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## **INDIVIDUAL RIGHTS**

VARIANCE REPORT

PROGRAM TITLE: INDIVIDUAL RIGHTS  
PROGRAM-ID:  
PROGRAM STRUCTURE NO: 10

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	626.50	529.50	- 97.00	15	639.50	546.50	- 93.00	15	639.50	627.50	- 12.00	2
EXPENDITURES (\$1000's)	81,345	68,832	- 12,513	15	19,471	16,764	- 2,707	14	69,828	72,537	+ 2,709	4
<b>TOTAL COSTS</b>												
POSITIONS	626.50	529.50	- 97.00	15	639.50	546.50	- 93.00	15	639.50	627.50	- 12.00	2
EXPENDITURES (\$1000's)	81,345	68,832	- 12,513	15	19,471	16,764	- 2,707	14	69,828	72,537	+ 2,709	4
					FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
<b>PART II: MEASURES OF EFFECTIVENESS</b>					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
1. % INST EXAMND IN TIMELY MANNER PURS TO STAT RULES					90	92	+ 2	2	96	92	- 4	4
2. % INSURER'S EXAM WKLD COMPL AT LEAST ONCE IN 5 YR					100	100	+ 0	0	100	100	+ 0	0
3. % OF COMPLAINTS RESOLVED WITHIN 90 DAYS					90	90	+ 0	0	90	90	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

**PROGRAM TITLE: INDIVIDUAL RIGHTS**

10

### **PART I - EXPENDITURES AND POSITIONS**

The variance in the Individual Rights Program position counts are due to vacancies for pending recruitment and filling, as well as recruitment difficulties. The variance for expenditures is generally attributed to personnel expenditures being less than planned due to position vacancies. Details of the position and expenditures variances are best examined at the lowest program level.

### **PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	482.00	400.00	- 82.00	17	493.00	414.00	- 79.00	16	493.00	481.00	- 12.00	2
EXPENDITURES (\$1000's)	66,199	53,646	- 12,553	19	15,434	12,997	- 2,437	16	58,413	60,849	+ 2,436	4
<b>TOTAL COSTS</b>												
POSITIONS	482.00	400.00	- 82.00	17	493.00	414.00	- 79.00	16	493.00	481.00	- 12.00	2
EXPENDITURES (\$1000's)	66,199	53,646	- 12,553	19	15,434	12,997	- 2,437	16	58,413	60,849	+ 2,436	4
	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % INST EXAMND IN TIMELY MANNER PURS TO STAT RULES	90	92	+ 2	2	96	92	- 4	4				
2. % INSURER'S EXAM WKLD COMPL AT LEAST ONCE IN 5 YR	100	100	+ 0	0	100	100	+ 0	0				
3. %COMPL BY CABLE TV COM SYS W/STATE & REG RPTG REQS	99	99	+ 0	0	99	99	+ 0	0				

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

**PROGRAM TITLE: PROTECTION OF THE CONSUMER**

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**10 01**

### **PART I - EXPENDITURES AND POSITIONS**

The variance in the Protection of the Consumer Program position counts are due to vacancies pending recruitment and filling, as well as recruitment difficulties. 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.

VARIANCE REPORT

PROGRAM TITLE: REGULATION OF SERVICES

PROGRAM-ID:

PROGRAM STRUCTURE NO: 100103

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	273.00	221.00	- 52.00	19	284.00	232.00	- 52.00	18	284.00	272.00	- 12.00	4
EXPENDITURES (\$1000's)	44,066	34,956	- 9,110	21	10,011	8,391	- 1,620	16	41,679	43,298	+ 1,619	4
<b>TOTAL COSTS</b>												
POSITIONS	273.00	221.00	- 52.00	19	284.00	232.00	- 52.00	18	284.00	272.00	- 12.00	4
EXPENDITURES (\$1000's)	44,066	34,956	- 9,110	21	10,011	8,391	- 1,620	16	41,679	43,298	+ 1,619	4
	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15							
<b>PART II: MEASURES OF EFFECTIVENESS</b>	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
1. % LIC RENWLS REVIEW/PROC TIMELY, PURS TO STDS	95	94	- 1	1	95	94	- 1	1				
2. % LICENSEES RENEWED WITHIN 10-12 BUSINESS DAYS	97	96	- 1	1	97	97	+ 0	0				
3. % OF COMPLAINTS RESOLVED WITHIN 90 DAYS	90	90	+ 0	0	90	90	+ 0	0				

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

**PROGRAM TITLE: REGULATION OF SERVICES**

**10 01 03**

### **PART I - EXPENDITURES AND POSITIONS**

The variance in the Regulation of Services Program position counts are due to vacancies pending recruitment and filling, as well as recruitment difficulties. 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.

VARIANCE REPORT

PROGRAM TITLE: CABLE TELEVISION  
PROGRAM-ID: CCA-102  
PROGRAM STRUCTURE NO: 10010301

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<b>PART I: EXPENDITURES &amp; POSITIONS</b>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
OPERATING COSTS															
POSITIONS	7.00	7.00	+	0.00	0	8.00	8.00	+	0.00	0	8.00	8.00	+	0.00	0
EXPENDITURES (\$1000's)	2,392	1,461	-	931	39	583	557	-	26	4	3,809	3,835	+	26	1
TOTAL COSTS															
POSITIONS	7.00	7.00	+	0.00	0	8.00	8.00	+	0.00	0	8.00	8.00	+	0.00	0
EXPENDITURES (\$1000's)	2,392	1,461	-	931	39	583	557	-	26	4	3,809	3,835	+	26	1
	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. % HOMES WHERE CABLE TV SERVICE AVAILABLE IN STATE	99	99	+	0	0	99	99	+	0	0	99	99	+	0	0
2. % COMPL BY CABLE TV COM SYS W/STATE & REG RPTG REQ	99	99	+	0	0	99	99	+	0	0	99	99	+	0	0
3. % COMPLAINTS ADDRESSED WITHIN 30 DAYS	99	99	+	0	0	99	99	+	0	0	99	99	+	0	0
4. % BROADBAND PROJECTS/ACTIVITIES COMPLETED	99	99	+	0	0	99	99	+	0	0	99	99	+	0	0
<b>PART III: PROGRAM TARGET GROUP</b>															
1. HAWAII HOUSEHOLDS (000)	560	522	-	38	7	570	530	-	40	7	570	530	-	40	7
2. HAWAII BUSINESSES (000)	54	32	-	22	41	55	34	-	21	38	55	34	-	21	38
3. CABLE TELEVISION SUBSCRIBERS (000)	379	397	+	18	5	369	395	+	26	7	369	395	+	26	7
4. CABLE TELEVISION COMPANIES	2	2	+	0	0	2	2	+	0	0	2	2	+	0	0
5. PEG ACCESS ORGANIZATIONS	4	4	+	0	0	4	4	+	0	0	4	4	+	0	0
6. BROADBAND SUBSCRIBERS (000)	411	416	+	5	1	420	429	+	9	2	420	429	+	9	2
<b>PART IV: PROGRAM ACTIVITY</b>															
1. # POL & STDS PROCEEDINGS FOR CABLE COM SVCS (CCS)	2	11	+	9	450	2	12	+	10	500	2	12	+	10	500
2. # OF CATV APPLICATIONS REVIEWED BY CATV	1	1	+	0	0	1	1	+	0	0	1	1	+	0	0
3. # INSP, INVSTGN, COMPL REVIEWS BEGUN/ENDED BY CATV	13	14	+	1	8	13	13	+	0	0	13	13	+	0	0
4. # TESTMNS REL TO CABLE COM TO LEG, CONG, GOVT AGEN	10	10	+	0	0	10	10	+	0	0	10	10	+	0	0
5. # MTGS ON DEV, CONST, USE OF FACIL REL TO CCS	4	4	+	0	0	4	4	+	0	0	4	4	+	0	0
6. # OF COMPLAINTS AND INQUIRIES RECEIVED	260	275	+	15	6	260	280	+	20	8	260	280	+	20	8
7. # RATE FILINGS RECEIVED AND EXAMINED BY CATV	8	6	-	2	25	8	6	-	2	25	8	6	-	2	25
8. # OF INET PROJ REQUESTS RECEIVED/PROCESSED	58	72	+	14	24	58	75	+	17	29	58	75	+	17	29
9. # OF PEG ACCESS RELATED ACTIVITIES	300	320	+	20	7	300	325	+	25	8	300	325	+	25	8
10. # OF BROADBAND RELATED ACTIVITIES	120	116	-	4	3	130	120	-	10	8	130	120	-	10	8



## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 01  
CCA 102

### PROGRAM TITLE: CABLE TELEVISION

#### PART I - EXPENDITURES AND POSITIONS

The variance in the expenditures for FY 14 was largely due to vacancies that existed, fewer than expected expenses paid for personal services, and litigation costs that were not incurred due to settlement of issues in dispute. Variances of the same magnitude are not expected for FY 15.

#### PART II - MEASURES OF EFFECTIVENESS

No significant variances.

#### PART III - PROGRAM TARGET GROUPS

Item 2: Hawaii business figures are derived from the "State of Hawaii Data Book 2013," which derives its figures from the U.S. Census Bureau, County Business Patterns. There is no explanation provided for the adjustment of the numbers between years in the report, but it is speculated that it may be due to updated census information.

#### PART IV - PROGRAM ACTIVITIES

Item 1: This item represents the general number of proceedings or large matters that the division reviews relating to Cable Communications Services. The number of general proceedings or matters being reviewed continues to be higher than in recent past. In addition, the length and complexity of such matters has increased as well. As a result, the estimate for FY 15 reflects the division's expectation that complex and lengthy matters will continue through that period as well.

Item 7: In 2011, Time Warner Cable (TWC) submitted two petitions with the Federal Communications Commission (FCC) requesting a finding that TWC's systems services on the islands of Oahu and Hawaii are "effectively competitive" and therefore exempt from any rate regulation imposed pursuant to Section 623 of the Communications Act of 1934, as amended. In late 2013, the FCC granted TWC's petitions. FY 14 reflects the anticipated change in the number of rate reviews likely to be done and FY 15 reflects the total number of rate reviews to be conducted in light of the FCC's ruling.

Item 8: The number of government Institutional Network (INET) connection requests has generally increased as many government agencies are requesting INET reconfigurations to create greater route diversity and resiliency instead of requesting less complex, point-to-point connections only. The total number of INET connection requests does not reflect the only work being done by the division with governmental agencies on INET planning. Currently, the division is helping a number of agencies develop master plans for their INET needs to ensure that their respective INET needs can be prioritized and met cost-effectively and efficiently.

