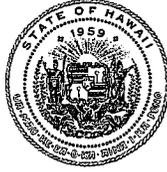


DAVID Y. IGE
GOVERNOR



WESLEY K. MACHIDA
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DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE

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

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

November 19, 2015

FINANCE MEMORANDUM

MEMO NO. 15-15

TO: All Department Heads

FROM: Wesley K. Machida
Director of Finance

SUBJECT: Department of Budget and Finance's Recommendations on FY 17
Supplemental Budget Requests and Discussion of Fiscal Bills

Your department's FY 17 supplemental budget requests for operations and capital improvements, as applicable, have been jointly reviewed with the Governor and his policy team with due regard to program requirements, the Administration's priorities, and the State's fiscal condition. In total, over \$520 million for FY 17 in general fund requests were submitted and considered. After much deliberation, over \$288 million in FY 17 in general fund requests have been recommended for the Governor's budget.

Attached are the Department of Budget and Finance's (B&F) recommendations on your department's requests. Please review these recommendations.

Should you wish to appeal any of the proposed actions, the Governor and I will be available to discuss your concerns from Monday, November 23, 2015, to Wednesday, November 25, 2015, as noted below. All departments with proposed fiscal bills for the 2016 Legislative Session should also be prepared to discuss such bills at these meetings. As such, your department should schedule an appointment to discuss its fiscal bills even if there are no budget appeals.

Departments with budget appeals should prepare a rebuttal list using the revised Form B (*Department Summary of Operating Budget Adjustment Requests*) or Form S (*Department Summary of Proposed CIP Lapses and New CIP Requests*), which reflects B&F's recommendations (electronic files will be e-mailed by your B&F analyst). Please refer to the attached sample layout for the rebuttal list (to be printed on 8 1/2" x 14" paper).

Rebuttal requests should indicate additional amounts or trade-offs being requested to the B&F recommendation. Departments with proposed fiscal bills should prepare a list of the bills to be discussed.

Please contact Ms. Joyce Kami of the Governor's Office at 586-8201 to schedule an appointment (length of appointments based on potential budget concerns and fiscal bills). All meetings will be held at the B&F Director's Conference Room, 250 South Hotel Street, Room 306. Your department's list(s) should be, provided as noted below, based on your appointment date:

- Monday, November 23, 2015
Please bring 15 copies of your department's rebuttal list(s) and list of fiscal bills to your appointment.
- Tuesday, November 24, 2015
Please e-mail your rebuttal list(s) to your B&F analyst by 12:00 p.m., November 23, 2015, and bring 15 copies of your department's list of fiscal bills to your appointment.
- Wednesday, November 25, 2015
Please e-mail your rebuttal list(s) to your B&F analyst by 12:00 p.m., November 24, 2015, and bring 15 copies of your department's list of fiscal bills to your appointment.

Due to the tight timetable to produce the FY 17 Supplemental Budget, please note the following due dates which are upcoming in the budget process:

1. By Friday, December 4, 2015, the following must be submitted, reflecting the Governor's final supplemental budget decisions:
 - Updated BJ Summary Tables in eBUDDI or, for the Departments of Education (DOE) and Transportation (DOT) and the University of Hawaii (UH), Excel or other electronic files or hard copies. Totals (by cost element and means of financing) must match the grand totals on the Form B for the Governor's decisions.
 - Two copies of each Budget Narrative with electronic file(s) transmitted to your B&F analyst.
 - Two copies of Tables P, Q, and R (as updated in eCIP) and Forms PAB, CIP Op and CIP Op B, with electronic file(s) transmitted to your B&F analyst.
2. By Friday, December 4, 2015, two copies of Form DMC (additional requirement for deferred maintenance costs), with electronic file transmitted to your B&F analyst.

3. By Friday, January 8, 2016, updated BJ Details reflecting the Governor's final supplemental budget decisions in eBUDDI or, for DOE, DOT and UH, Excel or other electronic files.

Additional information regarding the above submission requirements may be found in Finance Memorandum No. 15-11, Supplemental Budget Policies and Guidelines for Fiscal Biennium 2015-17.

Thank you for your prompt attention and understanding in this matter.

Attachments

PART A: PROPOSED LAPSES		Project Title and Reason for Lapsing		Amount		B&F RECOMMENDATION		DEPARTMENT REBUTTAL - REQUESTED ADDITIONS/TRADE-OFFS		
Dept	Acct/Yr	Item No.	Proj No.	MOF	FY 16	FY 17	FY 16	FY 17	FY 16	FY 17
TOTAL										
BY MOF										

- General Fund A
- Special Funds B
- General Obligation Bonds C
- Reimbursable GO Bonds D
- Revenue Bonds E
- Federal Funds N
- Other Federal Funds P
- Private Contributions R
- County Funds S
- Trust Funds T
- Interdepartmental Transfers U
- Federal Stimulus Funds V
- Revolving Funds W
- Other Funds X
- TOTAL

PART B: NEW REQUESTS		Project Title		Amount		B&F RECOMMENDATION		DEPARTMENT REBUTTAL - REQUESTED ADDITIONS/TRADE-OFFS		
Req	Dept	Prog ID	Proj No.	MOF	FY 16	FY 17	FY 16	FY 17	FY 16	FY 17
TOTAL - NEW REQUESTS										
BY MOF										

- General Fund A
- Special Funds B
- General Obligation Bonds C
- Reimbursable GO Bonds D
- Revenue Bonds E
- Federal Funds N
- Other Federal Funds P
- Private Contributions R
- County Funds S
- Trust Funds T
- Interdepartmental Transfers U
- Federal Stimulus Funds V
- Revolving Funds W
- Other Funds X
- TOTAL

Request Category:
 AI Administrative Initiatives
 E Energy Efficiency
 HS Health, Safety, Court Mandates
 M Major R&M of Existing Facilities
 O Other
 T Trade-off (Offset by Lapse)

SAMPLE - REBUTTAL LIST LAYOUT

INSTRUCTIONS:

- 1) DO NOT DELETE ORIGINAL REQUESTS.
- 2) FILL IN AMOUNTS FOR REBUTTAL REQUESTS (ADDITIONS OR TRADE-OFFS) AND PROVIDE JUSTIFICATION/COMMENTS.
- 3) IF PRINTING, USE 8 1/2" x 14" PAPER.