DAVID Y. IGE
GOVERNOR

RYKER WADA
DIRECTOR

ANDREW T. GARRETT
DEPUTY DIRECTOR

STATE OF HAWAI'I
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAI'I 96813-2437

September 30, 2021

The Honorable Ronald D. Kouchi, President
and Members of the Senate
Thirtieth State Legislature
State Capitol Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker
and members of the House
Thirtieth State Legislature
State Capitol Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki and Members of the Legislature,

In accordance with Section 37-47, HRS, and Section 3 of Act 87, SLH 2021, I am submitting the Department of Human Resources and Development's report on non-general fund account(s) under our control due October 1, 2021.

Sincerely,
Ryker J. Wada

Ryker Wada
Director

Attachments

Report on Non-General Fund Information
for Submittal to the 2022 Legislature

Department: HRD
Prog ID(s):
Name of Fund: State Deferred Compensation Plan Trust Fund
Legal Authority Section 88E-9, HRS

Contact Name: Cynthia Akiyoshi
Phone: 587-1063
Fund type (MOF) T
Appropriation Acct. No. T-21-999-P

Intended Purpose The Deferred Compensation Plan, an eligible plan under section 457 of the U.S. Internal Revenue Code, is a voluntary tax-deferred supplemental retirement savings plan. The State Deferred Compensation Plan Trust Fund was established in 1983 to separately hold employee contributions and any investment earnings for the exclusive benefit of the participants and their beneficiaries. The Plan is open to all employees who are members of the State's Employees' Retirement System and employed by either the State, County of Hawaii, County of Maui, or County of Kauai.

Source of Revenu Participant contributions and changes in the value of the Plan's investment product options.

Current Program Activities/Allowable Expenses: The fund supports all of the Plan's expenses: daily administration and marketing costs, third-party administrator fees, custodial fees, investment consultant fees, investment product fees; and distributions taken by participants and their their designated beneficiaries.

Variances:

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling							
Beginning Cash Balance	1,558,179,101	1,701,779,515	2,046,583,188	2,101,112,569	2,010,398,732	2,552,168,376	#VALUE!
Revenues	317,260,218	594,328,581	173,655,244	29,558,070	654,399,299	not available	not available
Expenditures	173,659,804	249,524,908	119,125,863	120,271,907	112,629,655	not available	not available
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Net Total Transfers	0	0	0	0	0	0	0
Ending Cash Balance	1,701,779,515	2,046,583,188	2,101,112,569	2,010,398,732	2,552,168,376	#VALUE!	#VALUE!
Encumbrances							
Unencumbered Cash Balance	1,701,779,515	2,046,583,188	2,101,112,569	2,010,398,732	2,552,168,376	#VALUE!	#VALUE!

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Report on Non-General Fund Information
for Submittal to the 2022 Legislature

Department:	HRD	Contact Name:	Mary Ann Teshima
Prog ID(s):	HRD 102	Phone:	587-1150
Name of Fund:	Human Resources Development Special Fund	Fund type (MOF)	B
Legal Authority	Act 123, SLH 2001	Appropriation Acct. No.	S-21-310-P

Intended Purpose:

The purpose of this fund is to support and facilitate the Department's entrepreneurial initiatives, training activities, and programs for government employees.

Source of Revenues:

Fees assessed for services provided under entrepreneurial initiatives; participant fees for in-service training programs; and moneys directed to the Department from other sources such as gifts, grants, and awards.

Current Program Activities/Allowable Expenses:

The fund covers expenses related to entrepreneurial activities such as providing workers compensation claims management and premium conversion plan administration services to other agencies; developing and conducting employee training programs; and administrative costs associated with special funds.

Variances: The variance is due to delay in IT projects for the workers' compensation program, less than projected use of REACH counseling services, delay in the procurement of benefit plan consultant services, and cancellation of training activities due to the pandemic.

Financial Data

	FY 2017 (actual)	FY 2018 (actual)	FY 2019 (actual)	FY 2020 (actual)	FY 2021 (actual)	FY 2022 (estimated)	FY 2023 (estimated)
Appropriation Ceiling	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Beginning Cash Balance	1,623,983	1,790,190	1,875,048	2,015,678	2,197,246	485,164	471,034
Revenues	229,706	141,930	214,181	264,507	171,882	222,549	206,459
Expenditures	63,499	57,072	73,551	82,939	83,964	236,679	191,197
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Net Total Transfers	0	0	0	0	(1,800,000)	0	0
Ending Cash Balance	1,790,190	1,875,048	2,015,678	2,197,246	485,164	471,034	486,296
Encumbrances					22,475		
Unencumbered Cash Balance	1,790,190	1,875,048	2,015,678	2,197,246	462,689	471,034	486,296

