



EXECUTIVE CHAMBERS

HONOLULU

June 29, 2000

BENJAMIN J. CAYETANO
GOVERNOR

EXECUTIVE MEMORANDUM

MEMO NO. 00-04

TO: All Department Heads

SUBJECT: *Fiscal Year 2001 Budget Execution Policies*

As discussed at a Cabinet meeting earlier this month, we must continue our actions to address issues affecting State expenditures. Overall, we must make every effort to keep spending in line with projected revenues, as well as ensure that such expenditures are appropriate to government and efficiently managed. We will, therefore, continue to review the size and cost of State programs, and initiate implementation of structural changes to make State government more efficient and affordable.

Based on current revenue and expenditure projections, there will be no general fund restrictions imposed at this time on appropriations authorized by Act 91/99, as amended by Act 281/00. Allocations in Exhibit 1 for FY 01 reflect adjustments made to collective bargaining appropriations, and to funding in Act 281/00 reduced or deleted by executive veto.

Provisions of this memo and the following policies and instructions in Attachments A, B, and C shall be effective as of July 1, 2000. Appropriations for FY 00 which were amended by Act 281/00 shall comply with applicable FY 00 Operating Budget Execution Policies.

Departments are directed to implement these funding recommendations responsibly, with all due respect for possible changes in the financial condition of the State. You are expected to be responsible for accurate expenditure planning of allocations to ensure that expenditures are consistent with budget authorizations and legislative intent. As such, policies and allocations provided in these instructions shall be strictly adhered to and supported.

Departments are reminded that this memo does not exempt them from applicable statutes or legislation, including directives, rules or regulations which are statutorily-based, such as those which pertain to public expenditures, the budget, or personnel procedures.

Your cooperation and best efforts are appreciated.

BENJAMIN J. CAYETANO

Attachments