

SENATE COMMITTEE ON WAYS AND MEANS
BIENNIUM BUDGET REQUESTS FOR FISCAL BIENNIUM 2013-2015

JANUARY 7, 2013

TESTIMONY OF THE DEPARTMENT OF BUDGET AND FINANCE
OVERVIEW

A. MISSION STATEMENT

The Department of Budget and Finance's (Department) mission is to enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

B. ECONOMIC AND FISCAL IMPACTS

The current economic and fiscal condition of the State is providing an opportunity to begin to address the issues of the Department's operational deficiencies and backlogs that have been growing since the mid 2000's, the need for resources for the State's Information Technology Transformation, and the State's growing unfunded liability for Other Post-Employment Benefits (OPEB).

The reductions over the last five (5) years have significantly impacted the Department's ability to perform the necessary functions of State government. Delays in processing of budget requests, bank reconciliations, deposit receipts, personnel actions, and internal accounting functions have grown to unacceptable levels. Since 2011, the Department has examined its operations to contemporize and create efficiencies wherever possible, and it has made and is making progress in the areas of bank reconciliations and treasury deposit receipts by incorporating low-cost technology and process improvements. The bank reconciliation backlog was reduced from 12 months to 1 month by incorporating the use of spreadsheets and electronic files. The process of Treasury Deposit Receipts, or TDRs, is being re-engineered from a manual paper-based process to an on-line electronic

system that is projected to reduce the time to process from months to days. The improvements made over the last two years were done without any significant increase in additional resources and manpower. However, there are still areas that need additional support and the Department is committed to making further advances in productivity and efficiencies. Furthermore, the Department is advancing its program of tax compliance on government bonds, investor relations, and employee benefit administration. These initiatives are expected to further strengthen the State's financing capabilities and credit position.

The request to support the State's Information Technology Transformation will support the on-going development of the Statewide Enterprise Resource Planning (ERP) program. The Department will administer the funding for manpower resources. This approach takes into account that a centralized administration of temporary manpower for the ERP program will help control costs yet allow for the needed support to the ERP program.

Lastly the State's positive fiscal condition, which is a result of the financial prudence exhibited over the last two (2) years, is providing an opportunity to begin addressing the State's growing unfunded liability for OPEB. Health care premiums for the State's retired workforce continue to rise and the State must begin a program to set aside funds to pay for those costs. The current actuarially accrued liability stands at \$13.5 billion dollars. By setting money aside now the State can ameliorate the impact of this cost in the future, it also sends a clear message to the credit rating agencies and investors, that the State is serious about meeting its obligations.

The department's goals are in line with the Administration's New Day Initiative to transform government by making sound and prudent fiscal management decisions and actions.

C. FEDERAL FUNDS

The Department does not have any identified programs which may lose federal funds under the Federal Budget Control Act sequester.

D. BUDGET DEVELOPMENT PROCESS AND PRIORTIZATION

The Department's budget submittal focuses on meeting the needs of additional non-discretionary fixed cost requirements in FY 2014 and FY 2015 for debt service, retirement benefits, which includes Pension Accumulation and Social Security/Medicare (SS/Med) payments for State employees, and employer health premiums. The budget submittal also focuses on key requests to address New Day Initiatives which include pre-funding of the State's Other Post-Employment Benefits (OPEB) liability and additional resources to strengthen the internal operations of the Department and resources to ensure the fulfillment of core mission objectives of the Department's programs and attached agencies.

E. SIGNIFICANT BUDGET ADJUSTMENTS

The Department's budget request reflects additional funds for non-discretionary cost: \$76.7 million in FY 2014 and \$81.9 million in FY 2015 for debt service, \$118.1 million in FY 2014 and \$172.8 million in FY 2015 for health premium payments which includes \$100 million in FY 2014 and \$105.5 million in FY 2015 for pre-funding of OPEB which is part of the New Day Initiatives; and \$17.2 million in FY 2014 and \$51.2 million in FY 2015 is requested for additional requirements for retirement benefits payments.

In addition to the above non-discretionary cost increases, funds are also requested to address the needs of the Department's programs which have suffered significant reduction in past years and to address additional program needs to improve the delivery of services. For example, two (2) additional permanent positions and general funds of \$64,474 in FY 2014 and \$123,428 in FY 2015 is requested for a tax-exempt Bonds Compliance Specialist position to ensure that the State's current and future debt is administered in

compliance with the Internal Revenue Code and an Investor Relations Specialist position which will be instrumental in the continued improvement of the transparency and ready availability of information to investors in the State's bond issuances. This Investor Relations position will generate positive momentum in the State's efforts to enhance its credit position which could result in better bond transactions that would lower the State's debt service requirements. The budget request also includes 10.00 FTE temporary positions and general funds of \$750,000 in FY 2014 and FY 2015 to provide back fill staff support to assist programs where their permanent staff has been deployed to assist the Office of Information Management and Technology (OIMT) to work on the implementation of the ERP which is part of the administration's New Day Initiative to modernize and improve the State's Information technology infrastructure. The Department has also included an additional 3.00 FTE permanent positions and \$220,170 in FY 2014 and \$427,740 in FY 2015 to assist the Employees' Retirement System's (ERS) Chief Investment Officer with greater in-house capability to ensure the prudent oversight and management of ERS' \$11 billion investment portfolio under the direction of the ERS Board of Trustees. Also included in the Department's budget submission are requests from the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for increases in their Trust Fund appropriation ceiling in FY 2014 and FY 2015 that are focused on enabling the EUTF to implement changes that will be required by the federal Affordable Care Act, make improvements to better manage the health plans through a regular schedule of claims audits, and to look into the benefits of the implementation of wellness programs that may help to limit future increases in health premiums costs. Finally, the Department's request includes an additional \$2,615,870 in

FY 2014 and \$299,638 in FY 2015 in Public Utilities Commission's (PUC) Special Funds to implement the much needed office space expansion in the Kekuanao'a State office building on O'ahu which is necessary to enable the PUC to fully recruit and fill its authorized positions which are critically necessary to fulfilling its program objectives.

DEPARTMENT-WIDE BUDGET SUMMARY

The Department's operating budget request as submitted for FY 2014 and FY 2015 adjusts fixed costs and includes the most critical requirements for the long-term sustainability of our core departmental programs and attached agencies. Prioritization of budget requests for programs funded by special and trust funds reflects support of activities that are income enhancing, statutorily mandated, and energy related initiatives that position the State for a sustainable future. Table 10, Budget Decisions, details our Department's requests and the Executive level funding decisions.

In the current fiscal year, the Department's appropriation totals \$ 1.85 billion (all means of financing) and the following table summarizes the Department's FY 2013 appropriations, transfers, restrictions, and allocations.

	Appropriation FY 13	Collective Bargaining	Transfers In Transfers Out	Restriction	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(353.00)				(353.00)
PERS SERV	\$ 26,759,362	\$ 4,488,716		\$ (172,411)	\$ 31,075,667
CURR EXP	1,821,176,625			(160,137)	1,821,016,488
- Discretionary	28,664,421				28,664,421
- Non-Discretionary	1,792,512,204				1,852,092,155
EQUIPMENT	0				0
TOTAL	\$ 1,847,935,987	\$ 4,488,716		\$ (332,548)	\$ 1,852,424,703
(Pos. Count)	(132.25)				(132.25)
GENERAL FUND	\$ 1,804,683,144	\$ 4,084,379		\$ (332,548)	\$ 1,808,434,975
(Pos. Count)	(62.00)				(62.00)
SPECIAL FUND	13,849,174	117,093			13,966,267
(Pos. Count)	(58.00)				(58.00)
TRUST FUND	12,345,130	23,955			12,369,085
(Pos. Count)	(1.75)				(1.75)
INTERDEPT'L FUND	119,858				119,858
(Pos. Count)	(99.00)				(99.00)
OTHER FUND	16,598,987	263,289			16,862,276
(Pos. Count)	(0.00)				(0.00)
FEDERAL FUND	306,558	0			306,558
(Pos. Count)	(0.00)				(0.00)
REVOLVING FUND	33,136	0			33,136

Please note that 97% of the budget (\$1.79 billion) is for non-discretionary statewide expenses (debt service, retirement system, health fund, witness fees, and court-appointed counsel), and \$59.38 million or 3% is for expenses associated with direct departmental operations.

Table 1 provides a departmental summary of the FY 2013 allocations. As reflected in Table 17, there were no intra departmental transfers to other programs in FY 2012 and for FY 2013 to date. Table 4 reflects 5% general restrictions that have been imposed during FY 2013 to date.

The Department's Biennium Budget request (all MOF) represents a net increase of \$226.6 million in FY 2014 and \$318.1 million in FY 2015 compared against the FY 2013 appropriation funding levels in Act 106, SLH 2012. In FY 2014 and FY 2015, respectively, General funds are increased by \$230.9 million and \$324.9 million, Special funds are increased by \$0.117 million and decreased by \$2.2 million, Trust funds are increased by \$1.1 million and \$0.83 million. Other funds are decreased by \$5.5 million and \$5.3 million again, as compared to the FY 2013 appropriations. Requested funding levels for the biennium are as reflected in the following table:

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
(Pos. Count)	(364.00)	(364.00)	(364.00)
Personnel Services	\$ 28,825,486	\$ 29,264,611	\$ 4,181,455,118
Current Expenses:	2,045,019,108	2,136,436,010	4,181,455,118
Discretionary	25,800,841	23,333,721	49,134,562
Non-discretionary	2,019,218,267	2,113,102,289	4,132,320,556
Equipment	315,470	41,870	357,340
Total	\$ 2,074,160,064	\$ 2,165,742,491	\$ 4,239,902,555
(Pos. Count)	(137.25)	(137.25)	(137.25)
General Funds	\$ 2,035,544,542	\$ 2,129,553,378	\$ 4,165,107,920
(Pos. Count)	(62.00)	(62.00)	(62.00)
Special Fund	13,967,044	11,650,804	25,617,848
(Pos. Count)	(61.00)	(61.00)	(61.00)
Trust Fund	13,484,860	13,177,121	26,661,981
(Pos. Count)	(1.75)	(1.75)	(1.75)
Interdepart'l Fund	105,225	105,225	210,450
(Pos. Count)	(102.00)	(102.00)	(102.00)
Other Funds	11,048,393	11,255,963	48,966,337

The Department's biennium budget request currently includes the following adjustments for the fixed cost programs:

1. The budget requests for the BUF 721, BUF 725, and BUF 728, Debt Service Payments programs, reflects additional funding of \$76.7 million in the FY 2014 and \$81.9 million in FY 2015 above the FY 2013 debt service appropriation levels in Act 106, SLH 2012.
2. The budget requests for the BUF 741, BUF 745, and BUF 748, Retirement Benefits Payments programs, reflects additional funding of \$17.2 million in FY 2014 and \$51.2 million in FY 2015 for pension accumulation (PA) above the FY 2013 appropriation levels in Act 106, SLH 2012. Social security/Medicare requirements are also increased by \$33.7 million in FY 2012 and \$20.59 million in FY 2013. Funding requirements are based on actual payroll through June 30, 2012.
3. The budget requests for the BUF 761, BUF 765, and BUF 768, Health Premium Payments programs, reflects additional funding of \$118.1 million in FY 2014 and \$172.8 million in FY 2015 above the FY 2013 appropriation levels in Act 106, SLH 2012. This includes \$100 million in FY 2014 and \$105 million in FY 2015 for OPEB pre-funding for State employees.

The Department-Wide Summary Information detailing the FY 2014 and FY 2015 Biennium Budget requests at the Department level is reflected in the following attachments Table 1 – Department-Wide Summary Information (by MOF), and by program ID in Table 3 - Program ID Totals. Table 5 - Biennium Budget Reductions, and Table 10 - Biennium Budget Adjustments, summarize the adjustments that relate to requested FB 13-15 funding levels.

