

NEIL ABERCROMBIE
GOVERNOR



KALBERT K. YOUNG
DIRECTOR

LUIS P. SALAVERIA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF ECONOMIC RECOVERY
AND REINVESTMENT (ARRA)

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

November 1, 2012

FINANCE MEMORANDUM

MEMO NO. 12-17

TO: All Department Heads

FROM: Kalbert K. Young
Director of Finance

SUBJECT: Legislative Reporting Requirements for Section 133.2, Overtime, and Section 133.3, Overpayments, of Act 164, SLH 2011, as Amended by Act 106, SLH 2012, and Related Collective Bargaining Information

The 2012 Legislature has requested extensive information regarding overtime, compensatory time and salary overpayments which will require a significant gathering of historical information, in addition to providing out-year projections as applicable. Pursuant to Sections 133.2 and 133.3 of Act 164, SLH 2011, as amended by Act 106, SLH 2012, all executive departments and agencies shall prepare reports on overtime use and overpayments, respectively, as follows:

"SECTION 133.2. Provided that every executive department and agency shall prepare a report on overtime use in a format prescribed by the director of finance that shall include but not be limited to:

- (1) Amounts budgeted and expended, or projected to be expended, for overtime, by program ID and means of financing, for each year, from fiscal year 2009-2010 to 2014-2015;
- (2) Amounts and values of compensatory time awarded and used, or projected to be awarded and used, by program ID and means of financing, for each year, from fiscal year 2009-2010 to 2014-2015;
- (3) Amounts and values of compensatory time balances held by employees, by program ID and means of financing, as of June 30, 2012;
- (4) A listing of all positions whereby the sum of the value of overtime paid and compensatory time awarded for fiscal year 2011-2012 exceeds twenty per cent of the position's base salary, to include the program ID, position number, means of financing, position title, bargaining unit, salary range level, salary, number of

overtime hours worked, amount of overtime paid, amount and value of compensatory time received, and total amount and value of compensatory time accumulated;

- (5) Identification of the source and amount of funds used for overtime expenditures that exceed amounts budgeted for overtime in paragraph (1), by program ID and means of financing;
- (6) Comparative data, by program ID and means of financing, including amounts budgeted and expended for salaries, number of positions authorized, number of positions filled, number of positions vacant, and relevant ratios and percentages;
- (7) An analysis of whether the amounts described in paragraphs (1) through (4) are appropriate; identification and discussion of significant circumstances that require the use of overtime; identification and discussion of specific divisions and programs that use significant amounts of overtime; and identification and discussion of all instances in which there is suspected abuse of overtime use; and
- (8) Specific strategies the department or agency intends to implement to reduce overtime use, goals for reducing amounts expended for overtime and for compensatory time awarded by program ID and means of financing, and a timeline for implementation;

provided further that the director of finance shall require the submission of the reports to the department of budget and finance for review and compilation, as appropriate, and that all data be as current as practicable; provided further that the director of finance shall consider the information contained in the reports in the development of the fiscal biennium 2013-2015 executive budget request; provided further that the department of budget and finance shall submit the compiled report and a statement documenting any actions taken in consideration of the report to the legislature no later than thirty days prior to the convening of the 2013 regular session; provided further that any agency or department that does not provide the information required under this section to the department of budget and finance shall not expend any funds for overtime after the date the report is due to the legislature.”

“SECTION 133.3. Provided that every executive department and agency shall prepare a report on overpayments in a format prescribed by the director of finance that shall include but not be limited to:

- (1) Names, dates of overpayments, number of incidents, gross amount overpaid, amount recovered, balance, category of the balance, reason for overpayment, status of recovery, and balances referred to the department of the attorney general;
- (2) Procedures implemented to prevent overpayments, information on challenges in adhering to the procedures, and an assessment of whether the procedures are appropriate and sufficient; and

- (3) Detailed explanations for each overpayment that occurred during the preceding one year period and descriptions of efforts taken to recover each overpayment balance;

provided further that the department of the attorney general shall prepare an additional report providing information on the status of all overpayments it has been referred; provided further that the director of finance shall require the submission of the reports to the department of budget and finance for review and compilation, as appropriate, and that the information provided be as current as practicable; provided further that the department of budget and finance shall submit the compiled report to the legislature no later than thirty days prior to the convening of the 2013 regular session.”

Your attention to ensure that your department’s reports are completed in a timely manner is critical as Section 133.2 stipulates that any department or agency that did not submit the requested information to the Department of Budget and Finance (B&F) by the due date to the Legislature (Monday, December 17, 2012) shall not expend any funds for overtime after that date. Completing these reports is necessary to make sure that you are able to make necessary overtime payments for your employees in the second half of FY 13.

