

DAVID Y. IGE
GOVERNOR



DEPT. COMM. NO. 77
NEAL H. MIYAHIRA
DIRECTOR
ROBERT YU
DEPUTY DIRECTOR

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

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

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

December 4, 2019

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker
and Members of the House of
Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki and Members of the Legislature:

For your information and consideration, I am transmitting copies of the State of Hawaii Department of Budget and Finance's Annual Report on Administratively Established Accounts and Funds for the Period July 1, 2018 through July 1, 2019 in accordance with Section 37-52.5 of the Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that these reports will be available for viewing electronically at:

<https://budget.hawaii.gov/budget/reports-to-the-legislature/department-of-budget-finance/>

Sincerely,

NEAL H. MIYAHIRA
Director of Finance

Enclosure

- c: Legislative Reference Bureau
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Legislative Auditor: auditors2@auditor.state.hi.us
Department of Budget and Finance: DBFLeg.DIR@hawaii.gov

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
ANNUAL REPORT ON ADMINISTRATIVELY ESTABLISHED
FUNDS AND ACCOUNTS
FOR THE PERIOD JULY 1, 2018 THROUGH JULY 1, 2019

SUBMITTED TO
THE THIRTIETH STATE LEGISLATURE
IN RESPONSE TO HAWAII REVISED STATUTES, SECTION 37-52.5

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
ANNUAL REPORT ON ADMINISTRATIVELY ESTABLISHED
ACCOUNTS AND FUNDS**

January 2020

**Submitted to the Thirtieth State Legislature
(As required by Section 37-52.5, Hawai'i Revised Statutes)**

Pursuant to Hawai'i Revised Statutes (HRS) Section 37-52.5, each department or agency shall submit to the Legislature a report at least 20 days prior to the convening of each regular session that includes: 1) a list of all administratively established accounts or funds; and 2) all revenues, expenditures, encumbrances, and ending balances of each account or fund.

The following are the administratively established accounts and funds for the Department of Budget and Finance for FY 2018 and FY 2019.

**Report on Administratively Created Accounts and Funds
for Submittal to the 2020 Legislature**

Department: Budget and Finance
 Prog ID(s): BUF 101 (BPPM)
 Name of Fund: Kilauea Lava Flow Disaster Relief, HI (G-353)
 Legal Authority: Administratively Established

Intended Purpose:

Governor issued an emergency proclamation on May 3, 2018, relating to lava flow on the island of Hawaii. This fund provides the mechanism to transfer funds to the County of Hawaii (COH).

Source of Revenues:

BUF 721 and BUF 725 savings.

Current Program Activities/Allowable Expenses:

Financial Data				
			FY 2018	FY 2019
			(actual)	(actual)
Beginning Cash Balance			0	0
Revenues			0	
Expenditures			12,000,000	
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
6/12/2018 G-18-009			11,543,344	
6/12/2018 G-18-022			456,656	
Net Total Transfers			12,000,000	0
Ending Cash Balance			0	0
Encumbrances				
Unencumbered Cash Balance			0	0

**Report on Administratively Created Accounts and Funds
for Submittal to the 2020 Legislature**

Department: Budget and Finance
 Prog ID(s): BUF 101 (BPPM)
 Name of Fund: Overpayment Collections to OHA-Ceded Lands (T-855)
 Legal Authority: Executive Order No. 06-06

Intended Purpose:

Account is used to collect overpayments made to the Office of Hawaiian Affairs for ceded lands, and to make up shortage amounts due to OHA pursuant to Executive Order No. 06-06.

Source of Revenues:

Account revenues are quarterly amounts paid to OHA in excess of the \$3,775,000, pursuant to Act 178, SLH 2006.

Current Program Activities/Allowable Expenses:

Funds can be expended to make up shortfalls in payments to OHA per Executive Order No. 06-06.

Financial Data				
			FY 2018	FY 2019
			(actual)	(actual)
Beginning Cash Balance			11,768,747	13,974,733
Revenues			2,205,987	7,312,401
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			13,974,733	21,287,134
Encumbrances				
Unencumbered Cash Balance			13,974,733	21,287,134

**Report on Administratively Created Accounts and Funds
for Submittal to the 2020 Legislature**

Department: Budget and Finance
 Prog ID(s): BUF115
 Name of Fund: Interest Earned - Investment Pool (T-907)
 Legal Authority: Administratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized pool investments before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized investment pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the investment pool. Interest is allocated monthly by the investment pool system, to approx. 2,500 accounts.

Financial Data				
			FY 2018 (actual)	FY 2019 (actual)
Beginning Cash Balance			6,083,785	43,180,126
Revenues			70,555,727	117,574,097
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
JV monthly to transfer revenue from T-907 to agencies			(33,459,386)	(43,318,356)
Net Total Transfers			(33,459,386)	(43,318,356)
Ending Cash Balance			43,180,126	117,435,867
Encumbrances				
Unencumbered Cash Balance			43,180,126	117,435,867

**Report on Administratively Created Accounts and Funds
for Submittal to the 2020 Legislature**

Department: Budget and Finance
 Prog ID(s): BUF115
 Name of Fund: Interest Earned - Bond Investment Pool (T-908)
 Legal Authority: Administratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized Bond Investment Pool before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized Bond Investment Pool investments.

Current Program Activities/Allowable Expenses:

JVs are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the Bond pool. Interest is allocated monthly by the Bond Investment pool system.

Financial Data				
			FY 2018	FY 2019
			(actual)	(actual)
Beginning Cash Balance			603,586	5,311,147
Revenues			7,825,554	13,925,014
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
JV monthly to transfer revenue from T-908 to agencies			(3,117,994)	(4,161,839)
Net Total Transfers			(3,117,994)	(4,161,839)
Ending Cash Balance			5,311,147	15,074,322
Encumbrances				
Unencumbered Cash Balance			5,311,147	15,074,322

**Report on Administratively Created Accounts and Funds
for Submittal to the 2020 Legislature**

Department: Budget and Finance
 Prog ID(s): BUF 101
 Name of Fund: Temporary Deposits (T-809)
 Legal Authority: Administratively Established

Intended Purpose:

To hold temporary deposits related to vendor bids, performance bonds, salary overpayments, and various other administrative type temporary deposits.

Source of Revenues:

Temporary deposits from salary overpayments, performance bonds, vendor bids, and other administrative temporary deposits.

Current Program Activities/Allowable Expenses:

Financial Data				
			FY 2018	FY 2019
			(actual)	(actual)
Beginning Cash Balance			6,275	6,275
Revenues			0	0
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			6,275	6,275
Encumbrances				
Unencumbered Cash Balance			6,275	6,275