

JOINT SENATE COMMITTEE ON WAYS AND MEANS AND HOUSE COMMITTEE ON FINANCE  
BIENNIUM BUDGET REQUESTS FOR FISCAL BIENNIUM 2017-2019

JANUARY 5, 2017

TESTIMONY OF THE DEPARTMENT OF BUDGET AND FINANCE

A. **OVERVIEW**

**MISSION STATEMENT**

The mission of the Department of Budget and Finance (Department) is 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.

B. **CURRENT STATEWIDE CONDITIONS AND IMPACTS ON DEPARTMENTAL OPERATIONS**

The Council on Revenues projected 5.5% revenues for this fiscal year 2017; however, actual tax revenue collections for the first 5 months in the fiscal year have been flat at 0.7%. Should this continue for the rest of the fiscal year, the general fund tax revenue collections will be more than \$350 million less than expected, and result in projected expenditures exceeding projected revenues that will use up any general fund ending balances. Compounding the uncertainty with the current tax revenue collections is the projected growth of Hawaii's economy slowing down in 2018 and 2019 as indicated by the University of Hawaii Economic Research Organization (UHERO) in its December 16, 2016 report. According to UHERO, visitor arrivals, payroll jobs, personal income, and gross domestic product is projected to grow at a declining rate from 2016 to 2019

To ensure the constitutionally required balanced budget and the projected growth of the Hawaii economy slowing down, expenditures will have to be reduced. Ninety-six (96) percent or more of the department's budget is used to pay for pension and health

benefit employer contributions, social security and medicare employer contributions, and debt service principal and interest payments to investors. This leaves a portion of the four (4) percent of expenditures that can be reduced to assist with balancing the State budget.

Further exacerbating the State's and department's budget will be the increasing pension and health benefit employer contributions to the Employees' Retirement System (ERS) and Hawaii Employer-Union Health Benefits Trust Fund (EUTF) because of State and county government employees improved life expectancies since retirement. As determined by the ERS Actuary, the improved life expectancy causes the pension unfunded liability to increase by more than \$1 billion, resulting in significantly more contributions to the ERS that will be needed to meet the expected benefit payouts. The impact to the EUTF for this increase in life expectancies will be addressed by the EUTF Board and Actuary in the next few months, of which its impact is likely to be as significant as the ERS.

Finally, interest rates have recently increased and has affected the bond markets for municipal bond sellers like the State of Hawaii, where if rates continue to rise, then the department will have to request for increased legislative authorization in future budgets to pay more interest to State of Hawaii bondholders.

**C. FEDERAL FUNDS**

The Department does not have any identified programs which may lose federal funds.

**D. BUDGET REQUESTS DEVELOPMENT AND PRIORITIZATION**

The Executive Biennium Budget submittal for this department focused on meeting the priority needs in the following key areas:

- A) Adjustments to the funding levels for the non-discretionary fixed cost requirements in FY 2018 and FY 2019 include: debt service; retirement benefits; which includes Pension Accumulation and Social Security/Medicare (SS/Med) payments for State employees, payments for the employer's share of health premiums, and payments which are necessary to meet the Other Post-Employment Benefits (OPEB) Annual Required Contribution (ARC) amounts for the State employees.
- B) Full year funding for new positions that were authorized by Act 124, SLH 2016 Supplemental Appropriations Act that included a six month delay in hiring.
- C) Funding level increases for the department's non-general funded programs to reflect an adjustment in the comprehensive fringe benefit assessment rate from the current 52 percent to 60 percent which is the new rate for the Biennium Budget submittals and;
- D) Priority budget requests for FY 2018 and FY 2019 deemed necessary to meet targeted departmental program improvement needs which include the following: for the general administration program (BUF 101), 1.00 FTE ITS IV position and funds which will enable the department to effectively adopt, support, integrate, and deploy key IT improvements and initiatives department wide. The departmental IT initiatives have been identified in our B&F departmental strategic roadmap, are in line with ETS' general direction and are necessary to improve both the productivity and capabilities of our core B&F programs and attached agencies to effectively meet the growing challenges to

serve their core target groups within available resources. The Financial Administration Division program (BUF 115) requests the conversion of 1.00 FTE authorized and filled Accountant V position from MOF (U) to MOF (A). This Accountant V position performs necessary on-going investment functions for the State's Treasury Investment Pool and should be directly funded by the General Fund. For the Employees' Retirement System (ERS) program (BUF 141) additional funds are requested to support mission critical computer system improvements which are necessary to protect both the Personally Identifiable Information (PII) and financial data which are stored on ERS' computer systems, funds are also requested for computer system programming costs and for 1.00 FTE program specialist position both of which are needed to implement the Hawaii Domestic Relations Orders which is mandated by Act 263, SLH 2016; additional funds are also necessary to complete critical software upgrades to ERS' Oracle Financial Accounting module, necessary computer equipment replacements to ensure ERS' IT systems reliability, and for enhancements which will enable ERS' computer systems to support critically necessary disaster recovery capabilities. For the Hawaii Employer-Union Trust Fund program (EUTF), funds are being requested for 1.00 FTE permanent Business Analyst position and 1.00 FTE permanent Investment Specialist position which are necessary to support the growing complexity, needs, and challenges of the EUTF. Finally, the Office of the Public Defender program (BF 151), requests the conversion of 50.00 FTE authorized temporary

positions to permanent status. Of the 50.00 FTE temporary positions 47.00 FTE are Deputy Public Defender positions which are needed to support the ongoing and necessary governmental function of providing effective legal representation for the indigent. The conversion of these budgeted temporary positions to permanent status will support the Office of the Public Defender in its recruitment and retention efforts and better align these positions with the permanent nature of this important governmental function.

The Department's Biennium operating budget request (all MOF) represents a net increase of \$81.6 million in FY 2018 and \$233.3 million in FY 2019 compared against the FY 2017 appropriation funding levels in Act 124, SLH 2016.

In FY 2018 and FY 2019, respectively, General funds are increased by \$32.2 million and \$187.1 million, Special funds are decreased by \$2.8 million in both years, Trust funds are increased by \$495 thousand and \$586 thousand. Other funds are decreased by \$1.1 million and \$4.4 million respectively and interdepartmental transfer funds are increased by \$916 thousand in both years again, as compared to the FY 2017 appropriations.

Requested funding levels for the biennium are as reflected in the following table:

	Budget Request FY 2017-2018	Budget Request FY 2018-2019	Biennium Requirement
(Pos. Count)	371.50	372.50	372.50
Personnel Services	\$35,754,307	\$35,962,919	\$71,717,226
Current Expenses:			
Discretionary	\$68,381,910	\$65,237,292	\$133,619,202
Non-discretionary	\$2,579,560,399	\$2,734,392,790	\$5,313,953,189
Equipment	\$1,312,150	\$384,900	\$1,697,050
Total	\$2,647,942,309	\$2,799,630,082	\$5,447,572,391
(Pos. Count)	(195.75)	(195.75)	(195.75)
General Funds	\$2,598,380,471	\$2,753,236,178	\$5,351,616,649
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Fund	\$93,444	\$93,444	\$186,888
(Pos. Count)	67.00	68.00	68.00
Trust Fund	\$19,268,763	\$19,360,592	\$38,629,355
(Pos. Count)	(0.75)	(0.75)	(0.75)
Interdepart'l Fund	\$10,917,798	\$10,918,489	\$21,836,287
(Pos. Count)	108.00	108.00	108.00
Other Funds	\$19,281,833	\$16,021,379	\$35,303,212

Please note that 97% of the FY 2018 budget request (\$2.579 billion) is for non-discretionary statewide expenses (debt service, retirement system, health fund, witness fees, and court-appointed counsel), and \$68 million or 3% is for expenses associated with direct departmental operations.

**This concludes the department-wide budget overview. Specific additional information pursuant to the 2017 Budget Briefing Testimony Instructions are provided in attached (Tables 1 through 20).**

The following are more detailed descriptions of the sixteen programs in the Department. Each administratively attached agency is present to elaborate on their individual budgets should there be questions on details or operations. The nine (9) programs covering fixed cost and entitlement payments (BUF 721, BUF 725, and BUF 728 -Debt Service Payments; BUF 741, BUF 745, and BUF 748 -Retirement Benefit Payments; BUF 761, BUF 765, and BUF 768 (Health Premium Payments), will be discussed in conjunction with related core programs. The program sequencing of the Department of Budget and Finance's programs has been grouped as follows:

- BUF 101, Departmental Administration and Budget Division Program;
- BUF 102, Collective Bargaining;
- BUF 103, Vacation Payout Statewide
- BUF 115, Financial Administration Division;
- \*BUF 141, Employees' Retirement System;
- \*BUF 143, Hawaii Employer-Union Trust Fund; and
- \*BUF 151, Office of the Public Defender;

**Fixed Costs:**

- BUF 721, Debt Service Payments;
- BUF 725, Debt Service Payments-DOE;
- BUF 728, Debt Service Payments-UH;

- BUF 741, Retirement Benefits Payments;
- BUF 745, Retirement Benefits Payments-DOE;
- BUF 748, Retirement Benefits Payments-UH;
- BUF 761, Health Premium Payments;
- BUF 765, Health Premium Payments-DOE;
- BUF 768, Health Premium Payments-UH

**\*Administratively Attached Agencies/Programs**

**The first four (4) programs are the Department's direct programs, comprised of the Director's Office, the Administrative and Research Office, the Budget, Program Planning and Management Division, and Office of Federal Awards Management (collectively BUF 101 and BUF 102), Vacation Payout Statewide (BUF 103), and the Financial Administration Division (BUF 115). The next three (3) programs, annotated with asterisks, are agencies administratively attached to the Department.**

There are also nine (9) programs which cover payments for non-discretionary cost items placed under separate program designations.

**BUF 101, DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION PROGRAM**

**I. Introduction**

- A. The objective of this program is to facilitate and improve the executive resource allocation process by undertaking planning, programming, and budgeting, 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. This program includes: 1) Departmental Administration; 2) the Budget, Program Planning and Management Division; and 3) Federal Awards Management.

II. The major activities undertaken by this program to meet program objectives are as follows:

**BUF 101 Program ID Listing of Major Activities**

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
<b>DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION</b>	
BUF 101AA	Provides administrative support activities to the Department.
BUF 101BA	Conducts continuous reviews and advises the Director and Governor on the financial condition of the State and on State budget policies.
	Assists in the preparation, explanation, and administration of the State's proposed six-year program and financial plan and the State budget.
	Advises and monitors State agencies for compliance with budget execution policies and procedures.
	Performs analysis of State programs, operations, problems, and issues to provide management with a sound, rational basis for decision making.
	Provides staff services for the Governor as required.
BUF 102CB	Collective bargaining for MOF A, B, N, and P
BUF 102CC	Collective bargaining for MOF W.
BUF 103VP	Centralized vacation payout for all departments (except Department of Education and University of Hawaii).
BUF 761ST, BUF 765LE, BUF 768HE	Makes employer contributions for health benefit premiums for State employees, retirees and their dependents.

The FB 17-19 budget request for BUF 101 includes additional funds for increases in employee fringe benefits of \$2,554 in FY 2018 and \$3,245 in FY 2019 (for a partially non-general funded Office Assistant position). The FB 17-19 Budget request also includes the following items:

- \$28,116 in FY 2018 and \$51,432 in FY 2019 (for 1.00 FTE permanent ITS IV position which is needed to support the business users of the core B&F programs and to support the implementation of B&F departmental IT initiatives).
- \$55,476 in FY 2018 and FY 2019 (for full year funding for 2.00 Permanent Program Budget Analyst V positions for the BUF 101/BA program).
- The FB 17-19 budget request for BUF 103 is for \$4.5 million in FY 2018 and FY 2019 (to centralize vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX).

**Capital Improvement Requests for Fiscal Biennium 2017-2019:**

Program ID: BUF 101

Project Title and Description: Bishop Museum Facility and Energy Improvements

Financial Requirements:

<u>Cost Element</u>	<u>MOF</u>	<u>FY 18 Request</u>	<u>FY 19 Request</u>
Design	C	\$1,000	
Construction	C	\$873,000	\$0
Equipment	C	\$1,000	

Explanation and Scope of Project:

Design, construction, and equipment to perform HVAC system repairs, lighting upgrades, restroom ADA compliancy upgrades, and energy efficiency improvements for the Bishop Museum.

**The next three programs are BUF 761, BUF 765, and BUF 768, HEALTH PREMIUM PAYMENTS programs.**

I. Introduction

- A. These programs were established by the Legislature to separately identify funds available for the payment of employer contributions for State government employee health benefits.
- B. Cost requirements for active employees are based on current benefit plan premiums and projected eligible employees. The program request for active employees for FB 17-19 is an additional \$11.6 million in FY 2018 and \$17.1 million in FY 2019. Premium requirements for retirees are based on rates projected by the EUTF benefit consultant and anticipated enrollment levels. The program request for retirees for FB 17-19 is an additional \$22.5 million in FY 2018 and \$68.5 million in FY 2019. The program request for other post-employment benefits (OPEB) for FB 17-19 is an additional \$43.6 million in FY 2018 and \$47.4 million in FY 2019. Projected enrollments for actives and retirees are based on actual 2016 enrollments with an annual growth factor (2% for actives and 4% for retirees).

