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**DETAILS OF VARIANCES**



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## **ECONOMIC DEVELOPMENT**

PROGRAM TITLE: ECONOMIC DEVELOPMENT

12/11/15

PROGRAM-ID:

PROGRAM STRUCTURE NO: 01

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	439.50	336.25	- 103.25	23	439.50	335.50	- 104.00	24	439.50	380.50	- 59.00	13
EXPENDITURES (\$1000's)	359,139	303,222	- 55,917	16	97,835	26,611	- 71,224	73	310,755	375,454	+ 64,699	21
TOTAL COSTS												
POSITIONS	439.50	336.25	- 103.25	23	439.50	335.50	- 104.00	24	439.50	380.50	- 59.00	13
EXPENDITURES (\$1000's)	359,139	303,222	- 55,917	16	97,835	26,611	- 71,224	73	310,755	375,454	+ 64,699	21
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. TOTAL VISITOR EXPENDITURES (\$ BILLIONS)	14.9	15.1	+ 0.2	1	14.9	15.6	+ 0.7	5				
2. IMPACT ON STATE ECON BY FILM PROD DIRECT EXP (MIL)	200	265	+ 65	33	200	225	+ 25	13				
3. NEW PRIV DEV IN KAKAAKO COM DEV DIST (\$M)	431	431	+ 0	0	720	720	+ 0	0				
4. # RE PROJECTS ASSISTED	20	12	- 8	40	20	15	- 5	25				
5. INCREASE IN NUMBER OF COMPANIES FUNDED	5	5	+ 0	0	5	5	+ 0	0				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: ECONOMIC DEVELOPMENT**

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**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.

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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>												
<b>EXPENDITURES (\$1000's)</b>												
<b>TOTAL COSTS</b>												
<b>POSITIONS</b>												
<b>EXPENDITURES (\$1000's)</b>												
	62.00	62.00	+ 0.00	0	62.00	62.00	+ 0.00	0	62.00	64.00	+ 2.00	3
	9,253	7,343	- 1,910	21	2,016	1,420	- 596	30	6,780	6,896	+ 116	2
	62.00	62.00	+ 0.00	0	62.00	62.00	+ 0.00	0	62.00	64.00	+ 2.00	3
	9,253	7,343	- 1,910	21	2,016	1,420	- 596	30	6,780	6,896	+ 116	2
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % INCREASE IN EXPORTS DUE TO PROG PARTICIPATION					10	0	- 10	100	10	10	+ 0	0
2. IMPACT ON STATE ECON BY FILM PROD DIRECT EXP (MIL)					200	265	+ 65	33	200	225	+ 25	13
3. %VALUE INCR OF CARGO IN/OUT OF FTZ (EXCL SUBZONES)					3	-11	- 14	467	3	3	+ 0	0
4. TOTAL VISITOR EXPENDITURES (\$ BILLIONS)					14.9	15.1	+ 0.2	1	14.9	15.6	+ 0.7	5

**VARIANCE REPORT NARRATIVE  
FY 2015 AND FY 2016**

**PROGRAM TITLE: BUSINESS DEVELOPMENT**

**01 01**

**PART I - EXPENDITURES AND POSITIONS**

See Lowest Level Programs for additional information.

**PART II - MEASURES OF EFFECTIVENESS**

See Lowest Level Programs for additional information.

VARIANCE REPORT

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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												
EXPENDITURES (\$1000's)												
TOTAL COSTS												
POSITIONS												
EXPENDITURES (\$1000's)												
	10.00	10.00	+ 0.00	0	10.00	10.00	+ 0.00	0	10.00	10.00	+ 0.00	0
	4,309	2,630	- 1,679	39	778	290	- 488	63	2,802	3,090	+ 288	10
	10.00	10.00	+ 0.00	0	10.00	10.00	+ 0.00	0	10.00	10.00	+ 0.00	0
	4,309	2,630	- 1,679	39	778	290	- 488	63	2,802	3,090	+ 288	10
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % INCREASE IN EXPORTS DUE TO PROG PARTICIPATION					0	0	+ 0	0	10	10	+ 0	0
2. \$ VALUE OF TOTAL/PROJ SALES-TRADE & EXPORT PROMO					8500	7178	- 1322	16	9350	4765	- 4585	49
3. # NEW FIRMS ENROLLED IN ENTERPRISE ZONE PROGRAM					20	19	- 1	5	20	20	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>												
1. # OF FIRMS ENROLLED IN ENTERPRIZE ZONE PROGRAM					300	290	- 10	3	300	300	+ 0	0
2. #COMM-BASED ORGS, CO-OPS & SMALL BUS ASSISTED					200	400	+ 200	100	200	400	+ 200	100
<b>PART IV: PROGRAM ACTIVITY</b>												
1. # INT'L BUSINESS DEVELOPMENT ACTIVITIES					50	53	+ 3	6	50	50	+ 0	0
2. OUTREACH ACTIVITIES					10	10	+ 0	0	10	10	+ 0	0
3. #FIRMS ASSISTED FOR PARTIC IN ENTERPRSE ZONES					300	300	+ 0	0	300	300	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 01 01  
BED 100

**PROGRAM TITLE: STRATEGIC MARKETING AND SUPPORT**

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

For FY 15 expenditures, \$1.679M variance due to unexpended ceiling for Community-Based Economic Development (CBED) Revolving Loan Fund (\$579,000) and State Disaster Revolving Loan Fund (\$1.2M).

First quarter FY 16 expenditures of \$488,000 variance due to unexpended ceiling for CBED Revolving Loan Fund (\$108,000) and State Disaster Revolving Loan Fund (\$380,000).

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

Item 1. The decrease in the percentage of exports generated by program activities was due in part to devaluation of the Japanese yen in relation to the U.S. dollar. The strength of the dollar made the cost of exported Hawaii products more expensive, temporarily reducing sales to the Japan market.

Item 2. See explanation above for the reason the total projected export sales decreased.

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

Item 2. Increase in the number of community-based organizations, co-ops and small businesses assisted is due to the CBED and Enterprise Zone (EZ) Programs continued sponsorship of, and participation in, two annual Hawaii Small Business Fairs held each Spring and Fall. The fairs bring more than 35 Federal, State and County agencies, non-profit organizations, and Community Development Financial Institutions together as exhibitors to share information, and a total of more than 60 small business workshops and one-on-one business assistance consultations. More than 300 business owners, entrepreneurs, and non-profit leaders register to attend each of the fairs.

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

No significant variances.



PROGRAM TITLE: CREATIVE INDUSTRIES DIVISION  
 PROGRAM-ID: BED-105  
 PROGRAM STRUCTURE NO: 010102

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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												
EXPENDITURES (\$1000's)												
<b>TOTAL COSTS</b>												
POSITIONS												
EXPENDITURES (\$1000's)												
	11.00	11.00	+ 0.00	0	11.00	11.00	+ 0.00	0	11.00	11.00	+ 0.00	0
	1,188	1,146	- 42	4	278	278	+ 0	0	929	854	- 75	8
	11.00	11.00	+ 0.00	0	11.00	11.00	+ 0.00	0	11.00	11.00	+ 0.00	0
	1,188	1,146	- 42	4	278	278	+ 0	0	929	854	- 75	8
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1.	AMT OF DIRECT EXPEND. FROM FILM PROD IN HI (MIL)				150	213	+ 63	42	150	200	+ 50	33
2.	IMPACT ON STATE ECON BY FILM PROD DIRECT EXP (MIL)				200	265	+ 65	33	200	225	+ 25	13
3.	TAX REV GEN BY DIRECT EXPEND FRM FILM PROD (MIL)				15	20	+ 5	33	15	15	+ 0	0
4.	FILM PROJ THAT APPL FOR & QUAL FOR ACT 88 TAX CRED				25	44	+ 19	76	25	40	+ 15	60
5.	AMT OF DIR EXPEND FROM QUAL ACT 88 PROJECTS (MIL)				135	149	+ 14	10	135	140	+ 5	4
6.	CREATIVE SECTOR SHARE OF HAWAII GDP (BIL)				4.5	4.2	- 0.3	7	4.5	4.5	+ 0	0
7.	# OF CREATIVE SECTOR JOBS (THOUS) IN HAWAII				50	49	- 1	2	51	51	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>												
1.	# OF CONTR TO LOCAL EDUC INST FR ACT 88 PROJ				24	44	+ 20	83	24	40	+ 16	67
2.	MUSIC INDUSTRY ORGANIZATIONS SERVED				6	6	+ 0	0	6	6	+ 0	0
3.	# OF ARTS/CULT BENEFICIARIES OF CID ACTIVITIES				35	35	+ 0	0	35	35	+ 0	0
<b>PART IV: PROGRAM ACTIVITY</b>												
1.	#FILM/TV/COMMERCIAL PROJS FILMING IN STATE YEARLY				140	110	- 30	21	140	100	- 40	29
2.	# OF FILM PERMITS PROCESSED ANNUALLY				1500	1000	- 500	33	1500	1000	- 500	33
3.	# LOCALLY FOCUSED EDUCATIONAL & PROMOTNL EVENTS				12	13	+ 1	8	14	14	+ 0	0
4.	#OVERSEAS SALES/MKTG/PROMO ATTND/SPON/SPPT BY CID				4	4	+ 0	0	4	4	+ 0	0
5.	# OF FILM INQUIRIES				3500	3500	+ 0	0	3500	3500	+ 0	0
6.	# OF BUS OPPTY GEN THROUGH WORKSHOPS/SEMINARS				150	150	+ 0	0	150	150	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 01 02  
BED 105

**PROGRAM TITLE: CREATIVE INDUSTRIES DIVISION**

### PART I - EXPENDITURES AND POSITIONS

POSITIONS FY 15: An Economic Development Specialist V position is in the process of being converted. An Office Assistant III is in active recruitment, with an expected start date of January 31, 2016.

### PART II - MEASURES OF EFFECTIVENESS

Item 1. The higher actual is due to having more productions filmed in Hawaii in FY 15.

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 unanticipated amount of projects that shot in Hawaii in FY 15 and applied for the tax credits.

Item 5. The higher actual is due to having a number of larger productions (feature films and TV series) filming in Hawaii in FY 15.

For FY 16 Estimated:

Item 1. The higher actual is due to anticipating more productions to film in Hawaii in FY 16.

Item 2. The higher estimated impact on the State economy by film production's direct expenditure is due to using a higher multiplier as the branch has worked with the Research Economic Analysis Division to ensure that the multiplier is accurate.

### PART III - PROGRAM TARGET GROUPS

Item 1. The actual is higher due to having more productions apply for tax credits and choosing to contribute to local educational institutions.

### PART IV - PROGRAM ACTIVITIES

Item 1: Lower number of projects is due to productions obtaining ePermits.

Item 2: Lower number of permits issued is due to more productions obtaining ePermits. Also, the Film Industry Branch converted the annual badge holders to ePermits.

PROGRAM TITLE: FOREIGN TRADE ZONE

12/11/15

PROGRAM-ID: BED-107

PROGRAM STRUCTURE NO: 010103

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	17.00	17.00	+ 0.00	0	17.00	17.00	+ 0.00	0	17.00	17.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,066	1,777	- 289	14	550	452	- 98	18	1,578	1,578	+ 0	0
TOTAL COSTS												
POSITIONS	17.00	17.00	+ 0.00	0	17.00	17.00	+ 0.00	0	17.00	17.00	+ 0.00	0
EXPENDITURES (\$1000's)	2,066	1,777	- 289	14	550	452	- 98	18	1,578	1,578	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. %VALUE INCR OF CARGO IN/OUT OF FTZ (EXCL SUBZONES)	3	-11	- 14	467	3	3	+ 0	0	3	3	+ 0	0
2. % INCR VALUE CARGO IN/OUT OF ALL SUBZONES	3	6	+ 3	100	3	3	+ 0	0	3	3	+ 0	0
3. % INCR IN VALUE OF CARGO IN/OUT OF PIER 2 FACIL	6	13	+ 7	117	6	6	+ 0	0	6	6	+ 0	0
4. # OF NEW FIRMS USING FTZ PROGRAM	30	10	- 20	67	30	25	- 5	17	30	25	- 5	17
5. % INCR IN VALUE OF EXPORTS FROM ALL FTZ FACILITIES	5	-5	- 10	200	5	5	+ 0	0	5	5	+ 0	0
6. INCR IN USERS' EMPLMT ATTRIB TO PARTIC IN FTZ PROG	60	NO DATA	- 60	100	60	NO DATA	- 60	100	60	NO DATA	- 60	100
7. SATIS RATING BY FTZ USERS (1-5 SCALE)	4	NO DATA	- 4	100	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	0	0	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>												
1. FIRMS USING FTZ PROGRAM (NO.)	250	349	+ 99	40	250	250	+ 0	0	250	250	+ 0	0
2. COMPANIES THAT IMPORT/EXPORT DUTIABLE MERCHANDISE	500	500	+ 0	0	500	500	+ 0	0	500	500	+ 0	0
3. COMPANIES THAT MANUF USING DUTIABLE COMPONENTS	70	74	+ 4	6	70	70	+ 0	0	70	70	+ 0	0
<b>PART IV: PROGRAM ACTIVITY</b>												
1. VALUE OF CARGO IN/OUT OF FTZ (EXCL SUBZONES) (MIL)	1750	2602	+ 852	49	1750	1750	+ 0	0	1750	1750	+ 0	0
2. VALUE OF CARGO IN/OUT OF SUBZONES (MIL)	7600	9375	+ 1775	23	7600	7600	+ 0	0	7600	7600	+ 0	0
3. VALUE OF CARGO IN/OUT OF PIER 2 FACILITY (MIL)	60	47	- 13	22	60	55	- 5	8	60	55	- 5	8
4. VALUE OF CARGO HANDLD FOR DEPT OF HOMELAND SEC	0	0	+ 0	0	0	0	+ 0	0	0	0	+ 0	0
5. ADVERTISING/MARKETING EXPEND ZONE PROMOTION	75	10	- 65	87	75	75	+ 0	0	75	75	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 01 03  
BED 107

### PROGRAM TITLE: FOREIGN TRADE ZONE

#### PART I - EXPENDITURES AND POSITIONS

The variance in expenditures in FY 15 was due to the program trying to constrain operational expenditures to maintain parity with program revenue.

