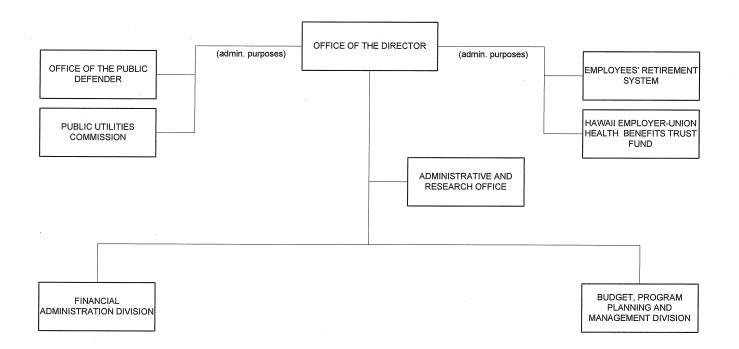
Department of Budget and Finance



DEPARTMENT OF BUDGET AND FINANCE Department Summary

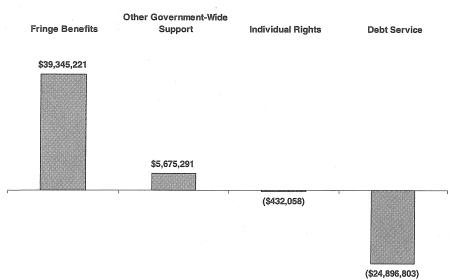
Mission Statement

To enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

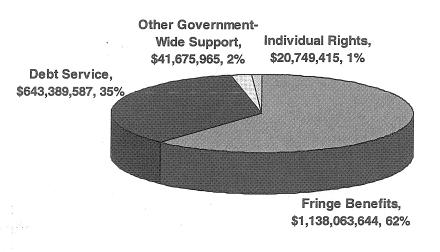
Department Goals

Improve the executive resource allocation process through planning, analysis and recommendation on all phases of program scope and funding; maximize the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate cash management controls and procedures; administer retirement and survivor benefits for State and County members and prudently manage the return on investments; administer health and life insurance benefits for eligible active and retired State and County public employees and their dependents by providing quality services and complying with federal and State legal requirements; ensure regulated companies provide adequate and reliable services at just and reasonable rates with a fair opportunity to earn a reasonable rate of return; and to safeguard the rights of indigent individuals in need of assistance in criminal and related cases by providing statutorily entitled and effective legal representation.

FY 2013 Supplemental Operating Budget Adjustments by Major Program



FY 2013 Supplemental Operating Budget



DEPARTMENT OF BUDGET AND FINANCE MAJOR FUNCTIONS

- Administers the multi-year program and financial plan and executive budget, management improvement, and financial management programs of the state under the general direction of the Governor.
- Coordinates state budget services and prepares the Governor's budget for submission to the legislature; administers the financial affairs of the State.
- Plans, directs and coordinates the State's investments and financing programs.

- Directs and coordinates a statewide retirement benefits program for state and county government employees.
- Administers health and life insurance benefits for eligible state and county active and retired public employees and dependents.
- Provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services.
- Regulates all chartered, franchised, or certificated public service companies operating in the State.

MAJOR PROGRAM AREAS

The Department of Budget and Finance has programs in the following major program areas:

Government-Wide Support

BUF 101	Departmental Administration and Budget	BUF 745	Retirement Benefits - DOE
	Division	BUF 748	Retirement Benefits - UH
BUF 115	Financial Administration	BUF 761	Health Premium Payments - State
BUF 141	Employees Retirement System	BUF 765	Health Premium Payments - DOE
BUF 143	Employer Union Trust Fund	BUF 768	Health Premium Payments - UH
BUF 721	Debt Service - State		
BUF 725	Debt Service - DOE	Individual	Rights
BUF 728	Debt Service – UH	BUF 151	Office of the Public Defender
BUF 741	Retirement Benefits – State	BUF 901	Public Utilities Commission

Department of Budget and Finance Operating Budget

	<u> </u>	Act 164/2011 FY 2012	Act 164/2011 FY 2013	FY 2013 Adjustments	Total FY 2013
Funding Sources: Positions	Perm	131.25	131.25	1.00	132.25
	Temp	52.00	50.00	2.00	52.00
General Funds	\$	1,632,793,890	1,789,747,462	13,207,872	1,802,955,334
	Perm	62.00	62.00	0.00	62.00
	Temp	0.00	0.00	0.00	0.00
Special Funds	\$	11,049,409	11,386,174	-116,623	11,269,551
	Perm	45.00	45.00	13.00	58.00
	Temp	13.00	13.00	-13.00	0.00
Trust Funds	\$	12,128,298	12,123,498	214,016	12,337,514
	Perm	1.75	1.75	0.00	1.75
	Temp	0.00	0.00	0.00	0.00
Interdepartmental Transfers	\$	101,603	101,603	615,622	717,225
	Perm	99.00	99.00	0.00	99.00
	Temp	1.00	1.00	0.00	1.00
Other Funds	\$	10,828,223	10,828,223	5,770,764	16,598,987
	Perm	339.00	339.00	14.00	353.00
	Temp	66.00	64.00	-11.00	53.00
Total Requirements	\$	1,666,901,423	1,824,186,960	19,691,651	1,843,878,611

Comments: (general funds unless otherwise noted)