**The next program is the BUF 115, FINANCIAL ADMINISTRATION PROGRAM.**

I. Introduction

- A. The objective of this program is to maximize the value, investment, and use of State funds through proactive planning, and the development of prudent statewide financial policies, the timely scheduling of State bond financing, and the establishment of appropriate cash management controls and procedures. In addition, the objective of

the unclaimed property program is to maximize the receipt of unclaimed property or funds from holders and to return the property or funds to their rightful owners.

II. The major activities undertaken by this program to meet program objectives are as follows:

BUF 115 Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
FINANCIAL ADMINISTRATION	
BUF 115CA	Receive, safeguard, and disburse funds to meet State funding obligations in the State Treasury.
BUF 115CA	Maximize investment of funds as allowable by statute.
BUF 115CA	Plan, direct, and coordinate the issuance and marketing of bonds.
BUF 115CA	Receive unclaimed property or funds from holders and holds them in trust until they are returned to their rightful owner.
BUF 721, BUF 725, BUF 728	Makes debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the State.

There are no requests for additional funds for increases in employee fringe benefits. The FB 17-19 budget request includes the following items:

- \$22,794 in FY 2018 and FY 2019 (for full year funding for an Accountant III position).
- \$60,780 in FY 2018 and FY 2019 from General Funds, and a decrease of \$105,073 in FY 2018 and FY 2019 from Interdepartmental Transfers (to convert the means of financing for 1.00 FTE Accountant V position).

**The next three (3) programs are the BUF 721, BUF 725, and BUF 728, DEBT SERVICE PAYMENTS programs, which are also administered by the Financial Administration Division.**

I. Introduction

- A. This program was established by the Legislature to separately identify funds available for the State's debt service payments.
- B. This program includes principal and interest payments associated with GO Bonds and GO Reimbursable Bonds issued by the State.

Appropriation and expenditures for the Department of Education and the University of Hawaii are included and debt service is paid centrally by the Financial Administration Division. The proposed FB 17-19 total General Obligation bond debt service request (MOF A) is a decrease of \$18.1 million in FY 2018 and an increase of \$64.8 million in FY 2019. The budget request requirements supports G.O. Bond CIP projects included in the Executive Biennium Budget request.

**The next program is the BUF 141, Employees' Retirement System (ERS).**

**I. Introduction**

A. The ERS program objectives are to provide retirement and survivor benefits to State and county employees, retirees, and inactive vested members and to prudently maximize the return on its investment portfolio.

II. The major activities undertaken by this program to meet program objectives are as follows:

**BUF 141 Program ID Listing of Major Activities**

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
<b>EMPLOYEES' RETIREMENT SYSTEM</b>	
BUF 141FA	Provides various membership services including pre-retirement counseling; computation of retirement, disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals.
BUF 141FA	Budgets, accounts for and safeguards all assets of the ERS; ensures tax qualified status of the fund; and processes retirement benefit payments.
BUF 141FA	Plans, administers and oversees investments of the ERS' portfolio including stocks, bonds, foreign securities, mortgage loans, real estate, alternative investments, and short-term instruments.
BUF 741, BUF 745, BUF 748	Makes payments for employer contributions towards State government employee retirement benefits including pension accumulation and Social Security/Medicare.

The FB 17-19 budget request includes additional funds for increases in employee fringe benefits of \$673,128 for FY 2018 and \$673,158 for FY 2019 (for ERS' non-general funded positions). The FB 17-19 budget request also include the following items:

- \$238,200 in FY 2018 and \$13,200 in FY 2019 (for computer security enhancements to protect personally identifiable information such as employees' social security number).
- \$2,018,171 in FY 2018 and \$107,552 in FY 2019 (personnel and resources necessary to comply with Act 263, SLH 2016 regarding the Hawaii Qualified Domestic Relations Order).
- \$1,538,900 in FY 2018 and \$339,900 in FY 2019 (to upgrade the Oracle Financials business applications which are necessary to support the ERS).
- \$299,000 in FY 2018 and \$316,000 in FY 2019 (to cover the increase in audit costs, legal costs, postage, and actuary fees charged to the ERS).
- \$771,900 in FY 2018 and \$793,100 in FY 2019 (to replace IT and other equipment, and to cover the increase in IT maintenance costs).
- \$39,726 in FY 2018 and \$75,661 in FY 2019 (to add 1.00 permanent Retirement Claims Examiner position due to increase in ERS's membership and workload requirements).

**The next three (3) programs are BUF 741, BUF 745, and BUF 748, RETIREMENT BENEFIT PAYMENTS.**

**I. Introduction**

- A. These programs were established by the Legislature to separately identify funds available for the payment of employer contributions for State government employee retirement benefits.
- B. This program includes employer contributions for pension accumulation and Social Security/Medicare (SS/Med) as general fund appropriations for State employees, the Department of Education (DOE), and the University of Hawaii (UOH). Pension

accumulation contributions are based on a percentage of payroll as stipulated in Chapter 88, HRS. SS/Med contributions are federally mandated and based on assessment rates of 6.2% for Social Security and 1.45% for Medicare.

The program request for FB 17-19 includes additional appropriations for pension accumulation totaling \$6.34 million in FY 2018 and \$17.9 million in FY 2019 (MOF A). Employer contributions are based on statutorily set percentages of payroll — 25% of the member's compensation for police and firefighters and 17% of the member's compensation for all other employees. Payroll projections are based on actuals through June 30, 2016.

Additional SS/Med requirements (MOF A) total \$5.2 million in FY 2018 and \$10.2 million in FY 2019 based on actual payroll expenditures through June 30, 2016. Assessment rates are 6.2% for Social Security and 1.45% for Medicare.

**The last Government-Wide support program is the BUF 143, the Hawaii Employer-Union Trust Fund (EUTF).**

I. Introduction

- A. The objective of this program is to administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements.



II. The major activities undertaken by this program to meet program objectives are as follows:

**BUF 143 Program ID Listing of Major Activities**

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
<b>HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND</b>	
BUF 143EU	EUTF Board of Trustees determine the nature and scope of the benefit plans offered, negotiate and enter into contracts with insurance carriers, administer self-funded plans, establish eligibility and management policies for the Trust Fund, and oversee all Trust Fund activities.
BUF 143EU	EUTF staff train State and county personnel and fiscal officers on enrollment procedures, collect employer and employee contributions, remits premiums to insurance carriers, provide enrollment services to State and county retirees, administer the federal COBRA Law, assist the Department of Human Resources Development in administration of the State of Hawaii's Premium Conversion Plan and comply with HIPAA privacy and security regulations and policies related to enrollment information.

The FB 17-19 budget request includes additional funds for increases in employee fringe benefits of \$323,709 for FY 2018 and FY 2019 (for EUTF Trust Funded positions). The FB 17-19 budget requests also includes the following items:

- \$44,369 in FY 2018 and FY 2019 (for full year funding for a Benefits Compliance Audit Specialist position).
- \$48,314 in FY 2018 and \$91,829 in FY 2019 (to add 1.00 permanent Business Analyst position to support the EUTF).
- \$48,314 in FY 2019 (to add 1.00 permanent Investment Specialist position to support the EUTF).

**The next administratively attached program is under the Individual Rights major program area.**

The BUF 151, Office of the Public Defender program.

I. Introduction

A. The objective of this program is to safeguard the rights of individuals in need of assistance in criminal, mental commitment and family cases by providing constitutionally and statutorily entitled legal services. The FB 17-19 budget request includes additional funds of \$20,126 in FY 2018 and FY 2019 for full year funding for a Clerical Supervisor position and to convert 50.00 FTE temporary positions to permanent status. This request to convert the temporary positions does not require additional funds.

II. The major activities undertaken by this program to meet program objectives are as follows:

BUF 151 Program ID Listing of Major Activities

<u>Prog ID/Org</u>	<u>Major Activity or Activities performed</u>
OFFICE OF THE PUBLIC DEFENDER	
BUF 151HA	Provide comprehensive legal and other necessary services to the indigent in criminal, mental commitment and family cases as required by federal and State constitutions, State statutes, judicial rules and decisions and opinions, and the canons of professional ethics.

Department of Budget and Finance  
Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
Departmental Administration and Budget Division	Departmental Administration	Provide administrative support activities to the Department	101/AA	Chapter 26-8, HRS
Budget Planning & Management Division	Staff services to the Governor	Provide staff services for the Governor as required	101/BA	Chapter 26 and 37, HRS
	Statewide analysis and reviews of operations and management - Executive Branch	Perform analysis of State programs, operations, problems, and issues to provide management with a sound, rational basis for decision making	101/BA	Chapter 26 and 37, HRS
	Statewide analysis, review, and budget policy Executive Branch	Conduct continuous reviews and advises the Director and Governor on the financial condition of the State and on State Budget Policies	101/BA	Chapter 26 and 37, HRS
	Statewide financial planning and budgeting - Executive Branch	Assist in the preparation, explanation, and administration of the State's proposed six year program and financial plan and the State budget	101/BA	Chapter 26 and 37, HRS
	Statewide budget execution implementation Executive Branch	Advise and monitoring of State agencies for compliance with budget execution policies and procedures	101/BA	Chapter 26 and 37, HRS
Collective Bargaining - Statewide	Collective bargaining statewide	Collective bargaining for MOF A, B, N, and P.	102/CB	Chapter 26-8, HRS
Collective Bargaining - Statewide	Collective bargaining statewide	Collective bargaining for MOF W.	102/CC	Chapter 26-8, HRS
Vacation Payout Statewide	Centralized vacation payout for all departments; except Department of Education (DOE) and University of Hawaii (UH)	To centralize the general funded vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX.	103/VP	Chapter 26-8, HRS
Financial Administration Division	State Treasury Investments	Maximize the investment of funds as allowable by statute	115/CA	Chapter 36 and 38, HRS
	State Treasury operations	Receive, safeguard, and disburse funds to meet State funding obligations in the State Treasury	115/CA	Chapter 36, 38, and 39, HRS
	State Bond Issuances	Plan, direct, and coordinate the issuance and marketing of bonds	115/CA	Chapter 36 and 39, HRS
	State Unclaimed Property	Receive unclaimed property of funds from holders and safeguards them in trust until they are returned to their rightful owners	115/CA	Chapter 523A, HRS

Department of Budget and Finance  
Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
Employees' Retirement System	Employees' Retirement System (ERS's) Accounting and Financial operations	Budget, account, and safeguard all assets of the ERS; ensure tax qualified status of the fund; and process retirement benefit payments	141/FA	Chapter 88, HRS
	ERS's Investment operations	Plan, administer, and oversee investment of the ERS' portfolio including stocks, bonds, foreign securities, mortgage loans, real estate, alternative investments, and short term instruments	141/FA	Chapter 88, HRS
	ERS's membership services	Provide various membership services including pre-retirement counselling; computation of retirement; disability and death benefits; enrollment of new State and county employees into the appropriate retirement plan; conducting disability hearings and appeals	141/FA	Chapter 88, HRS
Hawaii Employer Union Trust Fund	Hawaii Employer Union Trust Fund (EUTF) - support of customer service and enrollment, accounting, financial management, and regulatory compliance functions	Enrollment, customer service, accounting/financial management, regulatory compliance, and IT support related activities	143/EU	Chapter 87A, HRS
	EUTF - Support of Board of Trustee and management level functions	The EUTF Board determines the nature and scope of the benefit plans offered, negotiates and enters into contracts with insurance carriers, administers self funded plans, establishes eligibility and management policies for the Trust Fund, and oversees all Trust Fund activities.	143/EU	Chapter 87A, HRS
Office of the Public Defender	Legal and other necessary services to the indigents as required by federal and State constitutions	Legal representation of indigent individuals charged with criminal offenses.	151/HA	Chapter 802, HRS
Debt Service Payments - State	State Debt Service payments	Make debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the State	721/ST	Chapter 36 and 39, HRS
Debt Service Payments - Lower Education/DOE	DOE Debt Service payments	Make debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the Department of Education	725/LE	Chapter 36 and 39, HRS
Debt Service Payments - Higher Education/UH	UH Debt Service payments	Make debt service payments associated with General Obligation and General Obligation Reimbursable Bonds issued by the University of Hawaii	728/HE	Chapter 36 and 39, HRS

