

MICHAEL P. VICTORINO
Mayor



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COUNTY OF MAUI

DEPARTMENT OF PERSONNEL SERVICES

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OFFICE OF THE
COUNTY COUNCIL

April 22, 2019

Ms. Michele M. Yoshimura *myg*
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

[Signature] 4/22/19
Acting Mayor Date

For Transmittal to:

Honorable Keani Rawlins-Fernandez
Chair, Economic Development & Budget Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: REQUESTS/QUESTIONS FROM THE APRIL 11, 2019 MEETING (PS-10) (EDB-1)

We are in receipt of your communication (PS-10) (EDB-1), which requests:

1. *What is the status of the three Planner V positions on pages 20 and 21 of the report of vacant positions (PS-1, correspondence dated March 25, 2019)? (TP)*

The information that we have regarding these positions is as follows:

- o PC-0011: The department plans to reallocate to a Planner III to allow filling at a lower level
- o PC-0055: The department is attempting to fill via a lateral transfer
- o PC-0080: The position is not currently in use, as the function and the incumbent were transferred to the Department of Management to support the Maui Redevelopment Agency

2. *Please comment on a proposed policy to add a one-year deadline to fund vacant positions, whereby if not filled:*
 - a) *Salaries for these positions may be frozen;*
 - b) *Positions may lapse;*
 - c) *Funds allocated to vacant positions may not be used to cover shortfalls in the Department's overtime or premium pay, and instead, may be returned to the General Fund; and*
 - d) *Council must approve an extension beyond the one-year deadline to fill the positions. (MM)*

We very much appreciate that the issue of dedicating monies to fund positions that remain vacant has been vexing for many years. As any policy that may be adopted could significantly impact departmental operations, we believe the subject is worthy of thorough analysis and debate, and thank you very much for the opportunity to comment.

First, we would note that there may currently be policy or technical limitations that would impact the formulation of such a policy. For example, budgeting is currently done on a "results-based budget" or "program budget" basis, wherein departments are provided resources at a program level rather than at the position or "line item" level. This provides departments with flexibility to adapt to changing business needs or conditions within specified overall limits. As a result, the budget ordinance is crafted such that each program is authorized to expend up to a specified total amount on salaries for up to a specified total amount of equivalent personnel. The ordinance does not identify salary amounts specific to positions. Thus, we are unsure how the salary amount for a specific position could be frozen or lapsed under the ordinance.

Second, we would note that such a freeze may be very difficult to monitor and enforce. While the Workday system could be configured to warn managers when the duration of vacancy approaches or exceeds one year, it is not configured to monitor or block expenditures at the budget program level. That is currently done by the IFAS system, but we do not know whether that system is configured to allow "freezing" a portion of the funds within an account. Thus it may be difficult for managers or the administration to manually track these conditions throughout the budget year, and an automated means of doing so may not be available.


Additionally, should such a policy be adopted, we would suggest clarification be included as to how the policy applies when the one-year vacancy limit is reached during the budget year. If the one-year is reached partway through the year, how would the policy apply (e.g., if the one-year deadline is January 1st, is the entire amount frozen or is it pro-rated)? We would also suggest that careful consideration be given to how the policy might apply to positions that take an extended time to fill due to extensive screening/training (e.g., Police Officer I or Fire Fighter Trainee) or are clearly difficult to fill despite continuous efforts to do so (e.g., Emergency Service Dispatcher I).

Honorable Keani Rawlins-Fernandez
April 22, 2019
Page 3

In short, the crafting of a policy that effectively controls unnecessary dedication of funds within the current framework and without undue effects on operations will be complex and is deserving of much discussion. It is likely that there are situations within the individual departments of which we are unaware and potential effects of which we are not cognizant, so we believe a broader discussion would be helpful. We would be happy to participate in any such discussions. In addition, should the Council wish to ascertain more information regarding the extent and root causes of extended vacancies, we believe a reporting requirement could be adopted without most of the above-noted concerns regarding a freeze or lapse.

I hope this addresses your request. If you have any questions, please feel free to contact me at extension 7850.

Sincerely,


FOR DAVID UNDERWOOD
Director of Personnel Services

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