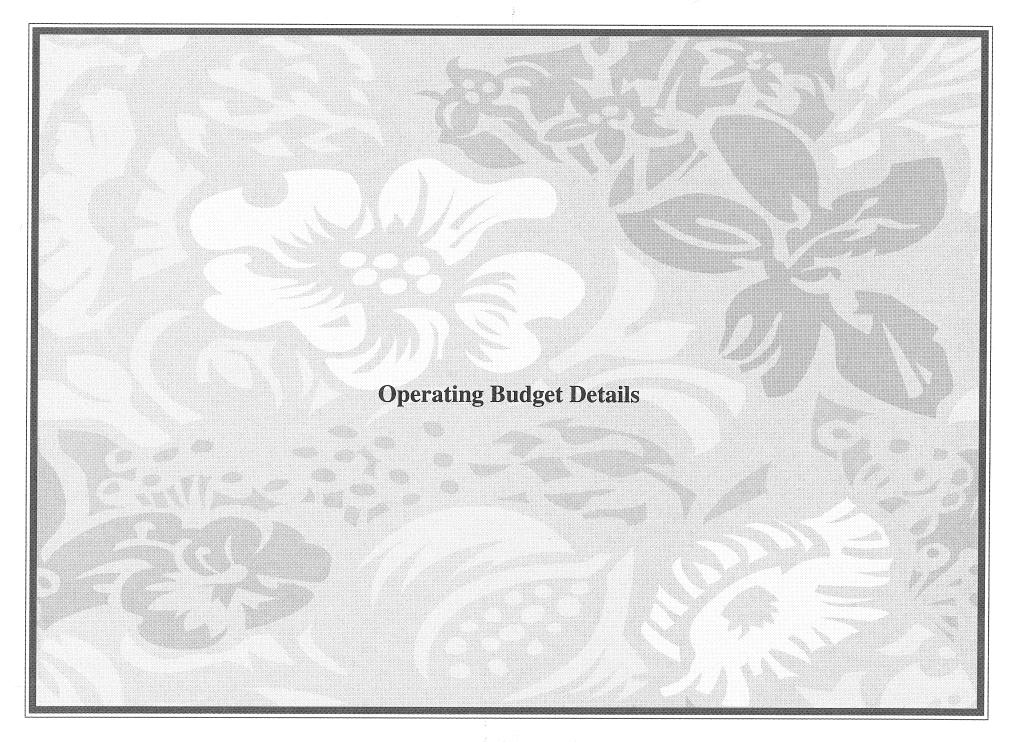
- 1. Transfers \$80,620,704 from all departments for labor savings adjustments into Retirement Benefits State.
- 2. Transfers \$30,750,204 from all departments for program review adjustments into Health Premium Payments State.
- 3. Adds Inter-Departmental Transfer funds of \$612,000 to reflect FY13 funding of the Bishop Museum annual subsidy by the Hawaii Tourism Authority.
- 4. Adds 2.00 temporary positions and \$184,532 for the Dept. Admin and Budget Division for continued oversight of American Recovery and Reinvestment Act of 2009 reporting and compliance.
- 5. Adds \$6,033,000 in Other funds for Employees' Retirement System (ERS) for computer programming changes for the ERS .
- 6. Converts 13.00 temporary Trust funded positions to permanent for Employer-Union Benefits Trust Fund (EUTF).
- 7. Adds \$292,500 in Trust funds for additional programming consultant hours for the EUTF.

- 8. Reduces \$24,896,803 for debt service.
- 9. Reduces \$22,540,685 for retirement benefits payments to the ERS.
- 10. Reduces \$38,423,908 for health benefits payments to the EUTF.

Department of Budget and Finance Capital Improvements Budget

	Act 164/2011 FY 2012	Act 164/2011 FY 2013	FY 2013 Adjustments	Total FY 2012	Total FY 2013
Funding Sources:	:				
General Obligation Bonds	569,836,000	200,960,000	0	569,836,000	200,960,000
Total Requirements	569,836,000	200,960,000	0	569,836,000	200,960,000

Comments on Dept CIP Budget Request: (general obligation bonds unless otherwise noted)
None.



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PROGRAM ID:

BUF-

PROGRAM STRUCTURE NO: 07

PROGRAM TITLE:

FORMAL EDUCATION

		FY 2012			FY 2013			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
OPERATING OTH CURRENT EXPENSES	1,024,285,646		1,024,285,646	1,114,467,021	85,494,472-	1,028,972,549	2,138,752,667	2,053,258,195		
TOTAL OPERATING COST	1,024,285,646		1,024,285,646	1,114,467,021	85,494,472-	1,028,972,549	2,138,752,667	2,053,258,195	4.00-	
BY MEANS OF FINANCING GENERAL FUND	1,024,285,646		1,024,285,646	1,114,467,021	85,494,472-	1,028,972,549	2,138,752,667	2,053,258,195		
TOTAL POSITIONS TOTAL PROGRAM COST	* 1,024,285,646	*	1,024,285,646 	* 1,114,467,021	* 85,494,472-	* 1,028,972,549 ========	2,138,752,667	2,053,258,195	4.00-	

PROGRAM ID:

BUF-745

PROGRAM STRUCTURE NO: 07010192

PROGRAM TITLE:

RETIREMENT BENEFITS PAYMENTS - DOE

PROGRAM COSTS	CURRENT APPRN	FY 2012	RECOMMEND APPRN	CURRENT APPRN	FY 2013 ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	UM TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			-			·i			
OPERATING OTH CURRENT EXPENSES	280,677,870		280,677,870	277,200,000	24,458,811-	252,741,189	557,877,870	533,419,059	
TOTAL OPERATING COST	280,677,870		280,677,870	277,200,000	24,458,811- ===================================	252,741,189	557,877,870	533,419,059	4.38-
BY MEANS OF FINANCING GENERAL FUND	280,677,870		280,677,870 ¦	277,200,000	24,458,811-	252,741,189	557,877,870	533,419,059	
TOTAL POSITIONS TOTAL PROGRAM COST	280,677,870	*	280,677,870	* 277,200,000	* 24,458,811-	252,741,189	<i>55</i> 7,877,870	533,419,059	4.38-

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Program ID: BUF 745

Program Structure Level: 07 01 01 92

Program Title: Retirement Benefits Payments - DOE

A. Program Objective

To provide employer contributions for Pension Accumulation and Social Security/Medicare in an effective and timely manner.

B. Description of Request

Request a reduction of \$7,667,562 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

Reduce other current expense funds by \$16,791,249 for Retirement Benefits program payments for the Department of Education.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, retirement Benefits – State, in FY 13.

The adjustment in the Retirement Benefits program payments for the Department of Education, are based on revised projected requirements.

D. Significant Changes to Measures of Effectiveness and Program Size

BUF-765

PROGRAM STRUCTURE NO: 07010194

PROGRAM TITLE:

PROGRAM ID:

HEALTH PREMIUM PAYMENTS - DOE

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- A4		FY 2012			FY 2013			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	· ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
CURR LEASE PAYMENTS	·					i				
OPERATING OTH CURRENT EXPENSES	236,284,465		236,284,465	264,546,608	39,420,448-	225,126,160	500,831,073	461,410,625		
TOTAL OPERATING COST	236,284,465		236,284,465	264,546,608	39,420,448-	225,126,160	500,831,073	461,410,625	7.87-	
BY MEANS OF FINANCING GENERAL FUND	236,284,465		236,284,465	264,546,608	39,420,448-	225,126,160	500,831,073	461,410,625		
TOTAL POSITIONS TOTAL PROGRAM COST	* 236,284,465 =======	*	236,284,465 ====================================	* 264,546,608 ======	* 39,420,448-	225,126,160 	500,831,073	461,410,625 ======	7.87-	

Program ID: BUF 765

Program Structure Level: 07 01 01 94

Program Title: Health Premium Payments - DOE

A. Program Objective

To provide employer contributions for health premiums in an effective and timely manner.

B. Description of Request

Reduce other current expense funds \$25,768,814 for Health Premium Payments for the Department of Education.

C. Reasons for Request

The adjustment in the Health Premium Payments for the Department of Education are based on new projections.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

225-

PROGRAM ID:

BUF-725

PROGRAM STRUCTURE NO: 07010196

PROGRAM TITLE:

DEBT SERVICE PAYMENTS - DOE

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PROGRAM COSTS	CURRENT Apprn	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	FY 2013 ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	UM TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS	-						· · · · · · · · · · · · · · · · · · ·		
			и						
OPERATING OTH CURRENT EXPENSES	222,989,025		222,989,025	264,173,610	9,841,706-	254,331,904	487,162,635	477,320,929	
TOTAL OPERATING COST	222,989,025		222,989,025	264,173,610	9,841,706-	254,331,904	487,162,635	477,320,929	2.02-
BY MEANS OF FINANCING GENERAL FUND	222,989,025		222,989,025	264,173,610	9,841,706-	254,331,904 ¦	487,162,635	477,320,929	
TOTAL POSITIONS TOTAL PROGRAM COST	* 222,989,025 ====================================	*	222,989,025 ====================================	264,173,610	* 9,841,706- ====================================	* 254,331,904 	487,162,635 	477,320,929 	2.02-

Program ID: BUF 725

Program Structure Level: 07 01 01 96

Program Title: Debt Service Payments - DOE

A. Program Objective

To make and record debt service payments for the Department of Education in a timely and accurate manner.

B. Description of Request

Reduce other current expense funds \$9,841,706 to reflect changes in debt service requirements.

C. Reasons for Request

The adjustment in debt service reflects the November 2011 issuance and future issuances for the Department of Education.

D. Significant Changes to Measures of Effectiveness and Program Size

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PROGRAM ID:

BUF-748

PROGRAM STRUCTURE NO: 07030892

PROGRAM TITLE:

RETIREMENT BENEFITS PAYMENTS - UH

					FY 2013			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
CURR LEASE PAYMENTS									***************************************	
OPERATING OTH CURRENT EXPENSES	123,256,258		123,256,258	122,684,000	479,259	123,163,259	245,940,258	246,419,517		
TOTAL OPERATING COST	123,256,258		123,256,258	122,684,000	479,259	123,163,259	245,940,258	246,419,517	.19	
BY MEANS OF FINANCING GENERAL FUND	123,256,258		123,256,258	122,684,000	479,259	123,163,259	245,940,258	246,419,517		
TOTAL POSITIONS TOTAL PROGRAM COST	* 123,256,258	*	* 123,256,258 =======	* 122,684,000 ==================================	* 479,259 	* 123,163,259 ======	245,940,258	246,419,517 ======	. 19	

Program ID: BUF 748

Program Structure Level: 07 03 08 92

Program Title: Retirement Benefits Payments - UH

A. Program Objective

To provide employer contributions for Pension Accumulation and Social Security/Medicare in an effective and timely manner.