Department of Budget and Finance  
Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Statutory Reference</u>
Retirement Benefits Payments - State	State employer contributions for Retirement Benefits	Make payments for State employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	741/ST	Chapter 26 and 37, HRS
Retirement Benefits Payments - Lower Education/DOE	DOE employer contributions for Retirement Benefits	Make payments for DOE employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	745/LE	Chapter 26 and 37, HRS
Retirement Benefits Payments - Higher Education/UH	UH employer contributions for Retirement Benefits	Make payments for UH employer contributions towards State government employee retirement benefits including pension accumulation and social security/Medicare	748/HE	Chapter 26 and 37, HRS
Health Premium Payments - State	State employer contributions for Health Premiums	Make employer contributions for health benefit premiums for State employees, retirees, and their dependents (except for Department of Education and the University of Hawaii system)	761/ST	Chapter 26 and 37, HRS
Health Premium Payments - Lower Education/DOE	DOE employer contributions for Health Premiums	Make employer contributions for health benefit premiums for Department of Education employees, retirees, and their dependents	765/LE	Chapter 26 and 37, HRS
Health Premium Payments - Higher Education/UH	UH employer contributions for Health Premiums	Make employer contributions for health benefit premiums for University of Hawaii employees, retirees, and their dependents	768/HE	Chapter 26 and 37, HRS

Department of Budget and Finance  
Department-Wide Totals

Table 2

Fiscal Year 2017				
Act 124/16 Appropriation	Restriction	Emergency Appropriations	Total FY17	MOF
\$ 2,566,132,529	\$ (103,010)	\$ -	\$ 2,566,029,519	A
\$ 2,854,560	\$ -	\$ -	\$ 2,854,560	B
\$ 841,250	\$ -	\$ -	\$ 841,250	N
\$ 12,196	\$ -	\$ -	\$ 12,196	P
\$ 18,774,139	\$ -	\$ -	\$ 18,774,139	T
\$ 10,002,294	\$ -	\$ -	\$ 10,002,294	U
\$ 213,261	\$ -	\$ -	\$ 213,261	W
\$ 20,418,249	\$ -	\$ -	\$ 20,418,249	X
\$ 2,619,248,478	\$ (103,010)	\$ -	\$ 2,619,145,468	Total
Fiscal Year 2018				
Act 124/16 Appropriation	Reductions	Additions	Total FY18	MOF
\$ 2,566,132,529	\$ (63,331,414)	\$ 95,579,356	\$ 2,598,380,471	A
\$ 2,854,560	\$ (2,854,560)	\$ 93,444	\$ 93,444	B
\$ 841,250	\$ (841,250)	\$ -	\$ -	N
\$ 12,196	\$ (12,196)	\$ -	\$ -	P
\$ 18,774,139	\$ (2,400)	\$ 497,024	\$ 19,268,763	T
\$ 10,002,294	\$ (5,959,740)	\$ 6,875,244	\$ 10,917,798	U
\$ 213,261	\$ (213,261)	\$ -	\$ -	W
\$ 20,418,249	\$ (6,950,000)	\$ 5,813,584	\$ 19,281,833	X
\$ 2,619,248,478	\$ (80,164,821)	\$ 108,858,652	\$ 2,647,942,309	Total
Fiscal Year 2019				
Act 124/16 Appropriation	Reductions	Additions	Total FY19	MOF
\$ 2,566,132,529	\$ (43,830,028)	\$ 230,933,677	\$ 2,753,236,178	A
\$ 2,854,560	\$ (2,854,560)	\$ 93,444	\$ 93,444	B
\$ 841,250	\$ (841,250)	\$ -	\$ -	N
\$ 12,196	\$ (12,196)	\$ -	\$ -	P
\$ 18,774,139	\$ (2,400)	\$ 588,853	\$ 19,360,592	T
\$ 10,002,294	\$ (5,959,740)	\$ 6,875,935	\$ 10,918,489	U
\$ 213,261	\$ (213,261)	\$ -	\$ -	W
\$ 20,418,249	\$ (6,950,000)	\$ 2,553,130	\$ 16,021,379	X
\$ 2,619,248,478	\$ (60,663,435)	\$ 241,045,039	\$ 2,799,630,082	Total

Department of Budget and Finance  
Program ID Totals

Table 3

Prog ID	Program Title	As budgeted in Act 124/16 (FY17)				Governor's Submittal (FY18)				Governor's Submittal (FY19)			
		MOF	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$
BUF 101	Departmental Administration and Budget Divisor	A	45.25	-	\$ 12,444,982	46.25	-	\$ 11,687,741	-6.08%	46.25	-	\$ 11,711,057	-5.90%
BUF 101	Departmental Administration and Budget Divisor	U	0.75	-	\$ 5,897,221	0.75	-	\$ 47,165	-99.20%	0.75	-	\$ 47,856	-99.19%
BUF 102	Collective Bargaining Statewide	A	-	-	\$ 36,045,294	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 102	Collective Bargaining Statewide	B	-	-	\$ 2,854,560	-	-	\$ 93,444	-96.73%	-	-	\$ 93,444	-96.73%
BUF 102	Collective Bargaining Statewide	N	-	-	\$ 841,250	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 102	Collective Bargaining Statewide	P	-	-	\$ 12,196	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 102	Collective Bargaining Statewide	W	-	-	\$ 213,261	-	-	\$ -	-100.00%	-	-	\$ -	-100.00%
BUF 103	Vacation Payout Statewide	A	-	-	\$ -	-	-	\$ 4,493,450	100.00%	-	-	\$ 4,493,450	100.00%
BUF 115	Financial Administration Division	A	14.00	-	\$ 2,024,205	15.00	-	\$ 2,125,493	5.00%	15.00	-	\$ 2,125,493	5.00%
BUF 115	Financial Administration Division	T	9.00	-	\$ 11,674,867	9.00	-	\$ 11,684,692	0.08%	9.00	-	\$ 11,684,692	0.08%
BUF 115	Financial Administration Division	U	1.00	-	\$ 105,073	-	-	\$ 4,746	-95.48%	-	-	\$ 4,746	-95.48%
BUF 141	Employees' Retirement System	X	106.00	-	\$ 20,418,249	108.00	-	\$ 19,281,833	-5.57%	108.00	-	\$ 16,021,379	-21.53%
BUF 143	Hawaii Employer-Union Trust Fund	T	57.00	-	\$ 7,099,272	58.00	-	\$ 7,584,071	6.83%	59.00	-	\$ 7,675,900	8.12%
BUF 151	Office of the Public Defender	A	84.50	50.00	\$ 11,114,332	134.50	-	\$ 11,379,275	2.38%	134.50	-	\$ 11,379,275	2.38%
BUF 721	Debt Service Payments	A	-	-	\$ 348,779,569	-	-	\$ 340,483,259	-2.38%	-	-	\$ 378,462,091	8.51%
BUF 725	Debt Service Payments - DOE	A	-	-	\$ 300,769,119	-	-	\$ 293,614,818	-2.38%	-	-	\$ 326,365,760	8.51%
BUF 728	Debt Service Payments - UH	A	-	-	\$ 111,314,248	-	-	\$ 108,666,451	-2.38%	-	-	\$ 120,787,530	8.51%
BUF 741	Retirement Benefits Payments - State	A	-	-	\$ 337,213,979	-	-	\$ 336,872,949	-0.10%	-	-	\$ 343,624,928	1.90%
BUF 741	Retirement Benefits Payments - State	U	-	-	\$ 4,000,000	-	-	\$ 10,865,887	171.65%	-	-	\$ 10,865,887	171.65%
BUF 745	Retirement Benefits Payments - DOE	A	-	-	\$ 321,869,442	-	-	\$ 320,466,464	-0.44%	-	-	\$ 327,335,982	1.70%
BUF 748	Retirement Benefits Payments - UH	A	-	-	\$ 140,814,522	-	-	\$ 147,189,063	4.53%	-	-	\$ 150,132,844	6.62%
BUF 761	Health Premium Payments - State	A	-	-	\$ 578,135,719	-	-	\$ 635,558,083	9.93%	-	-	\$ 660,490,415	14.24%
BUF 765	Health Premium Payments - DOE	A	-	-	\$ 268,924,144	-	-	\$ 281,376,552	4.63%	-	-	\$ 303,989,698	13.04%
BUF 768	Health Premium Payments - UH	A	-	-	\$ 96,682,974	-	-	\$ 104,466,873	8.05%	-	-	\$ 112,337,655	16.19%

Department of Budget and Finance  
Budget Decisions

Table 4

Prog ID	Sub-Org	Description of Request	MOF	Initial Department Requests						Budget and Finance Recommendations						Governor's Decisions					
				FY18		FY19		FY18		FY19		FY18		FY19							
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	
BUF 101	AA	Add 1.00 permanent Information Technology Specialist IV (pseudo# 980010) position and funds	A	1.00		28,116	1.00	-	51,432	1.00		28,116	1.00	-	51,432	1.00		28,116	1.00	-	51,432
BUF 101	AA	Increase in Fringe Benefits for Personal Services due to increase in rates	U			2,554	-	-	3,245			2,554	-	-	3,245			2,554	-	-	3,245
BUF 101	BA	Full year funding for 2.00 permanent Program Budget Analyst V positions	A			59,462	-	-	59,462			55,476	-	-	55,476			55,476	-	-	55,476
BUF 103	VP	Centralized Vacation Payout for All Departments	A			4,493,450	-	-	4,493,450			4,493,450	-	-	4,493,450			4,493,450	-	-	4,493,450
BUF 115	CA	Full year funding for 1.00 permanent Accountant III position	A			24,441	-	-	24,441			22,794	-	-	22,794			22,794	-	-	22,794
BUF 115	CA	Convert Accountant V from U Funds to A Funds	A							1.00		60,780	1.00		60,780	1.00		60,780	1.00		60,780
BUF 115	CA	Convert Accountant V from U Funds to A Funds	U							(1.00)		(105,073)	(1.00)		(105,073)	(1.00)		(105,073)	(1.00)		(105,073)
BUF 141	FA	Increase in Fringe Benefits	X			673,158	-	-	673,158			673,128	-	-	673,158			673,128	-	-	673,158
BUF 141	FA	Act 263, SLH Relating to Divorce (Hawaii Qualified Domestic Relations Order - HIDRO) - Program Specialist (pseudo# 980120)	X	1.00		2,082,171	1.00	-	235,552	-		1,962,500	-	-	0	1.00		2,018,171	1.00	-	107,552
BUF 141	FA	Upgrade Oracle Financials	X			1,538,900	-	-	339,900			1,538,900	-	-	339,900			1,538,900	-	-	339,900
BUF 141	FA	Increase in ERS other current expenses (audit costs, legal costs, postage, actuary)	X			299,000	-	-	316,000			299,000	-	-	316,000			299,000	-	-	316,000
BUF 141	FA	Replace of IT and other equipment and increase in IT maintenance costs.	X			771,900	-	-	793,100			322,400	-	-	410,600			771,900	-	-	793,100
BUF 141	FA	Establish 6.00 permanent Retirement Claims Examiner Positions (pseudo# 980050, 980060, 980070, 980080, 980090, and 980100) positions due to increase in ERS' membership and workload requirements	X	6.00		238,354	6.00	-	453,967	2.00		79,451	2.00	-	151,322	1.00		39,726	1.00	-	75,661
BUF 143	EU	Increase in Fringe Benefits	T			323,709	-	-	323,709			323,709	-	-	323,709			323,709	-	-	323,709
BUF 143	EU	Full year funding for 1.00 Benefits Compliance Audit Specialist	T			47,462	-	-	47,462			44,369	-	-	44,369			44,369	-	-	44,369
BUF 143	EU	Add 1.00 permanent position to EUTF - Business Analyst (pseudo# 980260)	T	1.00		48,314	1.00	-	91,829	1.00		48,314	1.00	-	91,829	1.00		48,314	1.00	-	91,829
BUF 143	EU	Add 1.00 permanent position to EUTF - Investment Specialist (pseudo# 980230)	T				1.00	-	94,229	-			1.00	-	48,314	-			1.00	-	48,314
BUF 151	HA	Full year funding for 1.00 permanent Clerical Supervisor position	A			20,758	-	-	20,758			20,126	-	-	20,126			20,126	-	-	20,126
BUF 151	HA	Convert 50 temporary positions to permanent positions	A	50.00	(50.00)		50.00	(50.00)	0	50.00	(50.00)		50.00	(50.00)	0	50.00	(50.00)		50.00	(50.00)	0
BUF 721	ST	Debt service funding for the State (except DOE and UH)	A			(626,063)	-	-	40,632,323			(8,296,310)	-	-	29,682,522			(8,296,310)	-	-	29,682,522
BUF 725	LE	Debt service funding for the Department of Education (DOE)	A			(539,884)	-	-	35,039,173			(7,154,301)	-	-	25,596,641			(7,154,301)	-	-	25,596,641
BUF 728	HE	Debt service funding for the University of Hawaii (UH)	A			(199,811)	-	-	12,967,950			(2,647,797)	-	-	9,473,282			(2,647,797)	-	-	9,473,282
BUF 741	ST	Retirement benefits payments for the State (Except DOE and UH) and anti-spiking	A			6,524,857	-	-	13,276,836			6,524,857	-	-	13,276,836			6,524,857	-	-	13,276,836
BUF 741	ST	To reflect the general fund fringe benefit costs budgeted in HHL.	A									(6,865,887)	-	-	(6,865,887)			(6,865,887)	-	-	(6,865,887)
BUF 741	ST	Fringe Benefit Costs, HHL positions	U									6,865,887	-	-	6,865,887			6,865,887	-	-	6,865,887
BUF 745	LE	Retirement benefits payments for the Department of Education (DOE)	A			(1,402,978)	-	-	5,466,540			(1,402,978)	-	-	5,466,540			(1,402,978)	-	-	5,466,540
BUF 748	HE	Retirement benefits payments for the University of Hawaii	A			6,374,541	-	-	9,318,322			6,374,541	-	-	9,318,322			6,374,541	-	-	9,318,322
BUF 761	ST	Health premium payments for the State (except DOE and UH)	A			58,615,831	-	-	82,248,233			57,422,364	-	-	82,354,696			57,422,364	-	-	82,354,696
BUF 765	LE	Health premium payments for the Department of Education (DOE)	A			13,735,208	-	-	34,951,122			12,452,408	-	-	35,065,554			12,452,408	-	-	35,065,554
BUF 768	HE	Health premium payments for the University of Hawaii (UH)	A			8,220,529	-	-	15,615,731			7,783,899	-	-	15,654,681			7,783,899	-	-	15,654,681
BUF 141	FA	Computer Security Improvements to protect Personally Identifiable Information (PI)	X			238,200	-	-	13,200			238,200	-	-	13,200			238,200	-	-	13,200



