |
|              |                           |     |           |     |

5. Provide a listing of all proposed FY09 capital improvement projects

Attachment 5  
FY09 Capital Improvements Program Summary

| Priority | Project Title | FY09 \$ Amount | MOF |
|----------|---------------|----------------|-----|
| 1        | None          |                |     |
| 2        |               |                |     |
| 3        |               |                |     |

6. Briefly discuss specific budget adjustments of concern for your agency.

None

7. Summary of DHRD's budget request to B&F, funding decisions made by B&F, and the funding decisions finalized by the Governor.

Attachment 6  
FY09 Request Decisions

| Dept Priority | Program ID | Description                                  | MOF | Department |           |         | Governor's Final Decision |           |        |
|---------------|------------|--|-----|------------|-----------|---------|---------------------------|-----------|--------|
|               |            |  |     | Perm. FTE  | Temp. FTE | \$ Amt  | Perm. FTE                 | Temp. FTE | \$ Amt |
| 1             | HRD 191    | Replacement of Computer File Server Machines | A   |            |           | 140,000 |                           |           |        |

8. Explain the process used to identify priorities (requests for additional operating and capital improvements program funding) for your department including which category the requests for additional funding fall into: a. priority program initiatives of the Governor, b. certain unavoidable fixed costs and/or entitlements, or c. on-going critical programs which lack continued funding.

The Department had only one request which focused on replacing aging computer file servers that are used for the statewide human resources management system (HRMS), workers compensation claims management functions and payments processing, file transfers to external agencies, and office automation functions. This request falls into the other category.

9. Discuss how requests for additional operating and capital improvements program funding were prioritized and discuss the manner in which community, departmental, and legislative input was gathered and utilized to determine priorities.

The Department had only one request to prioritize for the supplemental budget.

10. Briefly discuss what actions your department has taken or is planning to take to reduce operating costs and how those actions will translate into savings that may be reduced from your budget.

Attachment 7  
Actions to Realize Savings

| Prog ID | MOF | Description of Action to Realize Savings | \$ Amount of Actual FY07 Savings | \$ Amount of Projected FY08 Savings |
|---------|-----|--|----------------------------------|-------------------------------------|
|         |     | No projected realized savings            |                                  |                                     |
|         |     |  |                                  |                                     |
|         |     |  |                                  |                                     |

11. Identify all positions that are vacant as of December 1, 2007. For each of these positions, please indicate if authority for your department to hire was or was not granted.

Attachment 8  
All Positions Vacant As of 12/1/07

| Date of Vacancy | Position Title    | Position Number | Exempt (Y/N) | Budgeted Amount | Actual Salary Last Employee Paid | MOF | Program ID | Authority to Hire (Y/N) |
|-----------------|-------------------|-----------------|--------------|-----------------|----------------------------------|-----|------------|-------------------------|
| 10/16/07        | Pers Mgmt Spec VI | 9000            | N            | 73,044          | 73,044                           | A   | HRD 102/PA | Y                       |
| 3/1/06          | Pers Mgmt Spec V  | 21825           | N            | 58,248          | 58,248                           | A   | HRD 102/PA | Y                       |
| 5/9/07          | Pers Prog Ofcr    | 24849           | N            | 75,144          | 75,144                           | A   | HRD 102/QA | Y                       |
| 7/1/07          | Pers Mgmt Spec V* | 118799          | N            | 47,698          |                                  | A   | HRD 102/RA | Y                       |

\*Note: This is a new temporary position.

12. Provide a listing of all instances of your department's expenditures exceeding the federal fund ceiling for FY07 and FY08.

Attachment 9  
Listing of Expenditures Exceeding Federal Fund Ceiling for FY07 and FY08

| Prog ID | FY07 Ceiling | FY07 Expenditures | FY08 Ceiling | FY08 Expenditures | Reason for Exceeding Ceiling | Recurring (Y/N) |
|---------|--------------|-------------------|--------------|-------------------|------------------------------|-----------------|
|         | None         |                   | None         |                   |                              |                 |
|         |              |                   |              |                   |                              |                 |
|         |              |                   |              |                   |                              |                 |

13. Provide a listing of all budget appropriations transferred to another Program ID and/or another department in FY07 and FY 08.

Attachment 10  
Listing of Transfers for FY07 and FY08

| Prog ID | FY07 Ceiling | FY07 Amount Transferred | FY08 Ceiling | FY08 Amount Transferred | Reason for Transfer | Recurring (Y/N) |
|---------|--------------|-------------------------|--------------|-------------------------|---------------------|-----------------|
|         |              | None                    |              | None                    |                     |                 |
|         |              |                         |              |                         |                     |                 |
|         |              |                         |              |                         |                     |                 |

14. Provide a listing of all positions currently deployed from your department.

Attachment 11  
 Department Listing of Deployed Positions

| Pos. # | Position Title/Description | Program ID Originally Assigned to | Program ID Transferred to | Narrative Discussion on Why Position was Moved | Specific Reasons Deployment Will Result in More Efficient Functioning of Department | Impact to Program Originally Assigned to | Date Deployment Began | Expected End Date of Deployment |
|--------|----------------------------|-----------------------------------|---------------------------|--|---|--|-----------------------|---------------------------------|
| None   |                            |                                   |                           |  |   |  |                       |                                 |
|        |                            |                                   |                           |  |   |  |                       |                                 |
|        |                            |                                   |                           |  |   |  |                       |                                 |

**Budget Structure.**

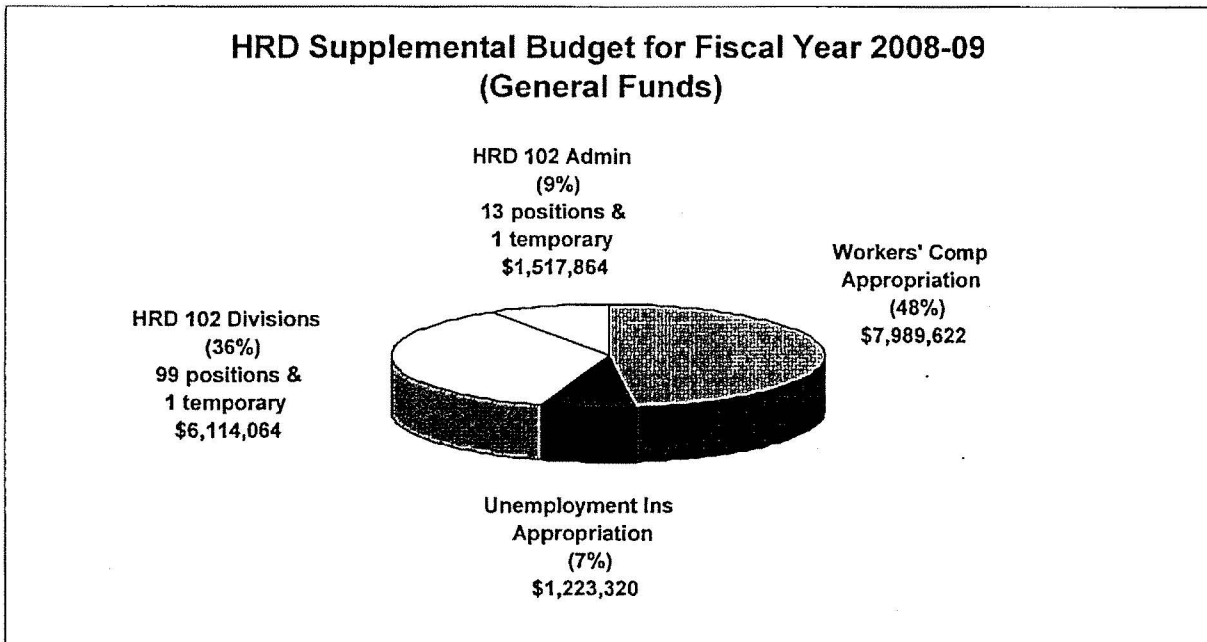
The Department currently (FY 08) has two program areas in which a full complement of human resource (HR) responsibilities is integrated into a statewide HR program:

HRD-102, includes the operating budgets of the Department's 4 divisions.

- Employee Staffing   Renee Tarumoto, Division Chief
- Employee Relations   Diane Sumida, Division Chief
- Employee Claims   Valerie Pacheco, Division Chief
- Employee Classification & Compensation   Carleton Taketa, Division Chief

Included in this program are the State Workers' Compensation Appropriation and the Unemployment Insurance Benefits Appropriation for the State executive branch as an employer entity. The Workers' Compensation Appropriation is used to provide benefits for state workers injured on the job. The Unemployment Insurance Benefits Appropriation is used to provide unemployment benefits to former state workers. Both the Department of Education and the University of Hawaii, however, administer their own funds for workers' compensation and unemployment insurance as it was felt this would help their programs become more proactive.

HRD-191 is comprised of the administrative services for the Department, including the Office of the Director, Administrative Services Office and Information Systems Office. HRD-191 focuses on long-range and overall policy-setting direction for the State's personnel management system, and provides comprehensive administrative and information technology planning and services.



On a percentage basis, the Workers' Compensation Appropriation accounts for 48% (\$8.0 million) of our total FY 2008-09 General Fund budget; Unemployment Insurance Benefits make up 7% (\$1.2 million) of the budget; and the operating budget for our Department accounts for 45% (\$7.6 million).

Notably, DHRD's no cost/low-cost employee benefit programs (e.g., PTS Deferred Compensation Retirement Plan, Premium Conversion Plan) generate more than \$8.5 million in tax savings annually for the State, which the State otherwise would have had to pay to the federal government. These tax savings more than cover the Department's operating costs.

**Budget Strategy.** The programs of this staff Department are designed to support State agencies in meeting their needs for a productive workforce to carry out their programs and activities. Specific human resources policy responsibilities and activities of this Department are based on the Merit Principle and include providing the line departments with services, policies, procedures, and guidelines which promote the timely recruitment, development and retention of productive workers; and, effective management of the workforce.

The Department's initiatives are based on sound personnel practices, the needs of the agencies that the Department serves, and the expanding use of modern technology.

## DEPARTMENTAL OVERVIEW

### Employee Staffing Division (ESD)

The Employee Staffing Division (ESD) develops and administers statewide recruitment, examination and placement programs that facilitate workforce planning and timely staffing activities based on the Merit Principle for civil service employment in the executive branch. In addition to this statewide responsibility, the Division provides direct, centralized staffing services to agencies in attracting and retaining qualified candidates for civil service employment.

Recruitment and Examination Branches of the ESD perform the following services and activities.

- Develops and administers a statewide Recruitment Program based on the Merit Principle that is concerned with obtaining on a timely basis sufficient numbers of qualified persons to fill State civil service positions.
- Develops statewide recruitment plans, based on recruitment history and/or requests, and conducts recruitments, including labor shortage positions. Distributes and intakes applications, publishes announcements and advertisements.
- Develops informational strategies for statewide recruitment programs using the Division's Internet Web site, and other special recruitment multi-media campaigns such as video tape activities and job fairs.
- Maintains and certifies lists of eligibles (also known as "certificates") and refers persons from appropriate eligible lists to job vacancies.
- Conducts statewide placement programs for disabled employees and employees affected by Reduction-in-Force, including administering the Separation Incentives Program.
- Develops and administers an Examination Program concerned with identifying those persons possessing the necessary requirements of a position.
- Constructs examinations to test for specific competencies which include analyzing statistical data to establish passing scores, weights, conversion factors, etc., evaluates examination validity and reliability of tests.
- Evaluates applicants' qualifications to determine whether minimum experience, education, personal and medical suitability and other legal requirements for public employment and/or personnel movement are met.
- Administers examinations which include activities such as scheduling examinations and arranging for appropriate test facilities; notifying applicants scheduled for the examination; administering examination; and scoring.
- Establishes list of eligibles (general register) for each recruitment, and reports test results to applicants.
- Oversees and administers laws, rules, policies, procedures related to statewide recruitment, examination, referral and selection and placement matters for the Executive Branch.
- Provides advisory services to departments concerning recruitment, placement, examination, including suitability background checks, selection activities,



probationary periods, and related personnel matters to line departments, other jurisdictions, and others.

- Prepares responses on examination and/or recruitment matters to the Merit Appeals Board and/or other agencies as necessary.

The goal of the Division is to obtain on a timely basis, sufficient numbers of qualified people to fill State jobs.

### **Employee Relations Division (ERD)**

The Employee Relations Division (ERD) develops, implements, and establishes statewide policies, procedures, and guidelines, and provides technical support to State Executive Branch agencies in the areas of labor relations, performance management, employee benefits (excluding health and retirement), personnel transactions, and training. ERD also administers various programs which help address the needs of Executive Branch employees, the majority of whom are covered by collective bargaining, during the course of their State employment, and provides direct consultative services to line managers in dealing with labor relations issues.

ERD's services include the:

- Negotiation of labor-management agreements, in collaboration with the Office of Collective Bargaining (OCB);
- Administration of labor-management agreements;
- Development, implementation, and administration of a statewide employee performance evaluation program;
- Processing & auditing of pay and other personnel transactions which includes the implementation of negotiated pay increases or other wage and salary adjustments provided for by the various collective bargaining agreements;
- Generation of data or reports for the Governor, DHRD Director, OCB Chief Negotiator, B&F Director, legislators, the media, and others, including the generation of workforce statistics/reports;
- Development, implementation, and administration of various statewide no-cost/low-cost employee benefit programs and assistance programs, including coordination of the annual Governor's Awards Ceremony, and
- Development and administration of statewide training and development programs for employees and managers, such as the nationally recognized Hawaii Leadership Academy.

The mission of the Division is to provide timely and responsive leadership and support to all State Executive Branch agencies in the areas of labor relations, performance management, no-/low-cost benefits, personnel transactions, and training so that they may retain and maximize the productivity of employees in the civil service.

The goal of the Division is to deliver quality employee relations services that meet the needs of line managers, departmental personnel staff, and employees.

### **Employee Claims Division (ECD)**

The Employee Claims Division plans and administers the Executive Branch's statewide, self insured, workers' compensation program for all departments, including the legislature as well as the Charter Schools in accordance with Section 15, Act 87, SLH 2005. It is also responsible for the statewide safety program. The Division does not handle claims for the University of Hawaii or the Department of Education as they have separate funds, claims management responsibilities, and administer their own return to work priority program.

The mission of the Division is to provide timely, appropriate, responsive support and benefits to those employees who have sustained work related injuries or illness that result in their seeking medical attention and/or preventing them from returning to work and to provide a safe and healthy work environment for all employees.

A major goal of the Employee Claims Division is to assist injured employees back to work at the earliest time. Depending on the nature of injury or illness, employees may be returned to a light duty position or, if eligible, participate in the State's Return to Work Priority Program.

There is a continuing emphasis on marketing claims management services which includes an ongoing contract with the County of Hawaii and improving customer service programs through quarterly bulk claim review meetings with departments. Also on the priority list is an ongoing effort to make improvements to the Division's financial accounting, cost containment, and auditing procedures to insure compliance with Department of Labor and Industrial Relations/Disability Compensation Division (DLIR/DCD) rules and regulations.

The Safety Office utilizes workers' compensation data to assist departments in identifying types of injuries and to develop strategies in mitigating recurrences. The Safety Office conducts inspections, assists managers in identifying workplace hazards, does specific worksite assessments to insure proper ergonomics for employees, conducts extensive workplace violence training sessions, and conducts safety and safety management courses for State employees. The Safety Office administers the State's drug and alcohol testing programs for affected bargaining unit employees.

The Division also oversees the State's Temporary Disability Benefits Plan and provides administrative support to the Merit Appeals Board.

### **Employee Classification and Compensation Division**

The Employee Classification and Compensation Division (ECCD) develops and administers the classification and compensation programs for the Executive Branch. These programs support the State's recruitment and retention of a qualified workforce, assist management in the effective use of personnel, and assure employees of equitable salaries for the work they do. In addition, the division develops and recommends terms and conditions of employment and appropriate pay and benefit

programs for employees excluded from collective bargaining coverage; and develops policies and procedures for the exempt service.

These services and activities include, but are not limited to:

- Developing and improving new classification systems;
- Overseeing the implementation of the statewide classification system and providing assistance to operating departments;
- Conducting occupational studies and research activities;
- Developing compensation strategies;
- Assessing the needs of excluded managers and employees, developing necessary Executive Orders, etc.;
- Developing, maintaining and administering a Variable Pay Program for managers;
- Determining and administering exemptions from the civil service.

The mission and goal of the Division is to develop and implement proactive HR programs, systems and services related to these functions that will support recruitment and retention of competent employees and facilitate the management of the workforce, and promote a high level of performance.

The challenges facing the Divisions involve modernization of systems to today's dynamic operational needs and thus capitalizing on the flexibility provided by Act 253, the Civil Service Reform law; creating useful tools for the management of the workforce; and simplifying systems and creating greater flexibility without sacrificing equity.

**Program Structure Number: 11 03 05 01**

**Program I.D. and Title: HRD 102 – Workforce Attraction, Selection, Classification  
And Effectiveness**

**Page References in The Multi-Year Program and Financial Plan and Executive  
Budget (Budget Period: 2007-2009), Volume II, pages 775 – 779.**

**I. Introduction**

**A. Summary of Program Objectives.**

This program is designed to support State operating program objectives through recruitment and retention of a qualified civil service workforce founded on the Merit Principle by:

- classifying positions based on work and compensating employees at proper pay levels and at competitive rates;
- obtaining the workforce on a timely basis;
- maintaining a system to assure effective employee-employer relations;
- improving on-the-job performance through staff development programs;
- providing timely and appropriate workers' compensation benefits;
- and
- providing a safe and healthy work environment

This program is also designed to enhance program effectiveness and efficiency by formulating policies and procedures, directing operations and personnel, and providing administrative support services.

**B. Description of Program Activities.**

Major activities of this program include:

- Recruit applicants, develop and construct examinations based on acceptable testing standards, administer and correct examinations, rate applicants' qualifications, refer qualified applicants for employment, determine employment suitability, and conduct special placement activities for employees affected by reduction-in-force and work-related and non-work related injuries.
- Develop and maintain the classification system including developing new and amended class specifications, classifying positions, determining the bargaining unit for classified positions, and establishing policies and procedures.
- Approve and manage position exemptions from civil service.
- Develop and maintain equitable pay relationships by determining the pricing and repricing of classes; administer a systematic pay program including establishing special rates for shortage

occupations and promoting competitive pay rates and progressive compensation practices.

- Assess training needs, develop and conduct training programs, conferences, workshops.
- Develop and conduct safety programs, investigate and manage claims filed by State employees, monitor, assess effectiveness, and make changes to the statewide return-to-work program to reflect changes based upon statutory amendments and to contain the State's cost for workers' compensation.
- Oversee State's drug and alcohol testing program for affected bargaining unit employees in addition to those subject to Federal requirements.
- Develop and administer various statewide employee benefit programs, employee assistance programs, and other programs designed to enhance work productivity (e.g. Cafeteria Plan, PTS Deferred Compensation Retirement Plan, Leave Sharing, REACH counseling services, Crisis Response Assistance, Performance Appraisal Program, Incentive Awards Program).
- Educate, advise and consult on the application of legal guidelines to take personnel actions. Conduct on-site review and assistance audits of departmental personnel actions reporting systems and operations. Develop automated systems to process employee, position and payroll data associated with the taking of personnel actions.
- Interpret and administer contracts and rules, including processing employee grievances.
- Provide support for collective bargaining activities.
- Provide advisory-guidance services to the line agencies and support services in proceedings involving personnel matters to the Deputy Attorney Generals.
- Gather, analyze and disseminate workforce information.

**II. Program Performance Results**

See Departmental Overview.

**III. Problems and Issues**

See Departmental Overview.

**IV. Expenditures for FY08**

| <b>HRD 102</b>     | <b>Act 213/07<br/>Appropriation</b> | <b>Collective<br/>Bargaining</b> | <b>Transfers<br/>In/(Out)</b> | <b>Restriction</b> | <b>Available<br/>Resources</b> | <b>Est. Total<br/>Expenditure</b> |
|--------------------|-------------------------------------|----------------------------------|-------------------------------|--------------------|--------------------------------|-----------------------------------|
| (Pos. Count)       | (99.00)                             |                                  |                               |                    | (99.00)                        | (99.00)                           |
| Pers. Svcs.        | 5,756,983                           | 230,280                          |                               |                    | 5,987,263                      | 5,987,263                         |
| Curr. Exp.         |                                     |                                  |                               |                    |                                |                                   |
| Operating          | 356,879                             |                                  |                               |                    | 356,879                        | 356,879                           |
| W/C                | 9,875,903                           |                                  |                               |                    | 9,875,903                      | 9,875,903                         |
| UI                 | 4,223,320                           |                                  |                               |                    | 4,223,320                      | 4,223,320                         |
| Special Fund       | 700,000                             |                                  |                               |                    | 700,000                        | 700,000                           |
| Equipment          | 2,800                               |                                  |                               |                    | 2,800                          | 2,800                             |
| Motor Veh.         |                                     |                                  |                               |                    |                                |                                   |
| <b>Total</b>       | <b>20,915,885</b>                   | <b>230,280</b>                   |                               |                    | <b>21,146,165</b>              | <b>21,146,165</b>                 |
| Less:              |                                     |                                  |                               |                    |                                |                                   |
| Interdept. Trf (U) |                                     |                                  |                               |                    |                                |                                   |
| W/C                | 1,886,281                           |                                  |                               |                    | 1,886,281                      | 1,886,281                         |
| UI                 | 3,000,000                           |                                  |                               |                    | 3,000,000                      | 3,000,000                         |
| Special Fund       | 700,000                             |                                  |                               |                    | 700,000                        | 700,000                           |
| (Pos. Count)       | (99.00)                             |                                  |                               |                    | (99.00)                        | (99.00)                           |
| General Fund       | 15,329,604                          | 230,280                          |                               |                    | 15,559,884                     | 15,559,884                        |

- A. Explain all transfers within the Program I.D. and the impact on the program.**  
Not applicable
- B. Explain all transfers between Program I.D.'s and the impact on the program.**  
Not applicable
- C. Explain all restrictions and the impact on the program.**  
Not applicable

**V. Supplemental Budget Requests for FY09**

| <b>HRD 102</b>     | <b>Act 213/07<br/>Appropriation</b> | <b>Budget Adjustment</b> | <b>Supplemental<br/>Budget Request</b> |
|--------------------|-------------------------------------|--------------------------|--|
| (Pos. Count)       | (99.00)                             |                          | (99.00)                                |
| Personal Services  | 5,757,185                           |                          | 5,757,185                              |
| Current Expenses   |                                     |                          |  |
| Operating          | 356,879                             |                          | 356,879                                |
| W/C                | 9,875,903                           |                          | 9,875,903                              |
| UI                 | 4,223,320                           |                          | 4,223,320                              |
| Special Fund       | 700,000                             |                          | 700,000                                |
| Equipment          |                                     |                          |  |
| Motor Vehicles     |                                     |                          |  |
| Total              | 20,913,287                          |                          | 20,913,287                             |
| Less:              |                                     |                          |  |
| Interdept. Trf (U) |                                     |                          |  |
| W/C                | 1,886,281                           |                          | 1,886,281                              |
| UI                 | 3,000,000                           |                          | 3,000,000                              |
| Special Fund       | 700,000                             |                          | 700,000                                |
| (Pos. Count)       | (99.00)                             |                          | (99.00)                                |
| General Fund       | 15,327,006                          |                          | 15,327,006                             |

**A. Workload or Program Request**

None

**B. For all position count reductions, specify whether the positions were filled or vacant.**

Not applicable

**VI. Program Restrictions**

Identify restrictions carried over from FY08 as well as additional reductions due to Department of Budget and Finance budget ceilings for FY09.

None

**VII. Capital Improvement Program (CIP) Requests for FY09**

None

**VIII. Proposed Lapses of CIP Projects**

None

**Program Structure Number: 11 03 05 02**

**Program I.D. and Title: HRD 191 – Supporting Services – Human Resources Development**

**Page References in The Multi-Year Program and Financial Plan and Executive Budget (Budget Period: 2005-2007), Volume II, pages 775 – 779.**

**I. Introduction**

**A. Summary of Program Objectives.**

This program is designed to enhance program effectiveness and efficiency by formulating policies, directing operations and personnel and providing other administrative support services.

**B. Description of Program Activities.**

Major activities of this program include:

- Advise the Governor on policies and problems concerning the administration of the Personnel Management System of the State.
- Administer the Personnel Management System of the State.
- Direct and coordinate Dept. of Human Resources Development programs.
- Direct Comprehensive Planning
- conduct Program Analysis,
- ensure Budget Preparation,
- prepare Variance Reports,
- perform Management Services.
- Carry out Administrative and Housekeeping Services, including administrative support to the Merit Appeals Board. and
- Departmental Automation Projects.

**II. Program Performance Results**

See Departmental Overview.

**III. Problems and Issues**

See Departmental Overview.



**IV. Expenditures for FY08**

| <b>HRD 191</b>   | <b>Act 213/07<br/>Appropriation</b> | <b>Collective<br/>Bargaining</b> | <b>Transfers<br/>In/(Out)</b> | <b>Restriction</b> | <b>Available<br/>Resources</b> | <b>Est. Total<br/>Expenditure</b> |
|--|-------------------------------------|----------------------------------|-------------------------------|--------------------|--------------------------------|-----------------------------------|
| (Pos. Count)   | (13.00)                             |                                  |                               |                    | (13.00)                        | (13.00)                           |
| Pers. Svcs.  | 934,355                             | 26,605                           |                               |                    | 960,960                        | 960,960                           |
| Curr. Exp.<br>Operating<br>W/C<br>UI<br>Special Fund     | 583,509                             |                                  |                               |                    | 583,509                        | 583,509                           |
| Equipment  |                                     |                                  |                               |                    |                                |                                   |
| Motor Veh.   |                                     |                                  |                               |                    |                                |                                   |
| <b>Total</b>   | <b>1,517,864</b>                    | <b>26,605</b>                    |                               |                    | <b>1,544,469</b>               | <b>1,544,469</b>                  |
| Less:<br>Interdept. Trf (U)<br>W/C<br>UI<br>Special Fund |                                     |                                  |                               |                    |                                |                                   |
| (Pos. Count)   | (13.00)                             |                                  |                               |                    | (13.00)                        | (13.00)                           |
| General Fund   | 1,517,864                           | 26,605                           |                               |                    | 1,544,469                      | 1,544,469                         |

- A. Explain all transfers within the Program I.D. and the impact on the program.**  
Not applicable
- B. Explain all transfers between Program I.D.'s and the impact on the program.**  
Not applicable
- C. Explain all restrictions and the impact on the program.**  
Not applicable

**V. Supplemental Budget Requests for FY09**

| HRD 191            | Act 213/07<br>Appropriation | Budget Adjustment | Supplemental<br>Budget Request |
|--------------------|-----------------------------|-------------------|--------------------------------|
| (Pos. Count)       | (13.00)                     |                   | (13.00)                        |
| Personal Services  | 934,355                     |                   | 934,355                        |
| Current Expenses   |                             |                   |                                |
| Operating          | 583,509                     |                   | 583,509                        |
| W/C                |                             |                   |                                |
| UI                 |                             |                   |                                |
| Special Fund       |                             |                   |                                |
| Equipment          |                             |                   |                                |
| Motor Vehicles     |                             |                   |                                |
| Total              | 1,517,864                   |                   | 1,517,864                      |
| Less:              |                             |                   |                                |
| Interdept. Trf (U) |                             |                   |                                |
| W/C                |                             |                   |                                |
| UI                 |                             |                   |                                |
| Special Fund       |                             |                   |                                |
| (Pos. Count)       | (13.00)                     |                   | (13.00)                        |
| General Fund       | 1,517,864                   |                   | 1,517,864                      |

**A. Workload or Program Request**

None

**B. For all position count reductions, specify whether the positions were filled or vacant.**

Not applicable

**VI. Program Restrictions**

Identify restrictions carried over from FY08 as well as additional reductions due to Department of Budget and Finance budget ceilings for FY09.

