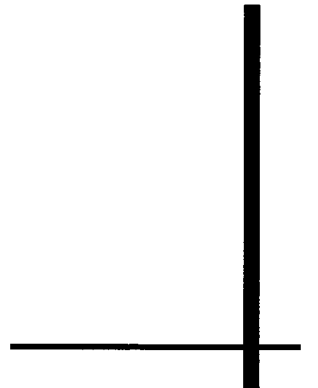
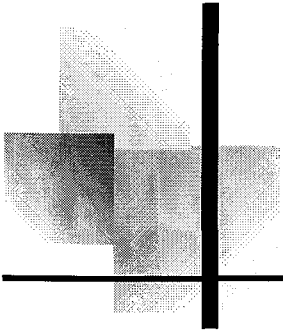
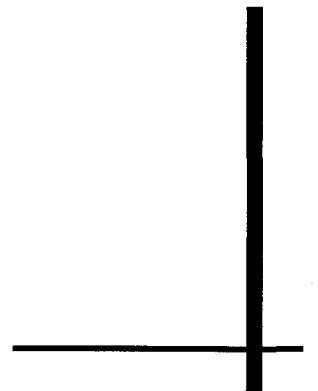


DETAILS OF VARIANCES





ECONOMIC DEVELOPMENT



	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	423.50	322.00	- 101.50	24	437.50	321.00	- 116.50	27	437.50	430.50	- 7.00	2
EXPENDITURES (\$1000's)	281,256	207,488	- 73,768	26	88,180	27,893	- 60,287	68	203,629	259,126	+ 55,497	27
TOTAL COSTS												
POSITIONS	423.50	322.00	- 101.50	24	437.50	321.00	- 116.50	27	437.50	430.50	- 7.00	2
EXPENDITURES (\$1000's)	281,256	207,488	- 73,768	26	88,180	27,893	- 60,287	68	203,629	259,126	+ 55,497	27
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. GROSS STATE PRODUCT (2005 CONSTANT \$ IN MILLIONS)	63317	62805	- 512	1	61072	61072	+ 0	0				
2. REAL PERSONAL INCOME (2000 CONSTANT \$ IN MILLIONS)	43201	44264	+ 1063	2	45105	45105	+ 0	0				
3. UNEMPLOYMENT RATE (% TENTHS)	5.0	5.2	+ 0.2	4	5.3	5.3	+ 0	0				
4. TOTAL EMPLOYMENT (THOUSANDS)	615	617	+ 2	0	623	623	+ 0	0				
5. GROSS STATE PRODUCT (CURRENT \$ IN MILLIONS)	73892	74235	+ 343	0	75184	75184	+ 0	0				
6. PERSONAL INCOME (CURRENT \$ IN MILLIONS)	60904	63207	+ 2303	4	66183	66183	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

PROGRAM TITLE: ECONOMIC DEVELOPMENT

01

PART I - EXPENDITURES AND POSITIONS

The variance in the position count is generally attributed to vacancies due to budget constraints, personnel turnovers, and pending recruitment and filling. The variance for expenditures is generally attributed to personnel expenditures being less than planned due to position vacancies. Details of the position and expenditure variances are best examined at the lowest program level.

PART II - MEASURES OF EFFECTIVENESS

See Lowest Level Programs for additional information.

STATE OF HAWAII
PROGRAM TITLE: BUSINESS DEVELOPMENT
PROGRAM-ID:
PROGRAM STRUCTURE NO: 0101

VARIANCE REPORT

REPORT V61
12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	61.00	52.00	- 9.00	15	62.00	53.00	- 9.00	15	62.00	62.00	+ 0.00	0
EXPENDITURES (\$1000's)	7,503	4,936	- 2,567	34	2,663	1,653	- 1,010	38	6,495	7,026	+ 531	8
TOTAL COSTS												
POSITIONS	61.00	52.00	- 9.00	15	62.00	53.00	- 9.00	15	62.00	62.00	+ 0.00	0
EXPENDITURES (\$1000's)	7,503	4,936	- 2,567	34	2,663	1,653	- 1,010	38	6,495	7,026	+ 531	8
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. ANNUAL PERCENTAGE INCREASE IN GROSS STATE PRODUCT	2.1	2.3	+ 0.2	10	2.5	2.5	+ 0	0				
2. NUMBER OF NEW JOBS CREATED PER ANNUM	7657	10850	+ 3193	42	10607	10607	+ 0	0				

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

PROGRAM TITLE: STRATEGIC MARKETING & SUPPORT
 PROGRAM-ID: BED-100
 PROGRAM STRUCTURE NO: 010101

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	10.00	8.00	- 2.00	20	10.00	8.00	- 2.00	20	10.00	10.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,906	1,255	- 1,651	57	1,024	549	- 475	46	2,749	2,749	+ 0	0
TOTAL COSTS												
POSITIONS	10.00	8.00	- 2.00	20	10.00	8.00	- 2.00	20	10.00	10.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,906	1,255	- 1,651	57	1,024	549	- 475	46	2,749	2,749	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % INCREASE IN EXPORTS DUE TO PROG PARTICIPATION	10	0	- 10	100	10	0	- 10	100				
2. \$ VALUE OF TOTAL/PROJ SALES-TRADE & EXPORT PROMO	5000000	1186600	- 3813400	76	5000000	5000000	+ 0	0				
3. # NEW FIRMS ENROLLED IN ENTERPRISE ZONE PROGRAM	20	16	- 4	20	20	20	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. # OF FIRMS ENROLLED IN ENTERPRIZE ZONE PROGRAM	20	16	- 4	20	20	20	+ 0	0				
2. #COMM-BASED ORGS, CO-OPS & SMALL BUS ASSISTED	200	650	+ 450	225	200	200	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. # INT'L BUSINESS DEVELOPMENT ACTIVITIES	50	37	- 13	26	50	35	- 15	30				
2. OUTREACH ACTIVITIES	10	29	+ 19	190	10	10	+ 0	0				
3. #FIRMS ASSISTED FOR PARTIC IN ENTERPRSE ZONES	300	398	+ 98	33	300	300	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 01 01
BED 100

PROGRAM TITLE: STRATEGIC MARKETING & SUPPORT

PART I - EXPENDITURES AND POSITIONS

Actual expenditures were less than the original budget primarily due to restrictions mandated by the Governor and savings due to vacancies. The position variance is due to the Secretary II incumbent having return rights to the position and the Business Development Manager position is currently in the process of being filled.

Expenditure variance due to ceiling amounts for Community-Based Economic Development (CBED) Revolving Loan and Disaster Loan Funds not being reached.

PART II - MEASURES OF EFFECTIVENESS

Item 1. No data. This is a new measurement; therefore, there is no baseline from which to measure a percentage increase for FY 2012-13.

Item 2. Increase due to a U.S. Small Business Administration (SBA) State Trade and Export Promotion (STEP) grant award which allowed the division to organize and participate in more trade events, resulting in more export sales for Hawaii companies. Note the actual number is 11,866,000 (system limited to 7 digits).

Item 3. Decrease due to the suspension of (general excise tax (GET) and Contractor/Sub-Contractor) exemptions (Act 105, SLH 2011), because many qualified companies chose to wait until the expiration of the Act on June 30, 2013 to apply.

PART III - PROGRAM TARGET GROUPS

Item 1. Decrease due to the suspension of (GET and Contractor/Sub-Contractor) exemptions (Act 105, SLH 2011) because many qualified companies chose to wait until the expiration of the Act on June 30, 2013 to apply.

Item 2. Increase due to expanding partnerships to include co-sponsorship of two Hawaii Small Business Fair events, and a American Reinvestment and Recovery Act of 2009 (ARRA) federal grant of \$250,000 to increase

capacity of Leeward Oahu non-profit organizations.

PART IV - PROGRAM ACTIVITIES

Item 1. Decrease due to a change in the definition of "international business activities" vs. "outreach activities." Some activities previously considered international business activities are considered outreach activities.

Item 2. Increase due to a change in the definition of "international business activities" vs. "outreach activities." Some activities previously considered international business activities are considered outreach activities.

Item 3. Increase due to expanding partnerships to include co-sponsorship of two Hawaii Small Business Fair events.

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 01 02
BED 105

PROGRAM TITLE: CREATIVE INDUSTRIES DIVISION

PART I - EXPENDITURES AND POSITIONS

POSITIONS FY 13: An Economic Development Specialist V is in active recruitment with an expected start date of January 31, 2014 and an Office Assistant III is in the process of being established and filled. Legislature only funded 6-months of position, so position is expected to be filled in 1st quarter of 2014.

POSITIONS FY 14: Position variances are due to the same as above. Also an Economic Development Specialist VI position was eliminated by the Legislature in 2013 session.

EXPENDITURES: Balance of \$419,000 reflects percentage of total grant-in-aid (GIA) for 442nd Regimental Combat Team Foundation Film Project. Awaiting approval from the Dept of Budget & Finance/Governor's Office to enter into a contract agreement.

PART II - MEASURES OF EFFECTIVENESS

Item 1. The higher actual is due to Hawaii's film industry having a record year in 2012.

Item 2. The higher actual is due to having higher direct expenditures from film productions.

Item 3. The higher tax revenue collected is due to having higher direct expenditures from film productions.

Item 4. The higher actual is due to the increased amount of projects which shot in Hawaii in 2012 and also applied for the Act 88 tax credit.

Item 5. The higher actual is due to having a number of larger productions (feature films and TV series) filming in Hawaii in 2012.

Item 7. This is a new measure.

PART III - PROGRAM TARGET GROUPS

Item 1. The actual is higher due to more projects applying for the tax credits.

Item 2. This is a new measure.

Item 3. This is a new measure.

PART IV - PROGRAM ACTIVITIES

Item 1. The higher actual is due to having more film/tv/commercial projects filming in Hawaii in 2012.

Item 3. The higher actual is due to implementing more educational events under the 2013 Creative Lab program than originally planned.

Item 5. This is a new measure.

Item 6. This is a new measure.

PROGRAM TITLE: FOREIGN TRADE ZONE
 PROGRAM-ID: BED-107
 PROGRAM STRUCTURE NO: 010103

12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	17.00	13.00	- 4.00	24	17.00	14.00	- 3.00	18	17.00	17.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,023	1,312	- 711	35	516	429	- 87	17	1,550	1,650	+ 100	6
TOTAL COSTS												
POSITIONS	17.00	13.00	- 4.00	24	17.00	14.00	- 3.00	18	17.00	17.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,023	1,312	- 711	35	516	429	- 87	17	1,550	1,650	+ 100	6
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. %VALUE INCR OF CARGO IN/OUT OF FTZ (EXCL SUBZONES)	3	10	+ 7	233	3	15	+ 12	400				
2. % INCR VALUE CARGO IN/OUT OF ALL SUBZONES	3	7	+ 4	133	3	15	+ 12	400				
3. % INCR IN VALUE OF CARGO IN/OUT OF PIER 2 FACIL	6	5.5	- 0.5	8	6	6	+ 0	0				
4. # OF NEW FIRMS USING FTZ PROGRAM	30	25	- 5	17	30	25	- 5	17				
5. % INCR IN VALUE OF EXPORTS FROM ALL FTZ FACILITIES	5	9	+ 4	80	5	9	+ 4	80				
6. INCR IN USERS' EMPLMT ATTRIB TO PARTIC IN FTZ PROG	60	NO DATA	- 60	100	60	60	+ 0	0				
7. SATIS RATING BY FTZ USERS (1-5 SCALE)	4	NO DATA	- 4	100	4	NO DATA	- 4	100				
8. YEARLY SPECIAL FUND BAL (TOT REV LESS TOT EXP)	0	0	+ 0	0	0	0	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. FIRMS USING FTZ PROGRAM (NO.)	250	247	- 3	1	250	250	+ 0	0				
2. COMPANIES THAT IMPORT/EXPORT DUTIABLE MERCHANDISE	500	500	+ 0	0	500	500	+ 0	0				
3. COMPANIES THAT MANUF USING DUTIABLE COMPONENTS	70	68	- 2	3	70	70	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. VALUE OF CARGO IN/OUT OF FTZ (EXCL SUBZONES) (MIL)	1750	2628	+ 878	50	1750	1750	+ 0	0				
2. VALUE OF CARGO IN/OUT OF SUBZONES (MIL)	7600	10752	+ 3152	41	7600	7600	+ 0	0				
3. VALUE OF CARGO IN/OUT OF PIER 2 FACILITY (MIL)	60	36	- 24	40	60	55	- 5	8				
4. VALUE OF CARGO HANDLD FOR DEPT OF HOMELAND SEC	0	0	+ 0	0	0	0	+ 0	0				
5. ADVERTISING/MARKETING EXPEND ZONE PROMOTION	75	65	- 10	13	75	75	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 01 03
BED 107

PROGRAM TITLE: FOREIGN TRADE ZONE

PART I - EXPENDITURES AND POSITIONS

The variance in expenditures in FY 13 was due to the program trying to constrain operational expenditures to maintain parity with program revenue.

PART II - MEASURES OF EFFECTIVENESS

Items 1. and 5. Variance was a result of the continuing increase of worldwide oil prices and a slight economic improvement in some sectors of the economy and not others.

Item 2. Variance was the direct result of increasing oil prices worldwide.

Item No. 4: The variance was due to the sustained uncertainty of the worldwide economy which directly impacted the number of companies utilizing the FTZ's resources and facilities during the reporting period.

Items 6. and 7. Data was not available from Foreign-Trade Programs statewide.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

Item 1. Variance is a direct result of an increase in the price in worldwide aircraft turbine fuel prices.

Item 2. Variance is a result of the continued increase in worldwide fuel prices.

Item 3. Variance is a result of the continuing uncertain economic conditions.

Item 5. Variance is due to the program reducing its marketing expenditures in an effort to maintain parity with program revenues.