The Department's CIP request reflects statutory obligations and includes a total of \$128 million in General Obligation (GO) bond authorization in FY 2014 and \$75 million in FY 2015. Included is \$45 million in each year of the biennium for the State Educational Facilities Improvement (SEFI) special fund, with an additional \$53 million in FY 2014 for SEFI re-authorizations. The State is required to credit the requested amounts to the SEFI special fund. Without this GO bond authorization, general excise tax revenues will be used in lieu of the bond funds to credit the SEFI special fund, in accordance with Section 237-31, Hawaii Revised Statutes (HRS). \$30 million in each year of the biennium is requested for the Hawaiian Home Land (HHL) Trust Fund. The GO bond fund authorization for transfer to the HHL Trust Fund is in accordance with Act 14, SpSLH 1995. The State is required to make twenty annual deposits of \$30 million to the Trust Fund to settle claims against the State. Table 18 summarizes the Department's CIP request for FB 13-15.

This concludes the department-wide budget summary.

The following are more detailed descriptions of the fifteen programs in the Department.

Each Administratively Attached Agency is present to elaborate on their individual budgets should there be questions on details or operations. The nine (9) new programs covering fixed cost and entitlement payments (BUF 721, BUF 725, and BUF 728 -Debt Service Payments; BUF 741, BUF 745, and BUF 748 -Retirement Benefit Payments; BUF 761, BUF 765, and BUF 768 -Health Premium Payments), will be discussed in conjunction with related core programs. The program sequencing has been grouped as follows:

The DB&F's fifteen programs are aligned functionally, as follows:

- BUF 101, which is the Departmental Administration and Budget Division program;
- BUF 115, our Financial Administration program;
- *BUF 141, the Employees' Retirement System;
- *BUF 143, the Hawaii Employer-Union Trust Fund;
- *BUF 151, the Office of the Public Defender;
- *BUF 901, the Public Utilities Commission;

- BUF 721, Debt Service Payments;
- BUF 725, Debt Service Payments-DOE;
- BUF 728, Debt Service Payments-UH;

- *BUF 741, Retirement Benefits Payments;
- *BUF 745, Retirement Benefits Payments-DOE;
- *BUF 748, Retirement Benefits Payments-UH;

- BUF 761, Health Premium Payments;
- BUF 765, Health Premium Payments-DOE;
- BUF 768, Health Premium Payments-UH

*Administratively Attached Agencies/Programs

The first two (2) programs are the Department's direct programs, comprised of the Director's Office, the Administrative and Research Office, the Budget, Program Planning and Management Division, and Office of Economic Recovery and Reinvestment (collectively BUF 101), and the Financial Administration Division (BUF 115). The next four (4) programs, annotated with asterisks, are agencies administratively attached to the Department. There are

also nine (9) programs which cover payments for non-discretionary cost items placed under separate program designations.

Table 2 includes the major functions of the Department and are prioritized based on the Department's direct programs versus those that are administratively attached and serve separate and distinct purposes. Table 2 also lays out the criteria used to measure performance for these functional areas and summarizes the major activities related to each of the identified functional areas.

BUF 101, DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION PROGRAM

I. Introduction

- A. The objective of this program is to facilitate and improve the executive resource allocation process by undertaking planning, programming, and budgeting, through sound recommendations on all phases of program scope and funding, and by efforts to simplify and more directly tie program performance with resource allocation decisions.
- B. This program includes: 1) departmental administration; 2) the Budget, Program Planning and Management Division; and 3) American Recovery and Reinvestment Act (ARRA).

II. The major activities undertaken by this program to meet program objectives are as follows:

Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>	<u>Priority #</u>
DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION		
BUF 101BA	Conduct continuous review and advise the Director and Governor on the financial condition of the State and on State budget policies.	2
BUF 101BA	Assist in the preparation, explanation, and administration of the State's proposed six-year program and financial plan and the State budget.	1
BUF 101BA	Advise and monitor State agencies for compliance with budget execution policies and procedures.	3
BUF 101BA	Perform analysis of State programs, operations, problems, and issues to provide management with a sound, rational basis for decision making.	3
BUF 101BA	Provide staff services for the Governor as required.	2
BUF 101AA	Provide administrative support activities to the Department.	2
BUF 761, BUF 765, BUF 768	Makes employer contributions for health benefit premiums for State employees, retirees and their dependents.	1

III. BUF 101 - Expenditures for Fiscal Year 2012-2013

	Appropriation FY 13	Collective Bargaining*	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(40.00)				(40.00)
PERS SERV	\$ 6,750,361		\$(137,776)		\$ 6,612,585
CURR EXP	1,065,406		(53,270)		1,012,136
ATTORNEY/WITNESS	7,099,097				7,099,097
EQUIP	0				0
TOTAL	\$ 14,914,864		\$(241,837)		\$ 14,673,027
(Pos Count)	(0.75)				(0.75)
Interdepartmental Transfer FUND	49,598				49,598
REVOLVING FUND	33,136				33,136
SPECIAL	2,579,623				2,579,623
FEDERAL	306,558				306,558
TRUST	10,116				10,116
(Pos. Count)	(39.25)				(39.25)
GENERAL FUND	\$ 11,935,833	0	\$(241,837)	0	\$ 11,693,996

*CB has as yet not been allocated.

IV. BUF 101 - Biennium Budget for FY 2014 and FY 2015

	Budget Request FY 203-2014		Budget Request FY 2014-2015		Biennium Requirement
(Pos. Count)		(43.00)		(43.00)	(43.00)
PERS SERV	\$	3,669,586	\$	3,729,046	\$ 7,398,632
CURR EXP		999,486		999,486	1,998,972
ATTORNEY/WITNESS		7,099,097		7,099,097	14,198,194
EQUIPMENT		3,600		0	3,600
 TOTAL	 \$	 11,771,769	 \$	 11,827,629	 \$ 23,599,398
 (Pos. Count)		 (0.75)		 (0.75)	 (0.75)
Interdepartmental Transfer FUND		34,965		34,965	69,930
 (Pos. Count)		 (42.25)		 (42.25)	 (42.25)
GENERAL FUND	\$	11,736,804	\$	11,792,664	\$ 23,529,468

The program request for FB 13-15 includes the following: 3.00 FTE permanent positions (Accountant, Contract Specialist, Personnel Clerk) and \$64,410 in FY 2014 and \$120,000 in FY 2015 for the Administrative and Research Office to better support the operations and management of the Department's programs and its attached agencies; \$33,000 in FY 2014 and FY 2015 for additional funds to support the annual subsidy to the Bishop Museum; and 10.00 FTE temporary positions and \$750,000 in FY 2014 and FY 2015 to provide staff support for the implementation of the ERP which is part of the New Day Initiative for the modernization of the State's technology infrastructure to enable reporting transparency to the public and give government managers the tools to make better informed analysis based decisions.

V. Capital Improvement Requests for Fiscal Biennium 2013-2015:

A. Program ID: BUF 101

Project Title and Description: State Educational Facilities Improvement (SEFI)

Special Fund, Statewide

To authorize the transfer of GO bond funds to the SEFI special fund.

Financial Requirements (in thousands of dollars):

<u>Cost Element</u>	<u>MOF</u>	<u>FY 14 Request</u>	<u>FY 15 Request</u>	<u>Future Apprn</u>
Construction	C	\$98,000	\$45,000	\$45,000/year

Explanation and Scope of Project:

To provide GO bond fund authorization for the SEFI special fund. The request includes the base authorization of \$45 million in each fiscal year of the biennium pursuant to Act 304, SLH 2006. FY 2015 includes an additional \$53 million for SEFI re-authorizations.

Justification for the Project:

Section 36-32, HRS, established the SEFI special fund and Section 237-31, HRS, sets forth amounts the State must credit in each fiscal year to the State educational facilities improvement special fund. This request is to comply with the \$45 million requirement in both FY 2014 and FY 2015. If this request is not approved, general excise tax revenues will be used in lieu of GO bond funds to credit the SEFI special fund.

B. Program ID: BUF 101

Project Title and Description: Hawaiian Home Lands Trust Fund, Statewide

To authorize the transfer of GO bond funds to the Hawaiian Home Lands trust fund to satisfy the provisions of Act 14, SpSLH 1995.

Financial Requirements (in thousands of dollars):

<u>Cost Element</u>	<u>MOF</u>	<u>FY 14 Request</u>	<u>FY 15 Request</u>	<u>Future Apprn</u>
Construction	C	\$30,000	\$30,000	\$30,000/year

Justification for the Project:

Act 14, SpSLH 1995, established the Hawaiian Home Lands trust fund and requires the State to make twenty annual deposits of \$30 million into the trust fund. Approval of this request will authorize the transfer of GO bond funds to the Hawaiian Home Lands trust fund. Act 14, SpSLH 1995, settles claims against the State for inappropriate or improper uses, dispositions or exchanges of Hawaiian home lands which occurred between August 21, 1959 and July 1, 1988.

VI. Proposed Lapses of Capital Improvements Program Projects:

None.

The next three programs are BUF 761, BUF 765, and BUF 768, HEALTH PREMIUM PAYMENTS programs.

I. Introduction

A. These programs were established by the Legislature to separately identify funds available for the payment of employer contributions for State government employee health benefits.

B. This program includes employer contributions for health and life insurance benefits provided by the EUTF.

II. Health Premium Payments - Expenditures Fiscal Year 2012-2013 (General Fund)

	Appropriation FY 13	Collective Bargaining	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
CURR EXP					
Health Benefit Premiums	505,351,719				505,351,719

III. Health Premium Payments - Biennium Budget for FY 2014 and FY 2015 (General Fund)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
CURR EXP			
Health Benefit Premiums	623,497,707	678,195,076	1,301,692,783

Cost requirements for active employees are based on current benefit plan premiums and projected eligible employees. Premium rates for retirees are based on rates projected by the EUTF benefit consultant and anticipated enrollment levels. Projected enrollments for actives and retirees are based on actual 2012 enrollments with an annual growth factor (2% for actives and 4% for retirees).

The next program is the BUF 115, FINANCIAL ADMINISTRATION PROGRAM.

I. Introduction

A. The objective of this program is to maximize the value, investment, and use of State funds through proactive planning, and the development of prudent statewide financial policies, the timely scheduling of State bond financing, and the establishment of appropriate cash management controls and procedures. In addition, the objective of the unclaimed property program is to maximize the receipt of unclaimed property or funds from holders and to return the property or funds to their rightful owners.

II. The major activities undertaken by this program to meet program objectives are as follows:

Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>	<u>Priority #</u>
FINANCIAL ADMINISTRATION		
BUF 115CA	Receive, safeguard, and disburse funds to meet State funding obligations in the State Treasury.	1
BUF 115CA	Maximize investment of funds.	2
BUF 115CA	Plan, direct, and coordinate the issuance and marketing of bonds.	2
BUF 115CA	Receives unclaimed property or funds from holders and holds them in trust until they are returned to their rightful owner.	3
BUF 721, BUF 725, BUF 728	Makes debt service payments associated with GO and GO Reimbursable Bonds issued by the State.	1

III. BUF 115 - Expenditures for Fiscal Year 2012-2013

	Appropriation FY 13	Collective Bargaining*	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(22.00)				(22.00)
PERS SERV	\$ 1,197,427		\$ (35,635)		\$ 1,162,792
CURR EXP	7,687,451		(56,076)		7,631,375
TOTAL	\$ 8,884,878		\$ (90,711)		\$ 8,794,167
(Pos. Count)	(12.00)				(12.00)
General Fund	\$ 1,814,216		\$ (90,711)		\$ 1,723,505
(Pos. Count)	(1.00)				(1.00)
Interdept'l Fund	70,260				70,260
(Pos. Count)	(9.00)				(9.00)
Trust Fund	7,000,402				7,000,402

*CB has as yet not been allocated.

