



EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE
GOVERNOR

**SENATE COMMITTEE ON WAYS AND MEANS
EXECUTIVE SUPPLEMENTAL BUDGET 2010-2011
JANUARY 14, 2009**

**BUDGET TESTIMONY
OFFICE OF THE GOVERNOR**

Honorable Chair Kim and Members of the Senate Committee on Ways and Means, I am Barry Fukunaga, Chief of Staff of the Office of the Governor. I am here today to present the Supplemental Budget request for Fiscal Year 2010-2011 for the Office of the Governor.

MISSION STATEMENT

The Office of the Governor strives to assure the effectiveness and efficiency of state programs and statewide initiatives by providing Executive direction, policy development, program coordination, communications, planning and budgeting.

Our efforts remain focused on the well-being of the citizens of Hawaii. Through ensuring that State Government programs are effectively managed within and between departments; that executive branch policies are properly executed through laws, executive orders, policy statements, and memoranda; and that these policies are clearly and concisely articulated.

ECONOMIC IMPACT

The Office of the Governor has focused on key initiatives to promote economic recovery and to position Hawaii for a successful future using the limited staffing and fiscal resources within our offices.

Increasingly limited resources throughout all executive departments has brought unprecedented challenges as the Office of the Governor strives to fulfill its critical leadership and management role supporting executive departments as they implement program and staffing adjustments.

In the current fiscal year (FY10) the Office of the Governor has obtained a \$438,048 reduction in its operating budget through restrictions on spending, reductions in staffing, and not filling positions as they become vacant. Adjustments have included the re-distribution of work activities and cross-training of employees to minimize the impact of budget reductions on the public.

ALTERNATIVES CONSIDERED

The Office of the Governor has been working cooperatively with public education partners to ensure Hawaii receives the maximum amount of federal stimulus (ARRA) grants available to support education. Other actions specified (shifting general funded operational costs to non-general funds, outsourcing activities performed by eliminated personnel or consolidation or elimination of programs within the department) have not been utilized as they are generally not applicable to our office.

SUPPLEMENTAL BUDGET REQUEST

The Office of the Governor's (GOV100) budget request for the Supplemental Budget 2010-2011 is summarized in Table 1 of the attachments. The supplemental budget request for fiscal year 2010-2011 for the Office of the Governor is for a total appropriation of \$2,490,353, reflecting an adjustment of \$122,001 for FY11. This budget request includes reductions totaling \$390,799, which exceeds the 13.85% budget reduction target for FY11. It includes two requests to add funds related to the upcoming change in Administration. The first request, as required by statute HRS §30-6, is for \$100,000 for transition funds. The second is for \$412,000 to meet vacation payout obligations for employees of the Office of the Governor. The department has also included the reduction of 4.00 FTE temporary positions in our budget request which would reduce the position count to 31.00 FTE permanent positions and 23.00 FTE temporary positions.

Overall, this budget request meets the challenging objectives of preserving critical functions and continuing to meet the responsibilities and priority obligations of the Office of the Governor. This is being done under significant budgetary restrictions, while still responsibly planning for the transition of Administrations. We respectfully request this committee's approval of the executive supplemental budget for the Office of the Governor.

Attachments

Table 1:	Department-Wide Budget Summary
Table 2:	Priority List of Functions
Table 3:	Resources by Program ID
Table 4:	Current Year (FY10) Restrictions
Table 5:	Proposed FY11 Reductions
Table 6:	Proposed FY11 Additions
Table 7:	Non-general Funds
Table 8:	Emergency Appropriation Requests
Table 9:	Budget Decisions
Table 10:	Vacancy Report
Table 11:	Personnel Separations
Table 12:	New Hires
Table 13:	RIF Actions
Table 14:	Expenditures Exceeding Federal Fund Ceiling
Table 15:	Interdepartmental Transfers
Table 16:	Capitol Improvement (CIP) budget
	Organizational Chart

Department of the Office of the Governor
Department-wide Budget Summary

Table 1

Fiscal Year (FY) 2010				
Act 162/09 Appropriation (a)	Restriction (b)	Emergency Appropriation (c)	Total FY10 (d)	MOF
3,176,357	(438,048)	-	2,738,309	A
			-	B
			-	N
			-	T
			-	U
			-	W
3,176,357	(438,048)	-	2,738,309	Total
Fiscal Year (FY) 2011				
Act 162/09 Appropriation (e)	Reductions (f)	Additions (g)	Total FY11 (h)	MOF
2,368,352	(390,799)	512,800	2,490,353	A
			-	B
			-	N
			-	T
			-	U
			-	W
2,368,352	(390,799)	512,800	2,490,353	Total