Department of Budget and Finance  
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	FY18			FY19			FY17
					Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
BUF 115	CA	Convert Accountant V from U Funds to A Funds	As the majority of the salary costs assessed to the various agencies are related to the investment of their special fund balance in the State's Treasury Investment Pool, and these special funds are already being assessed the 5% central services fee pursuant to Section 36-27, HRS, it would be more appropriate to have this position funded by general funds rather than interdepartmental transfer.	U	(1.00)		(105,073)	(1.00)		(105,073)	N
BUF 151	HA	Convert 50 temporary positions to permanent positions	Increased efficiency in meeting organizational objectives by aligning classification of employees to accurately reflect the vital nature and permanency of their functions, as opposed to being classified as "temporary."	A		(50.00)			(50.00)		N
BUF 721	ST	Debt service funding for the State (except Department of Education and University of Hawaii)	Adjusts funding amount for debt service for the State (except Department of Education and University of Hawaii), based on projections updated October 2016 and as currently authorized in Act 075, SLH 2016.	A			(8,296,310)				N
BUF 725	LE	Debt service funding for the Department of Education	Adjusts funding amount for debt service for the Department of Education, based on projections updated October 2016 and as currently authorized in Act 075, SLH 2016.	A			(7,154,301)				N
BUF 728	HE	Debt service funding for the University of Hawaii	Adjusts funding amount for debt service for the University of Hawaii, based on projections updated October 2016 and as currently authorized in Act 075, SLH 2016.	A			(2,647,797)				N
BUF 741	ST	To reflect the general fund fringe benefit costs budgeted in Department of Hawaiian Homelands	Allows for transfer of funds for Department of Hawaiian Homelands (DHHL) fringe benefits while addressing duplication of the funds appropriated during FY17, during which time \$5,854,667 in general funds will be transferred to Department of Budget and Finance to cover fringe benefits payments; however, a comparable reduction was not made to any fixed cost program. This led to a duplication of funding for DHHL's fringe benefits.	A			(6,865,887)			(6,865,887)	N
BUF 745	LE	Retirement benefits payments for the Department of Education	Adjusts funding amount for retirement benefits payments for the Department of Education and anti-spiking based on projections from August 1, 2016.	A			(1,402,978)				N

Department of Budget and Finance  
Proposed Budget Additions

Table 6

Prog ID	Sub-Org	Addition Type	Prog ID Priority	Dept-Wide Priority	Description of Addition	Justification	MOF	Pos (P)	Pos (T)	FY18		FY19		
										\$\$\$	Pos (P)	Pos (T)	\$\$\$	
BUF 101	AA	NG	1	1	Increase in Fringe Benefits for Personal Services due to increase in rates	The comprehensive Fringe Benefit Assessment rate for employees increased from 52% to 60%.	U				2,554	-	-	3,245
BUF 101	AA	AR	3	9	Add 1.00 permanent Information Technology Specialist IV (pseudo# 98001O) position and funds	To enable the department to effectively adopt, support, integrate, and deploy key IT improvements and initiatives department-wide as identified in our B&F Departmental IT Strategic Roadmap to improve both the productivity and capability of our core B&F programs and attached agencies, and; improve upon the current IT infrastructure; setup a disaster recovery strategy; create automated financial reporting and planning systems, and at the same time support the first-line technical staff to solve the more challenging computer related issues. The additional IT position will also ensure a staffing level that can better support and maintain the key LAN, network, servers, and email services that are essential to support the core B&F business operations.	A	1.00			28,116	1.00	-	51,432
BUF 101	BA	NR	2	5	Full year funding for 2.00 permanent Program Budget Analyst V positions	Act 124, SLH 2016 approved funds to establish 2.00 Program Budget Analyst V (SR-24C) positions in the second half of FY 2017. The budgeted amounts of 1/2 of full salary and 1/2 of annual telephone charges were included in calculating the budget base for FY 2018 and FY 2019. This request for FY 2018 and FY 2019 reflects the additional amounts necessary to fund this position and conforms with the HGEA Unit 13 Contract (July 1, 2013 - June 30, 2017).	A				55,476	-	-	55,476
BUF 103	VP	AR			Centralized Vacation Payout for All Departments	To centralize the general funded vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX which totaled \$5,991,267 in FY 17.	A				4,493,450			4,493,450

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 115	CA	NR	1	6	Full year funding for 1.00 permanent Accountant III position	Act 124, SLH 2016 approved funds to establish this program's Accountant III (SR20C) position in the second half of FY 2017. These budgeted amounts of 1/2 of full salary and 1/2 of annual telephone charges were included in calculating the budget base for FY 2018 and FY 2019. The amounts requested for FY 2018 and FY 2019 reflect the additional amounts necessary to fund the annual salary for this position based on the HGEA Unit 13 Contract for July 1, 2013 - June 30, 2017.	A			22,794	-	-	22,794
BUF 115	CA	NR	2	15.5	Convert Accountant V from U Funds to A Funds	This position performs investment functions for the State's Treasury Investment Pool (TIP) in which various State agencies and departments participate via the investment of their special fund accounts. As the majority of the salary costs assessed to the various agencies are related to their investment of their special fund balance in the TIP, and these special funds are already being assessed the 5% central services fee pursuant to Section 36-27, HRS, it would be more appropriate to have this position funded by general funds.	A	1.00		60,780	1.00		60,780
BUF 141	FA	NG	1	3	Increase in Fringe Benefits for Personal Services due to increase in rates	The comprehensive Fringe Benefit Assessment rate for employees increased from 52% to 60%.	X			673,128	-	-	673,128
BUF 141	FA	FC	2	12	Computer Security Improvements to protect Personally Identifiable Information (PII)	The current Pension Administration system relies on members' SSN to uniquely identify members. Given that a member's SSN is confidential and should be shared sparingly, this causes a significant amount of effort to work around this requirement. It is absolutely critical that ERS protect its members' PII. Failure to make this change may result in a breach of member PII which could result in penalties, fines and significant additional costs.	X			238,200	-	-	13,200
BUF 141	FA	NG	3	13	Act 263, SLH Relating to Divorce (Hawaii Qualified Domestic Relations Order - HiDRO) - Program Specialist (pseudo# 980120)	Act 263/SLH 2016, effective July 1, 2018, mandated a new benefits program to be administered by the ERS. Act 263 requires the ERS to pay retirement benefits to alternate payees under qualified Hawaii Domestic Relations Orders. The Program Specialist V position is necessary to successfully develop, implement and maintain this new benefit program.	X	1.00		2,018,171	1.00	-	107,552

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 141	FA	NG	4	15	Upgrade Oracle Financials	The current Oracle E-Business Suite version 11i resides on obsolete equipment and does not operate properly on current versions of Windows and Internet Explorer 11 installed on ERS' workstations. The requested software, hardware and computer consultant purchases for the accounting system upgrade request are integral requirements for the ERS computer system and disaster recovery capabilities to ensure continued operations and to improve the security of programs, data and PII.	X			1,538,900	-	-	339,900
BUF 141	FA	NG	5	18	Increase in ERS other current expenses (audit costs, legal costs, postage, actuary)	This request is for the net increase of pay for the 3.00 Deputy Attorney Generals assigned to ERS plus the comprehensive Fringe Benefit Assessment rate increase from 52.00% to 60.00%. Additionally, the ERS reimburses the AG for additional Deputy AGs, for disability and contested cases that require specialized knowledge of medical and labor laws; and pays for Special Deputy AGs with specialized legal knowledge and experience (such as pension plans, taxes, etc.) or situations where there may be a conflict of interest with the AG's office.	X			299,000	-	-	316,000
BUF 141	FA	NG	6	19	Replace IT and other equipment and increase in IT maintenance costs.	Increase in Repairs and Maintenance is based on contracted rates for ERS' pension administration and accounting systems, maintenance on recently purchased software, and actual annual price increases on installed software. Equipment costs are to replace equipment no longer supported, or at end-of-life; to protect confidential investment and members' Personally Identifiable Information (PII); and to address internal audit findings.	X			771,900	-	-	793,100

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID</u>	<u>Dept- Wide</u> <u>Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 141	FA	NG	7	23	Establish 1.00 permanent Retirement Claims Examiner position (pseudo# 980050) due to increase in ERS' membership and workload requirements	It is our fiduciary responsibility to ensure the ERS strives to become a more efficient and effective organization so that it can provide the best possible services to its members and be a sustainable retirement system for current and future retirees. Having an additional Retirement Claims Examiner will enable ERS to finalize more pensions in a timely manner resulting in a decrease in the interest paid-out. Placing this RCE in the Call Center would allow staff to reduce backlogs to a manageable level as well as provide a wider range of services which include counseling members, calculating pension estimate requests, processing refunds, death/disability payments, and providing timely customer service. Therefore, this additional permanent RCE position is critical for the ERS in order to meet its increased workload demands and service standards for its growing membership base.	X	1.00		39,726	1.00	-	75,661
BUF 143	EU	NG	1	4	Increase in Fringe Benefits for Personal Services due to increase in rates	The comprehensive Fringe Benefit Assessment rate for employees increased from 52% to 60%.	T			323,709	-	-	323,709
BUF 143	EU	NG	2	8	Full year funding for 1.00 Benefits Compliance Audit Specialist	Act 124, SLH 2016 approved funds to establish this program's Benefits Compliance Audit Specialist (SR-NA) position in the second half of FY 2017. The budgeted amounts of 1/2 of full salary and 1/2 of annual telephone charges were included in calculating the budget base for FY 2018 and FY 2019. This request for FY 2018 and FY 2019 reflects the additional amounts necessary to fund this position and conforms with HGEA Unit 13 Contract (July 1, 2013 - June 30, 2017).	T			44,369	-	-	44,369

Department of Budget and Finance  
Proposed Budget Additions

Table 6

Prog ID	Sub-Org	Addition Type	Prog ID Priority	Dept-Wide Priority	Description of Addition	Justification	MOF	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BUF 143	EU	NG	3	11	Add 1.00 permanent position to EUTF - Business Analyst (pseudo# 980260)	There are many areas for the Business Analyst to work on to improve the efficiency and effectiveness of the EUTF processes. However, the more significant reason for the Business Analyst position is to assist in reviewing and analyzing the current enrollment and accounting processes to identify areas for improvement. The Business Analyst will develop an understanding of the BAS and work with the Member Services Branch and Financial Services Branch to understand their processes to identify enhancement opportunities to the BAS that would improve enrollment and accounting processes.	T	1.00		48,314	1.00	-	91,829
BUF 143	EU	NG	4	14	Add 1.00 permanent position to EUTF - Investment Specialist (pseudo# 980230)	With the mounting investment complexities, the EUTF Investment Office will need resources beyond the one existing EUTF Investment Officer. The EUTF's investment consultant has determined through a study that the industry standard is one full-time investment professional per \$1 billion of investible assets. The EUTF Investment Specialist will report to the EUTF Investment Officer and assist the EUTF Investment Officer with the day-to-day operations of the OPEB Trust. The addition of a EUTF Investment Specialist is another step in the development of the EUTF's investment infrastructure to address challenges ahead and to maximize returns within prudent levels of risk.	T	-		-	1.00	-	48,314
BUF 151	HA	AR	1	7	Full year funding for 1.00 permanent Clerical Supervisor position	Act 124, SLH 2016 approved funds to establish this program's Clerical Supervisor (SR-NA) position in the second half of FY 2017. These budgeted amounts of 1/2 of full salary, 1/2 of annual telephone charges, and 1/2 of supplies were included in calculating the budget base for FY 2018 and FY 2019. This request for FY 2018 and FY 2019 reflects the additional amounts necessary to fund this position and conforms with HGEA Unit 03 Tentative Agreement dated April 26, 2015.	A			20,126	-	-	20,126