None

**VII. Capital Improvement Program (CIP) Requests for FY09**

None

**VIII. Proposed Lapses of CIP Projects**

None



**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

2008-2009 Supplemental Budget Testimony

Departmental Overview

The mission of the Department of Labor and Industrial Relations (DLIR), as set forth in Chapter 26-20, Hawaii Revised Statutes, is:

“ ....to administer programs designed to increase the economic security, physical and economic well-being, and productivity of workers and to achieve good labor-management relations.”

This mission is fulfilled through the following primary goals:

- Build a highly skilled and globally competitive workforce through collaborative public-private partnerships, and
- Assure quality of work-life for workers through programs that provide economic security and enhance physical well-being and productivity.

To achieve these goals, the Department’s thrust in the 2008 – 2009 Supplemental Budget will include:

- (1) Renewing efforts by the Employment and Training Programs to increase public awareness of the type of services available and to maximize the use of federal and special funds; and
- (2) Assisting the employers through our Quality of Work-Life Programs to continue voluntary compliance with the labor laws.

We believe our Supplemental Budget for 2008-2009 now before you, will enable the DLIR to achieve its established goals and priority plan. We have also proposed a number of administrative bills. Most of these proposed bills do not impact upon the DLIR budget.

The DLIR Supplemental budget includes the following requested appropriations:

- |                              |  |
|------------------------------|--|
| (1) State General Funds      | approx. <u>\$18.2 million</u> (266 Perm. Positions)  |
| (2) Special Funds (4)        | approx. <u>\$197 million</u> (8 Perm. Positions)   |
| UI                           | \$167 million (Trust Fund and UI Penalty & Interest Fund)  |
| WC Spec. Comp. Fund          | \$24 million (Includes Special Fund for Disability Benefits – TDI and Special Premium Supplemental Fund – Prepaid Health Care) |
| Employment and Training Fund | \$6 million  |

Hawaii Occupational Safety and  
Health's Hoisting Machine  
Operations' Certification  
Revolving Fund

\$50 thousand

- (3) Federal Funds \$80 million (434 permanent positions)
- (4) Interdepartmental Transfer \$4.3 million for the Welfare to Work program and Employment Service Core Services from the State Dept. of Human Services (DHS).

This results in a total Supplemental budget of \$300 million (708 positions).

Our FY 2008-2009 Supplemental Budget reflects the following adjustments:

- Add \$65,000 in general funds for the Labor and Industrial Relations Appeals Board to fill a Hearings Officer position on a full-time basis.
- Delete the general funded Clerical Supervisor III position (.50 FTE, permanent) and the Interdepartmental transfer funded Labor Law Enforcement Specialist I position (1.00 FTE, temporary) in the Wage Standards Division due to no funding.
- Add \$696,000 in interdepartmental transfer funds from the State Department of Human Services for the Office of Community Services to provide employment core services for low-income persons and immigrants.

Most of the federal monies provided to the DLIR are from the U.S. Department of Labor. However, there are also some federal monies received by the Office of Community Services (which is assigned to DLIR for administrative purposes only) from the U.S. Department of Health and Human Services, Energy, Housing and Urban Development, and Agriculture.

We look forward to working with you during this session.

As you have our written testimony before you, I will, in the interest of time and with your consent, present the budget highlights for those programs which have budget adjustments in Fiscal Year 2008-2009.

**Attachment 1**  
**Department-Wide Summary Information**  
**Totals for Proposed Department Budget Adjustments (by Method of Funding)**

| MOF          | FY08                               |                    |                             | Total FY08<br>(a)+(b)+(c) |
|--------------|------------------------------------|--------------------|-----------------------------|---------------------------|
|              | Act 213/07<br>Appropriation<br>(a) | Restriction<br>(b) | Emergency<br>Request<br>(c) |                           |
| A            | 19,881,509                         |                    |                             | 19,881,509                |
| B            | 197,108,379                        |                    |                             | 197,108,379               |
| N            | 80,207,787                         |                    |                             | 80,207,787                |
| U            | 3,663,344                          |                    |                             | 3,663,344                 |
| W            | 50,000                             |                    |                             | 50,000                    |
| Dept. Totals | 300,911,019                        |                    |                             | 300,911,019               |

| MOF          | FY09                               |                  |                 | Total FY09<br>(d)+(e)+(f) |
|--------------|------------------------------------|------------------|-----------------|---------------------------|
|              | Act 213/07<br>Appropriation<br>(d) | Reduction<br>(e) | Addition<br>(f) |                           |
| A            | 18,159,145                         | -                | 65,000          | 18,224,145                |
| B            | 197,108,379                        | -                | -               | 197,108,379               |
| N            | 80,207,814                         | -                | -               | 80,207,814                |
| U            | 3,663,344                          | (53,131)         | 696,000         | 4,306,213                 |
| W            | 50,000                             | -                | -               | 50,000                    |
| Dept. Totals | 299,188,682                        | (53,131)         | 761,000         | 299,896,551               |

Please indicate restrictions and reductions as negative numbers, using brackets ( )

Attachment 2  
 Department-Wide Summary Information  
 Fiscal Year 08 Proposed Emergency Requests

| <u>Program ID</u>      | <u>MOF</u> | <u>Title of Emergency Requests</u> | <u>FTE</u> | <u>\$ Amount</u> |
|------------------------|------------|------------------------------------|------------|------------------|
| LBR                    | ALL        | No emergency requests              |            |                  |
|                        |            |                                    |            |                  |
|                        |            |                                    |            |                  |
|                        |            |                                    |            |                  |
| Dept. Totals by<br>MOF |            |                                    |            |                  |

**Attachment 3**  
**Department-Wide Summary Information**  
**Fiscal Year 09 Proposed Budget Adjustments**

| <u>Program ID</u>      | <u>MOF</u> | <u>Program ID Title</u>                     | <u>FTE</u> | <u>\$ Amount</u> |
|------------------------|------------|---|------------|------------------|
| LBR 812HA              | A          | Labor & Industriail Relations Appeals Board | -          | 65,000           |
| LBR 152CA              | A          | Wage Standards                              | (0.50)     | -                |
| LBR 152CA              | U          | Wage Standards                              | -          | (53,131)         |
| LBR 903NA              | U          | Office of Community Services                | -          | 696,000          |
| Dept. Totals by<br>MOF | A          |   | (0.50)     | 65,000           |
|                        | U          |   | -          | 642,869          |



Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments

| Program I.D. | Description of Adjustment                   | FTE    | \$ Amount | MOF |
|--------------|---|--------|-----------|-----|
| LBR 812HA    | Funding for Hearings Officer                | -      | 65,000    | A   |
| LBR 152CA    | Positions for Chapter 104 Workload Increase | (0.50) | -         | A   |
| LBR 152CA    | Positions for Chapter 104 Workload Increase | -      | (53,131)  | U   |
| LBR 903NA    | Employment Core Services programs           | -      | 696,000   | U   |
|              |   |        |           |     |
|              |   |        |           |     |
|              |   |        |           |     |

**Attachment 5**  
**FY09 Capital Improvements Program Summary**

| <u>Priority</u> | <u>Project Title</u>                      | <u>FY09 \$ Amount</u> | <u>MOF</u> |
|-----------------|---|-----------------------|------------|
| 1               | All LBR - No Capital Improvement Projects |                       |            |
| 2               |   |                       |            |
| 3               |   |                       |            |
| 4               |   |                       |            |







QUARTERLY VACANCY STAFFING PLAN

FORM A

Department of Labor and Industrial Relations - WDD

X Qtrly. Update 11/30/2007 Phone: 586-8825

| Program ID | Legal Authority | Position No. | FTE   | Position Title as Budgeted | Perm/Temp (P/T) | or Exempt (C/S) | Budgeted Salary | MOF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments                       |
|------------|-----------------|--------------|-------|----------------------------|-----------------|-----------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|--------------------------------|
| LBR111/PA  | Act 213/07      | 1626         | 0.50  | Secretary II               | P               | C               | \$23,082        | N   | 12/31/06                   |                                   | 12/15/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 4036         | 1.00  | WDS IV                     | P               | C               | \$56,040        | N   | 12/30/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 4042         | 1.00  | WDS III                    | P               | C               | \$47,892        | N   | 12/30/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 4043         | 1.00  | WDS II                     | P               | C               | \$33,648        | N   | 12/31/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 4059         | 1.00  | Secretary I                | P               | C               | \$39,864        | N   | 10/01/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 5174         | 1.00  | WDS III                    | P               | C               | \$42,144        | N   | 10/22/07                   |                                   | 12/30/07                     | To recruit                     |
| LBR111/PA  | Act 213/07      | 8018         | 1.00  | WDS IV                     | P               | C               | \$39,336        | N   | 06/03/97                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 10831        | 1.00  | WDS II                     | P               | C               | \$36,360        | N   | 06/30/04                   |                                   | 12/30/07                     | To recruit                     |
| LBR111/PA  | Act 213/07      | 11554        | 1.00  | WDS III                    | P               | C               | \$51,816        | N   | 12/30/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 11556        | 1.00  | WDS III                    | P               | C               | \$38,862        | N   | 12/30/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 13486        | 1.00  | WDS III                    | P               | C               | \$44,292        | N   | 10/01/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 14107        | 1.00  | EA IV                      | P               | C               | \$24,888        | N   | 10/29/02                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 15167        | 0.50  | Clerk Typist II            | P               | C               | \$6,646         | N   | 04/01/03                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 17751        | 1.00  | WDS IV                     | P               | C               | \$47,892        | N   | 03/17/06                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 17784        | 1.00  | WDS III                    | P               | C               | \$46,056        | N   | 10/01/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 22080        | 1.00  | WDS III                    | P               | C               | \$49,332        | N   |                            |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 22377        | 0.50  | Clerk-Typist II            | P               | C               | \$11,868        | N   | 03/20/03                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 22587        | 1.00  | Clerk Typist II            | P               | C               | \$30,276        | N   | 05/16/06                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 22867        | 1.00  | Clerk Typist II            | P               | C               | \$26,940        | N   | 04/30/06                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 23748        | 1.00  | WDS V                      | P               | C               | \$63,048        | N   | 12/30/06                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 23766        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   | 09/17/01                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 23768        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   | 08/31/00                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 25452        | 1.00  | WDS III                    | P               | C               | \$51,312        | N   | 10/16/07                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 26416        | 1.00  | Clerk Typist II            | P               | C               | \$22,152        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 27084        | 1.00  | WDS II                     | P               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 31564        | 1.00  | WDS II                     | P               | C               | \$36,360        | N   | 06/30/04                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 32402        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   | 02/28/99                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 33331        | 1.00  | WDS III                    | P               | C               | \$46,056        | N   | 11/30/06                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33332        | 1.00  | WDS IV                     | P               | C               | \$56,040        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33335        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   | 03/31/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33336        | 0.50  | WDS IV                     | P               | C               | \$39,336        | N   | 03/22/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33337        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   | 06/08/01                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33338        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   | 09/01/01                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33345        | 1.00  | WDS V                      | P               | C               | \$63,048        | N   | 09/23/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 33347        | 1.00  | WDS III                    | P               | C               | \$36,360        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 45054        | 1.00  | WDS IV                     | P               | C               | \$39,336        | N   | 01/19/01                   |                                   | 06/30/08                     | To fill with anticipated funds |
|            |                 | Total        | 34.00 |                            |                 |                 |                 |     |                            |                                   |                              |                                |

| QUARTERLY VACANCY STAFFING PLAN                    |                 |              |      |                            |                 |                 |                 |     |                            |                                   | FORM A                       |                                |
|--|-----------------|--------------|------|----------------------------|-----------------|-----------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|--------------------------------|
| Department of Labor and Industrial Relations - WDD |                 |              |      |                            |                 |                 |                 |     |                            |                                   |                              |                                |
| X  | Qtrly. Update   | 11/30/2007   |      |                            |                 |                 |                 |     |                            |                                   | Phone: 586-8825              |                                |
| Program ID   | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | or Exempt (C/S) | Budgeted Salary | MOR | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments                       |
| LBR111/PA  | Act 213/07      | 7741         | 1.00 | WDS II                     | T               | C               | \$33,648        | N   | 09/01/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 17522        | 1.00 | WDS I                      | T               | C               | \$33,312        | N   | 08/01/01                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 18810        | 1.00 | WDS III                    | T               | C               | \$21,288        | U   | 02/16/05                   |                                   | 12/01/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 24374        | 1.00 | WDS II                     | T               | C               |                 | U   | 08/29/01                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 28318        | 1.00 | WDS III                    | T               | C               | \$40,920        | N   | 07/31/06                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 29339        | 1.00 | WDS II                     | T               | C               | \$16,824        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 29340        | 1.00 | WDS II                     | T               | C               | \$16,824        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 29341        | 1.00 | WDS III                    | T               | C               | \$16,824        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 29342        | 1.00 | WDS III                    | T               | C               | \$21,930        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 29547        | 1.00 | WDS II                     | T               | C               | \$16,824        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 31563        | 1.00 | WDS III                    | T               | C               | \$40,920        | N   | 02/16/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 31587        | 1.00 | WDS III                    | T               | C               | \$18,180        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 31588        | 1.00 | WDS III                    | T               | C               | \$40,920        | N   | 07/01/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 32413        | 1.00 | WDS II                     | T               | C               | \$32,328        | N   | 12/31/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 32425        | 1.00 | WDS V                      | T               | C               | \$44,292        | N   | 09/01/04                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 32448        | 1.00 | WDS II                     | T               | C               | \$31,092        | N   | 10/31/03                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 32452        | 1.00 | WDS II                     | T               | C               | \$16,824        | U   | 03/15/03                   |                                   | 12/01/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 32638        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34961        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   | 01/14/02                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34982        | 1.00 | WDS III                    | T               | C               | \$49,812        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34983        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 07/10/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34985        | 1.00 | WDS II                     | T               | C               | \$42,144        | U   | 09/15/06                   |                                   | 12/01/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 34987        | 1.00 | WDS III                    | T               | C               | \$46,056        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34989        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34990        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34991        | 1.00 | WDS I                      | T               | C               | \$15,546        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34992        | 1.00 | WDS III                    | T               | C               | \$16,824        | U   | 06/30/06                   |                                   | 12/01/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 34993        | 1.00 | WDS III                    | T               | C               | \$40,920        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34996        | 1.00 | WDS II                     | T               | C               | \$16,824        | U   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34997        | 1.00 | WDS III                    | T               | C               | \$18,918        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34998        | 1.00 | WDS II                     | T               | C               | \$16,824        | U   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 34999        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 09/01/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 35000        | 1.00 | Clerk-Typist II            | T               | C               | \$24,888        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 35002        | 1.00 | WDS II                     | T               | C               | \$16,824        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 35004        | 1.00 | WDS II                     | T               | C               | \$16,824        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 35011        | 1.00 | WDS III                    | T               | C               | \$42,576        | N   | 02/16/05                   |                                   |                              |                                |

| QUARTERLY VACANCY STAFFING PLAN                    |                 |              |      |                            |                 |                 |                 |     |                            |                                   | FORM A                       |                                |
|--|-----------------|--------------|------|----------------------------|-----------------|-----------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|--------------------------------|
| Department of Labor and Industrial Relations - WDD |                 |              |      |                            |                 |                 |                 |     |                            |                                   |                              |                                |
| X  | Qtrly. Update   | 11/30/2007   |      |                            |                 |                 |                 |     |                            |                                   | Phone: 586-8825              |                                |
| Program ID   | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | or Exempt (C/S) | Budgeted Salary | MOF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments                       |
| LBR111/PA  | Act 213/07      | 35014        | 1.00 | WDS III                    | T               | C               | \$49,812        | N   | 02/16/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 35015        | 1.00 | WDS II                     | T               | C               | \$18,180        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 35162        | 1.00 | WDS III                    | T               | C               | \$33,648        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 39099        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 09/01/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 39100        | 1.00 | WDS III                    | T               | C               | \$23,028        | N   | 02/16/05                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 40025        | 1.00 | WDS III                    | T               | C               | \$16,824        | N   | 03/15/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 40026        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   | 12/01/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 40027        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   | 03/31/02                   |                                   | 12/01/07                     | Recruiting                     |
| LBR111/PA  | Act 213/07      | 40028        | 1.00 | WDS I                      | T               | C               | \$33,312        | N   | 12/23/02                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 40198        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 09/01/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 40271        | 1.00 | WDS II                     | T               | C               | \$34,992        | N   | 02/16/05                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 40638        | 1.00 | WDS II                     | T               | C               | \$18,180        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 40639        | 1.00 | WDS II                     | T               | C               | \$16,824        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 41926        | 1.00 | WDS III                    | T               | C               | \$12,726        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 42386        | 1.00 | Clerk Typist II            | T               | C               | \$22,152        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 42425        | 1.00 | WDS IV                     | T               | C               | \$39,336        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 42426        | 1.00 | WDS III                    | T               | C               | \$23,028        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 42427        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 42428        | 1.00 | WDS III                    | T               | C               | \$23,945        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 42429        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 42432        | 1.00 | Employment Aid IV          | T               | C               | \$24,888        | N   | 06/30/04                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 42433        | 1.00 | Employment Aid IV          | T               | C               | \$18,918        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 43136        | 1.00 | WDS III                    | T               | C               | \$18,918        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 43295        | 1.00 | Employment Aid V           | T               | C               | \$26,940        | N   | 06/30/04                   |                                   | 06/30/08                     | To fill with anticipated funds |
| LBR111/PA  | Act 213/07      | 46852        | 1.00 | WDS II                     | T               | C               | \$36,360        | B   | 09/01/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 46853        | 1.00 | WDS II                     | T               | C               | \$43,860        | B   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 46854        | 1.00 | WDS II                     | T               | C               | \$43,860        | B   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 46855        | 1.00 | WDS II                     | T               | C               | \$36,360        | B   | 09/01/02                   |                                   | 12/30/07                     | To recruit                     |
| LBR111/PA  | Act 213/07      | 46856        | 1.00 | WDS II                     | T               | C               | \$36,360        | B   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 46979        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   | 02/28/99                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 47115        | 1.00 | WDS III                    | T               | C               | \$23,946        | B   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 47125        | 1.00 | WDS II                     | T               | C               | \$36,360        | B   | 06/30/04                   |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 47913        | 1.00 | WDS II                     | T               | C               | \$18,180        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 47914        | 1.00 | WDS II                     | T               | C               | \$18,180        | N   |                            |                                   |                              |                                |
| LBR111/PA  | Act 213/07      | 47915        | 1.00 | WDS III                    | T               | C               | \$19,668        | N   |                            |                                   |                              |                                |



QUARTERLY VACANCY STAFFING PLAN

FORM A

Department of Labor and Industrial Relations - WDD

X Qtrly. Update 11/30/2007

Phone: 586-8825

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | or Exempt (C/S) | Budgeted Salary | MOP | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments   |
|------------|-----------------|--------------|------|----------------------------|-----------------|-----------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|------------|
| LBR111/PA  | Act 213/07      | 47917        | 1.00 | WDS III                    | T               | C               | \$47,892        | B   | 02/16/05                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47918        | 1.00 | WDS III                    | T               | C               | \$19,668        | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47919        | 1.00 | WDS III                    | T               | C               | \$4,545         | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47931        | 1.00 | WDS II                     | T               | C               | \$18,180        | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47932        | 1.00 | WDS III                    | T               | C               | \$36,360        | N   | 07/31/02                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47933        | 0.50 | WDS III                    | T               | C               | \$40,548        | U   | 12/29/00                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47937        | 1.00 | WDS II                     | T               | C               | \$16,662        | U   | 09/15/06                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 47941        | 1.00 | WDS II                     | T               | C               | \$43,836        | U   | 10/24/06                   |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 47942        | 1.00 | WDS II                     | T               | C               | \$37,488        | U   |                            |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 47945        | 1.00 | WDS III                    | T               | C               | \$32,040        | U   | 06/29/06                   |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 49738        | 1.00 | WDS II                     | T               | C               | \$16,824        | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52822        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52823        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52824        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52825        | 1.00 | WDS III                    | T               | C               | \$39,336        | N   | 02/16/05                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52827        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52828        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   | 12/31/00                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52829        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   | 03/31/01                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52831        | 1.00 | WDS III                    | T               | C               | \$31,815        | N   | 09/16/03                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52832        | 1.00 | WDS III                    | T               | C               | \$40,548        | U   | 12/31/00                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52833        | 1.00 | WDS III                    | T               | C               | \$36,360        | N   | 09/03/02                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52834        | 1.00 | WDS III                    | T               | C               | \$40,548        | U   | 12/31/00                   |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 52835        | 0.65 | WDS II                     | T               | C               | \$23,634        | N   | 07/31/02                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52836        | 1.00 | WDS III                    | T               | C               | \$36,360        | N   | 09/16/03                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52837        | 1.00 | WDS II                     | T               | C               | \$33,648        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52838        | 1.00 | WDS II                     | T               | C               | \$36,360        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52839        | 0.50 | WDS III                    | T               | C               | \$36,360        | N   | 07/01/03                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52840        | 1.00 | WDS III                    | T               | C               | \$39,336        | N   | 02/16/05                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 52841        | 1.00 | WDS III                    | T               | C               | \$36,360        | N   | 03/17/03                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 54613        | 1.00 | WDS II                     | T               | C               | \$33,648        | N   | 07/22/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 54614        | 1.00 | WDS II                     | T               | C               | \$18,180        | N   | 12/31/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 90032        | 0.50 | Clerk-Typist II            | T               | C               | \$10,548        | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 91002        | 1.00 | WDS IV                     | T               | C               | \$53,376        | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 91005        | 1.00 | WDS V                      | T               | C               | \$60,048        | U   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 92001        | 1.00 | WDS II                     | T               | C               | \$34,632        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 92002        | 1.00 | WDS II                     | T               | C               | \$36,048        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 92003        | 1.00 | WDS III                    | T               | C               | \$38,952        | N   |                            |                                   |                              |            |

QUARTERLY VACANCY STAFFING PLAN

FORM A

Department of Labor and Industrial Relations - WDD

X Qtrly. Update 11/30/2007 Phone: 586-8825

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | or Exempt (C/S) | Budgeted Salary | MOF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments |
|------------|-----------------|--------------|------|----------------------------|-----------------|-----------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|----------|
| LBR111/PA  | Act 213/07      | 92004        | 1.00 | WDS III                    | T               | C               | \$38,952        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 92005        | 1.00 | WDS II                     | T               | C               | \$34,632        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 92006        | 1.00 | Clerk-Typist II            | T               | C               | \$21,096        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 92007        | 1.00 | Clerk-Typist II            | T               | C               | \$21,096        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93005        | 1.00 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93006        | 1.00 | Program Spec. I            | T               | C               | \$60,048        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93012        | 1.00 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93017        | 0.50 | WDS IV                     | T               | C               | \$26,688        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93018        | 0.50 | WDS II                     | T               | C               | \$17,316        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93019        | 0.50 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93020        | 0.50 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93024        | 0.50 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93026        | 0.50 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 93027        | 0.50 | WDS II                     | T               | C               | \$34,632        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96111        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96112        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96113        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96114        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96115        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96116        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96117        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96118        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96119        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 96120        | 1.00 | WDS II                     | T               | C               | \$40,548        | U   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98001        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98002        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98003        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98004        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98005        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98006        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 98007        | 0.50 | WDS II                     | T               | C               | \$34,632        | B   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99001        | 1.00 | WDS IV                     | T               | C               | \$53,376        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99002        | 1.00 | WDS IV                     | T               | C               | \$53,376        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99003        | 1.00 | WDS IV                     | T               | C               | \$53,376        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99015        | 0.50 | WDS II                     | T               | C               | \$34,632        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99016        | 0.50 | WDS II                     | T               | C               | \$34,632        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99017        | 0.50 | WDS II                     | T               | C               | \$34,632        | N   |                            |                                   |                              |          |
| LBR111/PA  | Act 213/07      | 99018        | 0.50 | WDS II                     | T               | C               | \$34,632        | N   |                            |                                   |                              |          |

QUARTERLY VACANCY STAFFING PLAN

FORM A

Department of Labor and Industrial Relations - WDD

X Qtrly. Update 11/30/2007

Phone: 586-8825

| Program ID | Legal Authority | Position No. | FTE    | Position Title as Budgeted | Permit Temp (P/T) | or Exempt (G/S) | Budgeted Salary | MDF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments   |
|------------|-----------------|--------------|--------|----------------------------|-------------------|-----------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|------------|
| LBR111/PA  | Act 213/07      | 99025        | 1.00   | WD AIDE IV                 | T                 | C               | \$31,716        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 99026        | 1.00   | WD AIDE IV                 | T                 | C               | \$31,716        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 99027        | 1.00   | WD AIDE IV                 | T                 | C               | \$31,716        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 99028        | 1.00   | Clerk-Typist II            | T                 | C               | \$21,096        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 99029        | 1.00   | Clerk-Typist II            | T                 | C               | \$21,096        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 99030        | 1.00   | Clerk-Typist II            | T                 | C               | \$21,096        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 106039       | 1.00   | Clerk-Typist II            | T                 | C               | \$21,096        | N   |                            |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 110717       | 1.00   | WDS II                     | T                 | C               | \$16,824        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 110718       | 1.00   | WDS II                     | T                 | C               | \$31,092        | N   | 06/30/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 110719       | 1.00   | WDS III                    | T                 | C               | \$37,836        | N   | 02/16/05                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 110720       | 1.00   | WDS III                    | T                 | C               | \$33,648        | N   | 02/02/04                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 110721       | 1.00   | WDS II                     | T                 | C               | \$16,824        | N   | 07/01/03                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 112134       | 1.00   | Clerk-Typist II            | T                 | C               | \$22,152        | N   | 03/17/03                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 112234       | 1.00   | Clerk-Typist II            | T                 | C               | \$22,152        | N   | 12/30/02                   |                                   |                              |            |
| LBR111/PA  | Act 213/07      | 117049       | 1.00   | WDS III                    | T                 | C               | \$34,632        | U   | 02/16/05                   |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 117050       | 1.00   | WDS II                     | T                 | C               | \$34,632        | U   |                            |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 117051       | 1.00   | WDS II                     | T                 | C               | \$34,632        | U   |                            |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 117052       | 1.00   | WDS II                     | T                 | C               | \$34,632        | U   |                            |                                   | 12/01/07                     | Recruiting |
| LBR111/PA  | Act 213/07      | 117140       | 1.00   | WDS II                     | T                 | C               | \$34,622        | U   |                            |                                   | 12/01/07                     | Recruiting |
|            |                 | Total        | 154.15 |                            |                   |                 |                 |     |                            |                                   |                              |            |