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Report on Non-General Fund Information
for Submittal to the 2022 Legislature

Department: HRD
Prog ID(s):
Name of Fund: State Deferred Compensation Plan for Part-time, Temporary, Seasonal/Casual Employees Trust Fund
Legal Authority Section 88F-7, HRS

Contact Name: Cynthia Akiyoshi
Phone: 587-1063
Fund type (MOF) T

Appropriation Acct. No. T-21-995-P

Intended Purpose The Deferred Compensation Plan for Part-time, Temporary, and Seasonal/Casual Employees ("PTS Plan"), is an eligible deferred compensation plan under Sections 457 and 3121 of the U.S. Internal Revenue Code of 1986, as amended. The PTS Plan was established in 1997 as a tax deferred alternative retirement program for part-time, temporary, and seasonal/casual employees of the State (and participating counties) who are not eligible for membership in the Employees' Retirement System. Participation in the PTS Plan is mandatory and there is a mandatory payroll deduction of 7.5 percent of the employee's gross monthly wages (in lieu of social security contributions) that are contributed to the Plan. The employee contributions and any interest earned are held in trust for the exclusive benefit of the participants and their beneficiaries.

Source of Revenues: Participant contributions and changes in the amount of interest earned.

Current Program Activities/Allowable Expenses: The fund supports all of the PTS Plan's expenses: daily administration and marketing costs, third-party administrator fees, custodial fees; and distributions taken by participants and their designated beneficiaries.

Variances:

Financial Data							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	(actual)	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)
Appropriation Ceiling							
Beginning Cash Balance	112,625,802	118,946,488	125,462,758	132,446,740	136,237,841	142,264,558	#VALUE!
Revenues	12,864,973	13,234,777	13,174,623	10,015,369	11,449,820	not available	not available
Expenditures	6,544,287	6,718,507	6,190,641	6,224,268	5,423,103	not available	not available
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Net Total Transfers	0	0	0	0	0	0	0
Ending Cash Balance	118,946,488	125,462,758	132,446,740	136,237,841	142,264,558	#VALUE!	#VALUE!
Encumbrances							
Unencumbered Cash Balance	118,946,488	125,462,758	132,446,740	136,237,841	142,264,558	#VALUE!	#VALUE!

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							

Non-General Fund Program Measures Report
for submittal to the 2022 Legislature
Department of HRD

Name of Fund: Human Resources Development Special Fund
Apprn. Acct. Number: S-310-P
Fund Type (MOF): B
Legal Authority: Act 123, SLH 2001

Statement of Objectives

The purpose of this fund is to support and facilitate the Department's entrepreneurial initiatives, training activities, and programs for government employees.

	Fund Measures of Effectiveness	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1.	Percent of Other Jurisdiction/Agency Employees Participating in Voluntary Tax-Savings Benefit Programs	71	71	71	71	71	71
2.	Percent of Administrative Fees Collected	95	95	95	95	95	95
3.	Ratio of Other Jurisdiction/Agency Workers' Compensation Open Versus Closed Claims During Fiscal Year	1	1	1	1	1	1

	Program Size Indicators	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1.	Number of Other Jurisdictions/Agencies Participating in Voluntary Tax-Savings Benefit Programs Administered by DHRD	3	3	3	3	3	3	3
2.	Number of Judiciary, Hawaii Health System Corporation, and Office of Hawaiian Affairs Employees	4,575	4,575	4,575	4,575	4,575	4,575	4,575
3.	Number of Other Jurisdictions/Agencies Workers' Compensation Claims Administered by DHRD	3	3	3	3	3	3	3
4.	Number of Charter Schools, Hawaii Public Housing Authority, and Hawaii State Public Library System Employees	3,290	3,267	3,277	3,277	3,277	3,277	3,277

	Fund Activities Encompassed	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1.	Number of Other Jurisdiction/Agency Employees Participating in Voluntary Tax-Savings Benefit Programs Administered by DHRD	3,271	3,271	3,271	3,271	3,271	3,271
2.	Number of EAP Counseling Hours Covered by Fund	240	240	240	240	240	240
3.	Number of Workers' Compensation Claims Administered for Other Jurisdictions/Agencies	197	197	197	197	197	197

Non-General Fund Cost Element Report
for submittal to the 2022 Legislature

Department: HRD
Name of fund: Human Resources Development Special Fund
Legal Authority: Act 123, SLH 2001
Fund Type (MOF): B
Apprn. Account. No.: S-310-P

	FY 2021-22 Estimated	FY 2022-23 Estimated
A. Personal Services	0	0
B. Other Current Expenses	215,325	191,197
C. Equipment	21,354	0
M. Motor Vehicles	0	0
L. Leases	0	0
TOTAL	236,679	191,197