Oregon Department of Revenue

2015–2017

Governor's Budget

150-800-551 (Rev. 01-15)

OREGON DEPARTMENT OF REVENUE

Governor's Budget
2015-17
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CERTIFICATION

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numerical information has been verified.

Department of Revenue	955 Center Street NE, Salem, OR 97310
Agency Name	*Agency Address*
Signature	Director
	Title

Notice: Requests of those agencies headed by a board or commission must be approved by those bodies of official action and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

____Agency Request __X__ Governor's ____ Legislatively Adopted Budget Page ____

107BF01

Legislative Action

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 5538-A

Carrier – House: Rep. Gomberg
Carrier – Senate: Sen. Steiner Hayward

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 23 – 3 – 0

House
Yeas: Barker, Buckley, Frederick, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson
Nays: Freeman
Exc:
Senate
Yeas: Bates, Devlin, Edwards, Hansell, Johnson, Monroe, Steiner Hayward, Whitsett, Winters
Nays: Girod, Thomsen
Exc:

Prepared By: Jim Carbone, Department of Administrative Services

Reviewed By: John Borden, Legislative Fiscal Office

Meeting Date: June 6, 2013

Agency	**Biennium**
Department of Revenue	2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget (1)	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				$ Change	% Change
General Fund	$ 147,798,243	$ 163,259,812	$ 165,022,170	$ 17,223,927	11.7%
Other Funds	$ 34,230,088	$ 37,336,826	$ 38,447,601	$ 4,217,513	12.3%
Other Funds Nonlimited	$ 1,945,006	$ 1,991,686	$ 0	$ -1,945,006	-100.0%
Total	$ 183,973,337	$ 202,588,324	$ 203,469,771	$ 19,496,434	10.6%

Position Summary

Authorized Positions	1,051	1,050	1,050	-1
Full-time Equivalent (FTE) positions	990.84	991.06	993.49	2.65

(1) Includes adjustments through December 2012.
* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Revenue operations are funded primarily by the General Fund. However the agency's cost for administering various Other Funds programs are charged to those programs. These include: collecting debts owed to other agencies, providing county assessment and mapping services, collecting the Tri-Met and Lane County Transit Self-Employment Tax, and other programs.

Summary of General Government Subcommittee Action

The Department of Revenue administers more than 30 tax programs, including: the Personal Income Tax, the Corporate Excise Tax, Property Tax oversight, Cigarette and Other Tobacco Tax, the Inheritance Tax, and other tax programs.

The Subcommittee approved a 2013-15 budget of $203,469,771, which includes $165,022,170 General Fund and $38,447,601 Other Funds and 1,050 positions (993.49 FTE). The recommendation includes the following adjustments to the Current Service Level:

Executive

The Executive program unit includes Central Office staff, the Communications Unit and the Human Resources section. The Central Office directs the activities of the agency's four line divisions and the Project Management Section and coordinates the department's legislative, rule-

making, and internal audit activities. The Communications Unit provides the means for the agency to educate and communicate with taxpayers, stakeholders, and external partners. The Human Resources Section provides general oversight of the agency's relationship with its more than 1,000 employees. For this program the Subcommittee approved a 2013-15 budget of $6,827,720 total funds ($6,088,842 General Fund and $738,878 Other Funds) and 33 positions (33.00 FTE). This includes the following adjustments to the Current Service Level:

Package 081 (May 2012 E-Board), a $163,348 Total Funds reduction, makes permanent those changes that were directed by the Emergency Board in May 2012, which were part of the legislative plan from the 2012 session to restructure state government business operations. This package eliminates one position (1.00 FTE).

Package 092 (PERS Taxation Policy), a $15,130 Total Funds reduction, reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments), a $120,903 Total Funds reduction, reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101 (Service and Supplies True-Up), an $8,433 General Fund increase in services and supplies, aligns the agency budget categories to better reflect how the agency will execute this budget. Historically, the agency has used vacant positions, above normal attrition, to augment its Services and Supplies budget. This package, in six of the agency's budget units, is intended to align the budgeted expenditure categories with actual expense categories. The net of all Package 101 adjustments will not reduce or degrade the revenue generation capabilities of the agency.

General Services

This unit includes the Program Management Office which leads and facilitates the ongoing transformation of people, processes and technology. The Office's functions include project management, portfolio reporting, process improvement, and metrics. Additionally the General Services Budget Unit includes centrally managed expenditures and fees such as postage, recording and release fees, collection fees and merchant fees. For this program the Subcommittee approved a 2013-15 budget of $7,731,788 total funds ($4,783,438 General Fund and $2,948,350 Other Funds) and two positions (2.00 FTE). This includes the following adjustments to the current service level:

Package 081 (May 2012 E-Board), a $453,396 total funds reduction, makes permanent those changes that were directed by the Emergency Board in May 2012, which were part of the legislative plan from the 2012 session to restructure state government business operations. This package eliminates two positions (2.00 FTE).

Package 082 (September 2012 E-Board). This package reflects the continuation of an Emergency Board decision in September 2012 to provide the second year of funding for the Elderly Rental Assistance and Non-profit Housing programs. It adjusts revenues to accommodate continuing administration of the Elderly Rental Assistance program at the Department of Revenue.

Package 092 (PERS Taxation Policy), a $1,441 Total Funds reduction, reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments), a $11,514 Total Funds reduction, reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101 (Service and Supplies True-Up), an $866,339 Total Funds increase, aligns the agency budget categories to better reflect how the agency will execute this budget. Historically, the agency has used vacant positions, above normal attrition, to angment its Services and Supplies budget. This package, six of the agency's budget units, is intended to align the budgeted expenditure categories with actual expense categories. The net of all Package 101 adjustments will not reduce or degrade the revenue generation capabilities of the agency.

Package 814 (Nonlimited OF to Limited OF) converts $1,715,040 of Nonlimited Other Funds to Limited Other Funds. The agency's third party collection activities and the cost of the Multistate Tax Commission would become subject to expenditure limitation.

Administrative Services

The Administrative Services Unit includes IT Services, the Processing Center, and the Finance and Budget unit. For this program the Subcommittee approved a 2013-15 budget of $52,187,586 Total Funds ($45,188,232 General Fund and $6,999,354 Other Funds) and 263 positions (220.00 FTE). This includes the following adjustments to the Current Service Level:

Package 081 (May 2012 E-Board), a $631,860 total funds reduction, makes permanent those changes that were directed by the Emergency Board in May 2012, which were part of the legislative plan from the 2012 session to restructure state government business operations. This package eliminates three positions (3.00 FTE).

Package 091 (Statewide Administrative Savings), a $1,247,916 total funds reduction is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092 (PERS Taxation Policy), a $28,022 total funds reduction, reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments), a $223,909 total funds reduction, reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101 (Service and Supplies True-Up), a $479,962 total funds increase and a reduction of five positions (3.50 FTE), aligns the agency budget categories to better reflect how the agency will execute this budget. Historically, the agency has used vacant positions, above normal attrition, to augment its Services and Supplies budget. This package, in six of the agency's budget units, is intended to align the budgeted expenditure categories with actual expense categories. The net of all Package 101 adjustments will not reduce or degrade the revenue generation capabilities of the agency.

Property Tax

This unit ensures that counties comply with property tax laws and rules in their appraisals, assessments, tax levies, tax collection, budgets, and Boards of Property Tax Appeals proceedings. In addition the unit has responsibility for conducting the appraisals on industrial facilities that are valued in excess of $1 million. It also conducts appraisals of utilities and companies designated by ORS 308.515, such as telecommunications, gas and electric companies, airlines, and railroads. Finally the unit administers several timber tax programs. For this unit the Subcommittee approved a 2013-15 budget of $25,745,461 total funds ($14,450,399 General Fund and $11,295,062 Other Funds) and 99 positions (97.26 FTE). This includes the following adjustments to the Current Service Level:

Package 081 (May 2012 E-Board), a $567,600 total funds reduction, makes permanent those changes that were directed by the Emergency Board in May 2012, which were part of the legislative plan from the 2012 session to restructure state government business operations. This package eliminates three positions (3.00 FTE).

Package 092 (PERS Taxation Policy), a $49,166 total funds reduction, reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments), a $392,860 total funds reduction, reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101 (Service and Supplies True-Up), a $389,486 total funds reduction and a reduction of three positions (2.07 FTE), aligns the agency budget categories to better reflect how the agency will execute this budget. Historically, the agency has used vacant positions, above normal attrition, to augment its Services and Supplies budget. This package, in six of the agency's budget units, is intended to align the budgeted expenditure categories with actual expense categories. The net of all Package 101 adjustments will not reduce or degrade the revenue generation capabilities of the agency.

Personal Tax and Compliance

This budget unit has program responsibility for the Personal Income Tax and Elderly Rental Assistance Programs and provides enforcement and collection services for the Personal Income Tax Program. For this program the Subcommittee approved a 2013-15 budget of $67,948,136 total Funds ($66,496,615 General Fund and $1,451,521 Other Funds) and 433 positions (425.32 FTE). This includes the following adjustments to the Current Service Level:

Package 081 (May 2012 E-Board), a $533,482 total funds increase, makes permanent those changes that were directed by the Emergency Board in May 2012, which were part of the legislative plan from the 2012 session to restructure state government business operations. This package eliminates three positions (3.00 FTE).