QUARTERLY VACANCY STAFFING PLAN

FORM A

Department Labor & Industrial Relations

Annual Report

Quarterly Update 11/30/2007

Contact Person: Francis Kagawa  
Phone: 586-8887

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | Civ Svs or Exempt (C/S) | Budgeted Salary | MOF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments                           |
|------------|-----------------|--------------|------|----------------------------|-----------------|-------------------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|------------------------------------|
| LBR143EA   | Act 213/07      | 24664        | 0.50 | EHS II                     | P               | C/S                     | \$19,476        | A   | 07/01/06                   |                                   |                              | Under Recruitment                  |
|            |                 |              | 0.50 | EHS III                    | P               | C/S                     | \$19,476        | N   | 07/01/06                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24665        | 0.50 | EHS IV                     | P               | C/S                     | \$16,656        | A   | 01/04/06                   |                                   |                              |                                    |
|            |                 |              | 0.50 | EHS IV                     | P               | C/S                     | \$16,656        | N   | 01/04/06                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24672        | 0.50 | Supervising OSCHO II       | P               | C/S                     | \$23,082        | A   | 07/15/05                   |                                   |                              | Under Recruitment                  |
|            |                 |              | 0.50 | Supervising OSCHO II       | P               | C/S                     | \$23,082        | N   | 07/15/05                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24674        | 0.50 | OSCHO IV                   | P               | C/S                     | \$19,728        | A   | 11/01/06                   |                                   |                              |                                    |
|            |                 |              | 0.50 | OSCHO IV                   | P               | C/S                     | \$19,728        | N   | 11/01/06                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24678        | 0.50 | OSH Program Spec V         | P               | C/S                     | \$23,724        | A   | 06/04/04                   |                                   |                              | Governor's approval dated 07/14/04 |
|            |                 |              | 0.50 | OSH Program Spec V         | P               | C/S                     | \$23,724        | N   | 06/04/04                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24671        | 0.50 | EHS II                     | P               | C/S                     | \$20,262        | A   | 06/29/07                   |                                   |                              | Under Recruitment                  |
|            |                 |              | 0.50 | EHS II                     | P               | C/S                     | \$20,262        | N   | 06/29/07                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 30706        | 0.50 | OSH Advisor IV             | P               | C/S                     | \$21,072        | A   | 07/08/02                   |                                   |                              | Governor's approval dated 04/29/03 |
|            |                 |              | 0.50 | OSH Advisor IV             | P               | C/S                     | \$21,072        | N   | 07/08/02                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 45374        | 0.50 | OSH Advisor IV (Maui)      | P               | C/S                     | \$19,668        | A   | 12/01/01                   |                                   |                              | Governor's approval dated 04/29/03 |
|            |                 |              | 0.50 | OSH Advisor IV (Maui)      | P               | C/S                     | \$19,668        | N   | 12/01/01                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24669        | 0.50 | Clerk III                  | P               | C/S                     | \$11,868        | A   | 07/01/06                   |                                   |                              |                                    |
|            |                 |              | 0.50 | Clerk III                  | P               | C/S                     | \$11,868        | N   | 07/01/06                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24658        | 0.50 | OSH Advisor IV             | P               | C/S                     | \$21,072        | A   | 12/30/05                   |                                   |                              | Under Recruitment                  |
|            |                 |              | 0.50 | OSH Advisor IV             | P               | C/S                     | \$21,072        | N   | 12/30/05                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24673        | 0.50 | Supervising OSCHO I        | P               | C/S                     | \$21,348        | A   | 06/19/06                   |                                   |                              |                                    |
|            |                 |              | 0.50 | Supervising OSCHO I        | P               | C/S                     | \$21,348        | N   | 06/19/06                   |                                   |                              |                                    |
| LBR143EA   | Act 213/07      | 24667        | 0.50 | EHS III                    | P               | C/S                     | \$21,918        | A   | 10/06/06                   |                                   |                              | Under Recruitment                  |
|            |                 |              | 0.50 | EHS III                    | P               | C/S                     | \$21,918        | N   | 10/06/06                   |                                   |                              |                                    |

Department Labor & Industrial Relations

Annual Report  
 Quarterly Update 11/30/2007

Contact Person: Francis Kagawa  
 Phone: 586-8687

| Program ID | Legal Authority | Position No. | FTE   | Position Title as Budgeted | Permu Temp (P/T) | Civ Svs or Exempt (C/S) | Budgeted Salary | MOF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments |
|------------|-----------------|--------------|-------|----------------------------|------------------|-------------------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|----------|
| LBR143EA   | Act 213/07      | 18113        | 0.50  | Clerk III                  | P                | C/S                     | \$13,332        | A   | 09/05/07                   |                                   |                              |          |
|            |                 |              | 0.50  | Clerk III                  | P                | C/S                     | \$13,332        | N   | 09/05/07                   |                                   |                              |          |
| LBR143EA   | Act 213/07      | 30700        | 0.50  | OSHCO IV (Oahu)            | P                | C/S                     | \$30,408        | A   | 12/29/06                   |                                   |                              |          |
|            |                 |              | 0.50  | OSHCO IV (Oahu)            | P                | C/S                     | \$30,408        | N   | 12/29/06                   |                                   |                              |          |
| LBR143EA   | Act 213/07      | 4368         | 0.50  | OSHCO III (Oahu)           | P                | C/S                     | \$18,246        | A   | 12/29/06                   |                                   |                              |          |
|            |                 |              | 0.50  | OSHCO III (Oahu)           | P                | C/S                     | \$18,246        | N   | 12/29/06                   |                                   |                              |          |
| LBR143EA   | Act 213/07      | 98001L       | 0.50  | OSH Advisor IV             | P                | C/S                     | \$21,072        | A   | 07/01/07                   |                                   |                              |          |
|            |                 |              | 0.50  | OSH Advisor IV             | P                | C/S                     | \$21,072        | N   | 07/01/07                   |                                   |                              |          |
|            | Total           |              | 8.00  |                            | P                |                         | \$322,932       | A   |                            |                                   |                              |          |
|            |                 |              | 8.00  |                            | P                |                         | 322,932         | N   |                            |                                   |                              |          |
|            |                 |              | 16.00 |                            |                  |                         | \$645,864       |     |                            |                                   |                              |          |











VACANCY STAFFING PLAN

FORM A

Department of Labor and Industrial Relations -- Unemployment Insurance Division

Annual Report  
Quarterly Update: 11/30/07

Contact Person: Lori Tengan  
Phone: 586-9071

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted    | Perm/Temp (P/T) | Civ Svc Exempt (C/S) | Budgeted Salary | MOF     | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Identified in Annual Plan (Y/N) | Comments   |
|------------|-----------------|--------------|------|-------------------------------|-----------------|----------------------|-----------------|---------|----------------------------|-----------------------------------|------------------------------|---------------------------------|--|
| LBR 171/LA | Act 213/07      | 180          | 1.00 | UI Specialist IV              | P               | C.S.                 | \$42,144        | Federal | 05/30/00                   |                                   |                              | N                               | Special Activities Unit  |
| LBR 171/LA | Act 213/07      | 190          | 0.25 | Clerk II                      | P               | C.S.                 | \$5,475         | Federal | 05/08/03                   |                                   |                              | N                               | ADP and Records Control Sub-Unit   |
| LBR 171/LA | Act 213/07      | 191          | 0.25 | UI Assistant III              | P               | C.S.                 | \$24,684        | Federal | 08/23/03                   |                                   |                              | N                               | Tax Processing Sub-Unit  |
| LBR 171/LA | Act 213/07      | 201          | 1.00 | Auditor (Unemployment Tax) IV | P               | C.S.                 | \$42,144        | Federal | 12/30/05                   |                                   |                              | N                               | Audit Unit I - FUNDED  |
| LBR 171/LA | Act 213/07      | 3745         | 0.50 | UI Assistant III              | P               | C.S.                 | \$12,342        | Federal | 02/14/03                   |                                   |                              | N                               | Claims Processing -- FUNDED 89 Day Hire (Kimberly Kuloloia-Juan)                             |
| LBR 171/LA | Act 213/07      | 4056         | 1.00 | Clerk III                     | P               | C.S.                 | \$36,492        | Federal | 01/02/07                   |                                   |                              | N                               | Employer Records Sub-Unit  |
| LBR 171/LA | Act 213/07      | 4557         | 1.00 | UI Specialist IV              | P               | C.S.                 | \$42,144        | Federal | 09/24/01                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 5292         | 1.00 | Secretary II                  | P               | C.S.                 | \$29,976        | Federal | 08/31/04                   |                                   |                              | N                               | Waipahu Claims Section -- Clerical Services  |
| LBR 171/LA | Act 213/07      | 7073         | 1.00 | UI Assistant VII              | P               | C.S.                 | \$33,756        | Federal | 12/30/05                   |                                   |                              | N                               | Employer Accounts Unit   |
| LBR 171/LA | Act 213/07      | 7508         | 0.25 | Clerk III                     | P               | C.S.                 | \$5,934         | Federal | 01/18/03                   |                                   |                              | N                               | Tax Processing Sub-Unit  |
| LBR 171/LA | Act 213/07      | 7852         | 1.00 | UI Specialist III             | P               | C.S.                 | \$51,312        | Federal | 04/23/07                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 7930         | 1.00 | UI Specialist I               | P               | C.S.                 | \$33,312        | Federal | 07/07/03                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 8269         | 1.00 | UI Specialist III             | P               | C.S.                 | \$51,312        | Federal | 08/01/07                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 8481         | 1.00 | UI Specialist V               | P               | C.S.                 | \$62,400        | Federal | 06/01/07                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 8722         | 1.00 | Secretary II                  | P               | C.S.                 | \$46,164        | Federal | 01/02/07                   |                                   |                              | N                               | Benefit Processing and Control Section -- Clerical Services                                  |
| LBR 171/LA | Act 213/07      | 8818         | 1.00 | Auditor (Unemployment Tax) IV | P               | C.S.                 | \$42,144        | Federal | 12/30/05                   |                                   |                              | N                               | Audit Unit II  |
| LBR 171/LA | Act 213/07      | 9923         | 1.00 | UI Specialist III             | P               | C.S.                 | \$38,952        | Federal | 11/16/04                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 9946         | 1.00 | UI Specialist V               | P               | C.S.                 | \$47,448        | Federal | 01/02/07                   |                                   |                              | N                               | Resource Management Section - FUNDED   |
| LBR 171/LA | Act 213/07      | 10742        | 1.00 | UI Specialist IV              | P               | C.S.                 | \$42,144        | Federal | 12/03/02                   |                                   |                              | N                               | Kaunakakai Claims Section  |
| LBR 171/LA | Act 213/07      | 10834        | 1.00 | UI Specialist IV              | P               | C.S.                 | \$42,144        | Federal | 05/14/03                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 11199        | 1.00 | Auditor (Unemployment Tax) IV | P               | C.S.                 | \$42,144        | Federal | 06/02/03                   |                                   |                              | N                               | Audit Unit I   |
| LBR 171/LA | Act 213/07      | 12239        | 0.25 | UI Specialist IV              | P               | C.S.                 | \$10,536        | Federal | 07/31/86                   |                                   |                              | N                               | Workload Control Unit  |
| LBR 171/LA | Act 213/07      | 13088        | 1.00 | UI Specialist III             | P               | C.S.                 | \$45,612        | Federal | 02/05/07                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 13094        | 1.00 | UI Assistant V                | P               | C.S.                 | \$36,492        | Federal | 08/16/07                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 13192        | 1.00 | UI Specialist I               | P               | C.S.                 | \$33,312        | Federal | 07/25/03                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 13553        | 0.25 | UI Assistant V                | P               | C.S.                 | \$7,215         | Federal | 07/02/04                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 14856        | 0.25 | UI Assistant III              | P               | C.S.                 | \$6,171         | Federal | 03/31/03                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 21520        | 1.00 | UI Assistant V                | P               | C.S.                 | \$36,492        | Federal | 08/16/07                   |                                   |                              | N                               | Claims Processing - FUNDED   |
| LBR 171/LA | Act 213/07      | 21587        | 1.00 | Auditor (Unemployment Tax) IV | P               | C.S.                 | \$42,144        | Federal | 11/15/04                   |                                   |                              | N                               | Hawaii Branch -- Employer Services Section FUNDED PA submitted to fill this position         |
| LBR 171/LA | Act 213/07      | 21765        | 1.00 | Auditor (Unemployment Tax) V  | P               | C.S.                 | \$47,448        | Federal | 09/01/06                   |                                   |                              | N                               | Maul Branch -- Employer Services Section - FUNDED PA will be submitted to fill this position |
| LBR 171/LA | Act 213/07      | 22349        | 1.00 | UI Assistant V                | P               | C.S.                 | \$36,492        | Federal | 02/05/07                   |                                   |                              | N                               | Claims Processing - FUNDED   |
| LBR 171/LA | Act 213/07      | 22356        | 1.00 | UI Assistant III              | P               | C.S.                 | \$24,684        | Federal | 03/01/03                   |                                   |                              | N                               | Employer Records Sub-Unit  |



Department of Labor and Industrial Relations -- Unemployment Insurance Division

Annual Report  
 Quarterly Update: 11/30/07

Contact Person: Lori Tengan  
 Phone: 586-9071

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted    | Perm/Temp (P/T) | Civ Svc or Exempt (C/S) | Budgeted Salary | MOF     | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Identified In Annual Plan (Y/N) | Comments   |
|------------|-----------------|--------------|------|-------------------------------|-----------------|-------------------------|-----------------|---------|----------------------------|-----------------------------------|------------------------------|---------------------------------|--|
| LBR 171/LA | Act 213/07      | 23104        | 0.25 | UI Assistant V                | P               | C.S.                    | \$8,106         | Federal | 03/01/07                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 23105        | 0.25 | UI Assistant III              | P               | C.S.                    | \$6,171         | Federal | 12/11/02                   |                                   |                              | N                               | ADP and Records Control Sub-Unit   |
| LBR 171/LA | Act 213/07      | 23122        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,803         | Federal | 01/12/07                   |                                   |                              | N                               | Claims Processing - FUNDED PA submitted to fill this position                        |
| LBR 171/LA | Act 213/07      | 23123        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 08/01/05                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 23128        | 1.00 | UI Specialist IV              | P               | C.S.                    | \$42,144        | Federal | 08/07/07                   |                                   |                              | N                               | Internal Security Section PA submitted to fill this position - FUNDED                |
| LBR 171/LA | Act 213/07      | 23589        | 0.25 | UI Assistant III              | P               | C.S.                    | \$6,171         | Federal | 01/14/03                   |                                   |                              | N                               | Claims Processing -- FUNDED 89 Day Hire (Lisa Burk)                                  |
| LBR 171/LA | Act 213/07      | 23590        | 0.25 | U Assistant V                 | P               | C.S.                    | \$7,215         | Federal | 11/28/05                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24696        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 06/01/05                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24697        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 05/16/05                   |                                   |                              | N                               | Monetary Processing Sub-Unit   |
| LBR 171/LA | Act 213/07      | 24699        | 0.25 | UI Assistant V                | P               | C.S.                    | \$8,106         | Federal | 10/19/06                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24703        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 12/23/05                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24705        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 01/06/06                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24706        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 06/07/05                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24708        | 1.00 | UI Assistant V                | P               | C.S.                    | \$35,100        | Federal | 10/31/06                   |                                   |                              | N                               | Tax Processing Sub-Unit  |
| LBR 171/LA | Act 213/07      | 24711        | 0.25 | UI Assistant III              | P               | C.S.                    | \$6,171         | Federal | 04/10/03                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24714        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,494         | Federal | 08/01/07                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24715        | 1.00 | UI Assistant III              | P               | C.S.                    | \$24,684        | Federal | 11/01/03                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24719        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 01/01/03                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 24746        | 1.00 | UI Specialist II              | P               | C.S.                    | \$36,048        | Federal | 07/05/04                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 25158        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 05/18/03                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 25179        | 1.00 | UI Specialist III             | P               | C.S.                    | \$38,952        | Federal | 11/12/02                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 25800        | 1.00 | Info Tech Specialist          | P               | C.S.                    | \$42,144        | Federal |                            |                                   |                              |                                 |  |
| LBR 171/LA | Act 213/07      | 25801        | 1.00 | Auditor (Unemployment Tax) II | P               | C.S.                    | \$36,048        | Federal | 08/01/04                   |                                   |                              | N                               | Employer Services Section - FUNDED   |
| LBR 171/LA | Act 213/07      | 25802        | 1.00 | Auditor (Unemployment Tax) IV | P               | C.S.                    | \$42,144        | Federal | 04/23/03                   |                                   |                              | N                               | Kauai Branch - Employer Services Section - FUNDED PA submitted to fill this position |
| LBR 171/LA | Act 213/07      | 25907        | 1.00 | UI Specialist V               | P               | C.S.                    | \$47,448        | Federal | 04/02/02                   |                                   |                              | N                               | Special Activities Unit  |
| LBR 171/LA | Act 213/07      | 25910        | 1.00 | UI Specialist V               | P               | C.S.                    | \$60,024        | Federal | 02/05/07                   |                                   |                              | N                               | Kaneohe Claims Section   |
| LBR 171/LA | Act 213/07      | 25912        | 1.00 | UI Specialist II              | P               | C.S.                    | \$40,524        | Federal | 01/31/07                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 25914        | 1.00 | UI Assistant VII              | P               | C.S.                    | \$33,756        | Federal | 06/16/06                   |                                   |                              | N                               | Transaction Unit   |
| LBR 171/LA | Act 213/07      | 25915        | 1.00 | UI Assistant III              | P               | C.S.                    | \$24,684        | Federal | 04/01/03                   |                                   |                              | N                               | Claims Processing - FUNDED 89 Day Hire (Judy Saavedra)                               |
| LBR 171/LA | Act 213/07      | 25917        | 1.00 | UI Assistant V                | P               | C.S.                    | \$44,424        | Federal | 01/02/07                   |                                   |                              | N                               | Special Activities Unit  |
| LBR 171/LA | Act 213/07      | 25925        | 1.00 | UI Assistant VI               | P               | C.S.                    | \$31,212        | Federal | 07/31/06                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 25926        | 1.00 | UI Assistant V                | P               | C.S.                    | \$44,424        | Federal | 12/31/06                   |                                   |                              | N                               | ADP and Records Control Sub-Unit   |
| LBR 171/LA | Act 213/07      | 25946        | 1.00 | UI Specialist IV              | P               | C.S.                    | \$42,144        | Federal | 08/16/04                   |                                   |                              | N                               | Claims Examining   |
| LBR 171/LA | Act 213/07      | 26070        | 1.00 | UI Assistant V                | P               | C.S.                    | \$28,860        | Federal | 06/16/05                   |                                   |                              | N                               | Claims Processing  |
| LBR 171/LA | Act 213/07      | 26348        | 1.00 | UI Specialist V               | P               | C.S.                    | \$47,448        | Federal | 09/11/06                   |                                   |                              | N                               | Wailuku Claims Section FUNDED  |
| LBR 171/LA | Act 213/07      | 26569        | 0.25 | UI Assistant III              | P               | C.S.                    | \$6,171         | Federal | 12/08/02                   |                                   |                              | N                               | Claims Processing - FUNDED 89 Day Hire (Rochelle De Lima)                            |
| LBR 171/LA | Act 213/07      | 26640        | 0.25 | UI Assistant V                | P               | C.S.                    | \$7,215         | Federal | 04/16/04                   |                                   |                              | N                               | Claims Processing  |

Department of Labor and Industrial Relations – Unemployment Insurance Division

Annual Report  
 Quarterly Update: 11/30/07

Contact Person: Lori Tengan  
 Phone: 586-9071

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | Civ. Serv. Exempt (C/S) | Budgeted Salary | MOF     | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Identified in Annual Plan (Y/N) | Comments  |
|------------|-----------------|--------------|------|----------------------------|-----------------|-------------------------|-----------------|---------|----------------------------|-----------------------------------|------------------------------|---------------------------------|---|
| LBR 171/LA | Act 213/07      | 26647        | 1.00 | UI Assistant V             | P               | C.S.                    | \$28,860        | Federal | 10/14/02                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 26984        | 0.50 | UI Specialist I            | P               | C.S.                    | \$16,656        | Federal | 08/16/02                   |                                   |                              | N                               | Claims Examining -- FUNDED 89 Day Hire (Norma Acain)          |
| LBR 171/LA | Act 213/07      | 26986        | 1.00 | UI Specialist IV           | P               | C.S.                    | \$42,144        | Federal | 01/01/03                   |                                   |                              | N                               | Claims Examining  |
| LBR 171/LA | Act 213/07      | 26990        | 1.00 | UI Specialist III          | P               | C.S.                    | \$38,952        | Federal | 03/20/06                   |                                   |                              | N                               | Claims Examining  |
| LBR 171/LA | Act 213/07      | 26996        | 1.00 | UI Specialist III          | P               | C.S.                    | \$38,952        | Federal | 05/13/05                   |                                   |                              | N                               | Claims Examining  |
| LBR 171/LA | Act 213/07      | 26998        | 1.00 | UI Specialist I            | P               | C.S.                    | \$33,312        | Federal | 04/01/03                   |                                   |                              | N                               | Claims Examining  |
| LBR 171/LA | Act 213/07      | 26999        | 1.00 | UI Specialist II           | P               | C.S.                    | \$36,048        | Federal | 12/07/02                   |                                   |                              | N                               | Claims Examining  |
| LBR 171/LA | Act 213/07      | 27007        | 1.00 | UI Specialist IV           | P               | C.S.                    | \$42,144        | Federal | 01/02/07                   |                                   |                              | N                               | Kona Claims Section -- Claims Examining                       |
| LBR 171/LA | Act 213/07      | 27008        | 1.00 | UI Assistant IV            | P               | C.S.                    | \$26,664        | Federal | 12/30/02                   |                                   |                              | N                               | Claims Processing - FUNDED PA submitted to fill this position |
| LBR 171/LA | Act 213/07      | 27009        | 0.25 | UI Assistant III           | P               | C.S.                    | \$6,171         | Federal | 07/05/02                   |                                   |                              | N                               | Claims Processing FUNDED PA submitted to fill this position   |
| LBR 171/LA | Act 213/07      | 27116        | 0.25 | UI Assistant IV            | P               | C.S.                    | \$5,666         | Federal | 01/01/03                   |                                   |                              | N                               | Employer Records Sub-Unit                                     |
| LBR 171/LA | Act 213/07      | 27147        | 1.00 | Secretary II               | P               | C.S.                    | \$29,976        | Federal | 12/31/03                   |                                   |                              | N                               | Honolulu Claims Section -- Clerical Services                  |
| LBR 171/LA | Act 213/07      | 27156        | 0.25 | UI Assistant V             | P               | C.S.                    | \$7,215         | Federal | 02/29/04                   |                                   |                              | N                               | Claims Processing - FUNDED PA submitted to fill this position |
| LBR 171/LA | Act 213/07      | 27157        | 1.00 | Clerk Typist II            | P               | C.S.                    | \$23,736        | Federal | 12/30/04                   |                                   |                              | N                               | Employer Services Section -- Clerical Services                |
| LBR 171/LA | Act 213/07      | 27215        | 1.00 | UI Assistant V             | P               | C.S.                    | \$42,696        | Federal | 01/02/07                   |                                   |                              | N                               | Monetary Processing Sub-Unit                                  |
| LBR 171/LA | Act 213/07      | 27227        | 0.25 | Clerk II                   | P               | C.S.                    | \$5,475         | Federal | 08/08/02                   |                                   |                              | N                               | Tax Processing Sub-Unit                                       |
| LBR 171/LA | Act 213/07      | 27229        | 0.25 | Clerk II                   | P               | C.S.                    | \$5,475         | Federal | 04/22/02                   |                                   |                              | N                               | Employer Records Sub-Unit                                     |
| LBR 171/LA | Act 213/07      | 27270        | 0.25 | UI Assistant V             | P               | C.S.                    | \$7,215         | Federal | 12/10/04                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27275        | 0.25 | UI Assistant V             | P               | C.S.                    | \$7,215         | Federal | 07/19/05                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27754        | 1.00 | UI Assistant V             | P               | C.S.                    | \$28,860        | Federal | 08/01/04                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27755        | 0.25 | UI Assistant V             | P               | C.S.                    | \$8,106         | Federal | 10/25/06                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27759        | 0.25 | UI Assistant V             | P               | C.S.                    | \$8,106         | Federal | 10/25/06                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27761        | 0.25 | UI Assistant V             | P               | C.S.                    | \$7,215         | Federal | 10/28/05                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27762        | 0.25 | UI Assistant IV            | P               | C.S.                    | \$6,666         | Federal | 07/08/05                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27763        | 0.25 | UI Assistant III           | P               | C.S.                    | \$6,171         | Federal | 02/08/03                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27765        | 0.25 | UI Assistant IV            | P               | C.S.                    | \$6,666         | Federal | 03/01/04                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27766        | 1.00 | UI Assistant III           | P               | C.S.                    | \$24,684        | Federal | 12/30/02                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27768        | 0.25 | UI Assistant V             | P               | C.S.                    | \$7,215         | Federal | 07/29/05                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 27769        | 0.25 | UI Assistant III           | P               | C.S.                    | \$6,171         | Federal | 03/01/03                   |                                   |                              | N                               | Monetary Processing Sub-Unit                                  |
| LBR 171/LA | Act 213/07      | 27771        | 1.00 | UI Assistant V             | P               | C.S.                    | \$44,424        | Federal | 10/31/06                   |                                   |                              | N                               | Monetary Processing Sub-Unit - FUNDED                         |
| LBR 171/LA | Act 213/07      | 27775        | 1.00 | UI Assistant VI            | P               | C.S.                    | \$31,212        | Federal | 09/30/04                   |                                   |                              | N                               | Claims Processing   |
| LBR 171/LA | Act 213/07      | 31881        | 1.00 | UI Specialist III          | P               | C.S.                    | \$51,312        | Federal | 10/31/06                   |                                   |                              | N                               | Claims Examining  |
| LBR 171/LA | Act 213/07      | 35350        | 1.00 | UI Specialist IV           | P               | C.S.                    | \$42,144        | Federal | 08/01/05                   |                                   |                              | N                               | Quality Control Section                                       |
| LBR 171/LA | Act 213/07      | 40267        | 1.00 | Auditor (Unemployment)     | P               | C.S.                    | \$42,144        | Federal | 12/31/03                   |                                   |                              | N                               | Employer Services Section                                     |
| LBR 171/LA | Act 213/07      | 42389        | 1.00 | Auditor (Unemployment)     | P               | C.S.                    | \$53,352        | Federal | 10/20/05                   |                                   |                              | N                               | Audit Unit II   |
| LBR 171/LA | Act 213/07      | 42392        | 1.00 | Auditor (Unemployment)     | P               | C.S.                    | \$42,144        | Federal | 02/14/05                   |                                   |                              | N                               | Employer Services Section                                     |