IV. BUF 115 - Biennium Budget for FY 2012 and FY 2013

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
(Pos. Count)	(24.00)	(24.00)	(24.00)
PERS SERV	\$ 1,301,942	\$ 1,363,296	\$ 2,665,238
CURR EXP	7,688,171	7,688,171	15,376,342
EQUIPMENT	2,400	0	2,400
TOTAL	\$ 8,992,513	\$ 9,051,467	\$ 18,043,980
(Pos. Count)	(12.00)	(12.00)	(12.00)
General Fund	\$ 1,903,269	\$ 1,962,223	\$ 3,865,492
(Pos. Count)	(1.00)	(1.00)	(1.00)
Interdept'l Fund	70,260	70,260	140,520
(Pos. Count)	(9.00)	(9.00)	(9.00)
Trust Fund	7,018,984	7,018,984	14,037,968

The program request for FB 13-15 includes the following:

General Funds to establish two (2) permanent positions in the Bonds Branch of the Financial Administration. The first position would establish a tax-exempt bond compliance position. The Internal Revenue Code requires, in general, that tax-exempt bond proceeds be used strictly for governmental purposes or other such purposes as authorized by the Code. The use of tax-exempt bond proceeds for any project or purpose with private activity is prohibited. The Internal Revenue Service has increased oversight and audits on issuers of tax-exempt bonds and now requires the issuers to clearly demonstrate and document their compliance with the appropriate expenditure of tax-exempt bond proceeds and on-going monitoring and management of projects financed with tax-exempt debt. The departments of Budget and Finance, Transportation, Hawaiian Home Lands, University of Hawaii, and the Hawaii Housing Finance and Development Corporation are all issuers of tax-exempt debt and are subject to the increased scrutiny for the use of tax-exempt bond proceeds. It was strongly recommended by the State's General Advice Bond Counsel that the Department establish and maintain a tax-exempt financing compliance position responsible to, in part, oversee the compliance requirements for all of the State's tax-exempt issuing entities. While each of the entities shall be responsible to ensure their own compliance with the Code, any such violation by any of the issuing entities in the State would have a serious detrimental impact upon all issuers and their outstanding debt. Currently, there is in excess of \$10 billion of outstanding tax-exempt debt and it would be very prudent

for the State to have a compliance position to ensure that the current and future debt will be administered in compliance with the Internal Revenue Code.

The second position being requested is to establish an investor relations position. Prior to 2008, the GO and revenue bonds sold by the State were generally backed by "AAA" bond insurance, which allowed the State to obtain the lowest financing costs possible. In 2008, the collapse of the financial markets resulted in most of the bond insurance firms' ratings being substantially reduced, in many instance to a rating below the State's current "AA" rating. The lowering of the insurance firms' ratings resulted in most of these firms exiting the business as they could no longer offer the highest rating of "AAA" on its insurance policies. As bond issued by the State are no longer backed by "AAA" insurance, the institutional investors have substantially increased their scrutiny and credit analyses of State debt as the sole source of repayment is the State. The institutional investors now require detailed information and statistics regarding the State's economy, visitor industry, budget, debt levels and practices, future health care liabilities, future pension liabilities, etc. In response to these increased requirements, the Department created an Investor Relations web page on the Department's website. This Investor Relations web page contains comprehensive data relating to all municipal debt issued by the departments of Budget and Finance, Transportation, Hawaiian Home Lands, University of Hawaii, and the Hawaii Housing Finance and Development Corporation. The Investor Relations web page contains such information as audited financial statements for each issuing entity, offering statements for every outstanding bond issue, rating reports, OPEB reports, ERS

reports, etc. Providing timely and accurate information to institutional investors on a constant and ongoing basis is critical to investors being comfortable and confident in purchasing Hawaii State bonds. The position being requested will be responsible to maintain the Investor Relations web page, update and review for accuracy information to be posted by the Department and all other issuers of State debt, provide investors with additional pertinent information as it develops, coordinating meeting, conference calls and presentations to update the institutional investors on the State's credit, coordinating meetings, conference calls and presentations with local brokerage firms to support the retail investors, and enhancing the informational outreach of the State's investor relations efforts. Increased understanding, comfort and confidence in the State's bonds will provide for increased demand which should allow the State to obtain lower financing rates.

The next three (3) programs are the BUF 721, BUF 725, and BUF 728, DEBT SERVICE PAYMENTS programs, which are also administered by the Financial Administration Division.

I. Introduction

- A. This program was established by the Legislature to separately identify funds available for the State’s debt service payments.
- B. This program includes principal and interest payments associated with GO Bonds and GO Reimbursable Bonds issued by the State. Appropriation and expenditures for the Department of Education and the University of Hawaii are included and debt service is paid centrally by the Financial Administration Division.

II. Debt Service - Expenditures for Fiscal Year 2012-2013 (General Fund)

	Appropriation FY 13	Collective Bargaining	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
CURR EXP					
Debt Service	643,389,587				643,389,587

III. Debt Service - Biennium Budget for FY 2012 and FY 2013 (General Fund)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
CURRENT EXPENSE			
Debt Service	720,104,675	725,291,047	1,445,395,722

The proposed FB 13-15 total GO bond debt service request (MOF A) is \$720.1 million in FY 2014 and \$725.2 million in FY 2015. The requirements support GO CIP projects included in the Executive Biennium Budget request. The GO bond debt service reflects an increase above the FY 2013 appropriation amounts in Act 106,

SLH 2012, by \$76.7 million in FY 14 and \$81.9 million in FY 15. These increases are due to the additional bonds being issued to fund ongoing CIP. These increases in GO bond debt service requirements was expected and incorporated into prior and current financial plan projections.

The next program is the BUF 141, Employees’ Retirement System (ERS).

I. Introduction

A. The ERS program objectives are to provide retirement and survivor benefits to State and county employees, retirees, and inactive vested members and to prudently maximize the return on its investment portfolio.

II. The major activities undertaken by this program to meet program objectives are as follows:

Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>	<u>Priority #</u>
EMPLOYEES’ RETIREMENT SYSTEM		
BUF 141FA	Provides various membership services including pre-retirement counseling; computation of retirement, disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals.	3
BUF 141FA	Budgets, accounts for and safeguards all assets of the ERS; ensures tax qualified status of the fund; and processes retirement benefit payments.	1
BUF 141FA	Plans, administers and oversees investments of the ERS’ portfolio including stocks, bonds, foreign securities, mortgage loans, real estate, alternative investments, and short-term instruments.	2
BUF 741, BUF 745, BUF 748	Makes payments for employer contributions towards State government employee retirement benefits including pension accumulation and Social Security/Medicare.	1

III. BUF 141 - Expenditures for Fiscal Year 2012-2013 (Other Funds MOF X)

	Appropriation FY 13	Collective Bargaining*	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(99.00)				(99.00)
PERS SERV	\$ 6,457,692				\$ 6,457,692
CURR EXP	10,141,295				10,141,295
EQUIPMENT	0				0
TOTAL	\$ 16,598,987				\$ 16,598,987

*CB has as yet not been allocated.

IV. BUF 141 - Biennium Budget for FY 2014 and FY 2015 (Other Funds MOF X)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
(Pos. Count)	(102.00)	(102.00)	(102.00)
PERS SERV	\$ 6,932,988	\$ 7,146,048	\$ 14,079,036
CURR EXP	4,109,105	4,109,105	8,218,210
EQUIP	6,300	0	6,300
TOTAL	\$ 11,048,393	\$ 11,255,963	\$ 22,304,356

The program request for FB 13-15 includes appropriations for pension administration of totaling \$11.05 million in FY 2014 and \$11.26 million in FY 2015 (MOF A). This budget request anticipates the need for increased membership and retirement services by all branches of the ERS. Comprised within the ERS membership of 65,310 active members, 14,207 are currently eligible for retirement (there were 718 service retirements for the month of December 2012, for example) and half of these eligible members are State employees.

The budget request also reflects an increase of three (3) permanent investment officer positions that will help provide for continuity and consistency of the ERS' investment program over time, and results in greater efficiencies and investment performance. In addition, certain outsourced tasks (such as due diligence on investment manager searches and monitoring of investment managers) will be done by these positions resulting in overall savings to the ERS.

The ERS currently has investment assets amounting to approximately \$11.8 billion. Even though \$11.8 billion is a significant amount of investments, more than \$20 billion is needed to cover the estimated pension liabilities of the ERS and therefore about \$8.2 billion (unfunded liability) is required to meet this pension obligation. The ERS had submitted proposals (as summarized below) over the past two (2) legislative sessions to deal with the increasing unfunded and total pension liabilities.

- NO NEW BENEFIT INCREASES - Moratorium on benefit enhancements until the ERS is 100% funded.
- PENSION REFORM FOR NEW MEMBERS - Pension benefit changes/decreases for all new members on July 1, 2012 and after (applies to all employee groups):
 - o Lowers benefit multiplier
 - o Lowers post retirement percentage
 - o Increases age eligibility
 - o Increases average final compensation period
 - o Increases years of service eligibility period
 - o Increases employee contribution rate.

- INCREASE EMPLOYER CONTRIBUTIONS - Increasing employer contribution rates up to FY 2016.
- LOWER INTEREST RATE ON EMPLOYEE CONTRIBUTIONS FOR NEW MEMBERS - Lowers interest earnings on employee contributions from 4.5% to 2% for those new members on July 1, 2011 and after.
- ASSESS EMPLOYERS ADDITIONAL CONTRIBUTIONS TO PAY DOWN UNFUNDED LIABILITY FOR “PENSION SPIKERS” - Assess employers for employees found to increase their compensation levels significantly within the last several years of employment, also known as “pension spiking”.
- ELIMINATE OVERTIME AND CERTAIN DIFFERENTIALS FROM CALCULATION OF PENSION BENEFIT – New members on July 1, 2012 and after can only use their base salary and a few non-base pay items in the calculation of their pension benefit.

These proposals were approved by the legislature and signed into law by the Governor. As a result of these laws and other changes, the ERS went from an uncertain time period to pay down the unfunded liability to paying off the current unfunded liability within a 30-year period (provided current actuarial assumptions are achieved). The previous proposals dealt with controlling the benefits, whereas the current budget proposal deals with the investments and the need to save on investment costs while generating increased revenues.

The next three (3) programs are BUF 741, BUF 745, and BUF 748, RETIREMENT BENEFIT PAYMENTS.

I. Introduction

- A. This program was established by the Legislature to separately identify funds available for the payment of employer contributions for State government employee retirement benefits. These amounts were formerly reflected as part of the BUF 941, Retirement Benefit Payments program.
- B. This program includes employer contributions for pension accumulation and Social Security/Medicare (SS/Med) as general fund appropriations for State employees, the Department of Education (DOE), and the University of Hawaii (UOH). Pension accumulation contributions are based on a percentage of payroll as stipulated in Chapter 88, HRS. SS/Med contributions are federally mandated and based on assessment rates of 6.2% for Social Security and 1.45% for Medicare.

II. Retirement Benefits- Expenditures for Fiscal Year 2012-2013 (General Fund)

	Appropriation FY 13	Collective Bargaining	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
CURR EXP					
Pension Accumulation	435,553,062				435,553,062
Social Sec/Medicare	197,158,863				197,158,863
TOTAL	\$ 632,711,925				\$ 632,711,925

III. Retirement Benefits - Biennium Budget for FY 2014 and FY 2015 (General Fund)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
CURR EXP			
Pension Accumulation	462,912,099	490,993,479	953,905,578
Social Sec/Medicare	205,604,689	211,523,590	417,128,279
TOTAL	\$ 668,516,788	\$ 702,517,069	\$ 1,371,033,857

The program request for FB 13-15 includes appropriations for pension accumulation totaling \$462.91 million in FY 2014 and \$490.99 million in FY 2015 (MOF A). Employer contributions are based on statutorily set percentages of payroll — 19.7% of the member’s compensation for police and firefighters and 15% of the member’s compensation for all other employees. Payroll projections are based on actuals through June 30, 2012.

SS/Med requirements (MOF A) total \$205.6 million in FY 2014 and \$211.52 million in FY 2015 based on actual payroll expenditures through June 30, 2012. Assessment rates are 6.2% for Social Security and 1.45% for Medicare.

The last Government-Wide support program is the BUF 143, the Hawaii Employer-Union Trust Fund (EUTF).