PROGRAM TITLE: GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT
 PROGRAM-ID: BED-142
 PROGRAM STRUCTURE NO: 010104

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	23.00	22.00	- 1.00	4	24.00	23.00	- 1.00	4	24.00	24.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,595	1,457	- 138	9	405	376	- 29	7	1,262	1,274	+ 12	1
TOTAL COSTS												
POSITIONS	23.00	22.00	- 1.00	4	24.00	23.00	- 1.00	4	24.00	24.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,595	1,457	- 138	9	405	376	- 29	7	1,262	1,274	+ 12	1
					FISCAL YEAR 2012-13				FISCAL YEAR 2013-14			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. # OF PROCUREMENT VIOLATIONS					0	0	+ 0	0	0	0	+ 0	0
2. % ERROR-FREE SUMMARY WARRANT VOUCHERS PROCESSED					95	99	+ 4	4	95	95	+ 0	0
3. SERVER DOWNTIME AS % TOTAL OPERATIONAL TIME (<)					2.0	2.0	+ 0	0	2.0	2.0	+ 0	0
4. % DBEDT EMPLOYEES WORKING W/OUT FORMAL GRIEVANCE					98	98	+ 0	0	98	98	+ 0	0
PART III: PROGRAM TARGET GROUP												
1. NUMBER OF DBEDT POSNS (PERMANENT & TEMPORARY)					298	292	- 6	2	303	290	- 13	4
PART IV: PROGRAM ACTIVITY												
1. # OF REQUESTS FOR ALLOTMENT (A19) PREPARED					200	183	- 17	9	200	190	- 10	5
2. # OF IFBS & RFPS ADVERTISED OVER DELEGATED AMOUNT					5	5	+ 0	0	2	2	+ 0	0
3. # OF CONTRACTS EXECUTED OVER DELEGATED AMOUNT					50	5	- 45	90	50	5	- 45	90
4. # OF SUMMARY WARRANT VOUCHERS PROCESSED					1500	1034	- 466	31	1200	1100	- 100	8
5. # OF FORMAL GRIEVANCES FILED ANNUALLY					5	0	- 5	100	5	5	+ 0	0
6. # OF HR/PERSONNEL TRANSACTIONS PROCESSED ANNUALLY					2600	2600	+ 0	0	2600	2600	+ 0	0

**VARIANCE REPORT NARRATIVE
FY 2013 AND FY 2014**

PROGRAM TITLE: GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT

**01 01 04
BED 142**

PART I - EXPENDITURES AND POSITIONS

Actual expenditures were less than the original budget primarily due to restrictions mandated by the Governor and savings due to vacancies.

PART II - MEASURES OF EFFECTIVENESS

No significant variances.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

Item 3. The variance is due to an error in the planned amount which should have been 5 instead of 50.

Item 4. The decrease in vouchers processed was due to the increase in the amount of expenditures paid through the P-Card Program.

Item 5. The variance is due to over estimation of planned amount.

Item 6. No significant variances.

PROGRAM TITLE: TOURISM
PROGRAM-ID: BED-113
PROGRAM STRUCTURE NO: 0102

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	6.00	6.00	+ 0.00	0	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	141,074	110,893	- 30,181	21	35,290	7,307	- 27,983	79	105,872	133,855	+ 27,983	26
TOTAL COSTS												
POSITIONS	6.00	6.00	+ 0.00	0	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	141,074	110,893	- 30,181	21	35,290	7,307	- 27,983	79	105,872	133,855	+ 27,983	26
					FISCAL YEAR 2012-13				FISCAL YEAR 2013-14			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. TOTAL VISITOR EXPENDITURES (\$ BILLIONS)					12.6	14.4	+ 1.8	14	14.4	15.3	+ 0.9	6
2. TOTAL VISITOR DAYS (MILLIONS)					70.9	73.6	+ 2.7	4	75.4	77.5	+ 2.1	3
3. TOTAL VISITOR ARRIVALS (MILLIONS)					7.4	7.9	+ 0.5	7	8	8.4	+ 0.4	5
4. TOTAL SCHEDULED AIR SEATS (MILLIONS)					9.179	10.1	+ 0.921	10	9.986	10.7	+ 0.714	7
5. HAWAII CONVENTION CENTER ROOM NIGHTS					700000	356515	- 343485	49	480000	218500	- 261500	54
PART III: PROGRAM TARGET GROUP												
1. JAPANESE TRAVELERS TO THE US (MILLION)					3.71	3.7	- 0.01	0	3.7	3.8	+ 0.1	3
2. US AIR TRAFFIC TO OVERSEAS REGIONS (MILLIONS)					38.84	37.8	- 1.04	3	37.32	37.8	+ 0.48	1
PART IV: PROGRAM ACTIVITY												
1. # SPORTING EVENTS ACTUALLY FUNDED					26	16	- 10	38	21	19	- 2	10
2. # PRODUCT ENRICHMT PROJECTS ACTUALLY FUNDED					125	116	- 9	7	103	123	+ 20	19
3. # OF HAWAIIAN AND MAJOR FESTIVALS ACTUALLY FUNDED					15	12	- 3	20	12	13	+ 1	8
4. # SPEECHES/PRESENTATIONS TO TOURISM STAKEHOLDERS					50	92	+ 42	84	55	92	+ 37	67
5. # OF TOURISM RESEARCH PUBLICATIONS ISSUED					364	375	+ 11	3	362	375	+ 13	4
6. NATURAL RESOURCES PROJECTS FUNDED (\$MILLIONS)					3	2	- 1	33	2	1	- 1	50
7. MAJOR MARKETING CONTRACTORS FUNDED (\$MILLIONS)					52	44	- 8	15	43	54	+ 11	26
8. # OF LIVING HAWAIIAN CULTURAL PROGRAMS					30	8	- 22	73	15	13	- 2	13

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 02
BED 113

PROGRAM TITLE: TOURISM

PART I - EXPENDITURES AND POSITIONS

Expenditure of funds is primarily limited to the amount of Transient Accommodations Tax (TAT) and Convention Center revenue collected. TAT revenue to Hawaii Tourism Authority (HTA) was capped at \$104 M in FY 2013 (pursuant to Act 171, SLH 2012) and \$115 M in FY 2014 (pursuant to Act 161, SLH 2013).

PART II - MEASURES OF EFFECTIVENESS

Items 1-4. Variances are largely positive and reflect the continued momentum of the Hawai'i tourism industry.

Item 5. The 700,000 room night Convention Center figure was not a practical figure, was based on an old measurement formula and reduced for the FY 14 planned figure. During calendar year 2013, we revised the method for measuring room nights. The FY 14 estimated figure uses the revised method of measurement and is not comparable to the planned figure.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

Items 1-3 and 8. The number of program activities generally reflect an effort to fund more quality projects and less projects at smaller amounts than initially planned. Program variances also reflect a reallocation of categorization (such as reallocating certain sports programs to product enrichment). The estimated FY 14 increase in product enrichment projects reflects an increase in natural resource projects.

Item 4. Planned numbers did not reflect the number of stakeholder meetings held.

Item 6. Planned number for FY 13 was an overestimate. The decrease from the FY 14 planned to estimated number is made pursuant to Act

161, SLH 2013. Act 161, SLH 2013 removes \$1 M of TAT funds allocated through HTA to the DLNR; and in its place allocates \$3 M of TAT deposited into the general fund to be spent by Department of Land and Natural Resources (DLNR) upon the mutual agreement of the Board of Land and Natural Resources and the Board of the HTA in accordance with the HTA strategic plan.

Item 7. Planned number for FY 13 included Access funding, whereas the actual amount does not. Both excluding or including funding for Access programs from planned and actual would result in a comparable amount. The variance in FY 14's estimate results from an increase in budget to support major market programs through the recognition of market opportunities and the meetings, conventions and incentives market.

STATE OF HAWAII
PROGRAM TITLE: AGRICULTURE
PROGRAM-ID:
PROGRAM STRUCTURE NO: 0103

VARIANCE REPORT

REPORT V61
12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	295.00	218.00	- 77.00	26	309.00	217.00	- 92.00	30	309.00	309.00	+ 0.00	0
EXPENDITURES (\$1000's)	44,004	33,485	- 10,519	24	13,007	13,129	+ 122	1	39,020	38,898	- 122	0
TOTAL COSTS												
POSITIONS	295.00	218.00	- 77.00	26	309.00	217.00	- 92.00	30	309.00	309.00	+ 0.00	0
EXPENDITURES (\$1000's)	44,004	33,485	- 10,519	24	13,007	13,129	+ 122	1	39,020	38,898	- 122	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. TOTAL AGR FARM VALUE/OTHR FARM REL ACTIVITIES (\$M)	686.0	NO DATA	- 686	100	686.0	NO DATA	- 686	100				
2. # INTERCEPTED INSECT SPECIES NOT OCCURRING IN HI	455	637	+ 182	40	455	455	+ 0	0				
3. % OF AG PARK & NON-AG PARK LANDS IN PRODUCTIVE USE	88	87	- 1	1	75	88	+ 13	17				

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

PROGRAM TITLE: FINANCIAL ASSISTANCE FOR AGRICULTURE
 PROGRAM-ID: AGR-101
 PROGRAM STRUCTURE NO: 010301

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	9.00	8.00	- 1.00	11	9.00	8.00	- 1.00	11	9.00	9.00	+ 0.00	0
EXPENDITURES (\$1000's)	6,065	4,283	- 1,782	29	1,835	1,835	+ 0	0	5,505	5,505	+ 0	0
TOTAL COSTS												
POSITIONS	9.00	8.00	- 1.00	11	9.00	8.00	- 1.00	11	9.00	9.00	+ 0.00	0
EXPENDITURES (\$1000's)	6,065	4,283	- 1,782	29	1,835	1,835	+ 0	0	5,505	5,505	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. NUMBER OF LOANS APPROVED	25	20	- 5	20	25	25	+ 0	0	25	25	+ 0	0
2. TOTAL DOLLAR AMOUNT OF LOANS APPROVED (000'S)	4500	3600	- 900	20	4500	4500	+ 0	0	4500	4500	+ 0	0
3. ANNUAL ACREAGE CULTIVATED BY BORROWERS	45000	40345	- 4655	10	45000	45000	+ 0	0	45000	45000	+ 0	0
4. AMT OF EMPLOYEES OR LABORERS UTILIZED BY BORROWER	1250	1415	+ 165	13	1250	1250	+ 0	0	1250	1250	+ 0	0
5. AMT OF AG OR AQUA FIN PROVIDED BY OTHR CRED SOURCS	1000	0	- 1000	100	1000	1000	+ 0	0	1000	1000	+ 0	0
PART III: PROGRAM TARGET GROUP												
1. POTENTIAL QUALIFIED FARMERS/NEW FARMERS	7500	7500	+ 0	0	7500	7500	+ 0	0	7500	7500	+ 0	0
2. POTENTIAL QUALIFIED AQUACULTURISTS	70	70	+ 0	0	70	70	+ 0	0	70	70	+ 0	0
3. AGRICULTURE/AQUACULTURE COOPERATIVES	25	25	+ 0	0	25	25	+ 0	0	25	25	+ 0	0
4. COMMERCIAL BANKS	5	5	+ 0	0	5	5	+ 0	0	5	5	+ 0	0
PART IV: PROGRAM ACTIVITY												
1. NUMBER OF PUBLIC RELATIONS CONTACTS	75	26	- 49	65	75	70	- 5	7	75	70	- 5	7
2. NO. OF SERVICING CONTACTS WITH EXISTING BORROWERS	750	521	- 229	31	750	700	- 50	7	750	700	- 50	7
3. NUMBER OF LOAN INQUIRIES RECEIVED BY THE DIVISION	175	110	- 65	37	175	175	+ 0	0	175	175	+ 0	0
4. AMOUNT COLLECTED BY PROGRAM (000'S)	2.25	1.89	- 0.36	16	2.25	2.25	+ 0	0	2.25	2.25	+ 0	0

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 03 01
AGR 101

PROGRAM TITLE: FINANCIAL ASSISTANCE FOR AGRICULTURE

PART I - EXPENDITURES AND POSITIONS

Variances in FY 13 expenditures were due to position vacancies and the lower dollar amount in loans granted.

PART II - MEASURES OF EFFECTIVENESS

Item 1- Number of Loans Approved: The number of loans approved was below the planned total by 13% or by 3 loans. The continuing slow economic recovery is affecting the number of loans approved.

Item 2- Total Dollar of Loans Approved: The dollar amount of loans approved was below the planned amount by 20% and the decrease is related to the number of loans approved.

Item 4- Amount of Employees or Laborers Utilized by Borrowers: Farm employees exceeded the planned amount by 165 employees or 13% more than the planned amount of 1000 employees. The increase is attributed to the increased number of loans in the portfolio.

Item 3- The decline in acreage may be due to a decreased demand for certain products which led farmers to fallow their less productive lands.

Item 5- Amount of Agriculture or Aquaculture Financing Provided by Other Credit Sources: The amount of financing provided by other credit sources in cooperation with the State Agricultural loan program continues to be a challenge due to reluctance on the part of commercial lenders to fund agricultural and aquacultural operations.

PART III - PROGRAM TARGET GROUPS

No Significant Variances.

PART IV - PROGRAM ACTIVITIES

Item 1- Number of Public Relations Contacts: The number of public relations contacts is well below the planned amount of 75 contacts. The main reason for the decline is the lack of available personnel to conduct

outreach. The Division had 2 vacant loan officer positions leaving the four remaining loan officer positions to complete all of the required loan functions and servicing.

Item 2- No. of Servicing Contacts with Existing Borrowers: The number of servicing contacts with existing borrowers was below the planned amount. The number of contacts averaged out to slightly above three contacts per borrower which meets the two field visits procedurally required. The Division is aware that all of the servicing contacts are not being accounted for and is planning to revise its computer system.

Item 3- Number of Loan Inquiries Received by the Division: The number of loan inquiries were lower by 65 contacts or by 37% from the planned amount. The number of inquiries appears to be affected by the still recovering economy.

Item 4- Amount Collected by the Program: The program collected \$1.89 million which was 16% below the planned amount. The slow economy causing slow payments as well as lower interest rates resulted in the lower collections.

VARIANCE REPORT

PROGRAM TITLE: PRODCVTY IMPRVMT & MGT ASSTNCE FOR AGR
PROGRAM-ID:
PROGRAM STRUCTURE NO: 010302

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	180.00	124.00	- 56.00	31	184.00	127.00	- 57.00	31	184.00	184.00	+ 0.00	0
EXPENDITURES (\$1000's)	20,480	12,941	- 7,539	37	5,164	5,164	+ 0	0	15,492	15,492	+ 0	0
TOTAL COSTS												
POSITIONS	180.00	124.00	- 56.00	31	184.00	127.00	- 57.00	31	184.00	184.00	+ 0.00	0
EXPENDITURES (\$1000's)	20,480	12,941	- 7,539	37	5,164	5,164	+ 0	0	15,492	15,492	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % OF TTL PARCELS INSP INTERCEPTED AS PROHIB/RESTRI	.002	.003	+ 0.001	50	.0025	.0025	+ 0	0				
2. # INTERCEPTED INSECT SPECIES NOT OCCURRING IN HI	455	637	+ 182	40	455	455	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

PROGRAM TITLE: PRODCVTY IMPRVMT & MGT ASSTNCE FOR AGR

01 03 02

PART I - EXPENDITURES AND POSITIONS

The variance in the position count is generally attributed to vacancies due to budget constraints, personnel turnovers, and pending recruitment and filling. The variance for expenditures is generally attributed to personnel expenditures being less than planned due to position vacancies. Details of the position and expenditure variances are best examined at the lowest program level.