QUARTERLY VACANCY STAFFING PLAN

FORM A

Department Labor & Industrial Relations

Annual Report  
 Quarterly Update 11/30/2007

Contact Person: Francis Kagawa  
 Phone: 586-8887

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted | Perm/Temp (P/T) | Civ. Svs of Exempt (C/S) | Budgeted Salary | M.O.F. | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments |
|------------|-----------------|--------------|------|----------------------------|-----------------|--------------------------|-----------------|--------|----------------------------|-----------------------------------|------------------------------|----------|
| LBR812HA   | Act 213/07      | 118412       | 1.00 | Hearings Officer           | P               | E                        | \$15,976        | A      | 07/01/05                   |                                   |                              |          |
|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |
|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |
|            | Total           |              | 1.00 |                            | P               |                          | \$15,976        | A      |                            |                                   |                              |          |
|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |
|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |
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|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |
|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |
|            |                 |              |      |                            |                 |                          |                 |        |                            |                                   |                              |          |

QUARTERLY VACANCY STAFFING PLAN

FORM A

Department Labor & Industrial Relations (ESARO)

Annual Report  
 Quarterly Update 11/30/2007

Contact Person: Francis Kagawa  
 Phone: 586-8887

| Program ID | Legal Authority | Position No. | FTE  | Position Title as Budgeted    | Perm/Temp (P/T) | Civ/Svs or Exempt (C/S) | Budgeted Salary | MOP | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments             |
|------------|-----------------|--------------|------|-------------------------------|-----------------|-------------------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|----------------------|
| LBR871LB   | Act 213/07      | 24243        | 1.00 | Clerk Typist II               | P               | C/S                     | \$ 23,736       | N   | 4/16/2002                  |                                   |                              | Under Recruitment    |
| LBR871LB   | Act 213/07      | 25576        | 0.25 | Clerk Typist II               | P               | C/S                     | \$ 22,152       | N   | 6/30/2004                  |                                   |                              | 89 Hire - Jason Rhee |
| LBR871LB   | Act 213/07      | 26913        | 0.25 | Empl Security Appeals Referee | P               | C/S                     | \$ 12,828       | N   | 11/1/2004                  |                                   |                              | Under Recruitment    |
| LBR871LB   | Act 213/07      | 27970        | 1.00 | Clerk Typist II               | P               | C/S                     | \$ 23,736       | N   | 6/30/2004                  |                                   |                              |                      |
| LBR871LB   | Act 213/07      | 27971        | 0.30 | Empl Security Appeals Referee | P               | C/S                     | \$ 18,007       | N   | 1/29/2004                  |                                   |                              | Under Recruitment    |
| LBR871LB   | Act 213/07      | 27972        | 0.50 | Empl Security Appeals Referee | P               | C/S                     | \$ 47,892       | N   | 6/30/2004                  |                                   |                              | 89 Hire - Frank Yap  |
| LBR871LB   | Act 213/07      | 6277         | 1.00 | Secretary II                  | P               | C/S                     | \$ 29,976       | N   | 1/1/2006                   |                                   |                              | Preparing to Recruit |
| LBR871LB   | Act 213/07      | 28095        | 1.00 | Empl Security Appeals Referee | P               | C/S                     | \$ 51,312       | N   | 1/1/2006                   |                                   |                              |                      |
| LBR871LB   | Act 213/07      | 28284        | 1.00 | Empl Security Appeals Referee | P               | C/S                     | \$ 51,312       | N   | 1/1/2006                   |                                   |                              |                      |
| LBR871LB   | Act 213/07      | 26207        | 1.00 | Clerk Typist II               | P               | C/S                     | \$ 35,100       | N   |                            |                                   |                              |                      |
| TOTAL      |                 |              | 7.30 |                               | P               |                         | \$ 316,051      | N   |                            |                                   |                              |                      |





QUARTERLY VACANCY STAFFING PLAN

FORM A

Department Labor & Industrial Relations

Annual Report  
Quarterly Update 11/30/2007

Contact Person: Francis Kagawa  
Phone: 586-8887

| Program ID | Legal Authority | Position No. | FTE   | Position Title as Budgeted        | Permi/Temp (P/T) | Civ Sys or Exempt (C/S) | Budgeted Salary | MOF | Date of Vacancy (mm/dd/yy) | Date To Be Established (mm/dd/yy) | Date To Be Filled (mm/dd/yy) | Comments                             |
|------------|-----------------|--------------|-------|-----------------------------------|------------------|-------------------------|-----------------|-----|----------------------------|-----------------------------------|------------------------------|--------------------------------------|
| LBR902AA   | Act 213/07      | 3746         | 1.00  | Clerical Supervisor III (Maul DO) | P                | C/S                     | \$35,100        | A   | 07/01/07                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 4083         | 0.20  | Clerk II                          | P                | C/S                     | \$3,958         | N   | 08/21/95                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 8873         | 1.00  | Program Budget Analyst IV         | P                | C/S                     | \$42,144        | N   | 05/01/06                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 10083        | 1.00  | Clerk Typist III (Kauai DO)       | P                | C/S                     | \$25,656        | A   | 08/01/06                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 17644        | 1.00  | Clerk Typist III (West HI)        | P                | C/S                     | \$25,656        | A   | 07/31/06                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 26721        | 1.00  | Account Clerk III                 | P                | C/S                     | \$24,098        | N   | 12/31/04                   |                                   |                              | Preparing to Recruit                 |
| LBR902AA   | Act 213/07      | 31882        | 0.20  | Account Clerk III                 | P                | C/S                     | \$5,720         | N   | 05/01/06                   |                                   |                              | Preparing to Recruit                 |
| LBR902AA   | Act 213/07      | 9868         | 0.46  | PMS IV                            | P                | C/S                     | \$20,982        | A   | 11/01/07                   |                                   |                              | Preparing to Recruit                 |
| LBR902AA   | Act 213/07      | 9868         | 0.54  | PMS IV                            | P                | C/S                     | \$24,630        | N   | 11/01/07                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 27037        | 0.46  | PMS IV                            | P                | C/S                     | \$22,693        | A   | 12/31/06                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 27037        | 0.54  | PMS IV                            | P                | C/S                     | \$22,693        | N   | 12/31/06                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 47912        | 0.54  | PMS IV                            | P                | C/S                     | \$22,758        | N   | 03/08/94                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 47960        | 1.00  | DPSSA IV (UI)                     | P                | C/S                     | \$40,920        | N   | 04/01/06                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 52820        | 1.00  | DPSSA IV (WDD)                    | P                | C/S                     | \$51,816        | N   | 05/01/06                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 113230       | 0.46  | Clerk Typist II                   | P                | C/S                     | \$10,190        | A   | 10/01/06                   |                                   |                              | Governor's approval dated 10/09/2006 |
| LBR902AA   | Act 213/07      | 113230       | 0.54  | Clerk Typist II                   | P                | C/S                     | \$11,962        | N   | 10/01/06                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 117711       | 0.46  | DPSSA IV                          | P                | C/S                     | \$17,234        | A   | 07/01/99                   |                                   |                              | Governor's approval dated 05/02/05   |
| LBR902AA   | Act 213/07      | 117711       | 0.54  | DPSSA IV                          | P                | C/S                     | \$20,231        | N   | 07/01/99                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 52826        | 1.00  | Accountant II                     | T                | C/S                     | \$33,648        | N   | 06/01/06                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 54615T       | 1.00  | Account Clerk II                  | T                | C/S                     | \$24,888        | N   | 06/30/05                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 22693T       | 1.00  | Clerk III                         | T                | C/S                     | \$22,152        | N   | 12/28/02                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 23134T       | 1.00  | Account Clerk II                  | T                | C/S                     | \$22,152        | N   | 08/09/03                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 31914T       | 1.00  | Clerk Typist II                   | T                | C/S                     | \$22,152        | N   | 12/28/02                   |                                   |                              |                                      |
| LBR902AA   | Act 213/07      | 21819        | 1.00  | Clerk IV                          | P                | C/S                     | \$31,212        | N   | 04/01/06                   |                                   |                              | Under Recruitment                    |
| LBR902AA   | Act 213/07      | 10026        | 1.00  | Clerk Stenographer II             | P                | C/S                     | \$36,492        | A   | 11/01/07                   |                                   |                              |                                      |
|            |                 | Total        | 18.94 |                                   |                  |                         |                 |     |                            |                                   |                              |                                      |







**Attachment 9**  
**Listing of Expenditures Exceeding Federal Fund Ceiling for FY07 and FY08**

| <u>Program ID</u> | <u>FY07 Ceiling</u> | <u>FY07 Expenditures</u> | <u>FY08 Ceiling</u> | <u>FY08 Expenditures</u> | <u>Reason for Exceeding Ceiling</u> | <u>Recurring (Y/N)</u> |
|-------------------|---------------------|--------------------------|---------------------|--------------------------|-------------------------------------|------------------------|
| ALL LBRS          | -                   | -                        | -                   | -                        | None                                | -                      |
|                   |                     |                          |                     |                          |                                     |                        |
|                   |                     |                          |                     |                          |                                     |                        |
|                   |                     |                          |                     |                          |                                     |                        |
|                   |                     |                          |                     |                          |                                     |                        |
|                   |                     |                          |                     |                          |                                     |                        |

**Attachment 10**  
**Listing of Transfers for FY07 and FY08**

| <u>Program ID</u> | <u>FY07<br/>Ceiling</u> | <u>FY07<br/>Amount Transferred</u> | <u>FY08<br/>Ceiling</u> | <u>FY08<br/>Amount Transferred</u> | <u>Reason for Transfer</u> | <u>Recurring<br/>(Y/N)</u> |
|-------------------|-------------------------|------------------------------------|-------------------------|------------------------------------|----------------------------|----------------------------|
| ALL LBR           | -                       | -                                  | -                       | -                                  | None                       | -                          |
|                   |                         |                                    |                         |                                    |                            |                            |
|                   |                         |                                    |                         |                                    |                            |                            |
|                   |                         |                                    |                         |                                    |                            |                            |
|                   |                         |                                    |                         |                                    |                            |                            |
|                   |                         |                                    |                         |                                    |                            |                            |



Program Structure Number: 020101

Program I.D. and Title: LBR 111, Workforce Development

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To deliver employment and training services that are integrated with economic development efforts to job applicants, workers, and industries throughout the state.

B. Description of Program Objectives

1. Administer programs for employment, training, apprenticeship and related services, allocate resources, and establish statewide policies.
2. Coordinate employment, training, and apprenticeship programs within the state to maximize the use of resources and improve the delivery of services.
3. Register, assess, counsel, and test, as needed, to assist jobseekers in developing and implementing employability development plans.
4. Solicit and receive job orders from employers and recruit, screen, select and refer jobseekers to job openings, training and apprenticeship programs.
5. Monitor programs as required and provide technical assistance and consultative services for the maintenance and operation of approved programs.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Program and Financial Plan.

A summary of the objectives and activities in the Multi-Year Program and Financial Plan are provided in A. and B. above, respectively.

- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

Objectives will be met through the delivery of a statewide comprehensive and integrated workforce development system throughout the state. Services will continue to be offered to groups of individuals or may be customized to meet individual needs, depending on the delivery mode that is most effective for a particular target group or individual.

Services are being enhanced through One-Stop Centers established in each county. The Centers provide employers and job seekers easy access to an array of employment and training services through partner organizations. Customers can tap into national and local data banks for job openings, applicant resumes, labor market, and career information. They also can use resource rooms that have computers connected to the internet and loaded with software, to assist with their job search and career development needs.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2004 and FY 2005.

Most of the various programs within LBR 111 exceeded the goals set for FY 2004 and FY 2005.

|  | <u>Actual</u> | <u>Plan</u> |
|--|---------------|-------------|
| •Number of job applicants serviced as % of total registered: | 100%          | 100%        |
| •Adult job placement rate after training:                    | 76%           | 71%         |
| •Youth attained skills after training:                       | 64%           | 60%         |
| •Apprenticeship completion as % of totaled registered:       | 31%           | 25%         |

Services to target groups for the federally-funded programs were less than planned due to substantial decreases in the funds allotted to the state.

|  | <u>Actual</u> | <u>Plan</u> |
|--|---------------|-------------|
| •Number of job seekers applying:                       | 43,232        | 45,000      |
| •Number of low income persons enrolled:                | 2,199         | 3,500       |
| •Number of unemployment insurance recipients enrolled: | INA           | 450         |
| •Number of welfare recipients enrolled:                | INA           | 400         |
| •Number of clients enrolled in apprenticeships:        | 5,342         | 5,000       |

Performance for FY 2006 is expected to be affected by low unemployment rates with fewer numbers of individuals applying for jobs and training, but with increasing numbers of job openings listed by employers.

- B. Explain how these results relate to the program's objectives and Department's mission.

The performance measures relate directly to the Department's mission to "... administer programs designed to increase the economic security, physical and economic well-being, and productivity of workers and to achieve good labor management relations." The measures provide information on the attainment of job skills and employment, job retention and wage levels of Hawaii's workers.

The measures also directly relate to the Department's goal to "Build a highly skilled and globally competitive workforce through collaborative efforts of public-private partnerships".

- C. Explain how the effectiveness of the program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

Performance levels are set for each program's measures of effectiveness at the beginning of the fiscal year. For example, some measures used in employment and training programs are the following:

- Job skills competency attainment
- Job placement
- Job retention
- Pre and post program wages

Performance of each contractor/operator is reviewed based on reports submitted and results of monitoring and audits conducted.

- D. Discuss actions taken by each program to improve its performance results.

Within the last two fiscal years, in collaboration with the federal government, the DLIR arranged for training to be provided by technical experts to the various agencies involved in operating federally-funded employment and training programs administered by the DLIR. Topics covered included participant performance and fiscal reporting. Subject experts within the DLIR also provided training on various issues to the service providers.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

A decrease in the federal funding for employment and training programs made it challenging to effectively implement and administer these programs, and reduced the number of individuals that could be served.

B. Program Change Recommendations to Remedy Problems

None.

C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective<br>Bargaining | *Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|--------------------------|---------------------------|------------------------|----------------------------|
| Pos. Count           | 123.50                |                          |                           | 123.50                 | 123.50                     |
| Personal Svcs        | \$ 16,783,886         | \$ 392,639               |                           | 17,176,525             | \$ 17,176,525              |
| Current Exp          | 43,593,096            |                          |                           | 43,593,096             | 43,593,096                 |
| Equipment            |                       |                          |                           |                        |                            |
| Motor Vehicles       |                       |                          |                           |                        |                            |
| Total                | \$ 60,376,982         | \$ 392,639               | \$ -                      | \$ 60,769,621          | \$ 60,769,621              |
| Less:                |                       |                          |                           |                        |                            |
| Pos. Count           |                       |                          |                           |                        |                            |
| Special Fund         | 6,806,016             | 13,409                   |                           | 6,819,425              | 6,819,425                  |
| Pos. Count           | 119.20                |                          |                           | 119.20                 | 119.20                     |
| Federal Fund         | 49,651,572            | 351,924                  |                           | 50,003,496             | 50,003,496                 |
| Pos. Count           |                       |                          |                           |                        |                            |
| Other Funds          | \$ 3,610,213          | 20,623                   |                           | 3,630,836              | 3,630,836                  |
| Pos. Count           | 4.30                  |                          |                           | 4.30                   | 4.30                       |
| Gen. Fund            | 309,181               | 6,683                    |                           | 315,864                | 315,864                    |
| * No Transfer In/Out |                       |                          |                           |                        |                            |



A. Explain all Transfers Within the Program I.D. and its Impact on the Program.

None.

B. Explain all Transfers Between Program I.D.s and its Impact on the Program.

None.

C. Explain all Restrictions and its Impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                      | Act 213/07<br>FY 2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|----------------------|-----------------------|----------------------|-------------------------------|
| Pos. Count           | 123.50                |                      | 123.50                        |
| Personal Svcs        | \$ 16,783,886         |                      | 16,783,886                    |
| Current Exp          | 43,593,096            |                      | 43,593,096                    |
| Equipment            |                       |                      |                               |
| Motor Vehicles       |                       |                      |                               |
| Total                | \$ 60,376,982         |                      | \$ 60,376,982                 |
| Less:                |                       |                      |                               |
| Pos. Count           |                       |                      |                               |
| Special Fund         | 6,806,016             |                      | 6,806,016                     |
| Pos. Count           | 119.20                |                      | 119.20                        |
| Federal Fund         | 49,651,572            |                      | 49,651,572                    |
| Pos. Count           |                       |                      |                               |
| Other Funds          | \$ 3,610,213          |                      | 3,610,213                     |
| Pos. Count           | 4.30                  |                      | 4.30                          |
| Gen. Fund            | 309,181               |                      | 309,181                       |
| * No Transfer In/Out |                       |                      |                               |

A. Workload or Program Request

1. Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by the proposed program.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakdown indicating specific purposes for all planned expenditures.

None.

B. For all position count reductions, please specify whether the positions were filled, or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to the Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020102

Program ID and Title: LBR 135, Workforce Development Council

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

The Workforce Development Council (WDC) is the policy advisory body to the Governor and State Legislature on workforce development. Workforce development encompasses a broad range of programs and services in workforce development, including employment training, career and skills development, and industry and occupation information. The Council is also the state oversight body for federally funded workforce investment programs. The WDC is responsible for the state workforce development strategic plan and a five year workforce investment act plan, which is required by the U.S. Department of Labor in order for Hawaii to receive over \$ 7.2 million in Workforce Investment Act funds. The federal Workforce Investment Act (WIA) of 1998 gives significant responsibilities to the WDC and opportunities for the state to build a skilled, competitive workforce to drive new economic development. The WDC's program goals are to:

1. Provide opportunities to all people to gain and maintain skills, attitudes and behaviors to compete in the workforce and be self-sufficient;
2. Expand the labor pool; and
3. Implement a workforce system in synergy with education and economic development.

B. Description of Program Objectives

1. Develop and oversee policies, programs and services to assist customer jobseekers to obtain employment, employers to secure a skilled workforce, and youth to become well-educated and work-ready;
2. Update and implement the Hawaii workforce development strategic plan to coordinate a

statewide workforce system linking education, employment and economic development priorities and connecting activities; and

3. Analyze and construct a collaborative performance data system to measure performance assessments, benchmarks and results.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Plan and Financial Plan.

Other important program objectives that complement and support the major objectives are:

1. Assess the coordination between workforce needs and education preparation, and economic initiatives and institute continuous improvement practices;
2. Serve as the information resource, clearinghouse and website with connecting links to workforce data, workforce education and training, and workforce program and project activities;
3. Analyze and interpret workforce information particularly with regard to changes in industries, occupations, communities and the economic and social effects of these changes;
4. Identify the unmet workforce and economic development needs and how public and private collaboration can address those needs;
5. Create public awareness and understanding of the state's workforce plan, policies, programs and activities;
6. Submit a yearly report to the Governor and Legislature on workforce issues, the state of employment, an inventory of federal and state funded programs and services, a progress report on system coordination and funding streams, and recommendations for legislative and administrative consideration and implementation;
7. Provide technical assistance to local workforce boards;

8. Provide resources and leadership to improve the content, access and delivery of the state's career information system; and
  9. Carry out the workforce development functions and duties of the state workforce investment board as required by the Workforce Investment Act of 1998.
- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The Council is guiding the coordination of a state workforce system through private and public sector board partnerships at the state and local levels. Accountability is driven by performance results with federal incentives and penalties at stake. Coalition-building and private sector Council membership extend the reach of the Council's influence. The Council is focusing on:

1. Coalitions to support One-Stop delivery of integrated services;
2. Coalitions through local youth councils to create a comprehensive system of youth services;
3. A website to provide and link to comprehensive information for job seekers, employers, youth, and program planners;
4. State and local implementation of the federal workforce investment act, including monitoring and improved performance on the act's measures; and
5. Expansion of the State's labor pool through better education of youth and incumbent workers, skill-building projects, and strategies to hire populations that are not participating in the workforce.

The Council has 31 members, including the Governor and four members from the State Legislature, two each from the Senate and House, and all four local workforce investment board chairs. Presently, there is a staff of one Executive Director, one secretary, and three professional staff. Three Council members serve on the University of Hawaii's Career and Technical Education Coordinating Advisory Council. One Council member serves on the State Council for Vocational

Rehabilitation, and the Council staff serves on a number of advisory boards and task forces with goals to improve education.

Three-fifths of the Council's operating budget is derived from federal funding.

## II. Program Performance Results

A. Discuss the performance results achieved by each program in FY 2007.

1. The percentage of successful WIA outcomes (93%) was higher than planned (80%) to both the USDOL and the State providing lower performing areas and measures with additional technical assistance.
2. The percentage of success in advancing administrative and legislative recommendations by WDC was 52%, closely matching the planned 50%.
3. The percentage of satisfaction with WDC's effectiveness as measured by community assessment matches the planned level at 70%.
4. As planned, the Council completed 80% of its federal Workforce Investment Act responsibilities. In FY 2007, the Council also submitted waiver requests on behalf of those local workforce investment areas requiring additional technical assistance.
5. The number of reports and publications completed met the target of 10.
6. The number of organizations anticipated to participate in WDC-sponsored events and activities was 400 from the planned 110 due to the insertion of an employer survey with Career Kokua's annual survey.

B. Explain how these results relate to the program's objectives and Department's mission.

Report recommendations suggested improvements to worker supply, worker preparation, and information for workforce development policy. Follow-up actions are initiatives taken to assist, motivate and support implementation of suggested recommendations. The 2007

and 2008 Reports to the Governor on Workforce Development detail the progress made on the recommendations.

These results relate to the DLIR's program objectives of building a highly skilled and globally competitive workforce through collaborative public-private partnerships.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

See item A above.

- D. Discuss actions taken by the Program to improve its performance results.

See item A above.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

There are four major structural barriers to workforce development:

1. Job quality gap. An estimated 30% of jobs in Hawaii pay a living wage - approximately \$49,500 per year statewide for a family of four.
2. Worker supply gap. Like other states, Hawaii is experiencing the beginning of a long-term worker supply gap as the "baby boomers" begin to leave the labor market, and fewer high school graduates replace them.
3. Worker preparation gap. Hawaii is not preparing its people for the types of higher-skilled jobs that are necessary to meet global competition. The root causes include (a) inadequate preparation throughout the Kindergarten-12 levels, and (b)

lack of employer incentives for incumbent worker education.

4. Poorly performing educational pipeline. Directly related to worker preparation is the need for Hawaii's workers to attend post-secondary education or training to attain competitive, high-level skills. This means (a) a good Kindergarten-12 system that produces well-educated and work-ready youth, and (b) strategies to keep already-working individuals up-to-date and learning new skills.

B. Program Change Recommendations to Remedy Problems

None.

C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | * Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|----------------------------|----------------------------|------------------------|----------------------------|
| Pos. Count           | 3.00                  |                            |                            | 3.00                   | 3.00                       |
| Personal Services    | \$ 378,148            | \$ 11,859                  |                            | 390,007                | \$ 390,007                 |
| Current Expenses     | 252,813               |                            |                            | 252,813                | 252,813                    |
| Equipment            | 4,805                 |                            |                            | 4,805                  | 4,805                      |
| Motor Vehicles       |                       |                            |                            |                        |                            |
| Total                | \$ 635,766            | \$ 11,859                  | \$ -                       | \$ 647,625             | \$ 647,625                 |
| Less:                |                       |                            |                            |                        |                            |
| Pos. Count           |                       |                            |                            |                        |                            |
| Special Fund         |                       |                            |                            |                        |                            |
| Pos. Count           |                       |                            |                            |                        |                            |
| Federal Fund         | 447,409               | 5,650                      |                            | 453,059                | 453,059                    |
| Pos. Count           |                       |                            |                            |                        |                            |
| Other Funds          |                       |                            |                            |                        |                            |
| Pos. Count           | 3.00                  |                            |                            | 3.00                   | 3.00                       |
| Gen. Fund            | 188,357               | 6,209                      |                            | 194,566                | 194,566                    |
| * No Transfer In/Out |                       |                            |                            |                        |                            |

A. Explain all Transfers within the Program I.D. and its



Impact on the Program.

None.

B. Explain all Transfers between Program I.D.s and its Impact on the Program.

None.

C. Explain all Restrictions and its Impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY 2009 | Budget<br>Adjustment | Supplemental Budget<br>FY 2009 |
|-------------------|-----------------------|----------------------|--------------------------------|
| Pos. Count        | 3.00                  |                      | 3.00                           |
| Personal Services | \$ 378,148            |                      | \$ 378,148                     |
| Current Expenses  | 252,813               |                      | 252,813                        |
| Equipment         | 4,805                 |                      | 4,805                          |
| Motor Vehicles    |                       |                      |                                |
| Total             | \$ 635,766            | \$ -                 | \$ 635,766                     |
| Less:             |                       |                      |                                |
| Pos. Count        |                       |                      |                                |
| Special Fund      |                       |                      |                                |
| Pos. Count        |                       |                      |                                |
| Federal Fund      | 447,409               |                      | 447,409                        |
| Pos. Count        |                       |                      |                                |
| Other Funds       |                       |                      |                                |
| Pos. Count        | 3.00                  |                      | 3.00                           |
| Gen. Fund         | 188,357               |                      | 188,357                        |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source

of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

- B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to the Department of Budget and Finance's budget ceilings for FY 2009.

- A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

- B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for FY2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020201

Program ID and Title: LBR 143, Occupational Safety and Health

Page Reference in the Executive Budget Supplement, Vol I: None.

I. Introduction

A. Summary of Program Objectives

To assure that every employee has safe and healthful working conditions, and to certify the safe operations and use of boilers, pressure systems, amusement rides, elevators and kindred equipment.

