

INSTRUCTIONS GOVERNING EXPENDITURE PLANS AND ALLOTMENTS
FISCAL YEAR 2012

Instructions for Expenditure Plans and Allotments for FY 12 contained in this document are generally similar to those issued for FY 08 and continued through FY 11.

Each department shall submit the following:

1. An operational expenditure plan (OEP) for each appropriation account authorized by Act 164, SLH 2011, to be requested by a Request for Allotment (Form A-19) and a separate narrative page indicating program objectives and activities as related to the OEP.
2. A Form A-19 for each appropriation account from the OEP.
3. A Request for Transfer of Funds (Form A-21) for all transfers proposed in the department's OEPs, as applicable.
4. Journal vouchers to effectuate the transfer of general funds to the Department of Budget and Finance (B&F) pursuant to Sections 96 and 97 of Act 164, SLH 2011, and summaries of the proposed labor savings adjustments and program review adjustments by appropriation symbol (Forms LSA and PRA).

I. Operational Expenditure Plans

Each department shall submit an initial expenditure plan for each program for which funds have been appropriated pursuant to Act 164, SLH 2011. The B&F shall review the expenditure plans and allotment requests shall generally be approved on the basis of such plans. Expenditure plans for specific appropriations are not required.

A. Expenditure plan submissions shall consist of the following:

1. One copy of the expenditure plan which shows the quarterly outlay of funds for the appropriation account by personal services, other current expenses, equipment, motor vehicles and financing agreements. (See Samples 1 and 2.)
2. A separate narrative page indicating program objectives and activities. The initiation of any authorized new programs or the improvement of existing services shall be identified separately in the narrative.

This narrative should include data indicating what is to be done, how much is to be done, and other pertinent information relating to activities in each quarter. Utilize measures of work units wherever possible.

The narrative should support and be consistent with the operational expenditure plan. B&F may request any supplemental information which it deems necessary to properly review and evaluate departmental plans. (See Sample 3.)

B. Operational Expenditure Plan format

1. **Appropriation Column** – Show the amounts by cost element in Act 164, SLH 2011, and as reflected in your operating budget details.
2. **Current Restriction Column** – Indicate portion of departmental restriction assigned to program. Enter restriction amounts by cost element. Non-general fund proposed labor savings adjustments and/or program review adjustments should be entered in this column. (See Sample 2.)
3. **Net Transfers** - Should reflect the net result of any transfers in or out of the program based on:
 - Anticipated or approved Form A-21s
 - Transfers among the cost elements in the program or
 - Transfers to B&F pursuant to Sections 96 (general fund proposed labor savings adjustments from payroll) and 97 (Program Review General Fund Adjustments from payroll and/or other current expenses) of Act 164, SLH 2011. (See Sample 1.)

Use plus or minus signs to show the direction of the transfers. Do not use parentheses to indicate a transfer out.

The transfers should be reflected only in Columns 3 (net transfers) and 4 (current allocation). Do not show transfers in the appropriation column.

4. **Current Allocation** – In total, the figures in this column should equal your net allocation, i.e., if all of your department's OEPs were summarized, the allocation column total should equal your net departmental allocation.

Any difference between the allocation and planned expenditure program total columns is assumed to be departmental savings or deficits.

5. **Collective Bargaining** – There were no specific appropriation acts for collective bargaining for FY 12.
6. **Financing Agreements** – Enter on Line 3 of the OEP all funds for financing agreements as defined in Executive Memorandum No. 96-17.

If the funds were budgeted (i.e., submitted in the budget request process on Tables BK), the amounts shall be entered in the Appropriations, Allocation, and in the appropriate fiscal quarter columns. (See Sample 1.)

If the funds for the financing agreement are unbudgeted (i.e., not submitted on Tables BK in the budget process), enter the amount in the Net Transfer column indicating the movement from the appropriate cost element, the Allocation column and the affected fiscal quarter columns. Do not enter the amount in the Appropriations column. (See Sample 3.) A financing agreement may be unbudgeted because 1) a financing agreement was not anticipated as the vehicle to acquire a budgeted item, or 2) an unbudgeted item is being funded through program savings and is being acquired through a financing agreement.

Regardless of the cost element of the item being acquired through the financing agreement, all amounts should be combined on Line 3 and included in the Total Appropriations lines and on Line 9. Do not include financing agreements on any other line of the OEP.