PROGRAM TITLE: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC  
 PROGRAM-ID: CCA-103  
 PROGRAM STRUCTURE NO: 10010302

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<b>PART I: EXPENDITURES &amp; POSITIONS</b>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
<b>OPERATING COSTS</b>															
POSITIONS	23.00	17.00	-	6.00	26	24.00	17.00	-	7.00	29	24.00	24.00	+	0.00	0
EXPENDITURES (\$1000's)	3,032	2,307	-	725	24	853	410	-	443	52	2,978	3,421	+	443	15
<b>TOTAL COSTS</b>															
POSITIONS	23.00	17.00	-	6.00	26	24.00	17.00	-	7.00	29	24.00	24.00	+	0.00	0
EXPENDITURES (\$1000's)	3,032	2,307	-	725	24	853	410	-	443	52	2,978	3,421	+	443	15

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15					
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
<b>PART II: MEASURES OF EFFECTIVENESS</b>										
1. AVG % PUC DECSNS ACCPT AGRMNT ENTRD BY CA W/RU	75	91	+	16	21	75	85	+	10	13
2. CONS SAVINGS DUE TO PARTIC IN UTIL PROC (000'S)	15000	3029	-	11971	80	15000	7500	-	7500	50
3. CONS SAV DUE TO PARTIC IN WATER CARR PROC (000'S)	1000	0	-	1000	100	NO DATA	0	+	0	0
4. % PROCEDURAL DEADLINES MET	100	100	+	0	0	100	100	+	0	0
5. # OF PEOPLE REACHED THRU EVENTS/DIST PUBLICATIONS	2000	4500	+	2500	125	2000	4500	+	2500	125
6. % OF COMPLAINTS RESPONDED TO WITHIN 24 HOURS	100	90	-	10	10	100	90	-	10	10
7. % OF ALT ENERGY SOURCES USED BY ELECTRIC UTILITIES	24	34	+	10	42	15	17	+	2	13

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15					
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
<b>PART III: PROGRAM TARGET GROUP</b>										
1. DE FACTO POPULATION IN HAWAII (000'S)	1500	1538	+	38	3	1500	1562	+	62	4
2. # OF RESIDENTIAL ELECTRICAL METERS (000'S)	425	423	-	2	0	429	425	-	4	1
3. # OF NON-RESIDENTIAL USERS (000'S)	68	64	-	4	6	69	65	-	4	6
4. # OF ELECTRIC PUBLIC UTILITIES REGULATED BY PUC	4	4	+	0	0	4	4	+	0	0
5. # OF SUPPLIERS OF ELEC ENERGY TO ELEC PUB UTILS	35	32	-	3	9	37	35	-	2	5
6. # TELECOM COMMON CAR (FED & ST LIC) OPER IN HI	180	205	+	25	14	180	205	+	25	14
7. # PIPD GAS, WATR, WAST WATR PUB UTIL REG BY PUC	43	44	+	1	2	43	44	+	1	2
8. #PROP MOTOR CARRIERS HLDG CERT PUBLIC CONV & NESSTY	600	532	-	68	11	600	532	-	68	11
9. # PASS CARRIERS HLDG CERT PUBLIC CONV & NESSTY	690	859	+	169	24	690	859	+	169	24
10. # WATER CARRIERS REGULATED BY PUC	3	3	+	0	0	3	3	+	0	0

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15					
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
<b>PART IV: PROGRAM ACTIVITY</b>										
1. # OF UTILITY GENERAL RATE APPL REVIEWED BY DIV	7	10	+	3	43	7	10	+	3	43
2. #OF GEN TARIFF CHGS FILED BY MOTOR CARR REV BY DIV	10	0	-	10	100	10	0	-	10	100
3. # OF NON-RATE APPL BY UTIL COMP REV BY DIV	120	92	-	28	23	120	92	-	28	23
4. #OF INVST FOR QUAL SVC/OPER INTEG PARTIC IN BY DIV	1	0	-	1	100	1	0	-	1	100
5. # RULE-MKG PROC/GENERIC DCKTS PARTIC IN BY DIV	10	14	+	4	40	10	14	+	4	40
6. # OF EDUCATION/OUTREACH EVENTS ATTENDED	4	5	+	1	25	4	5	+	1	25
7. # OF NEWSLETTERS/PUBLICATIONS CREATED	4	7	+	3	75	4	5	+	1	25

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 02  
CCA 103

**PROGRAM TITLE: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC**

### **PART I - EXPENDITURES AND POSITIONS**

The variance in the number of positions in FY 14 reflects the division's challenges in finding qualified, interested candidates at the current levels of pay. The division continues its efforts to recruit and fill positions and anticipates filling the remaining vacancies in FY 15. The variance in the expenditures is primarily due to personnel vacancies, deferral of a Hawaiian Electric Company (HECO) rate case, and certain anticipated projects being delayed beyond FY 14.

### **PART II - MEASURES OF EFFECTIVENESS**

Items 1, 2, & 3: The variance reflects forecasting uncertainties from unknown factors such as if and when a company will file an application, and when and how the Hawaii Public Utilities Commission ("PUC") will rule on that application. The possible savings are also affected by the size of the utility companies that are seeking rate changes as well as the timing of the PUC's decisions and orders. Savings for FY 14 are lower than savings in FY 13 primarily because of HECO's rate case deferral. In FY 14, HECO filed a letter stating its intention to forego seeking a rate increase based on a 2014 test year. Should HECO and/or Maui Electric Company submit rate case filings in FY 15, estimated savings may be higher in FY 15 or FY 16. In addition, since Young Brothers (YB) was granted its requested rate adjustment mechanism (AFRA), it did not file a rate case in FY 14 and will not file one until FY 16, but the division anticipates the ability to reduce requested increases in YB's AFRA.

Item 5: The division continues to actively seek out opportunities to increase consumer contact by appearing at events anticipated to reach a greater number of consumers and uses those and other opportunities to inform consumers of its newsletters, which is also provided to consumers via electronic mail. The division recognizes the need to help consumers better manage their use of regulated services and has supported efforts to increase contact with customers.

Item 6: There has been an increase in complaints due to increasing utility rates and other issues (e.g., photovoltaic cell installations, the utilities' proposed power supply improvement plans and distributed generation interconnection plans). Thus, we were not able to respond to complaints within the 24-hour time period.

Item 7: Greater than expected contributions from independent power producers providing renewable energy contributed to the State's renewable portfolio standards. In FY 2015, the law will change; thus, the estimated contribution will change.

### **PART III - PROGRAM TARGET GROUPS**

Item 6: There have been telecom carriers entering and leaving various markets, including Hawaii. The net growth in carriers will vary.

Items 8 & 9: The number of carriers is subject to various factors and the decrease in property carriers may be due to current construction conditions, whereas the increase passenger carriers may reflect optimism in tourism recovery.

### **PART IV - PROGRAM ACTIVITIES**

Items 1, 2, 3, 4 & 5: The variance reflects the forecasting uncertainties associated with utility companies when they file applications or when the PUC might open generic dockets. As a result of Hawaii's Clean Energy Initiative, there are a number of generic dockets being opened that require significant amounts of resources from the participating parties, including the division. The number of rate case filings reflects small utilities trying to establish higher rates to cover increased operating costs and environmental compliance. The division has decided not to review any of the tariffs filed by motor carriers in order to better reallocate its resources towards other matters. The Consumer Advocate has attempted to participate in less of the non-rate and non-policy applications in order to better allocate its available resources to assess the utilities' proposed plans for power generation, interconnection, and rate structure. In addition, due to the Clean Energy Initiative, there have been an

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 02  
CCA 103

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**PROGRAM TITLE: CONSUMER ADVOCATE FOR COMM, UTIL & TRAN SVC**

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increased number of proceedings that have been opened in order to effectuate the commitments necessary to increase the amount of renewable generation and energy efficiency measures.

Items 6 & 7: In an effort to enhance its communications with customers, the Division has focused on online communication and social media. Newsletters will play a less prominent role going forward. The division has tried to seek more opportunities to perform outreach because of the clean energy matters, such as recent concerns with photovoltaic installation and interconnection, as well as the perceived need to help consumers manage their utility bills.

PROGRAM TITLE: FINANCIAL SERVICES REGULATION  
PROGRAM-ID: CCA-104  
PROGRAM STRUCTURE NO: 10010303

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<b>PART I: EXPENDITURES &amp; POSITIONS</b>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
<b>OPERATING COSTS</b>															
POSITIONS	34.00	28.00	-	6.00	18	34.00	29.00	-	5.00	15	34.00	34.00	+	0.00	0
EXPENDITURES (\$1000's)	3,495	2,587	-	908	26	827	667	-	160	19	2,778	2,938	+	160	6
<b>TOTAL COSTS</b>															
POSITIONS	34.00	28.00	-	6.00	18	34.00	29.00	-	5.00	15	34.00	34.00	+	0.00	0
EXPENDITURES (\$1000's)	3,495	2,587	-	908	26	827	667	-	160	19	2,778	2,938	+	160	6
					FISCAL YEAR 2013-14				FISCAL YEAR 2014-15						
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%			
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. % INST EXAMND IN TIMELY MANNER PURS TO STAT RULES					90	92	+	2	2	96	92	-	4	4	
2. %COMPL FI,ED,MT,MS,MLO APP PROC TMLY & PRS TO STAT					90	94	+	4	4	90	94	+	4	4	
3. % WRITTEN INQS REVIEWED/PROCESSED W/IN 30 DAYS					75	50	-	25	33	80	50	-	30	38	
4. % LIC RENWLS REVIEW/PROC TIMELY, PURS TO STDS					95	94	-	1	1	95	94	-	1	1	
5. % AUDITED FINANCIAL STATEMTS REVIEWED W/IN 60 DAYS					85	86	+	1	1	85	90	+	5	6	
<b>PART III: PROGRAM TARGET GROUP</b>															
1. DE FACTO POPULATION IN HAWAII (000)					1500	1538	+	38	3	1500	1562	+	62	4	
2. FI,ED,MT,MS,MLO,MLOC BRNCHS & OTHER OFCS REGULATED					2800	3925	+	1125	40	2800	4395	+	1595	57	
<b>PART IV: PROGRAM ACTIVITY</b>															
1. # FIN INST BRANCHES & OTHER OFFICES EXAMINED					211	211	+	0	0	230	238	+	8	3	
2. # OF APP OF FIN INST,ED,MT,MS,MLO,MLOC REVIEWED					675	829	+	154	23	650	730	+	80	12	
3. # OF INQUIRIES RECEIVED					6100	7165	+	1065	17	6100	6712	+	612	10	
4. # OF LICENSES RENEWED					1535	1900	+	365	24	1535	2013	+	478	31	
5. # AUDITED FIN STATEMENTS RECEIVED FOR REVIEW					68	59	-	9	13	68	70	+	2	3	
6. # OF WRITTEN COMPLAINTS RECEIVED					60	70	+	10	17	60	60	+	0	0	
7. # OF ED, MT, BRANCHES & AUTH LOCATIONS EXAMINED					54	52	-	2	4	27	11	-	16	59	
8. # OF MORG LOAN ORGNTR CO & MORG LOAN ORGNTRS EXAM					6	12	+	6	100	6	31	+	25	417	
9. # OF INVESTIGATIONS RECEIVED					65	64	-	1	2	65	60	-	5	8	

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 03  
CCA 104

### PROGRAM TITLE: FINANCIAL SERVICES REGULATION

#### PART I - EXPENDITURES AND POSITIONS

FY 14 and Q1 FY 15 variances in positions and expenditures are due to: (1) several unanticipated vacancies even as the division filled other vacancies, (2) delays in hiring to fill vacancies due to inability to find qualified candidates, primarily for civil service positions, and (3) no expenditures from the Mortgage Loan Recovery Fund since no claims were made. The division is actively working to fill its vacant positions.