B. Description of Program Objectives

The goal of voluntary compliance with Hawaii's Occupational Safety and Health Law, administrative rules, and standards by all employers is supported by consultation and training, education, and information programs reinforced by unannounced compliance inspections and enforcement through citations and penalties.

Investigations are conducted on a random basis and in response to employee complaints regarding workplace hazards. Investigations of fatalities and catastrophes are also conducted to determine and abate causal factors.

Consultation and training are provided to employers and their employees to encourage and promote voluntary compliance.

Certificates of fitness are issued to those responsible for the use, storage, transport, sales and purchase of explosives, which may include pyrotechnics and special effects.

Boilers, pressure vessels, elevators, amusement rides, and other automatic transport systems are inspected for safety of the equipment and operation in accordance with nationally recognized standards adopted by the program as protection for public users.

A Summary of the Objectives and Activities as Discussed  
in the Multi-Year Plan and Financial Plan.

"Improve the quality of life for workers and families."  
Nothing is more important than maintaining the quality  
of life and preventing injuries and illnesses to the  
public and workers.

Consultation and training, education, and information  
programs reinforced by compliance inspections and  
enforcement through citations and penalties support the  
goal of voluntary compliance with Hawaii's Occupational  
Safety and Health Law by all employers. Investigations  
are conducted on a random basis and in response to  
employee complaints regarding workplace hazards.  
Investigations of fatalities and catastrophes are  
conducted to determine root causes of accidents to  
prevent recurrences. Consultation and training are  
provided to employers and employees to encourage and  
promote voluntary compliance. Occupational Safety and  
Health Rules and Standards are kept current.

In the area of occupational safety and health, the  
department has been afforded 18(e) status by the U.S.  
Department of Labor (DOL), Occupational Safety and  
Health Administration (OSHA). This means that the  
State is able to administer its own occupational safety  
and health program provided that it meets the minimum  
requirements set forth by OSHA. In exchange, OSHA  
provides up to 50% of the funding for the program.

The minimum requirements are to be "as effective as"  
OSHA, therefore, regular evaluations of the program are  
conducted by OSHA to ensure that public funds are used  
effectively and efficiently.

- C. Explain how the Program intends to meet its objectives  
in the upcoming supplemental year.

The HIOSH has revised its Five-Year Strategic Plan to  
focus on what can be accomplished regarding mandated  
responsibilities with available resources. Currently,  
the Strategic Goal is to:

- (1a) Improve workplace safety and health for all  
workers as evidenced by fewer hazards, reduced  
exposures, and fewer injuries, illnesses and  
fatalities.

Strategy: Focus statewide attention and divisional resources on the most prevalent types of workplace injuries and illnesses, and the most hazardous industries. Industries with the highest injury and illness rates will receive both consultation and enforcement attention throughout the five-year period. An extensive outreach and awareness campaign has been initiated focusing on these specific industries.

(1b) Improve safety for workers and the public on the use and installation of regulated equipment which includes boilers and pressure vessels; elevators and kindred equipment; and amusement rides.

Strategy: Using available resources, the division is focusing on inspections that could potentially have the most impact on the public in general. These would be the 3-year and 5-year safety tests for elevators; 6-month inspections for elevators and amusement rides; and biennial inspections of power boilers and other high-pressure devices.

## II. Program Performance Results

A. Discuss the performance results achieved by each program in FY 2007.

In FY 2007, the HIOSH evaluated themselves, and also were evaluated by OSHA in accordance with federal regulations that address the OSH Act requirement for state plans to be "as effective as" OSHA. OSHA has not issued the Federal Fiscal Year 2006 Evaluation of the HIOSH, which covers the period from October 2005 to September 2006.

The program's effectiveness utilizes the Bureau of Labor Statistics' (BLS) data on injury and illness rates for the states, as well as intermediate outcome measures such as the number of hazards that were corrected and activity measures such as the number of inspections conducted and timeframes for responses to complaints.

Workers' compensation data is also used to measure results.

The most recent data available for program results are:

|   | <u>1996</u>  | <u>2006</u>  | <u>%Change</u> |
|---|--------------|--------------|----------------|
| <u>Workers' Comp. Data</u>                            |              |              |                |
| 1. Work Comp. Costs                                   | \$288.5 mil. | \$242.7 mil. | - 15.9%        |
| 2. Reported Cases                                     | 33,628       | 27,440       | - 18.4%        |
| 3. Average Cost/Case*                                 | \$5,193      | \$6,336      | + 22.0%        |
| <u>Bureau of Labor Statistics</u><br>(private sector) |              |              |                |
| 4. Injury/Illness Rate                                | 6.8          | 4.8          | -29.4%         |
| 5. Lost Workday Cases                                 | 3.6          | 3.0          | -16.7%         |

#### Data Sources

- (1) Workers' Compensation Data Book, DLIR - 1996-2006 (latest available)
- (2) Bureau of Labor Statistics, U.S. Department of Labor, Survey of Occupational Injuries and Illnesses, 1996-2006 (latest available)

Workers' compensation costs and the BLS injury and illness rates show decreases since 1996. Reported cases and cost per case, however, fluctuate for a total decrease of 18.4% and a total increase of 22.0%, respectively.

- B. Explain how these results relate to the program's objectives and the department's mission.

Both the current and new performance measures must be tied into the mission of the department through the quality of work life aspect. Assuring that workers have safe and healthful places of employment addresses life and death in general and the quality of that life. Indirectly, accident prevention also affects the economic bottom line of businesses. Safe business is productive, competitive business without uncontrolled losses or accidents.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The 5-year Strategic Plan and its Annual Performance Plans include activities, intermediate outcomes and primary outcome measures for each of the strategic

objectives. Data tables detailing performance goals and measures, data sources, and baseline information for each Strategic Goal and Objective for FY 2007 and FY 2008 are available and will be transmitted under separate cover as requested.

- D. Discuss actions taken by each Program to improve its performance results.

Develop and implement a 5-Year Strategic Plan, using data to identify areas that require attention. Offer employers an incentive to take proactive measures to prevent accidents and reduce injuries and illnesses. Incentives include exemption from enforcement and recognition of exemplary employers.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

The performance measure for work-related fatalities was modified due to a change in the measure. The measure is the number of work-related fatalities, instead of per 100,000 employees, and includes all fatalities, including those which the OSH Program has no jurisdiction, such as transportation incidences.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any

- (1) Filling Professional level positions to do the work.

One of the HIOSH's immediate goals is to fill the numerous vacancies. The HIOSH is actively in the process of filling these positions through the required civil service recruitment and hiring process.

Despite the HIOSH's vacancies, they have completed more inspections, made more consultation visits, and provided more outreach to the community with less staff than in previous administrations, while meeting federal OSHA's mandates on staffing and program initiatives.

- (2) Employer acceptance of state consultation services.

The HIOSH program has made great strides in increasing employer acceptance of our state consultation services. In the past, despite the availability of free consultations to assist employers in preventing accidents and become compliant with occupational safety and health laws, there had been reluctance on the part of employers to request state assistance. The biggest had been, and to some extent still remains, the perception that a consultation visit will eventually bring in the enforcement.

Much of HIOSH's success in meeting this goal has been the efforts of the HIOSH to promote consultation services in the media. Additionally, it can also be attributed to the efforts of the safety and health enforcement branch's initiation of a de minimis and notice-of-violation policy pilot project for non-serious hazards that can be fixed on the spot, or within two weeks. These specific initiatives have contributed to change in how employers view HIOSH, with a positive side effect of how consultation services are viewed.

The success of these programs and initiatives is evident in the participation by employers in HIOSH's Voluntary Protection Program (VPP) and the Safety and Health Achievement Recognition Program (SHARP). These programs are designed to recognize large and small companies for creating an exemplary safety and health program and effectively implementing it. Companies recognized as VPP or SHARP businesses are also awarded a minimum five percent (5%) discount on their workers' compensation premiums and are removed from the HIOSH's planned inspection list. Prior to these efforts and programs, there had been only one company was enrolled in the VPP and no businesses were enrolled in the SHARP when this administration came into office. Today, there are six VPP companies and more than 30 SHARP companies.

It needs to be noted that the HIOSH continues to believe that strong, effective and fair enforcement policies will always be the foundation



of the HIOSH program.

B. Program Change Recommendations to Remedy Problems

- (1) Unfilled Positions. Recruitment above the minimum has and will be utilized to attract qualified candidates in managerial and highly technical positions.

Over the past two years, the strategy for assuring safe and healthful workplaces has evolved from the near exclusive use of government inspections and consultations and training to a combination of deterrence and incentives programs. Partnerships with industries, unions, associations and insurance companies are increasing. The HIOSH's enforcement resources are directed to the most hazardous industries, and a "common sense" approach to enforcement fosters voluntary compliance through understanding and promotion of mutually beneficial objectives.

This new strategy requires a broader skill set among inspectors and consultants. Understanding basic business practices that include management of human resources and insurance areas and the ability to communicate using business terminology is increasingly important.

Inspectors and consultants must be able retain and improve their technical abilities and also sharpen their communication skills to effectively build relationships with businesses. Such individuals are in great demand throughout the state and the nation. The state's greatest challenge is to evolve our workforce into the 21<sup>st</sup> century, and recruit and retain qualified staff. To accomplish this, the HIOSH must be able to offer competitive salaries for their vacancies.

- (2) Consultations. The HIOSH's proudest improvement is building successful relationships with the business community. The HIOSH has gained the trust of the business community by utilizing the HIOSH's Voluntary Protection Program (VPP) and the Safety and Health Achievement Recognition Program (SHARP). These programs are designed to recognize large and small companies for creating an exemplary safety and health program and

effectively implementing it. Companies recognized as VPP or SHARP businesses are also awarded a minimum five percent (5%) discount on their workers' compensation premiums and are removed from the HIOSH's planned inspection list. Only one company was enrolled in the VPP and no businesses were enrolled in the SHARP when this administration came into office. Today, there are six VPP companies and more than 30 SHARP companies.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           | 67.00                 |                            |                          | 67.00                  | 67.00                      |
| Personal Services    | \$ 3,373,646          | \$ 105,811                 |                          | \$ 3,479,457           | \$ 3,479,457               |
| Current Expenses     | 1,013,238             |                            |                          | 1,013,238              | 1,013,238                  |
| Equipment            |                       |                            |                          |                        |                            |
| Motor Vehicles       |                       |                            |                          |                        |                            |
| Total                | \$ 4,386,884          | \$ 105,811                 | \$ -                     | \$ 4,492,695           | \$ 4,492,695               |
| Less:                |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Special Fund         |                       |                            |                          |                        |                            |
| Pos. Count           | 25.50                 |                            |                          | 25.50                  | 25.50                      |
| Federal Fund         | 2,244,249             | 44,350                     |                          | 2,288,599              | 2,288,599                  |
| Pos. Count           |                       |                            |                          |                        |                            |
| Other Funds          | \$ 50,000             |                            |                          | 50,000                 | 50,000                     |
| Pos. Count           | 41.50                 |                            |                          | 41.50                  | 39.00                      |
| Gen. Fund            | 2,092,635             | 61,461                     |                          | 2,154,096              | 2,154,096                  |
| * No Transfer In/Out |                       |                            |                          |                        |                            |

A. Explain all transfers within the Program I.D. and its Impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all restrictions and its impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 67.00                |                      | 67.00                         |
| Personal Services | \$ 3,393,374         |                      | \$ 3,393,374                  |
| Current Expenses  | 1,013,238            |                      | 1,013,238                     |
| Equipment         |                      |                      | -                             |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 4,406,612         | \$ -                 | \$ 4,406,612                  |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        | 25.50                |                      | 25.50                         |
| Federal Fund      | 2,244,249            |                      | 2,244,249                     |
| Pos. Count        |                      |                      |                               |
| Other Funds       | 50,000               |                      | 50,000                        |
| Pos. Count        | 41.50                |                      | 41.50                         |
| Gen. Fund         | 2,112,363            |                      | 2,112,363                     |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

- B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

- VI. Identify restrictions carried over from FY 2008 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY 2009.

- A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

- B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

- VII. Capital Improvement Request for Fiscal Year 2009

None.

- VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020202

Program ID and Title: LBR 152, Wage Standards

Page Reference in the Executive Budget Supplement, Vol. I: none

I. Introduction

A. Summary of Program Objectives

To assure workers of their lawful rights and benefits related to their wages; to safeguard against unlawful employment practices; and to promote voluntary compliance by educating and assisting employers.

B. Description of Program Objectives

1. Investigate and hear complaints alleging violations of labor laws covering payment of wages, child labor, prevailing wages and hours on State and county public works construction projects, minimum wage, overtime, family leave, work injury termination, and lie detector tests; hear appeals of notifications of violation.
2. Issue certificates for the employment of minors, the payment of special minimum rates, and for exceptions under the Payment of Wages and Other Compensation Law.
3. Conduct workshops, educational programs, and consultative meetings with employers, employer representatives, employees, labor organizations, consultants, and State, county and federal agencies in order to promote voluntary compliance.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Plan and Financial Plan.

The objectives and activities of the program are as described above, with focus on voluntary compliance through education and sanctions against employers who refuse to voluntarily comply with the law.

C. Explain how the Program intends to meet its objectives within the Biennium Budget.

1. Increase awareness of assigned labor laws by

collaborating with employers, government agencies, and other stakeholders to develop and produce informational materials; conducting workshops and participating in seminars; and conducting random compliance checks in order to promote voluntary compliance.

2. Investigate and hear complaints and appeals relating to violations of unpaid wages, minimum wage, overtime, prevailing wages, work injury termination, family leave, child labor, and other assigned laws.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2006 and FY 2007.

In FY 2007, the program conducted 744 investigations and found \$523,502 in back wages for 402 employees. The program took in 794 new complaints and held 91 hearings on work injury termination complaints and on appeals of Chapter 104 notices of violation. The program issued 13,526 minors work permits, special minimum wage certificates, and pay exceptions. A total of 13,881 inquiries were answered.

Throughout FY 2007, the program endeavored to develop collaborative relationships with private and public sector organizations to leverage limited resources in order to achieve its objectives, and will focus on compliance assistance and educational activities for the remainder of FY 2008.

- B. Explain how these results relate to the program's objectives and department's mission.

These results relate to the Quality of Worklife initiative of the department by ensuring and protecting the lawful rights and benefits of workers.

- C. Explain how the effectiveness of the Program is measured (i.e., outcome, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

Measures of effectiveness include the length of time it takes to respond to a complainant, the number of investigations where monetary violations are found,

and customer satisfaction with our services. Statistical monthly and annual reports of program activities and objectives are periodically reviewed to track program performance results.

The program restored its program-initiated random compliance checks and child labor outreach activities, which had been curtailed in previous years due to limited resources. The number of wage complaints increased this year by approximately thirty percent. The use of current technology and experienced investigators assisted in allowing the program to maintain timeliness in conducting investigations and collecting back pay owed to workers. Implementation of an online child labor registration system improved program efficiency and has made the amount of traffic at our public counter decrease. This has resulted in positive customer satisfaction reviews.

- D. Discuss actions taken by each Program to improve its performance results.
1. Developed web-based child labor registration for 16 and 17 year old workers to obtain work permits online.
  2. Developed a Memorandum of Agreement with the Department of Education to coordinate joint enforcement of Chapter 104, HRS.
  3. Continuing to upgrade the Program's computer system to improve efficiency and productivity and enhance the case tracking, certification, employer and client information, and statistical reporting applications.
  4. Implemented a strategic plan with specific goals and objectives and periodic evaluations to measure progress.
  5. Continued to review policies and procedures to streamline operations and eliminate duplicate activities.
- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

No modifications from previous year.

### III. Problems and Issues

#### A. Discuss Problems and Issues Encountered If Any.

Expansion of work load without corresponding financing and staff to accommodate increase, specifically Act 61 and Act 62 amendments to Chapter 104, Hawaii Revised Statutes, including the submission to the Department of certified payrolls on projects financed by special purpose revenue bonds; expanding scope of the law to construction projects in private buildings where more than fifty percent is leased by state and county agencies; and Act 179 amendment to Section 378-32, Hawaii Revised Statutes, adding unlawful termination due to on-site drug test.

#### B. Program Change Recommendations to Remedy Problems

The Department is working to identify training to personnel who do not have expertise in the expanded areas of Chapter 104. Multi-agency working groups are forming to provide assistance and consistency to the administration and enforcement of the expanded areas.

#### C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

Timeliness of investigations may suffer. Customer satisfaction may deteriorate. To correct this problem a fewer number of random investigations are being implemented. Further development of the webpage will be critical in reaching out to customers and maintaining world class service.



IV. Expenditures for Fiscal Year 2007-2008

|                   | Acts 178/05,160/06<br>FY 2006 - 2007 | Collective ±<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|-------------------|--------------------------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count        | 24.50                                |                            |                          | 24.50                  | 24.50                      |
| Personal Services | \$ 1,233,058                         | \$ 74,214                  |                          | \$ 1,233,058           | \$ 1,233,058               |
| Current Expenses  | 37,895                               |                            |                          | 37,895                 | 23,431                     |
| Equipment         |                                      |                            |                          |                        |                            |
| Motor Vehicles    |                                      |                            |                          |                        |                            |
| Total             | \$ 1,270,953                         | \$ 74,214                  | \$ -                     | \$ 1,270,953           | \$ 1,256,489               |
| Less:             |                                      |                            |                          |                        |                            |
| Pos. Count        |                                      |                            |                          |                        |                            |
| Special Fund      |                                      |                            |                          |                        |                            |
| Pos. Count        |                                      |                            |                          |                        |                            |
| Federal Fund      |                                      |                            |                          |                        |                            |
| Pos. Count        |                                      |                            |                          |                        |                            |
| Other Funds       | \$ 53,131                            |                            |                          | \$ 53,131              | -                          |
| Pos. Count        | 24.50                                |                            |                          | 24.50                  | 24.50                      |
| Gen. Fund         | \$ 1,217,822                         | \$ 74,214                  |                          | \$ 1,217,822           | \$ 1,256,489               |

\* No Transfer In/Out

A. Explain all transfers within the Program I.D. and its impact on the Program.

None

B. Explain all transfers between Program IDs and its impact on the Program.

None

C. Explain all restrictions and its impact on the Program.

None

V. Biennium Budget Request for FY 2008 - FY2009

|                   | Budget Request<br>FY2007-2008 | Budget Request<br>FY2008-2009 | Biennium Budget<br>FY2008-FY2009 |
|-------------------|-------------------------------|-------------------------------|----------------------------------|
| Pos. Count        | 24.50                         | 24.50                         | 24.50                            |
| Personal Services | \$ 1,271,725                  | \$ 1,271,725                  | \$ 2,543,450                     |
| Current Expenses  | 37,895                        | 37,895                        | 75,790                           |
| Equipment         |                               |                               |                                  |
| Motor Vehicles    |                               |                               |                                  |
| Total             | \$ 1,309,620                  | \$ 1,309,620                  | \$ 2,619,240                     |
| Less:             |                               |                               |                                  |
| Pos. Count        |                               |                               |                                  |
| Special Fund      |                               |                               |                                  |
| Pos. Count        |                               |                               |                                  |
| Federal Fund      |                               |                               |                                  |
| Pos. Count        |                               |                               |                                  |
| Other Funds       | \$ 53,131                     | \$ 53,131                     | \$ 106,262                       |
| Pos. Count        | 24.50                         | 24.50                         | 24.50                            |
| Gen. Fund         | \$ 1,256,489                  | \$ 1,256,489                  | \$ 2,512,978                     |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None

B. For all position count reductions, please specify whether the positions were filled or vacant.

None

VI. Identify restrictions carried over from FY 2006-2007 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY2008-FY2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None

VII. Capital Improvement Request for FY2008-FY2009

None

VIII. Proposed Lapses of Capital Improvement Program Projects

None

Program Structure Number: 020203

Program ID and Title: LBR 153, Hawai'i Civil Rights Commission

Page Reference in the Executive Budget Supplement, Vol. I: none

I. Introduction

A. Summary of Program Objectives

The State Constitution mandates that no person shall be discriminated against in the exercise of their civil rights. The Hawai'i Civil Rights Commission enforces state law prohibiting discriminatory practices in employment, housing, public accommodations, and access to services receiving state financial assistance pursuant to Hawai'i Revised Statutes Chapters 368, 489, 515 and Part I of 378.

B. Description of Program Objectives

1. Receive, investigate, and conciliate complaints alleging any unlawful discriminatory practices in employment, housing, public accommodations, and access to State-funded services.
2. Hold contested case hearings on complaints alleging unlawful practices where conciliation efforts are inappropriate or unsuccessful, and order appropriate legal and equitable relief or affirmative action when a violation is found.
3. Commence action in circuit court to seek appropriate relief including the enforcement of any Commission order.
4. Issue publications and results of investigations and research to promote goodwill and minimize or eliminate discrimination in employment, housing and public accommodations.

A Summary of the Objectives and Activities as discussed in the Multi-Year Program and Financial Plan.

The objectives and activities discussed in the Multi-Year and Financial Plan for the FY 2007 - FY 2008 Biennium are substantially the same as those stated in I.A. and I.B. above.

- C. Explain how your Program intends to meet its objectives in the upcoming supplemental year.

The HCRC will continue to meet its statutory mandate under HRS § 368-3, to receive, investigate, conciliate and hold contested case hearings on complaints alleging unlawful discriminatory practices under Chapter 489 (public accommodations), Chapter 515 (housing), Part I of Chapter 378 (employment practices), and § 368-1.5 (state and state-funded services).

The HCRC will meet its mandate by litigating cases where there has been a determination of reasonable cause and conciliation efforts are unsuccessful.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2007.

In addition to program measures of effectiveness<sup>1</sup>, review and evaluation of other measures are considered to determine whether the program is meeting its objectives. These measurements include: cases processed through intake; cases in investigation (backlog or inventory); cases mediated<sup>2</sup>, settled, or conciliated, and the relief secured; investigations resulting in cause determinations; cases docketed for hearing, hearings conducted, and Commission final decision and orders; Commission final determinations upheld by the Courts on appeal. In addition, the HCRC conducts ongoing public education and outreach efforts.

During Fiscal Year 2007, ending June 30, 2007, the HCRC performed the following toward meeting its objectives:

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<sup>1</sup>% Employment Discrimination Investigations Completed within 1 year; % Fair Housing Discrimination Investigations Completed within 200 days; % Public Accommodations Discrimination Investigations Completed within 1 year; % State Services Discrimination Investigations Completed within 1 Year.

<sup>2</sup>The HCRC implemented its voluntary mediation program in September 1998.

conducted 696 intake interviews, which led to the filing of 532 complaints<sup>3</sup>; closed 349 cases; maintained an investigation caseload of 272 cases at the end of the year; negotiated or conciliated settlements resulting in monetary relief in excess of \$503,000 and affirmative relief (including reinstatement, hiring, training and changes in discriminatory policies); docketed two cases for hearing.

The HCRC and staff participated in numerous public education forums and campaigns, conducted training for a wide variety of professional, business, and labor groups, submitted viewpoint articles on civil rights issues for daily and community newspapers, and participated in several radio and television programs. In addition, the HCRC updated its informational flyers, updated and improved its website, and distributed the first of several planned HCRC produced training videos with study guides.

- B. Explain how these results relate to the program's objectives and department's mission.

The mission of the HCRC is to eliminate discrimination through enforcement of anti-discrimination laws and education. Although the effectiveness of the HCRC cannot be measured in exclusively quantitative terms, these measures evidence how the HCRC's enforcement, litigation, and education efforts meet the program's objectives.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

During the past fiscal year, HCRC investigators accepted an average of 44 complaints per month, compared to 50 in the previous fiscal year, and closed an average of 29 cases per month, compared to 31 in the previous fiscal year. There were 33 cause determinations and 47 negotiated or conciliated settlements during the past fiscal year, compared to 36 cause determinations and 53 settlements the

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<sup>3</sup> Includes 214 dual-filed cases assigned for investigation by EEOC.

previous fiscal year. During the past fiscal year, case closures averaged 371 days per closure, compared to the previous fiscal year average of 381 days per closure.<sup>4</sup>

Although the effectiveness of the HCRC cannot be measured in exclusively quantitative terms, these measures evidence how the HCRC's enforcement efforts meet the program's objectives.

D. Discuss actions taken by the Program to improve its performance results.

From 1997 through 2002, the HCRC implemented a system of prioritized charge processing and specialization among its investigators, while also expanding public outreach and preventative education. As a result, the HCRC substantially reduced its backlog of cases and has maintained a lower case inventory. This has allowed more timely investigation of complaints and an increase of resources for investigation of complex and meritorious complaints. The HCRC has also changed the way it processes, keeps, and disseminates information by upgrading its computer system, database, and electronic connectivity.

The HCRC continues efforts to improve the quality of enforcement and investigation, with emphasis on training, supervision, and standards.

During FY 2005, the HCRC adopted plans to improve efficiency without sacrificing effective law enforcement. The HCRC Commissioners adopted two targets in an incremental approach towards a practice of completing all investigations within three years: 1) completing the investigation of all complaints filed before 2003 by June 30, 2005; and 2) completing the investigation of all complaints filed before 2004 by December 31, 2005.

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<sup>4</sup>The longer average time to investigate cases is attributable to a concerted effort to reduce older case inventory, with targets set for closing oldest cases.

During FY 2007, the HCRC adopted a plan providing for completion of investigation of 95% of all complaints within 24 months from date of filing, as an incremental step towards a goal of completion of investigation of complaints within 18 months of filing.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None. Program performance measures continue to be meaningful.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

(1) Problems and issues arising from the troubled state economy and its effect on the state budget reduction in general fund funding for the HCRC has caused greater reliance on federal funding through work share/cooperative agreements with the Equal Employment Opportunity Commission and the Department of Housing and Urban Development, raising issues of over-reliance on federal funding. Uncertainty regarding funding has adversely affected staff morale, and reduced enforcement resources necessary for the timely processing of complaints. This negative impact has been largely offset by implementation of priority compliant processing, voluntary mediation, and other changes to address case backlog. The issue of over-reliance on federal funding has been addressed by increased General Fund budgeting providing for additional enforcement positions.

- (2) Problems and Issues Relating to Case Backlog and Enforcement Resources

Case backlog and enforcement resources have been a major concern since the HCRC began its operations on January 2, 1991, with a transferred backlog of 266 employment discrimination cases. In 1989, the Legislative Auditor recommended an



optimum caseload of 30 cases per investigator.<sup>5</sup> As of June 30, 1998, there were 623 cases pending in investigation, an average of 62 cases per each of the ten HCRC line investigators. Through concerted efforts at backlog reduction, including the implementation of priority complaint processing and voluntary mediation, and implementation of incremental targets to complete investigation of the oldest complaints, the case inventory has been reduced to a more manageable level of less than 300 cases, allowing for more effective use of resources.