Package 092 (PERS Taxation Policy), a $142,355 total funds reduction, reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments), a $1,137,487 total funds reduction, reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101 (Service and Supplies True-Up), a $519,635 total funds reduction and a reduction of six positions (6.00 FTE), aligns the agency budget categories to better reflect how the agency will execute this budget. Historically, the agency has used vacant positions, above normal attrition, to augment its Services and Supplies budget. This package, in six of the agency's budget units, is intended to align the budgeted expenditure categories with actual expense categories. The net of all Package 101 adjustments will not reduce or degrade the revenue generation capabilities of the agency.

Package 813 (Enhanced Tax and Receivables Enforcement), a $3,804,635 total funds increase and an increase of 31 positions (31.00 FTE), is intended to increase enforcement and collections for the personal income tax program. The additional enforcement positions are designed to reduce underreporting by taxpayers through more audits and filing enforcement. The focus will be on cash based businesses, income that lacks third party documentation, and pass-through entities (partnerships and S corporations) where complex transactions can hide income. Additional accounts receivable actions will clean up the department's accounts receivables by having staff review accounts for write-off, cancellation, and other associated actions as well as add more collectors to pursue the agency's delinquent accounts. This package is assumed to generate an additional $33.1 million (gross) in new General Fund, with $13.6 million coming from enforcement activities and $19.5 million from accounts receivable activities.

Budget Note:

The Department of Revenue shall submit a report to the Legislature during the 2014 session that describes the cause of non-compliance in the personal and corporation tax programs, including a discussion of tax gap estimates. The Department shall create a specific, systemic plan to reduce the tax gap including performance measures, benchmarks, and timelines, and report progress from this plan to the Legislature in 2015. Where possible, the Department shall incorporate the results of the work performed for the Enforcement Revenue Budget Note in 2011.

Business Division

The Business Division administers several tax and other revenue programs. These programs include Corporation Income and Excise Taxes, Employer Income Tax Withholdings, Transit Payroll and Self-Employment Taxes, Fiduciary, Estate Transfer, Other Agency Accounts, Cigarette Tax, Other Tobacco Products Tax, and other Special programs such as the Amusement Device Tax, State Lodging Tax, Emergency Communication Tax, Petroleum Load Fee, and Hazardous Substance Tax. For this program the Subcommittee approved a 2013-15 budget of $37,080,434 Total Funds ($22,342,644 General Fund and $14,737,790 Other Funds) and 220 positions (215.91 FTE). This includes the following adjustments to the Current Service Level:

Package 081 (May 2012 E-Board), a $145,618 total funds reduction, makes permanent those changes that were directed by the Emergency Board in May 2012, which were part of the legislative plan from the 2012 session to restructure state government business operations. This package eliminates one position (1.00 FTE).

Package 092 (PERS Taxation Policy), a $81,444 total funds reduction, reflects the policy change in Senate Bill 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

Package 093 (Other PERS Adjustments), a $650,776 total funds reduction, reflects the policy change in Senate Bill 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the Senate Bill 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101 (Service and Supplies True-Up), a $437,538 Total Funds reduction and a reduction of four positions (4.00 FTE), aligns the agency budget categories to better reflect how the agency will execute this budget. Historically, the agency has used vacant positions, above normal attrition, to augment its Services and Supplies budget. This package, in six of the agency's budget units, is intended to align the budgeted expenditure categories with actual expense categories. The net of all Package 101 adjustments will not reduce or degrade the revenue generation capabilities of the agency.

Budget Note:

The Department of Revenue shall report to the Legislature in 2014 on the use of private collection firms (PCF) including: age of accounts sent to PCF, amount of accounts turned over to the PCF (total and individual), time it takes PCF's to collect past due accounts, collection rate, and the amount and type of fees charged to clients.

Multistate Tax Commission

The Multistate Tax Commission is an intergovernmental organization composed of 21 states that have joined in an effort to promote uniformity in state taxation of corporate income. Member states are assessed the operational expenses of the Multistate Tax commission each year. For this program the Subcommittee approved a 2013-15 budget of $276,646 Other Funds. This includes the following adjustment to the Current Service Level:

Package 814 (Nonlimited OF to Limited OF) converts $276,646 Nonlimited Other Funds to Limited Other Funds. The cost of the Multistate Tax Commission will become subject to expenditure limitation.

Elderly Rental Assistance

The Elderly Rental Assistance Program provides annual payments averaging $367 to low-income elderly renters. Also included in this budget unit is the Non-Profit Homes for the Elderly Program. This program reimburses local governments for property tax exemptions that are granted to qualifying non-profit corporations that provide permanent housing, recreational and social facilities and care to elderly persons. For this program the Subcommittee approved a 2013-15 budget of $5,672,000 General Fund. This includes the following adjustment to the Current Service Level:

Package 082, September Emergency Board, a $2,600,000 General Fund increase, reflects the continuation of an Emergency Board decision in September 2012 to provide the second year of funding for these programs.

Core System Replacement

The Subcommittee recommends to the Joint Committee on Ways and Means – Capital Construction Subcommittee that the Core System Replacement project be approved and that Senate Bill 5506, the bonding measure, include $26.5 million in Article XI-Q bonding during the 2013-15 biennium to fund the first phase of the Core System Replacement Project.

Additionally, the recommendation is that House Bill 5008, the Emergency Fund measure, include a $3.6 million General Fund appropriation for vendor contract maintenance and Department of Administrative Services – State Data Center costs, Other Funds expenditure limitation of $26.5 million for vendor costs and agency cost, and authority for 31 positions (31.00 FTE) for the project.

Capital Debt Service and Related Costs

The Subcommittee recommends to the Joint Committee on Ways and Means – Capital Construction Subcommittee that the Core System Replacement project be approved and that $1.6 million of General Fund Debt Service and $521,182 Other Funds of financing costs be added to the agency's budget in House Bill 5008, the Emergency Fund measure, if Senate Bill 5506 is amended to include the bonding authority for the Core System Replacement project.

Summary of Performance Measure Action

See attached Legislatively Adopted 2013-15 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5538-A

Department of Revenue
Jim Carbone - 503-378-3619

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
2011-13 Legislatively Approved Budget at Dec 2012 *	$ 147,798,243	$ 0	$ 34,230,088	$ 1,945,006	$ 0	$ 0	$ 183,973,337	1,051	990.84
2013-15 ORBITS printed Current Service Level (CSL)*	$ 163,259,812	$ 0	$ 37,336,826	$ 1,991,686	$ 0	$ 0	$ 202,588,324	1,050	991.06
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - Executive									
Package 081: May 2012 E-Board									
Personal Services	$ (130,678)	$ 0	$ (32,670)	$ 0	$ 0	$ 0	$ (163,348)	-1	-1.00
Package 092: PERS Taxation Policy									
Personal Services	$ (13,602)	$ 0	$ (1,528)	$ 0	$ 0	$ 0	$ (15,130)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	$ (108,690)	$ 0	$ (12,213)	$ 0	$ 0	$ 0	$ (120,903)	0	0.00
Package 101: Services and Supplies True-Up									
Services & Supplies	$ 8,433	$ 0	$ 0	$ 0	$ 0	$ 0	$ 8,433		
SCR 002 - General Services									
Package 081: May 2012 E-Board									
Personal Services	$ (391,863)	$ 0	$ (61,533)	$ 0	$ 0	$ 0	$ (453,396)	-2	-2.00
Package 092: PERS Taxation Policy									
Personal Services	$ (1,366)	$ 0	$ (75)	$ 0	$ 0	$ 0	$ (1,441)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	$ (10,915)	$ 0	$ (599)	$ 0	$ 0	$ 0	$ (11,514)	0	0.00

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DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5538-A

Department of Revenue
Jim Carbone - 503-378-3619

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Package 101: Services and Supplies True-Up									
Services & Supplies	$ 815,801	$ 0	$ 50,538	$ 0	$ 0	$ 0	$ 866,339		
Package 814: Nonlimited OF to Limited OF									
Services & Supplies	$ 0	$ 0	$ 1,715,040	$ (1,715,040)	$ 0	$ 0	$ 0		
SCR 003 - Administrative Services									
Package 081: May 2012 E-Board									
Personal Services	$ (581,312)	$ 0	$ (50,548)	$ 0	$ 0	$ 0	$ (631,860)	-3	-3.00
Package 091: Administrative Savings									
Services & Supplies	$ (1,010,812)	$ 0	$ (237,104)	$ 0	$ 0	$ 0	$ (1,247,916)		
Package 092: PERS Taxation Policy									
Personal Services	$ (25,330)	$ 0	$ (2,692)	$ 0	$ 0	$ 0	$ (28,022)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	$ (202,400)	$ 0	$ (21,509)	$ 0	$ 0	$ 0	$ (223,909)	0	0.00
Package 101: Services and Supplies True-Up									
Personal Services	$ (343,614)	$ 0	$ (29,876)	$ 0	$ 0	$ 0	$ (373,490)	-5	-3.50
Services & Supplies	$ 730,652	$ 0	$ 122,800	$ 0	$ 0	$ 0	$ 853,452		
SCR 004 - Property Tax									
Package 081: May 2012 E-Board									
Personal Services	$ (514,103)	$ 0	$ (53,497)	$ 0	$ 0	$ 0	$ (567,600)	-3	-3.00
Package 092: PERS Taxation Policy									
Personal Services	$ (31,134)	$ 0	$ (18,032)	$ 0	$ 0	$ 0	$ (49,166)	0	0.00

