

Program Structure Number: 020402

Program ID and Title: LBR 902, General Administration

Page Reference in the Executive Budget Supplement, Vol. I: None

I. Introduction

A. Summary of Program Objectives

To enhance program effectiveness and efficiency by formulating policies, directing operations and personnel and providing other administrative and housekeeping services.

B. Description of Program Objectives

The activities in this program are performed in the Director's Office, Information Office, Administrative Services Office (ASO), Equal Employment Opportunity Office, Personnel Office, and Neighbor Island District Offices. It involves providing executive direction and administrative assistance to the department's divisions and programs.

A Summary of the Objectives and Activities as Discussed in the Multi-Year Program and Financial Plan.

To achieve the program objectives stated above, activities such as short- and long-range planning, instituting policy changes, proposing State legislation, developing innovative and improved programs, preparing program and budget presentations, maintaining fiscal, accounting, purchasing, and personnel functions, providing (personnel) advisory services and position classification functions, and assuring equal opportunity employment and promoting affirmative action programs are all key activities.

Explain how the Program intends to meet its objectives within the Biennium Budget.

In order to ensure that the services rendered assist and benefit our programs in the delivery of services they provide, we will evaluate and improve our work processes to benefit our customers, and provide training and workshops for the Department of Labor and Industrial Relations' (DLIR) programs throughout the year on proper procedures and processes to initiate required goods and services. The Administrative Services Office (ASO) has procured a new cost accounting and purchase

order systems. All offices in General Administration need to apply information technology to the fullest extent possible.

## II. Program Performance Results

### A. Discuss the performance results achieved by each Program in FY 2008.

The performance measures in terms of processing efficiency have remained roughly the same. The improvement in the processing of payments for goods and services is attributable to the Purchasing Card (pCard) program. The ASO remains the Department's pCard administrator and provides training to the DLIR's divisions and offices as needed. The pCard Program allows all levels of employees, especially the front line employees who do the actual purchasing, to make small dollar purchases with the State's purchasing card from First Hawaiian Bank. This program enables businesses to receive payment within three (3) days instead of 30 days. In 2008, the DLIR was averaging 310 transactions per month and paying \$170,680 to businesses for goods and services.

Besides established measures, program effectiveness is assessed by the satisfaction of customers, internal and external to the DLIR, who are served by offices in this program. The ASO work teams continue to meet to evaluate and improve work processes to benefit all our customers.

The ASO continues to serve as the lead division to ensure that the DLIR maximizes the use of our Information Technology (IT) resources to the fullest extent possible to provide timely, reliable, and accessible services to the public. In 2008, the department's IT staff responded to and closed 854 work requests and maintained an open workload of 64 requests.

### B. Explain how these results relate to the program's objectives and department's mission.

If effective services are provided to internal customers, DLIR programs will have access to necessary resources and support to carry out their program responsibilities and, in turn, the mission of the Department.

### C. Explain how the effectiveness of the Program is measured (i.e., outcome, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

The program's performance has generally been measured through efficiency measures included as measures of effectiveness. As noted in item A. above, the level of performance remained constant over the past

two years.

- D. Discuss actions taken by each Program to improve its performance results.

As part of the department's continuous improvement program, individual offices have developed Strategic Plans with objectives, implementing actions and measurable outcomes. As noted in item A above, the ASO's strategic plan has been completed, discussions with internal customers are ongoing and internal workgroups have begun to implement changes to improve measurable outcomes.

- E. Please identify all modifications to your program's performance measures and discuss the rationale for these modifications.

None.

### III. Problems and Issues

- A. Discuss Problems and Issues Encountered, if any.

A decrease in funding has made it more challenging to implement and administer support to the programs that are served.

#### Improving Fiscal and Financial Support

The new cost accounting system (CAS) utilizes a more user friendly online process to generate monthly accounting reports that are program specific for the DLIR. The reports are utilized by the federal programs within DLIR, and contain the budget, current expenditures, cumulative expenditures, resources-on-order, and variances from the budget for each grant that is administered by the DLIR. The financial CAS reports are generated after the close of a month and/or quarter and serves as the basis for reporting expenditures to various State and Federal agencies. The new CAS will reduce the one (1) month delay in the production of the expenditure reports and enhance the ASO's ability to provide financial status of any program at any given period in time.

#### Information Technology Support

End-user work requests are given a high priority so that the programs are able to meet their daily operational needs. However, due to staff shortages, there have been some delays in the completion of several IT projects. The ASO is gathering information to address the training needs to support the various IT areas within the department. While training does

not equate to additional staff, we are confident that it will allow us to quickly identify and resolve IT problems in a more efficient manner.

### Improving Human Resources

After having numerous acting Departmental Personnel Officers (DPO), a permanent DPO was hired in late October. The office is now fully staffed, except for the one (1) position that will be eliminated as the result of budget cuts. Their focus is to look at all personnel procedures, streamline and improve despite being short a staff member.