PART II - MEASURES OF EFFECTIVENESS

See Lowest Level Programs for additional information.

PROGRAM TITLE: PLANT PEST AND DISEASE CONTROL
PROGRAM-ID: AGR-122
PROGRAM STRUCTURE NO: 01030201

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	130.00	84.00	- 46.00	35	129.00	85.00	- 44.00	34	129.00	129.00	+ 0.00	0
EXPENDITURES (\$1000's)	15,473	8,668	- 6,805	44	3,835	3,835	+ 0	0	11,504	11,504	+ 0	0
TOTAL COSTS												
POSITIONS	130.00	84.00	- 46.00	35	129.00	85.00	- 44.00	34	129.00	129.00	+ 0.00	0
EXPENDITURES (\$1000's)	15,473	8,668	- 6,805	44	3,835	3,835	+ 0	0	11,504	11,504	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % TTL PARCELS INSP INTERCEPTED AS PROHIB/RESTRICT	.002	.003	+ 0.001	50	.003	.003	+ 0	0				
2. NUMBER OF INSECT INTERCEPTIONS	2086	2475	+ 389	19	2130	2130	+ 0	0				
3. # INTERCEPTED INSECT SPECIES NOT OCCURRING IN HI	455	637	+ 182	40	455	455	+ 0	0				
4. # OF PROHIBITED ANIMALS INTERCEPTED OR CONFISCATED	350	2879	+ 2529	723	450	450	+ 0	0				
5. % OF CHEM/MECH CNTRL PROJ UNDER HI LEVEL OF CNTRL	20	20	+ 0	0	20	20	+ 0	0				
6. % BIO CONTROL PROJECTS UNDER A HIGH LEVEL OF CNTRL	75	75	+ 0	0	75	75	+ 0	0				
7. COMPLIANCE RATE CERT NURS & PT OF ORIGIN EXP INSP	42	694	+ 652	1552	44	44	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. NUMBER OF AIRCRAFT AND SHIP ARRIVALS (THOUSANDS)	42.586	46	+ 3.414	8	43.437	43.437	+ 0	0				
2. NUMBER PASSENGER ARRIVALS BY AIR AND SEA (THOUS)	6195.5	6680	+ 484.5	8	6319.4	6319	- 0.4	0				
3. NO. OF REGULATED BAGGAGE, CARGO AND MAIL (THOUS)	8000	7838	- 162	2	8000	8000	+ 0	0				
4. NUMBER OF IMPORT PERMIT REQUESTS	949	1111	+ 162	17	950	950	+ 0	0				
5. NUMBER OF SITES REQUIRING POST-ENTRY INSPECTIONS	1275	127	- 1148	90	1300	1300	+ 0	0				
6. NUMBER OF CERTIFIED NURSERIES	300	206	- 94	31	300	300	+ 0	0				
7. NUMBER OF NEW NOXIOUS WEED INFESTATIONS	1	3	+ 2	200	1	1	+ 0	0				
8. NUMBER OF WIDESPREAD NOXIOUS WEED INFESTATIONS	40	40	+ 0	0	40	40	+ 0	0				
9. NO. OF NEW INFESTATIONS OF INSECTS AND OTHER PESTS	10	24	+ 14	140	10	10	+ 0	0				
10. NO. OF WIDESPREAD INFEST OF INSECTS AND OTHER PEST	5	5	+ 0	0	5	5	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. NUMBER OF AIRCRAFT AND SHIPS MONITORED (THOUSANDS)	42.586	20	- 22.586	53	43.437	43.437	+ 0	0				
2. NUMBER OF AIR AND SEA PASSENGERS MONITORED (THOUS)	6815	3000	- 3815	56	6952	6952	+ 0	0				
3. NO. OF BAGGAGE, CARGO, AND MAIL INSPECTED (THOUS)	8000	7838	- 162	2	8000	8000	+ 0	0				
4. NUMBER OF POST-ENTRY INSPECTIONS CONDUCTED	950	1159	+ 209	22	950	950	+ 0	0				
5. NUMBER OF CERTIFIED NURSERY INSPECTIONS	460	344	- 116	25	460	460	+ 0	0				
6. NUMBER OF CHEM/MECH CNTRL AND ERADICATION PROJECTS	5	5	+ 0	0	5	5	+ 0	0				
7. BIOLOGICAL CONTROL OF PEST SPECIES (# OF PROJECTS)	8	11	+ 3	38	8	8	+ 0	0				
8. SEED TEST AND ANALYSIS (NUMBER OF LOTS)	250	56	- 194	78	250	250	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 03 02 01
AGR 122

PROGRAM TITLE: PLANT PEST AND DISEASE CONTROL

PART I - EXPENDITURES AND POSITIONS

Variances were due to position vacancies and less than expected special and federal fund expenditures.

PART II - MEASURES OF EFFECTIVENESS

Item 1 - Increased due to influx of federal funds for increased inspections at ports-of-entry allowing for inspection beyond scheduled hours of operation and more intensive inspection of cargo.

Item 2 - Insect interceptions increased due to increased inspection at ports-of-entry.

Item 3 - Amount of Not Known to Occur (NKO) interceptions increased due to increased inspections at ports-of-entry.

Item 4 - Amount of prohibited animal intercepted increased at the ports-of-entry and more were confiscated beyond the ports.

Item 7 - Increased due to influx of federal funds for the certified nursery program.

PART III - PROGRAM TARGET GROUPS

Item 4 - Increased because of increased demand for imports into the State.

Item 5 - Decreased because of decreased amount of import permits for restricted commodities.

Item 6 - Decreased because nursery owners are retiring or leaving the business at a faster rate than new nursery operations are starting.

Item 7 - Three new weeds have been detected: Siam weed, West Indian Woodnettle, Pilea hyaline.

Item 9 - Increased surveillance for plant diseases has led to an increase in detections. The new diseases detected are primarily not of agricultural or environmental importance. The number of new pests of significance remains low.

PART IV - PROGRAM ACTIVITIES

Item 1,2 - Without influx of federal funds that allows for inspection beyond scheduled hours of operation, actual number of monitored aircraft and ships is half of what comes in.

Item 4 - Increased because of increased demand for imports into the State.

Item 5 - Increased due to influx of federal funds for the certified nursery program.

Item 7 - The number of projects has increased despite no change in the level of staffing as additional pests have been targeted for foreign exploration and the number of release projects has increased.

Item 8 - Number of tests conducted has decreased due to a decrease in the number of requests for testing. It is unknown why the number of seed test requests has decreased.

VARIANCE REPORT

PROGRAM TITLE: ANIMAL PEST AND DISEASE CONTROL

PROGRAM-ID:

PROGRAM STRUCTURE NO: 01030202

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	50.00	40.00	- 10.00	20	55.00	42.00	- 13.00	24	55.00	55.00	+ 0.00	0
EXPENDITURES (\$1000's)	5,007	4,273	- 734	15	1,329	1,329	+ 0	0	3,988	3,988	+ 0	0
TOTAL COSTS												
POSITIONS	50.00	40.00	- 10.00	20	55.00	42.00	- 13.00	24	55.00	55.00	+ 0.00	0
EXPENDITURES (\$1000's)	5,007	4,273	- 734	15	1,329	1,329	+ 0	0	3,988	3,988	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. NUMBER OF RABIES CASES IN THE COMMUNITY	0	0	+ 0	0	0	0	+ 0	0	0	0	+ 0	0
2. NO. OF DISEASE-FREE STATUS OBTAINED & MAINTAINED	4	18	+ 14	350	5	18	+ 13	260				
3. NO.OF DISEASE CNTRL PROG W/ PUBLIC HEALTH IMPACT	6	6	+ 0	0	6	6	+ 0	0				

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII
PROGRAM TITLE: RABIES QUARANTINE
PROGRAM-ID: AGR-131
PROGRAM STRUCTURE NO: 0103020201

VARIANCE REPORT

REPORT V61
12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	36.32	28.07	- 8.25	23	36.32	30.07	- 6.25	17	36.32	36.32	+ 0.00	0
EXPENDITURES (\$1000's)	3,209	2,797	- 412	13	820	820	+ 0	0	2,462	2,462	+ 0	0
TOTAL COSTS												
POSITIONS	36.32	28.07	- 8.25	23	36.32	30.07	- 6.25	17	36.32	36.32	+ 0.00	0
EXPENDITURES (\$1000's)	3,209	2,797	- 412	13	820	820	+ 0	0	2,462	2,462	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. NUMBER OF RABIES CASES IN THE COMMUNITY	0	0	+ 0	0	0	0	+ 0	0	0	0	+ 0	0
2. NUMBER OF ALIEN PESTS DETECTED	1	0	- 1	100	1	1	+ 0	0	1	1	+ 0	0
PART III: PROGRAM TARGET GROUP												
1. DOGS AND CATS QUARANTINED	1600	1562	- 38	2	1600	1600	+ 0	0	1600	1600	+ 0	0
2. POPULATION OF HAWAII	1361000	1374800	+ 13800	1	1361000	1380000	+ 19000	1	1361000	1380000	+ 19000	1
PART IV: PROGRAM ACTIVITY												
1. NUMBER OF DOGS AND CATS QUARANTINED - 120 DAYS	600	409	- 191	32	600	500	- 100	17	600	500	- 100	17
2. NO. OF DOGS & CATS QUARANTINED- LESS THAN 120 DAYS	1000	1153	+ 153	15	1000	1155	+ 155	16	1000	1155	+ 155	16
3. NO. QUAL DOGS & CATS RELEASD AFTER INSP UPON ARRVL	10000	12170	+ 2170	22	10000	12400	+ 2400	24	10000	12400	+ 2400	24
4. NUMBER OF DOGS AND CATS QUARANTINED - TRANSIT	320	187	- 133	42	320	300	- 20	6	320	300	- 20	6
5. NO. OF SATELLITE & APPROVED VET FACILITY MONITORED	33	34	+ 1	3	33	34	+ 1	3	33	34	+ 1	3
6. NO. OF DOGS & CATS SAMPLED FOR EXTERNAL PARASITES	2	1	- 1	50	2	2	+ 0	0	2	2	+ 0	0
7. NO. OF DOGS & CATS SAMPLED FOR INTERNAL PARASITES	2300	761	- 1539	67	2300	800	- 1500	65	2300	800	- 1500	65
8. NO. SVC DOGS & ELIGIBLE GUIDE DOG ENTRIES PROCESSED	280	718	+ 438	156	280	800	+ 510	176	280	800	+ 510	176

**VARIANCE REPORT NARRATIVE
FY 2013 AND FY 2014**

01 03 02 02 01
AGR 131

PROGRAM TITLE: RABIES QUARANTINE

PART I - EXPENDITURES AND POSITIONS

Variances in expenditures due to vacancies.

PART II - MEASURES OF EFFECTIVENESS

Item 2 - No exotic parasites were discovered during inspection.

PART III - PROGRAM TARGET GROUPS

Item 1 - Increased amount of animals qualifying for direct airport release
decreases amount of animals requiring quarantine.

PART IV - PROGRAM ACTIVITIES

Item 1 - Increased amount of animals qualifying for direct airport release
decreases amount of animals requiring quarantine.

Items 2,3 - Increase due to overall increase of animals entering State.

Item 4 - Reason for decrease not identified.

Items 6,7 - The decrease in the proportion of dogs and cats requiring
quarantine results in lower program activity values.

Item 8 - Increased due to changes in federal service animal definition.

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 03 02 02 02
AGR 132

PROGRAM TITLE: ANIMAL DISEASE CONTROL

PART I - EXPENDITURES AND POSITIONS

Variances in expenditures were due to vacancies and less than expected expenditures.

PART II - MEASURES OF EFFECTIVENESS

Item 1 - Variance due to addition of disease-free status animals.

PART III - PROGRAM TARGET GROUPS

Item 1 - Variance due to an increase in the number of cattle, sheep and goat producers detected by the last Agriculture census.

PART IV - PROGRAM ACTIVITIES

Item 1 - Variance is due to the reduction in market goats imported into the State.

Item 3 - Variance is due to an increase of pet dogs and cats entering the State. Stronger economic trend expected to keep this trend in place for FY 14.

Item 5 - Variance is the result of the discontinuation of testing cows and bulls at slaughter for brucellosis. The discontinuation of testing at Hawaii plants is due to a federal reorganization of the surveillance program resulting in testing being conducted only at large cull slaughter plants on the Mainland. This change in the surveillance program will reduce testing in Hawaii for FY14 and onward.

Item 6 - Variance is due to the increased number of investigations conducted on imported market hogs with lesions resembling foreign animal disease (FAD). A non-FAD disease called Seneca Valley virus was detected in all cases. Certain pre-arrival and post-arrival measures were put into place to preclude future outbreaks.

Item 7 - Variance is the result of the discontinuation of testing cows and bulls at slaughter for brucellosis. The discontinuation of testing at Hawaii plants is due to a federal reorganization of the surveillance program resulting in testing being conducted only at large cull slaughter plants on the Mainland. This change in the surveillance program will reduce testing in Hawaii for FY14 and onward.

Item 10 - The variance is due to the increase in shrimp exports. The strong export market for disease free Hawaii shrimp is expected to continue in FY 14 and onward.