While the HCRC case inventory has been reduced to a manageable level, the current caseload includes a higher percentage of complex cases requiring more investigation resources to process. In order to maintain a manageable case inventory, the HCRC must close approximately 350 cases per year.

The HCRC has been working with the DLIR to establish and fill three additional General Funded enforcement positions budgeted by the 2006 legislature.

B. Program Change Recommendations to Remedy Problems

- (1) Implementation of changes in charge processing and voluntary mediation.

The HCRC has implemented priority complaint processing, specialization among investigators, an early stage voluntary mediation program, and ongoing comprehensive investigator training. The HCRC has implemented targets and standards that address and shorten the length of time to investigate.

- (2) Increased public education and outreach.

The HCRC Commissioners have identified public outreach and preventative education as a priority, and staff has focused more attention

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<sup>5</sup> "A Study on Implementation of the Civil Rights Commission for the State of Hawai'i" (Report No. 89-9, January 1989).

and resources to these ongoing efforts. This remains a largely unfunded priority. Within fiscal constraints, the HCRC has updated its informational flyers, produced multilingual materials, and updated and improved its comprehensive website. The HCRC's comprehensive website (<http://hawaii.gov/labor/hcrc/>) greatly increases public access to HCRC statutes, rules, case law, procedures, forms, Commission meeting agendas, and press releases. The HCRC continues to offer regular public education and training, with a comprehensive basic training offered annually, and has increased the number of training opportunities while adding advanced training programs.

The HCRC has distributed the first of several planned HCRC produced training videos with study guides, on pregnancy discrimination. It has also implemented plans for a civil rights video and art contest for public and private school students in grades 4-12 statewide.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

The HCRC continues to implement incremental plans to shorten the length of time to investigate complaints, and to expand its mediation program, within the constraints of existing levels of funding. To plan and achieve more than incremental improvements and expansion of mediation, without sacrificing effective enforcement, will require additional funding and positions. The HCRC has been working with the DLIR to establish and fill three additional General Funded enforcement positions budgeted by the 2006 legislature.

IV. Expenditures for FY 2008

|                      | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           | 30.00                 |                            |                          | 30.00                  | 30.00                      |
| Personal Svcs        | \$ 1,801,398          | \$ 59,321                  |                          | \$ 1,860,719           | \$ 1,860,719               |
| Current Exp          | 143,969               |                            |                          | 143,969                | 143,969                    |
| Equipment            |                       |                            |                          |                        |                            |
| Motor Vehicles       |                       |                            |                          |                        |                            |
| Total                | \$ 1,945,367          | \$ 59,321                  | \$ -                     | \$ 2,004,688           | \$ 2,004,688               |
| Less:                |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Special Fund         |                       |                            |                          |                        |                            |
| Pos. Count           | 5.50                  |                            |                          | 5.50                   | 5.50                       |
| Federal Fund         | 589,964               | 14,244                     |                          | 604,208                | 604,208                    |
| Pos. Count           |                       |                            |                          |                        |                            |
| Other Funds          |                       |                            |                          |                        |                            |
| Pos. Count           | 24.50                 |                            |                          | 24.50                  | 24.50                      |
| Gen. Fund            | 1,355,403             | 45,077                     |                          | 1,400,480              | 1,400,480                  |
| * No Transfer In/Out |                       |                            |                          |                        |                            |

A. Explain all Transfers Within the Program I.D. and its Impact on the Program.

None.

B. Explain all Transfers Between Program I.D.s and its Impact on the Program.

None.

C. Explain all Restrictions and its Impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 30.00                |                      | 27.00                         |
| Personal Services | \$ 1,801,398         |                      | \$ 1,801,398                  |
| Current Expenses  | 143,969              |                      | 143,969                       |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 1,945,367         | \$ -                 | \$ 1,945,367                  |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        | 5.50                 |                      | 5.50                          |
| Federal Fund      | 589,964              |                      | 589,964                       |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      |                               |
| Pos. Count        | 24.50                |                      | 21.50                         |
| Gen. Fund         | 1,355,403            |                      | 1,355,403                     |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

- B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020301

Program ID and Title: LBR 161, Public and Private Employment

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To ensure the just administration of the laws governing collective bargaining in the public and private sectors, pursuant to Hawaii Revised Statutes (HRS) Chapters 89 and 377 and in the public sector, to promote harmonious and cooperative relations between government and its employees.

To promptly and fairly decide contests from the citations and orders of the Director of Labor and Industrial Relations relating to Occupational Safety and Health, pursuant to HRS Chapter 396.

B. Description of Program Objectives

1. Fairly conduct hearings and promptly decide prohibited practice and unfair labor practice complaints.
2. Provide impasse assistance where necessary.
3. Conduct representation proceedings and elections of exclusive representatives (certification, decertification, and amendment or clarification of appropriate bargaining units).
4. Determine the appropriateness of refunds of union dues to nonmember employees.
5. Fairly conduct hearings and promptly decide contests involving occupational safety and health issues.
6. Issue declaratory rulings on the applicability of statutes, rules, or orders of the Board to specific factual contexts.

7. Appear in court to defend its decisions and orders on appeal.
8. Maintain and provide lists of qualified arbitrators to parties upon their request.

A Summary of the Objectives and Activities as Discussed in the Multi-Year and Financial Plan.

A primary objective of the Board is to enforce and protect the rights of employees and unions to organize and bargain collectively in balance with the employer's rights to manage operations as provided by HRS Chapters 89 and 377 by resolving disputes brought before it in a fair and timely manner. The Board seeks to promote cooperation in the resolution of disputes and improve the relationships between employers, unions, and employees.

The Board also strives to ensure the right of workers to a safe and healthful work environment and encourage employer and employee efforts to reduce injury and disease arising out of employment by fairly resolving contests from citations and decisions of the Director of Labor and Industrial Relations pursuant to HRS Chapter 396, Occupational Safety and Health.

- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The Board strives to conduct its hearings and other proceedings, such as prohibited practice and unfair labor practice proceedings, objectively and to render timely decisions. In order to promote cooperation and improve the communication between the parties, the Board encourages the parties to seek the assistance of mediators to amicably resolve their disputes. The Board also maintains cases pending settlement on the hearing calendar and regularly meets with the parties to monitor their progress. The Board also reviews its performance and strives to improve the quality and timeliness of its decisions and orders by the efforts of its members and staff.

## II. Program Performance Results

- A. Discuss the performance results achieved by each program in FY 2007.

During FY 2007, the Board conducted 63 pre-hearing or status conferences, 43 motions hearings, and 41 days of hearings on the merits of the contested cases before it. The Board closed 82 cases and 69 decisions and orders or 84% were rendered within 30 days of the closing of the record in each case. In addition, the Board was affirmed in 95% of its court appeals, either by the Circuit Court, Intermediate Court of Appeals, or the Supreme Court.

The number of cases resolved reflects the Board's [and staff's] efforts to dispose of pending cases either by decision or settlement. The number of cases resolved has decreased from previous years but the number of decisions and orders rendered within 30 days of closing remains fairly constant. The number of cases upheld on appeal also varies depending on which cases are considered and decided by the appellate courts.

- B. Explain how these results relate to the program's objectives and department's mission.

The Board administers the laws regulating employee relations in the public sector of Hawaii and the private sector, which is not within the jurisdiction of the National Labor Relations Board. In addition, the Board decides contests arising from the decisions of the Director of Labor and Industrial Relations involving occupational safety and health. Thus, the efficiency of the Board in rendering credible decisions and orders resolving labor-management disputes and defining the rights of the employees, employers and the unions as well as in ensuring a safe working environment is critical in achieving good labor-management relations, workplace safety, and in promoting the Department of Labor and Industrial Relations' objective of improving the Quality of Worklife for Hawaii's workers.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness,



benchmarks, etc.) and discuss the performance results achieved during the past two years.

The number of cases resolved, the number of decisions, which are rendered within 30 days, and the number of cases that are upheld on appeal measure the effectiveness of the program. During FY 2007, the Board resolved 82 cases, which reflects an increase from 62 in FY 2006. Moreover, the percentage of decisions rendered within 30 days increased from 79% in FY 2006 to 84% in FY 2007. In addition the percentage of cases affirmed on appeal increased from 63% in FY 2006 to 95% in FY 2007.

- D. Discuss actions taken by each Program to improve its performance results.

In order to promote the amicable resolution of disputes and improve the communication between the parties, the Board encouraged the parties to seek the assistance of outside mediators and facilitated discussions with the principal parties. The Board also met regularly with the parties attempting to resolve their disputes to monitor their progress.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered if Any.

None.

- B. Program Change Recommendations to Remedy Problems

None.

C. Identify any program issues or problems that affected or will affect the implementation of the program, and corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective ±<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           | 1.00                  |                            |                          | 1.00                   | 1.00                       |
| Personal Services    | \$ 421,583            | \$ 14,628                  |                          | \$ 436,211             | \$ 436,211                 |
| Current Expenses     | 44,836                |                            |                          | 44,836                 | 44,836                     |
| Equipment            |                       |                            |                          |                        |                            |
| Motor Vehicles       |                       |                            |                          |                        |                            |
| Total                | \$ 466,419            | \$ 14,628                  | \$ -                     | \$ 481,047             | \$ 481,047                 |
| Less:                |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Special Fund         |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Federal Fund         |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Other Funds          |                       |                            |                          |                        |                            |
| Pos. Count           | 1.00                  |                            |                          | 1.00                   | 1.00                       |
| Gen. Fund            | \$ 466,419            | \$ 14,628                  |                          | \$ 481,047             | \$ 481,047                 |
| * No Transfer In/Out |                       |                            |                          |                        |                            |

A. Explain all transfers within the Program ID and its impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all Restrictions and its Impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                  | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|------------------|----------------------|----------------------|-------------------------------|
| Pos. Count       | 1.00                 |                      | 1.00                          |
| Personal Service | \$ 421,500           |                      | \$ 421,583                    |
| Current Expenses | 44,836               |                      | 44,836                        |
| Equipment        |                      |                      |                               |
| Motor Vehicles   |                      |                      |                               |
| Total            | \$ 466,419           | \$ -                 | \$ 466,419                    |
| Less:            |                      |                      |                               |
| Pos. Count       |                      |                      |                               |
| Special Fund     |                      |                      |                               |
| Pos. Count       |                      |                      |                               |
| Federal Fund     |                      |                      |                               |
| Pos. Count       |                      |                      |                               |
| Other Funds      |                      |                      |                               |
| Pos. Count       | 1.00                 |                      | 1.00                          |
| Gen. Fund        | \$ 466,419           | \$ -                 | \$ 466,419                    |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

B. For all position count reductions, please specify whether the positions were filled, or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020103

Program ID and Title: LBR171, Unemployment Compensation

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To alleviate the economic hardships that result from loss of wage income during periods of involuntary unemployment.

B. Description of Program Objectives

1. Collection of contributions from subject employers to finance the payment of benefits.
2. Payment of benefits to eligible persons who are unemployed.

A Summary of the Objectives and Activities as Discussed in the Multi-Year and Financial Plan.

The activities to carry out the program objective to alleviate economic hardships of the unemployed are continuously monitored through federal measurements and standards. Emphasis will be placed on key components such as prompt benefit payments, elimination of deficiencies in the claims adjudication process, registration of subject employers, tax collection and reduction of tax delinquency, and strengthening management and the organization.

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The Unemployment Compensation program intends to meet its objectives by continuing to incorporate state-of-the-art technology and automation into its processes. The program will also continue to embrace the principle of making continuous improvements with particular emphasis on improving customer services.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2007.

The Unemployment Compensation program is evaluated by the U.S. Department of Labor (USDOL) for initial claims promptness as its primary performance measurement. The USDOL's standard is for the full payment of unemployment compensation to eligible claimants with the greatest promptness that is administratively feasible. The criteria used to determine whether there has been substantial compliance with this standard is that a minimum of 87% of first payments to intrastate claimants are made within 14 days of the first compensable week ending date and 93% within 35 days, and 70% of first payments to interstate claimants are made within 14 days of the first compensable week ending date and 78% within 35 days.

In FY 2007 and for the first five months of FY 2008, the UI Division's performance exceeded all initial claims promptness standards. The performance results of the initial claims promptness are as follows:

|                      | <14 days | <35 days |
|----------------------|----------|----------|
| Intrastate claimants |          |          |
| FY 2007              | 89%      | 98%      |
| FY 2008 (5 months)   | 88%      | 98%      |
| Interstate claimants |          |          |
| FY 2007              | 82%      | 95%      |
| FY 2008 (5 months)   | 76%      | 90%      |

- B. Explain how these results relate to the program's objectives and department's mission.

By achieving the USDOL's standard, eligible claimants will receive much needed financial assistance in a timely manner, thereby promoting the Department's mission of providing for the economic security and economic well-being of Hawaii's workers.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The effectiveness of the program is measured not only on how it achieves the USDOL initial claims promptness standards but also on the accuracy of benefit payments that are paid to claimants. The UI Division operates a federally mandated quality control program, which assesses the accuracy and appropriateness of unemployment compensation (UC) benefit payments. The accuracy measurement derived from this program is based on the premise that information derived from a statistically representative sample of claims can provide reliable information. Each week, a random sample of claims are reviewed using a strict methodology and an investigative process which includes in-depth interviews with the claimants, employers, unions, and other parties who impact the payment of benefits. Based on the results of the reviews, the UI Division is able to produce reliable estimates and projections as to the accuracy of UC benefit payments. Partial results for the calendar year ending December 31, 2007 indicate that 92.1% of the benefit payments were paid correctly. The estimated incorrect payments were attributed primarily to eligibility issues, and "benefit year earnings" errors.

- D. Discuss actions taken by each Program to improve its performance results.

In 2004 and in 2005, the UI Division received federal grants to enhance its Information Technology (IT) infrastructure and incorporate internet technology into its employer registration, quarterly wage reporting and contribution report filing and tax payment functions. On October 6, 2006, the UI Division implemented internet applications for employer contribution report filing and tax payment functions to improve staff productivity and increase the timeliness and accuracy of processing employer contribution reports and tax payments. In order to protect the UI Division's mission critical computer systems from the "hostile" elements of the Internet, the UI Division replaced its entire IT infrastructure, including personal computers, servers, local switches and routers, the network's main switch, main server, and firewall. The UI Division

also developed and installed the network's virus protection server and threat protection software.

- E. Identify all modifications to your program's performance measures and discuss the rationale for the modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

None.

- B. Program Change Recommendations to Remedy Problems

None.

- C. Identify any program issues or problems that have affected or will affect the implementation of the programs, and the corrective measures or remedies established or planned.

None.



IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|-----------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           | 207.50                |                       |                          | 207.50                 | 207.50                     |
| Personal Svcs        | \$ 12,887,827         | \$ 341,324            |                          | \$ 13,229,151          | \$ 13,229,151              |
| Current Exp          | 168,538,498           |                       |                          | 168,538,498            | 123,111,848                |
| Equipment            |                       |                       |                          |                        |                            |
| Motor Veh            |                       |                       |                          |                        |                            |
| Total                | \$ 181,426,325        | \$ 341,324            | \$ -                     | \$ 181,767,649         | \$ 136,340,999             |
| Less:                |                       |                       |                          |                        |                            |
| Pos. Count           |                       |                       |                          |                        |                            |
| Special Fund         | 166,626,650           |                       |                          | 166,626,650            | 121,200,000                |
| Pos. Count           | 207.50                |                       |                          | 207.50                 | 207.50                     |
| Federal Fund         | 14,799,675            | 341,324               |                          | 15,140,999             | 15,140,999                 |
| Pos. Count           |                       |                       |                          |                        |                            |
| Other Funds          |                       |                       |                          |                        |                            |
| Pos. Count           |                       |                       |                          |                        |                            |
| Gen. Fund            |                       |                       |                          |                        |                            |
| *No Transfers In/Out |                       |                       |                          |                        |                            |

A. Explain all Transfers Within the Program I.D. and its Impact on the Program.

None.

B. Explain all Transfers Between Program I.D.s and its Impact on the Program.

None.

C. Explain all Restrictions and its Impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY 2009 |
|-------------------|----------------------|----------------------|--------------------------------|
| Pos. Count        | 207.50               |                      | 218.30                         |
| Personal Services | \$ 12,887,827        |                      | \$ 12,887,827                  |
| Current Expenses  | 168,538,498          |                      | 168,538,498                    |
| Equipment         |                      |                      |                                |
| Motor Vehicles    |                      |                      |                                |
| Total             | \$ 181,426,325       | \$ -                 | \$ 181,426,325                 |
| Less:             |                      |                      |                                |
| Pos. Count        |                      |                      |                                |
| Special Fund      | 166,626,650          |                      | 166,626,650                    |
| Pos. Count        | 207.50               |                      | 218.30                         |
| Federal Fund      | 14,799,675           |                      | 14,799,675                     |
| Pos. Count        |                      |                      |                                |
| Other Funds       |                      |                      |                                |
| Pos. Count        |                      |                      |                                |
| Gen. Fund         |                      |                      |                                |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

- B. For all position count reductions, please specify whether the positions were filled, or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional reductions due to the Department of Budget and Finances budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction, and the impacts to the objectives to be accomplished by the program.

None.

B Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020404

Program I.D. and Title: LBR 183, Disability Compensation

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To alleviate the economic hardships that results from the loss of wage income due to work or non work-connected disability and provide vocational rehabilitation opportunities and incentives for industrially injured workers.

B. Description of Program Objectives

1. Monitor employer compliance with disability insurance laws to ensure employees are being afforded required coverage.
2. Process Workers' Compensation (WC) cases to ensure claimants are receiving benefits they are entitled to.
3. Conduct hearings to determine benefit entitlements to claimants.
4. Provide vocational rehabilitation opportunities to WC claimants.
5. Monitor health care providers and treatment plans to ensure care and services are necessary and appropriate.
6. Review Prepaid Health Care and Temporary Disability Insurance plans to ensure statutory standards are met.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Program and Financial Plan.

See paragraph I.A. (Summary of Program Objectives) and paragraph II.A. (Performance Results).

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

This program will meet its objectives by continuing to:

- Improve the division's information systems to

facilitate timely quality customer service.

- Improve programs by clarifying objectives and eliminating ineffective and unnecessary bureaucracies.
- Empower employees to participate in creation of the division's vision and improvements.
- Provide employees with tools and training to enable optimal performance.
- Provide customers with information to facilitate their positive participation in DCD program activities.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2007.

Efforts to alleviate economic hardships resulting from work and non-work disabilities include ensuring that employers meet disability coverage requirements and that disability benefits are being paid.

The DCD conducts investigations, audits, and plans review to ensure employers meet their coverage requirements. Employer investigations remained relatively constant (22,836 in FY 2006 vs. 23,276 in FY 2007). Employer audits decreased 25% from 1,259 in FY 2006 to 936 in FY 2007 as one employee retired and the number of required assistance visits decreased in FY 2007. The number of disability plans reviewed decreased from 11,332 in FY 2006 to 9,889 in FY 2007 as one of two professional employees retired and two of three clerical positions that prepare the plans for review were only recently filled after being vacant for over a year. The number of newly registered employers remained fairly constant (4,905 in FY 2006 vs. 4,979 in FY 2007). The total employers subject to the DCD disability law also remained constant (31,900 in FY 2006 vs. 32,900 in FY 2007).

The DCD's efforts to ensure claimants receive their disability benefits are reflected in claims, hearings, and decisions statistics. The number of new workers' compensation (WC) claims decreased slightly again this year from 28,011 in FY 2006 to 27,456 in FY 2007, reflecting the effectiveness and success of employer safety programs. The number of cases closed by the division remained constant (30,585 in FY 2006 vs.

31,763 in FY 2007). WC hearings decreased from 2,953 to 2,745 in FY 2006 and FY 2007, respectively, due to vacancies in the Honolulu and Neighbor Island offices which decreased the number of hearings officers available to hear Workers' Comp cases. WC decisions decreased from 11,056 in FY 2006 to 9,456 in FY 2007 due to the retirement of three hearings officers. 99.9% of WC decisions were rendered within the 60-day statutory requirement. Finally, the number of WC claimants referred to vocational rehabilitation training remained relatively constant (422 vs. 402 in FY 2006 and FY 2007, respectively).

The following performance measures and the first baseline results were established in FY 2007:

- Percentage of workers' compensation (WC) decisions issued within 60 days of the hearing: 99%.
- Percentage of appealed WC decisions upheld by the Labor Appeals Board as a percentage of decisions rendered by the division: 98%.
- Percentage of cases scheduled for hearings within 80 days of request: 73%.

B. Explain how these results relate to the program's objectives and department's mission.

The mission of the department is carried out through the department's primary goal of assuring the quality of worklife for workers through economic security and physical well-being. The division's WC, TDI, and PHC programs were established to meet this end.

- Investigating, auditing, registering subject employers, and plans review, are all efforts which monitor employer compliance with disability insurance laws to ensure the workforce is covered in the event employees become disabled.
- Processing WC cases and closing/reviewing claims ensure claimants receive benefits they are entitled to.
- Conducting hearings and rendering decisions establish benefit entitlements to claimants. Monitoring the time it takes for hearings to be scheduled, how soon decisions are issued, and whether appealed decisions are upheld by the

Appeals Board measure the timeliness and accuracy of the hearings and decision process.

- Providing vocational rehabilitation opportunities and monitoring health care and treatment plans directly relate to the corresponding program objectives.

C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The effectiveness of the program is manifested by such measures of effectiveness as:

- The percentage of subject employers in compliance with workers' compensation, temporary disability insurance, and prepaid health care laws, which remained fairly constant (80% vs. 81% in FY 2006 and FY 2007, respectively); and
- The percentage of complaints to claims made under the WC program, which remained fairly constant (0.3% vs. 0.4% in FY 2006 and FY 2007) as did the TDI program (0.5% vs. 0.7% during that same period).
- The following means are also used to measure the effectiveness of the WC, Temporary Disability Insurance (TDI), and Prepaid Health Care (PHC) programs:
  - (1) Backlog of branch operations (such as claims processing, case filing, decision rendering, stipulation processing, and hearings scheduling). Operations backlog and timeliness of response to complaints and inquiries indicate the division's ability to maintain adequate levels of service to the public and thus ensure that economic hardships of the workers are being alleviated.
- WC operations which include claims processing, filing, hearings (including treatment plans), and decision rendering

have remained current throughout the fiscal biennium. The backlog in hearing case review decreased from eight to four weeks as personnel shortages began to stabilize in FY 2007. Hearing scheduling and decision processing were backlogged one month due to retirements in the Hearings Branch and the Clerical Support Unit.

- The TDI and PHC operations that include the processing of TDI and PHC coverage documents, TDI Special Fund claims processing, hearings support, and decision rendering, saw its backlog reduced from three months to six weeks as two of three clerical positions were filled in FY 2007.
  - Enforcement operations remained backlogged due to insufficient staffing in the audit and investigation sections. The audit section's backlog remained constant at ten weeks throughout FY 2007. The investigation section's backlog increased from 19 months to 21 months due to one investigator vacancy and from the increased workload from two projects that were initiated in FY 2005 (Certificate of Compliance and the Health Care Compliance Assistance visits).
- (2) Timeliness of response to public inquiries and requests for assistance.
- Timeliness of responses to public inquiries and complaints to the Enforcement Branch remained constant at just under one week throughout the past fiscal year.
- (3) Workers' Compensation costs. The cost of WC is one measure of whether cost-cutting measures and legislation are effective and whether the WC program is being administered in an effective and efficient manner.



- Workers' Compensation costs decreased 3.2% or \$8,093,6651 from CY 2005 to CY 2006. No data is available yet for CY 2007. The decrease is mainly attributable to a decrease in Temporary Total Disability and Medical Costs (\$4.10M and \$4.2M, respectively). This decrease can be linked to a reduction in the decrease in number of days lost (148,023 or 13.5% less than in CY 2005).

(4) Comparison with other states' programs (e.g. cost per claim). Comparison with other states and customer surveys provide external input for improvements to services provided to the public and for objective evaluation of the division's efforts to meet those needs.

- No data is available at this time.

(5) Customer surveys (as funding permits).

- Lack of funding did not permit customers to be surveyed.

D. Discuss actions taken by each Program to improve its performance results.

The following actions have been undertaken by the division to improve performance results:

- (1) Implemented revised administrative processes to streamline office procedures and workflows.
- (2) Continuous improvements in communications, office automation, and managerial reporting.
- (3) Conducted monthly employer orientation workshops to increase employers' awareness of the WC, TDI, and PHC laws and obligations, and to improve employer compliance with these laws.
- (4) Conducted random health care compliance assistance visits to employers to improve compliance with the health care law.
- (5) Conducted compliance checks of employers who sought to do business with the State and Counties

of Hawaii.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

The following significant modifications to program performance measures were made during FY 2007.

Percentage of workers' compensation (WC) decisions issued within 60 days of the hearing. This measure was added to monitor the timeliness of decisions issued by the division.

Percentage of appealed WC decisions upheld by the Labor Appeals Board as a percentage of decisions rendered by the division. This measure was added to monitor the correctness of decisions rendered by the division.

Percentage of cases scheduled for hearings within 80 days of request. This measure was added to monitor the timeliness of cases being scheduled for hearings.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

Information Technology Procurement. The DCD continues to strive to upgrade its automation system in order to provide greater flexibility, more timely, and useful information to help the division service the public. One of the DCD's strategies to effect this improvement is to implement upgrades to its automation system which will enhance the efficiency of its programs' operations. In order to facilitate these improvements, a DCD Information Technology Master Plan was initiated and developed in FY 02 to define the division's technology direction. The plan contains several projects that collectively represent the vision of the DCD including the following:

- Electronic Data Interchange (EDI) for the Workers' Compensation Forms WC-1 (Report of Industrial Injury), WC-3 (Carrier Report) and WC-36 (Proof of Coverage) Projects
- Mainframe Migration Project
- Electronic Historical Records Project

Since the initiation of the DCD Information Technology Master Plan, the DCD's computer environment has undergone significant hardware and software upgrades which will provide the foundation for these projects.

The Electronic Data Interchange (EDI) projects will allow insurance carriers and self-insured employers to electronically file their Workers' Compensation forms. Electronic filing will decrease the time it takes to file and transmit the reports, thereby allowing injured workers' claims to be processed more quickly. Furthermore, administrative costs to businesses that are associated with filing paper-based documents will decrease with the adoption of EDI. DCD has approached and has received the support from numerous insurance carriers for the EDI projects.