Department of Revenue
Jim Carbone - 503-378-3619

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Package 093: Other PERS Adjustments									
Personal Services	$ (248,776)	$ 0	$ (144,084)	$ 0	$ 0	$ 0	$ (392,860)	0	0.00
Package 101: Services and Supplies True-Up									
Personal Services	$ (418,483)	$ 0	$ (6,921)	$ 0	$ 0	$ 0	$ (425,404)	-3	-2.07
Services & Supplies	$ 35,918	$ 0	$ 0	$ 0	$ 0	$ 0	$ 35,918		
SCR 005 - Personal Tax and Compliance									
Package 081: May 2012 E-Board									
Personal Services	$ 545,347	$ 0	$ (11,865)	$ 0	$ 0	$ 0	$ 533,482	-3	-3.00
Package 092: PERS Taxation Policy									
Personal Services	$ (139,696)	$ 0	$ (2,659)	$ 0	$ 0	$ 0	$ (142,355)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	$ (1,116,241)	$ 0	$ (21,246)	$ 0	$ 0	$ 0	$ (1,137,487)	0	0.00
Package 101: Services and Supplies True-Up									
Personal Services	$ (645,945)	$ 0	$ (10,978)	$ 0	$ 0	$ 0	$ (656,923)	-6	-6.00
Services & Supplies	$ 137,288	$ 0	$ 0	$ 0	$ 0	$ 0	$ 137,288		
Package 813: Enhanced Tax Receivables Enforcement									
Personal Services	$ 3,185,785	$ 0	$ 65,016	$ 0	$ 0	$ 0	$ 3,250,801	31	31.00
Services & Supplies	$ 484,765	$ 0	$ 9,893	$ 0	$ 0	$ 0	$ 494,658		
Capital Outlay	$ 57,992	$ 0	$ 1,184	$ 0	$ 0	$ 0	$ 59,176		
SCR 006 - Business									
Package 081: May 2012 E-Board									
Personal Services	$ (142,705)	$ 0	$ (2,913)	$ 0	$ 0	$ 0	$ (145,618)	-1	-1.00
Package 092: PERS Taxation Policy									
Personal Services	$ (49,975)	$ 0	$ (31,469)	$ 0	$ 0	$ 0	$ (81,444)	0	0.00

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5538-A

Department of Revenue
Jim Carbone - 503-378-3619

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS LIMITED	OTHER FUNDS NONLIMITED	FEDERAL FUNDS LIMITED	FEDERAL FUNDS NONLIMITED	TOTAL ALL FUNDS	POS	FTE
Package 093: Other PERS Adjustments									
Personal Services	$ (399,327)	$ 0	$ (251,449)	$ 0	$ 0	$ 0	$ (650,776)	0	0.00
Package 101: Services and Supplies True-Up									
Personal Services	$ (484,427)	$ 0	$ (133,232)	$ 0	$ 0	$ 0	$ (617,659)	-4	-4.00
Services & Supplies	$ 171,771	$ 0	$ 8,350	$ 0	$ 0	$ 0	$ 180,121		
SCR 015 - Multistate Tax Commission									
Package 814: Nonlimited OF to Limited OF									
Special Payments	$ 0	$ 0	$ 276,646	$ (276,646)	$ 0	$ 0	$ 0		
SCR 019 - Elderly Rental Assistance									
Package 082: September 2012 E-Board									
Special Payments-Account 6060	$ 2,600,000	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,600,000		
TOTAL ADJUSTMENTS	$ 1,762,358	$ 0	$ 1,110,775	$ (1,991,686)	$ 0	$ 0	$ 881,447	0	2.43
SUBCOMMITTEE RECOMMENDATION *	$ 165,022,170	$ 0	$ 38,447,601	$ 0	$ 0	$ 0	$ 203,469,771	1,050	993.49
% Change from 2011-13 Leg Approved Budget	11.7%	0.0%	12.3%	-100.0%	0.0%	0.0%	10.6%		
% Change from 2013-15 Current Service Level	1.1%	0.0%	3.0%	-100.0%	0.0%	0.0%	0.4%		

*Excludes Capital Construction Expenditures

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: HB 5008-A

Carrier – House: Rep. Buckley
Carrier – Senate: Sen. Devlin

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 22 – 2 – 2

House
Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson
Nays: Freeman, Hanna
Exc: McLane, Richardson
Senate
Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters
Nays:
Exc:

Prepared By: Linda Ames, Legislative Fiscal Office

Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: July 8, 2013

Agency	Biennium
Emergency Board	2013-15
Various Agencies	2011-13

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Emergency Board				
General Fund - General Purpose	-	-	$ 30,000,000	$ 30,000,000
General Fund - Special Purpose Appropriations				
State employee compensation changes	-	-	$ 86,500,000	$ 86,500,000
Home health care worker compensation	-	-	$ 12,900,000	$ 12,900,000
Oregon State Library	-	-	$ 1,702,192	$ 1,702,192
Department of Education - student assessments	-	-	$ 4,600,000	$ 4,600,000
Department of Education - youth development	-	-	$ 1,789,557	$ 1,789,557
Department of Housing and Community Development - Oregon Hunger Response Fund	-	-	$ 225,000	$ 225,000
Oregon Health Authority - A&D rate increases	-	-	$ 3,300,000	$ 3,300,000
Oregon Health Authority - Dental Pilots	-	-	$ 100,000	$ 100,000
Various Agencies - Omnibus Adjustments				
General Fund	-	-	$ (190,669,103)	$ (190,669,103)
General Fund Debt Service	-	-	$ (761,790)	$ (761,790)
Lottery Funds	-	-	$ (1,719,018)	$ (1,719,018)
Lottery Funds Debt Service	-	-	$ (1,307,446)	$ (1,307,446)
Other Funds	-	-	$ (5,660,297)	$ (5,660,297)
Federal Funds	-	-	$ (1,629,523)	$ (1,629,523)
ADMINISTRATION PROGRAM AREA				
Department of Administrative Services				
General Fund	-	-	$ 1,150,000	$ 1,150,000
Lottery Funds	-	-	$ 21,380	$ 21,380
Other Funds	-	-	$ 54,596,958	$ 54,596,958

*Excludes Capital Construction

2013-15 Budget Summary*	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Office of the Governor				
General Fund	-	-	$ 9,174	$ 9,174
Lottery Funds	-	-	$ 900,000	$ 900,000
Department of Revenue				
General Fund	-	-	$ 3,196,495	$ 3,196,495
General Fund Debt Service	-	-	$ 1,554,716	$ 1,554,716
Other Funds			$ 26,903,021	$ 26,903,021
Secretary of State				
General Fund	-	-	$ 9,174	$ 9,174
Treasurer of State				
Other Funds	-	-	$ 9,174	$ 9,174
CONSUMER AND BUSINESS SERVICES PROGRAM AREA				
Bureau of Labor and Industries				
General Fund	-	-	$ 6,881	$ 6,881
Other Funds	-	-	$ 2,293	$ 2,293
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
Oregon Business Development Department				
General Fund Debt Service	-	-	$ 280,954	$ 280,954
Lottery Funds	-	-	$ 1,374,525	$ 1,374,525
Other Funds	-	-	$ 29,752,779	$ 29,752,779
Other Funds Non-limited	-	-	$ 12,000,000	$ 12,000,000
Housing and Community Services Department				
General Fund	-	-	$ 225,000	$ 225,000
Other Funds	-	-	$ 5,076,190	$ 5,076,190

*Excludes Capital Construction

2013-15 Budget Summary*	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Department of Veterans' Affairs				
General Fund Debt Service	-	-	$ 852,814	$ 852,814
Other Funds	-	-	$ 65,000	$ 65,000
EDUCATION PROGRAM AREA				
Department of Education				
General Fund	-	-	$ (8,826,545)	$ (8,826,545)
Lottery Funds	-	-	$ 12,826,545	$ 12,826,545
Other Funds	-	-	$ 12,000,000	$ 12,000,000
Federal Funds	-	-	$ 1,000,000	$ 1,000,000
Department of Community Colleges and Workforce Development				
Other Funds	-	-	$ (307,051)	$ (307,051)
Other Funds Debt Service	-	-	$ 307,051	$ 307,051
Oregon Health and Science University				
General Fund	-	-	$ 1,000,000	$ 1,000,000
Higher Education Coordinating Commission				
General Fund	-	-	$ 859,630	$ 859,630
Oregon University System				
General Fund	-	-	$ 15,674,000	$ 15,674,000
HUMAN SERVICES PROGRAM AREA				
Oregon Health Authority				
General Fund	-	-	$ (1,940,000)	$ (1,940,000)
Other Funds	-	-	$ (3,160,291,391)	$ (3,160,291,391)
Other Funds Nonlimited	-	-	$ 3,160,291,391	$ 3,160,291,391