B&F is also gathering related overtime and compensatory time information for collective bargaining purposes. As such, you may notice that some information required pursuant to Section 133.2 must be reported by bargaining unit. Supplemental data that is not required under Section 133.2, but is necessary for collective bargaining purposes, has also been requested.

Please use the attached Excel and Word formats to submit your overtime and compensatory time data pursuant to Section 133.2 and for collective bargaining purposes. To satisfy the reporting requirements of Section 133.3, Subsection (1), please submit copies of your department’s monthly salary overpayment reports for May 2012 through October 2012, pursuant to Comptroller’s Memorandum No. 2012-10, Monthly Reporting of Salary and Wage Overpayments, dated April 19, 2012. Discussion of overpayment preventative measures, required under Section 133.3, Subsection (2), shall be submitted using the attached Word format. Electronic files of these formats will be transmitted to your department’s budget staff, who should ensure that the files are available to the appropriate personnel.

Please submit your completed reports for Sections 133.2 and 133.3 to B&F by Friday, November 30, 2012. Supplemental overtime and compensatory time data for collective bargaining must be submitted to B&F by Monday, December 31, 2012.

Should additional clarification be required regarding this legislative reporting requirement, please contact the B&F analyst assigned to your department. For questions regarding the supplemental data for collective bargaining, please contact Mr. Ralph Schultz at 586-1841 or ralph.e.schultz@hawaii.gov.

Attachments

SECTION 133.2 OF ACT 164, SLH 2012, AS AMENDED BY ACT 106, SLH 2011
 Subsection (2) - Compensatory (Comp) Time by Program ID and MOF for FY 10 - FY 15
 Department of

Program ID	Bargaining Unit	MOF	Total Comp Time Awarded and Used or Projected to be Awarded and Used														
			Amount (Hours) of Comp Time Awarded FY 10	Value (\$) of Comp Time Awarded FY 10	Amount (Hours) of Comp Time Used FY 10	Value (\$) of Comp Time Used FY 10	Amount (Hours) of Comp Time Awarded FY 11	Value (\$) of Comp Time Awarded FY 11	Amount (Hours) of Comp Time Used FY 11	Value (\$) of Comp Time Used FY 11	Amount (Hours) of Comp Time Awarded FY 12	Value (\$) of Comp Time Awarded FY 12	Amount (Hours) of Comp Time Used FY 12	Value (\$) of Comp Time Used FY 12			
			0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
GRAND TOTAL			0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Totals by MOF																	
		A	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		B	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		C	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		N	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		R	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		T	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		U	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		V	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		W	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
		X	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
			0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00

SECTION 133.2 OF ACT 164, SLH 2012, AS AMENDED BY ACT 106, SLH 2011
 Subsection (2) - Compensatory (Comp) Time by Program ID and MOF for FY 10 - FY 15
 Department of

Program ID	Bargaining Unit	MOF	Total Comp Time Awarded and Used or Projected to be Awarded and Used															
			Amount (Hours) of Comp Time Awarded to be Awarded FY 13	Value (\$) of Comp Time Awarded to be Awarded FY 13	Amount (Hours) of Comp Time Used to be Used FY 13	Value (\$) of Comp Time Used to be Used FY 13	Amount (Hours) of Comp Time Awarded to be Awarded FY 14	Value (\$) of Comp Time Awarded to be Awarded FY 14	Amount (Hours) of Comp Time Used to be Used FY 14	Value (\$) of Comp Time Used to be Used FY 14	Amount (Hours) of Comp Time Awarded to be Awarded FY 15	Value (\$) of Comp Time Awarded to be Awarded FY 15	Amount (Hours) of Comp Time Used to be Used FY 15	Value (\$) of Comp Time Used to be Used FY 15				
			0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
GRAND TOTAL			0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Totals by MOF																		
		A	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		B	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		C	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		N	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		R	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		T	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		U	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		V	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		W	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
		X	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
			0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0

SECTION 133.2 OF ACT 164, SLH 2011, AS AMENDED BY ACT 106, SLH 2012
 Subsection (3) - Compensatory (Comp) Time Balances by Program ID & MOF as of June 30, 2012
 Department of

Program ID	Bargaining Unit	MOF	Comp Time Balance as of June 30, 2012	
			Hours	Value (\$)
GRAND TOTAL			0.00	0
Totals by MOF				
		A	0.00	0
		B	0.00	0
		C	0.00	0
		N	0.00	0
		R	0.00	0
		T	0.00	0
		U	0.00	0
		V	0.00	0
		W	0.00	0
		X	0.00	0
			0.00	0

Prog ID	MOF	Salaries				Positions				% Vacant
		Budgeted Amount	Actual Expenditures	Budgeted vs. Actual %	Authorized Perm FTEs	No. Filled Positions	% Filled	No. Vacant Positions		
				#DIV/0!			#DIV/0!		#DIV/0!	
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
				#DIV/0!			#DIV/0!			#DIV/0!
GRAND TOTAL		0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
Totals by MOF	A	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	B	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	C	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	N	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	R	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	T	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	U	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	V	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	W	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
	X	0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!
		0	0	#DIV/0!	0.00	0.00	#DIV/0!	0.00	0.00	#DIV/0!