Department of the Office of the Governor
Priority List of Functions

Table 2

Pri #	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
1	The Office of the Governor focuses effort toward the well-being of the citizens of Hawaii by ensuring that State Government programs are effectively managed within and between departments; that executive branch policies are properly executed through laws, executive orders, policy statements, and memoranda; that these policies are clearly and concisely articulated; and that the management of the state workforce is accomplished in a fair and equitable manner.		GOV100	

Department of the Office of the Governor
Resources by Program ID

Table 3

<u>Prog ID/Org</u>	<u>Program Title</u>	<u>As budgeted in Act 162/09 (FY11)</u>			<u>Governor's Submittal (FY11)</u>			<u>MOF</u>
		<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	
GOV100	Office of the Governor	31.00	27.00	2,368,352	31.00	23.00	2,490,353	A

Department of the Office of the Governor
Current Year (FY10) Restrictions

Table 4

<u>Prog ID</u>	<u>Restriction \$\$\$</u>	<u>Impact</u>	<u>MOF</u>
GOV100	438048	Limits the ability to effectively carry out functions of the office due to reduced staff and resources	A

Department of the Office of the Governor
Proposed FY11 Reductions

Table 5

<u>Type</u> <u>(CB / RIF/ OA)</u>	<u>Description of Reduction</u>	<u>Impact of Reduction</u>	<u>Prog ID</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>MOF</u>	<u>Carry-over?</u> <u>(Y/N)</u>
OA	Furlough	To minimize disruptions in services and operations staff are able to take furlough on a flexible schedule.	GOV100			(201,121)		N
OA	PS Reduction	Reduces staff resources available	GOV100			(24,738)		Y
OA	Reduce positions and funds	Reduction in staff resources available has been managed by cross-training employees and re-distribution of work to remaining staff.	GOV100		(4.00)	(164,940)	A	Y

Department of the Office of the Governor
Proposed FY 11 Additions

Table 6

<u>Description of Addition</u>	<u>Prog ID</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>MOF</u>
Transition funds per HRS §30-6	GOV100			100000	A
Vaction payout obligations	GOV100			412800	A

Department of the Office of the Governor
Non-general funds (excluding Federal Funds)

Table 7

<u>Name of Fund</u>	<u>Unencumbered Cash Balance</u>	<u>MOF</u>	<u>Statutory Reference</u>
Not applicable			

Department of the Office of the Governor
Emergency Appropriation Requests

Table 8

<u>Prog ID</u>	<u>Description of Request</u>	<u>FTE</u>	<u>\$\$\$</u>	<u>MOF</u>
	None			

Department of the Office of the Governor
Budget Decisions

Table 9

Prog ID/Org	Description	MOF	Department Request			Budget & Finance			Governor's Decision		
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
GOV 100	Abolish Positions	A		(4.00)	(164,940)		(4.00)	(164,940)		(4.00)	(164,940)
GOV 100	PS Reductions	A			(24,738)			(24,738)			(24,738)
GOV 100	Furlough Savings	A			(201,121)			(201,121)			(201,121)
GOV 100	Transition Funds per HRS 30-6	A			100,000			100,000			100,000
GOV 100	Vacation payout obligations	A			412,800			412,800			412,800

Department of the Office of the Governor
Vacancy Report

Table 10

<u>Date of Vacancy</u>	<u>Position Title</u>	<u>Position Number</u>	<u>Exempt (Y/N)</u>	<u>Budgeted Amount</u>	<u>Actual Salary Last Paid</u>	<u>MOF</u>	<u>Prog ID</u>	<u>Authority to Hire (Y/N)</u>	<u>Comments</u>
10/01/09	Personnel Program Officer	28605	Y	\$65,088	\$92,616	A	GOV 100		
07/22/09	Housekeeper	100088	Y	\$27,040	\$33,528	A	GOV 100		
11/01/09	Sr. Policy Analyst	100336	Y	\$56,862	\$75,000	A	GOV 100		
07/01/05	Chief Negotiator	100469	Y	\$0	\$85,000	A	GOV 100		HRS § 89A-1
07/09/09	Jr. Policy Analyst	101001	Y	\$30,180	\$33,288	A	GOV 100		
05/30/09	Sr. Writer	101012	Y	\$34,760	\$46,560	A	GOV 100		
07/09/09	Chief, Communications	101283	Y	\$73,668	\$73,668	A	GOV 100		Abolish
07/01/09	Tourism Liaison	101868	Y	\$0	\$0	A	GOV 100		Act 162, 2009
09/05/09	Clerk, Kona	101890	Y	\$24,780	\$24,780	A	GOV 100		Abolish
10/31/09	Assistant Scheduler	102337	Y	\$36,492	\$36,492	A	GOV 100		Abolish
08/21/09	Executive Receptionist/Clerical Support	102348	Y	\$30,000	\$43,788	A	GOV 100		Abolish