*Excludes Capital Construction

2013-15 Budget Summary*

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Department of Human Services				
General Fund	-	-	$ 5,000,000	$ 5,000,000
Other Funds	-	-	$ 1,000,000	$ 1,000,000
Federal Funds	-	-	$ 9,700,000	$ 9,700,000
Long Term Care Ombudsman				
General Fund	-	-	$ 785,488	$ 785,488
JUDICIAL BRANCH				
Judicial Department				
General Fund	-	-	$ 634,980	$ 634,980
Other Funds	-	-	$ 335,001	$ 335,001
Public Defense Services Commission				
General Fund	-	-	$ 2,409,367	$ 2,409,367
LEGISLATIVE BRANCH				
Legislative Administration Committee				
General Fund Debt Service	-	-	$ 1,421,341	$ 1,421,341
Other Funds	-	-	$ 615,000	$ 615,000
NATURAL RESOURCES PROGRAM AREA				
State Department of Agriculture				
General Fund	-	-	$ 34,060	$ 34,060
Lottery Funds	-	-	$ (21,380)	$ (21,380)
Columbia River Gorge Commission				
General Fund	-	-	$ (79,873)	$ (79,873)
Department of Land Conservation and Development				
General Fund	-	-	$ 196,000	$ 196,000

*Excludes Capital Construction

2013-15 Budget Summary*	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Department of Environmental Quality				
Other Funds Debt Service	-	-	$ (17,140,278)	$ (17,140,278)
State Department of Energy				
Other Funds	-	-	$ 9,876,190	$ 9,876,190
State Department of Fish and Wildlife				
General Fund	-	-	$ 115,940	$ 115,940
State Forestry Department				
Other Funds	-	-	$ 120,000	$ 120,000
Federal Funds	-	-	$ 3,000,000	$ 3,000,000
Parks and Recreation Department				
Other Funds	-	-	$ 5,069,882	$ 5,069,882
Department of State Lands				
Other Funds	-	-	$ 307,360	$ 307,360
Federal Funds	-	-	$ 135,000	$ 135,000
Water Resources Department				
Other Funds	-	-	$ 10,242,513	$ 10,242,513
PUBLIC SAFETY PROGRAM AREA				
Department of Corrections				
General Fund	-	-	$ 2,340,830	$ 2,340,830
Oregon Criminal Justice Commission				
General Fund	-	-	$ 10,190,000	$ 10,190,000
Department of Justice				
General Fund	-	-	$ 3,683,276	$ 3,683,276
General Fund Debt Service	-	-	$ 1,601,856	$ 1,601,856
Other Funds	-	-	$ 14,377,862	$ 14,377,862
Federal Funds	-	-	$ 27,447,707	$ 27,447,707

*Excludes Capital Construction

2013-15 Budget Summary*	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Oregon Military Department				
General Fund	-	-	$ 290,000	$ 290,000
General Fund Debt Service	-	-	$ 314,523	$ 314,523
Other Funds	-	-	$ 237,345	$ 237,345
Oregon State Police				
General Fund	-	-	$ 3,387,000	$ 3,387,000
Department of Public Safety Standards and Training				
Other Funds	-	-	$ 1,000,000	$ 1,000,000
Oregon Youth Authority				
General Fund	-	-	$ 126,673	$ 126,673
Other Funds Debt Service	-	-	$ 384,877	$ 384,877
TRANSPORTATION PROGRAM AREA				
Department of Transportation				
General Fund Debt Service	-	-	$ (757,944)	$ (757,944)
Other Funds	-	-	$ 56,885,788	$ 56,885,788
2013-15 Budget Summary				
General Fund Total	-	-	$ (4,568,334)	$ (4,568,334)
Lottery Funds Total	-	-	$ 12,074,606	$ 12,074,606
Other Funds Total	-	-	$ 218,056,658	$ 218,056,658
Federal Funds Total	-	-	$ 39,653,184	$ 39,653,184

*Excludes Capital Construction

2011-13 Supplemental Appropriations

	2011-13 Legislatively Approved Budget	2011-13 Committee Recommendation	Committee Change
Emergency Board			
General Fund	-	$ (50,447,306)	$ (50,447,306)
Oregon University System			
Other Funds	-	$ (2,329,480,585)	$ (2,329,480,585)
Other Funds Non-limited	-	$ (2,236,635,139)	$ (2,236,635,139)
Military Department			
General Fund	-	$ (460,000)	$ (460,000)
General Fund Debt Service	-	$ (26,748)	$ (26,748)
Oregon Youth Authority			
General Fund	-	$ 200,000	$ 200,000

2013-15 Position Summary

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Office of the Governor				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.00	3.00
Department of Revenue				
Authorized Positions	-	-	31	31
Full-time Equivalent (FTE) positions	-	-	31.00	31.00
Oregon Business Development Department				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.00	3.00
Department of Education				
Authorized Positions	-	-	3	3
Full-time Equivalent (FTE) positions	-	-	3.38	3.38
Higher Education Coordinating Commission				
Authorized Positions	-	-	6	6
Full-time Equivalent (FTE) positions	-	-	3.69	3.69
Long Term Care Ombudsman				
Authorized Positions	-	-	8	8
Full-time Equivalent (FTE) positions	-	-	3.81	3.81
Department of Corrections				
Authorized Positions	-	-	-197	-197
Full-time Equivalent (FTE) positions	-	-	-65.31	-65.31
Criminal Justice Commission				
Authorized Positions	-	-	1	1
Full-time Equivalent (FTE) positions	-	-	0.88	0.88

2013-15 Position Summary

	2011-13 Legislatively Approved Budget	2013-15 Legislatively Adopted Budget	2013-15 Committee Recommendation	Committee Change
Oregon State Police				
Authorized Positions	-	-	15	15
Full-time Equivalent (FTE) positions	-	-	4.38	4.38
Department of Public Safety Standards and Training				
Authorized Positions	-	-	4	4
Full-time Equivalent (FTE) positions	-	-	3.52	3.52
Department of Transportation				
Authorized Positions	-	-	2	2
Full-time Equivalent (FTE) positions	-	-	2.00	2.00

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the May 2013 economic and revenue forecast by the Department of Administrative Services Office of Economic Analysis, supplemented by transfers from various agency accounts to the General Fund for general governmental purposes as authorized in House Bill 2322, plus other actions to reduce state agency expenditures.

Summary of Capital Construction Subcommittee Action

House Bill 5008 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations, and makes other adjustments to individual agency budget and position authority as described below.

Emergency Board

The Emergency Board allocates General Fund and provides Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated $30 million General Fund to the Emergency Board for general purposes.

House Bill 5008 makes eight special purpose appropriations to the Emergency Board, totaling $111.1 million General Fund:

- $86.5 million General Fund for allocation to state agencies for state employee compensation changes.
- $12.9 million General Fund for allocation to state agencies for compensation changes for home health care workers who are not state employees.
- $1,702,192 General Fund for second year operational costs for the Oregon State Library. The 2013-15 budget for the State Library provides for only one year of budget authority for the agency (see House Bill 5022). The release of this appropriation, by either the Legislature or the Emergency Board, is contingent on a successful reorganization plan being submitted and approved by the Legislature in 2014.
- $4.6 million for the Department of Education for costs over and above the amount included in the Department's budget bill (Senate Bill 5518) relating to assessments and other resources aligned to common core standards including those assessments required under the federal Elementary and Secondary Education Act (ESEA). The Department of Education must report on what assessments it plans to implement and on the most current estimates of the costs for each component of the assessment when making the request for this special purpose appropriation.
- $1,789,557 General Fund for the Department of Education's Youth Development Division. This amount represents program funding for the second year of the biennium for youth development grants, performance-based contracts, and services provided at the local level. Prior to requesting this special purpose appropriation, the Youth Development Council will report back to the Joint Committee on Ways and Means during the 2014 Legislative Session with a plan for investing and distributing these funds. The plan must take into account (1) the furtherance of the policy directives and youth academic and developmental outcomes outlined in House Bill 3231; (2) Oregon's

40/40/20 educational goals; and (3) the Oregon Education Investment Board's Strategic Plan. In developing this plan, the Youth Development Council shall consult with representatives of youth, parents, schools, service providers, labor, business, local governments, tribal governments, and communities.

- $225,000 General Fund one-time funding for the Oregon Hunger Response Fund, for allocation to the Housing and Community Services Department after receipt of the agency's report on alternate, sustainable service delivery models, pursuant to a budget note.
- $3.3 million General Fund for the Oregon Health Authority for adult residential room and board rate increases within the alcohol and drug system, after receipt of the agency's study on both the youth and adult system, during the 2014 legislative session. Based on the findings of that study, some or all of this funding could be allocated at that time.
- $100,000 General Fund for the Oregon Health Authority for staffing needs related to the Dental Pilot Projects. These projects were established in Senate Bill 738 (2011), but no funding was provided. While the funding for the pilots is expected to come from foundations and private funders, the agency needs staff to manage the program.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2014, any remaining funds become available to the Emergency Board for general purposes.

Adjustments to Approved 2013-15 Budgets

OMNIBUS ADJUSTMENTS

Omnibus adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services, a reduction to the Attorney General rates, an increase resulting from a new Secretary of State Archives assessment, and debt service adjustments. Also included is a 5% reduction to services and supplies (excluding the fixed costs of State Government Service Charges, Attorney General charges, rent, and fuel and utilities) that is applied to General Fund and certain Lottery Funds only. Total savings are $36.5 million General Fund, $1.7 million Lottery Funds, $5.7 million Other Funds, and $1.6 million Federal Funds.

