



EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE
GOVERNOR

September 15, 2003

EXECUTIVE MEMORANDUM

MEMO NO. 03-09

TO: All Department Heads

SUBJECT: FY 04 Budget Execution Policies and Instructions

Full year Budget Execution Policies and Instructions for FY 04 are generally similar to policies and instructions issued for FY 03.

As of September 15, 2003, the constitutionally mandated Council on Revenues officially projected that economic conditions in Hawaii would improve and be relatively favorable through FB 2003-05. Based on these encouraging projections, **no statewide restrictions on funding will be extended nor imposed on full-year FY 04 departmental allocations at this time.**

However, while projected State revenues are expected to increase, you are reminded that we are still obligated to be prudent and disciplined in our expenditures, and to ensure that government services are provided in a consistently manageable and affordable manner.

As administrators of our State's operations and programs, our responsibilities are clear. In this fiscal year and the next, our task will be to ensure a disciplined and balanced budget which does not impose further financial burdens on the citizens of this State, while continuing to provide essential services of government. It is therefore expected that you and your program managers will carefully monitor all your expenditures, and review your program and financial requirements relative to the fiscal condition and funding priorities of the State.

Exhibit 1 contains your department's full FY 04 allocation and position ceilings from Act 200/03, including first quarter allocations already approved, and collective bargaining allocations, as applicable.

Attachments A and B contain executive expenditure policies, guidelines and procedures, which provide for the most responsible approach to effectuating legislative intent, as well as our objective to ensure disciplined fiscal planning and spending accountability.

I am confident that you will make responsible choices and decisions in the spirit of this memorandum, even where no specific policies are provided. Know that your cooperation and discipline are appreciated during these challenging times.

Any questions regarding specific policies and instructions should be directed to the Department of Budget and Finance or the appropriate agency referenced.

LINDA LINGLE

Exhibit I
Attachments A, B
Forms A, B, C, C-Ia, PAB