VARIANCE REPORT

PROGRAM TITLE: PRODUCT DEVELOPMENT AND MARKETING FOR AGR

PROGRAM-ID:

PROGRAM STRUCTURE NO: 010303

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	50.00	38.00	- 12.00	24	52.00	41.00	- 11.00	21	52.00	52.00	+ 0.00	0
EXPENDITURES (\$1000's)	8,624	8,639	+ 15	0	3,425	3,547	+ 122	4	10,274	10,152	- 122	1
TOTAL COSTS												
POSITIONS	50.00	38.00	- 12.00	24	52.00	41.00	- 11.00	21	52.00	52.00	+ 0.00	0
EXPENDITURES (\$1000's)	8,624	8,639	+ 15	0	3,425	3,547	+ 122	4	10,274	10,152	- 122	1
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. PERCENTAGE OF REQUESTS FOR INFORMATION FULFILLED	99	NO DATA	- 99	100	100	NO DATA	- 100	100	100	NO DATA	- 100	100
2. RETURN ON INVESTMENT RATE ON TRADE SHOWS	15	NO DATA	- 15	100	15	NO DATA	- 15	100	15	NO DATA	- 15	100
3. NUMBER OF TRADE LEADS GENERATED	400	NO DATA	- 400	100	400	NO DATA	- 400	100	400	NO DATA	- 400	100

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

PROGRAM TITLE: FORESTRY RESOURCE MANAGEMENT & DEVELOPMENT
 PROGRAM-ID: LNR-172
 PROGRAM STRUCTURE NO: 01030301

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	19.00	14.00	- 5.00	26	19.00	17.00	- 2.00	11	19.00	19.00	+ 0.00	0
EXPENDITURES (\$1000's)	5,140	6,564	+ 1,424	28	2,371	2,493	+ 122	5	7,113	6,991	- 122	2
TOTAL COSTS												
POSITIONS	19.00	14.00	- 5.00	26	19.00	17.00	- 2.00	11	19.00	19.00	+ 0.00	0
EXPENDITURES (\$1000's)	5,140	6,564	+ 1,424	28	2,371	2,493	+ 122	5	7,113	6,991	- 122	2
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % SEEDLINGS DISTRIBUTED OR SOLD COMPARED TO GOAL	100	100	+ 0	0	100	100	+ 0	0				
2. % ACRES TREE PLANTING/REFORSTTN COMPARED TO GOAL	100	100	+ 0	0	100	125	+ 25	25				
3. % BOARD FEET TIMBER HARVESTED COMP TO GOAL	100	100	+ 0	0	100	125	+ 25	25				
4. % LNDOWNRS/ORGS/COMM ASSISTED COMPARED TO GOAL	100	100	+ 0	0	100	100	+ 0	0				
5. % FUNDS LEVERAGED COMPARED TO GOAL	100	120	+ 20	20	100	100	+ 0	0				
6. % ACRES ACQ/SECURD FOR CONSERVTN COMPRD TO GOAL	100	100	+ 0	0	100	100	+ 0	0				
7. % DEPTL LANDS UNDR COMM TIMBER MGMT COMP TO GOAL	100	100	+ 0	0	100	200	+ 100	100				
PART III: PROGRAM TARGET GROUP												
1. FOREST PRODC T PROCESSRS, RELTD BUSNRS/INVSTRS (#)	150	150	+ 0	0	150	150	+ 0	0				
2. FOREST AND OTHER LANDOWNERS (NUMBER)	50	50	+ 0	0	50	50	+ 0	0				
3. WATERSHED PARTNERS (NUMBER)	50	50	+ 0	0	50	50	+ 0	0				
4. COMMUNITY VOLUNTEER ORGANIZATIONS (NUMBER)	100	100	+ 0	0	100	100	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. PRODUCE & DISTRIBUTE OR SELL 60,000 TREE SEEDLINGS	60000	60000	+ 0	0	60000	60000	+ 0	0				
2. PLANT OR REFOREST 150 ACRES OF DEPARTMENTAL LANDS	150	150	+ 0	0	150	300	+ 150	100				
3. PRMOT E HARVST 50,000 BD FT OF TIMBER FRM DEPTL LND	100000	100000	+ 0	0	100000	300000	+ 200000	200				
4. PROVDE TECH FORSTRY ASSIST TO LNDOWNRS/ORG/COMM	1000	1000	+ 0	0	1000	1000	+ 0	0				
5. LEVERAGE ADDL FUNDS/ASSOC SVCS (\$2MIL) THRU PRGM	2	2	+ 0	0	2	2	+ 0	0				
6. ACQUIRE/SECURE 2,000 ACRES ADDTN TO FOREST RES SYS	2000	2000	+ 0	0	2000	2000	+ 0	0				
7. PLACE 6,000 ACRES DEPTL LNDS UNDER COMM TIMBR MGT	6000	0	- 6000	100	6000	10600	+ 4600	77				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

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PROGRAM TITLE: FORESTRY RESOURCE MANAGEMENT & DEVELOPMENT

PART I - EXPENDITURES AND POSITIONS

FY 13: The number of positions filled was less than budgeted due to vacancies attributed to resignations, attritions, and retirements. Expenditures were less than budgeted due to vacancy savings.

FY 14: The vacancies were caused by retirements, promotions, or attrition. The Division expects to fill the vacancies by 6/30/2014, pending Governor and Departmental approval.

PART II - MEASURES OF EFFECTIVENESS

Item 2: FY 14 - % of acres of tree planting/reforestation is expected to increase due to the Emergency Proclamation for the Kauai fires reforestation effort.

Item 3: FY 14 - % of board feet of timber harvested is expected to increase due to Kauai fires reforestation effort and Waiakea timber area on Hawaii Island harvests expected to start in mid-2014.

Item 5: FY 13 - An abundance of Federal dollars were leveraged from the Forest Service's Forest Legacy Program for two conservation easement acquisition projects on Hawaii Island.

Item 7: FY 14 - % of Department lands under commercial timber management is expected to increase due to the Emergency Proclamation for the Kauai fires reforestation effort and the Waiakea timber (10,000 ares) contract expected to start in mid-2014.

PART III - PROGRAM TARGET GROUPS

There are no major changes to the indicators in this section to report at this time.

PART IV - PROGRAM ACTIVITIES

Item 2: FY 14 - Planting/reforestation is expected to increase due to the Emergency Proclamation for the Kauai fires reforestation and the Waiakea timber projects.

Item 3: FY 14 - Promotion of timber harvesting is expected to increase due to the Emergency Proclamation for the Kauai fires reforestation and the Waiakea timber projects.

Item 7: FY 14 - Placing 6,000 acres under commercial timber management is expected to increase due to the Emergency Proclamation for the Kauai fires reforestation effort and the Waiakea timber contract expected to start in mid-2014.

PROGRAM TITLE: QUALITY AND PRICE ASSURANCE
 PROGRAM-ID: AGR-151
 PROGRAM STRUCTURE NO: 01030302

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	19.00	16.00	- 3.00	16	19.00	16.00	- 3.00	16	19.00	19.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,307	1,286	- 1,021	44	612	612	+ 0	0	1,836	1,836	+ 0	0
TOTAL COSTS												
POSITIONS	19.00	16.00	- 3.00	16	19.00	16.00	- 3.00	16	19.00	19.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,307	1,286	- 1,021	44	612	612	+ 0	0	1,836	1,836	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % OF ENFORCEMENT INSP THAT COMPLY W/ LAWS AND RULE	99	75	- 24	24	99	95	- 4	4				
2. % CERTIFICATION REQUESTS FULFILLED	100	100	+ 0	0	100	100	+ 0	0				
3. AVERAGE TURN AROUND TIME IN DAYS FOR COFFEE CERT	5	3	- 2	40	5	3	- 2	40				
4. % OF MIN CLASS ONE MILK PRICE RECEIVED BY PRODUCER	100	100	+ 0	0	100	100	+ 0	0				
5. % OF AUDITED FARMS COMPLYING W/ GOOD AG PRACTICES	95	95	+ 0	0	95	95	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. PRODUCERS AND PROCESSORS OF AGRICULTURAL PRODUCTS	5500	5500	+ 0	0	5500	5500	+ 0	0				
2. WHOLESALERS AND RETAILERS OF AGRICULTURAL PRODUCTS	540	514	- 26	5	540	540	+ 0	0				
3. PRODUCERS, PROD-DISTRIB & DISTRIBUTORS OF MILK	1000	26	- 974	97	1000	26	- 974	97				
4. PRODUCERS AND DISTRIBUTORS OF ANIMAL FEED PRODUCTS	20	17	- 3	15	20	17	- 3	15				
PART IV: PROGRAM ACTIVITY												
1. # OF CERT ISSUED FOR GRADE AND COND OF AG COMM	1500	1278	- 222	15	1500	900	- 600	40				
2. # OF LOTS OF AG COMM INSP FOR COMP W/ LAWS & RULES	11000	163	- 10837	99	1100	1200	+ 100	9				
3. NUMBER OF DEALERS IN AG PRODUCTS LICENSED	800	939	+ 139	17	800	950	+ 150	19				
4. # PRODUCERS, PROD-DIST, AND DIST OF MILK LICENSED	24	26	+ 2	8	24	24	+ 0	0				
5. NUMBER OF MONTHLY MILK PAYROLLS CALCULATED	24	24	+ 0	0	24	24	+ 0	0				
6. # OF TIMES MIN PRICE TO MILK PRODUCERS IS ADJUSTED	12	12	+ 0	0	12	12	+ 0	0				
7. # OF HRS EDUC SESSIONS TO IMP COMP W/ LAWS & RULE	10	10	+ 0	0	10	10	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

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PROGRAM TITLE: QUALITY AND PRICE ASSURANCE

PART I - EXPENDITURES AND POSITIONS

Variances due to position vacancies and less than expected revolving and federal fund expenditures.

PART II - MEASURES OF EFFECTIVENESS

Item 1 - Increased staffing led to an increase in enforcement activities and detection of non-compliance.

Item 3 - Increased staffing decreased coffee certification turn-around time.

PART III - PROGRAM TARGET GROUPS

Item 3 - Numbers within this target group over estimated.

Item 4 - Decrease due to closures of animal feed businesses and the decline of the livestock industry.

PART IV - PROGRAM ACTIVITIES

Item 1 - Decreased number of certificates requested by applicants.

Item 2 - Decreased number of lots inspected due to reduction in staffing. An increase in lot inspection is anticipated in FY 14 due to an increase in staffing.

Item 3 - Under estimated the number of dealer licenses.

VARIANCE REPORT

PROGRAM TITLE: AGRICULTURAL DEVELOPMENT & MARKETING
PROGRAM-ID: AGR-171
PROGRAM STRUCTURE NO: 01030303

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14					
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%		
PART I: EXPENDITURES & POSITIONS														
RESEARCH & DEVELOPMENT COSTS														
POSITIONS														
EXPENDITURES (\$1,000's)														
OPERATING COSTS														
POSITIONS	12.00	8.00	-	4.00	33	14.00	8.00	-	6.00	43	14.00	14.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,177	789	-	388	33	442	442	+	0	0	1,325	1,325	+	0
TOTAL COSTS														
POSITIONS	12.00	8.00	-	4.00	33	14.00	8.00	-	6.00	43	14.00	14.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,177	789	-	388	33	442	442	+	0	0	1,325	1,325	+	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14									
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%						
PART II: MEASURES OF EFFECTIVENESS														
1. MARKETING ACTIVITIES CREATED, CONDUCTED OR MANAGED	24	26	+	2	8	24	24	+	0	0	24	24	+	0
2. PRODUCER GROUPS CONTACTED THRU OUTREACH ACTIVITIES	24	31	+	7	29	24	36	+	12	50	24	36	+	12
3. NO. OF REQ FOR PROPOSALS OFFERED TO ASSOCIATION	6	9	+	3	50	6	10	+	4	67	6	10	+	4
4. NO. OF CONTRACTS, LOA, MOU, ADMINISTERED	15	28	+	13	87	15	25	+	10	67	15	25	+	10
PART III: PROGRAM TARGET GROUP														
1. PRODUCERS AND PROCESSORS OF AGRICULTURAL PRODUCTS	7500	9000	+	1500	20	7500	7500	+	0	0	7500	7500	+	0
2. GOVERNMENT, UNIV AND AGRICULTURAL INPUT SUPPLIERS	200	200	+	0	0	200	200	+	0	0	200	200	+	0
3. WHOLESALERS AND RETAILERS OF AGRICULTURAL PRODUCTS	700	700	+	0	0	700	700	+	0	0	700	700	+	0
PART IV: PROGRAM ACTIVITY														
1. COLLECT, COMPILE & PUBLISH CROP AND LVSTK REPORTS	40000	40000	+	0	0	40000	40000	+	0	0	40000	40000	+	0
2. TEL AND MAIL SURV INTERVIEWS AND PUB OF STAT RPTS	15000	25000	+	10000	67	15000	15000	+	0	0	15000	15000	+	0
3. DISSEMINATE CROP AND LIVESTOCK INFORMATION	1500	1500	+	0	0	1500	1500	+	0	0	1500	1500	+	0
4. COLLECT, COMPILE, PUBLISH AND DISSEMINATE MKT INFO	12	12	+	0	0	12	12	+	0	0	12	12	+	0
5. CONDUCT ECON AND MKT STUDIES AND PROG EVALUATION	5	5	+	0	0	5	5	+	0	0	5	5	+	0
6. PROPOSAL ASSES & OUTREACH AG COMM AND RES & DEV	15	15	+	0	0	15	15	+	0	0	15	15	+	0

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

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PROGRAM TITLE: AGRICULTURAL DEVELOPMENT & MARKETING

PART I - EXPENDITURES AND POSITIONS

Variances due to position vacancies and less than expected expenditures.

PART II - MEASURES OF EFFECTIVENESS

Items 2,3,4 - Variances primarily due to allotment of funds from Agricultural Development and Food Security Special Fund that allowed additional activities and outreach to producer and community groups. Increases in productivity also due to filling of vacant position with one 89-day staff during FY 2013.

PART III - PROGRAM TARGET GROUPS

Item 1 - FY 13 increases due to contacting producers for 2012 Census of Agriculture.