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.

II. The major activities undertaken by this program to meet program objectives are as follows:

Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>	<u>Priority #</u>
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND		
BUF 143EU	EUTF Board of Trustees determine the nature and scope of the benefit plans offered, negotiate and enter into contracts with insurance carriers, administer self-funded plans, establish eligibility and management policies for the Trust Fund, and oversee all Trust Fund activities.	1
BUF 143EU	EUTF staff train State and county personnel and fiscal officers on enrollment procedures, collect employer and employee contributions, remit premiums to insurance carriers, provide enrollment services to State and county retirees, administer the federal COBRA Law, assist the Department of Human Resources Development in administration of the State of Hawaii's Premium Conversion Plan and comply with HIPAA privacy and security regulations and policies related to enrollment information.	2

III. EUTF - Expenditures for Fiscal Year 2012-2013 (Trust Fund)

	Appropriation FY 13	Collective Bargaining*	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(49.00)				(49.00)
PERS SERV	\$ 2,732,682				\$ 2,732,682
CURR EXP	2,601,930				2,601,930
TOTAL	\$ 5,334,612				\$ 5,334,612

*CB has as yet not been allocated.

IV. EUTF - Biennium Budget for FY 2014 and FY 2015 (Trust Fund)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
(Pos. Count)	(52.00)	(52.00)	(52.00)
PERS SERV	\$ 2,907,836	\$ 3,013,087	\$ 5,920,923
CURR EXP	3,551,740	3,145,050	6,696,790
EQUIPMENT	6,300	0	6,300
TOTAL	\$ 6,465,876	\$ 6,158,137	\$ 12,624,013

The FB 13-15 Executive Budget Request is focused on implementing changes that will be required by the Affordable Care Act (ACA) in 2014, implementing improved Health Plan management programs such as scheduled claim audits and wellness programs that will help limit the increase in premium cost and effectively implementing new health benefit plans that will enable employees to obtain affordable coverage.

The program request for FB 13-15 is a request for an increase in the spending ceiling limit. The EUTF administration is funded solely by administration fees which are part of premiums paid by employers and employees. These fees have not been increased since 2008 and will not increase with this request. In addition the EUTF has reserves which as an irrevocable trust can only be applied to benefit plan programs. The

ceiling increase will not exceed projected administration fee income; major expenses such as system programming for the ACA and a new phone system would be covered from EUTF reserves.

By 2014 the ACA will require that the EUTF automatically enroll full time employees, assign unique healthcare IDs to members, offer plans that meet adequacy and affordability standards and work with public employers and Health Plans to communicate to employees the specifics of plans available. Automatic enrollment, new ID numbers and new plans all require new system programming and specifically entail establishing a program of weekly file receipts from a minimum of 14 separate employers. The request includes trust fund authorization of \$112,362 in FY 2014 and \$212,123 in FY 2015 for three (3) additional positions; Information System Specialist, Program Specialist to respond to these needs and to bring increased organizational efficiency to our Benefits Administration System (BAS) management, and Program Specialist to help the EUTF manage 26 benefit plan contracts with five (5) separate vendors worth \$900 million in annual premium. Currently there is no staff person in charge of monitoring and managing contracts to implement new programs and to insure that the EUTF receives maximum value from Health Plan initiatives such as wellness or provider quality and efficiency programs. Funding for additional maintenance programming and support hours for BAS is included in anticipation of ACA changes, as well as for contract management.

Funding is also requested to establish a regular program of plan/claim audits and to fund a wellness plan developer/consultant. Understanding and managing the risk of

the EUTF plans is also critical. To address this management issue, the request includes cyber risk insurance, actuarial consultant for OPEB consultation and a HIPAA security risk assessment consultant.

The request also includes trust fund authorization of \$159,000 in FY 2014 and \$61,500 in FY 2015 for additional office lease space and a new telephone system to replace our old system which is no longer supported by the vendor.

The next two (2) administratively attached programs are under the Individual Rights major program area.

The first program is BUF 151, Office of the Public Defender program.

I. Introduction

A. The objective of this program is to safeguard the rights of individuals in need of assistance in criminal, mental commitment and family cases by providing constitutionally and statutorily entitled legal services.

II. The major activities undertaken by this program to meet program objectives are as follows:

Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>	<u>Priority #</u>
OFFICE OF THE PUBLIC DEFENDER		
BUF 151HA	Provide comprehensive legal and other necessary services to the indigent in criminal, mental commitment and family cases as required by federal and State constitutions, State statutes, judicial rules and decisions and opinions, and the canons of professional ethics.	1

III. BUF 151 - Expenditures for Fiscal Year 2012-2013 (General Fund)

	Appropriation FY 13	Collective Bargaining*	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(81.00)				(81.00)
PERS SERV	\$ 8,796,850				\$ 8,796,850
CURR EXP	683,014				683,014
EQUIPMENT	0				0
TOTAL	\$ 9,479,864				\$ 9,479,864

*CB has as yet not been allocated.

The program is also authorized 50 temporary positions for a total staffing of 131 positions.

IV. BUF 151 - Biennium Budget for FY 2014 and FY 2015 (General Fund)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
(Pos. Count)	(81.00)	(81.00)	(81.00)
PERS SERV	\$ 9,112,285	\$ 9,112,285	\$ 18,224,570
CURR EXP	683,014	683,014	1,366,028
TOTAL	\$ 9,795,299	\$ 9,795,299	\$ 19,590,598

The program request for FB 13-15 supports current service levels based on the established budget ceiling of \$9.79 million in each year of the fiscal biennium (General Fund).

The last program is the BUF 901, Public Utilities Commission.

I. Introduction

A. The objective of this program is to ensure that regulated companies efficiently and safely provide their customers with adequate and reliable services at just and reasonable rates, while providing regulated companies with a fair opportunity to earn a reasonable rate of return.

II. The major activities undertaken by this program to meet program objectives are as follows:

Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>	<u>Priority #</u>
PUBLIC UTILITIES COMMISSION		
BUF 901MA	Establish rules and regulations pertaining to services standards.	1
BUF 901MA	Render decisions on rates, fares, and charges.	1
BUF 901MA	Process applications, issue certificates to regulated companies, and conduct investigations and audits of regulated companies.	2
BUF 901MA	Conduct investigations of complaints filed against public utilities, other regulated entities, and companies utilizing services under the Commission's jurisdiction.	2
BUF 901MA	Maintain the fiscal integrity of the Public Utilities Commission Special Fund.	1

III. BUF 901 Expenditures for Fiscal Year 2012-2013 (Special Fund)

	Appropriation FY 13	Collective Bargaining*	Restriction	Transfers In Transfers Out	Net Allocation and Estimated Total Expenditure
(Pos. Count)	(62.00)				(62.00)
PERS SERV	\$ 4,784,226				\$ 4,784,226
CURR EXP	6,485,325				6,485,325
EQUIPMENT	0				0
TOTAL	\$ 11,269,551				\$ 11,269,551

*CB has as yet not been allocated.

IV. BUF 901 Biennium Budget for Fiscal Years 2013-2014 and 2014-2015 (Special Fund)

	Budget Request FY 2013-2014	Budget Request FY 2014-2015	Biennium Requirement
(Pos. Count)	(62.00)	(62.00)	(62.00)
PERS SERV	\$ 4,900,849	\$ 4,900,849	\$ 9,801,698
CURR EXP	8,769,325	6,708,085	15,477,410
EQUIPMENT	296,870	41,870	338,740
TOTAL	\$ 13,967,044	\$ 11,650,804	\$ 25,617,848

The FB13-15 Executive Budget Request includes the following item:

Item	Org Code	Cost Element	MOF	Amount of Request	
				FY 2014	FY 2015
PUC's Oahu Office	MA	Current Expense	B	2,319,000	257,760
Expansion & Renovation		Equipment	B	296,870	41,870
		Total	B	2,615,870	299,630

Since the enactment of Act 177, SLH 2007 (Act 177), the Commission has experienced several resource (staffing and funding) authorization shortfalls, which hindered its ability to acquire the additional office space required to allow for the full implementation of the Commission's reorganization plan. In FY 2012, the Commission was appropriated funding for all reorganization positions pursuant to Act 177, increasing the Commission's total full-time, permanent count to 62. The Commission was also authorized in the last fiscal year to implement an office expansion project (Project) in its current location, the State-owned Kekuanao'a Building (Building). The Project addresses the Commission's current 7,300 net square foot shortfall, which prohibits the Commission from recruiting to fill all of the necessary, authorized, and funded positions pursuant to Act 177.

This request represents the total of all anticipated costs relating to the Project, such as, but not limited to, construction; movement of equipment and furniture; consultant assistance; procurement of furniture, equipment and software; and the Department of Accounting and General Services – Public Works Division (DAGS-PWD) in-house support. The total cost estimated by DAGS-PWD is planned to be expended over FB 13-15 and FB 15-17 and encompasses the total renovation of the Commission's existing office space on the Building's first floor, as well as the renovation of the Building's basement office suites to enable the Commission to fully accommodate all reorganization positions pursuant to Act 177.

During the upcoming biennium, the Commission will coordinate recruitment efforts with DAGS-PWD office expansion plans to efficiently utilize resources that will allow the Commission to effectively meet its program objectives.

Department of Budget and Finance
 Prioritized List of Functions

Table 1

Priority	Description of Function	Activities	Prog ID(s)	Statutory Reference
1	Statewide financial planning and budgeting - Executive Branch	Assist in the preparation, explanation, and administration of the State's proposed six year program and financial plan and the State budget	101/BA	Chapter 26 and 37, HRS
1	State employer contributions for Health Premiums	Make employer contributions for health benefit premiums for State employees, retirees, and their dependents	BUF 761, 765 & 768	Chapter 26 and 37, HRS
2	Statewide analysis, review, and budget policy - Executive Branch	Conduct continuous reviews and advises the Director and Governor on the financial condition of the State and on State Budget Policies	101/BA	Chapter 26 and 37, HRS
2	Staff services to the Governor	Provide staff services for the Governor as required	101/BA	Chapter 26-8, HRS
2	Departmental Administration	Provide administrative support activities to the Department	101/AA	Chapter 26-8, HRS
3	Statewide budget execution implementation - Executive Branch	Advise and monitoring of State agencies for compliance with budget execution policies and procedures	101/BA	Chapter 26 and 37, HRS
3	Statewide analysis and reviews of operations and management - Executive Branch	Perform analysis of State programs, operations, problems, and issues to provide management with a sound, rational basis for decision making	101/BA	Chapter 26 and 37, HRS
1	State Treasury operations	Receive, safeguard, and disburse funds to meet State funding obligations in the State Treasury	BUF 115	Chapter 36, 38, and 39, HRS
1	State Debt Service payments	Makes debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the State	BUF 721, 725 & 728	Chapter 36 and 39, HRS
2	State Treasury Investments	Maximize the investment of funds as allowable by statute	BUF 115	Chapter 36 and 38, HRS
2	State Bond issuances	Plan, direct, and coordinate the issuance and marketing of bonds	BUF 115	Chapter 36 and 39, HRS
3	State Unclaimed Property	Receive unclaimed property of funds from holders and safeguards them in trust until they are returned to their rightful owners	BUF 115	Chapter 523A, HRS
1	ERS' Accounting and Financial operations	Budgets, accounts, and safeguards all assets of the ERS; ensures tax qualified status of the fund; and processes retirement benefit payments	BUF 141	Chapter 88, HRS
1	State employer contributions for Retirement Benefits	Makes payments for State employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	BUF 741, 745 & 748	Chapter 26 and 37, HRS
2	ERS' Investment operations	Plans, administers, and oversees investments of the ERS' portfolio including stocks, bonds, foreign securities, mortgage loans, real estate, alternative investments, and short term instruments	BUF 141	Chapter 88, HRS