#### PART II - MEASURES OF EFFECTIVENESS

Item 3: Due to continued vacancies, increased number of applications, license renewals and inquiries received, and due to the increasing complexity of many inquiries, the division was unable to timely process as many written inquiries as originally planned for FY 14 and expects that this will continue in FY 15.

#### PART III - PROGRAM TARGET GROUPS

Item 2: FY 14 and FY 15 variances are primarily due to the greater than projected number of mortgage loan originators (MLOs), mortgage loan originator companies (MLOCs), MLOC branches, and mortgage servicers (MSs) than previously projected and the conversion of a federal savings bank to a State charter at the end of FY 14. The division projected that the numbers of MLOs, MLOCs, MLOC branches and MS would start to stabilize, but has seen continued increases in these types of licensees. The division is now projecting continued increase in these types of licensees and also projects that the number of money transmitters (MTs) will also be increasing due to technology use for transmissions.

#### PART IV - PROGRAM ACTIVITIES

Item 2: FY 14 and FY 15 variances are primarily due to applications for both initial licensure and amendments to their licenses from MLOs, MLOCs, MLOC branches, MSs and MTs that continue to increase each year.

Item 3: The number of inquiries received in FY 14 and expected to be received in FY 15 are greater than projected and are probably primarily attributable to the transition to National Mortgage Licensing System of mortgage servicers in FY 14 and money transmitters (MTs) in FY 15.

Item 4: FY 14 and FY 15 variances are due to more licensed MLOs, MLOCs, MLOC branches, and MSs than previously projected, resulting in more licenses being renewed.

Item 5: There were fewer licensed MTs than projected for FY 14 that needed to submit audited financial statements. Additionally, due to the complex methodology and innovative use of technology, it takes a lengthy time to process applications for initial MT licensure.

Item 6: Number of complaints varies from year to year, but had been decreasing in previous FYs. A decrease in FY 14 that was projected because it was anticipated that consumer problems with MLOs and MLOCs would be handled as investigations did not occur, despite receiving close to the projected number of investigations in FY 14.

Item 7: Variance for FY 15 is due to plans to conduct more examinations of MLOs and MLOCs and fewer escrow depository and MT examinations than previously projected.

Item 8: Variance for FY 14 and 15 is due to increased focus on conducting examinations of MLOs and MLOCs since the industry has been licensed for four years and Division would like to meet Conference of State Bank Supervisors/American Association of Residential Mortgage Regulators accreditation standards for its MLOC program. FY 15 projected examinations also include the more abbreviated off-site examinations conducted within 6 months of the initial licensure of an MLOC.

VARIANCE REPORT

PROGRAM TITLE: PROFESSIONAL & VOCATIONAL LICENSING  
PROGRAM-ID: CCA-105  
PROGRAM STRUCTURE NO: 10010304

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	62.00	56.00	- 6.00	10	62.00	58.00	- 4.00	6	62.00	62.00	+ 0.00	0
EXPENDITURES (\$1000's)	8,185	6,507	- 1,678	21	1,917	1,599	- 318	17	6,228	6,546	+ 318	5
<b>TOTAL COSTS</b>												
POSITIONS	62.00	56.00	- 6.00	10	62.00	58.00	- 4.00	6	62.00	62.00	+ 0.00	0
EXPENDITURES (\$1000's)	8,185	6,507	- 1,678	21	1,917	1,599	- 318	17	6,228	6,546	+ 318	5

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. % NEW LICENSES ISSUED WITHIN 10-12 BUSINESS DAYS	95	96	+ 1	1	95	97	+ 2	2
2. % LICENSEES RENEWED WITHIN 10-12 BUSINESS DAYS	97	96	- 1	1	97	97	+ 0	0
3. % PVL-PROPOSED LEGISLATIVE MEASURES ENACTED	90	90	+ 0	0	90	90	+ 0	0

<b>PART III: PROGRAM TARGET GROUP</b>								
1. DE FACTO POPULATION IN HAWAII (000)	1500	1538	+ 38	3	1500	1562	+ 62	4
2. PERS/BUS LIC BY PVL (ALL STATUSES)	367950	389256	+ 21306	6	371630	407350	+ 35720	10
3. PERS/BUS LICENSED BY PVL (CURR AND ACT)	141150	141908	+ 758	1	142560	160000	+ 17440	12
4. REG BOARDS, COMMISSIONS, PROG ASSIGNED TO PVL	48	48	+ 0	0	48	48	+ 0	0

<b>PART IV: PROGRAM ACTIVITY</b>								
1. # OF PROF & VOC APPLICATIONS RECEIVED	13640	21010	+ 7370	54	13900	27400	+ 13500	97
2. # OF EXAMINEES & REEXAMINEES	9740	10659	+ 919	9	9930	10700	+ 770	8
3. # OF APPLICANTS LICENSED	9946	21434	+ 11488	116	10045	26500	+ 16455	164
4. # OF PERMITS ISSUED	1515	1372	- 143	9	1540	2000	+ 460	30
5. # OF LICENSES RENEWED	69795	63376	- 6419	9	70492	68300	- 2192	3
6. # OF UPDATE TRANSACTIONS FOR LICENSES	200425	239340	+ 38915	19	200435	258000	+ 57565	29
7. # CONDO REQUESTS, APPLS, REPORTS & EDUC OFFERINGS	21500	32590	+ 11090	52	21500	31500	+ 10000	47
8. # OF REAL ESTATE REQUESTS AND EDUC OFFERINGS	105000	106681	+ 1681	2	105000	110000	+ 5000	5
9. # OF TIME SHARE/SUBDIVISION FILINGS RECEIVED	7	20	+ 13	186	7	20	+ 13	186
10. # OF NEW/REVISED HI ADMIN RULES PROMULGATED	3	2	- 1	33	2	6	+ 4	200

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 04  
CCA 105

### PROGRAM TITLE: PROFESSIONAL & VOCATIONAL LICENSING

#### PART I - EXPENDITURES AND POSITIONS

Positions: The variance is a result of position vacancies pending recruitment and the filling of the positions.

Expenditures: The variances are generally attributed to position vacancies and lower than projected recovery claims. Recovery claims (Contractor or Real Estate) are contingent upon the number of claims filed and the nature of the claims.

#### PART II - MEASURES OF EFFECTIVENESS

No significant variance.

#### PART III - PROGRAM TARGET GROUPS

No significant variance.

#### PART IV - PROGRAM ACTIVITIES

Item 1: The variance increase is attributed to the mandate of Act 208, SLH 2010, which requires that all security guards in the State be registered with the division (10,700 plus registrations).

Item 3: The variance increase is mainly attributed to the 10,700 plus security guards who registered with the division.

Item 6: The variance increase is attributed to numerous requests for address changes, employment changes, inactivations, reactivations, and restorations. Also, there were multiple requests from contractors to add additional classes, additional privileges, and changes in license status from Responsible Managing Employee to Sole Proprietor.

Item 7: The variance increase is attributed to an increase in project filings, and having an additional staff member available to provide responses to inquiries. Staff responded to more Office of Information Practices requests and requests for information regarding fee increases and the rule-making process.

Item 9: The huge, variance increase is attributed to the inclusion of the number of time share filings received. Previously, only the number of subdivision filings was included in the program activity count.

Item 10: The variance increase is attributed to having promulgated only two sets of Hawaii Administrative Rules instead of the three that were envisioned to have been promulgated.



STATE OF HAWAII

VARIANCE REPORT

REPORT V61  
12/19/14

PROGRAM TITLE: PUBLIC UTILITIES COMMISSION  
PROGRAM-ID: BUF-901  
PROGRAM STRUCTURE NO: 10010305

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	62.00	38.00	- 24.00	39	62.00	39.00	- 23.00	37	62.00	50.00	- 12.00	19
EXPENDITURES (\$1000's)	11,412	9,504	- 1,908	17	2,303	2,007	- 296	13	13,869	14,165	+ 296	2
TOTAL COSTS												
POSITIONS	62.00	38.00	- 24.00	39	62.00	39.00	- 23.00	37	62.00	50.00	- 12.00	19
EXPENDITURES (\$1000's)	11,412	9,504	- 1,908	17	2,303	2,007	- 296	13	13,869	14,165	+ 296	2

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. % RATE CASES COMPLTD W/IN APPLIC STATUTORY TIME PD	100	100	+ 0	0	100	100	+ 0	0
2. % NON-RATE MATTERS COMPLTD W/IN APPLC STATU/REG PD	100	100	+ 0	0	100	100	+ 0	0
3. % INFORMAL COMPLAINT RESOLVED IN REASONABLE TIME	90	85	- 5	6	90	95	+ 5	6
4. NO. REPORTED ACCIDENTS INVOLVING UTILITY EMPLOYEES	95	84	- 11	12	95	95	+ 0	0
5. AV NO. ELECTRIC SVC INTERRPTNS PER CUSTOMER SVCD	2	2	+ 0	0	2	2	+ 0	0
6. NO. TELECOMM SVC DISRUPTNS LONGER THAN 1 HR	2	1	- 1	50	2	2	+ 0	0