PART IV - PROGRAM ACTIVITIES

Item 2 - FY 13 increases due to contacting producers for 2012 Census of Agriculture

VARIANCE REPORT

PROGRAM TITLE: GENERAL SUPPORT FOR AGR
PROGRAM-ID:
PROGRAM STRUCTURE NO: 010304

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	56.00	48.00	- 8.00	14	64.00	41.00	- 23.00	36	64.00	64.00	+ 0.00	0
EXPENDITURES (\$1000's)	8,835	7,622	- 1,213	14	2,583	2,583	+ 0	0	7,749	7,749	+ 0	0
TOTAL COSTS												
POSITIONS	56.00	48.00	- 8.00	14	64.00	41.00	- 23.00	36	64.00	64.00	+ 0.00	0
EXPENDITURES (\$1000's)	8,835	7,622	- 1,213	14	2,583	2,583	+ 0	0	7,749	7,749	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % CHANGE OF TOTAL VALUE OF CROPS AND LIVESTOCK	1	2	+ 1	100	2	2	+ 0	0				
2. # OF ACRES RECLASSIFIED FROM AGR TO URBAN USE	150	1347	+ 1197	798	150	500	+ 350	233				
3. LANDS IRRIGATED BY STATE SYSTEMS	11500	11554	+ 54	0	11500	11500	+ 0	0				
4. PLANTATION LANDS CONVERT/PROTECT FOR DIV AGR PROT	NO DATA	NO DATA	+ 0	0	NO DATA	NO DATA	+ 0	0				

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

PROGRAM TITLE: AGRICULTURAL RESOURCE MANAGEMENT
 PROGRAM-ID: AGR-141
 PROGRAM STRUCTURE NO: 01030401

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	32.00	28.00	- 4.00	13	37.00	22.00	- 15.00	41	37.00	37.00	+ 0.00	0
EXPENDITURES (\$1000's)	3,232	2,315	- 917	28	999	999	+ 0	0	2,996	2,996	+ 0	0
TOTAL COSTS												
POSITIONS	32.00	28.00	- 4.00	13	37.00	22.00	- 15.00	41	37.00	37.00	+ 0.00	0
EXPENDITURES (\$1000's)	3,232	2,315	- 917	28	999	999	+ 0	0	2,996	2,996	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. LANDS IRRIGATED BY DEPT OF AG IRRIG SYS (ACRES)	11500	11554	+ 54	0	11500	11500	+ 0	0				
2. AGRICULTURAL LANDS LEASED (ACRES)	7537	13419	+ 5882	78	26963	18373	- 8590	32				
3. PERCENTAGE OF AGRICULTURAL LANDS IN PRODUCTIVE USE	87	87	+ 0	0	75	89	+ 14	19				
4. PERCENTAGE OF CONTRACTS COMPLETED ON SCHEDULE	100	100	+ 0	0	100	100	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. FARMS SERVED BY DEPT OF AG IRRIG SYSTEMS	552	556	+ 4	1	560	566	+ 6	1				
2. FARMS LEASED ON DEPT OF AG LANDS	330	335	+ 5	2	370	341	- 29	8				
PART IV: PROGRAM ACTIVITY												
1. NO. OF CURRENT IRRIGATION/LAND CIP PROJECTS	80	73	- 7	9	80	77	- 3	4				
2. AG LAND AWARDS ADMINISTERED (# OF TRANSACTIONS)	330	335	+ 5	2	370	341	- 29	8				
3. NUMBER OF NEW WATER SERVICES INSTALLED	6	4	- 2	33	10	10	+ 0	0				
4. PIPELINE AND DITCHES MAINTAINED (MILES)	94	94	+ 0	0	94	94	+ 0	0				
5. NO. OF AG LAND FIELD INSPECTIONS CONDUCTED	215	233	+ 18	8	250	250	+ 0	0				
6. NUMBER OF DAM SAFETY INSPECTIONS CONDUCTED	42	40	- 2	5	75	50	- 25	33				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

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PROGRAM TITLE: AGRICULTURAL RESOURCE MANAGEMENT

PART I - EXPENDITURES AND POSITIONS

Variances were due to vacant positions and less than expected expenditures from the Irrigation System revolving fund and Agricultural Park special fund.

PART II - MEASURES OF EFFECTIVENESS

Item 2 - FY 13- more than anticipated land was transferred from the Department of Land and Natural Resources for the Non-Agricultural Park Program, FY 14- decrease due to a significant portion of land that was planned to be transferred from DLNR will remain with that department as conservation land.

Item 3 - FY 14 An agreement has been reached with a Hamakua Cooperative to put lands into productive use.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

Item 3 - Drought conditions limited the number of new installations.

Item 6 - FY 14 Staff shortage is anticipated to reduce the number of inspections.

PROGRAM TITLE: AGRIBUSINESS DEVELOPMENT AND RESEARCH
 PROGRAM-ID: AGR-161
 PROGRAM STRUCTURE NO: 01030402

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	3,923	3,711	- 212	5	1,137	1,137	+ 0	0	3,411	3,411	+ 0	0
TOTAL COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	3,923	3,711	- 212	5	1,137	1,137	+ 0	0	3,411	3,411	+ 0	0
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. AGRICULTURAL LANDS DIRECTLY MANAGED BY ADC (ACRES)	19700	19700	+ 0	0	19724	19274	- 450	2				
2. AG LANDS SRVED BY ADC IRRIG SYS & INFRSTRC (ACRES)	17646	17646	+ 0	0	18870	18846	- 24	0				
3. IRRIG SYS AND INFRASTRUCTURE PROJ MANAGED BY ADC	2	2	+ 0	0	3	3	+ 0	0				
4. AGRICULTURE RELATED FACILITIES MANAGED BY ADC	1	1	+ 0	0	3	1	- 2	67				
5. ADC PROJECTS THAT BENEFIT DIVERSIFIED AGRICULTURE	9	10	+ 1	11	11	11	+ 0	0				
6. LAND IN AGRIC CONSERV EASEMNTS ADC HOLDS TITLE TO	108	108	+ 0	0	108	108	+ 0	0				
7. AGRIC RELATED PROJ NEEDING ADC EVAL & INVOLVEMENT	3	3	+ 0	0	3	3	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. ACRES FRMR SUGAR & PINE LND AVAIL FOR CONT AG USE	73700	72000	- 1700	2	73724	72000	- 1724	2				
2. MAJOR AGRICULTURAL IRRIGATION SYS & INFRASTRUCTURE	10	9	- 1	10	11	10	- 1	9				
3. AG PROCESSING, MRSHALLING, PACKING, WAREHSING FACIL	1	1	+ 0	0	3	3	+ 0	0				
4. PRDCRS AND RELATED AGRIBUSINESS IN ADC PROJ AREAS	113	113	+ 0	0	122	125	+ 3	2				
5. AGRICULTURAL COOPERATIVES	6	6	+ 0	0	7	6	- 1	14				
6. LNDOWNRS INTRESTD IN PRSERVING AG LAND OR INFRASTR	4	4	+ 0	0	4	4	+ 0	0				
7. PRVT GRPS, GOV AGENCIES WRKING AG OR LND/WTR ISSUES	16	16	+ 0	0	16	16	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. AGRICULTURAL LANDS MANAGED BY ADC (ACRES)	19700	19700	+ 0	0	19700	19700	+ 0	0				
2. # OF ONGOING IRRIG SYS AND INFRASTRUCTURE PROJECTS	8	7	- 1	13	8	8	+ 0	0				
3. # OF TECH ASSIST/CONSULT/PROJ/STUDIES INITI BY ADC	5	5	+ 0	0	5	5	+ 0	0				
4. # OF GRANTS AND CONTRACTS AWRDED OR MANAGED BY ADC	5	5	+ 0	0	5	5	+ 0	0				
5. # OF ONGOING CAPITAL IMP PROJ FOR ADC ASSETS	4	4	+ 0	0	6	6	+ 0	0				
6. # PRDCRS BENEFIT FR ADC LAND, IRRIG, INFRSTR & FAC	116	114	- 2	2	122	125	+ 3	2				
7. # ACRES COVRD BY AG CONS EASMNT TITLES HELD BY ADC	108	108	+ 0	0	108	18	- 90	83				
8. AGRICULTURE RELATED PROJ BEING EVALUATED BY ADC	3	3	+ 0	0	6	6	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

PROGRAM TITLE: AGRIBUSINESS DEVELOPMENT AND RESEARCH

01 03 04 02
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PART I - EXPENDITURES AND POSITIONS

Variances due to less than anticipated revolving fund expenditures.

PART II - MEASURES OF EFFECTIVENESS

Item 5 - Added new contract with USDA-PBARC for virus-resistant papaya study.

PART III - PROGRAM TARGET GROUPS

Item 1 - Corrected duplicate of 1,700 acres that were already included in the 72,000 acres.

Item 2 - Corrected naming Kekaha Ditch and Kokee Ditch as separate systems; should be Kekaha Irrigation System.

Item 5 - FY 14- Anticipated cooperative is yet to be formed.

PART IV - PROGRAM ACTIVITIES

Item 2 - Galbraith pump not operational in FY13.

Item 7 - FY 14 - Galbraith land not ready for farmers as projected.

STATE OF HAWAII

VARIANCE REPORT

REPORT V61
12/12/13

PROGRAM TITLE: GENERAL ADMINISTRATION FOR AGRICULTURE
PROGRAM-ID: AGR-192
PROGRAM STRUCTURE NO: 01030403

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	24.00	20.00	- 4.00	17	27.00	19.00	- 8.00	30	27.00	27.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,680	1,596	- 84	5	447	447	+ 0	0	1,342	1,342	+ 0	0
TOTAL COSTS												
POSITIONS	24.00	20.00	- 4.00	17	27.00	19.00	- 8.00	30	27.00	27.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,680	1,596	- 84	5	447	447	+ 0	0	1,342	1,342	+ 0	0
					FISCAL YEAR 2012-13				FISCAL YEAR 2013-14			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. % CHANGE OF TOTAL VALUE OF CROPS AND LIVESTOCK	2	2	+ 0	0	2	2	+ 0	0				
2. # OF ACRES RECLASSIFIED FROM AG TO URBAN USE	500	1347	+ 847	169	300	500	+ 200	67				
3. % PERSONNEL ACTIONS PROCESSED WITHIN PAYROLL CYCLE	95	94	- 1	1	95	95	+ 0	0				
4. % OF VENDOR PAYMENTS MADE WITHIN 30 DAYS	95	92	- 3	3	95	95	+ 0	0				
5. % OF DATA PROCESSING REQUESTS COMPLETED	85	83	- 2	2	90	90	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. TOTAL ACRES IN DIVERSIFIED CROPS AND LIVESTOCK	1070000	1070000	+ 0	0	1071000	1070000	- 1000	0				
2. DIVERSIFIED FARM OPERATORS AND FARM WORKERS (#)	13200	13750	+ 550	4	133000	14000	- 119000	89				
3. INVENTORY OF IMPORTANT AG LANDS (ACRES)	92000	101358	+ 9358	10	92000	103000	+ 11000	12				
4. EMPLOYEES (NUMBER)	353	353	+ 0	0	353	353	+ 0	0				
5. DIVISIONS (NUMBER)	6	6	+ 0	0	6	6	+ 0	0				
6. BRANCHES (NUMBER)	12	12	+ 0	0	12	12	+ 0	0				
7. ATTACHED AGENCIES (NUMBER)	1	1	+ 0	0	1	1	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. # LAND USE PERMIT APPL REVIEWED AFFECTING AG LANDS	25	25	+ 0	0	25	25	+ 0	0				
2. NUMBER OF PERSONNEL ACTIONS PROCESSED	2000	1957	- 43	2	2000	2000	+ 0	0				
3. NUMBER OF PURCHASE ORDERS PROCESSED	2000	2310	+ 310	16	2000	2150	+ 150	8				
4. NUMBER OF PETTY CASH CHECKS PROCESSED	300	216	- 84	28	300	300	+ 0	0				
5. NUMBER OF DATA PROCESSING REQUESTS RECEIVED	600	557	- 43	7	600	600	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 03 04 03
AGR 192

PROGRAM TITLE: GENERAL ADMINISTRATION FOR AGRICULTURE

PART I - EXPENDITURES AND POSITIONS

Variances are due to position vacancies.

PART II - MEASURES OF EFFECTIVENESS

Item 2 - Actual acreage reclassified for FY13 is current only to December 31, 2012 and provided by BED/Land Use Commission. The significant increase in reclassification of agricultural lands reflects investment in residential housing due in part to the continued strengthening of the State's economy. The Department has no direct control over agricultural land reclassifications.

PART III - PROGRAM TARGET GROUPS

Item 2 - Due to restructuring of the federal agricultural statistics program, AGR is no longer able to provide actual FY increases/decrease in operators and farm workers. As of FY13 and into the future, the actual figure will be the sum of total number of farms (non-duplicated) and total number of hired workers (not including sugarcane and pineapple workers). FY 14 planned dated reported in error, planned number should be 13,300.

Item 3 - Thirteen percent increase in acreage due to large landowner participation in Important Agricultural Land program.

PART IV - PROGRAM ACTIVITIES

Item 3 - The actual data for FY 13 is more than the planned data by 16% because more program activities were performed. Expenditures' amounts were more than the petty cash disbursement limit, so more purchase orders were generated.

Item 4 - The actual number of petty cash checks processed for FY13 is less than the planned number by 28% because most expenditures were more than the petty cash disbursement limit, in which a purchase order should be processed.