Department of Budget and Finance
 Prioritized List of Functions

Table 1

Priority	Description of Function	Activities	Prog ID(s)	Statutory Reference
3	Employees' Retirement System (ERS') membership services	Provide various membership services including pre-retirement counseling; computation of retirement; disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals	BUF 141	Chapter 88, HRS
1	Hawaii Employer Union Trust Fund (EUTF) - Support of Board of Trustee and management level functions	The EUTF Board 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.	BUF 143	Chapter 87A, HRS
2	EUTF - support of customer service and enrollment, accounting, financial management, and regulatory compliance functions	Enrollment, customer service, accounting/financial management, regulatory compliance, and IT support related activities.	BUF 143	Chapter 87A, HRS
1	Legal and other necessary services to the indigents as required by federal and State constitutions	Comprehensive legal and other necessary services are provided to indigents in criminal, mental commitment and family cases as required by federal and State statutes, judicial rules and decisions and opinions, and the canons of professional ethics	BUF 151	Chapter 802, HRS
1	Regulatory function pertaining to service standards of the regulated public utilities in this State	Establish rules and regulations pertaining to service standards	BUF 901	Chapter 269, 269E, 271, & 271G, HRS
1	Regulatory functions pertaining to rates, fares, and charges of the regulated public utilities	Render decisions on rates, fares, and charges	BUF 901	Chapter 269, 269E, 271, & 271G, HRS
1	Ministerial and regulatory functions pertaining to the processing of applications, certificates, investigations, and audits concerning the regulated public utilities	Process applications, issue certificates to regulated companies, and conduct investigations and audits of regulated companies	BUF 901	Chapter 269, 269E, 271, & 271G, HRS
2	Regulatory function pertaining to investigation of complaints concerning the regulated public utilities	Conduct investigations of complaints filed against public utilities, other regulated entities, and companies utilizing services under the Commission's jurisdiction	BUF 901	Chapter 269, 269E, 271, & 271G, HRS
2	Administrative function pertaining to the operations of the PUC and maintenance of the fiscal integrity of the PUC special fund	Maintain the fiscal integrity of the Public Utilities Commission Special Fund	BUF 901	Chapter 269, 269E, 271, & 271G, HRS

Department of Budget and Finance
Department-Wide Budget Summary

Table 2

Fiscal Year 2013				
Act 106/12 Appropriation	Restriction	Emergency Appropriation	Total FY13	MOF
\$ 1,804,683,144	\$ (332,548)	\$ -	\$ 1,804,350,596	A
\$ 13,849,174			\$ 13,849,174	B
\$ 12,345,130			\$ 12,345,130	T
\$ 119,858			\$ 119,858	U
\$ 16,598,987			\$ 16,598,987	X
\$ 306,558			\$ 306,558	N
\$ 33,136			\$ 33,136	W
\$ 1,847,935,987	\$ (332,548)	\$ -	\$ 1,847,603,439	Total
Fiscal Year 2014				
Act 106/12 Appropriation	Ceiling Adj	Additions	Total FY14	MOF
\$ 1,804,683,144	\$ 17,934,235	\$ 212,937,163	\$ 2,035,554,542	A
\$ 13,849,174	\$ (2,498,000)	\$ 2,615,870	\$ 13,967,044	B
\$ 12,345,130	\$ 78,368	\$ 1,061,362	\$ 13,484,860	T
\$ 119,858	\$ (14,633)	\$ -	\$ 105,225	U
\$ 16,598,987	\$ (5,770,764)	\$ 220,170	\$ 11,048,393	X
\$ 1,847,596,293.00	\$ 9,729,206	\$ 216,834,565	\$ 2,074,160,064	Total
Fiscal Year 2015				
Act 106/12 Appropriation	Ceiling Adj	Additions	Total FY15	MOF
\$ 1,804,683,144	\$ 17,934,235	\$ 306,935,999	\$ 2,129,553,378	A
\$ 13,849,174	\$ (2,498,000)	\$ 299,630	\$ 11,650,804	B
\$ 12,345,130	\$ 78,368	\$ 753,623	\$ 13,177,121	T
\$ 119,858	\$ (14,633)	\$ -	\$ 105,225	U
\$ 16,598,987	\$ (5,770,764)	\$ 427,740	\$ 11,255,963	X
\$ 1,847,596,293.00	\$ 9,729,206	\$ 308,416,992	\$ 2,165,742,491	Total

Department of Budget and Finance
Funding by Program ID

Table 3

Prog ID	Program Title	MOF	As budgeted in Act 106/12 (FY13)			Governor's Submittal (FY14)				Governor's Submittal (FY15)			
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$
BUF 101	Departmental Admin & Budget Div	A	39.25	-	\$ 11,935,833	42.25	-	\$ 11,771,769	-1.4%	42.25	-	\$ 11,792,664	-1.2%
BUF 101	Departmental Admin & Budget Div	U	0.75	-	\$ 49,598	0.75	-	\$ 34,965	-29.5%	0.75	-	\$ 34,965	-29.5%
BUF 101	Departmental Admin & Budget Div	B	-	-	\$ 2,579,623	-	-	\$ -	0.0%	-	-	\$ -	0.0%
BUF 101	Departmental Admin & Budget Div	T	-	-	\$ 10,116	-	-	\$ -	0.0%	-	-	\$ -	0.0%
BUF 101	Departmental Admin & Budget Div	N	-	-	\$ 306,558	-	-	\$ -	0.0%	-	-	\$ -	0.0%
BUF 101	Departmental Admin & Budget Div	W	-	-	\$ 33,136	-	-	\$ -	0.0%	-	-	\$ -	0.0%
BUF 115	Financial Administration	A	12.00	-	\$ 1,814,216	14.00	-	\$ 1,903,269	4.9%	14.00	-	\$ 1,962,223	8.2%
BUF 115	Financial Administration	T	9.00	-	\$ 7,000,402	9.00	-	\$ 7,018,984	0.3%	9.00	-	\$ 7,018,984	0.3%
BUF 115	Financial Administration	U	1.00	-	\$ 70,260	1.00	-	\$ 70,260	0.0%	1.00	-	\$ 70,260	0.0%
BUF 141	Employees' Retirement System	X	99.00	1.00	\$ 16,598,987	102.00	1.00	\$ 11,048,393	-33.4%	102.00	1.00	\$ 11,255,963	-32.2%
BUF 143	Employer Union Trust Fund	T	49.00	-	\$ 5,334,612	52.00	-	\$ 6,465,876	21.2%	52.00	-	\$ 6,158,137	15.4%
BUF 151	Office of the Public Defender	A	81.00	50.00	\$ 9,479,864	81.00	50.00	\$ 9,795,299	3.3%	81.00	50.00	\$ 9,795,299	3.3%
BUF 901	Public Utilities Commission	B	62.00	-	\$ 11,269,551	62.00	-	\$ 13,967,044	23.9%	62.00	-	\$ 11,650,804	3.4%
BUF 721	Debt Service Payments	A	-	-	\$ 294,929,786	-	-	\$ 330,095,983	11.9%	-	-	\$ 332,473,416	12.7%
BUF 725	Debt Service Payments - DOE	A	-	-	\$ 254,331,904	-	-	\$ 284,657,378	11.9%	-	-	\$ 286,707,551	12.7%
BUF 728	Debt Service Payments - UH	A	-	-	\$ 94,127,897	-	-	\$ 105,351,314	11.9%	-	-	\$ 106,110,080	12.7%
BUF 741	Retirement Benefits Payments	A	-	-	\$ 256,807,477	-	-	\$ 266,941,819	3.9%	-	-	\$ 277,918,079	8.2%
BUF 745	Retirement Benefits Payments -DOE	A	-	-	\$ 252,741,189	-	-	\$ 274,546,967	8.6%	-	-	\$ 286,023,146	13.2%
BUF 748	Retirement Benefits Payments -UH	A	-	-	\$ 123,163,259	-	-	\$ 127,028,002	3.1%	-	-	\$ 138,575,844	12.5%
BUF 761	Health Premium Payments	A	-	-	\$ 200,743,419	-	-	\$ 308,860,839	53.9%	-	-	\$ 333,973,835	66.4%
BUF 765	Health Premium Payments - DOE	A	-	-	\$ 225,126,160	-	-	\$ 231,658,073	2.9%	-	-	\$ 253,426,037	12.6%
BUF 768	Health Premium Payments - UH	A	-	-	\$ 79,482,140	-	-	\$ 82,978,795	4.4%	-	-	\$ 90,795,204	14.2%

Department of Budget and Finance
Budget Decisions

Table 4

Prog ID	Description	MOF	Initial Department Requests						Budget and Finance Recommendations						Governor's Decisions					
			FY14			FY15			FY14			FY15			FY14			FY15		
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 101/AA	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Accountant III)	A	1.00	-	22,626	1.00	-	42,492	1.00	-	22,626	1.00	-	42,492	1.00	-	22,626	1.00	-	42,492
BUF 101/AA	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Contracts Spclt)	A	1.00	-	24,348	1.00	-	45,936	1.00	-	24,348	1.00	-	45,936	1.00	-	24,348	1.00	-	45,936
BUF 101/AA	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Personnel Clerk V)	A	1.00	-	17,166	1.00	-	31,572	1.00	-	17,166	1.00	-	31,572	1.00	-	17,166	1.00	-	31,572
BUF 101/AA	Add Funds for Bishop Museum Annual Subsidy	A	-	-	33,000	-	-	33,000	-	-	33,000	-	-	33,000	-	-	33,000	-	-	33,000
BUF 101/BA	10 temporary positions and funds to implement ERP statewide	A	-	-	0	-	-	\$ -	-	10.00	750,000	-	10.00	750,000	-	10.00	750,000	-	10.00	750,000
BUF 115/CA	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Public Debt Compliance Spclt)	A	1.00	-	34,060	1.00	-	65,360	1.00	-	34,060	1.00	-	65,360	1.00	-	34,060	1.00	-	65,360
BUF 115/CA	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Investor Relations Spclt)	A	1.00	-	30,414	1.00	-	58,068	1.00	-	30,414	1.00	-	58,068	1.00	-	30,414	1.00	-	58,068
BUF 141/FA	Add 3.00 Permanent Positions and Funds for Salaries, Others and Equipment	X	3.00	-	220,170	3.00	-	427,740	3.00	-	220,170	3.00	-	427,740	3.00	-	220,170	3.00	-	427,740
BUF 143/EU	Add 3.00 Permanent Positions and Funds for Salaries, Others and Equipment	T	3.00	-	112,362	3.00	-	212,123	3.00	-	112,362	3.00	-	212,123	3.00	-	112,362	3.00	-	212,123
BUF 143/EU	Additional Funds for M&O Hours to Implement Affordable Care Act Programming Changes	T			500,000			300,000			500,000			300,000			500,000			300,000
BUF 143/EU	Additional Funds for an Actuarial Consultant	T			50,000			50,000			50,000			50,000			50,000			50,000
BUF 143/EU	Additional Funds for HIPAA Security Risk Assessment	T			60,000			-			60,000			-			60,000			-
BUF 143/EU	Additional Funds for Benefit Plan and Claim Payment Audits	T			100,000			100,000			100,000			100,000			100,000			100,000
BUF 143/EU	Additional Funds for a Legal Consultant	T			50,000			50,000			50,000			50,000			-			-
BUF 143/EU	Additional Funds for a Replacement Telephone System and Annual Maintenance	T			111,500			14,000			111,500			14,000			111,500			14,000
BUF 143/EU	Additional Funds for the Purchase of Cyber Risk Insurance	T			30,000			30,000			30,000			30,000			30,000			30,000
BUF 143/EU	Additional Funds for Office Lease Space	T			47,500			47,500			47,500			47,500			47,500			47,500
BUF 143/EU	Additional Funds for a Wellness Plan Developer/Consultant	T			50,000			50,000			50,000			50,000			50,000			-
BUF 143/EU	Additional Funds for a Communications Consultant	T			30,000			30,000			30,000			30,000			-			-
BUF 901/MA	Additional Funds for Others and Equipment for the Expansion and Renovation of PUC's Oahu Office	B			2,165,870			299,630			2,165,870			299,630			2,615,870			299,630
BUF 721/ST	Additional Debt Service Payments for State Programs (Other than the DOE & UH)	A			35,166,197			37,543,630			35,166,197			37,543,630			35,166,197			37,543,630