The variance in expenditures in the first quarter of FY 16 was due to the program trying to maintain parity between expenses and collected program revenues.

#### PART II - MEASURES OF EFFECTIVENESS

Item 1. Variance was a result of the world wide slow down in international trade experienced in 2014-2015.

Item 2. Variance was the direct result of the increase in oil consumption in Hawaii and worldwide.

Item 3. The variance is due to the increase in value of goods through the Pier 2 facility and the increased use of Foreign Trade Zone (FTZ) 9.

Item 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. This number is similar to what was reported last year.

Item 5. The decrease in overall value in the past year is a result of the worldwide slow down in international trade.

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

#### PART III - PROGRAM TARGET GROUPS

Item 1. An increase in use of the FTZ program's additional firms is a result of the current economic conditions and cost savings benefits related to FTZ use.

#### PART IV - PROGRAM ACTIVITIES

Item 1. Variance is a result of the high value products transiting through Hawaii's FTZ in the past year.

Item 2. Variance is a result of worldwide adjustment in 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.

VARIANCE REPORT

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	24.00	24.00	+ 0.00	0	24.00	24.00	+ 0.00	0	24.00	26.00	+ 2.00	8
EXPENDITURES (\$1000's)	1,690	1,790	+ 100	6	410	400	- 10	2	1,471	1,374	- 97	7
TOTAL COSTS												
POSITIONS	24.00	24.00	+ 0.00	0	24.00	24.00	+ 0.00	0	24.00	26.00	+ 2.00	8
EXPENDITURES (\$1000's)	1,690	1,790	+ 100	6	410	400	- 10	2	1,471	1,374	- 97	7

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. # OF PROCUREMENT VIOLATIONS	0	0	+ 0	0	0	0	+ 0	0
2. % ERROR-FREE SUMMARY WARRANT VOUCHERS PROCESSED	95	95	+ 0	0	95	95	+ 0	0
3. SERVER DOWNTIME AS % TOTAL OPERATIONAL TIME (<=)	2.0	2	+ 0	0	2.0	2	+ 0	0
4. % DBEDT EMPLOYEES WORKING W/OUT FORMAL GRIEVANCE	98	100	+ 2	2	98	98	+ 0	0

<b>PART III: PROGRAM TARGET GROUP</b>								
1. NUMBER OF DBEDT POSNS (PERMANENT & TEMPORARY)	303	324	+ 21	7	303	325	+ 22	7

<b>PART IV: PROGRAM ACTIVITY</b>								
1. # OF REQUESTS FOR ALLOTMENT (A19) PREPARED	200	201	+ 1	1	150	200	+ 50	33
2. # OF IFBS & RFPS ADVERTISED OVER DELEGATED AMOUNT	2	2	+ 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	1200	1200	+ 0	0	1100	1100	+ 0	0
5. # OF FORMAL GRIEVANCES FILED ANNUALLY	5	0	- 5	100	5	5	+ 0	0
6. # OF HR/PERSONNEL TRANSACTIONS PROCESSED ANNUALLY	1500	630	- 870	58	1500	1000	- 500	33

**VARIANCE REPORT NARRATIVE  
FY 2015 AND FY 2016**

**01 01 04  
BED 142**

**PROGRAM TITLE: GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT**

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**PART I - EXPENDITURES AND POSITIONS**

No significant variances.

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

Item 6. The variance is due to over estimation of planned amount.

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

12/11/15

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	3.00	- 2.00	40	5.00	3.00	- 2.00	40	5.00	3.00	- 2.00	40
EXPENDITURES (\$1000's)	141,162	125,190	- 15,972	11	33,319	0	- 33,319	100	107,956	139,180	+ 31,224	29
<b>TOTAL COSTS</b>												
POSITIONS	5.00	3.00	- 2.00	40	5.00	3.00	- 2.00	40	5.00	3.00	- 2.00	40
EXPENDITURES (\$1000's)	141,162	125,190	- 15,972	11	33,319	0	- 33,319	100	107,956	139,180	+ 31,224	29
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. TOTAL VISITOR EXPENDITURES (\$ BILLIONS)	14.9	15.1	+ 0.2	1	14.9	15.6	+ 0.7	5				
2. VISITOR SATISFACTION % VERY LIKELY TO RECOMMEND HI	85.2	80.9	- 4.3	5	85.2	80.9	- 4.3	5				
3. TOTAL VISITOR DAYS (MILLIONS)	76.1	77.0	+ 0.9	1	76.1	79.4	+ 3.3	4				
4. TOTAL VISITOR ARRIVALS (MILLIONS)	8.3	8.5	+ 0.2	2	8.3	8.8	+ 0.5	6				
5. TOTAL SCHEDULED AIR SEATS ( MILLIONS)	11.2	11.6	+ 0.4	4	11.2	11.9	+ 0.7	6				
6. HAWAII CONVENTION CENTER ROOM NIGHTS	130000	155950	+ 25950	20	130000	152364	+ 22364	17				
7. NUMBER OF CRUISE BERTHS	131832	148312	+ 16480	13	131000	106887	- 24113	18				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. JAPANESE TRAVELERS TO THE US (MILLION)	3.6	3.5	- 0.1	3	3.6	3.5	- 0.1	3				
2. US AIR TRAFFIC TO OVERSEAS REGIONS (MILLIONS)	40.52	42.74	+ 2.22	5	40.52	42.74	+ 2.22	5				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. # SPORTING EVENTS ACTUALLY FUNDED	21	14	- 7	33	21	18	- 3	14				
2. # PROD ENRICH PROJ FNDED (INCL NAT RES & LVING HWN	128	154	+ 26	20	128	154	+ 26	20				
3. # OF HAWAIIAN AND MAJOR FESTIVALS ACTUALLY FUNDED	12	12	+ 0	0	12	13	+ 1	8				
4. # SPEECHES/PRESENTATIONS TO TOURISM STAKEHOLDERS	55	55	+ 0	0	55	55	+ 0	0				
5. NUMBER OF HITS TO TOURISM RESEARCH PAGE	138000	202578	+ 64578	47	138000	222836	+ 84836	61				
6. MAJOR MARKETING CONTRACTORS FUNDED (\$MILLIONS)	58.3	50.6	- 7.7	13	58.3	58.1	- 0.2	0				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

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 was capped at \$115 million for FY 15 (pursuant to Act 81, SLH 2014), and \$108.5 million effective FY 16 (pursuant to Act 121, SLH 2015).

Variance in positions is due to recent conversion from permanent to temporary.

#### PART II - MEASURES OF EFFECTIVENESS

Items 1-5. Variances are mainly small positive increases and reflect the slower growth of the Hawai'i tourism industry and the rapid recovery from the recession.

Item 6. The positive variance is due to the restructured Meet Hawaii team's efforts to exceed its room night goal.

Item 7. Ships that arrived in FY 14 were smaller with fewer berth capacity than ships that arrived the previous year.

#### PART III - PROGRAM TARGET GROUPS

Item 1. Japanese arrivals to Hawai'i has performed better than the total pace of Japanese travelers to the U.S. as a whole.

Item 2. Hawai'i has experienced some benefit from the growing wave of U.S. visitors to overseas regions.

#### PART IV - PROGRAM ACTIVITIES

Item 1. The Hawaii Tourism Authority (HTA) decided to execute fewer larger events than originally planned.

Item 2. Planned program activity was a preliminary estimate. HTA

increasingly moved toward achieving more quality proposals/events than having a large quantity.

Item 3. Increase in the number of quality applicants due to communication campaigns to promote the programs.

Item 5. The actual and estimated figures represent Page Views instead of Hits, which is the newer industry standard measure. Activity on the research webpages increased due to increased reporting of International Expenditure data and the publication of a special transient vacation rental unit study.

Item 6. Marketing dollars in South East Asia and other international developing markets were not spent because supporting air route infrastructure did not materialize as anticipated. Further additional marketing opportunities also did not materialize.



VARIANCE REPORT

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	310.00	226.75	- 83.25	27	309.00	225.00	- 84.00	27	309.00	260.00	- 49.00	16
EXPENDITURES (\$1000's)	60,643	38,138	- 22,505	37	12,177	12,386	+ 209	2	44,830	44,621	- 209	0
TOTAL COSTS												
POSITIONS	310.00	226.75	- 83.25	27	309.00	225.00	- 84.00	27	309.00	260.00	- 49.00	16
EXPENDITURES (\$1000's)	60,643	38,138	- 22,505	37	12,177	12,386	+ 209	2	44,830	44,621	- 209	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. AMT OF AG OR AQUA FIN PROVIDED BY OTHR CRED SOURCS	1000	0	- 1000	100	1000	1000	+ 0	0				
2. # INTERCEPTED PEST SPECIES NOT ESTABLISHED IN HI	465	443	- 22	5	465	450	- 15	3				
3. PERCENTAGE OF AGRICULTURAL LANDS IN PRODUCTIVE USE	85	87	+ 2	2	85	88	+ 3	4				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: AGRICULTURE**

**01 03**

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

The variance in the Agriculture 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.

VARIANCE REPORT

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	9.00	7.00	- 2.00	22	9.00	8.00	- 1.00	11	9.00	9.00	+ 0.00	0
EXPENDITURES (\$1000's)	6,590	3,558	- 3,032	46	1,714	1,714	+ 0	0	5,143	5,143	+ 0	0
<b>TOTAL COSTS</b>												
POSITIONS	9.00	7.00	- 2.00	22	9.00	8.00	- 1.00	11	9.00	9.00	+ 0.00	0
EXPENDITURES (\$1000's)	6,590	3,558	- 3,032	46	1,714	1,714	+ 0	0	5,143	5,143	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. NUMBER OF LOANS APPROVED	25	24	- 1	4	25	25	+ 0	0				
2. TOTAL DOLLAR AMOUNT OF LOANS APPROVED (000'S)	4500	2455	- 2045	45	4500	4500	+ 0	0				
3. ANNUAL ACREAGE CULTIVATED BY BORROWERS	45000	42325	- 2675	6	45000	43000	- 2000	4				
4. AMT OF EMPLOYEES OR LABORERS UTILIZED BY BORROWER	1250	1466	+ 216	17	1250	1350	+ 100	8				
5. AMT OF AG OR AQUA FIN PROVIDED BY OTHR CRED SOURCS	1000	0	- 1000	100	1000	1000	+ 0	0				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. POTENTIAL QUALIFIED FARMERS/NEW FARMERS	7500	7500	+ 0	0	7500	7500	+ 0	0				
2. POTENTIAL QUALIFIED AQUACULTURISTS	70	70	+ 0	0	70	70	+ 0	0				
3. AGRICULTURE/AQUACULTURE COOPERATIVES	25	25	+ 0	0	25	25	+ 0	0				
4. COMMERCIAL BANKS	5	5	+ 0	0	5	5	+ 0	0				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. NUMBER OF PUBLIC RELATIONS CONTACTS	75	71	- 4	5	75	75	+ 0	0				
2. NO. OF SERVICING CONTACTS WITH EXISTING BORROWERS	750	783	+ 33	4	750	800	+ 50	7				
3. NUMBER OF LOAN INQUIRIES RECEIVED BY THE DIVISION	175	144	- 31	18	175	160	- 15	9				
4. AMOUNT COLLECTED BY PROGRAM (000'S)	2.25	2.3	+ 0.05	2	2.25	2.3	+ 0.05	2				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 03 01  
AGR 101

**PROGRAM TITLE: FINANCIAL ASSISTANCE FOR AGRICULTURE**

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

Variances in FY 15 expenditures were due to position vacancies and the lower dollar amount in loans granted.

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

Item 2 - The dollar amount of loans approved was below the planned amount due to numerous emergency loans approved to help farmers recover from tropical storm Iselle. The emergency loan amounts are generally lower than regular loans.