VARIANCE REPORT

PROGRAM TITLE: FISHERIES AND AQUACULTURE

PROGRAM-ID:

PROGRAM STRUCTURE NO: 0104

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	15.00	10.00	- 5.00	33	15.00	10.00	- 5.00	33	15.00	15.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,008	1,543	- 465	23	525	570	+ 45	9	1,573	1,528	- 45	3
TOTAL COSTS												
POSITIONS	15.00	10.00	- 5.00	33	15.00	10.00	- 5.00	33	15.00	15.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,008	1,543	- 465	23	525	570	+ 45	9	1,573	1,528	- 45	3
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. FISHERY PRODUCTION - OCEAN (MILLIONS OF POUNDS)	22	32	+ 10	45	30	32	+ 2	7				
2. AQUACULTURE PRODUCTION (THOUSANDS OF POUNDS)	2000	NO DATA	- 2000	100	500	NO DATA	- 500	100				
3. PRIMARY VALUE OF AQUACULTURE PRODUCTION (\$000)	40000	55740	+ 15740	39	45000	65000	+ 20000	44				
4. TOTAL AQUACULTURE EMPLOYMENT	342	342	+ 0	0	351	366	+ 15	4				

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

VARIANCE REPORT

REPORT V61
12/12/13PROGRAM TITLE: FISHERIES AND RESOURCE ENHANCEMENT
PROGRAM-ID: LNR-153
PROGRAM STRUCTURE NO: 010402

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
OPERATING COSTS															
POSITIONS	11.00	8.00	-	3.00	27	11.00	7.00	-	4.00	36	11.00	11.00	+	0.00	0
EXPENDITURES (\$1000's)	1,598	1,241	-	357	22	404	449	+	45	11	1,212	1,167	-	45	4
TOTAL COSTS															
POSITIONS	11.00	8.00	-	3.00	27	11.00	7.00	-	4.00	36	11.00	11.00	+	0.00	0
EXPENDITURES (\$1000's)	1,598	1,241	-	357	22	404	449	+	45	11	1,212	1,167	-	45	4
					FISCAL YEAR 2012-13				FISCAL YEAR 2013-14						
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
PART II: MEASURES OF EFFECTIVENESS															
1. FISHERY PRODUCTION-OCEAN (MILL. LBS)	30	32	+	2	7	30	32	+	2	7					
2. PRIMARY VALUE OF FISHERY PRODUCTION (\$000)	110	114	+	4	4	100	120	+	20	20					
3. FISHING REPTS COLL & PROCESSD AS % TOTAL REPTS DUE	95	95	+	0	0	95	95	+	0	0					
4. TOTAL CATCH MHI "DEEP 7" BOTTOMFISH/ACL	.7	0.7	+	0	0	.7	0.7	+	0	0					
5. ONLINE COMM MARINE FISHING LIC ISSD/RNW, ADPTN RT	33	32.3	-	0.7	2	33	33	+	0	0					
6. ONLINE COMMERCIAL FISH REPORT FILING, ADOPTN RATE	60	62.4	+	2.4	4	60	65	+	5	8					
PART III: PROGRAM TARGET GROUP															
1. LICENSED COMMERCIAL FISHERS (1000)	4.0	4	+	0	0	4	4	+	0	0					
2. COMMERCIAL MARINE DEALERS (HUNDREDS)	2.6	2.5	-	0.1	4	2.6	2.6	+	0	0					
3. FISHG-ASSOCIATED COMMERCIAL ENTERPRISES (100'S)	5	5	+	0	0	5	5	+	0	0					
4. PUBLIC CONSUMERS OR USERS OF FISHERY PRDTS (000'S)	6	6	+	0	0	6	6	+	0	0					
PART IV: PROGRAM ACTIVITY															
1. COMMERCIAL FISHING LICENSES & PERMITS ISSUED (000)	4	4	+	0	0	4	4	+	0	0					
2. FISH DATA COLL - CATCH REPTS PROCESSED (000'S)	590	656	+	66	11	590	650	+	60	10					
3. FISH DATA COLL - PORT MONITORING VISITS (00'S)	0	0	+	0	0	4	0	-	4	100					
4. MAIN HAWN ISLANDS BOTTOMFISH VESSEL I.D. REG(00'S)	NO DATA	13	+	13	0	1400	14	-	1386	99					
5. AQUARIUM PERMITS (HUNDREDS)	NO DATA	1.6	+	1.6	0	1.6	1.6	+	0	0					
6. FISH DATA COLL - INTERNAL & EXTERN. DATA REQUESTS	200	200	+	0	0	200	200	+	0	0					
7. NO. OF MTGS & CONTACTS W/OTHER MGT AGENCIES	13	29	+	16	123	13	25	+	12	92					

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 04 02
LNR 153

PROGRAM TITLE: FISHERIES AND RESOURCE ENHANCEMENT

PART I - EXPENDITURES AND POSITIONS

FY 13: The program manager and an aquatic biologist position were vacant as the Department plans reorganization of the Division. Also, a fish disaster relief coordinator and fishery aid positions were vacant due to a lack of federal funding. In addition, actual expenditures reflect a scale-down on spending for federal funded projects requiring state matching funds.

FY 14: The program manager and aquatic biologist positions remain vacant as the Department plans to reorganize the Division. The fish disaster relief coordinator and fishery aid positions continue to be vacant due to a lack of federal funding. Also, actual expenditures in the first quarter were slightly higher than previously estimated. This may be a result of increased activity at the Anuenue Fisheries Research Center's sea urchin rearing facility and construction of a new coral hatchery.

PART II - MEASURES OF EFFECTIVENESS

Item 2: The primary value of fishery production continues to increase as higher prices for pelagic species like yellowfin and big tuna, mahimahi and ono are expected to persevere in FY 14.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

Item 2: The relatively high market prices for pelagic species generated increases in fishing effort and catches. The increased catches generated additional reports from fishers and dealers which needed to be processed in FY 13. This production level is expected to continue in FY 14.

Item 3: Due to the current vacancy in a fishery aid position, no port monitoring visits are planned in FY 14.

Item 4: The number of registered bottomfish vessels planned in FY 14 was incorrectly entered as 1,400 instead of 14; therefore, there should be no variance.

Item 7: Staff vacancies have required additional attendance for meetings with federal fisheries agencies and engaging in more frequent follow-up meetings with web portal contractors to modify the fish online application.

STATE OF HAWAII

VARIANCE REPORT

REPORT V61
12/12/13PROGRAM TITLE: AQUACULTURE DEVELOPMENT PROGRAM
PROGRAM-ID: AGR-153
PROGRAM STRUCTURE NO: 010403

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	4.00	2.00	- 2.00	50	4.00	3.00	- 1.00	25	4.00	4.00	+ 0.00	0
EXPENDITURES (\$1000's)	410	302	- 108	26	121	121	+ 0	0	361	361	+ 0	0
TOTAL COSTS												
POSITIONS	4.00	2.00	- 2.00	50	4.00	3.00	- 1.00	25	4.00	4.00	+ 0.00	0
EXPENDITURES (\$1000's)	410	302	- 108	26	121	121	+ 0	0	361	361	+ 0	0
					FISCAL YEAR 2012-13				FISCAL YEAR 2013-14			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
PART II: MEASURES OF EFFECTIVENESS												
1. AQUACULTURE PRODUCTION (THOUSANDS OF POUNDS)					370	NO DATA	- 370	100	500	NO DATA	- 500	100
2. PRIMARY VALUE OF AQUACULTURE PRODUCTION (\$000)					39970	55740	+ 15770	39	45000	65000	+ 20000	44
3. TOTAL AQUACULTURE EMPLOYMENT					342	342	+ 0	0	351	366	+ 15	4
PART III: PROGRAM TARGET GROUP												
1. AQUACULTURE OPERATIONS STATEWIDE					70	70	+ 0	0	75	75	+ 0	0
PART IV: PROGRAM ACTIVITY												
1. INFORMATION SENT (NUMBER)					250	250	+ 0	0	200	200	+ 0	0
2. PERMIT ASSISTANCE (NUMBER)					200	15	- 185	93	200	30	- 170	85
3. DISEASE ASSISTANCE (NUMBER OF CASES)					225	331	+ 106	47	250	350	+ 100	40
4. PROMOTIONAL EVENTS AND PRESENTATIONS (NUMBER)					4	4	+ 0	0	4	4	+ 0	0

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 04 03
AGR 153

PROGRAM TITLE: AQUACULTURE DEVELOPMENT PROGRAM

PART I - EXPENDITURES AND POSITIONS

Variances were due to position vacancies, lack of federal funds, and less than anticipated expenditures from the Aquaculture Development special fund.

PART II - MEASURES OF EFFECTIVENESS

Item 1 - National Agricultural Statistics Service (NASS) no longer publishes Aquaculture Production data for disclosure reasons.

Item 2 - Primary Value of Aquaculture Production increased by 39% for two primary reasons: 1) continued growth in pharmaceutical sales in the algae sector and 2) increased production of the open ocean cage operation. Their investment in new equipment and feed is beginning to pay dividends. It is expected that both the pharmaceutical operation and open ocean cage operation will continue to expand in FY14.

PART III - PROGRAM TARGET GROUPS

No significant variance.

PART IV - PROGRAM ACTIVITIES

Item 2 - Staff has been cut by 75% due to the 2009 reduction-in-force initiative, severely hampering public/industry interaction and support. Also, there has been a marked decrease in permit applications due to the high threshold to enter the open ocean sector and issues with the Plant Quarantine Branch processing of import permits.

Item 3 - The Aquatic Animal Health Veterinarian supports the shrimp broodstock segment with health documents required for shipping. This segment continues to grow as shrimp production worldwide expands.

STATE OF HAWAII
PROGRAM TITLE: TECHNOLOGY
PROGRAM-ID:
PROGRAM STRUCTURE NO: 0105

VARIANCE REPORT

REPORT V61
12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	8.00	7.00	- 1.00	13	8.00	6.00	- 2.00	25	8.00	8.00	+ 0.00	0
EXPENDITURES (\$1000's)	46,148	24,339	- 21,809	47	11,075	3,020	- 8,055	73	34,913	38,657	+ 3,744	11
TOTAL COSTS												
POSITIONS	8.00	7.00	- 1.00	13	8.00	6.00	- 2.00	25	8.00	8.00	+ 0.00	0
EXPENDITURES (\$1000's)	46,148	24,339	- 21,809	47	11,075	3,020	- 8,055	73	34,913	38,657	+ 3,744	11
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. INCR IN LEVERAGING PUBLIC INV W/PRIV CAPITAL	5000000	3500000	- 1500000	30	5000000	5000000	+ 0	0				
2. INCR IN # OF VENTURE CAPITAL PARTNERSHIPS ESTAB	1	1	+ 0	0	1	2	+ 1	100				
3. # OF COMPANIES ASSISTED AT HTDC INCUBATION CENTERS	140	269	+ 129	92	250	310	+ 60	24				
4. AMOUNT OF NELHA TENANT SALES (\$M)	109.9	55.4	- 54.5	50	51.8	56	+ 4.2	8				
5. INCREASE IN NELHA REVENUES (\$K)	20	18	- 2	10	1000	1000	+ 0	0				

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

STATE OF HAWAII

VARIANCE REPORT

REPORT V61
12/12/13

PROGRAM TITLE: ENVIRONMENT AND ENERGY DEVELOPMENT
PROGRAM-ID: BED-120
PROGRAM STRUCTURE NO: 010501

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	5.00	4.00	- 1.00	20	5.00	4.00	- 1.00	20	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	9,980	5,469	- 4,511	45	2,285	1,325	- 960	42	6,856	7,816	+ 960	14
TOTAL COSTS												
POSITIONS	5.00	4.00	- 1.00	20	5.00	4.00	- 1.00	20	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	9,980	5,469	- 4,511	45	2,285	1,325	- 960	42	6,856	7,816	+ 960	14
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. # RE PROJECTS ASSITED	NO DATA	28	+ 28	0	41	41	+ 0	0				
2. # EV DEPLOYMENT/ADOPTION PROJECTS ASSISTED	NO DATA	24	+ 24	0	24	24	+ 0	0				
3. # EA ACTIVITIES DEV & SUPPORTED	NO DATA	4	+ 4	0	4	4	+ 0	0				
4. TA TO PUBLIC & PRIVATE ENTITIES	NO DATA	667	+ 667	0	444	639	+ 195	44				
PART III: PROGRAM TARGET GROUP												
1. # CLEAN ENERGY PRODUCERS	NO DATA	31	+ 31	0	54	35	- 19	35				
2. # CLEAN ENERGY DEVELOPERS	NO DATA	62	+ 62	0	74	70	- 4	5				
3. # ENERGY AND FUEL CONSUMERS	NO DATA	1404294	+ 1404294	0	1419272	1419272	+ 0	0				
4. # EV STAKEHOLDERS	NO DATA	25	+ 25	0	25	25	+ 0	0				
5. # BUS/ORG INTERESTED IN ENERGY ASSURANCE	NO DATA	25	+ 25	0	25	25	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. MWH RE PRODUCED TOWARD RPS	NO DATA	1362956	+ 1362956	0	1335489	1435277	+ 99788	7				
2. # REGISTERED PASSENGER PLUG IN EVS	NO DATA	704	+ 704	0	456	704	+ 248	54				
3. # PUBLIC CHARGING STATIONS	NO DATA	113	+ 113	0	40	60	+ 20	50				
4. # BUS/ORG PARTICIPATED IN EA ACTIVITIES	NO DATA	100	+ 100	0	100	100	+ 0	0				
5. # ENTITIES PARTICIPATED EE ACTIVITIES	NO DATA	1940	+ 1940	0	2065	2220	+ 155	8				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 05 01
BED 120

PROGRAM TITLE: ENVIRONMENT AND ENERGY DEVELOPMENT

PART I - EXPENDITURES AND POSITIONS

One position was vacant at the end of FY 13 due to a prolonged recruitment process; position is expected to be filled in FY 14. Expenditures were substantially less than budgeted amount because budgeted amounts were based on federal award amounts.

PART II - MEASURES OF EFFECTIVENESS

FY 13:

Items 1-4. No planned data available as Measures of Effectiveness were newly established for FY 14.

FY 14:

Item 4. The increased numbers estimated for FY 14 reflect additional activities to be implemented and subsequent attendees.

PART III - PROGRAM TARGET GROUPS

FY 13:

Items 1-5. No planned data available as Program Target Groups were newly established for FY 14.

FY 14:

Item 1. The number of clean energy producers planned for FY 14 was based on the realization of several Request for Proposals (Hawaiian Electric Company Non-Firm Renewable Energy, Maui Electric Company Firm Renewable Energy, HECO Firm Renewable Energy). None of these RFPs have come to fruition yet.

PART IV - PROGRAM ACTIVITIES

FY 13:

Items 1-5. No planned data available as Program Activities were newly established for FY 14.

FY 14:

Item 2. The planned 38 Electric Vehicle (EV)s/month for FY 14 was based on the assumption that the termination of the EV Rebate Program would have an adverse effect on the purchase of new EVs. Based on actual FY 13 data, the market has been more receptive than foreseen to the purchase of new EVs without State rebates, therefore the estimated number is higher.

Item 3. This metric represents the number of public EV charging stations added per specified time period. The FY 14 estimated number is higher because the market for new EV chargers has been more active than anticipated as evidenced by the number of chargers added. Innovative programs, including free charging, have allowed for greater adoption of EV chargers. Moving forward, we anticipate the number of chargers leveling off as their overall market stabilizes - - meaning, the number of EVs on the road are symbiotic with the number of available charging stations.