Department of Budget and Finance
Budget Decisions

Table 4

Prog ID	Description	MOF	Initial Department Requests						Budget and Finance Recommendations						Governor's Decisions					
			FY14			FY15			FY14			FY15			FY14			FY15		
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 725/LE	Additional Debt Service Payments for the DOE	A			30,325,474			32,375,647			30,325,474			32,375,647			30,325,474			32,375,647
BUF 728/HE	Additional Debt Service Payments for the UH	A			11,223,417			11,982,183			11,223,417			11,982,183			11,223,417			11,982,183
BUF 741/ST	Additional Retirement Benefits Payments for the State (Other than the DOE & UH)	A			2,555,046			13,531,306			2,555,046			13,531,306			2,555,046			13,531,306
BUF 745/LE	Additional Retirement Benefits Payments for the DOE	A			14,138,216			25,614,395			14,138,216			25,614,395			14,138,216			25,614,395
BUF 748/HE	Additional Retirement Benefits Payments for the UH	A			471,211			12,019,053			471,211			12,019,053			471,211			12,019,053
BUF 761/ST	Additional Health Premium Payments for State Programs (Other than the DOE & UH)	A			108,117,420			133,230,416			108,117,420			133,230,416			108,117,420			133,230,416
BUF 765/LE	Additional Health Premium Payments for the DOE	A			6,531,913			28,299,877			6,531,913			28,299,877			6,531,913			28,299,877
BUF 768/HE	Additional Health Premium Payments for the UH	A			3,496,655			11,313,064			3,496,655			11,313,064			3,496,655			11,313,064

Department of Budget and Finance
Proposed FY14 and FY15 Reductions

Table 5

<u>Prog ID</u>	<u>Description of Reduction</u>	<u>Impact of Reduction</u>	<u>MOF</u>	<u>FY14</u>			<u>FY15</u>			<u>Carry-over?</u>
				<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$\$</u>	<u>(Y/N)</u>
<u>No budget reductions are proposed</u>										

Department of Budget and Finance
Proposed FY14 and FY15 Additions

Table 6

Prog ID	Request Category	Prog ID Priority	Dept-Wide Priority	Description of Addition	Explanation	MOF	FY14			FY15		
							Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 101/AA	0	1	3	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Accountant III)		A	1.00	-	22,626	1.00	-	42,492
BUF 101/AA	0	2	4	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Contracts Spclt)		A	1.00	-	24,348	1.00	-	45,936
BUF 101/AA	0	3	5	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Personnel Clerk V)		A	1.00	-	17,166	1.00	-	31,572
BUF 101/AA	0	4	6	Add Funds for Bishop Museum Annual Subsidy		A	-	-	33,000	-	-	33,000
BUF 101/BA	0			10 temporary positions and funds to implement ERP statewide		A		10.00	750,000		10.00	750,000
BUF 115/CA	0	2	1	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Public Debt Compliance Spclt)		A	1.00	-	34,060	1.00	-	65,360
BUF 115/CA	0	1	2	Add 1.00 Permanent Position and Funds for Salary, Others and Equipment (Investor Relations Spclt)		A	1.00	-	30,414	1.00	-	58,068
BUF 141/FA	0	2	7	Add 3.00 Permanent Positions and Funds for Salaries, Others and Equipment		X	3.00	-	220,170	3.00	-	427,740
BUF 143/EU	0	3	8	Add 3.00 Permanent Positions and Funds for Salaries, Others and Equipment		T	3.00	-	112,362	3.00	-	212,123
BUF 143/EU	0	4	9	Additional Funds for M&O Hours to Implement Affordable Care Act Programming Changes		T			500,000			300,000
BUF 143/EU	0	5	11	Additional Funds for an Actuarial Consultant		T			50,000			50,000
BUF 143/EU	0	6	12	Additional Funds for HIPAA Security Risk Assessment		T			60,000			-

Department of Budget and Finance
Proposed FY14 and FY15 Additions

Table 6

Prog ID	Request Category	Prog ID Priority	Dept-Wide Priority	Description of Addition	Explanation	MOF	FY14			FY15		
							Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 143/EU	0	7	13	Additional Funds for Benefit Plan and Claim Payment Audits		T			100,000			100,000
BUF 143/EU	0	8	14	Additional Funds for a Legal Consultant		T			-			-
BUF 143/EU	0	9	15	Additional Funds for a Replacement Telephone System and Annual Maintenance		T			111,500			14,000
BUF 143/EU	0	10	16	Additional Funds for the Purchase of Cyber Risk Insurance		T			30,000			30,000
BUF 143/EU	0	11	17	Additional Funds for Office Lease Space		T			47,500			47,500
BUF 143/EU	0	12	18	Additional Funds for a Wellness Plan Developer/Consultant		T			50,000			-
BUF 143/EU	0	13	19	Additional Funds for a Communications Consultant		T			-			-
BUF 901/MA	0	14	10	Additional Funds for Others and Equipment for the Expansion and Renovation of PUC's Oahu Office		B			2,615,870			299,630
BUF 721/ST	FE			Additional Debt Service Payments for State Programs (Other than the DOE & UH)		A			35,166,197			37,543,630
BUF 725/LE	FE			Additional Debt Service Payments for the DOE		A			30,325,474			32,375,647
BUF 728/HE	FE			Additional Debt Service Payments for the UH		A			11,223,417			11,982,183
BUF 741/ST	FE			Additional Retirement Benefits Payments for the State (Other than the DOE & UH)		A			2,555,046			13,531,306
BUF 745/LE	FE			Additional Retirement Benefits Payments for the DOE		A			14,138,216			25,614,395
BUF 748/HE	FE			Additional Retirement Benefits Payments for the UH		A			471,211			12,019,053

Department of Budget and Finance
Proposed FY14 and FY15 Additions

Table 6

Prog ID	Request Category	Prog ID Priority	Dept- Wide Priority	Description of Addition	Explanation	MOF	FY14			FY15		
							Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 761/ST	FE			Additional Health Premium Payments for State Programs (Other than the DOE & UH)		A			108,117,420			133,230,416
BUF 765/LE	FE			Additional Health Premium Payments for the DOE		A			6,531,913			28,299,877
BUF 768/HE	FE			Additional Health Premium Payments for the UH		A			3,496,655			11,313,064
0= OTHER												
FE = FIXED COST												

Department of Budget and Finance
 Current Year (FY13) Restrictions

Table 7

<u>Prog ID</u>	<u>MOF</u>	<u>Restriction \$\$\$</u>	<u>Percent of Act 106/12 Appropriation</u>	<u>Impact</u>
BUF 101	A	(241,837)	2.0%	program is closely monitoring expenditures
BUF 115	A	(90,711)	5.0%	program is closely monitoring expenditures

Department of Budget and Finance
 Emergency Appropriation Requests

Table 8

<u>Prog ID</u>	<u>Description of Request</u>	<u>Explanation of Request</u>	<u>MOF</u>	<u>Pos (P) FY13</u>	<u>Pos (T) FY13</u>	<u>\$\$\$ FY13</u>
	No Emergency Appropriations are anticipated					

Department of Budget and Finance
Expenditures Exceeding Appropriation Ceilings

Table 9

<u>Prog ID</u>	<u>MOF</u>	<u>Date</u>	<u>Appropriation Ceiling</u>	<u>Amount Exceeding Appropriation</u>	<u>Increase Percent</u>	<u>Reason for Exceeding Ceiling</u>	<u>Recurring (Y/N)</u>	<u>GF Impact (Y/N)</u>
<u>No instances related to the department exceeding the appropriation celings</u>								

Department of Budget and Finance
 Intradepartmental Transfer of Funds

Table 10

<u>Anticipated or Actual Date of Transfer</u>	<u>MOF</u>	<u>Amount of Transfer</u>	<u>From Prog ID</u>	<u>Percent of Imparting Program ID Appropriation</u>	<u>To Prog ID</u>	<u>Percent of Receiving Program ID Appropriation</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
<u>No Intradepartmental Transfers</u>								

Department of Budget and Finance
Active Federal Awards

Table 11

<u>State Expending Agency</u>	<u>Program ID</u>	<u>Award Number</u>	<u>CFDA Number</u>	<u>Award Description</u>	<u>Awarding Federal Agency</u>	<u>Award Amount</u>	<u>Award Amount Allocated to the Pgm ID in Column B</u>	<u>State Appropriation Symbol</u>	<u>At Risk for Federal Sequestration (Y/N)</u>	<u>Contact Name</u>	<u>Contact Phone</u>	<u>Contact Email</u>
<u>No new federal awards and/or grants that are at risk for federal sequestration</u>												

Department of Budget and Finance
Non-General Fund Balances

Table 12

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY13 Unencumbered Cash Balance</u>	<u>Estimated FY13 Revenues</u>	<u>Estimated FY13 Expenditures and Encumbrances</u>	<u>Estimated FY13 Net Transfers</u>	<u>Estimated FY13 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Emergency and Budget Reserve *	Temporary supplemental source of funding for the State during times of emergency, economic downturn, or unforeseen reduction in revenues.	328L-3,HRS	B	\$ 24,196,782	\$ -		\$ -	\$ 24,196,782	*
ERS Expense Fund **	The fund which all money shall be credited to pay for the administrative and operational expenses of the ERS.	88-116,HRS	X	\$ -	\$ -		\$ -	\$ -	\$ -
Hawaii Employer-Union Trust	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.	87A, HRS	T	\$ 324,955,471	\$ 898,740,000	\$ 874,564,000	\$ -	\$ 349,131,471	\$ -
Public Utility Special ***	To pay for expenses incurred by the Public Utilities Commission and the Department of Commerce and Consumer Affairs Division of Consumer Advocacy.	269-33,HRS	B	\$ 1,000,000	\$ 20,459,882	\$ 11,351,174	\$ (9,108,708)	\$ 1,000,000	\$ -
* The Administration proposes to re-Capitalize the emergency and Budget Reserve Fund in 2015 (\$25M app)									
** Funds for the operations of the Employees' Retirement System program (source of funding is from the ERS' investment earnings)									
*** \$1,000,000 is required as start-up cash for FY 13 to ensure the uninterrupted operations of the PUC until sufficient new revenues are collected during the new fiscal year.									

