

NEIL ABERCROMBIE
GOVERNOR



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

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

November 7, 2014

FINANCE MEMORANDUM

MEMO NO. 14-17

TO: All Department Heads

FROM: Kalbert K. Young
Director of Finance

SUBJECT: Update of Revenue Estimates

The Department of Budget and Finance (B&F) compiles and reports the State's revenues to the Council on Revenues (Council) as required by Section 37-111, HRS. The Council submits its report on projections of tax and non-tax revenues to the Governor and the Legislature for their use in making budget decisions. In anticipation of the Council's next meeting, we are requesting an update of your department's revenue projections.

Since September 2005, e-Rev has been successfully used by the Budget, Program Planning and Management Division (BPPMD). All departments are required to use the online system to prepare their updates. If you have new personnel who need access to e-Rev, please send an e-mail message to donovan.y.chun@hawaii.gov with the full names of all intended users of the system.

Attached for your review and update are copies of revenue estimate forms that reflect your department's estimates that were submitted to the Council for its September 2014 report. If your department receives or anticipates receipt of revenues for which an estimate form has not been provided, please add the new revenues through the online system. If your department has revenue sources that have terminated, estimate forms should be submitted to BPPMD for deletion in e-Rev. Your department should evaluate federal fund revenue estimates to ensure that they are realistic.

To align the revenue reporting system with the implementation of the Federal Awards Management System, departments are requested to review and update federal fund revenue worksheets in e-Rev as appropriate. This includes using the appropriate means of financing (MOF) classifications of N and P (MOF N includes all major

recurring federal awards and MOF P includes all other federal awards). Some programs have been inputting the information into e-Rev by parent account while others have been entering the data by sub-account. For now, programs should continue their current system of inputting by parent account or sub-account. Federal grants in the system prior to June 30, 2014 should remain in e-Rev with their existing appropriation symbols. Any new federal fund awards not in e-Rev as of June 30, 2014 will need a new revenue worksheet with the appropriate source of funds, appropriation symbol, description and revenue estimates.

Revenue estimates should be reported in the year that they are expected to be received. For competitive grants that are (usually) non-recurring, revenue projections should be limited to the life of the grant (e.g., three years for operating grants and six years for CIP grants). For recurring grants, estimates should be made for the out-years as well.

Also, please remind users to round the last four out years (i.e., FYs 18-21) to the nearest thousandth. For example, revenues of \$2,800,000 should be input as \$2,800 for FYs 18, 19, 20, and 21 in e-Rev.

To confirm your department's status for this reporting period, please return the attached sample transmittal (Attachment B) as soon as possible, but no later than Wednesday, November 26, 2014, to BPPMD. After this date, e-Rev will be inaccessible until the next update period in order for BPPMD to prepare reports for the Council.

Because the revenues reported during this period will impact the Legislature's deliberations on the FB 2015-17 Executive Budget, it is imperative that all revenues are identified and reported accurately. We appreciate your continued cooperation in updating your estimates in a timely manner. If there are any questions, please have your staff contact Mr. Neal Miyahira, Administrator of BPPMD, at 586-1530.

Attachments

ATTACHMENT B
(Due to BPPMD by November 26, 2014)

TRANSMITTAL

DATE _____

TO: Mr. Neal Miyahira, Administrator
Budget, Program Planning and Management Division
Department of Budget and Finance

FROM: _____

SUBJECT: REVENUE ESTIMATES

- No changes are required
- Changes were made using e-Rev
- Changes are attached (e.g., sheets to be deleted, etc.)

If there are questions, please call

at _____