<b>PART III: PROGRAM TARGET GROUP</b>								
1. ELECTRIC AND GAS COMPANIES	5	5	+ 0	0	5	5	+ 0	0
2. PROPERTY CARRIERS	575	549	- 26	5	575	575	+ 0	0
3. PASSENGER CARRIERS	755	816	+ 61	8	755	755	+ 0	0
4. WATER COMMON CARRIERS	4	4	+ 0	0	4	4	+ 0	0
5. PRIVATE WATER AND WASTEWATER UTILITY COMPANIES	38	38	+ 0	0	38	38	+ 0	0
6. TELECOMMUNICATIONS COMPANIES	175	175	+ 0	0	175	175	+ 0	0
7. OPERATORS OF SUBSURFACE INSTALLATIONS	80	47	- 33	41	80	80	+ 0	0
8. PETROLEUM DISTRIBUTORS	0	0	+ 0	0	0	0	+ 0	0

<b>PART IV: PROGRAM ACTIVITY</b>								
1. NUMBER OF APPLICATIONS FILED	400	431	+ 31	8	400	400	+ 0	0
2. NO. DECISIONS/ORDERS & ORDERS ISSUED DOCKETD MATTR	750	804	+ 54	7	750	750	+ 0	0
3. NO. OF PUBLIC HEARINGS AND CONTESTED CASE HEARINGS	20	7	- 13	65	20	20	+ 0	0
4. NUMBER OF CITATIONS ISSUED	20	11	- 9	45	20	20	+ 0	0
5. NUMBER OF INFORMAL COMPLAINTS FILED	220	118	- 102	46	220	220	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 05  
BUF 901

**PROGRAM TITLE: PUBLIC UTILITIES COMMISSION**

### **PART I - EXPENDITURES AND POSITIONS**

FY 2013-14:

The variance in positions in FY 14 was primarily due to the lack of sufficient office space to accommodate all authorized and funded positions. In FY 14, there were 8 vacant funded and established positions and 12 funded positions to be established but only four available staff work stations which required the Commission to restrict recruitment efforts to four key reorganization positions and the backfilling of existing positions. In FY 14, the Commission continued to work with the Department of Accounting and General Services, Public Works Division, Planning Branch, and finalized renovation floor plans for the approved and funded office expansion project in the State-owned Kekuanaoa Building.

The variance in expenditures is primarily due to the lower than anticipated Commission consultant, and payroll expenditures.

FY 2014-15:

The 1st quarter variance in positions and expenditures was due primarily to 10 vacant and 12 un-established positions (ref. FY 2013-14 position variance explanation above) and planned deferrals for procurement of consultant services, to assist the Commission with docket investigations, to subsequent FY 15 quarters. For the remainder of FY 15, the Commission is anticipating to expend funds as planned.

### **PART II - MEASURES OF EFFECTIVENESS**

4. The decrease was primarily due to the 30% reduction in accidents in FY 14 over FY 13 for Hawaiian Electric Companies, which was in large part due to the 67% reduction of accidents reported by Hawaii Electric Light Company, Inc.

6. The decrease was primarily due to reduction in damages to Hawaiian Telcom fiber optic cables. Hawaiian Telcom reported only one major

outage due to cable damage from a tree branch on the Island of Hawaii.

### **PART III - PROGRAM TARGET GROUPS**

7. The variance was due to an administrative oversight in reporting the number of operators of subsurface installations.

### **PART IV - PROGRAM ACTIVITIES**

3. The decrease is due to parties settling docket cases; thus, decreasing the need for contested case hearings during FY 14. The FY 15 estimate is reduced accordingly.

4. The decrease was due to the Commission's stronger investigation/enforcement team presence throughout FY 2013-14, primarily in surveillance activities. The FY 15 estimate has been reduced accordingly.

5. The decrease was due to the reduction of complaints against the HECO companies due to their continued improvement in customer service programs and call center activities. The FY15 estimate has been reduced accordingly.

PROGRAM TITLE: INSURANCE REGULATORY SERVICES  
PROGRAM-ID: CCA-106  
PROGRAM STRUCTURE NO: 10010306

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	85.00	75.00	- 10.00	12	92.00	80.00	- 12.00	13	92.00	92.00	+ 0.00	0
EXPENDITURES (\$1000's)	15,550	12,590	- 2,960	19	3,493	3,125	- 368	11	11,788	12,156	+ 368	3
<b>TOTAL COSTS</b>												
POSITIONS	85.00	75.00	- 10.00	12	92.00	80.00	- 12.00	13	92.00	92.00	+ 0.00	0
EXPENDITURES (\$1000's)	15,550	12,590	- 2,960	19	3,493	3,125	- 368	11	11,788	12,156	+ 368	3

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. % OF COMPLAINTS RESOLVED WITHIN 90 DAYS	90	90	+ 0	0	90	90	+ 0	0
2. % INSURER'S EXAM WKLD COMPL AT LEAST ONCE IN 5 YR	100	100	+ 0	0	100	100	+ 0	0
3. % CAPTIVE INSUR EXAM WKLD CMP W/IN 3 OR 5 YR REQUI	35	35	+ 0	0	45	75	+ 30	67
4. % RATE/POL FILINGS REVIEWED W/IN STAT TIME REQMTS	95	95	+ 0	0	95	95	+ 0	0
5. % OF INSURANCE FRAUD CASES INDICTED BY THE STATE	100	100	+ 0	0	100	100	+ 0	0
6. % CHANGE FROM PRIOR YEAR IN # OF CAPTIVE LICENSEES	4.0	5.7	+ 1.7	43	4.0	5.0	+ 1	25
7. % CRIMINAL & ADMIN BACKGROUND REVIEWS	1350	1522	+ 172	13	1350	1600	+ 250	19
8. % SCREENING APPLICANTS ASSIGNED CLAIMS PRG	70	48	- 22	31	70	64	- 6	9

<b>PART III: PROGRAM TARGET GROUP</b>								
1. DE FACTO POPULATION IN HAWAII (000)	1510	1538	+ 28	2	1520	1562	+ 42	3
2. INSURER LICENSEES REGULATED BY INSURANCE DIV	1025	1030	+ 5	0	1032	1035	+ 3	0
3. CAPTIVE LICENSEES REGULATED BY INSURANCE DIVISION	191	186	- 5	3	199	193	- 6	3
4. OTHER LICENSEES REGULATED BY INSURANCE DIVISION	46000	50835	+ 4835	11	46000	55000	+ 9000	20
5. MOTOR VEHICLES SUBJECT TO INS REGULATIONS (000)	945	946	+ 1	0	950	950	+ 0	0

<b>PART IV: PROGRAM ACTIVITY</b>								
1. # OF LICENSE APPL, RENEWALS & UPDATES PROCESSED	128000	116483	- 11517	9	129000	118388	- 10612	8
2. # OF COMPLAINTS	620	687	+ 67	11	620	650	+ 30	5
3. # FRAUD REFER & COMPLAINTS OPEN FOR INVESTIGATIONS	75	70	- 5	7	75	70	- 5	7
4. # INFORM BRFGS & CAPTIVE DEV ACTIVITIES DURING YR	30	30	+ 0	0	30	30	+ 0	0
5. # OF ANNUAL COMPANY FILINGS PROCESSED	2115	2212	+ 97	5	2110	2219	+ 109	5
6. # INSUR & CAPTIVES APPL FOR CERT OF AUTH REVIEWED	25	39	+ 14	56	22	29	+ 7	32
7. # OF EXAMS OF DOMESTIC INS & INS-TYPE ENTITIES	50	55	+ 5	10	49	56	+ 7	14
8. # INSURER & ISSUER RATE & POLICY FILINGS ANALYZED	4510	4575	+ 65	1	4610	4490	- 120	3
9. # OF PREMIUM TAX STATEMENTS FILED	9200	8924	- 276	3	9200	9000	- 200	2
10. # OF INSURER REPORTS ANALYZED CAPTIVES & RISK RTNT	242	231	- 11	5	250	250	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 06  
CCA 106

### PROGRAM TITLE: INSURANCE REGULATORY SERVICES

#### PART I - EXPENDITURES AND POSITIONS

Position Count: The variance resulted from position vacancies pending recruitment and filling or recruitment difficulties.

Expenditures: The variance resulted from position vacancies pending recruitment and filling or recruitment difficulties.

#### PART II - MEASURES OF EFFECTIVENESS

Item 3: For FY 2014-2015, it is estimated that a greater percentage of our examinations will be completed on time, because there are three additional examiners on staff.

Item 6: For FY 2013-2014, there was a greater than expected interest in our captive insurance programs; therefore, 19 new captive companies were licensed. For FY 2014-2015, we expect an increased growth in captive formations to continue.

Item 7: For FY 2013-2014, there was a larger-than-anticipated increase in licensing applications, which resulted in a higher number of background checks; this may be a result of an improving economy and the ease of applying for a license online.

Item 8: Results from administrative hearings regarding eligibility for this program have thinned the pool of eligible applicants.

#### PART III - PROGRAM TARGET GROUPS

Item 4: With improved economic conditions, the number of nonresident license applications increased greater than forecasted. A further, substantial increase is anticipated in FY 2014-2015 because the fees for a license have been reduced by 50%.

#### PART IV - PROGRAM ACTIVITIES

Item 2: Increase in complaints for FY 2013-2014 was due to hail-related claims from the Windward side of Oahu. For FY 2014-2015, we expect an potential increase for Affordable Care Act and lava flow complaints.

Item 6: For FY 2013-2014, there was a greater than expected interest in our captive insurance programs; therefore, 19 new captive companies were licensed. For FY 2014-2015, we expect an increased growth in captive formations to continue.

Item 7: For FY 2013-2014, more examinations were conducted than originally forecasted. This is a result of additional examiners being hired. This trend is expected to continue for FY 2014-2015.