Omnibus adjustments also include a 2% supplemental ending balance holdback that is applied primarily to General Fund, and excludes debt service as well as selected programs. This reduction may be restored during the 2014 legislative session depending on statewide economic conditions. Agency detail for this adjustment is shown in Attachment A. Total budget reductions include $154.9 million General Fund and $1.4 million Lottery Funds.

Another statewide adjustment, which is included in agency budget bills and not in House Bill 5008, affects most state agencies. Package 091 (Statewide Administrative Savings) is a placeholder for administrative efficiencies and associated budget reductions in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Subcommittee affirmed that the reductions, at $62.0 million total funds, are permanent and ongoing as they reflect fundamental changes in business processes. The Department of Administrative Services (DAS) will continue to work on details of these reductions with agencies and report to the Joint Committee on Ways and Means during the 2014 session. Agencies should direct concerns regarding permanency or implementation of the reductions to DAS. The Department will include a plan for resolving any issues related to these reductions as part of its 2014 report.

ADMINISTRATION

Oregon Department of Administrative Services

House Bill 5008 includes one-time General Fund appropriations to the Department of Administrative Services (DAS) for the following purposes:

- $500,000 to the East Valley Water District to support completion of an environmental impact study on a proposed water storage project.
- $250,000 to the Historic Public Market Foundation to assist with development of the James Beard Public Market in Portland.
- $400,000 for distribution to 211info, which is a statewide, nonprofit information and referral service for community and social services. The state currently supports about one-third of the organization's operating budget, primarily through contracts with individual state agency programs for specific services. 211info also receives funding from local governments, other nonprofits, grants, and foundations. This direct General Fund appropriation is intended to help 211info maintain statewide program access over the 2013-15 biennium. An additional request to support around-the-clock operations was not funded; right now 211info operates Monday through Friday from 8 am to 6 pm. To gain a better understanding of how state agencies can most effectively use 211info and to provide the legislature information to help evaluate potential future funding requests, the Subcommittee adopted a budget note:

  Budget Note:

  The Department of Administrative Services shall work with other state agencies to identify all information and referral services for state government, with a primary focus on help lines (for example, 1-800 numbers). The Department will submit a report to the Joint Committee on Ways and Means during the 2014 legislative session summarizing the purpose, scope, and cost of each service. For each state agency currently using 2-1-1 the report shall also provide information on the service(s) being provided, including but not limited to, contract provisions, utilization, benefits, costs, and budget. Finally, the report shall include an analysis of potential cost savings or efficiencies that might be achieved by broader use of 2-1-1.

The Subcommittee added $27,100,007 Other Funds expenditure limitation for one-time cost of issuance and special payments associated with the disbursement of proceeds from several Lottery Bond sales; projects are detailed below and approved in the Lottery Bond bill (Senate Bill 5533). There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is calculated at a total of $4,882,645 Lottery Funds: $2,193,283 for the Lane Transit project; $1,835,741 for the Portland Convention Center hotel project; $637,464 for the Confederated Tribes of Umatilla; and $216,157 for the North Central Education Service District project.

- $10,239,248 Other Funds for disbursement to Metro for the purpose of assisting with the development of a hotel near the Portland Convention Center.
- $3,562,986 Other Funds for disbursement to the Confederated Tribes of Umatilla for construction a 1.5 mile road extension from the Port of Umatilla into the Confederated Tribes of Umatilla, which will open additional industrial land for development.
- $1,042,755 Other Funds for disbursement to North Central Education Service District for partial funding of digital switch technology acquisition that would serve the educational and public safety needs of Wheeler, Gilliam, and Sherman Counties.
- $12,255,018 Other Funds for disbursement to the Lane Transit District for the West Eugene EmX extension project.

House Bill 5008 includes Other Funds expenditure limitations for the following purposes:

- $400,000 one-time Other Funds increase to support a DAS contract with the Province of British Columbia on behalf of Multnomah County. The county wants to contract with Partnerships BC, which is a government-owned infrastructure development company, to develop a business case for a new Multnomah County Courthouse. Oregon counties are prohibited from contracting with foreign governments, but the state is allowed. This contract will be issued outside the normal, competitive procurement process because under ORS 190 DAS may enter into intergovernmental agreements with foreign governments and bypass this process. Multnomah County will pay for the planning work through DAS to Partnerships BC.
- $2,955,118 Other Funds increase to the Enterprise Asset Services budget unit to correct a mistake when too much services and supplies expenditure limitation was inadvertently removed from the program in House Bill 5002, the budget bill for the Department of Administrative Services.
- $24,141,833 one-time increase to the Shared Services Fund to accommodate first year payments from the Fund to counties. In 2007 the Legislature established a new program, the Shared Services Fund, to provide state support to local taxing districts affected by participation in the Strategic Investment Program. Local taxing districts are now eligible to receive payments from the state that are calculated to equal 50% of the personal income tax revenue attributable to the earnings of persons employed as result of a SIP property tax exemption. These payments would otherwise have gone to the state General Fund.

The Subcommittee increased Lottery Funds by $21,380 to reflect additional Lottery Funds for County Fairs support. The funding is available due to the termination of the County Fair Commission, for which the Department of Agriculture had received Lottery Funds for minimal administrative support of Commission operations.

The Subcommittee also added the following budget note on how to best meet the information technology needs of small state agencies:

Budget Note:
The Department of Administrative Services is directed to report back to the February 2014 Legislative Session with a plan to address the specific needs of smaller (<300 FTE) agencies with regard to Information Technology and Telecommunications Management. The Department shall also report on resources that will be necessary to implement such a plan and how those resources would be funded.

Office of the Governor
A $900,000 Lottery Funds limitation and three limited duration Principal Executive/Manager F positions (3.00 FTE) are added to the Office of the Governor. These positions will focus on streamlining the permitting process for significant projects across all levels of government: federal, state, county and city.

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of $5,000 per year, beginning on January 1, 2014. The impact on the Office of the Governor is an increase of $9,174 General Fund, including other payroll expenses. Statewide elected officials last received a salary

increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

The following budget note was approved:

> **Budget Note:**
> The Joint Committee on Ways and Means approved a budget with House Bill 5028, the budget bill for the Oregon Business Development Department, that concerned the Regional Solutions program. That budget note is repealed, and the following, also concerning the Regional Solutions program, is adopted.
>
> The Transportation and Economic Development Subcommittee approved a $1 Other Funds expenditure limitation for the Oregon Business Development Department for Regional Solutions. Prior to legislative approval of any increase in the expenditure limitation for this program, the Office of the Governor shall report to the Interim Joint Committee on Ways and Means with a request to introduce a bill, for consideration during the 2014 Session of the Legislative Assembly, to establish the Regional Solutions program. In addition to any other provisions in this report that the Governor may include, the report shall include requested provisions to: provide for the establishment of Regional Solutions Centers; identify the membership, governance and duties of the Centers; establish criteria on the use of funds allocated to the program; define the process for the development and approval of funding proposals; establish authority for the Oregon Business Development Department to distribute moneys to projects funded under the program and to provide effective oversight of the uses of the moneys so distributed; and delineate the activities and responsibilities of the Oregon Business Development Department for administering the program. The Office of the Governor shall submit this report to the Interim Joint Committee on Ways and Means no later than during the Legislative Days in November 2013.

Department of Revenue

The Subcommittee approved funding for the implementation of the replacement of the agency's core information technology applications (Core System Replacement project). The estimated one-time cost of implementation totals $70.9 million and is scheduled to be fully completed by the 2017-19 biennia. Overall, the project will be funded with $12.5 million of General Fund and $58.4 million of Article Q-bonds. General Fund will provide for Debt Service repayment. Ongoing costs are roughly estimated at 2-3 times the initial one-time costs.

For the 2013-15 biennium, the Subcommittee approved $26.5 million of Other Funds expenditure limitation for development costs, which will be financed with Article XI-Q bonds approved in House Bill 5506. Personal Services are increased by $6.0 million Other Funds (31 positions/31.00 FTE), $18.8 million Other Funds for Services and Supplies, and $1.7 million for Capital Outlay. Major costs include: $11.3 million for vendor contract payments; $1 million for vendor contracted maintenance; $1.5 million for an independent quality assurance/control vendor; and $3 million in vendor contract contingency costs.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the Core System Replacement project are established as permanent full-time positions under the following conditions: (a) the positions will be abolished on or before the completion of the project; (b) the positions are to remain in the Core System Replacement program (i.e., CSR summary cross reference) and may not be transferred to any other program or used for any other purpose other than the development to the Core System Replacement project; and (c) the positions may not to be included in any permanent finance plan action.

The Subcommittee appropriated $3.6 million General Fund for the agency's payments to the Department of Administrative Services for State Data Center charges and for vendor contract maintenance costs to support the ongoing maintenance of the vendor product after installation.

The Subcommittee appropriated $1.6 million in General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5506. General Fund Debt Service for the 2015-17 biennium will total $10.1 million. Other Funds expenditure limitation of $521,182 is included for the cost of issuance of the bonds.

The Department of Administrative Services is requested to unschedule $13 million of Other Funds expenditure limitation related to the May 2014 Article XI-Q bond sale pending a Department of Revenue report to the Legislature in 2014 on the status of the project.