Department of Budget and Finance
Positions Vacant as of November 30

Table 13

<u>Prog ID</u>	<u>Date of Vacancy</u>	<u>Position Number</u>	<u>Position Title</u>	<u>SR Level</u>	<u>BU Code</u>	<u>Perm Temp (P/T)</u>	<u>FTE</u>	<u>MOF</u>	<u>Budgeted Amount</u>	<u>Actual Salary Last Paid</u>	<u>Exempt (Y/N)</u>	<u>Authority to Hire (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>	<u># of 89 Hire Appointments</u>
BUF101AA	8/22/2012	97	Program Budget Analyst IV	SR22	73	P	1	A	\$64,114.00	\$57,708.00	N	Y	N	
BUF101BA	11/16/2010	96	Program Budget Analyst V	SR24	73	P	1	A	\$64,114.00	\$67,488.00	N	Y	Y	3
BUF101BA	12/1/2010	22008	Program Budget Analyst V	SR24	73	P	1	A	\$61,674.00	\$64,920.00	N	Y	Y	4
BUF101BA	5/16/2012	41744	Program Budget Analyst V	SR24	73	P	1	A	\$61,674.00	\$64,920.00	N	Y	Y	1
BUF101BA	4/18/2012	120553	Program Budget Analyst V	SR24	73	P	1	A	\$59,303.00	NEW	N	Y	Y	3
BUF101CA	7/2/2012	7016	Account Clerk IV	SR13	3	P	1	A	\$45,648.00	NEW	N	Y	Y	2
BUF101CA	4/18/2012	120127	Office Assistant III	SR08	3	P	1	T	\$24,385.00	\$25,668.00	N	Y	Y	2
BUF141FA	10/1/2012	3857	Retirement System Prgm Spclt	SR24	13	P	1	X	\$54,823.00	\$57,708.00	N	Y	N	
BUF141FA	6/6/2011	4436	Accountant V	SR24	13	P	1	X	\$28,511.00	\$60,024.00	N	Y	N	
BUF141FA	12/31/2011	17859	Information Technol Spclt V	SR24	13	P	1	X	\$72,162.00	\$75,960.00	N	Y	N	
BUF141FA	9/24/2012	19501	Office Assistant III	SR08	3	P	1	X	\$27,394.00	\$28,836.00	N	Y	Y	1
BUF141FA	7/20/2012	113317	Retirement Claims Examiner II	SR18	13	P	1	X	\$37,039.00	\$38,988.00	N	Y	N	
BUF141FA	4/1/2011	116328	Investment Specialist	SR08	3	P	1	X	\$25,365.00	\$26,700.00	N	Y	N	
BUF141FA	3/21/2012	116678	Retirement Claims Examiner III	SR20	13	P	1	X	\$43,297.00	\$45,576.00	N	Y	N	
BUF141FA	10/31/2012	116680	Investment Specialist	SR24	13	P	1	X	\$64,114.00	\$67,488.00	N	Y	N	
BUF141FA	2/11/2012	116682	Office Assistant III	SR08	3	P	1	X	\$24,385.00	\$24,384.00	N	Y	N	
BUF141FA	8/15/2008	116684	Office Assistant III	SR08	3	P	1	X	\$24,385.00	\$25,668.00	N	Y	N	
BUF141FA		120657	Investment Specialist	SR24	13	P	1	X	NA	VICE FOR 116680	N	Y	Y	1
BUF143EU	7/1/2011	23885	Outreach & Training Specialist	SRNA	13	P	1	T	\$43,297.00	\$45,576.00	Y	Y	N	
BUF143EU	8/15/2012	27886	Enrollment Technician	SRNA	3	P	1	T	\$26,368.00	\$27,756.00	Y	Y	Y	1
BUF143EU	7/25/2012	43196	EUTF Accountant	SRNA	13	P	1	T	\$46,865.00	\$49,332.00	Y	Y	N	
BUF143EU	11/8/2012	116355	EUTF Customer Svc Rep	SRNA	3	P	1	T	\$26,368.00	\$27,756.00	Y	Y	N	
BUF143EU	10/26/2012	118999	Enrollment Technician	SRNA	3	P	1	T	\$26,368.00	\$27,756.00	Y	Y	N	
BUF143EU	10/3/2012	119002	EUTF Info Systems Specialist	SRNA	13	P	1	T	\$43,297.00	\$45,576.00	Y	Y	N	
BUF143EU	3/7/2012	120120	Enrollment Technician	SRNA	3	P	1	T	\$26,368.00	\$27,756.00	Y	Y	N	
BUF143EU	8/16/2011	120121	Enrollment Technician	SRNA	3	P	1	T	\$26,368.00	\$27,756.00	Y	Y	Y	2
BUF143EU	7/1/2011	120122	Enrollment Technician	SRNA	3	P	1	T	\$26,368.00	\$27,756.00	Y	Y	Y	1
BUF143EU	11/16/2012	120286	Office Assistant III	SR08	3	T	1	T	NA	VICE FOR 39594	N	Y	Y	6
BUF143EU		120340	Outreach & Training Specialist	SRNA	13	P	1	T	\$45,576.00	NEW	Y	Y	N	

Department of Budget and Finance
Positions Vacant as of November 30

Table 13

BUF151HA	4/1/2012	100405	Deputy Public Defender III	SRNA	73	T	1	A	\$79,504.00	\$83,688.00	Y	Y	N	
BUF151HA	11/1/2012	100587	Deputy Public Defender IV	SRNA	73	P	1	A	\$85,101.00	\$89,580.00	Y	Y	N	
BUF151HA	7/11/2011	101000	PD Clerk	SR08	3	P	0.5	A	\$15,606.00	\$14,826.00	Y	Y	N	
BUF151HA	9/29/2012	101674	Deputy Public Defender III	SRNA	73	T	1	A	\$74,374.00	\$78,288.00	Y	Y	N	
BUF151HA	9/1/2009	101701	Legal Clerk	SR14	3	P	1	A	\$32,424.00	\$42,684.00	Y	Y	N	
BUF151HA	12/1/2012	102279	Public Defender Investigator	SR24	13	P	1	A	\$67,488.00	\$67,488.00	Y	Y	N	
BUF151HA	12/1/2012	102441	Deputy Public Defender II	SRNA	73	P	1	A	\$65,268.00	\$65,268.00	Y	Y	N	
BUF901MA	7/6/2012	29556	Office Assistant IV	SR10	3	P	1	B	\$34,690.00	\$30,036.00	N		N	
BUF901MA	3/8/2007	42690	Investigator IV	SR22	13	P	1	B	\$40,037.00	\$42,144.00	N	Y	N	
BUF901MA	12/1/2010	44863	Puc District Representative	SR22	13	P	1	B	\$64,114.00	\$67,488.00	N		N	
BUF901MA	3/1/2012	100540	PUC Attorney	SRNA	73	P	1	B	\$61,754.00	\$61,752.00	Y		N	
BUF901MA	12/29/2007	102100	Research Asst (PUC)	SRNA	13	P	1	B	\$72,778.00	\$76,608.00	Y		N	
BUF901MA	9/1/2012	102437	Chief Researcher	SRNA	93	P	1	B	\$86,458.00	\$91,008.00	Y		N	
BUF901MA	10/1/2003	102458	PUC Legal Assistant	SR14	3	P	1	B	\$38,988.00	\$41,040.00	Y		N	
BUF901MA	11/22/2005	102524	Research Assistant (PUC)	SRNA	13	P	1	B	\$56,852.00	\$59,844.00	Y	Y	Y	2
BUF901MA	6/1/2012	106173	Public Utilities Economist	SRNA	13	P	1	B	\$54,253.00	\$57,108.00	Y		N	
BUF901MA	1/12/2008	106174	Investigator IV	SR22	13	P	1	B	\$40,037.00	\$43,824.00	N	Y	N	
BUF901MA	3/23/2012	117642	Enforcement Officer	SRNA	13	P	1	B	\$45,041.00	\$47,412.00	Y		N	
BUF901MA	3/16/2011	118031	Enforcement Officer		13	P	1	B	\$45,041.00	NEW	Y		N	
BUF901MA	8/1/2012	119462	ARRA Program Administrator	SRNA	13	T	1	V	NA	\$58,008.00	Y		N	
BUF901MA	8/1/2011	119463	ARRA Electricity Specialist	SRNA	13	T	1	V	NA	\$65,004.00	Y		N	
BUF901MA	10/9/2012	120736	PUC Legal Assistant		13	P	1	B	\$36,070.00	NEW	Y	Y	N	
BUF901MA	10/23/2012	120768	Chief of Consumer Affrs&Compln		13	P	1	B	\$58,448.00	NEW	Y	Y	N	

Department of Budget and Finance
Overtime Expenditures

Table 14

Prog ID	Program Title	MOF	FY12 (actual)			FY13 (estimated)			FY14 (budgeted)		
			Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent	Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent	Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent
BUF101 AA	Directors Office & ARO	A	\$ 120,420	\$ 9,469	7.9%						
BUF101 BA	Budget Program Planning and Management Division	A	\$ 396,360	\$ 13,659	3.4%						
BUF115 CA	Financial Administration Division	A	\$ 390,168	\$ 29,242	7.5%						
BUF115 CA	Financial Administration Division	T	\$ 184,104	\$ 7,152	3.9%						
BUF141 FA	Employees' Retirement System	X	\$ 514,272	\$ 3,533	0.7%	\$ 514,272	\$ 36,000	7.0%	\$ 514,272	\$ 36,000	7.0%
BUF143 EU	Hawaii Employer-Union Trust Fund	T	\$ 778,272	\$ 29,383	3.8%						
BUF901 MA	Public Utilities Commission	B	\$ 39,480	\$ 68	0.2%	\$ 39,480	\$ 300	0.8%	\$ 39,480	\$ 300	0.8%
Note:											
1)	Base Salary for FY13 and FY14 (estimated) used the same base salary as FY12 (actual);										
2)	Overtime amount for FY13 and FY14 (estimated) were provided by the programs;										

Department of Budget and Finance
Overpayments as of November 30, 2012

Table 15

Name	Date of Over-payment	Gross Amount Overpaid	Amount Recovered	Balance	Category				Reason for Overpayment	Referred to Attorney General
					Employed Occurred > 2 Years	Employed Occurred < 2 Years	Not Employed Occurred > 2 Years	Not Employed Occurred < 2 Years		
	10/28/10-2/7/2011	\$ 1,328.26	\$ 1,204.18	\$ 124.08	0	0	0	124.08	Agency did not timely report LWOP	9/14/2012

Department of Budget and Finance
Active Contracts

Table 16

Prog ID	MOF	Frequency		Max Value	Outstanding Balance	Date Executed	Term of Contract		Organization	Category E/L/P/C/ G/S	Description	Explanation of How Contract is Monitored	POS Y/N
		Amount	(M/A/O)				From	To					
BUF 101/AA	A	812	M *			1/1/2012	1/1/2012	1/1/2017	Xerox	E	Xerox Copier Leases	Admin and Fiscal staff reviews the monthly invoices from Xerox	N
BUF 101/BA	A	1,069	M *			1/1/2012	1/1/2012	1/1/2017	Xerox	E	Xerox Copier Lease	Program and Fiscal staff reviews the monthly invoices from Xerox	N
BUF 101/BA	A	11,000	A	53,850	42,850	2/1/2012	6/8/12	6/7/13	Maximus Cnsltng Svcs	S	Statewide Cost Allocation Plan (SWCAP) for FY 13	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 115	A	1,224	M *			1/1/2012	1/1/2012	1/1/2017	Xerox	E	Xerox Copier Leases FAD	Program and Fiscal staff reviews the monthly invoices from Xerox	N
BUF 115	A	5,000	O*	55,000	50,000	11/9/11	11/9/11	12/31/13	BLX Group LLC	S	Arbitrage Rebate Compliance Services (State G.O. Bonds)	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 115	A	29,999	O*	32,000	2,001	9/1/11	9/1/11	8/31/12	Kutack Rock LLP	S	Services to the State as Public Finance General Advice Counsel	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 115	A	22,459.38	O*	93,000	70,541	9/12/2012	7/1/12	6/30/13	Kutak Rock, LLP	S	Public Finance General Advice Counsel FY 2012 (July 1, 2012 to June 30, 2013)	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 115	A	9,500.00	A	19,000	9,500	3/1/2012	3/1/12	2/29/13	Wagers & Associates Inc	S	Computer maintenance support for the State of Hawaii Unclaimed Properties	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 141	X	150	O - 1			12/29/2008	1/2/2009	1/31/2013	CHANG, LOU	S	Hearings Officer @ \$150 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N

