

DEPARTMENT OF BUDGET AND FINANCE

Department Summary

Mission Statement

Enhance long-term productivity and efficiency in government operations by providing quality budget and financial services that prudently allocate and effectively manage available resources.

Department Goals

Improve the executive resource allocation process through planning, analysis and recommendation on all phases of program scope and funding; maximize the value, investment, and use of State funds through planning, policy development, timely scheduling of State bond financing and establishment of appropriate cash management controls and procedures; administer retirement and survivor benefits for State and County members and prudently manage the return on investments; administer health and life insurance benefits for eligible active and retired State and County public employees and their dependents by providing quality services and complying with federal and State legal requirements; ensure regulated companies provide adequate and reliable services at just and reasonable rates with a fair opportunity to earn a reasonable rate of return; and to safeguard the rights of indigent individuals in need of assistance in criminal and related cases by providing statutorily entitled and effective legal representation.

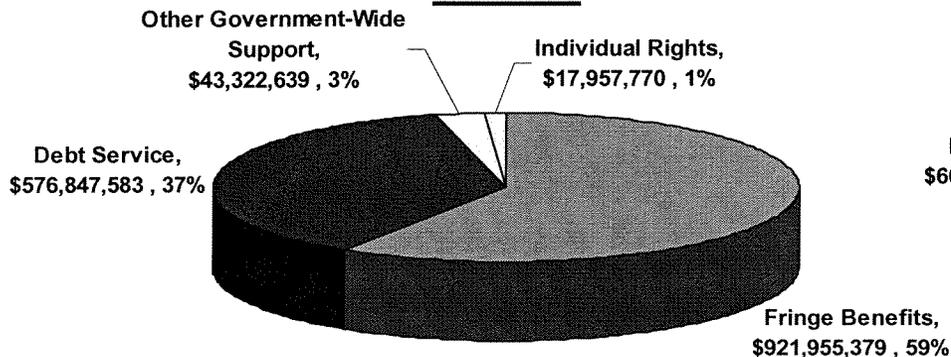
Significant Measures of Effectiveness

1. Percentage of recommendations on departments' requests completed by due date
2. Average annual rate of return on State treasury investments
3. Rate of interest paid on State bonds relative to the Bond Buyer Index for bonds of comparable term and credit

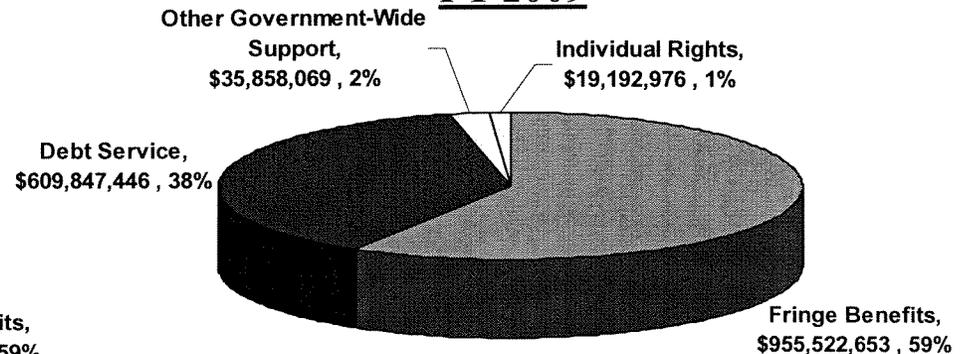
	<u>FY 2008</u>	<u>FY 2009</u>
1. Percentage of recommendations on departments' requests completed by due date	90	90
2. Average annual rate of return on State treasury investments	2.41	2.50
3. Rate of interest paid on State bonds relative to the Bond Buyer Index for bonds of comparable term and credit	90	90

FB 2007-09 Operating Budget by Major Program/Activity

FY 2008



FY 2009



DEPARTMENT OF BUDGET AND FINANCE MAJOR FUNCTIONS

- Administers the multi-year program and financial plan and executive budget, management improvement, and financial management programs of the state under the general direction of the Governor
- Coordinates state budget services and prepares the Governor's budget for submission to the legislature; administers the financial affairs of the State
- Plans, directs and coordinates the State's investments and financing programs
- Directs and coordinates a statewide retirement benefits program for state and county government employees
- Administers health and life insurance benefits for eligible state and county active and retired public employees and dependents
- Provides comprehensive legal and related services to persons who are financially unable to obtain legal and related services
- Regulates all chartered, franchised, or certificated public service companies operating in the State