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 151	HA	NR	2	27	Convert 50 temporary positions to permanent positions	It has been challenging to recruit and retain most-qualified candidates for temporary positions. Additionally, we spend considerable time and effort training temporary employees only to have them leave once they secure permanent positions elsewhere. Furthermore, most of these positions were established over 30 years ago and as far back as 1980. Despite originally being classified as temporary, requested funding for these essential positions continues to be provided due to the increased number of cases received by this office and our constitutional requirement to provide effective legal counsel. However, to maintain efficiency in meeting our organizational objectives, it would be conducive to align this office's classification of employees to accurately reflect the vital nature and permanency of their functions.	A	50.00			50.00		
BUF 721	ST	FC	1	1	Debt service funding for the State (except Department of Education and University of Hawaii)	To provide funding for debt service for the State (except Department of Education and University of Hawaii).	A						29,682,522
BUF 725	LE	FC	1	1	Debt service funding for the Department of Education	To provide funding for debt service for the Department of Education.	A						25,596,641
BUF 728	HE	FC	1	1	Debt service funding for the University of Hawaii	To provide funding for debt service for the University of Hawaii.	A						9,473,282
BUF 741	ST	FC	1	1	Retirement benefits payments for the State (Except DOE and UH) and anti-spiking	To adjust funding for retirement benefits payments and anti-spiking based on projections from August 1, 2016. Assumptions are as follows: 1) annual growth of 2% in employees; 2) adjustment for retroactive anti-spiking payments and true-up at the end of FY 16 is estimate prepared by ERS; 3) pension accumulation (PA) rates per Act 163, SLH 2011; 4) data source doesn't include Charter Schools paid through Ceridian, UH increased by 0.39% and other increased by 1.89% to match FY 16 PA actual; 5) inflated calculated FY 16 Social Security/Medicare (SS/M) for DOE by 3.68% and UH by 0.96% and reduced other by 0.25% to approximately match actual; 7) anti-spiking based on preliminary actual FY 15 (payable in FY 16).	A				6,524,857		13,276,836

Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 741	ST	FC	1	1	Fringe Benefit Costs, HHL positions	To allow for the transfer of funds designated for DHHL's fringe benefits from MOF "A" to MOF "U", and to address duplication of the funds appropriated. In FY 17, DHHL was appropriated \$5,854,667 in general funds to be transferred to DBF to cover fringe benefits payments; however, a comparable reduction wasn't made to any fixed cost program which led to a duplication of funding for DHHL's fringe benefits. FY 17 MOF A budgeted salaries (\$11,258,975) + MOF A CB adjustments for FB 17-19 (\$184,170) * FB 17-19 estimated fringe rate (0.6) = \$6,865,887.	U			6,865,887			6,865,887
BUF 745	LE	FC	1	1	Retirement benefits payments for the Department of Education	To adjust funding for retirement benefits payments based on projections from August 1, 2016.	A						5,466,540
BUF 748	HE	FC	1	1	Retirement benefits payments for the University of Hawaii	To adjust funding for retirement benefits payments and anti-spiking based on projections from August 1, 2016. Assumptions are as follows: 1) annual growth of 2% in employees; 2) adjustment for retroactive anti-spiking payments and true-up at the end of FY 16 is estimate prepared by ERS; 3) pension accumulation (PA) rates per Act 163, SLH 2011; 4) data source doesn't include Charter Schools paid through Ceridian, UH increased by 0.39% and other increased by 1.89% to match FY 16 PA actual; 5) inflated calculated FY 16 Social Security/Medicare (SS/M) for DOE by 3.68% and UH by 0.96% and reduced other by 0.25% to approximately match actual.	A			6,374,541			9,318,322
BUF 761	ST	FC	1	1	Health premium payments for the State (except Department of Education and University of Hawaii)	To provide funding for health premium payments for the State (except the DOE and UH). Based on projections updated September 6, 2016. Assumptions: 1) OPEB pre-funding calculated using EUTF's State of Hawaii Retiree Health Care Plan, Section C, Page 16, Scenario 2, Annual Required Contribution (g) less Benefit Payment Total (j).	A			57,422,364			82,354,696
BUF 765	LE	FC	1	1	Health premium payments for the Department of Education	To provide funding for health premium payments for the Department of Education. Based on projections updated September 6, 2016.	A			12,452,408			35,065,554



Department of Budget and Finance  
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BUF 768	HE	FC	1	1	Health premium payments for the University of Hawaii	To provide funding for health premium payments for the University of Hawaii. Based on projections updated September 6, 2016.	A			7,783,899			15,654,681

Department of Budget and Finance  
FY17 Restrictions

Table 7

<u>Prog ID</u>	<u>Sub-Org</u>	<u>MOF</u>	<u>Budgeted by Dept</u>	<u>Restriction</u>	<u>Difference Between Budgeted &amp; Restricted</u>	<u>Percent Difference</u>	<u>Impact</u>
BUF 101	AA	A	\$ 9,625,265	\$ 35,308	\$ 9,589,957	99.63%	The program will need to closely monitor its expenditures for other current expenses.
BUF 101	BA	A	\$ 2,819,717	\$ 39,410	\$ 2,780,307	98.60%	Vacancy savings from positions soon to be filled will most likely cover the restriction this fiscal year, but the program will also closely monitor its other current expenses.
BUF 115	CA	A	\$ 2,024,205	\$ 28,292	\$ 1,995,913	98.60%	BUF 115 Bond Counsel – Services are used to respond to inquiries by the Legislature and are also utilized by the Department of the Attorney General. The department is billed on an hourly basis which results in fluctuations based on the number and complexity of assignments made to the General Advice Counsel. Efforts are made to control expenditures, however, flexibility in the budgeting of funds for this purpose is essential to provide the State with sufficient legal advice with respect to the use of tax-exempt General Obligation and Revenue Bonds, Certificates of Participation, Municipal Lease Financing Agreements, and any other financing scenarios where tax exempt financing is contemplated or utilized.

Department of Budget and Finance  
Emergency Appropriation Requests

Table 8

<u>Prog ID</u>	<u>Description of Request</u>	<u>Explanation of Request</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
NONE						

Department of Budget and Finance  
Expenditures Exceeding Appropriation Ceilings in FY16 and FY17

Table 9

<u>Prog ID</u>	<u>MOF</u>	<u>Date</u>	<u>Appropriation</u>	<u>Amount Exceeding Appropriation</u>	<u>Percent Exceeded</u>	<u>Reason for Exceeding Ceiling</u>	<u>Legal Authority</u>	<u>Recurring (Y/N)</u>	<u>GF Impact (Y/N)</u>
BUF 115	T	12/3/2015	\$ 6,500,000	\$ 5,000,000	76.9%	Program paid out approximately \$4 million in claims during the first five months of FY16. The remaining \$2.5 million was insufficient to cover claims for the balance of the fiscal year. The increase was requested in order to enable the Unclaimed Property Program to continue payment of claims to owners of abandoned property.	Governor's approval dated 12/3/15		N
BUF 115	T	12/1/2016	\$ 11,000,000	\$ 4,000,000	36.4%	Program already paid out over \$9 million in claims during the first five months of FY17. The remaining \$2 million will be insufficient to cover current and anticipated claims for the balance of the fiscal year. The increase in expenditure ceiling will enable the Unclaimed Property Program to continue payment of claims to owners of abandoned property.	Governor's approval dated 12/1/16		N

Department of Budget and Finance  
 Intradepartmental Transfers in FY16 and FY17

Table 10

<u>Actual or Anticipated Date of Transfer</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>From Prog ID</u>	<u>Percent of Program ID Appropriation Transferred From</u>	<u>To Prog ID</u>	<u>Percent of Receiving Program ID Appropriation</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
<b>No intradepartmental transfers to report</b>										

Department of Budget and Finance  
Non-General Funds

Table 11

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY17 Unencumbered Cash Balance</u>	<u>Estimated FY17 Revenues</u>	<u>Estimated FY17 Expenditures and Encumbrances</u>	<u>Estimated FY17 Net Transfers</u>	<u>Estimated FY17 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Emergency and Budget Reserve Fund (S-xx-355-O)	Temporary supplemental source of funding for the State during times of emergency, economic downturn, or unforeseen reduction in revenues.	Chapter 328L(3), HRS	B	\$ 100,881,986	\$ 209,781,757	\$ -	\$ -	\$ 310,663,743	\$ -
Overpayment Collections to OHA-Ceded Lands (T-xx-955-O)	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.	Executive Order No. 06-06	T	\$ 3,845,946	\$ -	\$ -	\$ -	\$ 3,845,946	\$ -
Interest Earned - Investment Pool (T-xx-907-O)	Holding account to deposit interest earned from the State Treasury centralized pool investments before distribution to participating accounts.	Administratively established	T	\$ 4,375	\$ 23,264,973	\$ -	\$ (23,269,348)	\$ -	\$ -
Interest Earned - Bond Investment Pool (T-xx-908-O)	Holding account to deposit interest earned from the State Treasury centralized Bond Investment Pool before distribution to participating accounts.	Administratively established	T	\$ 25,433	\$ 634,819	\$ -	\$ (660,252)	\$ -	\$ -
Temporary Deposits - Special Purpose Revenue Bond - Security Deposit (T-xx-914-O)	To record non-refundable security deposits from project parties for the purpose of reimbursing the State for all the costs and expenses incurred relating to the issuance of special purpose revenue bonds.	Administratively established	T	\$ 5,000	\$ 2,000	\$ -	\$ (7,000)	\$ -	\$ -
Taxes Payable to Other State Agencies (T-xx-916-O)	To enable B&F to generate SWV's on-line for transmittal of tobacco tax collected by DoTax and distributed per statute to UH per Act 316/SLH2006. It serves as a clearing account for fuel tax revenues pending distribution.	Act 316/SLH2006	T	\$ -	\$ 53,181,705	\$ 53,181,705	\$ -	\$ -	\$ -
Taxes Payable to Counties/HTA - TAT (T-xx-917-O)	To enable B&F to generate SWV's on-line for transmittal of TAT distributed monthly to HTA and semi-annually to the counties. It serves as a clearing account for TAT revenues pending distribution per statute.	Administratively established	T	\$ -	\$ 213,000,000	\$ 213,000,000	\$ -	\$ -	\$ -

Department of Budget and Finance  
Non-General Funds

Table 11

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY17 Unencumbered Cash Balance</u>	<u>Estimated FY17 Revenues</u>	<u>Estimated FY17 Expenditures and Encumbrances</u>	<u>Estimated FY17 Net Transfers</u>	<u>Estimated FY17 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Taxes Payable to Counties - Fuel Tax (T-xx-918-O)	To enable B&F to generate SWV's on-line for transmittal of liquid fuel tax distributed monthly to the counties. It serves as a clearing account for fuel tax revenues pending distribution per statute.	Administratively established	T	\$ -	\$ 75,632,781	\$ 75,632,781	\$ -	\$ -	\$ -
Taxes Payable to Counties - GETax surcharge (T-xx-919-O)	To enable B&F to generate SWV's on-line for transmittal of county GET surcharge collected by DoTax and distributed per statute HRS 248-2.6 to the City & County of Honolulu. It serves as a clearing account for the surcharge pending distribution.	HRS 248-2.6	T	\$ -	\$ 273,506,676	\$ 273,506,676	\$ -	\$ -	\$ -
Hawaii Children's Trust Fund (T-xx-922-O)	To enable B&F to generate SWV's on-line for transmittal of taxes collected by DoTax and distributed per statute Act 228/SLH2004 to the Hawaii Children's Trust Fund at the Hawaii Community Foundation.	Act 228/SLH2004	T	\$ -	\$ 100,753	\$ 100,753	\$ -	\$ -	\$ -
Unclaimed Property Trust Fund (T-xx-932-O)	To deposit and disburse moneys in Unclaimed Property Program. All funds in excess of \$1.3 million remaining on balance at the end of the fiscal year will be transferred to the general fund.	Administratively established	T	\$ 38,698,147	\$ 20,000,000	\$ 8,000,000	\$ (50,698,147)	\$ -	\$ -
College Savings Program Trust Fund (Held outside of State treasury)	The College Savings Program Trust Fund was established in 2002 with the commencement of Hawaii's 529 program. Funds are maintained in the Trust Fund on behalf of participants or account owners, and are invested as directed by the participants according to program rules.	Chapter 256,HRS	T	\$ 72,043,320	\$ -	\$ -	\$ 5,000,000	\$ 77,043,320	\$ -
Expense Fund (S-xx-315-O)	The fund which all money shall be credited to pay for the administrative and operational expenses of the ERS.	Section 88-116,HRS	X	\$ -	\$ 20,168,249	\$ 20,168,249	\$ -	\$ -	\$ -

