

## AA-1: DEPARTMENTAL ADMINISTRATIVE EXPENSE ASSESSMENT ESTIMATES

### A. PURPOSE

In accordance with Section 36-30, HRS, the Director of Finance is authorized to transfer assessments for the pro rata share of administrative expenses incurred by the department responsible for the operations supported by each special fund.

The Department of Budget and Finance (B&F) compiles and reports the State of Hawaii's revenues to the Council on Revenues in accordance with Section 37-111, HRS. Estimated special fund departmental administrative expense assessments are included in B&F's general fund non-tax revenue report.

### B. GENERAL

This form must be completed for reporting of all special fund expenditures for estimating departmental administrative expense assessment purposes. Estimates should be prepared on a cash basis, e.g., if some assessments for FY 23 revenues will not be paid until FY 24, these amounts should be included in the FY 24 amounts.

**Dept. Name** - Enter department name.

**Program I.D. No.** - Enter Budget Program Identification Number.

**Date** - Enter date of preparation.

**Prepared By** - Print Preparer's name.

**Phone** - Preparer's phone number.

**Name of Fund** - Enter statutory name of special fund.

**Legal Authority** - Enter statute or other legal authority for the special fund.

**Appropriation Account Number(s)** - Enter Department of Accounting and General Services, Financial Accounting and Management Information System (DAGS/FAMIS) appropriation account number.

**Expenditures for Special Fund** - Enter actual/projected expenditures rounded to the nearest dollar for each year.

**Object Codes** - enter DAGS object code for each type of administrative expense directly paid by each special fund that is being deducted from the special fund's total expenses.

**Admin Exp Direct Paid by Fund** - Enter estimated/actual amounts for each type of administrative expense directly paid by each special fund, which is being deducted from the special fund's total expenses.

**Total Deductions** - Enter column totals by fiscal periods.

**Net Expenditures** - Subtract total deductions from expenditures for special fund.

**Total Department Admin Expenditures** - Enter total departmental administrative expenditures for the department.

**Total Department Expenditures** - Enter total expenditures for the department.

**Dept. Admin Expense Rate** - Divide total departmental administrative expenditures by total department expenditures.

**Administrative Assessment** - Multiply net expenditures for special fund by departmental administrative expense rate.

Example: Expenditures for special fund = 1000  
Admin expenditures direct paid by special fund = 100, Net expenditures = 900  
Total Department admin expenditures = 2000  
Total Department expenditures = 100000  
Dept. admin expense rate =  $2000/100000 = .02$   
Admin Assessment =  $900 \times .02 = 18$