Item 4 - Amount of employees and laborers utilized by borrowers were larger than planned due to the program's larger portfolio.

Item 5 - 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 3 - The number of inquiries appears to be affected by the lack of available lands with suitable terms.

VARIANCE REPORT

PROGRAM TITLE: PRODCTVTY IMPRVMT & MGT ASSTNCE FOR AGR

12/11/15

PROGRAM-ID:

PROGRAM STRUCTURE NO: 010302

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	184.00	135.75	- 48.25	26	181.00	133.00	- 48.00	27	181.00	150.00	- 31.00	17
EXPENDITURES (\$1000's)	21,336	16,526	- 4,810	23	5,330	5,330	+ 0	0	15,990	15,990	+ 0	0
TOTAL COSTS												
POSITIONS	184.00	135.75	- 48.25	26	181.00	133.00	- 48.00	27	181.00	150.00	- 31.00	17
EXPENDITURES (\$1000's)	21,336	16,526	- 4,810	23	5,330	5,330	+ 0	0	15,990	15,990	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % TTL PARCELS INSP INTERCEPTED AS PROHIB/RESTRICT	.003	.003	+ 0	0	.003	.003	+ 0	0				
2. # INTERCEPTED PEST SPECIES NOT ESTABLISHED IN HI	465	443	- 22	5	465	450	- 15	3				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

PROGRAM TITLE: PRODCVTY IMPRVMT & MGT ASSTNCE FOR AGR

01 03 02

### PART I - EXPENDITURES AND POSITIONS

The variance in the Productivity Improvement and Management Assistance for Agriculture 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.

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

12/11/15

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	129.00	92.00	- 37.00	29	126.00	91.00	- 35.00	28	126.00	100.00	- 26.00	21
EXPENDITURES (\$1000's)	15,488	11,868	- 3,620	23	3,899	3,899	+ 0	0	11,699	11,699	+ 0	0
<b>TOTAL COSTS</b>												
POSITIONS	129.00	92.00	- 37.00	29	126.00	91.00	- 35.00	28	126.00	100.00	- 26.00	21
EXPENDITURES (\$1000's)	15,488	11,868	- 3,620	23	3,899	3,899	+ 0	0	11,699	11,699	+ 0	0

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. % TTL PARCELS INSP INTERCEPTED AS PROHIB/RESTRICT	.003	.003	+ 0	0	.003	.003	+ 0	0
2. NUMBER OF PEST INTERCEPTIONS	2500	1595	- 905	36	2500	1600	- 900	36
3. # INTERCEPTED PEST SPECIES NOT ESTABLISHED IN HI	465	443	- 22	5	465	450	- 15	3
4. # OF PROHIBITED ANIMALS INTERCEPTED OR CONFISCATED	600	610	+ 10	2	600	600	+ 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	30	- 45	60	75	30	- 45	60
7. COMPLIANCE RATE CERT NURS & PT OF ORIGIN EXP INSP	50	80	+ 30	60	50	50	+ 0	0

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART III: PROGRAM TARGET GROUP</b>								
1. NUMBER OF AIRCRAFT AND SHIP ARRIVALS (THOUSANDS)	44.305	49.153	+ 4.848	11	44.305	49	+ 4.695	11
2. NUMBER PASSENGER ARRIVALS BY AIR AND SEA (THOUS)	6500	6918	+ 418	6	6500	6500	+ 0	0
3. NO. OF REGULATED BAGGAGE, CARGO AND MAIL (THOUS)	8200	7516	- 684	8	8200	8200	+ 0	0
4. NUMBER OF IMPORT PERMIT REQUESTS	969	1127	+ 158	16	969	1000	+ 31	3
5. NUMBER OF SITES REQUIRING POST-ENTRY INSPECTIONS	1300	89	- 1211	93	1300	1000	- 300	23
6. NUMBER OF CERTIFIED NURSERIES	300	182	- 118	39	300	200	- 100	33
7. NUMBER OF NEW NOXIOUS WEED INFESTATIONS	1	0	- 1	100	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	25	+ 15	150	9	30	+ 21	233
10. NO. OF WIDESPREAD INFEST OF INSECTS AND OTHER PEST	5	4	- 1	20	5	5	+ 0	0

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART IV: PROGRAM ACTIVITY</b>								
1. NUMBER OF AIRCRAFT AND SHIPS MONITORED (THOUSANDS)	44.305	47.029	+ 2.724	6	44.305	47	+ 2.695	6
2. NUMBER OF AIR AND SEA PASSENGERS MONITORED (THOUS)	6500	4403	- 2097	32	6500	4500	- 2000	31
3. NO. OF BAGGAGE, CARGO, AND MAIL INSPECTED (THOUS)	8200	7508	- 692	8	8200	7500	- 700	9
4. NUMBER OF POST-ENTRY INSPECTIONS CONDUCTED	950	1075	+ 125	13	950	1000	+ 50	5
5. NUMBER OF CERTIFIED NURSERY INSPECTIONS	460	364	- 96	21	460	400	- 60	13
6. NUMBER OF CHEM/MECH CNTRL AND ERADICATION PROJECTS	5	21	+ 16	320	5	15	+ 10	200
7. BIOLOGICAL CONTROL OF PEST SPECIES (# OF PROJECTS)	8	8	+ 0	0	8	8	+ 0	0
8. SEED TEST AND ANALYSIS (NUMBER OF LOTS)	250	35	- 215	86	250	30	- 220	88

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

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AGR 122

### PROGRAM TITLE: PLANT PEST AND DISEASE CONTROL

#### PART I - EXPENDITURES AND POSITIONS

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

#### PART II - MEASURES OF EFFECTIVENESS

Item 2 - Insect interceptions decreased due to inspectors turning in only high priority interceptions that require response/action. Other commonly encountered insects that are established in Hawaii were not reported.

Item 6 - Decrease due to increased in number of pests targeted for biological control.

Item 7 - Decrease in number of certified nurseries increased the percentage of compliant nurseries.

#### PART III - PROGRAM TARGET GROUPS

Item 1 - Increase possibly due to improving economy resulting in an increased in air and ship activity.

Item 4 - Increase in permits due to increased demand for imports into the State.

Items 5 and 6 - Decreases due to a decreased in number of nurseries importing and exporting commodities.

Item 7 - No new noxious weed infestations were detected.

Item 9 - Increase due to increased in survey activities and new plant pathology expertise in the State.

Item 10 - Less than expected infestations of insects and weeds occurred detected possibly due to program responding quickly to pest incursions.

#### PART IV - PROGRAM ACTIVITIES

Item 2 - Decrease due to reassignment of inspectors to other higher priority activities.

Item 4 - Increase due to increased demand for imports into the State.

Item 5- Decrease due to fewer number of certified nurseries.

Item 6 - Increase due to increase of new pest species established.

Item 8 - Decrease due to assistance from USDA in taking over some of the testing and analysis.



VARIANCE REPORT

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	55.00	43.75	-	11.25	20	55.00	42.00	-	13.00	24	55.00	50.00	-	5.00	9
EXPENDITURES (\$1000's)	5,848	4,658	-	1,190	20	1,431	1,431	+	0	0	4,291	4,291	+	0	0
TOTAL COSTS															
POSITIONS	55.00	43.75	-	11.25	20	55.00	42.00	-	13.00	24	55.00	50.00	-	5.00	9
EXPENDITURES (\$1000's)	5,848	4,658	-	1,190	20	1,431	1,431	+	0	0	4,291	4,291	+	0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16										
	PLANNED	ACTUAL	+ CHANGE	%	PLANNED	ESTIMATED	+ CHANGE	%							
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
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	5	5	+	0	0	5	+	0	0	5	+	0	0	0	0
3. NO.OF DISEASE CNTRL PROG W/ PUBLIC HEALTH IMPACT	6	6	+	0	0	6	+	0	0	6	+	0	0	0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: ANIMAL PEST AND DISEASE CONTROL**

**01 03 02 02**

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

The variance in the Animal Pest and Disease Control 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.

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16							
	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	36.32	31.07	-	5.25	14	36.32	29.97	-	6.35	17	36.32	36.32	+	0.00	0	
EXPENDITURES (\$1000's)	3,282	3,166	-	116	4	907	907	+	0	0	2,721	2,721	+	0	0	
<b>TOTAL COSTS</b>																
POSITIONS	36.32	31.07	-	5.25	14	36.32	29.97	-	6.35	17	36.32	36.32	+	0.00	0	
EXPENDITURES (\$1000's)	3,282	3,166	-	116	4	907	907	+	0	0	2,721	2,721	+	0	0	
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>																
1. NUMBER OF RABIES CASES IN THE COMMUNITY					0	0	+	0	0	0	0	0	+	0	0	0
2. NUMBER OF ALIEN PESTS DETECTED					1	1	+	0	0	1	1	+	0	0	0	0
<b>PART III: PROGRAM TARGET GROUP</b>																
1. DOGS AND CATS QUARANTINED					1600	1576	-	24	2	1600	1600	+	0	0	0	0
2. POPULATION OF HAWAII					1400000	1400000	+	0	0	1400000	1420000	+	20000	1	1	1
<b>PART IV: PROGRAM ACTIVITY</b>																
1. NUMBER OF DOGS AND CATS QUARANTINED - 120 DAYS					500	424	-	76	15	500	450	-	50	10	10	10
2. NO. OF DOGS & CATS QUARANTINED- LESS THAN 120 DAYS					800	1152	+	352	44	800	1100	+	300	38	38	38
3. NO. QUAL DOGS & CATS RELEASD AFTER INSP UPON ARRVL					13000	13688	+	688	5	13000	13750	+	750	6	6	6
4. NUMBER OF DOGS AND CATS QUARANTINED - TRANSIT					200	159	-	41	21	200	200	+	0	0	0	0
5. NO. OF SATELLITE & APPROVED VET FACILITY MONITORED					34	33	-	1	3	34	34	+	0	0	0	0
6. NO. OF DOGS & CATS SAMPLED FOR EXTERNAL PARASITES					2	2	+	0	0	2	2	+	0	0	0	0
7. NO. OF DOGS & CATS SAMPLED FOR INTERNAL PARASITES					2300	2100	-	200	9	2300	2100	-	200	9	9	9
8. NO. SVC DOGS & ELIGIBLE GUIDE DOG ENTRIES PROCESSED					1100	1076	-	24	2	1100	1250	+	150	14	14	14

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

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AGR 131

**PROGRAM TITLE: RABIES QUARANTINE**

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

Variances in expenditures were due to position vacancies.

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

No significant variances.

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

No significant variances.

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

Items 1 - It is probable that the increased amount of animals qualifying for direct airport release (Item 3) decreased the amount in these quarantine categories.

Item 2 - The increased in dogs and cats quarantined was likely due to the overall increased of animals entering State.

Item 4 - Decrease may also have been affected by reduction in the movement between the Asia-Pacific Region and the continental U.S. Other factors may be involved that are unknown.

PROGRAM TITLE: ANIMAL DISEASE CONTROL  
PROGRAM-ID: AGR-132  
PROGRAM STRUCTURE NO: 0103020202

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	18.68	12.68	- 6.00	32	18.68	12.03	- 6.65	36	18.68	13.68	- 5.00	27
EXPENDITURES (\$1000's)	2,566	1,492	- 1,074	42	524	524	+ 0	0	1,570	1,570	+ 0	0
<b>TOTAL COSTS</b>												
POSITIONS	18.68	12.68	- 6.00	32	18.68	12.03	- 6.65	36	18.68	13.68	- 5.00	27
EXPENDITURES (\$1000's)	2,566	1,492	- 1,074	42	524	524	+ 0	0	1,570	1,570	+ 0	0
	<b>FISCAL YEAR 2014-15</b>				<b>FISCAL YEAR 2015-16</b>							
	<b>PLANNED</b>	<b>ACTUAL</b>	<b>± CHANGE</b>	<b>%</b>	<b>PLANNED</b>	<b>ESTIMATED</b>	<b>± CHANGE</b>	<b>%</b>				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. NO. OF DISEASE-FREE STATUS OBTAINED & MAINTAINED	5	5	+ 0	0	5	5	+ 0	0				
2. NO. OF OIE DISEASES OF LVSTK & POLTRY NOT IN STATE	111	111	+ 0	0	111	111	+ 0	0				
3. NO. DISEASE CNTRL & ERAD PRG & VOL DIS STATUS PROG	8	8	+ 0	0	8	8	+ 0	0				
4. NO. OF DISEASE CNTRL PROG W/ PUBLIC HEALTH IMPACT	6	6	+ 0	0	6	6	+ 0	0				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. LIVESTOCK PRODUCERS	2900	2912	+ 12	0	2900	2900	+ 0	0				
2. AQUACULTURE PRODUCERS	80	80	+ 0	0	85	85	+ 0	0				
3. HUMAN POPULATION	1408000	1420000	+ 12000	1	1409000	1500000	+ 91000	6				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. NO. LVSTK & EXOTIC ANMLS INSP/TEST ON ENTRY	13000	9763	- 3237	25	13000	13000	+ 0	0				
2. NO. DAY-OLD CHICKS AND HATCHED EGGS INSP ON ENTRY	600000	644560	+ 44560	7	600000	600000	+ 0	0				
3. NUMBER OF DOGS AND CATS INSPECTED ON ENTRY	15000	15768	+ 768	5	15000	16000	+ 1000	7				
4. NO. POLTRY, OTH BRDS, NON-DMSTC ANMLS INSP ON ENTRY	20000	18702	- 1298	6	20000	20000	+ 0	0				
5. NO. SMPLS COLLECTD & ANMLS FIELD TSTD: ENTRY, SURV	1500	4303	+ 2803	187	1500	4000	+ 2500	167				
6. # OF LVSTCK/AQUA/ EPIDEMI DISEASE INVESTIGATIONS	5	8	+ 3	60	5	10	+ 5	100				
7. NO. SMPLS COLL/PRCSD FOR FED-ST DISEAS SURV PROGS	2000	2295	+ 295	15	2000	2000	+ 0	0				
8. NO. LAB TESTS FOR LVSTK/POLTRY DIEASE SURVEILLANCE	7000	4417	- 2583	37	7000	4000	- 3000	43				
9. NO. TESTS FOR IMPORTED ANMLS INCL DOGS AND CATS	4000	7063	+ 3063	77	4000	7000	+ 3000	75				
10. # OF AQUATIC ANIMAL HEALTH DOCUMENTS ISSUED	5	1142	+ 1137	22740	10	1200	+ 1190	11900				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 03 02 02 02  
AGR 132

### PROGRAM TITLE: ANIMAL DISEASE CONTROL

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#### PART I - EXPENDITURES AND POSITIONS

Variances in expenditures were due to vacancies and the absence of special fund expenditures.