STATE OF HAWAII

PROGRAM TITLE:

PROGRAM-ID:

PROGRAM STRUCTURE NO:

POST-SECONDARY EDUCATION AUTHORIZATION

CCA-107

10010307

VARIANCE REPORT

REPORT V61

12/19/14

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	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	2.00	1.00	-	1.00	50	2.00	2.00	+	0.00	0
EXPENDITURES (\$1000's)	0	0	+	0	0	35	26	-	9	26	229	237	+	8	3
TOTAL COSTS															
POSITIONS	0.00	0.00	+	0.00	0	2.00	1.00	-	1.00	50	2.00	2.00	+	0.00	0
EXPENDITURES (\$1000's)	0	0	+	0	0	35	26	-	9	26	229	237	+	8	3

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 03 07  
CCA 107

**PROGRAM TITLE: POST-SECONDARY EDUCATION AUTHORIZATION**

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### **PART I - EXPENDITURES AND POSITIONS**

FY 15 Position and Expenditures Variances: Expenditures were lower than planned because the vacant position was not filled. The department has attempted to minimize costs because projections show that the program is not self-sufficient. However, as the workload of the program increases with complaints processing, the vacant position will need to be filled in the near future and general funds may be needed to supplement projected revenue shortfall.

### **PART II - MEASURES OF EFFECTIVENESS**

Newly established program; measures to be developed for FB 2015-17.

### **PART III - PROGRAM TARGET GROUPS**

Newly established program; target groups to be developed for FB 2015-17.

### **PART IV - PROGRAM ACTIVITIES**

Newly established program; activities to be developed for FB 2015-17.

VARIANCE REPORT

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	165.00	137.00	- 28.00	17	165.00	138.00	- 27.00	16	165.00	165.00	+ 0.00	0
EXPENDITURES (\$1000's)	14,967	12,343	- 2,624	18	3,629	3,203	- 426	12	11,341	11,767	+ 426	4
<b>TOTAL COSTS</b>												
POSITIONS	165.00	137.00	- 28.00	17	165.00	138.00	- 27.00	16	165.00	165.00	+ 0.00	0
EXPENDITURES (\$1000's)	14,967	12,343	- 2,624	18	3,629	3,203	- 426	12	11,341	11,767	+ 426	4
	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15							
<b>PART II: MEASURES OF EFFECTIVENESS</b>	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
1. % LEGAL ACTIONS RESOLVED IN FAVOR OF OCP	100	72	- 28	28	100	100	+ 0	0				
2. \$ AMTS RECOVERED THRU MULTISTATE CASES (000)	150	0	- 150	100	150	2000	+ 1850	1233				
3. % OF SETTLEMENT AGREEMENTS ADOPTED	95	98	+ 3	3	95	95	+ 0	0				
4. % OF RECOMMENDED ORDERS IN FAVOR OF STATE	95	100	+ 5	5	95	95	+ 0	0				

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

**PROGRAM TITLE: ENFORCEMENT OF FAIR BUSINESS PRACTICES**

**10 01 04**

### **PART I - EXPENDITURES AND POSITIONS**

The variance in the Enforcement of Fair Business Practices Program position counts are due to vacancies pending recruitment and filling, as well as recruitment difficulties. 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: OFFICE OF CONSUMER PROTECTION  
PROGRAM-ID: CCA-110  
PROGRAM STRUCTURE NO: 10010401

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<b>PART I: EXPENDITURES &amp; POSITIONS</b>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
<b>OPERATING COSTS</b>															
POSITIONS	17.00	16.00	-	1.00	6	17.00	16.00	-	1.00	6	17.00	17.00	+	0.00	0
EXPENDITURES (\$1000's)	1,882	1,587	-	295	16	495	408	-	87	18	1,390	1,477	+	87	6
<b>TOTAL COSTS</b>															
POSITIONS	17.00	16.00	-	1.00	6	17.00	16.00	-	1.00	6	17.00	17.00	+	0.00	0
EXPENDITURES (\$1000's)	1,882	1,587	-	295	16	495	408	-	87	18	1,390	1,477	+	87	6

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15					
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
<b>PART II: MEASURES OF EFFECTIVENESS</b>										
1. # CONSUMERS DIRECTLY AFFECTED BY OFFICE ACTN (000)	30	33	+	3	10	30	33	+	3	10
2. # BUSINESSES DIRECTLY AFFECTED BY OFFICE INVSTGTNS	1100	706	-	394	36	1100	706	-	394	36
3. \$ AMT OF FINES ASSESSED OR COSTS IMPOSED (000)	300	66	-	234	78	300	300	+	0	0
4. \$ AMTS RECOVERED THRU MULTISTATE CASES (000)	150	0	-	150	100	150	2000	+	1850	1233
5. % LEGAL ACTIONS RESOLVED IN FAVOR OF OCP	100	72	-	28	28	100	100	+	0	0

<b>PART III: PROGRAM TARGET GROUP</b>										
1. RESIDENT STATE POPULATION (000)	1300	1404	+	104	8	1300	1404	+	104	8
2. VISITORS TO HAWAII (000)	7000	8025	+	1025	15	7000	8025	+	1025	15

<b>PART IV: PROGRAM ACTIVITY</b>										
1. # OF CONSUMER COMPLAINTS REC (EXCL LANDLD/TENANT)	1500	757	-	743	50	1500	1100	-	400	27
2. # OF COMPLAINTS INITIATED BY OCP	75	76	+	1	1	75	76	+	1	1
3. # OF LANDLORD-TENANT INQUIRIES RECEIVED	10000	12000	+	2000	20	10000	12000	+	2000	20
4. # OF COMPLNTS RESOLVED AT INVESTIGATIVE LEVEL	700	446	-	254	36	700	700	+	0	0
5. # OF MULTISTATE CASES	5	6	+	1	20	5	5	+	0	0
6. # OF LEGAL ACTIONS	15	7	-	8	53	15	15	+	0	0
7. # INQ RECVD ON BUSINESS COMPLAINT HISTORIES	8000	16000	+	8000	100	8000	10000	+	2000	25
8. # PERSONS REACHED THRU EDUCATIONAL EFFORTS	10000	10000	+	0	0	10000	10000	+	0	0
9. # LEG PROP FOR WHICH OCP PROVIDED TESTIMONY	20	50	+	30	150	20	25	+	5	25

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 04 01  
CCA 110

### PROGRAM TITLE: OFFICE OF CONSUMER PROTECTION

#### PART I - EXPENDITURES AND POSITIONS

Positions: Personnel changes at the Office of Consumer Protection (OCP) account for a slight decrease in positions during FY 14. The program is currently recruiting for an Investigator II position vacated by retirement.

Expenditures: The FY14 expenditure variance is due to staff vacancies attributable to retirement and extended military service leaves.

#### PART II - MEASURES OF EFFECTIVENESS

Item 1: The number of consumers directly affected by office action increased in FY 14. This increase is attributable to the increase in Landlord-Tenant Hotline use and consumers' searches on the OCP's webpage.

Item 2: In FY 14, there was a decrease in the amount of businesses directly affected by office action. Improving economic conditions and a better business climate could account for less financially stable businesses being replaced by more financially stable and responsible businesses. The improving economic climate and heightened compliance with consumer protection laws by businesses resulted in a drop in consumer complaints against businesses.

Item 3: There was a decrease in fines assessed or costs imposed in non-multistate judgments realized in FY 14. It is difficult to predict accurately from year to year the amounts of fines or costs recovered in non-multistate cases.

Item 4: There were no multistate recoveries in FY 14. It is difficult to predict accurately from year to year the amounts of fines or costs recovered in multistate cases because of the complexity and scope of these national investigations. The amount of fines, penalties and attorneys' fees and costs in multistate cases is expected to increase substantially in FY 15. In fact, some of these expected recoveries were realized in the first quarter of FY 15.

Item 5: It is difficult to predict from year to year with certainty the number of legal actions resolved in favor of the OCP because of the nature of litigating cases in court. However, the drop in the number of legal actions resolved in FY 14 is attributable in part to ongoing litigation in a number of OCP legal cases as well as a reduction in legal case inventory from FY 13 because of the number of legal cases closed during FY 13.

#### PART III - PROGRAM TARGET GROUPS

Item 2: An increase in visitors to Hawaii can be attributed to the improving national and world economy.

#### PART IV - PROGRAM ACTIVITIES

Item 1: The drop in the actual number of consumer complaints received in FY 14 can probably be attributed to Hawaii's improving economy and better compliance by businesses with consumer protection laws.

Item 3: In FY 14, there was an increase between the projected Landlord-Tenant Hotline inquiries and the number actually received. The amount of landlord-tenant inquiries handled by the OCP's Landlord-Tenant Hotline varies from year to year and is unpredictable. However, the OCP has been attempting to obtain better awareness of the Landlord-Tenant Hotline through various strategies, including the OCP Facebook posts.

Item 4: The number of complaints resolved at the investigative level did not reach anticipated levels in FY 14. OCP investigators do try to ascertain whether the parties can arrive at a satisfactory resolution to each complaint and help facilitate such a result if both parties are willing.

Item 5: The number of multistate cases opened in FY 14 increased by one over the number budgeted in FY 13.

Item 6: The drop in the number of legal actions in FY 14 is attributable to the number of pending cases successfully resolved in FY 13.

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 04 01  
CCA 110

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**PROGRAM TITLE: OFFICE OF CONSUMER PROTECTION**

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Item 7: The number of inquiries received on business complaints history increased significantly over planned numbers in FY 14. This is partly accounted for by the volume of consumer searches conducted through the OCP's web page.

Item 9: The number of bills which the OCP provided testimony for during the 2014 legislative session increased significantly. This is largely attributable to the privacy and data security-related bills introduced during the session and numerous unanticipated legislative initiatives addressed by the OCP.