Department of Budget and Finance  
Non-General Funds

Table 11

<u>Name of Fund</u>	<u>Purpose</u>	<u>Statutory Reference</u>	<u>MOF</u>	<u>Beginning FY17 Unencumbered Cash Balance</u>	<u>Estimated FY17 Revenues</u>	<u>Estimated FY17 Expenditures and Encumbrances</u>	<u>Estimated FY17 Net Transfers</u>	<u>Estimated FY17 Ending Unencumbered Cash Balance</u>	<u>Balance in Excess of Program Needs</u>
Hawaii Employer-Union Health Benefits Trust Fund (T-xx-942-O)	To administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements. Allowable expenses are: Premium payments to insurance carriers, Medicare Part B reimbursements to retirees and their spouses and employee refunds.	Chapter 87A, HRS	T	\$ 175,133,805	\$ 1,066,000,000	\$ 1,052,000,000		\$ 189,133,805	\$ -
Hawaii Employer-Union Health Benefits Trust Fund (T-xx-997-O)	To administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements. Allowable expenses are: Administrative Operating Expenses such as personal services, contracted services, lease rent, insurance and other miscellaneous expenses.	Chapter 87A, HRS	T	\$ 334,725	\$ 7,099,000	\$ 7,099,000		\$ 334,725	\$ -
Hawaii Employer-Union Health Benefits Trust Fund (T-xx-998-O)	To administer health and life insurance benefits for eligible active and retired State and county public employees and their eligible dependents by providing quality service levels to employee-beneficiaries and dependent-beneficiaries and complying with federal and State legal requirements. Custodial fees and investment consulting service fees are paid from this fund.	Chapter 87A, HRS	T	\$ 1,278,791,349	\$ 522,178,494	\$ 76,831,403	\$ 7,200,000	\$ 1,731,338,440	\$ -



Department of Budget and Finance  
 Vacancy Report as of November 30, 2016

Table 12

Proj ID	Sub-Org	Date of Vacancy	Expected Fill Date	Position Number	Position Title	Exempt (Y/N)	SR Level	BU Code	Perm Temp		Budgeted Amount	Actual Salary Last Paid	Authority		Occupied		Describe if Filled by other Means	Priority # to Retain	*Remark: Date Position filled
									FTE	MOF			to Hire (Y/N)	Hire (Y/N)	by 89 Day	# of 89 Hire Appts			
BUF101AA		10/1/2016	12/19/2016	00120917	Accountant III	N	SR20	13	P	1.00	A	\$ 48,000	\$ 16,352	Y	Y	1		See *Remark	12/19/16
BUF101AA		11/19/2016	12/16/2016	00100150	Deputy Director	Y	SRNA	00	P	1.00	A	\$ 130,564	\$ 73,584	Y	N			See *Remark	12/16/16
BUF101AA		11/22/2016	12/7/2016	00100056	Private Secretary	Y	SR22	63	P	1.00	A	\$ 60,780	\$ 23,688	Y	N			See *Remark	12/07/16
BUF101BA		6/17/2016	1/3/2017	00022006	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 58,440	\$ 55,039	Y	N			See *Remark	01/03/17
BUF101BA		4/22/2016	Recruitment in progress	00030726	Office Assistant IV	N	SR10	63	P	1.00	A	\$ 39,492	\$ 29,087	Y	N				
BUF101BA		10/25/2016	1/3/2017	00044263	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 83,184	\$ 30,659	Y	N			See *Remark	01/03/17
BUF101BA		11/21/2016	Pending Cert. List from DHRD	970010 <sup>1</sup>	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 27,618	\$ -	Y	N				
BUF101BA		11/21/2016	Pending Cert. List from DHRD	970020 <sup>1</sup>	Program Budget Analyst V	N	SR24	73	P	1.00	A	\$ 27,618	\$ -	Y	N				
BUF115CA		3/23/2016	Pending PD update	00049341	Public Debt Analyst	N	SR22	73	P	1.00	A	\$ 71,100	\$ 55,319	Y	N				
BUF115CA		To be established		970080	Accountant III	N	SR20	13	P	1.00	A	\$ 22,674	\$ -	Y	N				
BUF141FA		8/1/2016	Pending PD update	00006494	Account Clerk V	N	SR15	03	P	1.00	X	\$ 58,440	\$ 4,681	Y	N				
BUF141FA		12/31/2015	Re-describe to Secretary IV	00031082 <sup>2</sup>	Office Assistant IV	N	SR10	03	P	1.00	X	\$ 41,064	\$ 42,684	Y	N				
BUF141FA		4/1/2016	Recruitment in progress	00036371	Retirement Claims Examiner IV	N	SR22	13	P	1.00	X	\$ 68,364	\$ 44,792	Y	N				
BUF141FA		9/2/2016	Pending PD update	00039682	Accountant III	N	SR20	13	P	1.00	X	\$ 63,198	\$ 10,768	Y	N				
BUF143EU		5/20/2016	Recruitment in progress	00031592	Enrollment Technician	Y	SRNA	03	P	1.00	T	\$ 28,872	\$ 25,263	Y	N				
BUF143EU		7/26/2016	Recruitment in progress	00116737	EUTF Customer Svc Rep	Y	SRNA	03	P	1.00	T	\$ 26,700	\$ 2,406	Y	N				
BUF143EU		8/1/2016	Recruitment in progress	00117592	EUTF Customer Svc Rep	Y	SRNA	03	P	1.00	T	\$ 28,872	\$ 2,406	Y	N				
BUF143EU		8/13/2016	Recruitment in progress	00117599	EUTF Systems Supervisor	Y	SRNA	03	P	1.00	T	\$ 58,166	\$ 7,764	Y	N				
BUF143EU		11/10/2016	Recruitment in progress	00119002	EUTF Systems Specialist	Y	SRNA	13	P	1.00	T	\$ 51,667	\$ 22,484	Y	N				
BUF143EU		3/29/2016	Recruitment in progress	00119018	EUTF Accountant	Y	SRNA	13	P	1.00	T	\$ 53,744	\$ 34,011	Y	N				
BUF143EU		1/4/2016	Recruitment in progress	00120121	Enrollment Technician	Y	SRNA	03	P	1.00	T	\$ 28,872	\$ 14,994	Y	N			See *Remark	01/03/17
BUF143EU		11/1/2016	Recruitment in progress	00120193	EUTF Member Svcs Specialist	Y	SRNA	13	P	1.00	T	\$ 40,836	\$ 15,196	Y	N			See *Remark	12/15/16
BUF151HA		6/25/2016	Recruitment in progress	00100586	Public Defender Clerk	Y	SRNA	03	P	0.50	A	\$ 26,700	\$ 26,144	Y	N				
BUF151HA		8/16/2016	Recruitment in progress	00100601	Public Defender Investigator	Y	SR24	13	P	1.00	A	\$ 76,908	\$ 9,449	Y	N				
BUF151HA		11/1/2016	Recruitment in progress	00102001	Deputy Public Defender IV	Y	SRNA	73	T	1.00	A	\$ 108,561	\$ 34,364	Y	N				
BUF151HA		8/6/2016	12/20/2016	00121523	Deputy Public Defender III	Y	SRNA	73	P	1.00	A	\$ 40,710	\$ 8,778	Y	N			See *Remark	12/20/16
BUF151HA		9/20/2016	Recruitment in progress	970050 <sup>3</sup>	Clerical Supervisor	Y	SRNA	04	P	1.00	A	\$ 19,746	\$ -	Y	N				

Note: B&F added Remark column to show the position that are filled after November 30, 2016

Department of Budget and Finance  
Positions Filled from July 1, 2015 to November 30, 2016

Table 13

Prog ID	Sub-Org	Effective Date	Position Filled	Position Number	Position Title	Exempt (Y/N)	SR Level	BU Code	T/P	MOF	Budgeted FTE	Budgeted Salary	Actual FTE	Actual Salary	Occupied by 89 Day Hire (Y/N)
BUF101AA		7/31/2015	00100037	Private Secretary III	Y	SR24	63	P	A	A	1.00	\$ 68,412.00	1.00	65,736	N
BUF101AA		2/10/2016	00049343	Information Technol Splct V	N	SR24	73	P	A	A	1.00	\$ 68,364.00	1.00	55,236	N
BUF101AA		7/18/2016	00027162	Information Technol Splct IV	N	SR22	13	P	A	A	1.00	\$ 58,440.00	1.00	49,056	N
BUF101AA		8/16/2016	00000097	Management Analyst II	N	SR18	73	P	A	A	1.00	\$ 49,914.00	1.00	41,964	N
BUF101BA		7/1/2015	00012976	Prgm & Budget Analysis Mgr II	N	EM07	35	P	A	A	1.00	\$ 91,422.00	1.00	94,908	N
BUF101BA		4/22/2016	00000093	Secretary IV	N	SR18	63	P	A	A	1.00	\$ 60,780.00	1.00	46,188	N
BUF101BA		6/1/2016	00011302	Program Budget Analyst V	N	SR24	73	P	A	A	1.00	\$ 65,736.00	1.00	81,756	N
BUF115CA		10/1/2015	00120196	Professional Trainee II	N	SR16	13	P	A	A	1.00	\$ 46,140.00	1.00	41,964	N
BUF115CA		10/16/2015	00000127	Treasury Cashier	N	SR19	03	P	A	A	1.00	\$ 56,172.00	1.00	48,024	N
BUF115CA		1/19/2016	00019540	Account Clerk V	N	SR15	03	P	A	A	1.00	\$ 39,492.00	1.00	42,684	N
BUF115CA		3/16/2016	00007016	Account Clerk IV	N	SR13	03	P	A	A	1.00	\$ 37,980.00	1.00	46,188	N
BUF115CA		3/23/2016	00121828	Public Debt Compliance Spec	N	SR24	73	P	A	A	1.00	\$ 65,000.00	1.00	78,624	N
BUF115CA		6/6/2016	00045251	Account Clerk III	N	SR11	03	P	T	A	1.00	\$ 41,064.00	1.00	32,460	N
BUF115CA		7/18/2016	00027104	Accountant IV	N	SR22	73	P	A	A	1.00	\$ 59,331.00	1.00	49,056	N
BUF115CA		7/25/2016	00000130	Account Clerk IV	N	SR13	03	P	A	A	1.00	\$ 37,980.00	1.00	32,460	N
BUF115CA		11/18/2016	00120127	Office Assistant III	N	SR08	03	P	T	A	1.00	\$ 27,768.00	1.00	26,700	N
BUF141FA		11/2/2015	00107820	Retirement Sys Exec Director	Y	SRNA	93	P	X	A	1.00	\$ 196,194.00	1.00	225,000	N
BUF141FA		12/1/2015	00121778	Retirement Claims Examiner I	N	SR16	13	P	X	A	1.00	\$ 45,348.00	1.00	38,772	N
BUF141FA		12/1/2015	00121779	Retirement Claims Examiner I	N	SR16	13	P	X	A	1.00	\$ 45,348.00	1.00	38,772	N
BUF141FA		12/1/2015	00121780	Retirement Claims Examiner I	N	SR16	13	P	X	A	1.00	\$ 45,348.00	1.00	38,772	N
BUF141FA		12/7/2015	00116681	Office Assistant III	N	SR08	03	P	X	A	1.00	\$ 26,700.00	1.00	28,872	N
BUF141FA		1/12/2016	00116869	Retirement Claims Examiner III	N	SR20	13	P	X	A	1.00	\$ 67,504.00	1.00	49,056	N
BUF141FA		4/1/2016	00017859	Information Technology Band B	N	SR24	13	P	X	A	1.00	\$ 79,998.00	1.00	75,588	N
BUF141FA		5/16/2016	00118201	Information Technology Band A	N	SR20	13	P	X	A	1.00	\$ 54,030.00	1.00	45,348	N
BUF141FA		6/27/2016	00003278	Staff Services Asst I	N	SR14	03	P	X	A	1.00	\$ 48,407.00	1.00	42,684	N
BUF141FA		7/1/2016	00117312	Office Assistant III	N	SR08	03	P	X	A	1.00	\$ 26,700.00	1.00	27,768	N
BUF141FA		7/5/2016	00035483	Office Assistant III	N	SR08	03	P	X	A	1.00	\$ 36,468.00	1.00	26,700	N
BUF141FA		8/16/2016	00116675	Information Technology Band A	N	SR18	13	P	X	A	1.00	\$ 68,472.00	1.00	41,964	N
BUF141FA		8/22/2016	00004439	Office Assistant III	N	SR08	03	P	X	A	1.00	\$ 35,112.00	1.00	26,700	N
BUF141FA		9/1/2016	00113174	Retirement Claims Examiner I	N	SR16	13	P	X	A	1.00	\$ 68,364.00	1.00	38,772	N
BUF141FA		9/1/2016	00113175	Retirement Claims Examiner I	N	SR16	13	P	X	A	1.00	\$ 40,964.00	1.00	38,772	N
BUF141FA		9/1/2016	00113316	Retirement Claims Examiner I	N	SR16	13	P	X	A	1.00	\$ 41,028.00	1.00	38,772	N
BUF141FA		9/2/2016	00120772	Accountant IV	N	SR22	13	P	X	A	1.00	\$ 49,914.00	1.00	69,876	N
BUF143EU		11/23/2015	00120120	Enrollment Technician	Y	SRNA	03	P	T	A	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		12/31/2015	00112874	Health Ben Trust Fund Admr	Y	SRNA	93	P	T	A	1.00	\$ 130,798.00	1.00	130,008	N
BUF143EU		1/25/2016	00014960	Account Clerk III	N	SR11	03	P	T	A	1.00	\$ 29,988.00	1.00	29,988	N
BUF143EU		3/10/2016	00113038	Health Benefits TF Asst Admr	Y	SRNA	93	P	T	A	1.00	\$ 117,717.00	1.00	117,000	N
BUF143EU		4/26/2016	00120119	Enrollment Technician	Y	SRNA	03	P	T	A	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		6/24/2016	00121402	EUTF Outreach & Training Supvr	Y	SRNA	13	P	T	A	1.00	\$ 48,748.00	1.00	55,236	N
BUF143EU		7/5/2016	00116356	EUTF Customer Svc Rep	Y	SRNA	03	P	T	A	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		7/6/2016	00120537	EUTF Accountant	Y	SRNA	13	P	T	A	1.00	\$ 47,755.00	1.00	45,348	N