Item 10 - Variance due to increased number of shipments to foreign countries due to Hawaii's shrimp disease free status.

#### PART II - MEASURES OF EFFECTIVENESS

No significant variances.

#### PART III - PROGRAM TARGET GROUPS

No significant variances.

#### PART IV - PROGRAM ACTIVITIES

Item 1 - Decrease due to decreased importation of market hogs entering the State.

Item 5 - Increase and variance in field samples due to greater number of disease investigations associated with aquaculture species and detection of presence of novel swine diarrhea virus.

Item 6 - Increase and variance due to increased number of reportable animal disease investigations especially among swine.

Item 7 - Increase due to increased number of cattle tested on import and export from the State. Increase due to increased diagnostic and surveillance testing conducted for avian influenza and porcine epidemic diarrhea virus.

Item 8 - Variance is due to planned numbers presented do not match the category listed. Lab tests conducted without including dogs and cats will have fewer tests associated than line Item 9 which includes all animals. When this is taken into account, there is no significant variance that occurs.

Item 9 - Same as above. When this is taken into account, there is no significant variance that occurs.

VARIANCE REPORT

PROGRAM TITLE: PRODUCT DEVELOPMENT AND MARKETING FOR AGR

12/11/15

PROGRAM-ID:

PROGRAM STRUCTURE NO: 010303

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	52.00	41.00	- 11.00	21	52.00	40.00	- 12.00	23	52.00	47.00	- 5.00	10
EXPENDITURES (\$1000's)	21,771	9,812	- 11,959	55	2,132	2,341	+ 209	10	14,696	14,487	- 209	1
TOTAL COSTS												
POSITIONS	52.00	41.00	- 11.00	21	52.00	40.00	- 12.00	23	52.00	47.00	- 5.00	10
EXPENDITURES (\$1000's)	21,771	9,812	- 11,959	55	2,132	2,341	+ 209	10	14,696	14,487	- 209	1
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. MARKETING ACTIVITIES CREATED, CONDUCTED OR MANAGED	24	50	+ 26	108	24	50	+ 26	108	24	50	+ 26	108
2. NO. OF REQ FOR PROPOSALS OFFERED TO ASSOCIATION	6	11	+ 5	83	6	11	+ 5	83	6	11	+ 5	83
3. NO. OF CONTRACTS, LOA, MOU, ADMINISTERED	15	30	+ 15	100	15	30	+ 15	100	15	30	+ 15	100

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

PROGRAM TITLE: PRODUCT DEVELOPMENT AND MARKETING FOR AGR

01 03 03

### PART I - EXPENDITURES AND POSITIONS

The variance in the Product Development and Marketing for Agriculture 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

Data for the Measures of Effectiveness is no longer collected. Measurements will be updated for FB 15-17 based on current program operations.



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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	19.00	18.00	- 1.00	5	19.00	18.00	- 1.00	5	19.00	19.00	+ 0.00	0
EXPENDITURES (\$1000's)	17,489	7,350	- 10,139	58	804	1,013	+ 209	26	10,713	10,504	- 209	2
<b>TOTAL COSTS</b>												
POSITIONS	19.00	18.00	- 1.00	5	19.00	18.00	- 1.00	5	19.00	19.00	+ 0.00	0
EXPENDITURES (\$1000's)	17,489	7,350	- 10,139	58	804	1,013	+ 209	26	10,713	10,504	- 209	2

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. % SEEDLINGS DISTRIBUTED OR SOLD COMPARED TO GOAL	110	100	- 10	9	100	110	+ 10	10
2. % ACRES TREE PLANTING/REFORSTTN COMPARED TO GOAL	110	105	- 5	5	100	110	+ 10	10
3. % BOARD FEET TIMBER HARVESTED COMP TO GOAL	200	185	- 15	8	100	100	+ 0	0
4. % LNDOWNRS/ORGS/COMM ASSISTED COMPARED TO GOAL	100	100	+ 0	0	100	100	+ 0	0
5. % FUNDS LEVERAGED COMPARED TO GOAL	100	100	+ 0	0	100	100	+ 0	0
6. % ACRES ACQ/SECURD FOR CONSERVTN COMPRD TO GOAL	100	100	+ 0	0	100	110	+ 10	10
7. % DEPTL LANDS UNDR COMM TIMBER MGMT COMP TO GOAL	200	185	- 15	8	100	100	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>								
1. FOREST PRODCT PROCESSRS, RELTD BUSNSS/INVSTRS (#)	10	10	+ 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
<b>PART IV: PROGRAM ACTIVITY</b>								
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	150	+ 0	0
3. PROMOTE HARVST 50,000 BD FT OF TIMBER FRM DEPTL LND	100000	100000	+ 0	0	100000	100000	+ 0	0
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	5500	5000	- 500	9	6000	6500	+ 500	8

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 03 03 01  
LNR 172

**PROGRAM TITLE: FORESTRY RESOURCE MANAGEMENT & DEVELOPMENT**

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

Vacancies are attributed to resignations and retirements. FY 15 difference in the budgeted amount and actual expenditures is due to increases in the number of positions that were previously paid for out of operational funds (Special Fund 347) and vacancy savings. All vacant positions are under recruitment and seeking departmental approval to establish and/or fill.

FY 16 expenditures in the first three (3) months exceeds the budgeted amount because of Act 84, SLH 2015.

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

No significant variances.

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

No significant variances.

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

No significant variances.

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	19.00	15.00	-	4.00	21	19.00	15.00	-	4.00	21	19.00	17.00	-	2.00	11
EXPENDITURES (\$1000's)	2,448	1,548	-	900	37	738	738	+	0	0	2,212	2,212	+	0	0
<b>TOTAL COSTS</b>															
POSITIONS	19.00	15.00	-	4.00	21	19.00	15.00	-	4.00	21	19.00	17.00	-	2.00	11
EXPENDITURES (\$1000's)	2,448	1,548	-	900	37	738	738	+	0	0	2,212	2,212	+	0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. % OF ENFORCEMENT INSP THAT COMPLY W/ LAWS AND RULE	99	97	-	2	2	99	99	+	0	0					
2. % CERTIFICATION REQUESTS FULFILLED	100	100	+	0	0	100	100	+	0	0					
3. AVERAGE TURN AROUND TIME IN DAYS FOR COFFEE CERT	3	3	+	0	0	3	5	+	2	67					
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	100	95	-	5	5	95	100	+	5	5					
<b>PART III: PROGRAM TARGET GROUP</b>															
1. PRODUCERS AND PROCESSORS OF AGRICULTURAL PRODUCTS	5500	5500	+	0	0	5500	5500	+	0	0					
2. WHOLESALERS AND RETAILERS OF AGRICULTURAL PRODUCTS	500	487	-	13	3	540	500	-	40	7					
3. PRODUCERS, PROD-DISTRIB & DISTRIBUTORS OF MILK	23	23	+	0	0	24	23	-	1	4					
4. PRODUCERS AND DISTRIBUTORS OF ANIMAL FEED PRODUCTS	16	17	+	1	6	17	17	+	0	0					
<b>PART IV: PROGRAM ACTIVITY</b>															
1. # OF CERT ISSUED FOR GRADE AND COND OF AG COMM	1000	873	-	127	13	1000	1000	+	0	0					
2. # OF LOTS OF AG COMM INSP FOR COMP W/ LAWS & RULES	2000	6966	+	4966	248	2000	5000	+	3000	150					
3. NUMBER OF DEALERS IN AG PRODUCTS LICENSED	950	936	-	14	1	950	900	-	50	5					
4. # PRODUCERS, PROD-DIST, AND DIST OF MILK LICENSED	23	23	+	0	0	24	22	-	2	8					
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	5	-	5	50	10	10	+	0	0					

**VARIANCE REPORT NARRATIVE  
FY 2015 AND FY 2016**

01 03 03 02  
AGR 151

**PROGRAM TITLE: QUALITY AND PRICE ASSURANCE**

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**PART I - EXPENDITURES AND POSITIONS**

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

**PART II - MEASURES OF EFFECTIVENESS**

No significant variances.

**PART III - PROGRAM TARGET GROUPS**

No significant variances.

**PART IV - PROGRAM ACTIVITIES**

Item 1 - The variance was due to the decreased number of certificates requested by applicants.

Item 2 - Increase in lot inspection is due to an increase in staffing.

Item 7 - The decrease was due to the reduced number of requested education sessions.

VARIANCE REPORT

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	14.00	8.00	-	6.00	43	14.00	7.00	-	7.00	50	14.00	11.00	-	3.00	21
EXPENDITURES (\$1000's)	1,834	914	-	920	50	590	590	+	0	0	1,771	1,771	+	0	0
TOTAL COSTS															
POSITIONS	14.00	8.00	-	6.00	43	14.00	7.00	-	7.00	50	14.00	11.00	-	3.00	21
EXPENDITURES (\$1000's)	1,834	914	-	920	50	590	590	+	0	0	1,771	1,771	+	0	0

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16					
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%		
<b>PART II: MEASURES OF EFFECTIVENESS</b>										
1. MARKETING ACTIVITIES CREATED, CONDUCTED OR MANAGED	24	50	+	26	108	24	50	+	26	108
2. PRODUCER GROUPS CONTACTED THRU OUTREACH ACTIVITIES	24	50	+	26	108	24	50	+	26	108
3. NO. OF REQ FOR PROPOSALS OFFERED TO ASSOCIATION	6	11	+	5	83	6	11	+	5	83
4. NO. OF CONTRACTS, LOA, MOU, ADMINISTERED	15	30	+	15	100	15	30	+	15	100
<b>PART III: PROGRAM TARGET GROUP</b>										
1. PRODUCERS AND PROCESSORS OF AGRICULTURAL PRODUCTS	7500	7000	-	500	7	7500	7000	-	500	7
2. COMMODITY GROUPS	10	15	+	5	50	10	10	+	0	0
3. COMMODITY ASSOCIATIONS, COOPERATIVES, FEDERATIONS	10	15	+	5	50	10	10	+	0	0
<b>PART IV: PROGRAM ACTIVITY</b>										
1. SEEK AND APPLY FOR FED FUNDING VIA GRANTS, PRGMS	3	4	+	1	33	3	3	+	0	0
2. COLLECT, COMPILER AND PUBLISH STATISTICS (NASS/HAS)	75	75	+	0	0	75	75	+	0	0
3. CREATE ECONOMIC REPORTS AND MARKET STUDIES	20	20	+	0	0	20	20	+	0	0
4. PLAN, MANAGE, OR ATTEND TRADE SHOWS	5	13	+	8	160	5	5	+	0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 03 03 03  
AGR 171

### PROGRAM TITLE: AGRICULTURAL DEVELOPMENT & MARKETING

#### PART I - EXPENDITURES AND POSITIONS

Variances were due to position vacancies and lower than expected expenditures.

#### PART II - MEASURES OF EFFECTIVENESS

Item 1 - Outreach and collaboration with Commodity Groups, Agricultural Associations and Small Business Administration, and private sectors led to additional activities.

Item 2 - Meetings with public and private sector groups increased due to agriculture industry response to the Market Development Branch's outreach efforts. The actual figure reflects the number of meetings conducted or attended.

Item 3 - The variance was due to funding awarded that resulted in Requests for Proposal from federal (Specialty Crop Block Grant Program (SCBGP)) and State (Sponsorship and Product Promotion and Agricultural Development and Food Security Program) sources.