Minimal funding in fiscal year 2004 allowed DCD to develop Phase I of the Workers' Compensation Form WC-1 EDI (Form WC-1 EDI) Project. Phase I was introduced to provide insurance carriers and self-insured employers with the opportunity to electronically file the Form WC-1 via CDROM or floppy diskette. During fiscal year 2007, DCD implemented Phase II of the Form WC-1 EDI project which allowed electronic submittals of the Form WC-1 via Internet email.

The remaining projects included in the DCD Information Technology Master Plan have been temporarily suspended due to the lack of project funding. In the future, the DCD will continue to submit requests for funding to subsidize the costs associated with these projects.

Records Storage. The division and its Neighbor Island District Offices suffer from a serious lack of storage space for its workers' compensation case records. Currently, the division maintains eight years of closed cases on site and is faced with increasing storage requirements for open case files. Neighbor Island District Offices face a similar situation for their open and closed cases.

The division is exploring means to file these records electronically (in word processing and optical format) to reduce the storage requirements. The electronic files will create a more efficient means to access information from the closed cases.

Staffing Vacancies. DCD currently has 16 position

vacancies due primarily to retirements. These positions have been difficult to fill because of the shortage of qualified applicants. The division finds itself competing not only with other divisions and state departments for applicants on certified lists, but with the private sector as well. These vacant positions are critical to achieving the division's goals to service the public and to provide economic security to Hawaii's working families. The division continues to explore ways to attract qualified applicants and to retain its employees.

B. Program Change Recommendations to Remedy Problems

None.

C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|               | Act 213/07<br>FY 2008 | Collective ±<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|---------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count    | 117.00                |                            |                          | 117.00                 | 117.00                     |
| Personal Svcs | \$ 5,791,375          | \$ 178,347                 |                          | \$ 5,969,722           | \$ 5,969,722               |
| Current Exp   | 23,285,622            |                            |                          | 23,285,622             | 23,285,622                 |
| Equipment     | 78,000                |                            |                          | 78,000                 | 78,000                     |
| Motor Veh     |                       |                            |                          |                        |                            |
| Total         | \$ 29,154,997         | \$ 178,347                 | \$ -                     | \$ 29,333,344          | \$ 29,333,344              |
| Less:         |                       |                            |                          |                        |                            |
| Pos. Count    | 8.00                  |                            |                          | 8.00                   | 8.00                       |
| Special Fund  | 23,675,713            |                            |                          | 23,675,713             | 23,675,713                 |
| Pos. Count    |                       |                            |                          |                        |                            |
| Federal Fund  |                       |                            |                          |                        |                            |
| Pos. Count    |                       |                            |                          |                        |                            |
| Other Funds   |                       |                            |                          |                        |                            |
| Pos. Count    | 109.00                |                            |                          | 109.00                 | 109.00                     |
| Gen. Fund     | 5,479,284             | 178,347                    |                          | 5,657,631              | 5,657,631                  |

\* No Transfers In/Out

A. Explain all transfers within the Program ID and its impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all restrictions and its impact on the Program

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 117.00               |                      | 117.00                        |
| Personal Services | \$ 5,791,375         |                      | \$ 5,791,375                  |
| Current Expenses  | 23,285,622           |                      | 23,285,622                    |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 29,076,997        | \$ -                 | \$ 29,076,997                 |
| Less:             |                      |                      |                               |
| Pos. Count        | 8.00                 |                      | 8.00                          |
| Special Fund      | 23,675,713           |                      | 23,675,713                    |
| Pos. Count        |                      |                      |                               |
| Federal Fund      |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      |                               |
| Pos. Count        | 109.00               |                      | 109.00                        |
| Gen. Fund         | 5,401,284            |                      | 5,401,284                     |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020205

Program ID and Title: LBR 316, Office of Language Access

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To provide oversight, central coordination, and technical assistance to state and state-funded agencies in their implementation of language access requirements.

B. Description of Program Objectives

The program will assist state and state-funded agencies in the development and implementation of their language access plans by providing them with technical assistance (workshops, trainings, examples of language access plans, and other tools), by monitoring the implementation of their plans and the submission of periodic reports, and by providing central coordination of language access plan requirements, education and training, and resource development.

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The program will hold workshops and trainings for agencies, start the monitoring process, and work with agencies in addressing resource needs.

II. Program Performance Results

A. Discuss the performance results achieved by each Program in FY 2007.

The program's executive director was hired on April 25, 2007 and by the end of FY 2007, the program was just about to become fully operational. A six-month start-up plan was set up. The Language Access Advisory Council was established.

- B. Explain how these results relate to the program's objectives and department's mission.

The establishment of the office was in line with the objective of ensuring compliance with the language access law.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The program started only on April 25, 2007 and was barely two months old as of the end of FY 2007.

- D. Discuss actions taken by each Program to improve its performance results.

A six-month start up plan for the newly-established office was put in place. The Language Access Advisory Council was established.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

1. There is no statutory deadline for covered entities to prepare and submit their language access plans to OLA.
2. There is a dearth of trained interpreters and translators in Hawaii which severely affects the implementation of language access plans and limits the provision of language services to LEP persons.
3. There is a lack of financial resources needed by agencies to provide language access services.

- B. Program Change Recommendations to Remedy Problems

1. Amend the law to set statutory deadlines for covered entities to prepare and submit their language access plans to OLA.



2. Develop an adequate pool of trained interpreters and translators by allowing OLA to establish a language bank and hire two coordinators to recruit, train and maintain this pool.
  3. Agencies to give priority to language access and set aside financial resources for this purpose.
- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

See A and B above.

IV. Expenditures for Fiscal Year 2008

|                   | Act 213/07<br>FY 2008 | Collective ±<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|-------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count        | 6.00                  |                            |                          | 6.00                   | 6.00                       |
| Personal Services | \$ 218,823            | \$ 7,592                   |                          | \$ 226,415             | \$ 226,415                 |
| Current Expenses  | 148,236               |                            |                          | 148,236                | 148,236                    |
| Equipment         |                       |                            |                          |                        |                            |
| Motor Vehicles    |                       |                            |                          |                        |                            |
| Total             | \$ 367,059            | \$ 7,592                   | \$ -                     | \$ 374,651             | \$ 374,651                 |
| Less:             |                       |                            |                          |                        |                            |
| Pos. Count        |                       |                            |                          |                        |                            |
| Special Fund      |                       |                            |                          |                        |                            |
| Pos. Count        |                       |                            |                          |                        |                            |
| Federal Fund      |                       |                            |                          |                        |                            |
| Pos. Count        |                       |                            |                          |                        |                            |
| Other Funds       |                       |                            |                          | \$ -                   | -                          |
| Pos. Count        | 6.00                  |                            |                          | 6.00                   | 6.00                       |
| Gen. Fund         | \$ 367,059            | \$ 7,592                   |                          | \$ 374,651             | \$ 374,651                 |

\* No Transfer In/Out

- A. Explain all transfers within the Program I.D. and its impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all restrictions and its impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 6.00                 |                      | 6.00                          |
| Personal Services | \$ 291,764           |                      | \$ 291,764                    |
| Current Expenses  | 148,236              |                      | 148,236                       |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 440,000           | \$ -                 | \$ 440,000                    |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Federal Fund      |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      | \$ -                          |
| Pos. Count        | 6.00                 |                      | 6.00                          |
| Gen. Fund         | \$ 440,000           |                      | \$ 440,000                    |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020302

Program ID and Title: LBR 812, Labor and Industrial Relations Appeals Board

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To assure equitable treatment of individuals through the prompt, just and inexpensive determination of appeals from decisions of the Director of Labor and Industrial Relations relating to Workers' Compensation and Boiler and Elevator Safety.

B. Description of Program Objectives

The Board's primary activity is to conduct contested case hearings pursuant to the Hawaii Administrative Procedures Act, Chapter 91, Hawaii Revised Statutes. Workers' compensation appeals from the Disability Compensation Division are considered *de novo*. *De novo* hearings are also conducted on appeals by employers from citations for violations and penalties issued by the Hawaii Occupational Safety and Health Division, as they relate to boiler and elevator safety, as well as appeals of other statutory matters administered by the Department of Labor and Industrial Relations. To accomplish its primary review mission for each appeal, the Board schedules at least one pre-hearing conference and a settlement conference prior to conducting a trial on the merits. Hearings on pretrial motions are also convened on an as-needed basis. Written decisions and orders are issued following trial or a hearing on a motion. The Board's work is evenly spread throughout the fiscal year.

A Summary of the Objectives and Activities as Discussed in the Multi-Year and Financial Plan.

At the start of FY 2006-2007, the Board had a pending case load of 818 workers' compensation cases. There were 614 new appeals filed and the Board was able to dispose of 559 cases. This left 873 cases pending at the end of the fiscal year. To address these cases, the Board conducted 575 pre-hearing conferences, 647

settlement conferences, and 225 hearings on motions. Ninety cases went to a full hearing on the merits. The remainder of the cases was resolved by Board member intervention during the conferences or by other means.

There were no boiler and elevator safety appeals filed for the fiscal year.

- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The Board has requested that an under-funded hearings officer position be fully funded to provide the Board with flexibility in scheduling certain cases for hearing and to expedite cases that may demand more immediate attention.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2009.

The Board provides one service only, that is, resolving appeals of cases arising out of the workers' compensation (and the boiler and elevator safety laws). Therefore, program effectiveness is essentially measured by the program's ability to handle new appeals while reducing the number of pending matters.

- B. Explain how these results relate to the Program's objectives and department's mission.

The Board seeks to assure quality of work-life for workers by protecting their physical well-being and providing economic security when disabling personal injuries occurs.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

Steadily reducing the average turnaround time from appeals filed (other than as extended by party requests) to administratively final decisions and the numbers of Board decisions sustained after judicial review are factors the Board applies to measure operational success. For FY 2006-2007, the average turn-around time for workers' compensation appeals was

13.6 months; more than 89 percent of the Board's decisions were sustained by the appellate courts.

- D. Discuss actions taken by each Program to improve its performance results.

In an effort to provide parties with the earliest possible trial date and options, the Board has been setting multiple cases for hearing per day. Every effort is made by the Board to resolve these cases without trial and the Board has kept "current" despite an initial increased appeal rate approximately one year ago.

- E. Please identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

A concern of the Board has been the timely issuance of decisions after a case has been tried. Over the past several years, the Board has made major progress in reducing the time between trial and written decision. Issuance of a decision went from an average of twelve months to two months and is now back up to seven months. More cases are going to trial requiring issuance of a decision. The Board had a pending caseload of 818 cases at the start of FY 2006-2007. At the end of the fiscal year this number increased to 873 cases.

The scheduling of trials continues to be an area where the Board seeks to improve. The typical trial lasts just over four hours. Where appropriate, parties may request that the Board reserve more than four hours for trial. Presently, the Board schedules 14 trials per week - two for the morning calendar and two for the afternoon calendar. (Thursdays are reserved for the various motions filed by the parties and for conferences with the parties.) Despite this oppressive trial schedule, trials are presently being set 14 to 15 months from receipt of an appeal. The Board hopes to shorten the time interval between appeal and hearing on the merits, but this is directly affected by the

parties and the number of appeals.

B. Program Change Recommendations to Remedy Problems

Due to the number of appeals filed, most cases are presently scheduled for trial by the Board more than a year after their receipt. After a case is heard, issuance of a decision is rendered as soon thereafter as possible.

The Board has a hearings officer position that has been appropriated but under-funded. Establishing the hearings officer position with the Board would give the Board flexibility to schedule hearings for certain workers' compensation cases with the hearings officer, thereby reducing the waiting period for trials.

The Board is presently requesting additional funding for the hearings officer position and has requested statutory amendments to support such a position.

C. Identify any program's issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                   | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources |
|-------------------|-----------------------|----------------------------|--------------------------|------------------------|
| Pos. Count        | 12.00                 |                            |                          | 12.00                  |
| Personal Services | \$ 703,389            | \$ 24,405                  |                          | \$ 727,794             |
| Current Expenses  | 59,177                |                            |                          | 59,177                 |
| Equipment         |                       |                            |                          |                        |
| Motor Vehicles    |                       |                            |                          |                        |
| Total             | \$ 762,566            | \$ 24,405                  | \$ -                     | \$ 786,971             |
| Less:             |                       |                            |                          |                        |
| Pos. Count        |                       |                            |                          |                        |
| Special Fund      |                       |                            |                          |                        |
| Pos. Count        |                       |                            |                          |                        |
| Federal Fund      |                       |                            |                          |                        |
| Pos. Count        |                       |                            |                          |                        |
| Other Funds       |                       |                            |                          |                        |
| Pos. Count        | 12.00                 |                            |                          | 12.00                  |
| Gen. Fund         | 762,566               | 24,405                     |                          | 786,971                |

\* No Transfer In/Out

A. Explain all transfers within the Program ID and its impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all restrictions and its impact on the Program.

None.



V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|---------------------|----------------------|-------------------------------|
| Pos. Count        | 12.00               |                      | 12.00                         |
| Personal Services | \$ 703,389          | \$ 65,000            | \$ 768,389                    |
| Current Expenses  | 59,177              |                      | 59,177                        |
| Equipment         |                     |                      |                               |
| Motor Vehicles    |                     |                      |                               |
| Total             | \$ 76,566           | \$ 65,000            | \$ 827,566                    |
| Less:             |                     |                      |                               |
| Pos. Count        |                     |                      |                               |
| Special Fund      |                     |                      |                               |
| Pos. Count        |                     |                      |                               |
| Federal Fund      |                     |                      |                               |
| Pos. Count        |                     |                      |                               |
| Other Funds       |                     |                      |                               |
| Pos. Count        | 12.00               |                      | 12.00                         |
| Gen. Fund         | 762,566             | 65,000               | 827,566                       |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

The Board is seeking to fully fund a full-time hearings officer position.

The Board's primary duty is to conduct contested case hearings pursuant to the Hawaii Administrative Procedures Act, Chapter 91, Hawaii Revised Statutes, for Workers' Compensation and Boiler and Elevator Safety matters. The activity performed by the Board does not vary much from year to year, but the number of cases appealed can fluctuate significantly. In the last two years, the rate of appeals increased due to a change in administrative policy and an increase in the number of cases processed. The Board has faced this additional workload without adding staff. Presently, the average turn-around time for cases on appeal is approximately 13 months, determined by a combination of the Board's work schedule and the desire of the parties to set briefing and

discovery schedules on a case-by-case basis. The Board's current pending caseload has increased by approximately 50 matters in the last year, despite an increase in the number of cases processed by the Board. The Board's table of organization has a hearings officer position that has not been fully funded. Fully funding the hearings officer position would allow scheduling expedited hearings on certain types of appeals, primarily those involving controversies over an injured worker's eligibility for current service benefits. In addition, it is hoped that funding such a position would reduce the number of pending appeals at the rate of approximately 75 to 100 cases per year.

The Board expects that utilization of the hearings officer will allow the Board to conduct more hearings, thus shortening the time interval between appeals and trial.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

- B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

- VI. Identify restrictions carried over from FY 2008 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY 2009.

- A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020303

Program ID and Title: LBR 871,  
Employment Security Appeals Referees' Office

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To provide due process to claimants and employers who file appeals from determinations issued by the Unemployment Insurance Division (UID) of the Department of Labor and Industrial Relations (DLIR).

B. Description of Program Objectives

ESARO is the appellate branch of the UI program, which was established to alleviate the economic hardship of unemployed individuals. This agency is the final administrative reviewing body for contested benefit and tax determinations rendered by the UID. ESARO hearing officers conduct quasi-judicial hearings which are followed by written decisions that affirm, reverse, or modify the appealed UI determination.

C. Explain how the Program intends to meet its objectives within the Biennium Budget.

The UI appellate program intends to meet its objectives by:

- a. Securing adequate permanent full time staff, hearing officer and clerical support, to meet base workload demands;
- b. Secure adequate level of permanent per diem hearing officers to meet changes in workload levels;
- c. Providing appellants with a scheduled hearing within thirty days of appeal; and

- d. Issuing a written decision within thirty days of hearing.

II. Program Performance Results

- A. Discuss the performance results achieved by each program in FY 2007.

The UI appeals program is evaluated by the US Department of Labor for appeals promptness and quality. The USDOL criterion for promptness is measured by decisions issued at two levels: 60% within thirty days of appeal and 80% within forty-five days of appeal. For quality of the hearing and decision based on the USDOL's thirty-two elements, the measurement is 80% of the evaluated cases, scoring 85 or better.

ESARO met 45 day promptness and quality standards in FY 2007, however it did not meet the 30 days:

|             |                |                |
|-------------|----------------|----------------|
| Promptness: | <u>30 days</u> | <u>45 days</u> |
| FY 2007     | 51.6%          | 89%            |
| Quality:    |                |                |
| FY 2007     | 95%            |                |

- B. Explain how these results relate to the program's objectives and department's mission.

By achieving USDOL standards, benefits are paid when due, which promotes the basic UI program objective of providing economic security for Hawaii's unemployed population.

- C. Explain how the effectiveness of the Program is measured (i.e., outcome, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past year.

To measure the effectiveness of the program in FY 2007, 60% of the decisions were issued within 30 days, 80% of decisions were issued within 45 days of appeal,

and 100% of decisions were issued with 30 days of the close of the hearing.

- D. Discuss actions taken by each Program to improve its performance results.

Recruitment is in process to fill one full time appeals referee, two part-time appeals referee, full time secretary, and full time clerk-typist positions.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

Internally, the scheduling of hearings within thirty days of appeal and issuing a final decision within thirty days of the completed hearing are implemented measurements to complement USDOL standards and ensure cases are resolved in a timely manner.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered if Any.

Insufficient funding that allows for adequate staffing and office equipment to meet all program objectives. UI appeals are a high volume operation affected by changes in the economy. It is essential that adequate funds are allocated to enable proper staffing levels, commensurate with workload volume. This is best accomplished with a permanent full time staff at a base level and part-time staff whose hours can be regulated (increased or decreased) as needed depending on the workload. Inadequate staffing contributes to backlog of work.

- B. Program Change Recommendations to Remedy Problems

None

- C. Identify any program issues or problems that affected or will affect the implementation of the program, and corrective measures or remedies established or planned.

None

IV. Expenditures for Fiscal Year 2008

|                   | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|-------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count        | 10.80                 |                            |                          | 10.80                  | 10.80                      |
| Personal Services | \$ 844,402            | \$ 23,948                  |                          | \$ 868,350             | \$ 868,350                 |
| Current Expenses  | 60,000                |                            |                          | 60,000                 | 60,000                     |
| Equipment         |                       |                            |                          |                        |                            |
| Motor Vehicles    |                       |                            |                          |                        |                            |
| Total             | \$ 904,402            | \$ 23,948                  | \$ -                     | \$ 928,350             | \$ 928,350                 |
| Less:             |                       |                            |                          |                        |                            |
| Pos. Count        |                       |                            |                          |                        |                            |
| Special Fund      |                       |                            |                          |                        |                            |
| Pos. Count        | 10.80                 |                            |                          | 10.80                  | 10.80                      |
| Federal Fund      | 904,402               | 23,948                     |                          | 928,350                | 928,350                    |
| Pos. Count        |                       |                            |                          |                        |                            |
| Other Funds       |                       |                            |                          |                        |                            |
| Pos. Count        |                       |                            |                          |                        |                            |
| Gen. Fund         |                       |                            |                          |                        |                            |

\* No Transfer In/Out

A. Explain all transfers within the Program I.D. and its impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all restrictions and its impact on the Program.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 10.80                |                      | 10.80                         |
| Personal Services | \$ 844,402           |                      | \$ 844,402                    |
| Current Expenses  | 60,000               |                      | 60,000                        |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 904,402           | \$ -                 | \$ 904,402                    |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        | 10.80                |                      | 10.80                         |
| Federal Fund      | 904,402              |                      | 904,402                       |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Gen. Fund         |                      |                      |                               |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.



- B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY 2009.

- A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

- B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009.

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020401

Program ID and Title: LBR 901, Data Gathering, Research and Analysis

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To enhance line division program effectiveness and efficiency and contribute to general economic policy-making by gathering, analyzing and reporting workforce, employment, unemployment and other labor-related economic data as well as operations management information.

B. Description of Program Objectives.

To plan, develop and conduct labor research and analysis; develop labor force estimates on employment and unemployment in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor; produce occupational wages and employment projections; and provide technical assistance and program specific management information to program divisions of the department.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Program and Financial Plan.

To meet the objectives stated above, it is necessary to inform users of the information available, to identify users' information needs, and to expand and improve information processing and delivery by using current technology.

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The Office will work towards the goals and objectives identified in their Strategic Plan. Research and statistical services will be provided to assist the

line divisions in their program administration and initiatives. To be more efficient, software applications and hardware will continue to be upgraded. To be more responsive to users, Internet accessibility to data will be enhanced. The user-friendly system, the Hawaii Workforce Informer (HIWI), continues to provide information with the number of visitor sessions increasing by 35 percent to 204,000 in FY 2006-2007. It links to the national labor exchange systems such as the JobCentral National Labor Exchange, Career One-Stop, America's Service Locator, and America's Career InfoNet (ACINet). In addition, Internet access to labor program related information through the Research and Statistics pages on the DLIR web site will continue to be provided. These pages were averaging more than 70,000 hits per month.

## II. Program Performance Results

- A. Discuss the performance results achieved by each program in FY 2007.

Customer satisfaction continues to be high among users of data. An increasing number have accessed data through the internet websites. In addition numerous e-mail requests have been received via these websites.

Labor force and labor program data, analysis and projections were developed and provided to facilitate legislative and management decision-making. Information for state and federally mandated reports were collected and reports prepared on a timely basis. Some key statistical data generated by the office included monthly employment, unemployment and job statistics, occupational wage data, Chapter 104 state construction wage rate schedules, occupational injury and illness data, workers' compensation program data, and unemployment insurance program data.

- B. Explain how these results relate to the program's objectives and department's mission.

The data produced, analyzed, and disseminated supports the departmental mission of economic security and physical well-being of workers by helping the line divisions administer their programs and provide

services to workers and employers. The data also provides industrial and occupational planning and assessment information for policy-making and labor-management decisions.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

Effectiveness of the Program is measured through the production of timely mandated reports and the degree of user satisfaction. During the past two years, all of the mandated reports were meeting their due dates. The degree of satisfaction measured through user surveys continues to be high (90%).

- D. Discuss actions taken by each Program to improve its performance results.

In the face of funding reductions, it took teamwork, overtime, and prioritizations of workload to meet the minimum mandated deliverables.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any

Due to declining federal funds, several positions are vacant and many of the requests for detailed demographic information regarding the labor market and localized labor force data were difficult to meet.

- B. Program Change Recommendations to Remedy Problems

Funds are needed to develop county level data for occupational demands and wages.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                   | Act 213<br>FY 2008 | Collective Bargaining | ± Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|-------------------|--------------------|-----------------------|----------------------------|------------------------|----------------------------|
| Pos. Count        | 37.00              |                       |                            | 37.00                  | 37.00                      |
| Personal Services | \$ 2,379,783       | \$ 70,312             |                            | \$ 2,450,095           | \$ 2,450,095               |
| Current Expenses  | 526,919            |                       |                            | 526,919                | 526,919                    |
| Equipment         |                    |                       |                            |                        |                            |
| Motor Vehicles    |                    |                       |                            |                        |                            |
| Total             | \$ 2,906,702       | \$ 70,312             | \$ -                       | \$ 2,977,014           | \$ 2,977,014               |
| Less:             |                    |                       |                            |                        |                            |
| Pos. Count        |                    |                       |                            |                        |                            |
| Special Fund      |                    |                       |                            |                        |                            |
| Pos. Count        | 28.12              |                       |                            | 28.12                  | 28.12                      |
| Federal Fund      | 2,438,236          | 54,879                |                            | \$ 2,493,115           | \$ 2,493,115               |
| Pos. Count        |                    |                       |                            |                        |                            |
| Other Funds       |                    |                       |                            |                        |                            |
| Pos. Count        | 8.88               |                       |                            | 8.88                   | 8.88                       |
| Gen. Fund         | \$ 468,466         | \$ 15,433             |                            | \$ 483,899             | \$ 483,899                 |

\* No Transfers In/Out

- A. Explain all transfers within the Program ID and its impact on the Program.

None.

- B. Explain all transfers between Program IDs and its impact on the Program.

None.

- C. Explain all restrictions and its impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 37.00                |                      | 37.00                         |
| Personal Services | \$ 2,379,783         |                      | \$ 2,379,783                  |
| Current Expenses  | 526,919              |                      | 526,919                       |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 2,906,702         | -                    | \$ 2,906,702                  |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        | 28.12                |                      | 28.12                         |
| Federal Fund      | 2,438,236            |                      | 2,438,236                     |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      |                               |
| Pos. Count        | 8.88                 |                      | 8.88                          |
| Gen. Fund         | \$ 468,466           | \$ -                 | \$ 468,466                    |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes/objectives to be accomplished.

None

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None

B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020402

Program ID and Title: LBR 902, General Administration

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To enhance program effectiveness and efficiency by formulating policies, directing operations and personnel and providing other administrative and housekeeping services.

B. Description of Program Objectives

The activities in this program are performed in the Director's Office, Information Office, Administrative Services Office (ASO), Equal Employment Opportunity Officer, Personnel Office, and neighbor islands District Offices. It involves providing executive direction and administrative assistance to the department's divisions and programs.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Program and Financial Plan.

To achieve the program objectives stated above, activities such as short and long-range planning, instituting policy changes, proposing State legislation, developing innovative and improved programs, preparing program and budget presentations, maintaining fiscal, accounting, purchasing, and personnel functions, providing (personnel) advisory services and position classification functions, and assuring equal opportunity employment and promoting affirmative action programs are all key activities.

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

In order to ensure that the services we render assist and benefit our programs in the delivery of services they provide, we will evaluate and improve our work processes to benefit our customers, and provide training and workshops for DLIR programs throughout the year on proper procedures and processes to initiate



required goods and services. The Administrative Services Office needs to procure new cost accounting and purchase order systems. All offices in General Administration need to apply information technology to the fullest extent possible.

## II. Program Performance Results

### A. Discuss the performance results achieved by each Program in FY 2007.

The performance measures in terms of processing efficiency have remained about the same. The improvement in the processing of payments for goods and services is attributable to the Purchasing Card (pCard) program. The Administrative Services Office (ASO) remains the Department's pCard administrator and provides training to the Department's divisions and offices as needed. The pCard Program allows all levels of employees especially the front line employees who actually do the purchasing to make small dollar purchases with the State's purchasing card from First Hawaiian Bank. This program enables businesses to receive payment within 3 days instead of 30 days. In 2007, the department was averaging 417 transactions per month and paying \$211,386 to businesses for goods and services.

Besides established measures, program effectiveness is assessed by the satisfaction of customers, internal and external to the Department, who are served by offices in this program. The Administrative Services Office work teams continue to meet to evaluate and improve work processes to benefit our customers.

