

LINDA LINGLE
GOVERNOR



GEORGINA K. KAWAMURA
DIRECTOR

STANLEY SHIRAKI
ACTING DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER
PUBLIC UTILITIES COMMISSION

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION

May 24, 2004

FINANCE MEMORANDUM

MEMO NO. 04-08

TO: All Department Heads

FROM: Georgina K. Kawamura
Director of Finance

SUBJECT: Review of GO/GOR Bond CIP Allotment Balances and Encumbrances

The State faces a serious fiscal constraint in the immediate future and actions to reduce overall spending will be necessary. Under this financial condition, every funding need will have to compete for its priority relative to all other requirements. Consequently, Capital Improvement Projects (CIP) funded by general obligation (GO) and general obligation reimbursable (GOR) bonds must be reassessed to determine their priority in relation to all CIP authorizations.

To begin this process, we are requesting that GO/GOR project allotment balances and encumbrances be critically reviewed to:

- a. Determine whether the project is a priority in relation to all other projects.
- b. If it is a priority, assign a unique numerical priority ranking to the project.
- c. If it is not a priority, determine whether it is feasible to suspend further work on the project.
- d. If it is feasible to suspend further work on the project, estimate the amount that can be lapsed from the allotment balance and encumbrance.

Attached, for information purposes only, is a worksheet of GO/GOR projects for which your department is the expending agency with the appropriation status as of April 30, 2004. Please review each project with an allotment balance and/or encumbrance and provide the requested information using the electronic file of this worksheet that will be e-mailed to your staff.

An electronic file of the completed worksheet is due to the Department of Budget and Finance (B&F) by June 16, 2004. Questions may be referred to the B&F analysts assigned to your programs.

Your cooperation in this matter would be greatly appreciated.

Attachment

DEPARTMENTAL ATTACHMENTS ARE AVAILABLE UPON REQUEST.