Department of the Office of the Governor
Personnel Separations

Table 11

Prog ID/Org	Position Number	Perm/Temp	MOF	Position Title	Budgeted FTE	Budgeted Salary	Actual FTE	Actual Salary	BU Code	SR Level
GOV 100	100088	P	A	Housekeeper	1.00	\$27,040	1.00	\$33,538	61	Exempt
GOV 100	100145	P	A	Business Services Officer	1.00	\$0	1.00	\$62,244	73	Exempt
GOV 100	100335	P	A	Executive Assistant	1.00	\$57,936	1.00	\$57,936	73	Exempt
GOV 100	100336	P	A	Sr. Policy Analyst	1.00	\$56,862	1.00	\$75,000	73	Exempt
GOV 100	100355	P	A	Liaison Officer, Hilo	1.00	\$54,072	1.00	\$54,072	73	Exempt
GOV 100	100371	P	A	Executive Chef	1.00	\$0	1.00	\$56,148	61	Exempt
GOV 100	100376	P	A	Support Staff Specialist	1.00	\$10,500	1.00	\$10,500	63	Exempt
GOV 100	100575	T	A	Policy Analyst	1.00	\$47,004	1.00	\$47,004	73	Exempt
GOV 100	100939	P	A	Manager, Workflow System	1.00	\$48,804	1.00	\$58,488	63	Exempt
GOV 100	101001	P	A	Jr. Policy Analyst	1.00	\$30,180	1.00	\$33,288	63	Exempt
GOV 100	101012	P	A	Sr. Writer	1.00	\$34,760	1.00	\$46,560	63	Exempt
GOV 100	101175	P	A	Deputy Chief Negotiator	1.00	\$72,996	1.00	\$72,996	73	Exempt
GOV 100	101283	T	A	Chief, Communications	1.00	\$73,668	1.00	\$73,668	73	Exempt
GOV 100	101890	T	A	Clerk, Kona	1.00	\$24,780	1.00	\$24,780	63	Exempt
GOV 100	102337	T	A	Assistant Scheduler	1.00	\$36,492	1.00	\$36,492	63	Exempt
GOV 100	102348	T	A	Executive Receptionist/Clerical Support	1.00	\$30,000	1.00	\$43,788	63	Exempt
GOV 100	102434	T	A	Communications Specialist	1.00	\$34,776	1.00	\$34,428	63	Exempt
7/01/08 to 11/30/09										

Department of the Office of the Governor
New Hires

Table 12

<u>New Hire Effective Date:</u>	<u>Prog ID/Org</u>	<u>Position Number</u>	<u>Perm/Temp</u>	<u>MOF</u>	<u>Position Title</u>	<u>Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Actual FTE</u>	<u>Actual Salary</u>	<u>BU Code</u>	<u>SR Level</u>
7/28/2008	GOV 100	102434	T	A	Communications Specialist	1.00	\$34,776	1.00	\$32,028	63	Exempt
From 07/01/08 to 11/30/09											

Department of xxx
Reduction in Force (RIF) Actions

Table 13

<u>RIF Code</u>	<u>Prog ID/Org</u>	<u>RIF Action</u>	<u>Position ##</u>	<u>Position Title</u>	<u>MOF</u>	<u>FTE</u>	<u>Current Comp Rate</u>	<u>Position Salary Decrease</u>	<u>Position Salary Increase</u>	<u>Comp Freq (Mo/Hr)</u>	<u>SR Level</u>	<u>BU</u>	<u>Perm/ Temp</u>	<u>Placement Action</u>	<u>Reason</u>
		Not applicable													

Department of xxx
Expenditures Exceeding Federal Fund Ceiling

Table 14

<u>Prog ID</u>	<u>Appropriation Ceiling</u>	<u>Ceiling Increase</u>	<u>Date of Increase</u>	<u>Reason for Exceeding Ceiling</u>	<u>Recurring (Y/N)</u>	<u>GF Impact (Y/N)</u>	<u>ARRA?</u>
	None						

Department of xxx
Intradepartmental Transfers

Table 15

<u>From Prog ID</u>	<u>To Prog ID</u>	<u>Amount Transferred</u>	<u>Date of Transfer</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
				None	

Department of the Office of the Governor
CIP Summary

Table 16

<u>Priority</u>	<u>Project Title</u>	<u>\$\$\$\$</u>	<u>MOF</u>	
None				

**STATE OF HAWAII
OFFICE OF THE GOVERNOR - GOV100**

ORGANIZATION CHART