PROGRAM TITLE: MEASUREMENT STANDARDS  
PROGRAM-ID: AGR-812  
PROGRAM STRUCTURE NO: 10010402

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<b>PART I: EXPENDITURES &amp; POSITIONS</b>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
OPERATING COSTS															
POSITIONS	11.00	5.00	-	6.00	55	11.00	5.00	-	6.00	55	11.00	11.00	+	0.00	0
EXPENDITURES (\$1000's)	805	358	-	447	56	201	201	+	0	0	604	604	+	0	0
TOTAL COSTS															
POSITIONS	11.00	5.00	-	6.00	55	11.00	5.00	-	6.00	55	11.00	11.00	+	0.00	0
EXPENDITURES (\$1000's)	805	358	-	447	56	201	201	+	0	0	604	604	+	0	0
	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. COMPLIANCE RATE FOR COMMERCIAL MEASURING DEVICES	90	90	+	0	0	90	90	+	0	0					
2. PERCENTAGE OF MEASURING DEVICES INSPECTED	50	37	-	13	26	50	50	+	0	0					
3. COMPLIANCE RATE FOR SERVICE AGENCIES	100	67	-	33	33	100	90	-	10	10					
4. COMPLIANCE RATE FOR AUTOMOTIVE FUEL OCTANE RATING	0	92	+	92	0	0	90	+	90	0					
5. PERCENTAGE OF MEASUREMENT STANDARDS CALIBRATED	60	74	+	14	23	60	75	+	15	25					
6. COMPLIANCE RATE FOR PRICING	95	0	-	95	100	95	0	-	95	100					
7. PERCENTAGE OF STORES INSPECTED FOR PRICING	25	0	-	25	100	25	0	-	25	100					
8. COMPLIANCE RATE FOR PACKAGE CONTENT	50	0	-	50	100	50	0	-	50	100					
9. COMPLIANCE RATE FOR PACKAGE LABELING	50	0	-	50	100	50	0	-	50	100					
<b>PART III: PROGRAM TARGET GROUP</b>															
1. BUSINESSES USING WEIGHING DEVICES	2100	2017	-	83	4	2100	2000	-	100	5					
2. BUSINESSES USING VOLUMETRIC DEVICES	450	468	+	18	4	450	460	+	10	2					
3. BUSINESSES USING LINEAR DEVICES	1800	2515	+	715	40	1800	2500	+	700	39					
4. SERVICE AGENCIES FOR MEASURING DEVICES	50	46	-	4	8	50	50	+	0	0					
5. STORES USING PRICE SCANNERS	1060	NO DATA	-	1060	100	1060	1060	+	0	0					
6. WEIGHMASTERS	90	75	-	15	17	90	75	-	15	17					
7. DE FACTO POPULATION OF HAWAII (THOUSANDS)	1480	1405	-	75	5	1480	1405	-	75	5					
<b>PART IV: PROGRAM ACTIVITY</b>															
1. # OF MEASURING DEVICES INSPECTED - WEIGHT	100	31	-	69	69	100	50	-	50	50					
2. # OF MEASURING DEVICES INSPECTED - VOLUME	95	15	-	80	84	95	50	-	45	47					
3. # OF MEASURING DEVICES INSPECTED - LINEAR	1900	2512	+	612	32	1900	2500	+	600	32					
4. # OF REPAIR SERVICES MONITORED FOR QUALITY	2600	458	-	2142	82	2600	450	-	2150	83					
5. # OF MEASUREMENT STANDARDS CALIBRATED	1400	1636	+	236	17	1400	1640	+	240	17					
6. # OF OCTANE TESTS DONE ON AUTOMOTIVE FUEL	0	48	+	48	0	0	48	+	48	0					
7. # CONSUMER PKG INSPECT FOR QUANT OF CONTENTS (000)	1000	0	-	1000	100	1000	0	-	1000	100					
8. # OF CONSUMER PACKAGE LABELS INSPECTED	300	75	-	225	75	300	50	-	250	83					
9. # CONSUMER PRODS INSPECTED FOR PRICE VERIFICATION	7000	0	-	7000	100	7000	0	-	7000	100					
10. # OF WEIGHMASTERS & SERVICE AGENCIES LICENSED	340	380	+	40	12	340	380	+	40	12					

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 04 02  
AGR 812

### PROGRAM TITLE: MEASUREMENT STANDARDS

#### PART I - EXPENDITURES AND POSITIONS

Variances were due to vacancies and lower than expected expenditures.

Item 10 - The variance was due to a greater number of service agencies licensed than estimated.

#### PART II - MEASURES OF EFFECTIVENESS

Items 1, 2, 3, 6, 7, 8 & 9 - Variances were due to staff shortages affecting related services.

Item 5 - The variance was due to the decrease of standards submitted for calibration by service agencies compared to the total number of standards on record.

#### PART III - PROGRAM TARGET GROUPS

Item 3 - The variance was due to an increased number of businesses using linear devices.

Item 4- The variance was due to a lack of sufficient staff to perform related services.

Item 5 - No data was available to the program.

Item 6 - The variance was due to a lack of individuals choosing to become certified weighmasters.

#### PART IV - PROGRAM ACTIVITIES

Items 1, 2, 3 & 5 - The variances were due to a greater number of linear device inspections and standards calibrated than previously estimated.

Item 6 - The variance was due to the reinstatement of octane test activities.

Items 7, 8 & 9 - The variances were due to staff shortages and prioritization of other activities.



## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 04 03  
CCA 111

### PROGRAM TITLE: BUSINESS REGISTRATION & SECURITIES REGULATN

#### PART I - EXPENDITURES AND POSITIONS

Positions: The variances were due in large part to staff attrition. The division expects to fill its vacancies.

Expenditures: The variance is due in part to position vacancies, staff attrition, and certain large expenses that were expected in the fiscal year but were subsequently planned for expenditure in the next fiscal year, such as Informational Technology projects.

#### PART II - MEASURES OF EFFECTIVENESS

No significant variance.

#### PART III - PROGRAM TARGET GROUPS

Item 2: The number of applicants was greatly underestimated for FY 14. The variance can be attributed to current changes in the securities laws expanding registration and the improving economy.

#### PART IV - PROGRAM ACTIVITIES

Item 1: The FY 14 variance is attributed to a typographical error. The planned number should have been 131,000 and based on that, the variance would have been about 6%. Note: Program inadvertently did not provide a projection for the new activity in FY 13-14.

Item 2: The number of applications received was underestimated for FY14. The variance can be attributed to current changes in the securities laws expanding registration and the improving economy.

Item 3: The number of enforcement cases opened was significantly higher in FY 14 partly because of underestimating the planned numbers for FY 14. The variance associated with open cases is dependent on the number and types of cases that are referred to the office.

Item 4: The number of inquiries received was significantly higher in FY 14 partly because of underestimating the planned numbers for FY 14. The variance associated with inquiries is dependent on the number of calls, emails and visits received by the office.

Item 6: The number of enforcement cases closed was underestimated for FY 14. We closed significantly more matters than anticipated, in large part due to the types of matters that were reported to us by the public and the speed with which those matters could be resolved. We estimate enforcement cases to be at 50 in FY 15 based on our current case queue and the nature of the cases there along with others that may arise.

Item 7: The number of orders, consent agreements and settlements completed was higher than estimated for FY 14. Factors such as the type of case, number of respondents, and cooperativeness of respondents are highly unpredictable.

Item 9: The number of people reached through the investor education outreach was slightly lower in FY 14 than estimated. The number is dependent in part by how many people show up at an event and can be difficult to predict with accuracy.





## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 04 04  
CCA 112

**PROGRAM TITLE: REGULATED INDUSTRIES COMPLAINTS OFFICE**

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### **PART I - EXPENDITURES AND POSITIONS**

Actual expenditures and positions are lower than budgeted in FY 14 because of staffing vacancies, attributable in part to changes in the Regulated Industries Complaints Office (RICO) Administration. Several vacancies are currently being filled in FY 15.

### **PART II - MEASURES OF EFFECTIVENESS**

Fines imposed vary based on the number and types of complaints received. Despite the overall number of legal actions prosecuted this year being lower, the RICO saw an increase in the amount of fines imposed.

### **PART III - PROGRAM TARGET GROUPS**

Items 2 & 3: FY 14 actual and FY 15 estimated numbers reflect the number of licensees as reported by the Professional and Vocational Licensing Division. Due to a data entry error, the planned numbers were not updated to reflect 48 boards/commissions/programs, with 367,950 licenses in FY 14 and 371,630 in FY 15.

### **PART IV - PROGRAM ACTIVITIES**

Item 1: The lower number of inquiries results from a change last year in the phone number for the Intake Section. Despite efforts to publicize the change, the new number did not officially appear in updated telephone directories until late in FY 14. The number also reflects the public's increased reliance upon the information and resources available from the RICO through its website.

Item 3: Lower numbers are directly attributable to staff attorney vacancies. These vacancies are currently being filled in FY 15.

Item 4: The phone number for the Intake Division changed last year. Despite efforts to publicize the change, the new number did not officially appear in updated telephone directories until late in FY 14. It should be noted that RICO staff assisted in resolving an estimated 7,936 complaints

before filing.

Item 7: Lower numbers are directly attributable to staff attorney vacancies. These vacancies are currently being filled in FY 15.

PROGRAM TITLE: GENERAL SUPPORT  
PROGRAM-ID: CCA-191  
PROGRAM STRUCTURE NO: 100105

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15						
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%			
<b>PART I: EXPENDITURES &amp; POSITIONS</b>															
RESEARCH & DEVELOPMENT COSTS															
POSITIONS															
EXPENDITURES (\$1,000's)															
OPERATING COSTS															
POSITIONS	44.00	42.00	-	2.00	5	44.00	44.00	+	0.00	0	44.00	44.00	+	0.00	0
EXPENDITURES (\$1000's)	7,166	6,347	-	819	11	1,794	1,403	-	391	22	5,393	5,784	+	391	7
TOTAL COSTS															
POSITIONS	44.00	42.00	-	2.00	5	44.00	44.00	+	0.00	0	44.00	44.00	+	0.00	0
EXPENDITURES (\$1000's)	7,166	6,347	-	819	11	1,794	1,403	-	391	22	5,393	5,784	+	391	7

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15					
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
<b>PART II: MEASURES OF EFFECTIVENESS</b>										
1. %CASES COMPL W/IN DESIG TIME FOR CONTSTD CASE HRGS	85	96	+	11	13	85	85	+	0	0
2. %HRGS OFFCER REC ORDERS ADOPTED BY FINAL ADM AUTH	90	86	-	4	4	90	90	+	0	0
3. % HRGS OFFR REC ORDRS ADPT FINAL ADM AUTH SUSTAIN	90	100	+	10	11	90	90	+	0	0
4. % OF ERROR-FREE INVOICES PROCESSED	99	99	+	0	0	99	99	+	0	0
5. %COMPLAINTS/INQ RESPONDED TO IN TIMELY MANNER	95	83	-	12	13	95	95	+	0	0
6. %LEG HRGS TO WHICH TIMELY WRITTN TESTMNY SUBMTTD	95	90	-	5	5	95	95	+	0	0
7. %REQUESTS FOR SYSTEMS ADDTNS OR ENHANCE FULFILLED	50	46	-	4	8	50	44	-	6	12
8. % INFORMATION SYS WORK REQ COMPLETED IN REQ'D TIME	86	81	-	5	6	86	86	+	0	0

<b>PART III: PROGRAM TARGET GROUP</b>												
1. DE FACTO POPULATION IN HAWAII (000)	1500	1538	+	38	3	1500	1562	+	62	4		
2. LICENSEES (000)	412	389	-	23	6	412	407	-	5	1		
3. DCCA DIVISIONS	12	12	+	0	0	12	12	+	0	0		
4. BOARDS & COMMISSIONS ADMIN ASSIGNED TO DCCA	53	53	+	0	0	53	48	-	5	9		
5. DCCA EMPLOYEES	359	387	+	28	8	359	400	+	41	11		