MAJOR PROGRAM AREAS

The Department of Budget and Finance has programs in the following major program areas:

Individual Rights

BUF 151 Office of the Public Defender
BUF 901 Public Utilities Commission

Government-Wide Support

BUF 101 Departmental Administration and Budget
 Division
BUF 115 Financial Administration
BUF 141 Employees Retirement System
BUF 143 Employer Union Trust Fund

Department of Budget and Finance
(Operating Budget)

		Allocation		
		FY 2007	FY 2008	FY 2009
Funding Sources:	Positions	144.00	144.00	144.00
General Funds	\$	686,104,857	670,795,829	697,008,755
		41.00	44.00	51.00
Special Funds		8,343,024	8,695,562	9,929,994
Federal Funds		30,957	-	-
		30.00	35.00	35.00
Trust Funds		9,296,961	17,712,758	10,322,767
Interdepartmental Transfers		828,887,824	851,853,976	892,209,412
		75.00	83.00	83.00
Other Funds		8,947,132	11,025,246	10,950,216
		290.00	306.00	313.00
Total Requirements		<u>1,541,610,755</u>	<u>1,560,083,371</u>	<u>1,620,421,144</u>

Highlights of the Executive Budget Request: (general funds unless noted)

1. Reduces the general fund by \$9,327,870 in FY 08 and \$426,181 in FY 09; reduces the inter-departmental transfer fund by \$3,848,180 in FY 08 and provides \$10,334,135 in FY 09 for employer contribution requirements for health benefits.
2. Provides \$10,961,407 in FY 08 and \$26,088,544 in FY 09 in general funds and \$7,837,907 in FY 08 and \$25,710,633 in FY 09 in inter-departmental transfer funds for debt service.
3. Reduces the general fund by \$15,438,113 in FY 08 and \$18,988,573 in FY 09; provides \$15,438,113 in FY 08 and \$20,539,961 in FY 09 in inter-departmental transfer funds for employer contribution requirements for pension accumulation.
4. Reduces the general fund by \$13,059,198 in FY 08 and \$12,340,425 in FY 09; provides \$3,538,312 in FY 08 and \$6,736,859 in FY 09 in inter-departmental transfer funds for employer contribution requirements for social security/medicare.
5. Reduces in FY 08 and FY 09, the transfer amount authorized by Act 178-05 for FY 06 and FY 07 for CBU 10; the general fund by \$1,550,374 and federal funds by \$30,957.

6. Increases the FY 08 and 09 trust fund ceiling for unclaimed property judgement and claims by \$1,227,422.
7. Provides 4.00 temporary position counts and \$7,513,484 in FY 08 and \$437,166 in FY 09 in Trust Funds to replace the existing PeopleSoft Health Fund Information Management System with a new benefits administration system for the Employer-Union Trust Fund; and provides \$1,320,250 in FY 08 and \$1,745,220 in FY 09 in Other Funds for the Employees' Retirement System for computer maintenance, replacement and
8. Provides 3.0 permanent position counts and \$213,595 in FY 08 and 10.00 permanent position counts and \$720,585 in FY 09 in the special fund. Also provides for the conversion of temporary to permanent count for 5.00 trust fund and 8.00 other fund positions in FY 08 and FY 09.

Department of Budget and Finance
(Capital Improvements Budget)

	FY 2008	FY 2009
Funding Sources:		
General Obligation Bonds	150,173,000	77,407,000
Total Requirements	150,173,000	77,407,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Provides \$60,000,000 in general obligation bond funds in FY 08 and \$30,000,000 in FY 09 for the Hawaiian Home Lands Trust Fund.
2. Provides \$90,173,000 in general obligation bond funds in FY 08 and \$47,407,000 in FY 09 for the State Educational Facilities Improvement Special Fund.