VARIANCE REPORT

PROGRAM TITLE: HIGH TECHNOLOGY DEVELOPMENT CORPORATION
 PROGRAM-ID: BED-143
 PROGRAM STRUCTURE NO: 010502

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	3.00	3.00	+ 0.00	0	3.00	2.00	- 1.00	33	3.00	3.00	+ 0.00	0
EXPENDITURES (\$1000's)	11,766	13,162	+ 1,396	12	5,147	802	- 4,345	84	17,129	19,363	+ 2,234	13
TOTAL COSTS												
POSITIONS	3.00	3.00	+ 0.00	0	3.00	2.00	- 1.00	33	3.00	3.00	+ 0.00	0
EXPENDITURES (\$1000's)	11,766	13,162	+ 1,396	12	5,147	802	- 4,345	84	17,129	19,363	+ 2,234	13
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. # OF COMPANIES ASSTD AT HTDC INCUBATION CENTERS	250	269	+ 19	8	250	310	+ 60	24				
2. MKTG:# OF INDIVIDUALS OR COMPANIES ASSISTED	35300	34805	- 495	1	35300	35275	- 25	0				
PART III: PROGRAM TARGET GROUP												
1. # OF POTENTIAL TECH-BASED COMPANIES	1300	1191	- 109	8	1300	1250	- 50	4				
2. # OF COMPANIES APPLYING FOR INCUBATION SERVICES	15	20	+ 5	33	15	25	+ 10	67				
PART IV: PROGRAM ACTIVITY												
1. # OF CONTACTS AND RESPONSES	50100	52809	+ 2709	5	50100	52300	+ 2200	4				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 05 02
BED 143

PROGRAM TITLE: HIGH TECHNOLOGY DEVELOPMENT CORPORATION

PART I - EXPENDITURES AND POSITIONS

Positions: The Executive Director position was vacant as of the end of the first quarter in FY 14 but is expected to be filled after the temporary hiring freeze is lifted.

Expenditures for FY 13: The negative variance of expenditures in excess of the budget was primarily due to the awarding of additional federal funds from the Air Force and National Park Service. High Technology Development Corporation (HTDC) received approval from the Governor to increase the allotment so it would be able to obligate funds in excess of the legislative appropriation.

Expenditures for FY 14 are projected to be lower than budgeted primarily due to: 1) not expending funds for the Hawaii technology loan program and 2) deferring new projects to be funded by the HTDC special fund to conserve the cash resource in anticipation of the financial need when the lease at the Manoa Innovation Center expires in 2015.

Note: Projected expenditures includes amounts disbursed directly by the asset management contractor for common area maintenance costs at HTDC's technology centers.

PART II - MEASURES OF EFFECTIVENESS

Item 1. The actual for FY 13 and estimate for FY 14 are higher than planned as a result of positions that are directly involved in assisting and providing outreach to tech companies being filled. The addition of networking events coordinated by HTDC has broadened the circle of tech companies participating, resulting in added interest in HTDC's tech centers, virtual program and services.

PART III - PROGRAM TARGET GROUPS

Item 1. The target group of companies that potentially would utilize the Manufacturing Extension Partnership program and its Small Business Innovation Research grant program was lowered slightly after reassessing the tech sectors.

Item 2. Companies applying for tenancy or to become a virtual tenant at the tech centers was higher than budgeted in FY 13. The trend is anticipated to continue in FY 14.

PART IV - PROGRAM ACTIVITIES

Item 1. The number of networking events to bring together companies within the tech sector has increased and number of participants is increasing. Hits to the various HTDC websites has showed that activity is higher than budgeted. The trend is anticipated to continue.

PROGRAM TITLE: HAWAII STRATEGIC DEVELOPMENT CORPORATION
 PROGRAM-ID: BED-145
 PROGRAM STRUCTURE NO: 010503

12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	6,893	589	- 6,304	91	1,725	86	- 1,639	95	5,173	6,812	+ 1,639	32
TOTAL COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	6,893	589	- 6,304	91	1,725	86	- 1,639	95	5,173	6,812	+ 1,639	32
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. INCR IN LEVERAGING PUBLIC INV W/PRIVATE CAPITAL	5000000	3500000	- 1500000	30	5000000	5000000	+ 0	0				
2. INCR IN NUMBER OF VENTURE CAP PARTNERSHIPS ESTAB	2	1	- 1	50	2	2	+ 0	0				
3. INCREASE IN NUMBER OF COMPANIES FUNDED	5	7	+ 2	40	5	5	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. ENTREPRENEURIAL START-UP COMPANIES	50	50	+ 0	0	50	50	+ 0	0				
2. POTENTIAL INVEST ORG,INCL HIGH NET WORTH INDIVIDS	20	20	+ 0	0	20	20	+ 0	0				
3. SUPPORT ORGS INCLUDING LEGAL & ACCT FIRMS	5	5	+ 0	0	5	5	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. REINVEST INVEST DISTRIB IN NEW VENTURE PARTNERSHIP	1000000	0	- 1000000	100	1000000	1000000	+ 0	0				
2. ORGANIZE AND SPONSOR VENTURE CAPITAL CONF	3	3	+ 0	0	3	3	+ 0	0				
3. ENTREPRENEURIAL TRAINING PROGRAMS	1	1	+ 0	0	1	1	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 05 03
BED 145

PROGRAM TITLE: HAWAII STRATEGIC DEVELOPMENT CORPORATION

PART I - EXPENDITURES AND POSITIONS

The budgeted amounts allow Hawaii Strategic Development Corporation (HSDC) to opportunistically deploy investment capital. Therefore, depending on the opportunities to invest, our actual expenditures will vary from the budgeted amounts.

PART II - MEASURES OF EFFECTIVENESS

Items 1-3. Investments last fiscal year did not close due to lack of agreement with fund sponsors. HSDC is expecting to complete investments in two new venture capital funds. Existing venture capital funds are expected to invest in eight new companies.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

Item 1. Variance is because no large distributions were made.

Item 2. The Venture Capital Summit will be held in December. The Best Practices Symposium will be held in November. HSDC is also sponsoring Startup Weekend.

Item 3. Several information sessions will be held to promote the HI Growth program.

STATE OF HAWAII

VARIANCE REPORT

REPORT V61
12/12/13

PROGRAM TITLE: NATURAL ENERGY LAB OF HAWAII AUTHORITY
PROGRAM-ID: BED-146
PROGRAM STRUCTURE NO: 010504

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	17,509	5,119	- 12,390	71	1,918	807	- 1,111	58	5,755	4,666	- 1,089	19
TOTAL COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	17,509	5,119	- 12,390	71	1,918	807	- 1,111	58	5,755	4,666	- 1,089	19
					FISCAL YEAR 2012-13				FISCAL YEAR 2013-14			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. NELHA REVENUES (INCL REIMBURSABLES) (\$M)	8.7	4.8	- 3.9	45	10.7	5.8	- 4.9	46				
2. ENERGY PRODUCED FROM RENEWABLE RESOURCES (MWH/YR)	2227	1900	- 327	15	2227	3000	+ 773	35				
3. TOTAL TENANT REVENUE (\$M)	51.8	55.4	+ 3.6	7	51.8	56	+ 4.2	8				
4. ANNUAL TENANT CAPITAL IMPROVEMENT (\$M)	5	13.5	+ 8.5	170	5	5	+ 0	0				
5. SEAWATER SYSTEM DELIVERY RELIABILITY (%)	99.999	99.999	+ 0	0	99.999	99.999	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. COMMERCIAL TENANTS	30	23	- 7	23	30	23	- 7	23				
2. PRE-COMMERCIAL TENANTS	8	8	+ 0	0	8	8	+ 0	0				
3. RESEARCH/EDUCATION/OTHER TENANTS	15	13	- 2	13	15	15	+ 0	0				
4. PUBLIC OUTREACH PARTICIPANTS	3500	4314	+ 814	23	3700	4500	+ 800	22				
PART IV: PROGRAM ACTIVITY												
1. TOTAL EMPLOYMENT AT NELHA (PUBLIC & PRIVATE)	400	600	+ 200	50	400	630	+ 230	58				
2. TOTAL VOLUME OF SEAWATER PUMPED (MGALS)	8.08	10.3	+ 2.22	27	8.48	10.9	+ 2.42	29				
3. TOTAL NUMBER OF NELHA TENANTS	53	44	- 9	17	53	46	- 7	13				
4. PERCENTAGE OF NELHA LAND IN USE	37.8	35	- 2.8	7	37.8	35	- 2.8	7				
5. TOTAL CUMULATIVE CIP; TENANT, STATE, FEDERAL (\$M)	240	95.5	- 144.5	60	240	100	- 140	58				
6. BEACH PARK USE (# OF ATTENDEES)	112300	125280	+ 12980	12	112300	125280	+ 12980	12				
7. CEMP (# OF REGULATORY AGENCIES)	7	8	+ 1	14	7	7	+ 0	0				

**VARIANCE REPORT NARRATIVE
FY 2013 AND FY 2014**

01 05 04
BED 146

PROGRAM TITLE: NATURAL ENERGY LAB OF HAWAII AUTHORITY

PART I - EXPENDITURES AND POSITIONS

National Defense Center for Excellence for Research in Ocean Sciences (CEROS) Account (S-245) had a variance of \$5,101,918 due to CEROS not receiving any further appropriations past FY 10 and congressionally mandated to end program by 1st quarter of FY 13.

FY 14 first quarter variance also due to timing of utility payments and contracting delays.

PART II - MEASURES OF EFFECTIVENESS

Item 1. Variance due to expected federal funds not being realized in this time frame.

Item 2. Variance due to last year's estimates not being updated.

Item 4. Variance due to strong tenant growth.

PART III - PROGRAM TARGET GROUPS

Item 1. Variance due to last year's estimates not being updated.

Item 3. Variance due to last year's estimates not being updated.

Item 4. Variance due to participation in various energy/ocean related conferences and increased interest in weekly public tours.

PART IV - PROGRAM ACTIVITIES

Item 1. Variance due to completed impact study done by University of Hawaii Economic Research Organization (UHERO).

Item 2-7. Variance due to last year's estimates not being updated.

PROGRAM TITLE: WATER AND LAND DEVELOPMENT
 PROGRAM-ID: LNR-141
 PROGRAM STRUCTURE NO: 0106

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	5.50	4.00	- 1.50	27	5.50	4.00	- 1.50	27	5.50	5.50	+ 0.00	0
EXPENDITURES (\$1000's)	988	658	- 330	33	251	163	- 88	35	753	841	+ 88	12
TOTAL COSTS												
POSITIONS	5.50	4.00	- 1.50	27	5.50	4.00	- 1.50	27	5.50	5.50	+ 0.00	0
EXPENDITURES (\$1000's)	988	658	- 330	33	251	163	- 88	35	753	841	+ 88	12
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. SURFACE WATER SUPPLY DEVELOPED (MGD)	0	0	+ 0	0	0	0	+ 0	0	0	0	+ 0	0
2. GROUNDWATER SUPPLY DEVELOPED (MGD)	1	0	- 1	100	1	0	- 1	100	1	0	- 1	100
3. WATER CREDITS PROVID TO STATE AGENCIES (1000 GALS)	250	0	- 250	100	250	250	+ 0	0	250	250	+ 0	0
4. STATE LANDS DEVELOPED (ACRES)	10	10	+ 0	0	10	10	+ 0	0	10	10	+ 0	0
5. GEOTHERMAL ROYALTIES COLLECTED (DOLLARS)	3000	2538	- 462	15	3000	2500	- 500	17	3000	2500	- 500	17
6. ROCKFALL PROJECTS IMPLEMENTED (# OF PROJECTS)	2	2	+ 0	0	2	2	+ 0	0	2	2	+ 0	0
PART III: PROGRAM TARGET GROUP												
1. DEFACTO POPULTN BENEFITNG FR IMPRVMTS (NO. IN MIL)	1.4	1.4	+ 0	0	1.4	1.4	+ 0	0	1.4	1.4	+ 0	0
PART IV: PROGRAM ACTIVITY												
1. PLANNING AND PROGRAMMING (NUMBER OF PROJECTS)	25	30	+ 5	20	25	30	+ 5	20	25	30	+ 5	20
2. PROJECTS DESIGNED (NUMBER OF PROJECTS)	25	25	+ 0	0	25	25	+ 0	0	25	25	+ 0	0
3. ENGINEERING CONSULTANT CONTRACTS ADMINISTERED	10	15	+ 5	50	10	15	+ 5	50	10	15	+ 5	50
4. ENGIN SVCS PROVIDD TO OTHER DLNR OFFICES (MAN HRS)	20000	20000	+ 0	0	20000	20000	+ 0	0	20000	20000	+ 0	0
5. CIP EXPENDITURES (\$1,000)	30000	38238	+ 8238	27	30000	30000	+ 0	0	30000	30000	+ 0	0
6. ALTERNATE WATER DEVLPM PROJECTS INVESTIGATED (NO.)	0	0	+ 0	0	0	0	+ 0	0	0	0	+ 0	0
7. GEOTHERMAL RESOURCE PERMITS ISSUED (# OF PERMITS)	0	0	+ 0	0	2	2	+ 0	0	2	2	+ 0	0
8. ROCKFALL/SLOPE MOVEMNT AREAS INVSTGTD &OR ADDRSSD	4	4	+ 0	0	4	4	+ 0	0	4	4	+ 0	0

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 06
LNR 141

PROGRAM TITLE: WATER AND LAND DEVELOPMENT

PART I - EXPENDITURES AND POSITIONS

FY 13 position variance due to budgeted unfilled positions under recruitment.

Differences in budgeted amount and actual expenditures are primarily due to staff vacancies and unused accrued vacation/sick leave fund for capital improvement project(CIP) staff.

PART II - MEASURES OF EFFECTIVENESS

Item 2: Reflects authorized water projects and their completion; program has sought but not been authorized funding for such projects.

Item 3: Reflects downturn in requests for credits by State agencies.

Item 5: Royalties collected fluctuate annually, based on actual power production and operations of the sole geothermal developer.

PART III - PROGRAM TARGET GROUPS

No significant variance.

PART IV - PROGRAM ACTIVITIES

Items 1 and 3: FY 13 actuals reflect greater number of projects authorized than initially projected; FY 14 estimates reflect continued level of project funding.

Item 5: FY 13 reflects actual expenditures based on contractor invoicing and payment processing; an additional \$41 million was encumbered in consultant and/or construction contracts for expenditure in FY 14 and beyond. Some projects have been delayed due to permitting requirements.