Department of Budget and Finance  
Positions Filled from July 1, 2015 to November 30, 2016

Table 13

Prog ID	Sub-Org	Effective Date	Position Number	Position Title	Exempt (Y/N)	SR Level	BU Code	T/P	MOF	Budgeted FTE	Budgeted Salary	Actual FTE	Actual Salary	Occupied by 89 Day Hire (Y/N)
BUF143EU		7/20/2016	00116357	EUTF Member Services Clerk	Y	SRNA	03	P	T	1.00	\$ 26,700.00	1.00	26,700	N
BUF143EU		7/26/2016	00120340	Outreach & Training Specialist	Y	SRNA	13	P	T	1.00	\$ 51,667.00	1.00	49,056	N
BUF143EU		8/2/2016	00117591	EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 27,756.00	1.00	28,872	N
BUF143EU		8/8/2016	00118999	Enrollment Technician	Y	SRNA	03	P	T	1.00	\$ 27,756.00	1.00	28,872	N
BUF143EU		8/8/2016	00121858	EUTF Investment Officer	Y	SRNA	13	P	T	1.00	\$ 100,000.00	1.00	102,000	N
BUF143EU		8/22/2016	00113043	EUTF Financial Mgt Officer	Y	SRNA	93	P	T	1.00	\$ 91,248.00	1.00	94,320	N
BUF143EU		9/1/2016	00119003	EUTF Applications Specialist	Y	SRNA	13	P	T	1.00	\$ 51,667.00	1.00	41,964	N
BUF143EU		9/1/2016	00120769	EUTF Procurement Specialist	Y	SRNA	13	P	T	1.00	\$ 51,667.00	1.00	55,236	N
BUF143EU		10/24/2016	00116355	EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		10/24/2016	00121541	EUTF Member Services Clerk	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	26,700	N
BUF143EU		11/1/2016	00121420	EUTF Accountant	Y	SRNA	13	P	T	1.00	\$ 47,755.00	1.00	45,348	N
BUF143EU		11/1/2016	00122074	EUTF Benefits Audit Specialist	Y	SRNA	13	P	T	1.00	\$ 27,618.00	1.00	55,236	N
BUF143EU		11/7/2016	00116735	EUTF Customer Svc Rep	Y	SRNA	03	P	T	1.00	\$ 28,872.00	1.00	28,872	N
BUF143EU		11/10/2016	00120123	EUTF Applications Specialist	Y	SRNA	13	P	T	1.00	\$ 55,916.00	1.00	49,056	N
BUF151HA		8/24/2015	00107818	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		9/1/2015	00100947	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		9/1/2015	00107819	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		12/1/2015	00100551	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		12/1/2015	00101675	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		12/1/2015	00121845	Information Technology Band B	N	SR22	13	P	A	1.00	\$ 45,576.00	1.00	57,432	N
BUF151HA		1/4/2016	00100552	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		1/4/2016	00101996	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		1/19/2016	00102276	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		1/19/2016	00104367	Deputy Public Defender III	Y	SRNA	73	P	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		3/1/2016	00101086	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		3/1/2016	00102441	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		3/1/2016	00121524	Deputy Public Defender III	Y	SRNA	73	P	A	1.00	\$ 40,710.00	1.00	84,267	N
BUF151HA		4/4/2016	00101092	Public Defender Clerk	Y	SRNA	03	P	A	1.00	\$ 26,700.00	1.00	26,700	N
BUF151HA		4/4/2016	00101243	Deputy Public Defender I	Y	SRNA	73	P	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		4/4/2016	00102443	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		4/11/2016	00102277	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		4/11/2016	00102278	Deputy Public Defender I	Y	SRNA	73	T	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		6/1/2016	00100545	Public Defender	Y	SRNA	00	P	A	1.00	\$ 129,456.00	1.00	129,456	N
BUF151HA		6/1/2016	00101700	Pub Def Ofc Asst I	Y	SRNA	03	P	A	1.00	\$ 26,700.00	1.00	26,700	N
BUF151HA		8/16/2016	00100600	Pub Def Supvrng Investigator	Y	SRNA	13	P	A	1.00	\$ 97,314.00	1.00	85,020	N
BUF151HA		8/16/2016	00101997	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		8/16/2016	00102018	Clerk III	Y	SRNA	03	P	A	0.50	\$ 64,693.00	0.50	13,350	N
BUF151HA		8/18/2016	00102110	Public Defender Investigator	Y	SRNA	13	P	A	1.00	\$ 58,166.00	1.00	55,236	N
BUF151HA		9/16/2016	00100548	Deputy Public Defender III	Y	SRNA	73	P	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		9/16/2016	00100884	Deputy Public Defender I	Y	SRNA	73	P	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		9/16/2016	00101835	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N

Department of Budget and Finance  
 Positions Filled from July 1, 2015 to November 30, 2016

Table 13

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Effective Date</u> <u>Position Filled</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>Budgeted FTE</u>	<u>Budgeted Salary</u>	<u>Actual FTE</u>	<u>Actual Salary</u>	<u>Occupied by 89 Day Hire (Y/N)</u>
BUF151HA		10/19/2016	00102003	PD Legal Office Assistant	Y	SRNA	03	T	A	1.00	\$ 35,112.00	1.00	33,720	N
BUF151HA		10/21/2016	00100420	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N
BUF151HA		10/21/2016	00100547	Deputy Public Defender II	Y	SRNA	73	P	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		10/21/2016	00101084	Deputy Public Defender IV	Y	SRNA	73	P	A	1.00	\$ 101,549.00	1.00	96,432	N
BUF151HA		10/21/2016	00102108	Deputy Public Defender I	Y	SRNA	73	P	A	1.00	\$ 64,693.00	1.00	61,428	N
BUF151HA		11/28/2016	00101089	Deputy Public Defender IV	Y	SRNA	73	P	A	1.00	\$ 101,549.00	1.00	96,432	N
BUF151HA		11/28/2016	00101993	Deputy Public Defender II	Y	SRNA	73	T	A	1.00	\$ 73,993.00	1.00	70,260	N
BUF151HA		11/28/2016	00113181	Deputy Public Defender III	Y	SRNA	73	T	A	1.00	\$ 88,746.00	1.00	84,264	N

Positions Established by Acts other than the State Budget as of November 30, 2016

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Date Established</u>	<u>Legal Authority</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>FTE</u>	<u>Annual Salary</u>	<u>Filled (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>
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Table 14 does not apply to the Department of Budget and Finance because all of our authorized positions are established by Act 124, SLH 2016 as of 11/30/16.

Department of Budget and Finance  
Overtime Expenditure Summary

Table 15

Prog ID	Sub-Org	Program Title	MOF	FY16 (actual)			FY17 (estimated)			FY18 (budgeted)		
				Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent	Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent	Base Salary \$\$\$\$	Overtime \$\$\$\$	Overtime Percent
BUF 101	AA	Departmental Administration and Budget Division	A	\$ 1,078,174	\$ 28,499	2.6%	\$ 1,181,017	\$ 18,482	1.6%	\$ 1,206,403	\$ 18,482	1.5%
BUF 101	BA	Departmental Administration and Budget Division	A	\$ 1,747,434	\$ 60,303	3.5%	\$ 1,766,921	\$ 28,902	1.6%	\$ 1,822,157	\$ 28,902	1.6%
BUF 115	CA	Financial Administration Division	A	\$ 650,633	\$ 5,031	0.8%	\$ 850,634	\$ 742	0.1%	\$ 934,088	\$ 742	0.1%
BUF 141	FA	Employees' Retirement System	X	\$ 5,577,547	\$ 11,313	0.2%	\$ 6,247,733	\$ 36,000	0.6%	\$ 6,304,631	\$ 36,000	0.6%
BUF 143	EU	Hawaii Employer-Union Trust Fund	T	\$ 2,201,597	\$ 22,491	1.0%	\$ 2,633,679	\$ 27,384	1.0%	\$ 2,689,881	\$ 27,384	1.0%

Department of Budget and Finance  
Active Contracts as of December 1, 2016

Table 16

Prog ID	MOF	Amount paid	Frequency (M/A/O)	Max Value	Outstanding Balance	Term of Contract			Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S
						Date Executed	From	To					
BUF 101	A	\$ 45,840	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 4,280	6/24/2013	6/24/2013	Until services are completed	Maximus Consulting Services, Inc.	#62076-01 - Statewide cost allocation plan FY14. RFP 4/15/13. Option to extend four 12-month periods. Appropriation account G-13-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 101	A	\$ 45,840	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 4,280	3/24/2014	3/24/2014	Until services are completed	Maximus Consulting Services, Inc.	#62076-06 (Supplemental contract #1) - Statewide cost allocation plan FY15. RFP 4/15/13. First (of four) option to extend 12-month period. Appropriation account G-14-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 101	A	\$ 45,840	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 4,280	3/23/2015	3/23/2015	Until services are completed	Maximus Consulting Services, Inc.	#62076-11 (Supplemental contract #2) - Statewide cost allocation plan FY16. RFP 4/15/13. Second (of four) option to extend 12-month period. Appropriation account G-15-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 101	A	\$ -	O - In accordance with RFP BPPMD-13-01	\$ 50,120	\$ 50,120	2/12/2016	2/12/2016	Until services are completed	Maximus Consulting Services, Inc.	#62076-20 - Statewide cost allocation plan FY17. RFP 4/15/13. Third (of four) option to extend 12-month period. Appropriation account G-13-007	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract.	N	S
BUF 115	A	\$ 14,000	O - Upon issuance of bonds, analysis reports, and certificates of participation	\$ 34,000	\$ 20,000	12/7/2012	12/7/2012	12/31/2014	BLX Group	#61702-01 (Original contract) - Arbitrage rebate compliance service (original contract)	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 9,000	O - Upon issuance of bonds, analysis reports, and certificates of participation	\$ 19,000	\$ 10,000	10/24/2014	10/24/2014	12/31/2015	BLX Group	#61702-07 (Supplemental contract #1) - Arbitrage rebate compliance service	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 10,000	O - Upon issuance of bonds, analysis reports, and certificates of participation	\$ 23,000	\$ 13,000	11/23/2015	11/23/2015	12/31/2016	BLX Group	#61702-13 (Supplemental contract #2) - Arbitrage rebate compliance service	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 41,252	O - Hourly	\$ 68,000	\$ 26,748	8/10/2015	8/10/2015	6/30/2016	Hawkins, Delafield, & Wood	#64540-01 (Original contract) - General advice counsel services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S