Supplemental Overtime (OT) Data for Collective Bargaining Factors for OT by Program ID, MOF and Bargaining Unit Department of

Program ID	Bargaining Unit	MOF	Total OT Expenditures (Actual and Projected)							OT Paid Due to More than 8 Hours/Day			OT Paid Due to More than 40 Hours/Week				
			FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 10	FY 11	FY 12	FY 10	FY 11	FY 12			
GRAND TOTAL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals by MOF			A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			B	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			C	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			R	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			T	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			U	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			W	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			X	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Supplemental Overtime (OT) Data for Collective Bargaining Factors for OT by Program ID, MOF and Bargaining Unit Department of

Attachment 6

Program ID	Bargaining Unit	MOF	OT Paid Due to Holiday			OT Paid Due to Working on Day Off With No Notice			OT Paid Due to Less than 12 Hours Rest			OT Paid Due to Required to Work More than 6 Consecutive Days						
			FY 10	FY 11	FY 12	FY 10	FY 11	FY 12	FY 10	FY 11	FY 12	FY 10	FY 11	FY 12				
GRAND TOTAL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals by MOF			A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			B	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			C	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			R	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			T	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			U	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			W	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			X	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Supplemental Overtime (OT) Data for Collective Bargaining Factors for OT by Program ID, MOF and Bargaining Unit Department of

Program ID	Bargaining Unit	MOF	OT Paid Due to Change of Work Day			OT Paid Due to New Shift Without 24 Hours Notice			OT Paid Due to Other			Estimated Savings if Paid Leave Did Not Count Toward Over 40 Hours/Week or 8 Hours/Day					
			FY 10	FY 11	FY 12	FY 10	FY 11	FY 12	FY 10	FY 11	FY 12	FY 10	FY 11	FY 12			
GRAND TOTAL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals by MOF			A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			B	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			C	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			R	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			T	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			U	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			W	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			X	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0	0	0	0	0	0	0

Department of
Section 133.2 of Act 164, SLH 2012, as amended by Act 106, SLH 2011
Subsections (7) & (8) – Analysis of Overtime and Compensatory Time Data

Subsection (7) - Identify and discuss the following:

1. Significant circumstances that require the use of overtime.
2. Specific divisions and programs that use significant amounts of overtime.
3. All instances in which there is suspected abuse of overtime use.

Subsection (8) - Discuss the following:

1. Specific strategies your department or agency intends to implement to reduce overtime use.
2. Goals for reducing amounts expended for overtime and for compensatory time awarded by program ID and means of financing.
3. Timeline for implementation of the above.

Department of
Section 133.3 of Act 164, SLH 2012, as amended by Act 106, SLH 2011
Subsection (2) – Overpayment Preventative Measures

Discuss the following:

1. Procedures implemented to prevent overpayments.
2. The challenges in adhering to the above procedures.
3. Assessment of whether the procedures are appropriate and sufficient.

NEIL ABERCROMBIE
GOVERNOR



DEAN H. SEKI
COMPTROLLER
JAN S. GOUVEIA
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

APR 19 2012

COMPTROLLER'S MEMORANDUM NO. 2012-10

TO: Heads of Departments and Agencies
ATTN: Fiscal Offices
SUBJECT: Monthly Reporting of Salary and Wage Overpayments

Administrative Directive No. 12-03, Salary and Wage Overpayments, became effective March 30, 2012 requiring the Comptroller to "Develop salary overpayment reporting procedures for all departments."

As a result, we are rescinding Comptroller's Memorandums No. 2003-24, Monthly Reporting Requirement of Salary Overpayment Amounts, and No. 2004-11, Salary Overpayment Reporting, and are updating reporting requirements in this memorandum.

The columnar reporting format remains the same except for the last column which has been retitled "Referred to the Attorney General". Cases referred to the Attorney General's Collection Division (AG-CD) should still be reflected in the department's monthly report until the department receives instructions that the overpayment amount will be written off.

All monthly reports should be transmitted by memorandum from the director to the comptroller and should be submitted by the fifteenth of the following month. If a department is not able to meet this deadline, please notify the Pre-Audit Branch of any delay. Departments will no longer receive reminders for monthly submission, and instead, a notation will be made that no submittal was received.

If you have any questions, please call Wayne Horie, Accounting Division Chief, at 586-0600 or Sheila Walters, Pre-Audit Branch Chief, at 586-0650.

A handwritten signature in black ink, appearing to read "D. Seki".

DEAN H. SEKI
State Comptroller

Attachment