B. Description of Request

Request a reduction of \$3,393,532 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

Reduce other current expense funds \$3,872,791 for Retirement Benefits program payments for the University of Hawaii.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, retirement Benefits – State, in FY 13.

The adjustment in the Retirement Benefits program payments for the University of Hawaii are based on revised projected requirements.

D. Significant Changes to Measures of Effectiveness and Program Size

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PROGRAM ID:

BUF-768

PROGRAM STRUCTURE NO: 07030894

PROGRAM TITLE:

HEALTH PREMIUM PAYMENTS - UH

		FY 2012			FY 2013			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
CURR LEASE PAYMENTS			i			i				
OPERATING OTH CURRENT EXPENSES	78,550,089		78,550,089	88,092,504	8,610,364-	79,482,140	166,642,593	158,032,229		
TOTAL OPERATING COST	78,550,089		78,550,089	88,092,504	8,610,364-	79,482,140	166,642,593	158,032,229	5.17-	
BY MEANS OF FINANCING GENERAL FUND	78,550,089		78,550,089	88,092,504	8,610,364-	79,482,140 ¦	166,642,593	158,032,229		
TOTAL POSITIONS TOTAL PROGRAM COST	78, <i>55</i> 0,089	*	78,550,089 	88,092,504 ======	* 8,610,364- ====================================	79,482,140 	166,642,593	158,032,229	5.17-	

Program ID: BUF 768

Program Structure Level: 07 03 08 94

Program Title: Health Premium Payments - UH

A. Program Objective

To provide employer contributions for health premiums in an effective and timely manner.

B. Description of Request

Reduce other current expense funds \$5,613,382 for Health Premium Payments for the University of Hawaii.

C. Reasons for Request

The adjustment in Health Premium Payments for the University of Hawaii, are based on new projections.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

-231-

PROGRAM ID:

BUF-728

PROGRAM STRUCTURE NO: 07030896

PROGRAM TITLE:

DEBT SERVICE PAYMENTS - UH

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PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	FY 2013 ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	UM TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i -						100 plan 100 liber 100 per 100 mas
OPERATING									
OTH CURRENT EXPENSES	82,527,939		82,527,939	97,770,299	3,642,402-	94,127,897	180,298,238	176,655,836	
TOTAL OPERATING COST	82,527,939 ======		82,527,939	97,770,299	3,642,402-	94,127,897	180,298,238	176,655,836	2.02-
BY MEANS OF FINANCING GENERAL FUND	82,527,939		82,527,939	97,770,299	3,642,402-	94,127,897 ¦	180,298,238	176,655,836	
TOTAL POSITIONS TOTAL PROGRAM COST	* 82,527,939	*	82,527,939	* 97,770,299	* 3,642,402-	94,127,897	180,298,238	176,655,836	2.02-
			:======	=======================================					

Program ID: BUF 728

Program Structure Level: 07 03 08 96 Program Title: Debt Service Payments - UH

A. Program Objective

To make and record debt service payments for the Department of Education in a timely and accurate manner.

B. Description of Request

Reduce other current expense funds \$3,642,402 to reflect changes in debt service requirements.

C. Reasons for Request

The adjustment in debt service reflects the November 2011 issuance and future issuances for the University of Hawaii.

D. Significant Changes to Measures of Effectiveness and Program Size

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PROGRAM ID:

BUF-

PROGRAM STRUCTURE NO: 10

PROGRAM TITLE:

INDIVIDUAL RIGHTS

		FY 2012			FY 2013		BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS						:			
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES EQUIPMENT	143.00* 13,729,337 7,093,371 22,000	*	143.00* 13,729,337 7,093,371 22,000	143.00* 14,013,134 7,168,339	* 432,058-	143.00* 13,581,076 7,168,339	* 27,742,471 14,261,710 22,000	* 27,310,413 14,261,710 22,000	*
TOTAL OPERATING COST	20,844,708		20,844,708	21,181,473	432,058-	20,749,415	42,026,181	41,594,123	1.03-
BY MEANS OF FINANCING			•						
GENERAL FUND SPECIAL FUND	81.00* 9,795,299 62.00* 11,049,409	*	81.00* 9,795,299 62.00*	81.00* 9,795,299 62.00*	*	81.00* 9,479,864 62.00*	19,590,598	19,275,163 *	*
SPECIAL FUND	11,049,409		11,049,409	11,386,174	116,623-	11,269,551	22,435,583	22,318,960	
TOTAL PROGRAM COST	143.00* 20,844,708	*	143.00* 20,844,708 =	143.00* 21,181,473	* 432,058- 	143.00* 20,749,415	42,026,181 ===================================	41,594,123	1.03-
						ı			

PROGRAM ID:

BUF-901

PROGRAM STRUCTURE NO: 10010305

PUBLIC UTILITIES COMMISSION PROGRAM TITLE:

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THE SALE COST THE SALE SHAPE THAT WAS A SALE SHAPE SHAPE THAT WAS	FY 2012			FY 2013		BIENNIUM TOTALS		
CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
-		· .						
62.00*	*	62.00*	62.00*	*	62.00*!	*	*	* *
4,617,052		4,617,052	4,900,849	116,623-	4,784,226	9,517,901	9,401,278	
6,410,357		6,410,357	6,485,325		6,485,325	12,895,682	12,895,682	
22,000		22,000			41	22,000	22,000	
11,049,409		11,049,409	11,386,174	116,623-	11,269,551	22,435,583	22,318,960	.52-
					•			
62.00*	*	62.00*	62.00*	半	62.00*	*	*	*
11,049,409		11,049,409	11,386,174	116,623-	11,269,551	22,435,583	22,318,960	
62.00*	*	62.00*	62.00*	*	62.00*!			
11,049,409		11,049,409	11,386,174	116,623-	11,269,551	22,435,583	22,318,960	.52-
	62.00* 4,617,052 6,410,357 22,000 11,049,409 	CURRENT APPRN ADJUSTMENT 62.00* 4,617,052 6,410,357 22,000 11,049,409 62.00* * 62.00* * 62.00* * 62.00* *	APPRN ADJUSTMENT APPRN 62.00* * 62.00* 4,617,052 4,617,052 6,410,357 22,000 11,049,409 11,049,409 62.00* * 62.00* 11,049,409 62.00* * 62.00* 11,049,409	CURRENT APPRN ADJUSTMENT RECOMMEND APPRN APPRN 62.00*	CURRENT APPRN ADJUSTMENT RECOMMEND APPRN APPRN ADJUSTMENT 62.00* * 62.00* 62.00* * 4,617,052 4,617,052 4,900,849 116,623- 6,410,357 6,410,357 6,485,325 22,000 22,000 11,049,409 11,049,409 11,386,174 116,623- 62.00* * 62.00* 62.00* * 11,049,409 11,386,174 116,623- 62.00* * 62.00* 62.00* *	CURRENT APPRN ADJUSTMENT RECOMMEND APPRN APPRN ADJUSTMENT RECOMMEND APPRN 62.00* * 62.00* 62.00* * 62.00* 4,617,052 4,900,849 116,623- 4,784,226 6,410,357 6,410,357 6,485,325 6,485,325 22,000 22,000 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,049,409 11,386,174 116,623- 11,269,551 11,049,409 11,049,409 11,049,409 11,386,174 116,623- 11,269,551 11,049,409	CURRENT APPRN ADJUSTMENT RECOMMEND APPRN APPRN ADJUSTMENT RECOMMEND APPRN BIENNIUM 62.00*	CURRENT APPRN ADJUSTMENT RECOMMEND APPRN APPRN ADJUSTMENT RECOMMEND APPRN ADJUSTMENT RECOMMEND BIENNIUM BIENNIUM 62.00*

Program ID: BUF 901

Program Structure Level: 10 01 03 05 Program Title: Public Utilities Commission

A. Program Objective

To ensure that regulated companies efficiently and safely provide their customers with adequate and reliable services at just and reasonable rates, while providing regulated companies with a fair opportunity to earn a reasonable rate.

B. Description of Request

Request a reduction of \$116,623 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.

D. Significant Changes to Measures of Effectiveness and Program Size

None

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PROGRAM ID:

BUF-151

PROGRAM STRUCTURE NO: 100301

PROGRAM TITLE:

OFFICE OF THE PUBLIC DEFENDER

PROGRAM COSTS		FY 2012			FY 2013		BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS	1927 1014 Not wild not used one								
			•			•			
OPERATING	81.00*	*	81.00*	81.00*	*	81.00*	*	*	* *
PERSONAL SERVICES	9,112,285		9,112,285	9,112,285	315,435-	8,796,850		17,909,135	•
OTH CURRENT EXPENSES	683,014		683,014	683,014		683,014	1,366,028	1,366,028	
TOTAL OPERATING COST	9,795,299		9,795,299	9,795,299	315,435-	9,479,864	19,590,598	19,275,163	1.61-
BY MEANS OF FINANCING						. '			
05115511 511115	81.00*	*	81.00*	81.00*	*	81.00*	*	*	*
GENERAL FUND	9,795,299		9,795,299	9,795,299	315,435-	9,479,864 ¦	19,590,598	19,275,163	
TOTAL POSITIONS	81.00*	*	81.00*	81.00*	*	81.00*			
TOTAL PROGRAM COST	9,795,299		9,795,299	9,795,299	315,435-	9,479,864	19,590,598	19,275,163	1.61-

Program ID: BUF 151

Program Structure Level: 10 03 01

Program Title: Office of the Public Defender

A. Program Objective

To safeguard the rights of individuals by providing statutorily entitled and effective legal representation in criminal, mental commitment, and family cases in compliance with the Hawaii Rules of Professional Conduct. Prudently manage Deputy Public Defender and support service resources and caseloads and maintain quality training program for Deputy Public Defender staff.

B. Description of Request

Request a reduction of \$315,435 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits – State in FY 13.

D. Significant Changes to Measure of Effectiveness and Program Size

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PROGRAM ID:

BUF-

PROGRAM STRUCTURE NO: 11

PROGRAM TITLE:

GOVERNMENT-WIDE SUPPORT

UM TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
*	
*	
*	
26,590,581	•
1,389,329,935	
7,200	
1,415,927,716	8.06
*	*
1,363,215,866	
*	*
24,465,812	
*	*
818,828	
*	*
27,427,210	
770,796,000	
770,796,000	
770,796,000	
2,186,723,716	5.08

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PROGRAM ID:

BUF-101

PROGRAM STRUCTURE NO: 11010305

PROGRAM TITLE:

DEPARTMENTAL ADMINISTRATION & BUDGET DIV

	FY 2012				FY 2013 -			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
CURR LEASE PAYMENTS										
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES EQUIPMENT	40.00* 2,694,843 8,666,182 2,400	*	40.00* 2,694,843 8,666,182 2,400	40.00* 2,632,464 8,553,082	* 158,021 488,579-	40.00* 2,790,485 8,064,503	* 5,327,307 17,219,264 2,400	5,485,328 16,730,685 2,400	*	
TOTAL OPERATING COST	11,363,425		11,363,425	11,185,546	330,558-	10.854.988		22,218,413	1.47-	
							,- ,			
BY MEANS OF FINANCING	20. 25.									
GENERAL FUND	39.25* 11,332,082 .75*	*	39.25* 11,332,082 75*!	39.25* 11,154,203 .75*	946,180-	39.25* 10,208,023 .75*	22,486,285 *	21,540,105	*	
INTERDEPT. TRANSF	31,343		31,343	31,343	615,622	646,965	62,686	678,308	*	
CAPITAL INVESTMENT										
CONSTRUCTION	569,836,000		569,836,000	200,960,000		200,960,000	770,796,000	770,796,000		
TOTAL CAPITAL COSTS	569,836,000		569,836,000	200,960,000		200,960,000	770,796,000	770,796,000		
BY MEANS OF FINANCING G.O. BONDS	569,836,000		569,836,000	200,960,000		200,960,000 ¦	770,796,000	770,796,000		
TOTAL POSITIONS TOTAL PROGRAM COST	40.00* 581,199,425	*	40.00* 581,199,425	40.00* 212,145,546	* 330,558-	40.00* 211,814,988	793,344,971	793,014,413	. 04–	

Program ID: BUF 101

Program Structure Level: 11 01 03 05

Program Title: Departmental Administration and Budget Division

A. Program Objective

To facilitate and improve the executive resource allocation process by thorough planning, programming, and budgeting and analyses, through sound recommendations on all phases of program scope and funding, and by efforts to simplify and more directly tie program performance with resource allocation decisions.

B. Description of Request

Request reductions of \$21,589 from BUF 101AA and \$48,052 from BUF 101BA for labor savings pursuant to collective bargaining agreements and Section 96, Act 164/SLH 2011.

Request reductions of \$612,000 for the annual Bishop Museum subsidy, \$254,290 for Attorney Fees; and \$254,289 for Witness Fees for specific program adjustments identified through the Administration's 2011 Program Review, pursuant to Section 97 of Act 164, SLH 2011.

Request an increase in the 'U' fund ceiling by \$612,000 to receive Inter-Departmental Transfer funds from the Department of Business, Economic Development and Tourism's Hawaii Tourism Authority (HTA) to pay for the annual Bishop Museum subsidy for FY13.

Request 2.00 temporary positions and \$184,532 in general funds for the Office of Economic Recovery and Reinvestment for American Recovery and Reinvestment Act of 2009 (ARRA) oversight.

Request \$59,508 in general funds and \$3,622 in inter-departmental transfer funds for salary and fringe adjustments for 3 positions.

C. Reasons for Request

The labor savings reduction from this program is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits – State in FY 13.

The program review adjustment is necessary to restore a portion of the \$50 million in general funds cut from BUF 761, Health Premium Payments – State in FY 13.

The HTA is to fund the annual Bishop Museum subsidy for FY13 so an increase in the 'U' fund ceiling is needed to receive the funding from the HTA.

ARRA oversight is still on-going. This request will provide FY13 funding for the positions and operational expenses, which are only funded through FY12.

D. Significant Changes to Measures of Effectiveness and Program Size

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PROGRAM ID:

BUF-115

PROGRAM STRUCTURE NO: 11020301

PROGRAM TITLE:

FINANCIAL ADMINISTRATION

		FY 2012			FY 2013	! -	BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS		NOTE THAT THAT THAT THAT THAT THAT THAT TH	i -				-		
OPERATING	21.00*	*	21.00*	21.00*	1.00*	22.00*	*	*	*
PERSONAL SERVICES	1,194,940		1,194,940	1,194,940	2,487	1,197,427	2,389,880	2,392,367	
OTH CURRENT EXPENSES	7,687,451		7,687,451	7,687,451	,			15,374,902	
TOTAL OPERATING COST	8,882,391		8,882,391	8,882,391	2,487	8,884,878	17,764,782	17,767,269	.01
BY MEANS OF FINANCING			•			•			
	11.00*	*	11.00*	11.00*	1.00*	12.00*	*	*	*
GENERAL FUND	1,793,147		1,793,147	1,793,147	21,069	1,814,216	3,586,294	3,607,363	
	9.00*	*	9.00*	9.00*	*	9.00*	*	*	*
TRUST FUNDS	7,018,984		7,018,984	7,018,984	18,582-	7,000,402	14,037,968	14,019,386	
	1.00*	*	1.00*	1.00*	*	1.00*	*	*	*
INTERDEPT. TRANSF	70,260		70,260 ¦	70,260		70,260	140,520	140,520	
TOTAL POSITIONS	21.00*	*	21.00*	21.00*	1.00*	22.00*			
TOTAL PROGRAM COST	8,882,391		8,882,391	8,882,391	2,487	8,884,878	17,764,782	17,767,269	.01
			; =						

Program ID: BUF 115

Program Structure Level: 11 02 03 01 Program Title: Financial Administration

A. Program Objective

To maximize the value, investment, and use of State funds through proactive planning, the development of prudent statewide planning policies, the timely scheduling of State bond financing and the establishment of appropriate cash management controls and procedures.