The main focus continues to be in recruitment. Despite the dismal economic picture, the DLIR programs still face a shortage of viable candidates for critical job vacancies, resulting in certain positions remaining vacant for months. Therefore, in order to improve the Department's ability to recruit and fill, the Personnel Office will focus on active recruiting. This will require more time and more effort in "locating" qualified applicants and preparation to screen and interview applicants quickly at our Department level when active recruiting produces candidates. In addition, we need to focus on retaining qualified employees with competitive pay rates so our classifier will work closely with all Divisions to see if reallocations are appropriate, and assist them accordingly. Training also remains a high priority since there is a lack of qualified employees to fill vacancies when employees retire, are promoted or leave the State system. Since minimum qualifications, pay rates, etc. are the responsibility of the Department of Human Resources, we must also work closely with them so that they can understand our needs, yet still maintain standards.

We are in the process of making major changes on how the Personnel Office interfaces with the other Divisions. Some of these changes are having a detailed new hire orientation, which creates consistency in the Department, while relieving the Divisions of doing their own orientations. It also provides more detailed benefits information so that employees can take advantage of all available programs, such as Island Flex, which is a tax benefit program. Also, customized supervisory training for each division will be provided which will translate to a better understanding and working relationship among supervisors and employees.

#### B. Program Change Recommendations to Remedy Problems

The ASO successfully secured a contractor to deliver, install, and maintain a state-of-the-art automated Cost Accounting System (CAS). The DLIR's largest program, the Unemployment Insurance Division, was brought online, and the new CAS runs parallel with the current CAS.

When the second Phase of the Conversion and implementation is successful, all of the DLIR programs will be brought online.

- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None.

IV. Expenditures for Fiscal Year 2008-2009

	Acts 213/07,158/08 FY 2008 - 2009	Collective ± Bargaining	Transfers Restriction	Available Resources	Est. Total Expenditures
Pos. Count	62.94			62.94	62.94
Personal Svcs	\$ 2,740,249	\$ 225,215	675,853	\$ 3,641,317	\$ 3,641,317
Current Exp	954,148			954,148	954,148
Equipment					
Motor Vehicles					
<b>Total</b>	<b>\$ 3,694,397</b>	<b>\$ 225,215</b>	<b>\$ 675,853</b>	<b>\$ 4,595,465</b>	<b>\$ 4,595,465</b>
Less:					
Pos. Count					
Special Fund					
Pos. Count	35.48			35.48	35.48
Federal Fund	3,095,547	133,262		3,228,809	3,228,809
Pos. Count					
Other Funds					
Pos. Count	27.46			27.46	27.46
Gen. Fund	598,850	91,953	675,853	1,366,656	1,366,656

\* No Transfer In/Out

- A. Explain all Transfers Within the Program I.D. and its Impact on the Program.

None.

- B. Explain all Transfers Between Program I.D.s and its Impact on the Program.

Transfer general funds of \$728,966 from other DLIR programs to cover payroll deficit due to the 4% legislative reduction.

- C. Explain all Restrictions and its Impact on the Program.

Restricted \$53,113 to comply with the Governor's budget executive policy and reduced general fund allocation.

V. Biennium Budget Request for FY 2010 - FY 2011

	Budget Request FY2009-2010	Budget Request FY2010-FY2011	Biennium Budget FY2010-FY2011
Pos. Count	61.02	61.02	61.02
Personal Services	\$ 3,654,136	\$ 3,654,136	\$ 7,308,272
Current Expenses	954,148	954,148	1,908,296
Equipment			
Motor Vehicles			
Total	\$ 4,608,284	\$ 4,608,284	\$ 9,216,568
Less:			
Pos. Count			
Special Fund			
Pos. Count	35.48	35.48	35.48
Federal Fund	3,228,809	3,228,809	6,457,618
Pos. Count			
Other Funds			
Pos. Count	25.54	25.54	25.54
Gen. Fund	1,379,475	1,379,475	2,758,950

A. Workload or Program Request

1. Description of request, reason for the request, and desired outcomes or objectives to be accomplished.

None.

2. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

3. For all lump sum requests please provide a breakout indicating specific purposes for all expenditures.

None.

B. For all position count reductions, please specify whether the positions were filled or vacant.

All positions are vacant.

VI. Identify restrictions carried over from FY 2008-2009 as well as additional restrictions due to Department of Budget and Finance's budget ceilings for FY2010-FY2011.

A. Description of the reduction, the reasons for the reduction and the impacts to the objectives to be accomplished by the program.

Reduction of 1.92 positions and \$94,743 in general funds in accordance with the Executive Budget and Financial Plan.

B. Listing/description of the positions cut including source of funding; please specify whether the positions were filled or vacant.

All positions are vacant.

	MOF	FTE (P)	(\$)
(10031) Office Assistant III, SR 08	A	(1.00)	(24,684)
(113230) Clerk Typist, SR 08	A	(0.46)	(10,190)
(09868) PMS IV, SR 22	A	(0.46)	(20,982)
Total		(1.92)	(55,856)

VII. Capital Improvement Request for FY2010-FY2011

None.

VIII. Proposed Lapses of Capital Improvement Program Projects

None.