<b>PART IV: PROGRAM ACTIVITY</b>												
1. # WRITTN NOTICES ISS BY HRGS OFF RE: PROCED EVENTS	450	446	-	4	1	450	450	+	0	0		
2. # PRE-HRG EVENTS BY HRG OFF INVOLVG THE PARTIES	300	136	-	164	55	300	200	-	100	33		
3. # HEARINGS CONDUCTED BY HEARINGS OFFICERS	225	77	-	148	66	225	150	-	75	33		
4. # RECOMMENDED & FINAL ORDERS ISS BY HRGS OFFICERS	200	132	-	68	34	200	175	-	25	13		
5. # INFO PRESENTATIONS FOR EDUCATIONAL GUIDANCE	24	49	+	25	104	24	49	+	25	104		
6. # SYSTEMS ADDED OR ENHANCED	145	133	-	12	8	145	132	-	13	9		
7. # OF INFORMATION SYSTEMS WORK REQUESTS	4300	4086	-	214	5	4300	4100	-	200	5		
8. # OF INVOICES PROCESSED	8000	7628	-	372	5	8000	8000	+	0	0		

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 01 05  
CCA 191

**PROGRAM TITLE: GENERAL SUPPORT**

### **PART I - EXPENDITURES AND POSITIONS**

The FY 14 expenditure variance was due to position vacancies. The variance in the first quarter of FY15 is due to the postponing of information technology expenditures to subsequent quarters and the delay in billing for building maintenance services.

### **PART II - MEASURES OF EFFECTIVENESS**

Item 1: The actual figure was 11% greater than the planned figure because the office made a concerted effort to issue decisions in a timely manner.

Item 3: There were very few events in this category this year and all court cases had favorable results. This success rate created a variance given the small number of events involved.

Item 5: Complaints and inquiries to the department have grown in complexity and difficulty, requiring staff research and consultation.

### **PART III - PROGRAM TARGET GROUPS**

No significant variances.

### **PART IV - PROGRAM ACTIVITIES**

Item 2: Through a combination of settlements and withdrawals before pre-hearings (a figure not within the control of the office) and aggressive consolidation of cases, the number of pre-hearing events was reduced.

Item 3: Through a combination of settlements and withdrawals before hearings (a figure not within the control of the office), multiple decisions on motions, and aggressive consolidation of cases, the number of hearing events was reduced.

Item 4: Through a combination of settlements and withdrawals (a figure not within the control of the office) and aggressive consolidation of cases, the number of decisions after motions or hearings was reduced.

Item 5: Number of presentations increased significantly because responsibility for a major consumer education event (Lifesmarts) was shifted from the Director's Office to another division. This provided the Director's Office with additional time and resources to participate in many additional outreach events. It is likely that this upward trend in outreach events will continue for the foreseeable future.

PROGRAM TITLE: ENFORCEMENT OF INFORMATION PRACTICES  
PROGRAM-ID: LTG-105  
PROGRAM STRUCTURE NO: 1002

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	427	414	- 13	3	97	97	+ 0	0	330	356	+ 26	8
<b>TOTAL COSTS</b>												
POSITIONS	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	427	414	- 13	3	97	97	+ 0	0	330	356	+ 26	8

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. # CASES CLOSED IN FY-EXCLUDE TRNG/LIT RULES/SP PRJ	160	195	+ 35	22	160	160	+ 0	0
2. # PENDING CASES	65	105	+ 40	62	65	65	+ 0	0
3. % OF PENDING CASES OPENED IN REPORTED FY	80	67	- 13	16	80	80	+ 0	0
4. % OF PENDING CASES OPEN FROM PREVIOUS FY	15	31	+ 16	107	15	15	+ 0	0
5. % OF PENDING CASES MORE THAN 2 FY OLD	5	2	- 3	60	5	5	+ 0	0
6. % STATE DEPTS&JUD POSTING UIPA LOG TO DATA.HAWAII.	100	100	+ 0	0	100	100	+ 0	0
7. # HITS ON OIP WEBSITE, EXCLUDING HOME PAGE HITS	NO DATA	73716	+ 73716	0	NO DATA	75000	+ 75000	0

<b>PART III: PROGRAM TARGET GROUP</b>								
1. DE FACTO POPULATION OF HAWAII	NO DATA	NO DATA	+ 0	0	NO DATA	NO DATA	+ 0	0
2. ALL STATE AND COUNTY AGENCIES	NO DATA	NO DATA	+ 0	0	NO DATA	NO DATA	+ 0	0
3. ALL STATE AND COUNTY GOVERNMENT EMPLOYEES	NO DATA	NO DATA	+ 0	0	NO DATA	NO DATA	+ 0	0
4. OTHERS INTERESTED IN HAWAII GOVT RECORDS & MTGS	NO DATA	NO DATA	+ 0	0	NO DATA	NO DATA	+ 0	0

<b>PART IV: PROGRAM ACTIVITY</b>								
1. # UIPA/SL FORMAL/INFORMAL REQUESTS FOR ASSISTANCE	1150	1309	+ 159	14	1150	1300	+ 150	13
2. # OF AOD INQUIRIES RECEIVED	1000	1109	+ 109	11	1000	1100	+ 100	10
3. # OF FORMAL AND INFORMAL OPINIONS ISSUED	26	29	+ 3	12	26	26	+ 0	0
4. # OF LAWSUITS MONITORED	4	17	+ 13	325	4	8	+ 4	100
5. # OF LEGISLATIVE PROPOSALS MONITORED	160	181	+ 21	13	160	160	+ 0	0
6. # OF WEBSITE UINIQUE VISITS FROM HI, EXCLUDING OIP	NO DATA	26550	+ 26550	0	NO DATA	30000	+ 30000	0
7. # OF LIVE TRAINING SESSIONS & PUBLIC PRESENTATIONS	20	19	- 1	5	20	12	- 8	40
8. # OF TRNG MATERIALS & VIDEOS POSTED TO WEBSITE	20	23	+ 3	15	20	25	+ 5	25
9. # OF PUBLIC COMMUNICATIONS	50	35	- 15	30	50	40	- 10	20

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

**PROGRAM TITLE: ENFORCEMENT OF INFORMATION PRACTICES**

10 02  
LTG 105

### **PART I - EXPENDITURES AND POSITIONS**

FY 14: Actual expenditure was less than budgeted due to budget restrictions imposed earlier in FY 14 and delays in obtaining approvals to hire.

### **PART II - MEASURES OF EFFECTIVENESS**

Items 1-5. The actual and estimated counts/percentages of measures not met due in part to changes in personnel and training of new attorneys. Additionally, the number is driven by actual inquiries and requests made to OIP by agencies and the public which OIP does not have control over.

Item 7. New measure starting FY 14. No prior data collection.

### **PART III - PROGRAM TARGET GROUPS**

No data available.

### **PART IV - PROGRAM ACTIVITIES**

Items 1 & 2. The number is dependent upon by actual inquiries and requests made to OIP by agencies and the public, over which OIP does not have control.

Item 3. The increase was, in part, the result of adding one staff attorney.

Item 4. The number is dependent upon third parties filing lawsuits, over which OIP does not have control.

Item 5. The number is dependent upon the Legislature, over which OIP does not have control.

Item 6. New program activity starting FY 14. No prior data collection.

VARIANCE REPORT

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
<b>OPERATING COSTS</b>												
POSITIONS	139.50	124.50	- 15.00	11	141.50	127.50	- 14.00	10	141.50	141.50	+ 0.00	0
EXPENDITURES (\$1000's)	14,719	14,772	+ 53	0	3,940	3,670	- 270	7	11,085	11,332	+ 247	2
<b>TOTAL COSTS</b>												
POSITIONS	139.50	124.50	- 15.00	11	141.50	127.50	- 14.00	10	141.50	141.50	+ 0.00	0
EXPENDITURES (\$1000's)	14,719	14,772	+ 53	0	3,940	3,670	- 270	7	11,085	11,332	+ 247	2
	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15							
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % ATTORNY CASELDS EXCEED NATL STD FOR FELONY CASES					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
					5	0	- 5	100	5	0	- 5	100

**VARIANCE REPORT NARRATIVE  
FY 2014 AND FY 2015**

**PROGRAM TITLE: LEGAL & JUDICIAL PROTECTION OF RIGHTS**

**10 03**

**PART I - EXPENDITURES AND POSITIONS**

(See Lowest Level Programs for Explanation of Variances)

**PART II - MEASURES OF EFFECTIVENESS**

(See Lowest Level Programs for Explanation of Variances)





## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 03 01  
BUF 151

**PROGRAM TITLE: OFFICE OF THE PUBLIC DEFENDER**

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### **PART I - EXPENDITURES AND POSITIONS**

No significant variance.

### **PART II - MEASURES OF EFFECTIVENESS**

There is no data available. The program is currently re-evaluating each program activity.

### **PART III - PROGRAM TARGET GROUPS**

Items 1-6: The variance in the target number of indigents requiring services for felony, misdemeanor, appeals, mental commitment, family court and prison cases reflects the unpredictability of the variables that determines program target groups. No reliable method has been devised to accurately predict how many indigent persons will require legal services in criminal cases, nor the types of cases or services they will require.

### **PART IV - PROGRAM ACTIVITIES**

Items 1-5: The variances are due to the unpredictability in the number of cases that will be accepted each year.