Department of Budget and Finance
Active Contracts

Table 16

Prog ID	MOF	Amount	(M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Organization	Category E/L/P/C/G/S	Description	Explanation of How Contract is Monitored	POS Y/N
BUF 141	X	150	O - 1			12/30/2008	1/2/2009	1/31/2013	CHEE, KEVIN S W	S	Hearings Officer @ \$150 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X	150	O - 1			12/30/2008	1/2/2009	1/31/2013	CHOW, STANLEY M	S	Hearings Officer @ \$150 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X	165	O - 1			12/30/2008	1/2/2009	1/31/2013	EGAN, CAROL M	S	Hearings Officer @ \$165 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X	150	O - 1			12/30/2008	1/2/2009	1/31/2013	ICHINOSE, SUSAN M	S	Hearings Officer @ \$150 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X	165	O - 1			12/30/2008	1/2/2009	1/31/2013	LEE, JUNELL Y K	S	Hearings Officer @ \$165 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X	150	O - 1			12/30/2008	1/2/2009	1/31/2013	RAMIL, MARIO R	S	Hearings Officer @ \$150 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X	150	O - 1			12/30/2008	1/2/2009	1/31/2013	YOUNG, LEO B	S	Hearings Officer @ \$150 per hour plus GET and expenses	Monthly / on-going review by ERS Staff, Dept Attorney General and Board of Trustees	N
BUF 141	X		O - 3	485,000		12/1/2010	1/1/2011	12/31/2015	GABRIEL ROEDER SMITH & COMPANY	S	Actuarial service including valuation, 5 year experience study and cost studies	Monthly/on-going work reviewed by ERS Staff; report to Board of Trustees	N
BUF 141	X		O	5,475,000	5,475,000	12/27/2011	12/27/2011	1/1/2014	VITECH SYSTEMS GROUP INC	S	Make changes to ERS Pension Management Information System required for Act 163/2011 new member	Weekly / on-going work reviewed by ERS Staff	N
BUF 141	X		O - 4			n/a	n/a	1/3/2013	HAWAII INFORMATION CONSORTIUM	S	Website hosting services for ERS as part of DAGS contract Ref RFP-08-011-SW	On-going review by ERS Staff; users of ERS website; through SPO office	N
BUF 141	X	169	M *			5/12/2011	5/27/2011	5/27/2016	Xerox Hawaii	E	Copier/scanner for Maui office	ERS Staff (SSS)	N

Department of Budget and Finance
Active Contracts

Table 16

Prog ID	MOF	Amount	(M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Organization	Category E/L/P/C/G/S	Description	Explanation of How Contract is Monitored	POS Y/N
BUF 141	X	77	M *			5/12/2011	5/20/2011	5/20/2016	Xerox Hawaii	E	Two (2) copier/printers for Hilo office	ERS Staff (SSS)	N
BUF 141	X	969	M *			2/12/2009	2/20/2009	2/20/2014	Xerox Hawaii	E	4595 copier/printer for (SSS)	ERS Staff (SSS)	N
BUF 141	X	969	M *			2/12/2009	6/5/2009	6/5/2014	Xerox Hawaii	E	4595 copier/printer for Acctg/IS/Investments - large print jobs	ERS Staff (SSS)	N
BUF 141	X	724	M *			4/21/2008	5/8/2008	5/8/2013	Xerox Hawaii	E	7675 Copier/printer for (EC&B)	ERS Staff (SSS)	N
BUF 141	X	216	M *			4/21/2008	5/8/2008	5/8/2013	Xerox Hawaii	E	7328 copier/printer for IS	ERS Staff (SSS)	N
BUF 141	X	57	M *			3/17/2008	3/26/2008	3/26/2013	Xerox Hawaii	E	M20i copier/printer/scanner/fax for computer vendors	ERS Staff (SSS)	N
BUF 141	X	57	M *			12/27/2007	1/2/2008	1/2/2013	Xerox Hawaii	E	M20i copier/printer/scanner/fax for Admin	ERS Staff (SSS)	N
BUF 141	X	57	M *			12/27/2007	1/2/2008	1/2/2013	Xerox Hawaii	E	M20i copier/printer/scanner/fax for Admin	ERS Staff (SSS)	N
BUF 141	X	57	M *			12/27/2007	1/2/2008	1/2/2013	Xerox Hawaii	E	M20i copier/printer/scanner/fax for 9th floor (PMIS)	ERS Staff (SSS)	N
BUF 141	X	51	M *			3/16/2010	3/29/2010	3/29/2015	Xerox Hawaii	E	3635 copier for 14th floor (EC&B)	ERS Staff (SSS)	N
BUF 141	X	27	M *			3/14/2008	3/27/2008	3/27/2013	Xerox Hawaii	E	Desktop copier/printer for Kauai office	ERS Staff (SSS)	N

Department of Budget and Finance
Active Contracts

Table 16

Prog ID	MOF	Amount	(M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Organization	Category E/L/P/C/G/S	Description	Explanation of How Contract is Monitored	POS Y/N
BUF 141	X	583	M			5/17/2011	5/17/2011	5/17/2016	Pitney Bowes	E	Postage machine & letter opener	ERS Staff (SSS)	N
BUF 143	T	1,240	M *				1/1/12	12/31/16	Xerox	E	Xerox Copier Leases	Program and Fiscal staff reviews the monthly invoices from Xerox	N
BUF 143	T	204,153	M	310,023	105,870	1/13/2011	12/1/09	10/31/14	Employees' Retirement System	L	EUTF Oahu Office Space Lease	Program and Fiscal staff reviews the monthly invoices from the Landlord	N
BUF 143	T	46,350	O*	200,000	153,650		6/25/10	Upon completion of work	Aon Risk Services, Inc. of Hawaii	S	Assistance to EUTF regarding obtaining reimbursements under the Federal Early Retiree Reinsurance Program	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 143	T	10,696,997	O*	11,435,125	738,128		3/31/08	Upon completion of work	Vitech Systems Group Inc	S	Computer System programming/maintenance (for the EUTF Benefits Administration System)	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 143	T	-	O*	312,000	312,000	4/24/2012	7/1/11	6/30/12	Vitech Systems Group, Inc.	S	EUTF Benefits Administration System	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 143	T	190,000	O*	380,000	190,000		12/30/09	6/30/13	Aon Consulting Inc	S	Actuarial Valuation Report	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 143	T	\$ 152,000.00	O*	190,000	38,000	11/20/2011	11/20/11	6/30/13	Aon Consulting, Inc.	S	Actuarial valuations of the EUTF OPEB as of July 1, 2011 for each public employer participating in the EUTF.	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 143	T	50,918	O*	235,000	184,082		5/16/11	5/15/13	Pension Consulting Alliance	S	Investment Consultant Services	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF143	T	35,435	M***	**			2/23/11	2/22/13	Bank of Hawaii	S	Custodian Services for EUTF Investments	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N
BUF 143	T	125,000	M	300,000	175,000		7/1/12	6/30/13	Segal Company (Western States)	S	Benefits consultant services	On-going communications with the consultant in providing deliverables pursuant to the provisions of the	N

Department of Budget and Finance
Active Contracts

Table 16

Prog ID	MOF	Amount	(M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Organization	Category E/L/P/C/G/S	Description	Explanation of How Contract is Monitored	POS Y/N
BUF 901	B	1,105	M *			4/8/11	4/8/11	4/8/16	Xerox	E	Xerox Copier Leases	Program and Fiscal staff reviews the monthly invoices from Xerox	N
BUF 901	B	366	M				+	+	Toledo Richard Jr. & Joan	L	PUC Hilo Office Space Lease	Program and Fiscal staff reviews the monthly invoices from the Landlord	N
BUF 901	B	26,328	O*	129,510	103,182	12/1/2010	12/1/10	9/30/13	James A. Flanagan dba James Flanagan Associates	S	Consultant services to assist the PUC with Docket No. 2010-0037 relating to Energy Efficiency Portfolio standards	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	104,595.87	O*	250,000	145,404	4/16/2012	4/16/12	4/15/15	James Carl Freeman dba Haiku Design & Analysis	S	Entity for Proceeding Relating to Integrated Resource Planning for HECO companies.	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	22,932.00	O*	30,000	7,068	4/2/2012	4/2/12	4/1/13	James Carl Freeman dba Haiku Design & Analysis	S	Entity for Proceeding Relating to Integrated Resource Planning for HECO companies.	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	189,816	O*	742,853	553,037	10/24/2008	10/24/08	10/24/12	National Regulatory Research Institute	S	Consultant services to assist the PUC with Docket No. 2008-0274 relating to the investigation of instituting a	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	139,887	O*	472,011	332,124	6/30/2011	6/30/11	6/30/13	Boston Pacific Company	S	Consultant services to assist the PUC with Docket Nos. 2011 - 0038 and 2011-0039 relating to a competitive bidding	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	60,032	O*	100,000	39,968	6/14/2011	6/14/12	6/14/13	Alison Silverstein, dba Alison Silverstein Consulting	S	Consultant services to assist the PUC with Docket No. 2008-0273 relating to the investigation of the implementation	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	9,500	M	342,000	237,500	7/1/2011	7/1/11	6/30/14	One Call Concepts Inc.	S	Service provider for the One Call Center Program administered by the PUC	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	T	42,370.66	O*	167,275	124,904	2/15/2012	2/15/12	3/12/13	Harcourt Brown & Carey, Inc.	S	Conduct Study on an On-Bill Financing Program	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	21,051.24	O*	91,769	70,718	6/1/2012	6/1/12	12/31/13	Maurice Kaya LLC	S	Technical Review Committee (TRC) in proceeding relating to the implementation of Reliability Standards	2 step review: substantive by legal; fiscal and compliance by admin.	N

Department of Budget and Finance
Active Contracts

Table 16

Prog ID	MOF	Amount	(M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Organization	Category E/L/P/C/ G/S	Description	Explanation of How Contract is Monitored	POS Y/N
BUF 901	B	0.00	O*	81,202	81,202	6/15/2012	6/15/12	1/14/14	Richard E. Rocheleau	S	Technical Review Committee (TRC) in proceeding relating to the implementation of Reliability Standards	2 step review: substantive by legal; fiscal and compliance by admin.	N
BUF 901	B	15,445	O*	312,000	296,555	6/30/2009	6/30/09	6/30/13	The Dayhuff Group	S	Consultant maintenance services provider for the PUC's Document Management System.	2 step review: substantive by legal; fiscal and compliance by admin.	N

Notes:

ERS' information are as provided by the ERS since their expenditure and encumbrance data are not available from DAGS.

Monthly * - monthly charges may vary based on actual copier usage; amount listed includes minimum monthly charge

Monthly ** - includes reimbursement of travel expenses; with limit per month

Monthly *** fees vary depending on the numbers of transactions (custodial svcs for EUTF investments)

Monthly + PUC's Hilo Office Lease is currently on a month to month basis

O* based on completion of work per terms of the contract and receipt of invoices (amounts paid reflects fiscal year to date payments)

O - 1 - Other 1; Hearings officers are paid an hourly rate, plus General Excise Taxes and reimbursed expenses advanced on behalf of ERS

O - 2 - Other- 2; Pension benefits vendors are paid per case completed

O - 3 - Other 3; Actuary services include fixed fee for base services and annual valuation; fixed fee for 5-year experience study, and additional fee per cost study. Maximum value may change based on number of cost studies.

O - 4; Other 4; Website hosting service for ERS website includes annual fee plus programming changes to update content.

Department of Budget and Finance
CIP Requests

Table 17

<u>Prog ID</u>	<u>Prog ID</u> <u>Priority</u>	<u>Dept- Wide</u> <u>Priority</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY14 \$\$\$</u>	<u>FY15 \$\$\$</u>
BUF 101	1	1	Hawaiian Home Lands Trust, Statewide	C	\$ 30,000,000	\$ 30,000,000
BUF 101	1	1	State Education Facilities Special Fund, Statewide	C	\$ 98,000,000	\$ 45,000,000

Department of Budget and Finance
CIP Lapses

Table 18

<u>Prog ID</u>	<u>Act/Year of Appropriation</u>	<u>Project Title</u>	<u>MOF</u>	<u>Amount \$\$\$\$</u>	<u>Reason</u>
<u>No CIP project lapses</u>					

Department of Budget and Finance
Division Resources

Table 19

<u>Division</u>	<u>Associated Program IDs</u>						
Departmental Administration and Budget Division	BUF 101	BUF 741	BUF 745	BUF 748	BUF 761	BUF 765	BUF 768
Financial Administration	BUF 115	BUF 721	BUF 725	BUF 728			
Employees Retirement System	BUF 141						
Employer Union Trust Fund	BUF 143						
Office of the Public Defender	BUF 151						
Public Utilities Commission	BUF 901						

Department of Budget and Finance
Organization Changes

Table 20

<u>Year of Change</u>	<u>Page</u>	<u>Description of Change</u>
<u>FY13/FY14</u>	<u>Number</u>	
<u>No changes are currently planned</u>		