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

January 3, 2022

FINANCE MEMORANDUM

MEMO NO. 22-01

TO: All Department Heads

FROM: Craig K. Hirai /s/
Director of Finance

SUBJECT: Program Memoranda for Major Programs in the Statewide Program Structure

Pursuant to Chapter 37-70, HRS, the Governor is required to submit to the Legislature a Program Memorandum (PM) for each of the 11 major programs along with the Budget and the Program and Financial Plan. The purpose of the PM is to provide the Legislature and the public with an overview of what is being requested for the program and important factors influencing the future of the program. Each PM provides:

1. An overview of each major program;
2. A discussion of the costs and effectiveness of the recommended programs;
3. A discussion of major changes or other courses of action that may merit consideration for the program during the planning period;
4. A discussion of emerging conditions, trends and issues that may influence the program; and
5. A discussion of selected problems for possible study.

Formulation of the PM is a joint undertaking between your department and the Department of Budget and Finance (B&F). Involvement of your staff ensures that the topics discussed in the memoranda are given both depth and breadth of coverage, and that your department's views and concerns have a forum with the Legislature and the public. It is my desire to develop a close cooperation during the development of the upcoming PM.

Additional process details are forthcoming, but we envision that this product will closely align with existing activities (i.e., annual reports, budget request justifications, etc.). Department participation will include, but is not limited to: data gathering; submission of information; and review and suggested revisions to initial draft and final drafts.

At this time, we ask that you identify the representative for your primary department and send contact information to Ms. Mavis Masaki (mavis.m.masaki@hawaii.gov) no later than January 19, 2022. The representative should be someone that is familiar with the department budget, to include attached agencies; can communicate throughout the department the needs and deadlines for the report; can obtain the necessary information from relevant parties; and can coordinate and submit necessary information in a timely manner. Additionally, the representative will provide review and suggested edits, coordinating within the department, to the draft reports.

Additional staff for draft reviews may be requested for interdisciplinary areas. This staff will need to be able to provide review, additional awareness, and suggestions based on program areas that cross departments. Economic Development and Environment are two program areas that we anticipate additional needs for assistance once the initial content is drafted.

Please also include B&F Budget, Program Planning and Management Division staff in policy and legislative discussions over the next year to ensure ease of alignment with the final report.

The schedule for the development of the PM is as follows:

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| Data collection tool released to departments and training sessions conducted | June 6, 2022 |
| Departmental data collection due to B&F | July 8, 2022 |
| Departments and B&F develop draft PM | August 1, 2022 - October 28, 2022 |
| B&F finalize | October 31, 2022 - November 10, 2022 |
| B&F distribute final PM to departments | November 14, 2022 |
| Departments review PM | November 14, 2022 - December 9, 2022 |
| Comments and edits due to B&F | December 9, 2022 |
| B&F reviews and finalizes PM | December 12, 2022 - January 6, 2023 |
| B&F presents report to Governor | Week of January 9, 2023 |
| PM CD due to Legislature | January 18, 2023 |

If there are any questions, please have your staff contact Ms. Mavis Masaki.

Your cooperation in this matter is appreciated.

Attachment 1: Hawai'i Revised Statutes Chapter 37-70

Attachment 2: Program Structure

Attachment 3: Finance Memorandum No. 09-01 Format and Guidelines for Development of Program Memorandum Narrative