ASO continues to serve as the lead to ensure that DLIR maximizes the use of our Information Technology (IT) resources to the fullest extent possible to provide timely, reliable, and accessible services to the public. In 2007, the department's IT staff responded to and closed 708 work requests and maintained an open workload of 96 requests.

- B. Explain how these results relate to the program's objectives and department's mission.

If effective services are provided to internal customers, DLIR programs will have access to necessary resources and support to carry out their program responsibilities and, in turn, the mission of the Department.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The program's performance has generally been measured through efficiency measures included as measures of effectiveness. As noted in item A. above, the level of performance remained constant in the past two years.

- D. Discuss actions taken by each Program to improve its performance results.

As part of the department's continuous improvement program, individual offices have developed Strategic Plans with objectives, implementing actions and measurable outcomes. As noted in item A above, the Administrative Services Office strategic plan has been completed, discussions with internal customers are on-going and internal workgroups have begun to implement changes to improve measurable outcomes.

- E. Please identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered, if any.

A decrease in Federal funds (Unemployment Insurance and Employment and Training programs) has made it more difficult to implement and administer support to the programs that are served.

#### Improving Fiscal and Financial Support

The current cost accounting system (CAS) utilized is

outdated and more than thirty (30) years old. The CAS utilizes batch processing to generate monthly accounting reports that are program specific for DLIR. The reports are utilized by the Federal program within DLIR, and contain the budget, current expenditures, cumulative expenditures, resources-on-order, and variances from the budget for each grant that is administered by DLIR. The financial CAS reports are generated one month after the close of a month and or quarter and serves as the basis for reporting expenditures to various State and Federal agencies. The one month delay in the production of the expenditure reports hampers ASO ability to provide financial status of any program at any given period of time.

#### Information Technology Support

End-user work requests are given high priority in order for the programs to meet their daily operational needs. Due to staff shortages; however, there have been some delays in the completion of several IT projects. ASO is gathering information to address the training needs to support the different IT areas within the department. While training does not equate to additional staff we believe it will allow us to more quickly identify and resolve IT problems.

#### Improving Human Resources

With the "baby boomers" reaching retirement age, recruitment efforts in 2007 has been a very challenging. While in previous years our employee count hovered around 700-800, our total employee count of 559 in the beginning of the year will have dropped to approximately 544 by the end of December 2007.

In today's competitive labor market, the DLIR programs have been faced with short supplies of candidates to fill critical job vacancies. Currently, the Personnel Office will need to fill three vacancies: a Personnel Management Specialist V (incumbent retiring on 12/31/07), and two Personnel Management Specialist IVs. (One incumbent retired in 12/06; the other incumbent was promoted in 11/07). The Departmental Personnel Officer position, vacant since January 2006, was filled on 11/1/07.

The ongoing concern of finding and retaining productive professional-level and clerical-level employees continues to hamper several DLIR programs. In order to improve the Department's ability to recruit and retain employees, efforts to streamline the recruitment and selection processes will continue, as well as an increased focus in training to develop the skills of our supervisors and upgrade the skills of our line staff.

In the previous fiscal year the Personnel Office completed 1,312 transaction requests and position classification reviews of the 1,325 received. While the numbers indicate the Personnel Office is able to reasonably complete requests despite the shortage in staff, the one area which has suffered greatly, is classification reviews. Act 300 required the review of exempt positions annually to determine whether they should remain exempt or be converted to civil service status. Besides the classification review of exempt positions, requests for civil service position reviews have created a backlog. Our current backlog include a higher percentage of complex cases that require more intense analysis and desk audits, thus requiring more time to complete reviews. The Personnel Office plans to review their staff job descriptions to determine the need for cross-training and the shifting of assignments to more effectively meet our customer needs.

In addition to taking immediate steps to filling the vacancies within the Personnel Office and evaluating and streamlining processes within the Personnel Office, we plan to continue our efforts to improve services by reviewing the performance measures of program effectiveness that were established for FY 2007. With more detailed tracking of grievances, personnel/classification/and training requests received, we hope to better assess our performance.

B. Program Change Recommendations to Remedy Problems

In 2006, ASO successfully secured a contractor to deliver, install, and maintain a state of the art automated Cost Accounting System (CAS). Phase I of the contract was scheduled to be implemented in April 2008; however, we were able to implement Phase I on November 1, 2007. DLIR's largest program, the Unemployment Insurance was brought on-line and the new CAS runs parallel with the current CAS. We are

targeting July 1, 2008, for the implementation of Phase 2 of the project. If the second Phase of the Conversion and implementation is successful, all of the DLIR programs will be brought on-line.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/007<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|------------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           | 62.94                  |                            |                          | 62.94                  | 62.94                      |
| Personal Svcs        | \$ 3,528,957           | \$ 108,222                 |                          | \$ 3,637,179           | \$ 3,637,179               |
| Current Exp          | 954,882                |                            |                          | 954,882                | 954,882                    |
| Equipment            |                        |                            |                          |                        |                            |
| Motor Vehicles       |                        |                            |                          |                        |                            |
| Total                | \$ 4,483,839           | \$ 108,222                 | \$ -                     | \$ 4,592,061           | \$ 4,592,061               |
| Less:                |                        |                            |                          |                        |                            |
| Pos. Count           |                        |                            |                          |                        |                            |
| Special Fund         |                        |                            |                          |                        |                            |
| Pos. Count           | 35.48                  |                            |                          | 35.48                  | 35.48                      |
| Federal Fund         | 3,115,751              | 63,661                     |                          | 3,179,412              | 3,179,412                  |
| Pos. Count           |                        |                            |                          |                        |                            |
| Other Funds          |                        |                            |                          |                        |                            |
| Pos. Count           | 27.46                  |                            |                          | 27.46                  | 27.46                      |
| Gen. Fund            | 1,368,088              | 44,561                     | -                        | 1,412,649              | 1,412,649                  |
| * No Transfer In/Out |                        |                            |                          |                        |                            |

- A. Explain all Transfers within the Program I.D. and its Impact on the Program.

None

- B. Explain all Transfers between Program I.D.s and its Impact on the Program.

None

- C. Explain all Restrictions and its Impact on the Program.

None

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        | 62.94                |                      | 62.94                         |
| Personal Services | \$ 3,531,602         |                      | \$ 3,531,602                  |
| Current Expenses  | 954,882              |                      | 954,882                       |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 4,486,484         | \$ -                 | \$ 4,486,484                  |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        | 35.48                |                      | 35.48                         |
| Federal Fund      | 3,115,778            |                      | 3,115,778                     |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      |                               |
| Pos. Count        | 27.46                |                      | 27.46                         |
| Gen. Fund         | 1,370,706            |                      | 1,370,706                     |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests please provide a breakout indicating specific purposes for all expenditures.

None

B. For all position count reductions, please specify whether the positions were filled or vacant.

None

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None

VII. Capital Improvement Request for Fiscal Year 2009

None

VIII. Proposed Lapses of Capital Improvement Program Projects

None

Program Structure Number: 020104

Program I.D. and Title: LBR 903, Office of Community Services

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

The primary program objective of the Office of Community Services (OCS) is to facilitate and enhance the development, delivery, and coordination of effective human service programs for persons in need, with emphasis on the economically disadvantaged, immigrants and refugees. The OCS is also responsible for providing advice and assistance to the agencies of the Executive Branch, the Legislature and other private and public organizations, regarding the needs of its target populations.

B. Description of Program Objectives

The OCS administers programs throughout the community using state, federal and special funds through grants and purchase of service contracts with private, non-profit agencies in the human services field. OCS staff responsibilities include planning, research, monitoring and evaluation of service activities, and contracts management.

As a responsible funding agency with limited monies, the OCS is: 1) Funding projects that solve problems and make lasting impacts; 2) Making an important investment; and 3) Planting seed money for continuing benefits. In keeping with the national trend, we are seeding versus fully funding projects.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Program and Financial Plan.

The OCS is standardizing its monitoring and evaluation procedures to improve the effectiveness of its contracts with service providers. The OCS is seeking greater coordination and collaboration among private service providers, and government service agencies to facilitate greater effectiveness in outcomes for Hawaii's poor, immigrants, and refugees.



- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The OCS intends to meet its objectives by performing its mandated functions as outlined in Chapter 371K, Hawaii Revised Statutes: 1) establishing goals and objectives relating to economically disadvantaged persons, immigrants and refugees; 2) studying the facts concerning the needs of its target groups; 3) reviewing legislation pertaining to programs within the purview of the office; 4) evaluating the availability, adequacy and accessibility of all services for its target group within the State; 5) assisting and coordinating the efforts of public and private agencies providing services which affect economically disadvantaged persons, immigrants and refugees; 6) maintaining contacts with local, state and federal officials and public and private agencies concerned with planning for its target group; and 7) encouraging and fostering local action on behalf of economically disadvantaged persons, immigrants and refugees.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2008.

For the preceding fiscal year, more than 21,595 unduplicated disadvantaged persons, immigrants and refugees were assisted in areas of employment, legal assistance, childcare and early education services, transportation services, youth services, food distribution services, energy assistance, and other services.

This variance in the actual number of persons served was due to: a) federally funded contracts now mandate tracking and reporting unduplicated number of persons served; b) state funded contracts completed the transition to performance-based requiring documentation validating unduplicated persons obtaining and maintaining employment; c) staff implementing better monitoring techniques and follow-up; d) during this period Hawaii is still experiencing low unemployment rates; and e) programs' participants consist of the state's hardest to employ.

More specifically in FY 2007, OCS' Employment Core

Service Programs alone assisted 2,533 individuals and placed 1,549 persons in employment despite Hawaii's record low unemployment rate.

The OCS regularly monitors contracted agencies to measure program effectiveness. The mechanism for monitoring involves desk and on-site reviews of programs. In addition, the OCS focuses upon administering programs on a statewide basis to ensure equal access to services. Providers are required to collect program performance and fiscal data on client achievements and submit updated information either monthly or quarterly to the OCS.

- B. Explain how these results relate to the program's objectives and department's mission.

The program primarily focuses on eliminating barriers that inhibit the economic self-sufficiency of its target groups. OCS programs help to remove barriers to employment, provide services that support and maintain employment, and assist the poor, immigrants & refugees to obtain jobs and function well in the workplace.

- C. Explain how the effectiveness of the program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

From the onset of the program contracting process, the OCS includes criteria in its Request for Proposals (RFPs) by which it monitors and evaluates the performance of Purchase of Service programs. Additionally, the OCS requires that service providers present and describe in detail a quality assurance and evaluation plan for proposed services, including the methodology to be employed.

The OCS has adopted and implemented Results Oriented Management and Accountability (ROMA) in many of its service contracts. ROMA is an outcome-oriented management framework that marries traditional management functions with a new focus on accountability. It focuses on outcomes of agency activities, as well as on the processes of operating programs and delivering services. Thus, by incorporating the use of results to the planning, management and operation of programs, and by linking such data to the management process, ROMA improves the

ability to measure more comprehensively the effectiveness of the service programs. The OCS encourages results that focus on the actual progress of individuals and families towards self-sufficiency and the improvement of communities, and on the numbers of clients served.

Actual program effectiveness is measured through a formal documentation/verification process including monitoring and required reporting to determine agreement compliance and performance accomplishments. The monitoring assessment is based on a review of various outcomes in areas such as service delivery and outreach. Service providers are also required to submit quarterly reports on progress toward stated goals of their POS contract.

The OCS plans to procure and implement a computerized client tracking system to facilitate statistical data collection and uniform reporting. With sufficient users, this data system can also provide an on-line client referral service.

- D. Discuss actions taken by each Program to improve its performance results..

The OCS has developed more comprehensive monitoring and evaluation plans and procedures, and has written the following: 1) OCS Contract Monitoring Plan, 2) OCS Program Review Instrument, 3) OCS Contract Technical Assistance Guidelines, and 4) draft OCS Contract Evaluation Procedures.

The OCS has also been training staff to improve monitoring capacity to determine contract compliance, detect program problems on a timely basis, and to seek improvements where needed. The monitoring process is also designed to obtain the data necessary to more consistently and better evaluate contract performance and programs.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

The OCS has already completed the shift to outcome-oriented management and contracting.

In Fiscal Biennium 2006 - 2007, the OCS completed its

transition phase and has now implemented performance-based contracting for its two largest state funded purchase-of-service employment programs. Under this system, payments to contracted service providers would be tied directly to client achievement of pre-determined performance milestones. Performance-based contracting makes the State a "smarter shopper." The State actually gets what it pays for in terms of cost savings, and shares the responsibility more evenly between service providers and the State. The contractor is now required to perform to contract standards (improves service efficiency). PBCs results in stronger solutions for nonperformance, strengthens competition, possibly lowers contract prices, and improves customer/tax payer satisfaction.

In compliance with the State Procurement Office (SPO) and Chapter 103F, Hawaii Revised Statutes, the OCS lists, online at the SPO website starting with FY 2004 programs, outcomes for each contract. In keeping government transparent, the SPO requires that this information be made available to the public.

### III. Problems and Issues

#### A. Discuss Problems and Issues Encountered, if any.

Services providers continue to report significant increases in clients from Compact of Free Association nations seeking employment and other assistance. There is also an increased need for more funding for all services, including employment core services, food distribution program, childcare, and transportation services as cited by other service providers.

The alarming homeless problem continues to grow geometrically.

#### B. Program Change Recommendations to Remedy Problems

The OCS is continuously reviewing and improving program operations in collaboration with its service providers. They are streamlining to increase efficiency and monitoring to ensure maximum program benefits. It has set priorities for future spending based on traditional services provided and on past performance.

To do this, the OCS needs to adopt a Managing for Results (MFR) culture within the office. MFR makes it

possible to create an organizational culture where beliefs, behaviors, and language are focused, in a shared manner, on results for customers. This makes it possible for program implementers to talk to one another, to reconfirm their commitment to public service, to collaborate, and to improve results for customers.

In addition, the OCS has expanded its working relationships with federal and other state agencies to obtain additional resources. In October 2005, the OCS held a Faith-Based Initiative Conference to expand partnerships and increase networking within the community. OCS held a follow-up activity and sponsored the Micronesian Cultural Festival in October 2006. Another Faith-Based Initiative Workshop is being planned for February 2008. The OCS also assisted in improving the efficiency of interagency coordination of the delivery of services.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

In FY 2007, the OCS continued to partner with the Department of Human Services (DHS) to access available federal funds as reimbursement for services provided to certain qualified individuals.

Making any change, including a shift to performance-based contracts, requires buy-in and understanding from:

- Service Providers;
- Funding Sources (Legislators); and
- Administrators.

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           | 6.00                  |                            |                          | 6.00                   | 6.00                       |
| Personal Svcs        | \$ 1,151,241          | \$ 35,907                  |                          | \$ 1,187,148           | \$ 1,187,148               |
| Current Exp          | 10,041,802            |                            |                          | 10,041,802             | 10,041,802                 |
| Equipment            |                       |                            |                          |                        |                            |
| Motor Veh            |                       |                            |                          |                        |                            |
| Total                | \$ 11,193,043         | \$ 35,907                  | \$ -                     | \$ 11,228,950          | \$ 11,228,950              |
| Less:                |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Special Fund         |                       |                            |                          |                        |                            |
| Pos. Count           | 2.00                  |                            |                          | 2.00                   | 2.00                       |
| Federal Fund         | 5,856,479             | 18,071                     |                          | 5,874,550              | 5,874,550                  |
| Pos. Count           |                       |                            |                          |                        |                            |
| Other Funds          |                       |                            |                          |                        |                            |
| Pos. Count           | 4.00                  |                            |                          | 4.00                   | 4.00                       |
| Gen. Fund            | 5,336,564             | 17,836                     |                          | 5,354,400              | 5,354,400                  |
| * No Transfer In/Out |                       |                            |                          |                        |                            |

A. Explain all Transfers Within the Program I.D. and its Impact on the Program.

None.

B. Explain all Transfers Between Program I.D.s and its Impact on the Program.

None.

C. Explain all Restrictions and its Impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2006-2007 |
|-------------------|----------------------|----------------------|------------------------------------|
| Pos. Count        | 6.00                 |                      | 6.00                               |
| Personal Services | \$ 1,151,241         |                      | \$ 1,151,241                       |
| Current Expenses  | 8,302,151            | 696,000              | 8,998,151                          |
| Equipment         |                      |                      |                                    |
| Motor Vehicles    |                      |                      |                                    |
| Total             | \$ 9,453,392         | \$ 696,000           | \$ 10,149,392                      |
| Less:             |                      |                      |                                    |
| Pos. Count        |                      |                      |                                    |
| Special Fund      |                      |                      |                                    |
| Pos. Count        | 2.00                 |                      | 2.00                               |
| Federal Fund      | 5,856,479            |                      | 5,856,479                          |
| Pos. Count        |                      |                      |                                    |
| Other Funds       | -                    | 696,000              | 696,000                            |
| Pos. Count        | 4.00                 |                      | 4.00                               |
| Gen. Fund         | 3,596,913            |                      | 3,596,913                          |

A. Workload or Program Request

1. Description of request, reason for the request, and the desired outcomes or objectives to be accomplished.

Program Objective

To provide Employment core services for Low-Income Persons and Immigrants who are at or below 150% of the Federal Poverty Guideline for Hawaii. OCS will contract with selected service providers to provide these services, with the goal of helping the client obtain and maintain employment for at least one year.

Description of Request

OCS requested additional funding to provide Employment Core Services to additional, unduplicated clients being served due to limited budget allotments. Establishment of a "U" fund, if approved, would allow OCS to use funds obtained through TANF and Title XX reimbursements, up to \$696,000, for Employment core Services. OCS and its ECS-LIP service providers perform the work



that allows the State to obtain the federal reimbursements.

OCS has implemented an innovative, performance-based system that tracks client outcomes and pays the service provider only upon completion and predetermined milestones. All additional funding paid to the service providers will be backed by documented client achievement. If client achievements are not met, all remaining funds will simply revert back to the State General Fund.

#### Basis for the Request

In FB 2008-2009, the total funds requested by applicants for the ECS-LIP and ECS-IMM Request for Proposals far exceeded the funding amounts available. Many agencies were not funded, and most of the agencies receiving contracts were not funded at the amount requested in their applications.

In FB 2006-2007, several service providers earned their maximum funding well before the end of the contract period and continued to report client achievements that could not be charged above the contract amount. As we enter the second biennium of the performance-based system, we anticipate most of the providers will exceed their budgeted outcomes.

#### Significant Changes to Measures of Effectiveness and Program Size

The additional \$464,000 in funding to the ECS-LIP program will result in at least 300 more low-income persons being provided employment preparation services. Of the 300 clients, 108 are expected to maintain employment for a period of at least one year.

The additional \$232,000 in funding to the ECS-IMM program will result in at least 150 more immigrants being provided employment preparation services. Of the 150 clients, 54 are expected to maintain employment for a period of at least one year.



2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific projects for all planned expenditures.

None.

- B. For all position count reductions, please specify whether the positions were filled or vacant.

None.

VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to Department of Budget and Finance budget ceilings for FY 2009.

- A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

- B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.

Program Structure Number: 020303

Program ID and Title: LBR 905, Hawaii Career (Kokua)  
Information Delivery System

Page Reference in the Executive Budget Supplement, Vol I: none

I. Introduction

A. Summary of Program Objectives

To develop, deliver, and maintain a comprehensive and localized career and educational information delivery system for career decision making and career planning purposes for Hawaii's students and workers.

B. Description of Program Objectives

To plan, develop, implement and maintain a standards-compliant comprehensive statewide career information delivery system for the State of Hawaii, Career Kokua:

- Develops career information comprised of occupational, industry, educational, financial aid, job search, and related information for career development. The career information must be accurate, current, developmentally appropriate, relevant, specific, unbiased, and understandable.
- Develops career information products and services that are useful, and delivered in such a manner that users will be able to access, use, or navigate the components.
- Provides support, training, technical assistance, and communications with users to ensure that the needs and concerns of the end users using the component(s) are being met.
- Provides process component standards that apply to common information tools that facilitate the use of career information in career development.
- Provides assessments that include measures of personal attributes, traits, interests, skills, work values, and other factors that relate to career decision-making.

- Provides component search and sorting processes to help individuals find career opportunities and options in systematic ways.
  - Provides career planning and management processes to help users with discovery, reflection, and documentation for career and educational/training plans.
  - Adheres to national content component information standards.
  - Adheres to integration standards so that integrated products and services meaningfully relate to or link career information content and processes using relationship frameworks that have integrity, quality, and transparency.
  - Provides integrated components that are consistent with career development theory in their design and facilitate career development in their application.
  - Uses equipment and technology that is reliable, widely available, cost effective, and appropriate for a wide variety of users.
  - Uses an interface design that is sufficiently intuitive and attractive to enable and motivate a variety of users to explore options, make decisions, and create career and educational plans. The comprehensive system is designed to allow people to use it independently.
  - Is demonstrably effective with and accessible to people of varying ability, experience, and backgrounds.
  - Provides mechanisms that localize key information or present information in a localized context.
- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.

The Hawaii Career Information Delivery System (HCIDS) aka Career Kokua provides a comprehensive computerized system of local career and related educational information for the career planning and career decision making needs of students and job seekers in the state

of Hawaii. It will meet its objectives by:

1. Developing and maintaining up-to-date and localized career, occupational, and related educational information.
2. Collecting and analyzing current information and developing it into usable formats for schools, career development organizations, and counseling agencies.
3. Consulting with, training, and supporting schools and user agencies on the use and integration of career information in counseling and instructional programs.
4. Developing and managing computerized delivery systems.

## II. Program Performance Results

- A. Discuss the performance results achieved by each Program in FY 2007:
  1. Over 80% of users were satisfied with Career Kokua, its career exploration tools, and the assistance provided for decision making.
  2. There were over 162,000 hits on the Career Kokua website.
  3. In addition to 24 Career Kokua workshops conducted statewide in 2007, Career Kokua conducted or participated in 31 user support and community outreach events such as career fairs, conferences, and presentations.
- B. Explain how these results relate to the program's objectives and department's mission.

Results indicate user satisfaction with Career Kokua as a career exploration tool. The results also show positive measures for desirability of the program and provide evidence that Career Kokua provides the information users want. Ease of use, usefulness of the program, and assistance with career decision making are also positively rated. Actual results exceeding projected measures of effectiveness demonstrate that Career Kokua and DLIR are providing a

worthwhile program that helps Hawaii's students and workers to meet the department's goals of economic well-being and economic security.

- C. Explain how the effectiveness of the Program is measured (i.e., outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The effectiveness of the program is measured through a random sampling of User Surveys, Site Coordinator Surveys, computer statistical packages, and the number of community outreach and user support services provided. In the past two years, 90% of user survey respondents were satisfied with Career Kokua as a career exploration tool. Desirability of the program was also rated, at 90%, with 93% of survey respondents saying that they "liked using Career Kokua" and 91% agreeing that Career Kokua provided the information they wanted. Ease of use of the program was also rated very highly at 93% while 92% agreed that Career Kokua is a worthwhile program. Eighty-seven percent (87%) of the survey respondents rated Career Kokua as useful, exceeding the projected measure of 85%. The actual percentage for Assistance with Career Decision Making, at 89%, was well above the projected measure of 80%.

The User Survey results confirmed that Career Kokua is easy to use, is a useful tool, provides the information that users want, and provides assistance with various aspects of career decision making.

In the last two years, there were over 206 user sites utilizing Career Kokua serving over 207,000 users in Hawaii. Sixty-six (66) user sites subscribed to Career Kokua's publications and there were 293 subscriptions to the various Career Kokua computer software programs including Internet CK. During FY2007 there were over 162,900 hits on the Career Kokua web site. The number of user sites and subscriptions is increasing for FY2008 because of universal access.

During the last year, Career Kokua conducted 24 training workshops for over 140 teachers, counselors, and other career development personnel in the State. At the annual Hawaii Career and College Fair, Career Kokua provides direct career assessment services and information to students, teachers, counselors, parents and adults planning career changes or continuing

education.

- D. Discuss actions taken by each Program to improve its performance results.

None.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered If Any.

None.

- B. Program Change Recommendations to Remedy Problems

None.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008

|                      | Act 213/07<br>FY 2008 | Collective *<br>Bargaining | Transfers<br>Restriction | Available<br>Resources | Est. Total<br>Expenditures |
|----------------------|-----------------------|----------------------------|--------------------------|------------------------|----------------------------|
| Pos. Count           |                       |                            |                          | -                      | -                          |
| Personal Services    | \$ 464,603            | \$ 15,106                  |                          | \$ 479,709             | \$ 479,709                 |
| Current Expenses     | 126,445               |                            |                          | 126,445                | 126,445                    |
| Equipment            |                       |                            |                          |                        |                            |
| Motor Vehicles       |                       |                            |                          |                        |                            |
| Total                | \$ 591,048            | \$ 15,106                  | \$ -                     | \$ 606,154             | \$ 606,154                 |
| Less:                |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Special Fund         |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Federal Fund         | 160,050               | 4539                       |                          | 164,589                | 164,589                    |
| Pos. Count           |                       |                            |                          |                        |                            |
| Other Funds          |                       |                            |                          |                        |                            |
| Pos. Count           |                       |                            |                          |                        |                            |
| Gen. Fund            | \$ 430,998            | \$ 10,567                  |                          | 441,565                | \$ 441,565                 |
| * No Transfer In/Out |                       |                            |                          |                        |                            |

A. Explain all transfers within the Program I.D. and its impact on the Program.

None.

B. Explain all transfers between Program IDs and its impact on the Program.

None.

C. Explain all restrictions and its impact on the Program.

None.

V. Supplemental Budget Request for Fiscal Year 2009

|                   | Act 213/07<br>FY2009 | Budget<br>Adjustment | Supplemental Budget<br>FY2009 |
|-------------------|----------------------|----------------------|-------------------------------|
| Pos. Count        |                      |                      |                               |
| Personal Services | \$ 464,603           |                      | \$ 464,603                    |
| Current Expenses  | 126,445              |                      | 126,445                       |
| Equipment         |                      |                      |                               |
| Motor Vehicles    |                      |                      |                               |
| Total             | \$ 591,048           | \$ -                 | \$ 591,048                    |
| Less:             |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Special Fund      |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Federal Fund      | 160,050              |                      | 160,050                       |
| Pos. Count        |                      |                      |                               |
| Other Funds       |                      |                      |                               |
| Pos. Count        |                      |                      |                               |
| Gen. Fund         | \$ 430,998           |                      | \$ 430,998                    |

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests, please provide a breakout indicating specific purposes for all planned expenditures.

None.

B. For all position count reductions, please specify whether the positions were filled or vacant.

None.



VI. Identify restrictions carried over from FY 2008 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY 2009.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

None.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

None.

VII. Capital Improvement Request for Fiscal Year 2009

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.