

NEIL ABERCROMBIE
GOVERNOR



KALBERT K. YOUNG
DIRECTOR

LUIS P. SALAVERIA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER
PUBLIC UTILITIES COMMISSION

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF ECONOMIC RECOVERY
AND REINVESTMENT (ARRA)

January 18, 2013

The Honorable Joseph M. Souki
Speaker of the House of Representatives
Twenty-Seventh State Legislature
State Capitol
Honolulu, Hawaii 96813

DEPARTMENTAL COMMUNICATION

No. 81

Dear Representative Souki:

Pursuant to Section 133.2 of Act 164, SLH 2011, as amended by Act 106, SLH 2012, the attached reports provide the overtime and compensatory information requested by the Legislature.

Section 133.2, Overtime and Compensatory Time

Generally, most departments incur overtime and compensatory time costs as a result of cyclical busy periods, work required outside of normal shifts, or personnel shortages. While we realize that there are situations where overtime and compensatory time may seem excessive, many of these situations would not be appropriately addressed via the budget. It would not necessarily be the best solution to provide additional staffing for situations such as these:

- The work required outside of normal shift times may be unforeseen, with very short notice.
- The work required outside of normal shift times may be necessary to provide services to the public, such as outreach programs, or for events, such as those at Aloha Stadium.
- The work may be best addressed by existing staff, such as for cyclical busy periods where it may not be cost effective or practical to recruit and train short-term hires.
- The program may already have recruitment issues and/or the overtime is necessary due to vacancies, many of which were not filled previously due to the State's fiscal situation.
- The program must complete time-sensitive work but has a temporary reduced staffing situation because staff is on directed leave without pay or supplemental time off without pay pursuant to collective bargaining agreements.

We believe that each department has the best perspective on their department's staffing requirements and, if appropriate, has taken the necessary budget action to address excessive overtime and compensatory time costs by submitting related FB 2013-15 Executive Budget requests based on their department's priority. In turn, those requests would have been considered in view of statewide priority requirements.

Given the volume of information which was submitted pursuant to Section 133.2, however, this department will give further consideration to the data provided by each department. Priority requirements which may be appropriately addressed by the budget will be considered for the FY 15 Supplemental Budget.

Please note that all reports being transmitted at this time were received by this department by Monday, December 17, 2012, the due date of the report to the Legislature. The outstanding report from the Charter Schools will be transmitted when it becomes available.

As required by Section 93-16, HRS, the reports will be published on the internet and will be located at: www.hawaii.gov/budget/LegReports. Should there be any questions, please have your staff contact Mr. Neal Miyahira, Administrator of the Department of Budget and Finance's Budget, Program Planning and Management Division, at 586-1530.

Aloha,



KALBERT K. YOUNG
Director of Finance

Attachments

c: Honorable Sylvia Luke (CD)