Item 4 - The actual figure reflects new contracts, Letters of Agreement and Memorandums of Understanding executed in FY 15.

#### PART III - PROGRAM TARGET GROUPS

Item 2 - Continued outreach activities to industry and added Hawaii Farmers Union, Organic Farmers, Farm to School and commodity groups such as beef, kava and macadamia nuts.

Item 3 - Continued outreach activities to industry and added National Association of State Departments of Agriculture, Western Association of State Departments of Agriculture, Logistics Organizations, Chambers of Commerce and others.

#### PART IV - PROGRAM ACTIVITIES

Item 1 - Variance due to seeking and being awarded the Federal-State Marketing Improvement Program grant as a sub-awardee of the grant awarded to University of Hawaii, Office of Research Services. Other grants in FY 15 - Specialty Crop Block Grant Program, National Organic Program, and Agricultural Management Assistance.

Item 4 - Variance due to participation as lead and/or co-lead at Western United States Agricultural Trade Association Trade Shows, focus on local commodity group or industry trade shows - coffee, landscape, farm, foodservice and farm-to-school and national trade shows such as the Produce Marketing Association and Natural Products Expo West.

VARIANCE REPORT

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	65.00	43.00	- 22.00	34	67.00	44.00	- 23.00	34	67.00	54.00	- 13.00	19
EXPENDITURES (\$1000's)	10,946	8,242	- 2,704	25	3,001	3,001	+ 0	0	9,001	9,001	+ 0	0
TOTAL COSTS												
POSITIONS	65.00	43.00	- 22.00	34	67.00	44.00	- 23.00	34	67.00	54.00	- 13.00	19
EXPENDITURES (\$1000's)	10,946	8,242	- 2,704	25	3,001	3,001	+ 0	0	9,001	9,001	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % CHANGE OF TOTAL VALUE OF CROPS AND LIVESTOCK	2	2.29	+ 0.29	15	2	3	+ 1	50				
2. # OF ACRES RECLASSIFIED FROM AGR TO URBAN USE	300	5	- 295	98	300	500	+ 200	67				
3. LANDS IRRIGATED BY DEPT OF AG IRRIG SYS (ACRES)	11500	11500	+ 0	0	11500	11500	+ 0	0				
4. PERCENTAGE OF AGRICULTURAL LANDS IN PRODUCTIVE USE	85	87	+ 2	2	85	88	+ 3	4				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: GENERAL SUPPORT FOR AGR**

**01 03 04**

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

The variance in the General Support for Agriculture 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.



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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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												
EXPENDITURES (\$1000's)												
<b>TOTAL COSTS</b>												
POSITIONS												
EXPENDITURES (\$1000's)												
	38.00	17.00	- 21.00	55	38.00	19.00	- 19.00	50	38.00	25.00	- 13.00	34
	4,471	2,574	- 1,897	42	1,042	1,042	+ 0	0	3,125	3,125	+ 0	0
	38.00	17.00	- 21.00	55	38.00	19.00	- 19.00	50	38.00	25.00	- 13.00	34
	4,471	2,574	- 1,897	42	1,042	1,042	+ 0	0	3,125	3,125	+ 0	0
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. LANDS IRRIGATED BY DEPT OF AG IRRIG SYS (ACRES)												
2. AGRICULTURAL LANDS LEASED (ACRES)												
3. PERCENTAGE OF AGRICULTURAL LANDS IN PRODUCTIVE USE												
<b>PART III: PROGRAM TARGET GROUP</b>												
1. FARMS SERVED BY DEPT OF AG IRRIG SYSTEMS												
2. FARMS LEASED ON DEPT OF AG LANDS												
<b>PART IV: PROGRAM ACTIVITY</b>												
1. NO. OF CURRENT IRRIGATION/LAND CIP PROJECTS												
2. AG LAND AWARDS ADMINISTERED (# OF TRANSACTIONS)												
3. NUMBER OF NEW WATER SERVICES INSTALLED												
4. PIPELINE AND DITCHES MAINTAINED (MILES)												
5. NO. OF AG LAND FIELD INSPECTIONS CONDUCTED												
6. NUMBER OF DAM SAFETY INSPECTIONS CONDUCTED												

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: AGRICULTURAL RESOURCE MANAGEMENT**

01 03 04 01  
AGR 141

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

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

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

Item 2 - FY 15 - Decrease due to less than anticipated land was transferred from the Department of Land and Natural Resources for the Non-Agricultural Park program.

FY 16 - Program anticipates more lands transferred from the Department of Land and Natural Resources than in FY 15 but will still fall short of original FY 16 projections.

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

Item 2 - FY 15 and FY 16 - less than anticipated land was transferred from the Department of Land and Natural Resources for the Non-Agricultural Park program

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

Item 2 - FY 15 - less than anticipated land was transferred from the Department of Land and Natural Resources for the Non-Agricultural Park program. FY 16 - Due to slower transfer rate, fewer transactions anticipated.

Item 3 - FY 15 - Fewer than anticipated meter installations were requested.

Item 6 - Start of construction for two dams that was anticipated to begin in FY 15 will be pushed back until FY 16. This eliminated several of the anticipated inspections.

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	4,368	3,885	- 483	11	1,202	1,202	+ 0	0	3,605	3,605	+ 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)	4,368	3,885	- 483	11	1,202	1,202	+ 0	0	3,605	3,605	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. AGRICULTURAL LANDS DIRECTLY MANAGED BY ADC (ACRES)	20180	19981	- 199	1	20180	19981	- 199	1				
2. AG LANDS SRVED BY ADC IRRIG SYS & INFRSTRC (ACRES)	26370	17646	- 8724	33	26370	17646	- 8724	33				
3. IRRIG SYS AND INFRASTRUCTURE PROJ MANAGED BY ADC	4	3	- 1	25	4	4	+ 0	0				
4. AGRICULTURE RELATED FACILITIES MANAGED BY ADC	4	1	- 3	75	4	1	- 3	75				
5. ADC PROJECTS THAT BENEFIT DIVERSIFIED AGRICULTURE	8	16	+ 8	100	8	16	+ 8	100				
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				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. ACRES FRMR SUGAR & PINE LND AVAIL FOR CONT AG USE	74224	74224	+ 0	0	74224	74298	+ 74	0				
2. MAJOR AGRICULTURAL IRRIGATION SYS & INFRASTRUCTURE	11	11	+ 0	0	11	11	+ 0	0				
3. AG PROCESSING, MRSHALLING, PACKING, WAREHSING FACIL	3	1	- 2	67	3	1	- 2	67				
4. PRDCRS AND RELATED AGRIBUSINESS IN ADC PROJ AREAS	127	125	- 2	2	166	135	- 31	19				
5. AGRICULTURAL COOPERATIVES	7	6	- 1	14	7	6	- 1	14				
6. LNDOWNRS INTRESTD IN PRSERVING AG LAND OR INFRASCTR	4	5	+ 1	25	4	5	+ 1	25				
7. PRVT GRPS, GOV AGENCIES WRKING AG OR LND/WTR ISSUES	17	18	+ 1	6	17	18	+ 1	6				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. AGRICULTURAL LANDS MANAGED BY ADC (ACRES)	20223	20223	+ 0	0	20200	20223	+ 23	0				
2. # OF ONGOING IRRIG SYS AND INFRASTRUCTURE PROJECTS	9	9	+ 0	0	9	9	+ 0	0				
3. # OF TECH ASSIST/CONSULT/PROJ/STUDIES INITI BY ADC	3	3	+ 0	0	3	3	+ 0	0				
4. # OF GRANTS AND CONTRACTS AWRDED OR MANAGED BY ADC	1	1	+ 0	0	1	1	+ 0	0				
5. # OF ONGOING CAPITAL IMP PROJ FOR ADC ASSETS	6	6	+ 0	0	6	6	+ 0	0				
6. # PRDCRS BENEFIT FR ADC LAND, IRRIG, INFRSTR & FAC	127	122	- 5	4	166	158	- 8	5				
7. # ACRES COVRD BY AG CONS EASMNT TITLES HELD BY ADC	108	108	+ 0	0	108	108	+ 0	0				
8. AGRICULTURE RELATED PROJ BEING EVALUATED BY ADC	3	3	+ 0	0	3	3	+ 0	0				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 03 04 02  
AGR 161

**PROGRAM TITLE: AGRIBUSINESS DEVELOPMENT AND RESEARCH**

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

Variances were due to lower than anticipated revolving fund expenditures.

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

Item 2 - Restoration of the irrigation systems for Galbraith lands has taken longer than planned.

Item 3 - Same explanation as above.

Item 4 - Restoration of facilities will take more time to complete.

Item 5 - The number of projects has doubled due to: 1) development beginning on land purchases that recently closed; and 2) land and facilities that were transferred to ADC by Governor's Executive Order.

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

Item 3 - The actual number is lower because recently acquired facilities are not operational yet.

Item 4 - Same explanation as above.

Item 5 - The delay in placing farms on ADC lands affects the formation of new cooperatives.

Item 6 - Added landowner of Keaau, Hawaii Island property.

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

No significant variances.

VARIANCE REPORT

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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												
EXPENDITURES (\$1000's)												
TOTAL COSTS												
POSITIONS												
EXPENDITURES (\$1000's)												
	27.00	26.00	- 1.00	4	29.00	25.00	- 4.00	14	29.00	29.00	+ 0.00	0
	2,107	1,783	- 324	15	757	757	+ 0	0	2,271	2,271	+ 0	0
	27.00	26.00	- 1.00	4	29.00	25.00	- 4.00	14	29.00	29.00	+ 0.00	0
	2,107	1,783	- 324	15	757	757	+ 0	0	2,271	2,271	+ 0	0
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. % CHANGE OF TOTAL VALUE OF CROPS AND LIVESTOCK					2	2.29	+ 0.29	15	2	3	+ 1	50
2. # OF ACRES RECLASSIFIED FROM AG TO URBAN USE					300	5	- 295	98	300	500	+ 200	67
3. % PERSONNEL ACTIONS PROCESSED WITHIN PAYROLL CYCLE					95	90	- 5	5	95	95	+ 0	0
4. % OF VENDOR PAYMENTS MADE WITHIN 30 DAYS					95	95	+ 0	0	95	95	+ 0	0
5. % OF DATA PROCESSING REQUESTS COMPLETED					95	96	+ 1	1	95	96	+ 1	1
<b>PART III: PROGRAM TARGET GROUP</b>												
1. TOTAL ACRES IN DIVERSIFIED CROPS AND LIVESTOCK					1121000	1070000	- 51000	5	1121000	1121000	+ 0	0
2. DIVERSIFIED FARM OPERATORS AND FARM WORKERS (#)					13000	14000	+ 1000	8	13000	14000	+ 1000	8
3. INVENTORY OF IMPORTANT AG LANDS (ACRES)					101648	111140	+ 9492	9	101648	111140	+ 9492	9
4. EMPLOYEES (NUMBER)					328	331	+ 3	1	328	331	+ 3	1
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
<b>PART IV: PROGRAM ACTIVITY</b>												
1. # LAND USE PERMIT APPL REVIEWED AFFECTING AG LANDS					25	25	+ 0	0	25	25	+ 0	0
2. NUMBER OF PERSONNEL ACTIONS PROCESSED					2000	1850	- 150	8	2000	2000	+ 0	0
3. NUMBER OF PURCHASE ORDERS PROCESSED					2000	2734	+ 734	37	2000	2600	+ 600	30
4. NUMBER OF PETTY CASH CHECKS PROCESSED					300	199	- 101	34	300	200	- 100	33
5. NUMBER OF DATA PROCESSING REQUESTS RECEIVED					600	557	- 43	7	600	600	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 03 04 03  
AGR 192

**PROGRAM TITLE: GENERAL ADMINISTRATION FOR AGRICULTURE**

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

Variances in position count and expenditures were due to position vacancies.

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

Item 1 - Due to the restructuring of the federal agricultural statistics program, reporting actual percentage increases and decreases for the fiscal year are no longer possible. For FY 15, the actual 2.29 percent figure reflects the increase in the total value of crops and livestock in the 2013 calendar year.

Item 2 - Actual acreage reclassified for FY 15 is current only to December 31, 2014, and provided by the Department of Business, Economic Development and Tourism, Land Use Commission. The small increased in reclassification of agricultural lands reflects investment in residential housing due in part to the continued strengthening of the State's economy. The Department of Agriculture (DOA) has no direct control over agricultural land reclassifications.

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

No significant variances.

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

Item 3 - The actual data for FY 15 is more than the planned data because more program activities were performed and more purchases were made. Expenditure 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 FY 15 is less than the planned number because most expenditures were more than the petty cash disbursement limit. Another reason for the decrease is that more purchases were made using the P-card. Also, because of the increased in the threshold for cash purchases to \$50, issuance of petty cash checks was decreased.

The estimated number of petty cash checks to be processed for FY 16 is less than the planned number by 33% due to the anticipation that more purchases will be made using the P-card and petty reimbursements will be paid through petty cash instead of checks.

