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**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**

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

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

December 29, 2020

The Honorable Ronald D. Kouchi  
President and Members of the Senate  
Thirty First State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker  
and Members of the House of  
Representatives  
Thirty First State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki and Members of the Legislature:

For your information and consideration, I am transmitting copies of the State of Hawaii Department of Budget and Finance's Annual Report on Administratively Established Accounts and Funds for the Period July 1, 2019 through July 1, 2020 in accordance with Section 37-52.5 of the Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that these reports will be available for viewing electronically at:

<https://budget.hawaii.gov/budget/reports-to-the-legislature/department-of-budget-finance/>

Sincerely,

/S/

CRAIG K. HIRAI  
Director of Finance

Enclosure

- c: Legislative Reference Bureau  
HSPLS Publications Distribution Center (2)  
Hamilton Library, University of Hawaii
- ec: Governor's Office: [Gov.ReportsDistribution@hawaii.gov](mailto:Gov.ReportsDistribution@hawaii.gov)  
Lieutenant Governor's Office: [LtGov.ReportsDistribution@hawaii.gov](mailto:LtGov.ReportsDistribution@hawaii.gov)  
Legislative Auditor: [auditors2@auditor.state.hi.us](mailto:auditors2@auditor.state.hi.us)  
Department of Budget and Finance: [DBFLeg.DIR@hawaii.gov](mailto:DBFLeg.DIR@hawaii.gov)

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
ANNUAL REPORT ON ADMINISTRATIVELY ESTABLISHED  
FUNDS AND ACCOUNTS  
FOR THE PERIOD JULY 1, 2019 THROUGH JULY 1, 2020

SUBMITTED TO  
THE THIRTY FIRST STATE LEGISLATURE  
IN RESPONSE TO HAWAII REVISED STATUTES, SECTION 37-52.5

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
ANNUAL REPORT ON ADMINISTRATIVELY ESTABLISHED  
ACCOUNTS AND FUNDS

January 2021

Submitted to the Thirty First State Legislature  
(As required by Section 37-52.5, Hawai'i Revised Statutes)

Pursuant to Hawai'i Revised Statutes (HRS) Section 37-52.5, each department or agency shall submit to the Legislature a report at least 20 days prior to the convening of each regular session that includes: 1) a list of all administratively established accounts or funds; and 2) all revenues, expenditures, encumbrances, and ending balances of each account or fund.

The following are the administratively established accounts and funds for the Department of Budget and Finance for FY 2019 and FY 2020.

**Report on Administratively Created Accounts and Funds**  
for Submittal to the 2021 Legislature

Department: Budget and Finance  
 Prog ID(s): BUF115  
 Name of Fund: Interest Earned - Investment Pool (T-907)  
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized pool investments before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized investment pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the investment pool. Interest is allocated monthly by the investment pool system, to approx. 2,500 accounts.

Financial Data				
			FY 2019	FY 2020
			(actual)	(actual)
Beginning Cash Balance			43,180,126	117,435,867
Revenues			117,574,097	120,982,892
Expenditures			0	0
<b>Transfers</b>				
List each net transfer in/out/ or projection in/out; list each account number				
JV monthly to transfer revenue from T-907 to agencies			(43,318,356)	(225,997,309)
Net Total Transfers			(43,318,356)	(225,997,309)
Ending Cash Balance			117,435,867	12,421,450
Encumbrances				
Unencumbered Cash Balance			117,435,867	12,421,450

**Report on Administratively Created Accounts and Funds**  
for Submittal to the 2021 Legislature

Department: Budget and Finance  
 Prog ID(s): BUF115  
 Name of Fund: Interest Earned - Bond Investment Pool (T-908)  
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized Bond Investment Pool before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized Bond Investment Pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the Bond pool. Interest is allocated monthly by the Bond Investment pool system.

Financial Data				
			FY 2019	FY 2020
			(actual)	(actual)
Beginning Cash Balance			5,311,146	15,074,321
Revenues			13,925,014	14,030,325
Expenditures			0	0
<b>Transfers</b>				
List each net transfer in/out/ or projection in/out; list each account number				
JV monthly to transfer revenue from T-908 to agencies			(4,161,839)	(27,845,247)
Net Total Transfers			(4,161,839)	(27,845,247)
Ending Cash Balance			15,074,321	1,259,399
Encumbrances				
Unencumbered Cash Balance			15,074,321	1,259,399

**Report on Administratively Created Accounts and Funds**  
for Submittal to the 2021 Legislature

Department: Budget and Finance  
 Prog ID(s): BUF 101  
 Name of Fund: Temporary Deposits (T-909)  
 Legal Authority: Administratively Established

Intended Purpose:

To hold temporary deposits related to vendor bids, performance bonds, salary overpayments, and various other administrative type temporary deposits.

Source of Revenues:

Temporary deposits from salary overpayments, performance bonds, vendor bids, and other administrative temporary deposits.

Current Program Activities/Allowable Expenses:

Financial Data				
			FY 2019	FY 2020
			(actual)	(actual)
Beginning Cash Balance			6,275	6,275
Revenues			0	0
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
9/1/2020 G-00-000-O				(6,275)
Net Total Transfers			0	(6,275)
Ending Cash Balance			6,275	0
Encumbrances				
Unencumbered Cash Balance			6,275	0

**Report on Administratively Created Accounts and Funds**  
for Submittal to the 2021 Legislature

Department: Budget and Finance  
 Prog ID(s): BUF 101 (BPPM)  
 Name of Fund: Overpayment Collections to OHA-Ceded Lands (T-955)  
 Legal Authority: Executive Order No. 06-06

**Intended Purpose:**

Account is used to collect overpayments made to the Office of Hawaiian Affairs for ceded lands, and to make up shortage amounts due to OHA pursuant to Executive Order No. 06-06.

**Source of Revenues:**

Account revenues are quarterly amounts paid to OHA in excess of the \$3,775,000, pursuant to Act 178, SLH 2006.

**Current Program Activities/Allowable Expenses:**

Funds can be expended to make up shortfalls in payments to OHA per Executive Order No. 06-06.

<b>Financial Data</b>				
			FY 2019	FY 2020
			(actual)	(actual)
Beginning Cash Balance			13,974,733	21,287,134
Revenues			7,312,401	2,483,305
Expenditures			0	0
<b>Transfers</b>				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			21,287,134	23,770,439
Encumbrances				
Unencumbered Cash Balance			21,287,134	23,770,439