VARIANCE REPORT

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
PART I: EXPENDITURES & POSITIONS															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
OPERATING COSTS															
POSITIONS	2.00	2.00	+	0.00	0	2.00	2.00	+	0.00	0	2.00	2.00	+	0.00	0
EXPENDITURES (\$1000's)	1,072	917	-	155	14	273	228	-	45	16	814	859	+	45	6
TOTAL COSTS															
POSITIONS	2.00	2.00	+	0.00	0	2.00	2.00	+	0.00	0	2.00	2.00	+	0.00	0
EXPENDITURES (\$1000's)	1,072	917	-	155	14	273	228	-	45	16	814	859	+	45	6
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
PART II: MEASURES OF EFFECTIVENESS															
1. NEW PRIVATE DEVELOPMENT IN KAKAAKO COMM DEV (\$M)	90	147	+	57	63	206.9	302.5	+	95.6	46					
2. NEW PRIVATE DEVELOPMENT W/IN KALAELOA (\$M)	15	18.5	+	3.5	23	5	31	+	26	520					

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Variances)

PROGRAM TITLE: HAWAII COMMUNITY DEVELOPMENT AUTHORITY
 PROGRAM-ID: BED-150
 PROGRAM STRUCTURE NO: 010701

12/12/13

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,072	917	- 155	14	273	228	- 45	16	814	859	+ 45	6
TOTAL COSTS												
POSITIONS	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0
EXPENDITURES (\$1000's)	1,072	917	- 155	14	273	228	- 45	16	814	859	+ 45	6
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. NEW PRIV DEV IN KAKAAKO COM DEV DIST (\$M)	147.00	147	+ 0	0	206.90	302.5	+ 95.6	46				
2. NEW BLDG FLOOR SPACE IN KAKAAKO (1000 SF)	101.20	101.2	+ 0	0	0	58.8	+ 58.8	0				
3. # OF NEW HOUSING UNITS IN KAKAAKO	0	0	+ 0	0	0	NO DATA	- 0	0				
4. # OF NEW PUBLIC FACILITIES IN KAKAAKO	0	0	+ 0	0	0	NO DATA	- 0	0				
5. # ACTIVELY-USED PARCELS IN KALAELOA CDD	57	55	- 2	4	57	55	- 2	4				
6. NEW PRIVATE DEVELOPMENT WITHIN KALAELOA (\$M)	15	18.5	+ 3.5	23	5	31	+ 26	520				
7. # ACRES RESTORATION OF WETLANDS USES IN HEEIA	40	40	+ 0	0	60	60	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. # OF RESIDENTS IN KAKAAKO	10328	10328	+ 0	0	10328	10542	+ 214	2				
2. # OF EMPLOYEES IN KAKAAKO	25822	25822	+ 0	0	25822	26087	+ 265	1				
3. # OF BUSINESSES IN KAKAAKO	1656	1856	+ 200	12	1656	1861	+ 205	12				
4. # OF LANDUSERS WITHIN KALAELOA	15	15	+ 0	0	15	15	+ 0	0				
5. # RESIDENTS WITHIN KALAELOA & SURROUNDING AREAS	5100	5100	+ 0	0	5100	5100	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. DEVELOPMENT PERMITS ISSUED IN KAKAAKO	160	137	- 23	14	160	160	+ 0	0				
2. # INFRASTRUCTURE IMPROV PROJS BEGUN IN KAKAAKO	0	0	+ 0	0	0	0	+ 0	0				
3. NEW PUBLIC IMPROVEMENTS IN KAKAAKO (\$M)	0	0	+ 0	0	0	0	+ 0	0				
4. # PARCELS IN KALAELOA COVERED BY ECON DEV PLAN	84	84	+ 0	0	84	84	+ 0	0				
5. NEW PLANNING IN KALAELOA (\$M)	0	0	+ 0	0	0	0	+ 0	0				
6. # PARCELS, INFRASTRUCTURE SYS CONVEYED IN KALAELOA	84	84	+ 0	0	84	84	+ 0	0				
7. # PROJS FACILITATED & COMPLETED IN KALAELOA	5	5	+ 0	0	5	5	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 07 01
BED 150

PROGRAM TITLE: HAWAII COMMUNITY DEVELOPMENT AUTHORITY

PART I - EXPENDITURES AND POSITIONS

FY 13: The variance is due to: 1) The Hawaii Community Development Authority (HCDA) Kakaako revolving fund expenditures being \$63k less than budgeted; and 2) Kalaeloa revolving fund expenditures being \$94k less than budgeted.

FY 14: 1st Quarter of FY 14: 1) Q1 actual expenditures for Category 10 of Kakaako District were \$1.8k lower than allotment; 2) Q1 actual expenditures for Category 20 of Kakaako District were \$6.2k lower than allotment; 3) Q1 actual expenditures for Category 20 of Kalaeloa District were \$36.7k lower than allotment.

PART II - MEASURES OF EFFECTIVENESS

Item 1. FY 14: The positive \$95.6 million variance is due to new developments of 1) Symphony Project that adds \$50.0 million; and 2) 801 South Street Phase I, additional \$106.0 million, and schedule changes of existing projects.

Item 2. FY 14: The positive 58.8 (1,000 s.f.) variance is created by Ward Village Shops project.

PART III - PROGRAM TARGET GROUPS

Item 1. FY 14: the 214 (residents) variance: Halekauwila project will add 214 residents.

Item 2. FY 14: the 265 (employees) variance: Ward Village Shops will add 260 and Halekauwila project adds 5 new employees.

Item 3. FY 14: the 5 (business) variance: Ward Village Shops will add 4 and Halekauwila project will add 1 new business(es).

PART IV - PROGRAM ACTIVITIES

Item 1. FY 13: negative 23 variance for development permits is due to the fact that the number of larger development applications increased

dramatically, whereas smaller size development applications were not as much as estimated.

Item 2. FY 14: the 265 (employees) variance: Ward Village Shops will add 260 and Halekauwila project will add 5 new employees.

Item 3. FY 14: the 5 (business) variance: Ward Village Shops will add 4 and Halekauwila project will add 1 new business(es).

VARIANCE REPORT

PROGRAM TITLE: HAWAII HOUSING FINANCE AND DEVELOPMENT CORP
PROGRAM-ID: BED-160
PROGRAM STRUCTURE NO: 0108

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS												
EXPENDITURES (\$1000's)												
	31.00	23.00	- 8.00	26	31.00	24.00	- 7.00	23	31.00	24.00	- 7.00	23
TOTAL COSTS	38,301	30,569	- 7,732	20	24,442	1,567	- 22,875	94	14,034	36,909	+ 22,875	163
POSITIONS	31.00	23.00	- 8.00	26	31.00	24.00	- 7.00	23	31.00	24.00	- 7.00	23
EXPENDITURES (\$1000's)	38,301	30,569	- 7,732	20	24,442	1,567	- 22,875	94	14,034	36,909	+ 22,875	163
PART II: MEASURES OF EFFECTIVENESS												
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
1. # OF HOMEBUYERS ASSISTED	371	716	+ 345	93	40	502	+ 462	1155				
2. # OF NEW RENTAL UNITS	1073	156	- 917	85	885	810	- 75	8				
3. # OF EXISTING AFFORD RENTAL HOUSING UNITS PRESERV	190	675	+ 485	255	150	233	+ 83	55				
4. # OF LEASE RENTS RENEGOTIATED	0	0	+ 0	0	2	2	+ 0	0				
5. # OF SINGLE FAM LEASHLD LOTS CONVERT TO FEE SIMPLE	2	3	+ 1	50	2	1	- 1	50				
PART III: PROGRAM TARGET GROUP												
1. HSEHLDS EARN UP 140% OF MED INC EST BY USDHUD	2700	2200	- 500	19	2700	2200	- 500	19				
2. EMPLOYEES OF TARGETED IND IDENTIFIED BY DBEDT	0	NO DATA	- 0	0	0	NO DATA	- 0	0				
PART IV: PROGRAM ACTIVITY												
1. ORIGINATE LOANS/GRANTS FOR ACQ/REHAB OR DEV OF HSE	729	393	- 336	46	314	518	+ 204	65				
2. ALLOCATE TAX CRDT FOR ACQ/REHAB OR DEV OF HOUSING	300	74	- 226	75	300	188	- 112	37				
3. ISSUE TAX-EXEMPT REVENUE BONDS (\$M)	75	63	- 12	16	15	153	+ 138	920				
4. UTILIZE CH 201H TO FAC ST & CNTY LAND APP FOR HSNB	350	0	- 350	100	350	0	- 350	100				
5. ACQUIRE/DISPOSE OF REAL PROPERTY	2	0	- 2	100	2	0	- 2	100				
6. ASSIST FIRST-TIME HOMEBUYERS	371	716	+ 345	93	40	502	+ 462	1155				
7. PROCESS APP FOR ARBITRATION OF LEASE RENT RENEGO	0	0	+ 0	0	0	0	+ 0	0				
8. PROCESS APPLICATIONS FOR LEASEHOLD CONVERSION	0	0	+ 0	0	0	0	+ 0	0				

VARIANCE REPORT NARRATIVE FY 2013 AND FY 2014

01 08
BED 160

PROGRAM TITLE: HAWAII HOUSING FINANCE AND DEVELOPMENT CORP

PART I - EXPENDITURES AND POSITIONS

The position variances are primarily due to delays in filling of positions.

The expenditure variance for FY 13 was the result of decrease in Federal grant award expenditures.

PART II - MEASURES OF EFFECTIVENESS

Item 1. The planned number of new home buyers assisted was underestimated in both FY 13 and FY 14.

Items 2 & 3. There were projects misclassified between Items 2 and 3. The net variance of number of new rental units and number of existing units preserved for FY 13 was the result of projects delayed to FY 14 and FY 15 due to construction and financing challenges.

Item 5. One single-family leasehold lot conversion to fee simple was accelerated from FY 14 to FY 13, causing offsetting variances in both years.

PART III - PROGRAM TARGET GROUPS

Variance is due to the utilization of updated planning data for the number of households with incomes from 50% to 140% of the area median income as established by the U.S. Dept. of Housing and Urban Development.

PART IV - PROGRAM ACTIVITIES

Item 1. Changes in the timing of approvals and loan closings resulted in delays in loan originations from FY 13 to FY 14.

Item 2. Tax credit allocations in the plan for FY 13 and FY 14 were overestimated.

Item 3. Tax-exempt revenue bonds used to fund the Hula Mae multi-family program were utilized less than anticipated in FY 13; however, an

increase is expected in FY 14.

Item 4. Project delays reduced the number of units requiring Chapter 201H, HRS approvals.

Item 5. This is not considered a significant variance.

Item 6. The planned counts for FY 13 and FY 14 were underestimated, causing favorable variances.

PROGRAM TITLE: OFFICE OF AEROSPACE
PROGRAM-ID: BED-128
PROGRAM STRUCTURE NO: 0109

	FISCAL YEAR 2012-13				THREE MONTHS ENDED 09-30-13				NINE MONTHS ENDING 06-30-14			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
PART I: EXPENDITURES & POSITIONS												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	158	148	- 10	6	654	256	- 398	61	155	553	+ 398	257
TOTAL COSTS												
POSITIONS	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	158	148	- 10	6	654	256	- 398	61	155	553	+ 398	257
	FISCAL YEAR 2012-13				FISCAL YEAR 2013-14							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. EXTRAMURAL (FEDERAL/PRIVATE) FUNDING GENERATED	350	350	+ 0	0	100	100	+ 0	0				
2. FEDERAL COOPERATIVE AGREEMENTS INAUGURATED	2	2	+ 0	0	3	3	+ 0	0				
3. PUBLIC-PRIVATE PARTNERSHIPS INITIATED/MAINTAINED	5	5	+ 0	0	5	5	+ 0	0				
4. INTERNATIONAL ALLIANCES INITIATED/MAINTAINED	4	4	+ 0	0	4	4	+ 0	0				
PART III: PROGRAM TARGET GROUP												
1. HAWAII-BASED AEROSPACE COMPANIES/CORPORATIONS	50	50	+ 0	0	65	65	+ 0	0				
2. HAWAII-BASED EDUCATIONAL AND RESEARCH INSTITUTIONS	7	7	+ 0	0	7	7	+ 0	0				
3. OVERSEAS AEROSPACE AGENCIES/COMPANIES/CORPORATIONS	5	5	+ 0	0	12	12	+ 0	0				
4. OVERSEAS EDUCATION AND RESEARCH AGENCIES/INSTITUTI	16	16	+ 0	0	19	19	+ 0	0				
PART IV: PROGRAM ACTIVITY												
1. PACIFIC INTERNATIONAL SPACE ALLIANCE (ANNUAL MEETI	1	1	+ 0	0	1	1	+ 0	0				
2. PISCES* FUNDING GENERATED THROUGH STATE LEGISLATUR	3.0	3.0	+ 0	0	3.0	3.0	+ 0	0				
3. COMMERCIAL SPACE TRANSPORTATION (FAA GRANT APPLICA	2	2	+ 0	0	1	1	+ 0	0				
4. NEXT-GENERATION AVIATION (UAS/OTHER ALLIANCES/APPL	3	3	+ 0	0	3	3	+ 0	0				
5. REAL WORLD DESIGN CHALLENGE (NUMBER OF TEAMS COORD	12	12	+ 0	0	15	15	+ 0	0				
6. HAWAII AEROSPACE ADVISORY COMMITTEE MEETINGS	4	4	+ 0	0	4	4	+ 0	0				
7. HAWAII STARLIGHT RESERVE COMMITTEE MEETINGS	4	4	+ 0	0	4	4	+ 0	0				
8. COMMUNITY OUTREACH (MEETINGS ATTENDED/PRESENTATION	20	20	+ 0	0	25	25	+ 0	0				
9. PUBLICATIONS (INFORMATIONAL MATERIALS/REPORTS/WEBS	5	5	+ 0	0	5	5	+ 0	0				

**VARIANCE REPORT NARRATIVE
FY 2013 AND FY 2014**

PROGRAM TITLE: OFFICE OF AEROSPACE

**01 09
BED 128**

PART I - EXPENDITURES AND POSITIONS

The variances are due to the expenditures being allocated for the 1st quarter based on 25% of the total allocation. It is anticipated that the remaining funds will be expended during the remaining quarters.

PART II - MEASURES OF EFFECTIVENESS

No significant variances.

PART III - PROGRAM TARGET GROUPS

No significant variances.

PART IV - PROGRAM ACTIVITIES

No significant variances.