The Subcommittee adopted the following budget note:

> **Budget Note:**
> The Department of Revenue (DOR) is directed to work with the Department of Administrative Services (DAS) in the development and implementation of the Core Systems Replacement Project. DAS is to provide DOR with the oversight of the project, including support for project management, information technology systems development lifecycle, procurement, quality assurance, and other needs to successfully complete this project.
>
> DOR is to submit updated key foundational project management documentation, each accompanied by an independent quality control review, to Legislative Fiscal Office (LFO) on or before February 1, 2014, as available for review.
>
> DOR and DAS are directed to report to LFO every six months through the biennium on the status of the project using DOR's standard project management reports as well as provide copies of all Quality Assurance and Quality Control and Independent Verification and Validation reports upon their receipt by the agency.

The Subcommittee disappropriated $440,937 General Fund and reduced Other Funds expenditure limitation by $146,979 from the Administration program due to the passage of Senate Bill 184, which allows for agencies to send notification by first class mail, or in some cases by an alternative method such as e-mail, in lieu of certified mail. The reduction is the difference in cost between certified mail and first class postage that is estimated to be realized by the agency.

Secretary of State

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of $5,000 per year, beginning on January 1, 2014. The impact on the Secretary of State is an increase of $9,174 General Fund, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

Treasurer of State

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of $5,000 per year, beginning on January 1, 2014. The impact on the Treasurer is an increase of $9,174 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

CONSUMER AND BUSINESS SERVICES

Bureau of Labor and Industries

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of $5,000 per year, beginning on January 1, 2014. The impact on the Bureau of Labor and Industries is an increase of $6,881 General Fund and $2,293 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

The Subcommittee increased the General Fund appropriation by $280,954, to fully-fund 2013-15 biennium debt service costs for Article XI-Q general obligation bonds issued to finance Innovation Infrastructure projects. Debt service costs are higher than originally projected, because the bonds are not eligible to be issued on a tax-exempt basis. This increase will provide a total of $694,286 General Fund to pay 2013-15 biennium debt service costs on the $5,000,000 project. Debt service costs will increase to $1.4 million in the 2015-17 biennium.

The Subcommittee established two new Lottery Funds expenditure limitations, and approved the establishment of three full-time, limited-duration positions (3.00 FTE). The first Lottery Funds expenditure limitation of $1,124,525 supports three limited-duration positions housed in the Shared Services/Central Pool program area, and associated services and supplies costs. These include two positions in regional governance solutions and one position for West Coast Strategies. The second newly-established Lottery Funds expenditure limitation provides $250,000 for Business, Innovation and Trade for an ongoing Economic Gardening services pilot project. Both of these Lottery Funds expenditure limitations are approved on a one-biennium basis, and will be phased out in the development of the Department's 2015-17 biennium current service level budget.

The bill includes several budget adjustments to allow expenditures of bond proceeds authorized for the Department by Senate Bill 5506 and Senate Bill 5533, and payment of the costs of issuing those bonds. The Other Funds expenditure limitation for the cost of issuing Article XI-Q bonds for the agency is reduced by $115,000, and the Other Funds expenditure limitation for the cost of issuing lottery revenue bonds for the re-

capitalization of the Special Public Works Fund is reduced by $132,221 from the levels approved in House Bill 5028, the Department's budget bill. These adjustments will provide expenditure limitation of $120,000 for the cost of issuing the Article XI-Q bonds, and $258,580 for the cost of issuing the lottery revenue bonds. These costs will be funded from bond proceeds.

The Subcommittee increased the Other Funds expenditure limitation for the seismic rehabilitation grant program by $30,000,000 to permit expenditure of bond proceeds approved for that program. Finally, the Subcommittee increased the agency's Nonlimited Other Funds expenditures in the Infrastructure Finance Authority by $12,000,000 for expenditure of lottery revenue bond proceeds transferred to the Special Public Works Fund. Loan award expenditures from the Special Public Works Fund are not limited in the Department's budget.

Housing and Community Services Department

The Subcommittee approved Other Funds expenditure limitation to enable the Department to expend $5 million in bond proceeds and $76,190 for cost of issuance for preservation of existing affordable housing. The funds will help provide financing for the acquisition of affordable housing properties with expiring subsidies from owners who do not wish to renew their federal contracts; the properties will be acquired by new owners who commit to keeping them affordable to low-income Oregonians, rather than having the units convert to market-rate housing. The proceeds are anticipated to provide gap financing to preserve an estimated 200 units of affordable housing. The bonds are included in Senate Bill 5533.

The bill includes $225,000 General Fund for one-time funding for the Oregon Hunger Response Fund for the first year of the biennium. An additional $225,000 General Fund is included as a special purpose appropriation to the Emergency Board.

Department of Veterans' Affairs

Expenditure limitation is provided to the Oregon Department of Veterans' Affairs for cost of issuance in the amount of $65,000 Other Funds, and a General Fund appropriation for debt service in the amount of $502,814, related to the issuance of $4 million in Article XI-Q bonds for completion of construction of a second Veterans' Home skilled nursing facility in Linn County. Other and Federal Funds Capital Construction expenditure limitation to spend the Article XI-Q bonds and federal matching funds from the U.S. Department of Veterans' Affairs is included in Senate Bill 5507.

A one-time General Fund appropriation of $350,000 is made to the Oregon Department of Veterans' Affairs for veterans' suicide prevention and crisis intervention telephone counseling services, allocated pursuant to the following budget note:

Budget Note:

The Oregon Department of Veterans' Affairs shall establish a veterans' crisis suicide line that offers free, anonymous assistance, 24 hours a day, to active-duty service members, veterans and their families. The Department shall establish an RFP process for the line to contract with a provider that has a contractual affiliation with the National Suicide Prevention Line and the National Veteran's Crisis Line, and has capacity to answer at least 30,000 veteran or suicide calls per year. The Department shall establish the line within 90 days of passage.

EDUCATION

Department of Education

The State School Fund is adjusted in this bill to reflect a rebalance of statewide resources, decreasing General Fund and increasing Lottery Funds expenditure limitation by $12,826,545.

The Other Funds expenditure limitation of the Department of Education for the Grant-in-Aid budget unit is increased by $11,341,084 and the Other Funds expenditure limitation for the Operations unit of the Department of Education is increased by $658,916 for increased resources for the Network of Quality Teaching and Learning. The funding is contingent on the increased distribution of up to $12 million from the Common School Fund over and above the standard distribution according to the policy adopted by the State Land Board on April 14, 2009. The increased resources for the Network will be used for grants, contracts and other assistance distributed to school districts, education service districts, and other entities as well as for agency staffing and associated costs for the following components of the Network: (1) $2.6 million for Educator Effectiveness, (2) $1.2 million for Student Centered Learning, (3) $500,000 for Educator Preparation, (4) $1.0 million for Closing the Achievement Gap, (5) $2.2 million for Aligning Professional Development Plans to School Improvement Objectives and Educators' Needs, and (6) $4.5 million for Supporting Implementation of Common Core Standards. Three new limited duration positions are established (two Education Program Specialist 2 and a Program Analyst 4) and the FTE is increased on two other Program Analyst 4 positions for a total FTE increase of 3.38 FTE. This $12 million increase is a one-time increase for only the 2013-15 biennium.

The Subcommittee approved an increase of $2.0 million General Fund in the amount appropriated for the strategic initiatives in the grant-in-aid budget unit. These additional funds are for an increase in resources for the Seamless Transitions policy package (package 305) for collaboration or consortiums of post-secondary institutions and school districts to increase the award of college or community college credits for high school students. The combined funding of this $2.0 million and the $2.0 million appropriated for this purpose in Senate Bill 5518, is to be used to support the Eastern Promise consortium and the expansion of consortiums into other regions of the state.

The bill includes $1.5 million General Fund for Student Achievement Improvement Grants established in House Bill 2322. The Department of Education is to award at least two grants per congressional district to schools considered high poverty under Title I of the federal Elementary and Secondary Act, serving students in grades Kindergarten to 8th grade that are in the bottom five percent of all schools based on the rating system used by the Department for academic performance. The funds are to be used to hire at least one licensed teacher at the school. The grant program is only authorized for the 2013-15 biennium.

The following budget notes were approved:

Budget Note:

The Oregon Department of Education is instructed to report to the Interim Joint Committee on Ways and Means before January 1, 2014 on progress on implementing its 2013-15 strategic plan. This first report is to be a baseline for future reports to the Legislature for measuring the success of transforming the agency to focus more on assisting and collaborating with educational partners, closing the achievement gaps, and being more "results-focused." The report should include the following:

1. A breakdown of the agency's education programs and services with a description of each program and service, including overall purpose, description of federal or state laws or rule that govern the program, target group served, overall funding by fund type, amount of program funding, amount of staff resources dedicated to the program based on FTE, amount spent on administrative costs at the state level, and description of measurements use to gauge the performance of the program or service.
2. Actions taken by the agency in the past six months to become more collaborative with partners and to improve customer service.
3. Actions taken by the agency in the past six months to increase the share of funding the agency receives that is passed through to educational partners.
4. Comparison of the staffing levels and operations of the Oregon Department of Education with education agencies in other states with similar missions and responsibilities.
5. Description of changes in the overall measures and metrics established by the agency as part of it strategic plan development.