Department of Budget and Finance  
Active Contracts as of December 1, 2016

Table 16

Prog ID	MOF	Amount paid	Frequency (M/A/D)	Max Value	Outstanding Balance	Date Executed	From	To	Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S
BUF 115	A	\$ -	O - Hourly	\$ 75,000	\$ 75,000	6/13/2016	7/1/2016	6/30/2017	Hawkins, Delafield, & Wood	#64540-02 (Supplemental contract #1) - General advice counsel services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ 6,050	O - As services are performed	\$ 20,000	\$ 13,950	2/26/2016	2/26/2016	6/30/2016	Public Financial Management, Inc.	#63121-06 (Supplemental contract) - Advisory services regarding issuance, evaluating, and investment of bonds and bonds proceeds.	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ -	O - As services are performed	\$ 25,000	\$ 25,000	5/20/2016	5/20/2016	6/30/2018	Public Financial Management, Inc.	#63121-07 (Supplemental contract #3) - Advisory services regarding issuance, evaluating, and investment of bonds and bonds proceeds.	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF 115	A	\$ -	O - As services are performed	\$ 69,500	\$ 69,500	6/8/2016	6/8/2016	6/30/2019	Public Financial Management, Inc.	#64973 (Original contract) - Prepare the State's debt management policy, including debt limits, debt structuring practices, and debt issuing practices. Also prepare the Debt Affordability Study on future debt planned for the State.	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF141	X	\$ 760	M	\$ 1,824	\$ 1,064	7/1/2016	7/1/2016	7/1/2017	CW Maintenance, Inc.	Hilo office maintenance services	ERS staff assigned	Y	S
BUF141	X	\$ 7,347	M	\$ 88,165	\$ 80,818	10/15/2015	9/1/2015	8/31/2020	Danette Vanessa Choi (Note B)	Hilo office lease (thru DAGS)	ERS staff assigned; On-site ERS staff and contact with Property Manager	N	L
BUF141	X	\$ 76,000	O - Monthly and fixed fee for specific reports	\$ 780,000	\$ 704,000	12/28/2015	1/1/2016	12/31/2020	Gabriel, Roeder, Smith & Co.	Actuarial Services	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 17,775	M	\$ 114,300	\$ 96,525	8/11/2014	8/15/2014	8/14/2017	Gerald J. McKenna, MD	Member of the Medical Board	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 6,436	A	\$ 6,436	\$ -	12/20/2015	1/1/2016	12/31/2016	Hawaii Information Consortium	Web site hosting from state price list, SPO VL NO. 08-13	ERS staff assigned; Monitoring of deliverables, ERS staff use of website	N	S
BUF141	X	\$ 8,775	M	\$ 105,300	\$ 96,525	5/19/2014	8/15/2014	8/14/2017	Howman Lam, MD	Member of the Medical Board	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 31,903	O - As services are performed	\$ 73,574	\$ 41,671	8/30/2016	8/30/2016	8/30/2016	Kim, Ching C. dba Rainbow Art Studio	Produce Employees' Retirement System (ERS) quarterly newsletter	ERS staff assigned; Meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 823,780	O - Hourly	\$ 1,235,160	\$ 411,380	2/1/2013	2/1/2013	7/31/2017	KMH LLP	Internal Audit work plan and procedures	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 754,560	O - Per Case completed	\$ 756,160	\$ 1,600	9/12/2013	10/1/2013	6/30/2018	KMH LLP (Note A)	Compute final pension benefit payment	ERS staff assigned; Meetings, review of individual cases	N	S
BUF141	X	\$ 75,506	O - Hourly	\$ 100,000	\$ 24,494	8/2/2016	8/2/2016	6/30/2018	Kobayashi, Sugita & Goda, LLP	Legal services; Act 1 2016	ERS staff assigned; Reports, meetings, phone calls, and e-mails	N	S



Department of Budget and Finance  
Active Contracts as of December 1, 2016

Table 16

Prog ID	MOF	Amount paid	Frequency (M/A/O)	Max Value	Outstanding Balance	Date Executed	From	To	Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S
BUF141	X	\$ 710	M	\$ 3,654	\$ 2,944	9/1/2016	9/1/2016	8/30/2017	Lexisnexis Risk Solutions	On-line death information and address search database	ERS staff assigned; Usage reviewed	N	S
BUF141	X	\$ 104,167	M	\$ 750,000	\$ 645,833	5/19/2014	6/1/2014	5/31/2017	Patricia L. Chinn, MD	Chairperson of the Medical Board	ERS staff assigned; Reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X		M			5/25/2011	5/25/2011	6/30/2016	Pitney Bowes, Inc.	Mail machine for postage	ERS staff assigned; Usage and service calls as needed	N	E
BUF141	X	\$ 1,905	M	\$ 4,572	\$ 2,667	7/1/2016	7/1/2016	6/30/2017	Security Armored Car and Courier Service of Hawaii	Armored car service	ERS staff assigned; Daily monitoring of deliveries	N	S
BUF141	X	\$ 820	O - Per unit	\$ 3,500	\$ 2,680	7/1/2016	7/1/2016	7/1/2017	Shred-It Hawaii	Shredding services	ERS staff assigned; Usage	N	S
BUF141	X	\$ 162,900	A	\$ 162,900	\$ -	6/1/2016	6/1/2016	5/31/2017	Vitech Systems Group	Database Support and Maintenance	ERS staff assigned; On-site vendor staff, service calls, reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 508,000	A	\$ 2,140,000	\$ 1,632,000	6/20/2016	7/1/2016	6/30/2020	Vitech Systems Group	V3 Software license agreement	ERS staff assigned; On-site vendor staff, service calls, reports, meetings, phone calls, and e-mails, approval of deliverables	N	S
BUF141	X	\$ 60,039	M	\$ 72,049	\$ 12,010	9/26/2012	9/26/2012	9/25/2017	Xerox	3 xerox copiers	ERS staff assigned; Usage and service calls as needed	N	E
BUF141	X	\$ 54,136	M	\$ 64,966	\$ 10,830	9/26/2012	9/26/2012	9/25/2017	Xerox	3 xerox copiers	ERS staff assigned; Usage and service calls as needed	N	E
BUF143	T	\$ 117,554	O - Quarterly	\$ 239,588	\$ 122,034	9/1/2015	9/1/2015	8/31/2017	Aon Risk Services	Insurance Broker for Fiduciary Liability and Cyber Liability Insurance	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	G/S
BUF143	T	\$ -	M			11/1/2016	11/1/2016	11/1/2019	Bank of Hawaii	Daily banking services for the Hawaii Employer-Union Trust Fund	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T		M			7/5/2012	7/5/2012	7/5/2017	Pitney Bowes	Mailing Machine, Folding/Stuffer Machine	EUTF staff reviews the invoices from Pitney Bowes	N	E
BUF143	T	\$ 375,000	O - Hourly	\$ 500,000	\$ 125,000	7/1/2015	7/1/2015	6/30/2017	Segal Company	Benefits Consultant	On-going communications with the consultant in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T	\$ -	O - Hourly	\$ 129,800	\$ 129,800	11/18/2016	11/18/2016	7/31/2017	Truven Health Analytics Inc.	Pharmacy benefit plan audit services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T	\$ -	O - As services are performed	\$ 4,640,070	\$ 4,640,070	9/29/2016	9/29/2016	9/28/2020	Vitech Systems Group, Inc.	Support Services and Maintenance and Operational Services	On-going communications with the contractor in providing deliverables pursuant to the provisions of the contract	N	S
BUF143	T		M			12/27/2011	12/27/2011	12/27/2016	Xerox	Copier Leases	EUTF staff reviews the monthly invoices from Xerox	N	E

Department of Budget and Finance  
Capital Improvements Program (CIP) Requests

Table 17

<u>Prog ID</u>	<u>Prog ID</u> <u>Priority</u>	<u>Dept- Wide</u> <u>Priority</u>	<u>Senate</u> <u>District</u>	<u>Rep.</u> <u>District</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY18 \$\$\$</u>	<u>FY19 \$\$\$</u>
BUF 101	1	1	14	28	Bishop Museum, Facility and Energy Improvements, Oahu	C	875,000	-

Department of Budget and Finance  
CIP Lapses

Table 18

<u>Prog ID</u>	<u>Act/Year of Appropriation</u>	<u>Project Title</u>	<u>MOF</u>	<u>Lapse Amount \$\$\$\$</u>	<u>Reason</u>
NONE					

Department of Budget and Finance  
Program ID Sub-Organizations

Table 19

<u>Program ID</u>	<u>Sub-Org Code</u>	<u>Name</u>	<u>Objective</u>
BUF 101	AA	Departmental Administration and Budget Division	To plan, direct, and coordinate comprehensive programs, services and functions which include the Department's administration of fiscal/accounting tasks, budget and management services, personnel services, contracts administration, and systems and procedures.
BUF 101	BA	Departmental Administration and Budget Division	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 (MOF A, B, N).
BUF 101	BB	Departmental Administration and Budget Division	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 (MOF U, W).
BUF 102	CB	Collective Bargaining Statewide	To facilitate the allotment and disbursement of statewide collective bargaining appropriations (MOF A, B, N, P).
BUF 102	CC	Collective Bargaining Statewide	To facilitate the allotment and disbursement of statewide collective bargaining appropriations (MOF W)
BUF 103	VP	Vacation Payout Statewide	To centralize the general funded vacation payouts for AGR, AGS, ATG, BED, BUF, DEF, GOV, HMS, HRD, HTH, LBR, LNR, LTG, PSD, and TAX.
BUF 115	CA	Financial Administration Division	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.
BUF 141	FA	Employees' Retirement System	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.
BUF 143	EU	Employer Union Trust Fund	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 their dependent-beneficiaries, and 2) complying with federal and state legal requirements.

Department of Budget and Finance  
Program ID Sub-Organizations

Table 19

<u>Program ID</u>	<u>Sub-Org Code</u>	<u>Name</u>	<u>Objective</u>
BUF 151	HA	Office of the Public Defender	To safeguard the rights of individuals by providing statutorily entitled and effective legal representation in criminal, mental commitment, and family cases in compliance with Chapter 802, Hawaii Revised Statutes, and the Hawaii Rules of Professional Conduct; prudently manage Deputy Public Defender and support service resources and caseloads; and maintain a quality training program for Deputy Public Defender staff.
BUF 721	ST	Debt Service Payments - State	To make and record debt service payments for all Departments, except the Department of Education (DOE) and the University of Hawaii (UH), in a timely and accurate manner.
BUF 725	LE	Debt Service Payments - DOE	To make and record debt service payments for the Department of Education (DOE) in a timely and accurate manner.
BUF 728	HE	Debt Service Payments - UH	To make and record debt service payments for the University of Hawaii (UH) in a timely and accurate manner.
BUF 741	ST	Retirement Benefits Payments - State	To provide employer contributions for Pension Accumulation and Social Security/Medicare to the Employees' Retirement System (ERS) for all Departments, except the Department of Education (DOE) and the University of Hawaii (UH) in an effective and timely manner.
BUF 745	LE	Retirement Benefits Payments - DOE	To provide employer contributions for Pension Accumulation and Social Security/Medicare to the Employees' Retirement System (ERS) for the Department of Education (DOE) in an effective and timely manner.
BUF 748	HE	Retirement Benefits Payments - UH	To provide employer contributions for Pension Accumulation and Social Security/Medicare to the Employees' Retirement System (ERS) for the University of Hawaii (UH) in an effective and timely manner.
BUF 761	ST	Health Premium Payments - State	To provide employer contributions for health premiums to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for all Departments, except the Department of Education (DOE) and the University of Hawaii (UH) in an effective and timely manner.
BUF 765	LE	Health Premium Payments - DOE	To provide employer contributions for health premiums to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for the Department of Education (DOE) in an effective and timely manner.
BUF 768	HE	Health Premium Payments - UH	To provide employer contributions for health premiums to the Hawaii Employer-Union Health Benefits Trust Funds (EUTF) for the University of Hawaii (UH) in an effective and timely manner.

Department of Budget and Finance  
Organization Changes

Table 20

<u>Year of Change</u>	<u>Description of Change</u>
FY17	<b>EUTF's Benefits Office (BUF 143)</b>
	1. Established PN 122074, EUTF Benefits Audit Specialis, Pseudo No. 970100, Benefits Compliance Aduit Specialist, authorized by Act 124, SLH 2016, in the Benefits Office.
FY17	<b>OPD's Oahu Branch (BUF 151)</b>
	1. Established Office Services Section in the Oahu Branch which provides clerical support to court sections, excluding the Investigation Section.
	2. Established two (2) units in the Office Services Section: General Clerical Services and Legal Clerical Services under the direct supervision of Pseduo No. 970050, Clerical Supervisor (retitled to Public Defender Supervising Legal Clerk, PN 122095.)
	3. Moved the reception, case file and messenger services to the newly established General Clerical Services Unit.
	4. Rename Clerical Services to Legal Clerical Services Unit.
	5. PN 101224, Legal Stenographer/Public Defender Appellate, 1)moved from Appeals Section of Oahu Branch to the Office Services Section and reports directly to Pseudo No. 9750050, Public Defender Supervising Legal Clerk, instead of PN. 101088, Deputy Public Defender V, and 2) re-described to PD Legal Clerk, SRNA.
	6. Pseudo No. 970050 authoirzed by Act 124, SLH 2016, established as head of Office Services Section, and retitled to Public Defender Supervising Legal Clerk, PN 122095.
FY18	Convert 50 temporary positions to permanent positions (subject to approval of FB 17-19 budget request for BUF 151).