VARIANCE REPORT

PROGRAM TITLE: FISHERIES AND AQUACULTURE

PROGRAM-ID:

PROGRAM STRUCTURE NO: 0104

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	15.00	11.00	-	4.00	27	16.00	12.00	-	4.00	25	16.00	16.00	+	0.00	0
EXPENDITURES (\$1000's)	2,351	2,011	-	340	14	818	771	-	47	6	1,350	1,397	+	47	3
TOTAL COSTS															
POSITIONS	15.00	11.00	-	4.00	27	16.00	12.00	-	4.00	25	16.00	16.00	+	0.00	0
EXPENDITURES (\$1000's)	2,351	2,011	-	340	14	818	771	-	47	6	1,350	1,397	+	47	3
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
PART II: MEASURES OF EFFECTIVENESS															
1. NUMBER OF LICENSES ISSUED	30	NO DATA	-	30	100	30	NO DATA	-	30	100					
2. AQUACULTURE PRODUCTION (THOUSANDS OF POUNDS)	600	NO DATA	-	600	100	700	700	+	0	0					
3. PRIMARY VALUE OF AQUACULTURE PRODUCTION (\$000)	50000	60000	+	10000	20	55000	60000	+	5000	9					
4. TOTAL AQUACULTURE EMPLOYMENT	360	365	+	5	1	400	400	+	0	0					

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

PROGRAM TITLE: FISHERIES AND AQUACULTURE

01 04

### 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.





## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 04 02  
LNR 153

### PROGRAM TITLE: FISHERIES MANAGEMENT

#### PART I - EXPENDITURES AND POSITIONS

FY 15: The Program Manager and an Aquatic Biologist position were vacant as the Department plans reorganization of the Division. In addition, actual expenditures reflect a significant (-21% or over \$400K) scale down on spending for federal-funded projects requiring State matching funds.

FY 16: The Program Manager remained vacant in the 1st quarter as the Department continues to reorganize the Division. The funding source for an Office Assistant III position (formally a Fishery Aid II position) was converted from federal to special funds in FY 14, but a significantly lower special fund revenue is being projected in the immediate future. Therefore, recruitment for this position is being delayed and we are requesting 50% of this position to be funded with general funds in FY 17.

#### PART II - MEASURES OF EFFECTIVENESS

Item 3: The adoption rate for issuance of commercial marine licenses is expected to continue to increase this fiscal year.

#### PART III - PROGRAM TARGET GROUPS

No significant variances.

#### PART IV - PROGRAM ACTIVITIES

Item 1. The number of commercial marine license sales in FY 16 is projected to be 4,000. However, this figure was under estimated based on recent license issuance and renewal trends.

Item 2. The FY 15 processed reports as planned was 590,000 and projected number of processed reports was 650,000. Based on current fishing report processing trends, more fishers are active in the pelagic and nearshore fisheries. As such, it is anticipated that the number of fishing reports for FY 16 will increase by 10%.

Item 4: In FY 15, the number of aquarium permits was planned at 180, but the actual number of permit was 160 for a 11% reduction. The FY 15 estimate was based on recent annual aquarium permit issuance trends. The lower number of permits issued may have been impacted by recent Hawaii Administrative Rules changes to the West Hawaii Fisheries Management Area and the Oahu Aquarium Management restrictions on collecting aquarium marine life. The prior level of aquarium permit issuances is expected to resume this year.

PROGRAM TITLE: AQUACULTURE DEVELOPMENT PROGRAM  
 PROGRAM-ID: AGR-153  
 PROGRAM STRUCTURE NO: 010403

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	4.00	3.00	-	1.00	25	4.00	3.00	-	1.00	25	4.00	4.00	+	0.00	0
EXPENDITURES (\$1000's)	435	498	+	63	14	115	115	+	0	0	344	344	+	0	0
TOTAL COSTS															
POSITIONS	4.00	3.00	-	1.00	25	4.00	3.00	-	1.00	25	4.00	4.00	+	0.00	0
EXPENDITURES (\$1000's)	435	498	+	63	14	115	115	+	0	0	344	344	+	0	0
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16						
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%			
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. AQUACULTURE PRODUCTION (THOUSANDS OF POUNDS)					600	NO DATA	-	600	100	700	700	+	0	0	
2. PRIMARY VALUE OF AQUACULTURE PRODUCTION (\$000)					50000	60000	+	10000	20	55000	60000	+	5000	9	
3. TOTAL AQUACULTURE EMPLOYMENT					360	365	+	5	1	400	400	+	0	0	
<b>PART III: PROGRAM TARGET GROUP</b>															
1. AQUACULTURE OPERATIONS STATEWIDE					80	75	-	5	6	85	85	+	0	0	
<b>PART IV: PROGRAM ACTIVITY</b>															
1. INFORMATION SENT (NUMBER)					175	200	+	25	14	175	175	+	0	0	
2. PERMIT ASSISTANCE (NUMBER)					200	200	+	0	0	200	200	+	0	0	
3. DISEASE ASSISTANCE (NUMBER OF CASES)					250	250	+	0	0	250	250	+	0	0	
4. PROMOTIONAL EVENTS AND PRESENTATIONS (NUMBER)					4	4	+	0	0	4	4	+	0	0	

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: AQUACULTURE DEVELOPMENT PROGRAM**

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01 04 03  
AGR 153

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

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

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

Item 1 - The National Agricultural Statistics Service (NASS) no longer publishes aquaculture production data for disclosure reasons; therefore, the data is no longer obtainable. The program is searching for another source.

Item 2 - The primary value of aquaculture production increased for two primary reasons: 1) continued growth in pharmaceutical sales in the algae sector; and 2) increased production of the open ocean cage operation.

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

No significant variances.

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

Item 1 - Variance due to increased amount of requests for information received by program.

VARIANCE REPORT

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	8.00	7.00	- 1.00	13	8.00	8.00	+ 0.00	0	8.00	8.00	+ 0.00	0
EXPENDITURES (\$1000's)	110,239	87,791	- 22,448	20	21,468	4,155	- 17,313	81	73,828	87,291	+ 13,463	18
TOTAL COSTS												
POSITIONS	8.00	7.00	- 1.00	13	8.00	8.00	+ 0.00	0	8.00	8.00	+ 0.00	0
EXPENDITURES (\$1000's)	110,239	87,791	- 22,448	20	21,468	4,155	- 17,313	81	73,828	87,291	+ 13,463	18
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
PART II: MEASURES OF EFFECTIVENESS												
1. # RE PROJECTS ASSISTED	20	12	- 8	40	20	15	- 5	25				
2. INCREASE IN NUMBER OF COMPANIES FUNDED	5	5	+ 0	0	5	5	+ 0	0				
3. # OF COMPANIES ASSTD AT HTDC INCUBATION CENTERS	250	240	- 10	4	250	350	+ 100	40				
4. TOTAL TENANT REVENUE (\$M)	59	65	+ 6	10	61	68	+ 7	11				
5. NELHA REVENUES (INCL REIMBURSABLES) (\$M)	6	5.1	- 0.9	15	6.3	6	- 0.3	5				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: TECHNOLOGY**

**01 05**

### **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

VARIANCE REPORT

REPORT V61  
12/11/15

PROGRAM TITLE: HAWAII STATE ENERGY OFFICE  
PROGRAM-ID: BED-120  
PROGRAM STRUCTURE NO: 010501

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	5.00	4.00	- 1.00	20	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	60,223	56,469	- 3,754	6	1,135	987	- 148	13	56,130	56,278	+ 148	0
TOTAL COSTS												
POSITIONS	5.00	4.00	- 1.00	20	5.00	5.00	+ 0.00	0	5.00	5.00	+ 0.00	0
EXPENDITURES (\$1000's)	60,223	56,469	- 3,754	6	1,135	987	- 148	13	56,130	56,278	+ 148	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. # RE PROJECTS ASSISTED	20	12	- 8	40	20	15	- 5	25				
2. # EV DEPLOYMENT/ADOPTION PROJECTS ASSISTED	48	24	- 24	50	48	24	- 24	50				
3. # EA ACTIVITIES DEV & SUPPORTED	4	4	+ 0	0	4	4	+ 0	0				
4. TA TO PUBLIC & PRIVATE ENTITIES	902	871	- 31	3	856	892	+ 36	4				
5. # PROJECTS/ENERGY SYSTEMS FINANCED	280	0	- 280	100	1119	0	- 1119	100				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. # EMERGING CLEAN ENERGY PRODUCERS	40	45	+ 5	13	40	40	+ 0	0				
2. # EV INDUSTRY SECTORS	17	17	+ 0	0	17	17	+ 0	0				
3. # CUSTOMERS/ORGANIZATIONS RECEIVING FINANCING	280	0	- 280	100	1119	0	- 1119	100				
4. # BUS/ORG INTERESTED IN ENERGY ASSURANCE	25	30	+ 5	20	25	25	+ 0	0				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. % STATEWIDE RPS	19	21	+ 2	11	21	22	+ 1	5				
2. # REGISTERED PASSENGER PLUG-IN EVS	456	868	+ 412	90	456	962	+ 506	111				
3. # PUBLIC CHARGING STATIONS	20	20	+ 0	0	20	20	+ 0	0				
4. # BUS/ORG PARTICIPATED IN EA ACTIVITIES	100	102	+ 2	2	100	100	+ 0	0				
5. # ENTITIES PARTICIPATED EE ACTIVITIES	2175	2045	- 130	6	1054	1830	+ 776	74				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 05 01  
BED 120

**PROGRAM TITLE: HAWAII STATE ENERGY OFFICE**

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

Positions: FY 15 variance is due to one position becoming vacant in the latter part of FY 15. The position has since been filled.

Expenditures: FY 15 expenditures were lower than budgeted due to: 1) position vacancies; 2) not expending funds for the Renewable Energy Facility Siting Special Fund; and 3) not obligating federal funds as obligations will be made over several years.

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

Item 1. Variance is due to limited opportunity for involvement in renewable energy projects because several projects were awaiting permitting or other regulatory application results.

Item 2. Variance is due to less demand for electric vehicle (EV) project assistance due to greater EV education, adoption, and awareness.

Item 5. In FY 15, the Hawaii Green Infrastructure Authority (HGIA) was created, which has the responsibility to deploy the funds raised from the Green Energy Market Securitization (GEMS) bond sale by financing renewable energy projects and systems. The HGIA, which is not a part of Clean Energy Solution (CES), has not deployed any capital towards financing energy systems or projects but has been doing the product development work to deploy capital in the future. The HGIA created its own plan for fund deployment filed in Docket No. 2014-0135 before March 31 for the next fiscal year.

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

Item 1. Variance is due to greater number of projects making significant progress in 2015, thereby meeting requirements to be included in our clean energy leaders list.

Item 3. In FY 15, the HGIA was created, which has the responsibility to deploy the funds raised from the GEMS bond sale by financing renewable energy projects and systems. The HGIA, which is not a part of CES, has

not deployed any capital towards financing energy systems or projects but has been doing the product development work to deploy capital in the future. The HGIA created its own plan for fund deployment filed in Docket No. 2014-0135 before March 31 for the next fiscal year.

Item 4. Variance can be attributed to the active El Nino hurricane season and current efforts in updating energy emergency plans, resulting in increased coordination with energy assurance industry.

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

Item 1. Variance is due to additional renewable energy projects being deployed than previously anticipated.

Item 2. Variance is due to new EV sales being significantly higher than projected as consumer demand remained high.



PROGRAM TITLE: HIGH TECHNOLOGY DEVELOPMENT CORPORATION

12/11/15

PROGRAM-ID: BED-143

PROGRAM STRUCTURE NO: 010502

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	3.00	3.00	+ 0.00	0	3.00	3.00	+ 0.00	0	3.00	3.00	+ 0.00	0
EXPENDITURES (\$1000's)	22,276	11,872	- 10,404	47	17,176	742	- 16,434	96	5,168	18,483	+ 13,315	258
TOTAL COSTS												
POSITIONS	3.00	3.00	+ 0.00	0	3.00	3.00	+ 0.00	0	3.00	3.00	+ 0.00	0
EXPENDITURES (\$1000's)	22,276	11,872	- 10,404	47	17,176	742	- 16,434	96	5,168	18,483	+ 13,315	258
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. # OF COMPANIES ASSTD AT HTDC INCUBATION CENTERS	250	240	- 10	4	250	350	+ 100	40				
2. MKTG:# OF INDIVIDUALS OR COMPANIES ASSISTED	35300	37557	+ 2257	6	36100	37800	+ 1700	5				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. # OF POTENTIAL TECH-BASED COMPANIES	1300	1118	- 182	14	1300	1140	- 160	12				
2. # OF COMPANIES APPLYING FOR INCUBATION SERVICES	15	19	+ 4	27	25	26	+ 1	4				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. # OF CONTACTS AND RESPONSES	50100	58588	+ 8488	17	57800	59300	+ 1500	3				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 05 02  
BED 143

**PROGRAM TITLE: HIGH TECHNOLOGY DEVELOPMENT CORPORATION**

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

FY 15 Expenditures were lower than budgeted primarily due to: 1) not obligating all the federal funds for the Hawaii Center for Advanced Transportation Technologies projects for the Air Force, as projects are being done in phases over several years; 2) the budgeted appropriation for the federal-funded Manufacturing Extension Partnership agreement covers the five-year award period per revised State procedures implemented in FY 14; 3) not expending funds for the Hawaii technology loan program; and 4) a spending restriction on the general fund.