The Department will consult with the Legislative Fiscal Office in determining the level of detail included in item #1 above and how specific the program level that should be in the report to the Legislature. In addition to the report due by January 1, 2014, the Department is instructed to provide updated information on the items above during the budget presentation to the Joint Committee on Ways and Means during the 2015 Legislative Session.

Budget Note:
The Department of Education shall not purchase or acquire the interim item bank and related assessments from Smarter Balance Assessment Consortium. The Department shall provide each district with available funds to administer a locally selected and established interim growth assessment system for students in grades Kindergarten through ninth that is capable of informing instruction and measuring student academic performance against a stable scale irrespective of grade level.

The Subcommittee approved an increase of $500,000 General Fund for the Farm to School program described in ORS 336.431. This program enables schools to offer fresh, locally sourced products and to promote mutually beneficial educational activities and focus on children's long-term health habits. In addition, Federal Funds expenditure limitation for early learning programs was increased by $1.0 million to reflect a larger carry-forward of child care related funds from 2011-13.

Department of Community Colleges and Workforce Development
A specific Other Funds expenditure limitation for debt service for Article XI-G bonds is established in the amount of $307,051 for the Department of Community Colleges and Workforce Development. A corresponding reduction in another Other Funds expenditure limitation for the Department is made for a net change of zero across the entire agency.

Oregon Health and Science University
House Bill 5008 includes a General Fund appropriation of $1,000,000 through the Department of Administrative Services, for the Primary Health Care Loan Forgiveness Program in the Office of Rural Health at the Oregon Health and Science University. This program provides loans to eligible primary care practitioners enrolled in an approved rural-specific Oregon training Program, and was established in 2011. This provides additional funding for the 2013-15 biennium.

Higher Education Coordinating Commission

The Subcommittee approved an increase of $859,630 General Fund for the budget for the Higher Education Coordinating Commission (HECC) to reflect the added responsibilities of House Bill 3120 and Senate Bill 270. Both of these bills are related to post-secondary education governance. This funding is in addition to the amount already included in House Bill 5033, the budget bill for the HECC. This funding will be used to fund six permanent positions (3.69 FTE) – a manger, two Operations/Policy Analyst 4 positions, two Education Program Specialist 2 positions, and one Procurement and Contract Specialist 3 position. The manager position is budgeted to start in October of 2013 with the remaining positions to start in April 2014. The following budget note was approved:

Budget Note:

Prior to final adoption of any significant change to the distribution of the Community College Support Fund, the Higher Education Coordinating Commission is directed to consult with the appropriate legislative committees including the interim policy committees with jurisdiction on post-secondary education issues and the interim Joint Committee on Ways and Means or Emergency Board on the proposed distribution change.

Oregon University System

The Subcommittee increased the General Fund appropriation for public university support by $15,000,000 with direction that the money be used to reduce resident undergraduate tuition increases at the state's seven public universities. The Subcommittee adopted the following budget note to limit tuition increases on resident undergraduate students:

Budget Note:

In adopting the budget for the Oregon University System, the Legislature intends that increases in the base rates for tuition paid by resident undergraduate students on all seven campuses and one branch campus (EOU, OIT, OSU, OSU-Cascades, PSU, SOU, UO and WOU) may not exceed an average of 3.5% at any individual campus in any given year of the 2013-15 biennium. For students choosing the Tuition Promise program at WOU, rates of increase over the prior cohort may not exceed 5.7% in any given year. These limits on tuition shall apply to all seven campuses and one branch campus for the next two academic years (2013-14 and 2014-15) regardless of the outcome of any governance changes that may be implemented during the biennium.

House Bill 5008 includes General Fund appropriations to the Oregon University System (OUS) State Programs budget unit for the following purposes:

- $1,200,000 to expand fermentation science programs at Oregon State University.
- $250,000 one-time appropriation to Oregon State University for technical assistance to help shellfish hatchery larval production affected by ocean acidification and assist with the maintenance of OSU's Mollusca Brood Stock Program with the intent to produce larval strains more resilient to the adverse effects of ocean acidification.
- $80,000 to increase the base funding for the Labor Education and Research Center at the University of Oregon.

The Subcommittee adopted the following budget note related to public university support of State Programs with non-state funding:

Budget Note:
It is the expectation of the Legislature that university support for State Programs housed within the Oregon University System be maintained or increased in the same manner as other university programs during the 2013-15 biennium.

The Subcommittee also approved a decrease of $856,000 General Fund from the budget for the Oregon University System to reflect the shifting of various responsibilities in House Bill 3120 and Senate Bill 270 from the Chancellor's Office (CO) to the Higher Education Coordinating Commission (HECC). Both of these bills are related to post-secondary education governance. This reduction related to transfer of duties from CO to HECC rolls-up to a $1,200,000 General Fund reduction in the 2015-17 biennium.

HUMAN SERVICES

Oregon Health Authority

The Subcommittee added $1,360,000 General Fund to the Oregon Health Authority for the following purposes:

- $200,000 General Fund for providing fresh Oregon-grown fruits, vegetables and cut herbs from farmers' markets and roadside stands to eligible low-income seniors under the Senior Farm Direct Nutrition Program. Another $100,000 General Fund was added for the same purpose for eligible individuals through the Women, Infants and Children Program.
- $260,000 General Fund to increase reimbursements for ambulance transport services.
- $200,000 General Fund for the Oregon State Hospital to contract for legal services from the Marion County District Attorney, to address the issue of chronically violent patients at the hospital.
- $700,000 General Fund for breast and cervical cancer screening services. Of this total, about $400,000 is needed to backfill funding shortfalls in the first year of the biennium related to reductions in funding from the Komen Foundation, as well as reductions resulting from federal sequestration.

The transfer of $100,000 General Fund from the CCare program to the Oregon Vasectomy Project was approved. This will supplement the project's $10,000 Title X federal funds.

The Subcommittee approved additional rate increases for the Alcohol and Drug system in Addictions and Mental Health (AMH). A total of $800,000 General Fund will be used to provide a 2.4% rate increase effective July 1, 2013, and another $1.4 million General Fund will be used to increase the room and board rate for youth residential beds from $60 per day to $90 per day effective July 1, 2013. (The agency's regular budget bill, House Bill 5030, already increases those rates from $30 per day to $60 per day.) The funding for these changes comes from two sources: $1.7 million from the "reinvested" dollars in the AMH budget, resulting from dollars freed up as more clients will have insurance beginning January 2014, and $500,000 General Fund from the Intensive Treatment and Recovery Services (ITRS) program. With the Affordable Care Act expansion, many of the ITRS clients will have insurance, and less General Fund will be needed to maintain the program level.

ITRS is reduced an additional $3.3 million General Fund, and this funding is placed in a special purpose appropriation in the Emergency Board, to be available for rate increases in the adult residential system for alcohol and drug treatment for the second year of the biennium. As documented in the budget report for House Bill 5030, the agency will do a study of both the youth and adult systems and report to the 2014 Legislature. Based on the findings of that study, some or all of this special purpose appropriation could be allocated at that time. The Legislature could also decide to reduce the youth rate based on the results of that study.

House Bill 5030, the budget bill for the Oregon Health Authority, eliminated all Other Funds Nonlimited authority for the Public Employees' Benefit Board and the Oregon Educators Benefit Board, and instead moved all expenditure limitation to Other Funds Limited. This bill reverses that, resulting in a decrease in Other Funds Limited of $3.2 billion and an increase in Other Funds Nonlimited of the same amount.

The following budget notes related to the Oregon State Hospital and the Blue Mountain Recovery Center were approved:

Budget Note:
The Oregon Health Authority shall report to the interim Joint Committee on Ways and Means or the Emergency Board by December 2013 on recommendations for decreasing the use of overtime and improving patient and staff safety at the Oregon State Hospital.

In order to make recommendations, the Oregon State Hospital will form a work group that will include representation from some of the major classifications of employees, particularly those providing direct care of patients, such as psychologists, psychiatrists, registered nurses, mental health therapists, mental health therapy technicians, mental health security technicians, and managers.

The report should include the following:

- Data on overtime hours worked and costs over the last 12 to 18 months, as well as the reasons for the use of this overtime. Details on mandated overtime should be reported.
- Data on the numbers and types of assaults on patients and staff over the last 12 to 18 months, as well as the costs, both direct and indirect, associated with those assaults. The report should also contain information on the concentration of those assaults involving a small number of individuals.
- Recommendations for reducing overtime and reducing assaults, and the status of implementing those recommendations. The report should include, but not be limited to, recommendations related to the float (relief) pool, such as the appropriate mix of permanent full-time, permanent part-time, limited duration, and temporary positions. The report should also consider recommendations for working with the Marion County District Attorney to address issues related to chronically violent patients.

Budget Note:
The Oregon Health Authority shall report to the appropriate legislative committee in September and December on the planning for the transfer of patients from the Blue Mountain Recovery Center (BMRC) pending its closure on January 1, 2014. Additionally, the Oregon Health Authority shall convene a workgroup comprised of the appropriate representatives of the various stakeholder groups, to identify future options for BMRC staff and facilities. The workgroup will have the following charge:

(1) To identify needed services for Eastern Oregon's most vulnerable people, including those with:
(a) acute and chronic mental illness who require special services to enable them to successfully function in society;

(b) substance abuse and subsequent involvement with the criminal justice system; and
(c) mental illness and additioual complications arising from age-related conditions.

