The Organization of the Program Plan and Executive Budget

THE ORGANIZATION OF THE MULTI-YEAR PROGRAM AND FINANCIAL PLAN AND EXECUTIVE BUDGET

The Multi-Year Program and Financial Plan and Executive Budget is prepared in accordance with the provisions of Chapter 37, Hawaii Revised Statutes. It represents a combination of the Executive Budget request and approved Program Plan which describes the financial implications of the requested budget over the planning period (FY 2012 through FY 2015).

Statewide Overview and General Information

This section provides background information on the State of Hawaii, the Executive Budget System, tax revenues and distribution, controls on State expenditures, governmental financing, and the legislative process.

Economic Outlook

This section is prepared by the Department of Business, Economic Development, and Tourism and presents the economic background and outlook for the State of Hawaii. The types of data included concern population, employment, income, wages and prices, industry and business trends and the effects of national economic and financial policies and conditions. Relevant tables are provided.

Tables Indicating the Basis for Revenue Estimates

Included are disclosures of the basis upon which revenue estimates were made, variations between projections and the actual or revised estimates, reasons for the variances, and other information pertinent to State revenues.

State Receipt and Revenue Plans

This section presents summaries of the activities of each special fund, the State's borrowing plan (bonding requirements) and bond receipts, and the State's tax and non-tax revenues.

The Operating and Capital Budget - Statewide Summaries

The section provides summaries by means of financing, and by department.

Details of the Operating and Capital Budget - By Department:

Departmental Overview

The details of the budget are presented by department, and sequenced by major program area within the department. An overview is provided for each department consisting of an organization chart, major functions, mission statement, departmental goals, and significant measures of effectiveness.

The operating and capital budget requests and highlights of significant items are also provided.

Details of the Operating Budget

The program plans are presented by major program within each department and provide the following information:

- Requested operating appropriations by cost element (personal services, other current expenses, equipment, and motor vehicles) and by means of financing (general funds, special funds, etc.).
- Capital improvement expenditures by cost element (plans, land acquisition, design, construction, and equipment) and by means of financing.
- Performance indicators (measures of effectiveness, target groups, and program activities) which quantify a program's effectiveness in meeting its objectives.
- Program revenues by type and the fund to which the revenues are deposited.
- A narrative which provides the statement of the program's objective and discusses the budget request, activities performed, key policies pursued, program relationships, external trends affecting the program, and program effectiveness.

Details of the Capital Budget

This section lists all capital improvement projects that require appropriations during the budget period (FB 2009 - 2011).

Information provided for each project includes the priority number as assigned by the department, project number, location, project scope, title, and required appropriations from FY 2010 and FY 2011 by cost element and means of financing.

Additional capital improvement project details which include project implementation schedules, planned vs. actual expenditures, detailed descriptions, and total project costs are found in a separate report (Tables P and Q). This report includes projects which are still active but do not require any appropriations during the budget and planning period. Because of its size, this report is distributed to the legislature only upon request.

Requested Appropriations - Comparison with Previous Budget Period

This section provides the percentage change between the biennium budget request and the previous biennium budget. For the operating budget, the comparison is between the biennium budget request and the previous biennium expenditures. For the capital budget, the comparison is between the biennium budget request and the previous biennium appropriations.

Totals by department are provided, followed by the program ID's within the department. Information is also provided at the intermediate and highest levels of the program structure, and by statewide.

The Executive Biennium Budget by Major Program Area and Intermediate Levels of the Program Structure

This section provides, for each major program area and intermediate level of the program structure, requested operating appropriations and capital expenditures, as well as the following information:

- Statement of program objective
- Measures of effectiveness
- Expenditures of the lower level programs

These reports differ from those in the Details of the Operating Budget section in that the information is presented in program structure order rather than by department.

Appendix 1 - The Program Structure

The program structure displays all programs grouped within the 11 major functional areas of State government. Programs within a single department often fall in several functional areas. For example, the Department of Agriculture has programs in the Economic Development, Environmental Protection and Individual Rights areas. Some sections in this document are presented in department order, while others are in program structure sequence.

Appendix 2 - Definition of Terms

This section explains the terms used in the planning and budget documents, as defined in the Executive Budget Act, and subsequent revisions.

Appendix 3 – Historical Information