FY 16 Expenditures are lower than budgeted for the reasons stated above. The large variance between budgeted and actual amounts for both the first quarter and remaining quarters is also largely attributable to High Technology Development Corporation's (HTDC) fiscal procedure of allotting federally-funded programs appropriations all in the first quarter since the unobligated balances are non-reverting and carries forward for use in subsequent quarters.

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 estimate for FY 16 is anticipated to exceed the budget due to 1) the the filling of the Innovation Program Manager position who will introduce current best practices and programs to the technology centers which will stimulate interest for tenancy, especially at the Maui Research and Technology Center (MRTC); and 2) upgrade to higher speed bandwidth at MRTC to meet the current needs of technology companies.

The Legislature appropriated funds for new grant programs to assist alternative energy research and development projects and manufacturers in purchasing equipment. Projections for these programs will not be included in the statistics until actual data becomes available on which the projections can be based on.

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

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

Item 2. Companies applying for tenancy or to become a virtual tenant at the tech centers are projected to be higher than budgeted in FY 16 as a result of filling the vacant position mentioned in Part II and upgrading the incubation program. HTDC is also seeking commercial leasing service from the asset management contractor on Maui to fill office space at MRTC.

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

Item 1. Hits to the various HTDC websites has showed that activity is higher than planned. The trend is anticipated to continue. Inquiries regarding leasing space at the technology centers is anticipated to be higher than planned as the incubation program is upgraded.

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	20,067	14,361	- 5,706	28	1,740	1,329	- 411	24	5,176	5,176	+ 0	0
<b>TOTAL COSTS</b>												
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)	20,067	14,361	- 5,706	28	1,740	1,329	- 411	24	5,176	5,176	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. INCR IN LEVERAGING PUBLIC INV W/PRIVATE CAPITAL	5000000	3000000	- 2000000	40	0	0	+ 0	0	0	0	+ 0	0
2. INCR IN NUMBER OF VENTURE CAP PARTNERSHIPS ESTAB	1	0	- 1	100	1	0	- 1	100	1	0	- 1	100
3. INCREASE IN NUMBER OF COMPANIES FUNDED	5	5	+ 0	0	5	5	+ 0	0	5	5	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>												
1. ENTREPRENEURIAL START-UP COMPANIES	50	50	+ 0	0	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	20	20	+ 0	0
3. SUPPORT ORGS INCLUDING LEGAL & ACCT FIRMS	5	5	+ 0	0	5	5	+ 0	0	5	5	+ 0	0
<b>PART IV: PROGRAM ACTIVITY</b>												
1. REINVEST INVEST DISTRIB IN NEW VENTURE PARTNERSHIP	0	0	+ 0	0	0	0	+ 0	0	0	0	+ 0	0
2. ORGANIZE AND SPONSOR VENTURE CAPITAL CONF	3	3	+ 0	0	3	2	- 1	33	3	2	- 1	33
3. ENTREPRENEURIAL TRAINING PROGRAMS	1	2	+ 1	100	1	1	+ 0	0	1	1	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: HAWAII STRATEGIC DEVELOPMENT CORPORATION**

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**01 05 03  
BED 145**

### **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 1-2. HSDC has committed to its last fund in FY 2015 and no longer has any available money to establish new funds.

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

No significant variances.

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

Item 3. HSDC implemented the HI Growth Connect and Network (CAN) Program which was able to support several Startup Weekends and pitch events on Oahu, Hawaii and Maui. In FY 2016, we will focus our effort on two large events, the East Meets West conference and the MaiTai Maui Tech Night.

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

12/11/15

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)	7,673	5,089	- 2,584	34	1,200	914	- 286	24	6,571	6,571	+ 0	0
<b>TOTAL COSTS</b>												
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)	7,673	5,089	- 2,584	34	1,200	914	- 286	24	6,571	6,571	+ 0	0
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16							
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%				
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. NELHA REVENUES (INCL REIMBURSABLES) (\$M)	6	5.1	- 0.9	15	6.3	6	- 0.3	5				
2. ENERGY PRODUCED FROM RENEWABLE RESOURCES (MWH/YR)	3071	2043	- 1028	33	4500	3100	- 1400	31				
3. TOTAL TENANT REVENUE (\$M)	59	65	+ 6	10	61	68	+ 7	11				
4. ANNUAL TENANT CAPITAL IMPROVEMENT (\$M)	6	3	- 3	50	10	10	+ 0	0				
5. SEAWATER SYSTEM DELIVERY RELIABILITY (%)	99.999	99.999	+ 0	0	99.999	99.999	+ 0	0				
<b>PART III: PROGRAM TARGET GROUP</b>												
1. COMMERCIAL TENANTS	26	22	- 4	15	30	23	- 7	23				
2. PRE-COMMERCIAL TENANTS	10	9	- 1	10	10	10	+ 0	0				
3. RESEARCH/EDUCATION/OTHER TENANTS	12	11	- 1	8	15	15	+ 0	0				
4. PUBLIC OUTREACH PARTICIPANTS	4000	4011	+ 11	0	4200	4200	+ 0	0				
<b>PART IV: PROGRAM ACTIVITY</b>												
1. TOTAL EMPLOYMENT AT NELHA (PUBLIC & PRIVATE)	400	400	+ 0	0	420	420	+ 0	0				
2. TOTAL VOLUME OF SEAWATER PUMPED (MGALS)	30	29	- 1	3	33	30	- 3	9				
3. TOTAL NUMBER OF NELHA TENANTS	48	42	- 6	13	53	48	- 5	9				
4. PERCENTAGE OF NELHA LAND IN USE	40	38	- 2	5	42	40	- 2	5				
5. TOTAL CUMULATIVE CIP; TENANT, STATE, FEDERAL (\$M)	110	113	+ 3	3	120	120	+ 0	0				
6. BEACH PARK USE (# OF ATTENDEES)	115000	116200	+ 1200	1	120075	129200	+ 9125	8				
7. CEMP (# OF REGULATORY AGENCIES)	7	7	+ 0	0	7	7	+ 0	0				

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

PROGRAM TITLE: NATURAL ENERGY LAB OF HAWAII AUTHORITY

01 05 04  
BED 146

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### PART I - EXPENDITURES AND POSITIONS

Variance for FY 15 expenditures due to actual revenue collected being less than the special fund budget ceiling and utility and electrical use lower than expected. Electrical rates were lower in FY 15 than anticipated.

FY 16 first quarter variance due to timing of utility payments and contracting.

### PART II - MEASURES OF EFFECTIVENESS

Item 1. Variance due to lower electric cost than anticipated and revenues lower than anticipated due to delays in reimbursement of federal funds.

Item 2. Variance due to photovoltaic system being energized later than expected.

Item 3. Variance due to several businesses sales higher than expected.

Item 4. Variance due to construction for two large businesses being delayed.

### PART III - PROGRAM TARGET GROUPS

Item 1. Variance due to two commercial businesses started; less than expected.

Item 2. Variance due to one less pre-commercial business locating than expected.

### PART IV - PROGRAM ACTIVITIES

Item 3. Variance due to several businesses still in negotiation stages.

PROGRAM TITLE: HAWAII GREEN INFRASTRUCTURE AUTHORITY  
 PROGRAM-ID: BED-138  
 PROGRAM STRUCTURE NO: 010505

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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					0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)					217	183	- 34	16	783	783	+ 0	0
<b>TOTAL COSTS</b>												
POSITIONS					0.00	0.00	+ 0.00	0	0.00	0.00	+ 0.00	0
EXPENDITURES (\$1000's)					217	183	- 34	16	783	783	+ 0	0

  

	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>								
1. CLEAN ENERGY PRODUCTION FR PROJECTS FINANCED (MWH)	16629	0	- 16629	100	83145	3300	- 79845	96
2. TTL GEMS CAP DEPLYD & TTL 3RD PTY CAP DEPLYD (\$M)	25.5	0	- 25.5	100	102.0	12	- 90	88
3. NUMBER OF UNDERSERVED CONSUMERS FINANCED	179	0	- 179	100	714	22	- 692	97
4. NUMBER OF NONPROFITS FINANCED	38	0	- 38	100	150	18	- 132	88
<b>PART III: PROGRAM TARGET GROUP</b>								
1. ENTITIES AND CUST ADPTNG CLEAN ENRGY TECHNOLGIES	280	0	- 280	100	1119	83	- 1036	93
<b>PART IV: PROGRAM ACTIVITY</b>								
1. TOTAL NUMBER OF BUILDINGS SERVED	304	0	- 304	100	1214	83	- 1131	93
2. NUMBER OF LOANS APPROVED	280	0	- 280	100	1119	83	- 1036	93

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 05 05  
BED 138

**PROGRAM TITLE: HAWAII GREEN INFRASTRUCTURE AUTHORITY**

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

There was no variance in FY 15. Expenditures in FY 15 were expended from a specific appropriation authorized by Act 211, SLH 2013, which established the Hawaii Green Infrastructure Authority and the Green Energy Market Securitization (GEMS) Program.

FY 16: The first quarter variance resulted primarily from less personal services expended than originally estimated due to vacant positions.

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

Items 1 to 4: The implementation of the GEMS Program has taken longer than initially estimated. The program has, to date, released no capital to fund eligible technologies, resulting in the FY 15 variance.

The forecast for FY 16 anticipates a rapid acceleration of lending activity off of the pipeline accumulated to date. Doing so will result in the first loans funded in January 2016 and modest progress for FY 16, though far short of the original budget. The necessary activities to restructure the program and achieve key performance indicators will not begin showing material results until early in the 2017 fiscal year.

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

Item 1: Please see Part II for explanation of variance.

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

Items 1 to 2: Please see Part II for explanation of variance.



VARIANCE REPORT

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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>												
<b>EXPENDITURES (\$1000's)</b>												
<b>TOTAL COSTS</b>												
<b>POSITIONS</b>												
<b>EXPENDITURES (\$1000's)</b>												
	5.50	4.50	- 1.00	18	5.50	4.50	- 1.00	18	5.50	5.50	+ 0.00	0
	1,314	868	- 446	34	272	123	- 149	55	838	987	+ 149	18
	5.50	4.50	- 1.00	18	5.50	4.50	- 1.00	18	5.50	5.50	+ 0.00	0
	1,314	868	- 446	34	272	123	- 149	55	838	987	+ 149	18
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. SURFACE WATER SUPPLY DEVELOPED (MGD)					0	0	+ 0	0	0	0	+ 0	0
2. GROUNDWATER SUPPLY DEVELOPED (MGD)					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
4. STATE LANDS DEVELOPED (ACRES)					10	10	+ 0	0	10	10	+ 0	0
5. GEOTHERMAL ROYALTIES COLLECTED (DOLLARS)					3000	1786	- 1214	40	3000	1500	- 1500	50
6. ROCKFALL PROJECTS IMPLEMENTED (# OF PROJECTS)					4	4	+ 0	0	4	4	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>												
1. DEFACTO POPULTN BENEFITNG FR IMPRVMENTS (NO. IN MIL)					1.4	1.4	+ 0	0	1.4	1.4	+ 0	0
<b>PART IV: PROGRAM ACTIVITY</b>												
1. PLANNING AND PROGRAMMING (NUMBER OF PROJECTS)					25	30	+ 5	20	25	25	+ 0	0
2. PROJECTS DESIGNED (NUMBER OF PROJECTS)					30	35	+ 5	17	30	30	+ 0	0
3. ENGINEERING CONSULTANT CONTRACTS ADMINISTERED					25	35	+ 10	40	25	25	+ 0	0
4. ENGIN SVCS PROVIDD TO OTHER DLNR OFFICES (MAN HRS)					20000	20000	+ 0	0	20000	20000	+ 0	0
5. CIP EXPENDITURES (\$1,000)					45000	61516	+ 16516	37	35000	40000	+ 5000	14
6. ALTERNATE WATER DEVLPM PROJECTS INVESTIGATED (NO.)					0	0	+ 0	0	0	0	+ 0	0
7. GEOTHERMAL RESOURCE PERMITS ISSUED (# OF PERMITS)					1	1	+ 0	0	1	1	+ 0	0
8. ROCKFALL/SLOPE MOVEMNT AREAS INVSTGTD &OR ADDRSSD					4	6	+ 2	50	4	6	+ 2	50

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

01 06  
LNR 141

### **PROGRAM TITLE: WATER AND LAND DEVELOPMENT**

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

FY 15 and FY 16 position variance due to budgeted unfilled positions under recruitment.

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

Item 8: FY 15 reflects the investigation of more rockfall incidents than originally anticipated. FY 16 estimate has been adjusted to reflect the increasing trend.