B. Description of Request

Request reductions of \$24,579 in general funds and \$18,582 in trust funds for labor savings pursuant to collective bargaining agreements and Section 96, Act 164/SLH 2011.

Request 1.00 permanent Account Clerk IV and \$45,648 in general funds for the Financial Administration Division's Treasury Branch.

C. Reasons for Request

The general fund labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits – State, in FY 13.

The trust fund labor savings reduction is necessary to reflect payroll costs under current bargaining agreements.

The Account Clerk IV position, which was abolished by the reduction-inforce, is necessary for the timely processing of Treasury Deposit Receipts (TDR). Delays in the processing of TDRs have resulted in various departments and agencies not having access to funds as deposits are not deposited on a timely basis. Currently, there is only 1 position processing the TDRs for the entire state, resulting in up to a 42 day delay. With 2 positions, TDRs were processed within 1-2 days of receipt.

D. Significant Changes to Measures of Effectiveness and Program Size

PROGRAM ID:

BUF-721

PROGRAM STRUCTURE NO: 11020303

PROGRAM TITLE:

DEBT SERVICE PAYMENTS

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PROGRAM COSTS	FY 2012				FY 2013		BIENNI	BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
CURR LEASE PAYMENTS										
OPERATING OTH CURRENT EXPENSES	258,583,782		258,583,782	306,342,481	11,412,695-	294,929,786	564,926,263	553,513,568		
TOTAL OPERATING COST	258,583,782		258,583,782	306,342,481	11,412,695-	294,929,786	564,926,263	553,513,568	2,02-	
BY MEANS OF FINANCING GENERAL FUND	258,583,782		258,583,782	306,342,481	11,412,695-	294,929,786 ¦	564,926,263	553,513,568		
TOTAL POSITIONS TOTAL PROGRAM COST	* 258,583,782	*	258,583,782	* 306,342,481	* 11,412,695- 	294,929,786 	564,926,263	553,513,568 =======	2.02-	

-244-

Program ID: BUF 721

Program Structure Level: 11 02 03 03 Program Title: Debt Service Payments

A. Program Objective

To make and record debt service payments for all Departments, except the Department of Education and the University of Hawaii, in a timely and accurate manner.

B. Description of Request

Reduce other current expense funds \$11,412,695 to reflect changes in debt service requirements.

C. Reasons for Request

The adjustment in debt service reflects the November 2011 issuance and future issuance for State, other than the Department of Education and the University of Hawaii.

D. Significant Changes to Measures of Effectiveness and Program Size

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PROGRAM ID:

BUF-141

PROGRAM STRUCTURE NO: 11030601

PROGRAM TITLE:

EMPLOYEES' RETIREMENT SYSTEM

		FY 2012			FY 2013		BIENNIU	BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE	
CURR LEASE PAYMENTS		20			-	i -				
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	99.00* 6,719,928 4,108,295	*	99.00* 6,719,928 4,108,295		* 262,236- 6,033,000	99.00* 6,457,692 10,141,295	* 13,439,856 8,216,590	* 13,177,620 14,249,590	* *	
TOTAL OPERATING COST	10,828,223		10,828,223	10,828,223	5,770,764 ====================================	16,598,987	21,656,446	27,427,210	26.65	
BY MEANS OF FINANCING						• ,				
OTHER FUNDS	99.00* 10,828,223	*	99.00* 10,828,223	99.00* 10,828,223	5,770,764	99.00* 16,598,987	* 21,656,446	27,427,210	*	
TOTAL POSITIONS TOTAL PROGRAM COST	99.00* 10,828,223	*	99.00* 10,828,223	99.00* 10,828,223	* 5,770,764	99.00* 16,598,987	21,656,446	27,427,210	26.65	
							=======================================		20.03	

Program ID: BUF 141

Program Structure Level: 11 03 06 01

Program Title: Employees' Retirement System

A. Program Objective

To administer the retirement and survivor benefits program for State and county members and to anticipate and exceed their needs; manage the retirement system's resources in a responsible and cost-effective manner; prudently manage investments in accordance with fiduciary standards; and to provide an open and participative work environment for staff.

B. Description of Request

Request a reduction of \$262,236 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

Request \$6,033,000 in other funds for computer programming changes to implement mandatory retirement changes for State and County employees hired after June 30, 2011, pursuant to Act 163/SLH 2011.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.

Computer programming changes are needed to implement mandatory retirement benefit changes for the following pursuant to Act 163/SLH 2011: reduce the benefit multiplier; reduce annual post retirement increases and interest earned on member contribution amounts; increase the vesting period; increase the period used to calculate average final compensation; and increase the employee contribution rate. These comprehensive changes

are the equivalent of implementing new retirement plan(s) for the computer system based on the number of different business processes affected.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID:

BUF-143

PROGRAM STRUCTURE NO: 11030603

PROGRAM TITLE:

HAWAII EMPLOYER-UNION TRUST FUND

PROGRAM COSTS	CURRENT APPRN	FY 2012 ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	FY 2013 ADJUSTMENT	RECOMMEND APPRN	BIENNIU CURRENT BIENNIUM	JM TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS		See See							
OPERATING PERSONAL SERVICES	36.00* 2,802,584	*	36.00* 2,802,584	36.00*	13.00*	49.00*	*	*	. *
OTH CURRENT EXPENSES EQUIPMENT	2,301,930 4,800		2,301,930 4,800	2,802,584 2,301,930	69,902- 302,500	2,732,682 2,604,430	5,605,168 4,603,860 4,800	5,535,266 4,906,360 4,800	
TOTAL OPERATING COST	5,109,314		5,109,314	5,104,514	232,598	5,337,112	10,213,828	10,446,426	2.28
BY MEANS OF FINANCING						·			
TRUST FUNDS	36.00* 5,109,314	*	36.00* 5,109,314	36.00* 5,104,514	13.00* 232,598	49.00*¦ 5,337,112 ¦	* 10,213,828	10,446,426	*
TOTAL POSITIONS	36.00*	*	36.00*	36.00*	13.00*	49.00*			
TOTAL PROGRAM COST	5,109,314 ====================================		5,109,314	5,104,514 	232,598 ====================================	5,337,112	10,213,828	10,446,426	2.28

Program ID: BUF 143

Program Structure Level: 11 03 06 03

Program Title: Hawaii Employer-Union Trust Fund

A. Program Objective

To administer health and life insurance benefits for eligible active and retired State and county public employees and their dependents by 1) providing quality service levels to employee-beneficiaries and dependent-beneficiaries, and 2) complying with federal and State legal requirements.

B. Description of Request

Request a reduction of \$69,902 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

Request to convert 13.00 temporary trust funded positions to permanent.

Request \$10,000 for consultant services for a space planner.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.

Due to the temporary nature of the 13.00 positions, retaining incumbents and recruiting for vacancies is difficult. The Hawaii Employer-Union Trust Fund (EUTF) has 49.00 authorized positions (36.00 permanent and 13.00 temporary) to administer and provide health and other benefits for approximately 186,000 employees, retirees, and their dependents.

Additional office space is needed to accommodate positions added during the past 2 years. In addition, the Department of Accounting and General Services has recommended the contracting of a space planner to make suggestions on how office space utilization can be maximized.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:

BUF-741

PROGRAM STRUCTURE NO: 11030605

PROGRAM TITLE:

RETIREMENT BENEFITS PAYMENTS

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	FY 2012								
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS							· · · · · · · · · · · · · · · · · · ·		
OPERATING						Ç			
OTH CURRENT EXPENSES	189,315,975		189,315,975	185,809,000	70,998,477	256,807,477	375,124,975	446,123,452	
TOTAL OPERATING COST	189,315,975		189,315,975	185,809,000	70,998,477	256,807,477	375,124,975	446,123,452	18.93
BY MEANS OF FINANCING GENERAL FUND	189,315,975		189,315,975	185,809,000	70,998,477	256,807,477	375,124,975	446,123,452	
TOTAL POSITIONS TOTAL PROGRAM COST	* 189,315,975 ====================================	*	* 189,315,975 -	* 185,809,000	* 70,998,477 =======	256,807,477	375,124,975	446,123,452	18.93

Program ID: BUF 741

Program Structure Level: 11 03 06 05

Program Title: Retirement Benefits Payments

A. Program Objective

To provide employer contributions for Pension Accumulation and Social Security/Medicare in an effective and timely manner.

B. Description of Request

Transfer in \$11,470,749 in general funds from various Department of Budget and Finance programs and \$69,149,955 in general funds from other departments for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

Reduce other current expense funds \$9,622,227 for Retirement Benefits program payments for the State, other than the Department of Education and the University of Hawaii.

C. Reasons for Request

The labor savings increase is necessary to reflect the transfer of savings from payroll costs under collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits – State, in FY 13.

The adjustment in the Retirement Benefits program payments for the State, other than the Department of Education and the University of Hawaii are based on revised projected requirements.

D. Significant Changes to Measures of Effectiveness and Program Size

PROGRAM ID:

BUF-761

PROGRAM STRUCTURE NO: 11030607

PROGRAM TITLE:

HEALTH PREMIUM PAYMENTS

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	FY 2012				FY 2013	013 BIENNIUM TOTALS			
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND Apprn	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i						100 W 201 Md and the table
OPERATING OTH CURRENT EXPENSES	137,687,959		137,687,959	160,386,311	40,357,108	200,743,419	298,074,270	338,431,378	
TOTAL OPERATING COST	137,687,959		137,687,959	160,386,311	40,357,108	200,743,419	298,074,270	338,431,378	13.54
BY MEANS OF FINANCING GENERAL FUND	137,687,959		137,687,959 ¦	160,386,311	40,357,108	200,743,419	298,074,270	338,431,378	
TOTAL POSITIONS TOTAL PROGRAM COST	* 137,687,959	*	137,687,959	* 160,386,311 ======	* 40,357,108	200,743,419	298,074,270	338,431,378	13.54

Program ID: BUF 761

Program Structure Level: 11 03 06 07 Program Title: Health Premium Payments

A. Program Objective

To provide employer contributions for health premiums in an effective and timely manner.

B. Description of Request

Transfer in \$1,120,579 in general funds from various Department of Budget and Finance programs and \$29,629,625 from other departments for specific program adjustments identified through the Administration's 2011 Program Review, pursuant to Section 97 of Act 164, SLH 2011.

Reduce other current expense funds \$6,291,508 for Health Premiums for State employees, other than the Department of Education and the University of Hawaii.

C. Reasons for Request

The program review adjustment is necessary to restore a portion of the \$50 million in general funds cut from BUF 761, Health Premium Payments – State, in FY 13.

The adjustment in the Health Premium Payments for the State employees, other than the Department of Education and the University of Hawaii are based on new projections.

D. Significant Changes to Measures of Effectiveness and Program Size