STATE OF HAWAII

VARIANCE REPORT

REPORT V61  
12/19/14

PROGRAM TITLE: CONVEYANCES AND RECORDINGS  
PROGRAM-ID: LNR-111  
PROGRAM STRUCTURE NO: 100303

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
<b>RESEARCH &amp; DEVELOPMENT COSTS</b>												
<b>POSITIONS</b>												
<b>EXPENDITURES (\$1,000's)</b>												
<b>OPERATING COSTS</b>												
<b>POSITIONS</b>	58.00	45.00	- 13.00	22	58.00	48.00	- 10.00	17	58.00	58.00	+ 0.00	0
<b>EXPENDITURES (\$1000's)</b>	4,780	4,541	- 239	5	1,251	1,004	- 247	20	3,754	4,001	+ 247	7
<b>TOTAL COSTS</b>												
<b>POSITIONS</b>	58.00	45.00	- 13.00	22	58.00	48.00	- 10.00	17	58.00	58.00	+ 0.00	0
<b>EXPENDITURES (\$1000's)</b>	4,780	4,541	- 239	5	1,251	1,004	- 247	20	3,754	4,001	+ 247	7
					FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. NO. DAYS BETWN RECORDING & COMPLETN - REGULAR SYS	7	7	+ 0	0	7	7	+ 0	0				
2. NO. DAYS BETWN RECORDING & COMPLETION - LAND COURT	10	10	+ 0	0	10	10	+ 0	0				
3. NO. DAYS BETWEEN REQUEST & COMPLETION-CERT COPIES	1	1	+ 0	0	1	1	+ 0	0				
4. NO. DAYS BETWEEN REQUEST & COMPLETN - UCC SEARCHES	7	7	+ 0	0	7	7	+ 0	0				
5. NO. DAYS BETW DOC SEARCH/COPY REQUEST & COMPLETION	2	3	+ 1	50	2	3	+ 1	50				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. NUMBER OF DOCUMENTS RECORDED - REGULAR SYSTEM	250000	240156	- 9844	4	250000	230000	- 20000	8				
2. NUMBER OF DOCUMENTS RECORDED - LAND COURT	85000	78315	- 6685	8	85000	78000	- 7000	8				
3. LAND COURT CERTIFICATES OF TITLE ISSUED	15000	17899	+ 2899	19	15000	14000	- 1000	7				
4. LAND COURT ORDERS RECORDED	4200	4293	+ 93	2	4200	4200	+ 0	0				
5. MAPS FILED - LAND COURT AND REGULAR SYSTEM	150	159	+ 9	6	150	150	+ 0	0				
6. CERTIFIED COPIES REQUESTED - LAND COURT & REG SYS	130000	183937	+ 53937	41	130000	170000	+ 40000	31				
7. UNIFORM COMMERCIAL CODE SEARCHES REQUESTED	200	127	- 73	37	200	185	- 15	8				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. NO. OF DOCUMENTS PROCESSED - REGULAR SYSTEM	250000	240156	- 9844	4	250000	230000	- 20000	8				
2. NO. OF DOCUMENTS PROCESSED - LAND COURT	85000	78315	- 6685	8	85000	78000	- 7000	8				
3. LAND COURT CERTIFICATES OF TITLE PRODUCED	15000	17899	+ 2899	19	15000	14000	- 1000	7				
4. LAND COURT ORDERS PROCESSED	4200	4293	+ 93	2	4200	4200	+ 0	0				
5. MAPS PROCESSED - LAND COURT AND REGULAR SYSTEM	150	159	+ 9	6	150	150	+ 0	0				
6. CERTIFIED COPIES PROCESSED	130000	183937	+ 53937	41	130000	170000	+ 40000	31				
7. UNIFORM COMMERCIAL CODE RECORD SEARCHES PROCESSED	200	127	- 73	37	200	185	- 15	8				

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 03 03  
LNR 111

### PROGRAM TITLE: CONVEYANCES AND RECORDINGS

#### PART I - EXPENDITURES AND POSITIONS

FY 14: It was determined that certain positions which would be affected by two on-going reorganization requests should remain vacant until the implementation of the reorganizations. Temporarily, the vacancies were filled with 89-day hires.

FY 15: Positions are below budget due to the delay in hiring and lack of qualified candidates. Positions will be filled in FY 15 third and fourth quarters. This should result in less than a 10% variance. The expenditures are below budget due to the understaffing of permanent positions and delay in establishing the digitization project.

#### PART II - MEASURES OF EFFECTIVENESS

Item 5: Variance in FY 14 and FY 15 is due to the increase use of online ordering for certified copies and document searches which are increasingly complex and time consuming while balancing the limited number and experience of the staff responsible for completing these requests. (Note: website is clear about a five working day window to research, certify and postmark copies via U.S. Postal Service).

#### PART III - PROGRAM TARGET GROUPS

Item 3: Variance in FY 14 is due to the increased activities with real estate resales, refinancing and foreclosures of Land Court properties.

Item 6: Variance in FY 14 and FY 15 is due to increasing trend by individuals and commercial entities to use the online document search and ordering system for certified copies of documents resulted in the significant variance.

Item 7: In FY 14 declining business trends have resulted in a significant decrease in Uniform Commercial Code (UCC) search requests in FY 14.

#### PART IV - PROGRAM ACTIVITIES

Item 3: Variance in FY 14 is due to the increase activities with real estate resales, refinancing and foreclosures of Land Court properties.

Item 6: Increasing trend by individuals and commercial entities to use the online document search and ordering system for certified copies of documents resulted in the significant variance in FY 14. It is projected that the increase will continue in FY 15.

Item 7: Declining business trends have resulted in a significant decrease in UCC search requests.

## VARIANCE REPORT NARRATIVE FY 2014 AND FY 2015

10 03 04  
HMS 888

**PROGRAM TITLE: COMMISSION ON THE STATUS OF WOMEN**

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### **PART I - EXPENDITURES AND POSITIONS**

Variance in budgeted and actual expenditures is due to a 10% capital restriction on all State programs.

### **PART II - MEASURES OF EFFECTIVENESS**

1-4. The Commission on the Status of Women (CSW) does not track this data

5. CSW has increased the number of bills researched, tracked and supported/opposed and has increased its level of advocacy.

7. CSW has been receiving an increased number of emails, telephone calls and inquiries about programs, activities and research data.

### **PART III - PROGRAM TARGET GROUPS**

No variances.

### **PART IV - PROGRAM ACTIVITIES**

1. CSW has increased interagency collaboration.

4. CSW has increased community outreach, resulting in more volunteer-lead events and activities.

6. CSW invitations to speak at events, meetings and community activities has increased.

7. CSW has increased the number of bills researched and tracked due to an expansion of CSW interest in issues affecting women and girls.

8. CSW has been actively working on minimum wage issues and family leave issues which are directly tied to pay equity. Therefore, our pay equity discussions in the community have increased.

9. CSW has not added any new oral histories to the collection.

STATE OF HAWAII

VARIANCE REPORT

REPORT V61  
12/19/14

PROGRAM TITLE: COMMISSION ON THE STATUS OF WOMEN  
PROGRAM-ID: HMS-888  
PROGRAM STRUCTURE NO: 100304

	FISCAL YEAR 2013-14				THREE MONTHS ENDED 09-30-14				NINE MONTHS ENDING 06-30-15			
	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ACTUAL	± CHANGE	%	BUDGETED	ESTIMATED	± CHANGE	%
<b>PART I: EXPENDITURES &amp; POSITIONS</b>												
RESEARCH & DEVELOPMENT COSTS												
POSITIONS												
EXPENDITURES (\$1,000's)												
OPERATING COSTS												
POSITIONS	1.00	1.00	+ 0.00	0	1.00	1.00	+ 0.00	0	1.00	1.00	+ 0.00	0
EXPENDITURES (\$1000's)	159	158	- 1	1	46	23	- 23	50	113	113	+ 0	0
TOTAL COSTS												
POSITIONS	1.00	1.00	+ 0.00	0	1.00	1.00	+ 0.00	0	1.00	1.00	+ 0.00	0
EXPENDITURES (\$1000's)	159	158	- 1	1	46	23	- 23	50	113	113	+ 0	0

	FISCAL YEAR 2013-14				FISCAL YEAR 2014-15			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. NO. WOMEN ON STATE BOARDS & COMMISSIONS AS % TOTAL	40	NO DATA	- 40	100	40	50	+ 10	25
2. NO. WOMEN ELECTED TO LEG OFFICE AS % TOTAL SEATS	26	NO DATA	- 26	100	26	50	+ 24	92
3. NO. WOMEN REGISTRD TO VOTE AS % TOTAL REGIS VOTERS	54	NO DATA	- 54	100	54	54	+ 0	0
4. NO. WOMEN VOTING AS % TOTAL POPULATN ELGBL TO VOTE	36	NO DATA	- 36	100	36	50	+ 14	39
5. # LAWS RE WOMENS ISSUES ENACT/REVISE AS % ADVOCATE	20	22	+ 2	10	20	20	+ 0	0
6. % OF STATE POPULATION REACHED BY COMMISSION PROGMS	75	75	+ 0	0	75	75	+ 0	0
7. NO. OF INQUIRIES TO COMMISSION ON WOMEN'S ISSUES	0	3500	+ 3500	0	0	4000	+ 4000	0

<b>PART III: PROGRAM TARGET GROUP</b>								
1. TOTAL STATE POPULATION (THOUSANDS)	1406	1406	+ 0	0	1406	1406	+ 0	0
2. TOTAL STATE FEMALE POPULATION (THOUSANDS)	719	719	+ 0	0	719	719	+ 0	0
3. WOMEN IN LABOR FORCE (THOUSANDS) (AVERAGE)	300	300	+ 0	0	300	300	+ 0	0
4. FEMALES BETWEEN THE AGES OF 15 TO 64 (THOUSANDS)	453	453	+ 0	0	453	453	+ 0	0
5. FEMALES OVER 65 (THOUSANDS)	109	109	+ 0	0	109	109	+ 0	0

<b>PART IV: PROGRAM ACTIVITY</b>								
1. NUMBER OF INTER-ORGANIZATION/AGENCY MEETINGS	300	420	+ 120	40	300	450	+ 150	50
2. NO. OF EDUC/INFO MATERIALS PRODUCED AND CIRCULATED	350000	350000	+ 0	0	350000	350000	+ 0	0
3. NO. PROJ/EVENTS INITIATED, CO-SPONSORD OR SUPPORTD	200	200	+ 0	0	200	200	+ 0	0
4. # VOLUNTEERS/STAFF PARTCPTG IN PROJS/EVENTS (HRS)	200	250	+ 50	25	200	250	+ 50	25
5. NO. OF NATIONAL & INTNTL TECH ASSIST/INFO CONTACTS	200	200	+ 0	0	200	200	+ 0	0
6. NO. SPEAKING ENGAGEMENTS BY COMMISSIONERS & STAFF	36	50	+ 14	39	36	50	+ 14	39
7. NUMBER OF BILLS RESEARCHED, INITIATED, SUPPORTED	50	62	+ 12	24	50	62	+ 12	24
8. NUMBER OF PAY EQUITY WORKING GROUP SEMINARS	10	12	+ 2	20	10	12	+ 2	20
9. NO. ORAL HISTORY INTERVIEWS ADDED TO COMM COLLECTN	1	0	- 1	100	1	2	+ 1	100