- C. Amended expenditure plans are not required with each revised allotment request unless requested by the B&F analyst assigned to your department. Only initial and fiscal year-end expenditure plans must be submitted.
- D. Please circle the line number of each line of data on your amended expenditure plan that is being changed since the last submittal. A change means 1) a change to any of the amounts on the line, 2) adding in data on a line that was previously blank, or 3) deleting an entire line of data.

II. Request for Allotment (Form A-19)

Requirements for the Allotment Request forms are as follows:

1. Each department shall request allotment of funds appropriated or authorized by program; by "10" Personal Services or "20" Other Current Expenses (including Financing Agreements); by funds; and by quarters using Request for Allotment (Form A-19). (See Samples 4 and 7.) The breakdowns for Personal Services and Other Current Expenses (including Financing Agreements) must match your department's operating budget (BJ and BK) details, unless transfers were identified in your OEP.
2. **Restriction** – Enter amount of departmental restriction assigned to program, as applicable, by cost element. Non-general fund labor savings adjustments should be entered in this column.
3. **Financing Agreements** – Enter all funds for financing agreements, as defined in Executive Memorandum No. 96-17, as a separate line item under Other Current Expenses in the Appropriation and other applicable columns.

4. Enter unbudgeted financing agreements in the Allocation and applicable quarterly allotment columns; do not enter them in the Appropriation column. See Items B.6 above for an explanation of budgeted and unbudgeted financing agreements.

Do not consolidate these financing agreement line items into the Personal Services or Other Current Expenses lines on subsequent amendments to the A-19.

5. Each Form A-19 should reflect a single appropriation account.
6. Each allotment form should reflect the proper appropriation act and year of authorization in the space provided. The program ID associated with each appropriation symbol must be shown on the Form A-19 in the space labeled, "Program I.D."
7. Only amounts appropriated or authorized by Act 164, SLH 2011, or other specific appropriation acts are to be reflected in Column 2, "Appropriation."
8. Reflect transfers separately in Column 4 (Allocation for this Fiscal Year) and the applicable quarterly allotment columns. All transfers should be identified as "Trf . . ."

General fund transfers of labor savings and/or program review adjustments to B&F pursuant to Sections 96 and 97, respectively, of Act 164, SLH 2011, shall be reflected as separate transfers in Column 4 but not in the quarterly allotment columns. These transfers should be identified as "Trf – Labor Savings Adjustments" or "Trf – Program Review Adjustments," as applicable.

9. Trust accounts authorized by Act 164, SLH 2011, will not be subject to reversion. An "N" should be placed in the reversion column of the Form A-19 for these accounts.
10. Upon approval of the expenditure plans, Form A-21, and submittal of journal vouchers to effectuate transfers to B&F pursuant to Sections 96 and 97 of Act 164, SLH 2011, (Samples 5 and 6) as applicable, allotments shall be made for all quarters subject to a quarterly review of the availability of funds.
11. The Comptroller shall maintain control over departmental expenditures to ensure that expenditures shall not exceed the amounts allotted and shall not honor vouchers against program appropriations which have not been allotted.

Only trust and federal fund allotments may exceed authorized appropriation levels with Governor's approval. All other funds may be allotted only up to the authorized amounts in Act 164, SLH 2011, except as otherwise provided by general law.

12. Additional fund authorization as provided in the Appropriations Act or other specific appropriation acts are to be reflected in Column 4 and the applicable quarterly allotment columns. The amounts should be identified in Column 1 as "Addtl. Auth."
13. Each type of adjustment must be shown on a separate line when submitting an amended allotment request. Do not combine them into one adjustment item.

Subsequent requests should reflect the totals for Personal Services and Other Current Expenses from the latest approved Form A-19.

14. Full-year allotment requests must be accompanied by an OEP and any other supplemental information requested by B&F. A Request for Transfer of Funds (Form A-21) must be concurrently submitted, as applicable, as well as journal vouchers and summaries for the Section 96 and 97 transfers to B&F (Forms LSA and PRA). All required documentation must be submitted as a unit.

Subsequent requests for amended allotments shall be submitted with written justifications on the reverse side of the Form A-19 and any other information as required by B&F. Amended OEPs are not required with amended allotment requests unless requested by the B&F analyst assigned to your department.

Improperly submitted A-19 forms or incomplete submissions will be returned without action. Departments should consult with the appropriate B&F analyst for further clarification of the reporting format.

15. With the exception of the University of Hawaii pursuant to Chapter 37, HRS, all aspects of departmental allotment requests shall be reviewed, evaluated and approved by the Director of Finance to ensure consistency with sound fiscal management practices.

Attachments: Samples 1, 2, 3, 4, 4A, 5, 6, 7, and 7A