#### **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 fluctuates annually based on actual power production and operations of the sole geothermal developer. Royalties received are also linked to the price of oil, which is at a historical low; FY 16 estimate has been adjusted to reflect this trend.

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

No significant variance.

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

Items 1, 2 and 3: FY 15 actuals reflect greater number of projects authorized than initially projected due to increased CIP funding levels and the breakdown of lump sum appropriations into multiple projects/contracts.

Item 5: FY 15 reflects actual expenditures based on contractor invoicing and payment processing; an additional \$69 million is encumbered in consultant and/or construction contracts for expenditure in FY 16 and beyond. FY 15 actual included an expenditure of \$19.8 million for the land acquisition of Lipoa Point, Maui.

VARIANCE REPORT

PROGRAM TITLE: SPECIAL COMMUNITY DEVELOPMENT

PROGRAM-ID:

PROGRAM STRUCTURE NO: 0107

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	2.00	2.00	+	0.00	0	2.00	2.00	+	0.00	0	2.00	2.00	+	0.00	0
EXPENDITURES (\$1000's)	1,087	882	-	205	19	297	169	-	128	43	894	1,022	+	128	14
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)	1,087	882	-	205	19	297	169	-	128	43	894	1,022	+	128	14
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16						
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%			
PART II: MEASURES OF EFFECTIVENESS															
1. NEW PRIV DEV IN KAKAAKO COM DEV DIST (\$M)					431	431	+	0	0	720	720	+	0	0	
2. NEW PRIVATE DEVELOPMENT WITHIN KALAELOA (\$M)					25	25	+	0	0	10	10	+	0	0	

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

**PROGRAM TITLE: SPECIAL COMMUNITY DEVELOPMENT**

**01 07**

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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16			
	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>												
<b>EXPENDITURES (\$1000's)</b>												
<b>TOTAL COSTS</b>												
<b>POSITIONS</b>												
<b>EXPENDITURES (\$1000's)</b>												
	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0
	1,087	882	- 205	19	297	169	- 128	43	894	1,022	+ 128	14
	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0	2.00	2.00	+ 0.00	0
	1,087	882	- 205	19	297	169	- 128	43	894	1,022	+ 128	14
					FISCAL YEAR 2014-15				FISCAL YEAR 2015-16			
					PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%
<b>PART II: MEASURES OF EFFECTIVENESS</b>												
1. NEW PRIV DEV IN KAKAAKO COM DEV DIST (\$M)					431	431	+ 0	0	720	720	+ 0	0
2. NEW BLDG FLOOR SPACE IN KAKAAKO (1000 SF)					1246.6	1246	- 0.6	0	1395.3	1395	- 0.3	0
3. # OF NEW HOUSING UNITS IN KAKAAKO					1268	1268	+ 0	0	1223	1223	+ 0	0
4. # OF NEW PUBLIC FACILITIES IN KAKAAKO					0	0	+ 0	0	0	0	+ 0	0
5. # ACTIVELY-USED PARCELS IN KALAELOA CDD					75	75	+ 0	0	80	80	+ 0	0
6. NEW PRIVATE DEVELOPMENT WITHIN KALAELOA (\$M)					25	25	+ 0	0	10	10	+ 0	0
7. # ACRES RESTORATION OF WETLANDS USES IN HEEIA					50	50	+ 0	0	60	60	+ 0	0
<b>PART III: PROGRAM TARGET GROUP</b>												
1. # OF RESIDENTS IN KAKAAKO					13419	14688	+ 1269	9	17482	17645	+ 163	1
2. # OF EMPLOYEES IN KAKAAKO					25300	26160	+ 860	3	25330	26207	+ 877	3
3. # OF BUSINESSES IN KAKAAKO					1260	1292	+ 32	3	1266	1311	+ 45	4
4. # OF LANDUSERS WITHIN KALAELOA					15	15	+ 0	0	15	15	+ 0	0
5. # RESIDENTS WITHIN KALAELOA & SURROUNDING AREAS					2500	2700	+ 200	8	3500	3500	+ 0	0
<b>PART IV: PROGRAM ACTIVITY</b>												
1. DEVELOPMENT PERMITS ISSUED IN KAKAAKO					165	165	+ 0	0	175	175	+ 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					59	59	+ 0	0	59	59	+ 0	0
5. NEW PLANNING IN KALAELOA (\$M)					20	20	+ 0	0	20	20	+ 0	0
6. # PARCELS, INFRASTRUCTURE SYS CONVEYED IN KALAELOA					4	4	+ 0	0	3	3	+ 0	0
7. # PROJS FACILITATED & COMPLETED IN KALAELOA					3	3	+ 0	0	5	5	+ 0	0

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

PROGRAM TITLE: HAWAII COMMUNITY DEVELOPMENT AUTHORITY

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### PART I - EXPENDITURES AND POSITIONS

FY 15: 1) Variance is due to a vacant position for a portion of the fiscal year; and 2) Kaka'ako and Kalaeloa's expenditures were less than budgeted.

### PART II - MEASURES OF EFFECTIVENESS

No significant variances.

### PART III - PROGRAM TARGET GROUPS

No significant variances.

### PART IV - PROGRAM ACTIVITIES

No significant variances.

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	32.00	20.00	-	12.00	38	32.00	19.00	-	13.00	41	32.00	22.00	-	10.00	31
EXPENDITURES (\$1000's)	32,121	40,139	+	8,018	25	27,425	7,548	-	19,877	72	73,418	93,295	+	19,877	27
TOTAL COSTS															
POSITIONS	32.00	20.00	-	12.00	38	32.00	19.00	-	13.00	41	32.00	22.00	-	10.00	31
EXPENDITURES (\$1000's)	32,121	40,139	+	8,018	25	27,425	7,548	-	19,877	72	73,418	93,295	+	19,877	27
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. # OF HOMEBUYERS ASSISTED	442	814	+	372	84	450	461	+	11	2					
2. # OF NEW RENTAL UNITS	84	84	+	0	0	613	754	+	141	23					
3. # OF EXISTING AFFORD RENTAL HOUSING UNITS PRESERV	278	233	-	45	16	121	256	+	135	112					
4. # OF LEASE RENTS RENEGOTIATED	10	0	-	10	100	0	15	+	15	0					
5. # OF SINGLE FAM LEASHLD LOTS CONVERT TO FEE SIMPLE	6	4	-	2	33	2	5	+	3	150					
<b>PART III: PROGRAM TARGET GROUP</b>															
1. HSEHLDS EARN UP 140% OF MED INC EST BY USDHUD	2200	2200	+	0	0	2200	2200	+	0	0					
2. EMPLOYEES OF TARGETED IND IDENTIFIED BY DBEDT	0	NO DATA	+	0	0	0	NO DATA	+	0	0					
<b>PART IV: PROGRAM ACTIVITY</b>															
1. ORIGINATE LOANS/GRANTS FOR ACQ/REHAB OR DEV OF HSE	1520	823	-	697	46	250	1955	+	1705	682					
2. ALLOCATE TAX CRDT FOR ACQ/REHAB OR DEV OF HOUSING	158	304	+	146	92	150	500	+	350	233					
3. ISSUE TAX-EXEMPT REVENUE BONDS (\$M)	74.9	12.7	-	62.2	83	20	73.9	+	53.9	270					
4. FACILITATE DEVELOPMENT OF REAL PROPERTY	967	264	-	703	73	704	1339	+	635	90					
5. ASSIST FIRST-TIME HOMEBUYERS	442	814	+	372	84	450	461	+	11	2					
6. PROCESS APP FOR ARBITRATION OF LEASE RENT RENEGO	0	0	+	0	0	0	0	+	0	0					
7. PROCESS APPLICATIONS FOR LEASEHOLD CONVERSION	0	0	+	0	0	0	0	+	0	0					

## VARIANCE REPORT NARRATIVE FY 2015 AND FY 2016

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**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 15 was primarily the result of Rental Housing Trust Fund loan advances greater than anticipated.

Variances for the first three months of FY 16 are caused by the timing of federal grant award expenditures and Rental Housing Revolving Fund loan advances, resulting in lower expenditures than anticipated. For the following nine months of FY 16, Rental Housing Revolving Fund loan advances are anticipated to be higher due to higher applications.

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

Item 1. The positive variance in the number of homebuyers assisted in FY 15 is primarily due to lower interest rates, resulting in higher Mortgage Credit Certificate assistance.

Item 2. The positive variance in the number of new rental units in FY 16 is due to faster construction completion than originally anticipated on one project, offset by the reclassification of two projects from new rental units to existing rental housing preserved.

Item 3. The negative variance for FY 15 in the number of existing rental housing preserved is due to delays in obtaining financing from the U.S. Department of Agriculture. The positive variance for FY 16 in the number of existing rental housing preserved is due to the reclassification of the number of units from two projects from new rental units to existing rental housing preserved.

Item 4. The negative variance in FY 15 and the positive variance in FY 16 in the number of lease rents renegotiated is due to the timing of the expiration of lease rent agreements.

Item 5. The negative variance in FY 15 and the positive variance in FY 16 in the number of leasehold lots converted to fee simple is due to the timing of requests for conversion.

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

No variances.

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

Item 1. The number of loan originations for FY 15 was lower than expected due to delays in certain projects and delays in finalizing the financing of certain projects. The positive variance for FY 16 in the number of loan originations is higher than budgeted due to delays in FY 15, which are expected to be completed in FY 16 and an increase in new loans due to higher applications than originally anticipated.

Item 2. The positive variance in FY 15 and FY 16 are due to higher than anticipated number of applications.

Item 3. Delays from FY 15 to FY 16 of projects applying for funding from tax-exempt revenue bonds for the Hula Mae multi-family program caused offsetting variances in FY 15 and FY 16.

Item 4. Project delays caused the lag in the number of units requiring Chapter 201H, HRS, approvals from FY 15 to FY 16, resulting in offsetting variance in FY 15 and FY 16.

Item 5. The positive variance in the number of first-time homebuyers assisted in FY 15 is primarily due to lower interest rates, resulting in higher Mortgage Credit Certificate assistance.



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

	FISCAL YEAR 2014-15				THREE MONTHS ENDED 09-30-15				NINE MONTHS ENDING 06-30-16						
	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	0.00	0.00	+	0.00	0	0.00	0.00	+	0.00	0	0.00	0.00	+	0.00	0
EXPENDITURES (\$1000's)	969	860	-	109	11	43	39	-	4	9	861	765	-	96	11
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)	969	860	-	109	11	43	39	-	4	9	861	765	-	96	11
	FISCAL YEAR 2014-15				FISCAL YEAR 2015-16										
	PLANNED	ACTUAL	± CHANGE	%	PLANNED	ESTIMATED	± CHANGE	%							
<b>PART II: MEASURES OF EFFECTIVENESS</b>															
1. EXTRAMURAL (FEDERAL/PRIVATE) FUNDING GENERATED	100	80	-	20	20	100	91	-	9	9					
2. FEDERAL COOPERATIVE AGREEMENTS INAUGURATED	3	3	+	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					
<b>PART III: PROGRAM TARGET GROUP</b>															
1. HAWAII-BASED AEROSPACE COMPANIES/CORPORATIONS	75	73	-	2	3	75	75	+	0	0					
2. HAWAII-BASED EDUCATIONAL AND RESEARCH INSTITUTIONS	9	9	+	0	0	9	9	+	0	0					
3. OVERSEAS AEROSPACE AGENCIES/COMPANIES/CORPORATIONS	17	18	+	1	6	25	25	+	0	0					
4. OVERSEAS EDUCATION AND RESEARCH AGENCIES/INSTITUTI	23	24	+	1	4	25	25	+	0	0					
<b>PART IV: PROGRAM ACTIVITY</b>															
1. PACIFIC INTERNATIONAL SPACE ALLIANCE (ANNUAL MEETI	1	1	+	0	0	1	1	+	0	0					
2. PISCES* FUNDING GENERATED THROUGH STATE LEGISLATUR	3.0	1.15	-	1.85	62	3.0	.4	-	2.6	87					
3. COMMERCIAL SPACE TRANSPORTATION (FAA GRANT APPLICA	1	1	+	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	15	15	+	0	0	15	14	-	1	7					
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	25	23	-	2	8	25	25	+	0	0					
9. PUBLICATIONS (INFORMATIONAL MATERIALS/REPORTS/WEBS	5	5	+	0	0	5	5	+	0	0					

**VARIANCE REPORT NARRATIVE  
FY 2015 AND FY 2016**

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**PROGRAM TITLE: OFFICE OF AEROSPACE**

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**PART I - EXPENDITURES AND POSITIONS**

Expenditure variance is due to budget restrictions per Executive Memorandum No. 15-03.

**PART II - MEASURES OF EFFECTIVENESS**

Item 1. Federal funding decreases due to federal reimbursements delayed to subsequent year.

**PART III - PROGRAM TARGET GROUPS**

No significant variances.

**PART IV - PROGRAM ACTIVITIES**

Item 2. Funding requests were not approved.