(2) To advise the legislature and the Oregon Health Authority on strategies to best retain the existing specialized mental health workforce in the region; and

(3) To advise the legislature and the Oregon Health Authority on the best utilization of the current facilities and identify additional capital improvements to provide the above-identified services.

Department of Human Services

The Subcommittee added $5 million General Fund and $9.7 million Federal Funds expenditure limitation ($14.7 total funds) to the Aging and People with Disabilities budget for the following purposes:

- $1,300,000 General Fund and $2,900,000 Federal Funds limitation to advance the implementation date for home and community based care rate increases from October 1, 2013 to July 1, 2013. Rates have been flat since July 2008 and were increased as part of the Department's budget as approved in Senate Bill 5529.
- $2,500,000 General Fund and $5,600,000 Federal Funds limitation to partially restore the instrumental activities of daily living (IADL) reduction that occurred in January 2012. Using available funding, the Department will develop and implement a plan to restore hours to the maximum extent possible. The plan may include a phased-in restoration as the Department conducts eligibility re-assessments for consumers served in long term care programs.
- $700,000 General Fund to augment $1.6 million General Fund already approved to support projects (innovations and pilots) to develop new approaches to long term care services. The additional amount includes $350,000 General Fund for a grant to the Neighborhood Housing and Care Program, which is implementing a model for serving people living with HIV/AIDS in their homes. The average age and acuity of these individuals is growing along with the baby boomer population.
- $500,000 General Fund and $1,200,000 Federal Funds limitation to help cover Homecare Worker compensation costs associated with nurse delegation duties.

The 2013-15 budget approved for the Department of Human Services (DHS) in Senate Bill 5529 continued some reductions in developmental disability program budgets for community programs and brokerages. These reductions left equity (parity) relative to state office costs at levels ranging from 85% to 95%, depending on the budget component (e.g., case management and brokerage options). After completion of the DHS budget in Senate Bill 5529, DHS discovered that, within the budgeted funding level for these programs and with some updated assumptions in the budget model, equity for both programs could be brought up to 94% across all components. The Subcommittee approved the Department's plan to realign the budgets for the programs and implement the revised parity level. DHS is currently developing workload-based models for both programs and plans to build those models into the agency's 2015-17 budget proposal.

The Subcommittee added $1,000,000 Other Funds expenditure limitation for the Employment Related Day Care (ERDC) program to help cover child care provider rate increases while providing subsidies to as many employed parents as possible. This funding is currently available due to lower than expected 2011-13 utilization of federal Child Care Development Fund dollars by the Child Care Division; General Fund may be needed in future biennia to cover these expenditures.

Long Term Care Ombudsman

The Subcommittee added $585,488 General Fund and seven permanent positions (2.81 FTE) to support work under Senate Bill 626, which expands duties of the Long Term Care Ombudsman to advocate for residents of care facilities who have mental illness or developmental disabilities. There are about 7,600 persons living in 1,816 licensed adult foster homes and group homes in Oregon serving persons with developmental disabilities and mental illness.

To provide the subject matter expertise needed to develop and refine the expanded program, the agency would add one permanent full-time Program Analyst 4 position. Five full-time deputy ombudsman positions (Program Analyst 2 classification) would ultimately be needed to work with approximately 125 new volunteers. Consistent with an expected gradual ramp-up for the new program, four of these positions would be phased in over the last 12 months of the 2013-15 biennium, with the fifth position phased-in at the start of the 2015-17 biennium. A half-time volunteer recruiter position (Program Analyst 1) would also be required to develop and maintain volunteer ranks and an Administrative Specialist would help support the new program, staff, volunteers, and an expanded advisory committee.

In addition, to help the agency better serve its existing clients, the Subcommittee increased the agency's budget by $200,000 General Fund, which covers salary and other costs associated with adding one full-time deputy ombudsman position (1.00 FTE). This position will supervise 25 to 30 additional volunteers, increasing facility coverage (visits) with an emphasis on adult foster homes.

JUDICIAL BRANCH

Judicial Department

The Subcommittee increased the General Fund appropriation for judicial compensation by $634,980, to finance a second salary increase for judges during the 2013-15 biennium. Judicial salaries are established by statute. House Bill 2322 increases the salaries of judges by $5,000 per year beginning January 1, 2014, and by an additional $5,000 per year beginning January 1, 2015. The 2013-15 biennium cost of the House Bill 2322 salary increases totals $2,539,916. House Bill 5016, the budget bill for the Judicial Department, includes $1,934,859 General Fund to fund the first $5,000 salary increase. The General Fund increase included in this bill provides the additional funds needed the pay the second $5,000 salary increase for the six months that it will be in effect in the 2013-15 biennium.

An Other Funds expenditure limitation increase of $335,000 was approved for operations, for costs of issuing Article XI-Q bonds to finance a $4.4 million capital construction project to renovate the exterior of the Supreme Court Building, and to finance a $15 million grant to support development of a new courthouse for the Multnomah County Circuit Court in Portland. The cost of issuing the bonds will be financed from the proceeds of the bonds.

The Subcommittee also established a $1 Other Funds expenditure limitation for the Oregon Courthouse Capital Construction and Improvement Fund. This newly-established Fund will hold Article XI-Q bond proceeds and county matching funds, and will be used to fund the purchase, remodeling or construction of courthouses owned or operated by the State. Senate Bill 5506 authorizes $15 million of Article XI-Q bond proceeds that would be deposited into this Fund. The Legislative Assembly or the Emergency Board must increase the $1 expenditure limitation, before bond proceeds and county matching funds could be distributed to the county for a construction project.

The Subcommittee reduced the Other Funds expenditure limitation on expenditures of Article XI-Q bond proceeds for Oregon eCourt by $190,767, to correct an error in House Bill 5016, the Judicial Department's budget bill.

Public Defense Services Commission

The Subcommittee increased the General Fund appropriation for Professional Services by $2,409,367. This increase includes three components:

- General Fund is increased $2,400,000 to reduce trial-level juvenile dependency caseloads and improve the quality of legal services in juvenile dependency and termination of parental rights cases. The approved funding level will support an approximate 4.5% average reduction in the caseloads of attorneys providing these services, however, the agency may choose to distribute available funds on a pilot project basis. The agency will make caseload reductions conditional upon agreement to implement established best practices, and will evaluate the impacts of the caseload reductions.
- General Fund is increased $864,567 to increase compensation paid to public defender contractors, hourly-paid attorneys, and hourly-paid investigators. The funds provided by this action will be added to the $2,135,433 General Fund appropriated to the Commission for this same purpose in House Bill 5041, to provide a total of $3,000,000 for compensation increases. From the $3,000,000 available, the agency is to allocate $2,329,729 to reduce the average salary differential between public defender salaries and district attorney salaries, allocate $218,141 to increase the compensation rates for hourly-paid attorneys, and allocate $452,130 to increase the compensation rates for hourly-paid investigators.
- General Fund is reduced $855,200 as a result of passage of Senate Bill 40, which reduces crimes for the unlawful manufacture and possession of marijuana and marijuana products. The fiscal impact of these actions will reduce costs to the Commission by this amount.

LEGISLATIVE BRANCH

Legislative Administration Committee

The Legislative Administration Committee has increased expenditures related to the Capitol Master Plan project. The bill establishes an Other Funds limitation of $615,000 for the cost of issuance of Article XI-Q bonds for the project. It also includes a General Fund appropriation of $1,421,341 for the debt service on the bonds issued for the 2013-15 biennium. Expenditure limitation for the project costs are provided in SB 5507 (the capital construction bill).

Legislative Fiscal Officer

House Bill 5008 establishes an Other Funds account called the Legislative Fiscal Office Operating Fund.

NATURAL RESOURCES

State Department of Agriculture

The bill adds $34,060 General Fund to increase special payments to USDA-APHIS-Wildlife Services for predator control activities. $65,940 General Fund was also added to the Department of Fish and Wildlife for the same purpose. With these increases, state-support in both

departments for predator control activities will be equalized at $415,889 for the 2013-15 biennium. The Subcommittee added the following budget note related to this increase:

Budget Note:
The Department of Fish and Wildlife and the Department of Agriculture shall, using information provided by USDA-APHIS-Wildlife Services, report to the appropriate subcommittee of the Joint Committee on Ways and Means during the 2015 Regular Session on wildlife conflicts responded to by Wildlife Services agents by species, resource type, and methods used to address the conflict, summarized by county.

The Subcommittee reduced Lottery Funds by $21,380 to reflect the ending of the County Fair Commission, for which the Department had received funding for minimal administrative support. The moneys will now instead be added to the Lottery Funds support for County Fair payments by the Department of Administrative Services.

Columbia River Gorge Commission
The budget for the Columbia River Gorge Commission was reduced by $79,873 General Fund to match the lower appropriation made by the State of Washington for Columbia River Gorge Commission activities.

State Department of Energy
House Bill 5008 increases the Department's Other Funds expenditure limitation by $9,876,190 for home energy efficiency programs that will further the Ten Year Energy Plan goal of meeting new electric energy load growth through energy efficiency and conservation. This expenditure limitation includes $76,190 for cost of issuance associated with $5 million in Lottery Bond proceeds, as well as $4.8 million in unexpended public purpose charge single family weatherization funding transferred from the Housing and Community Services Department in House Bill 2322.

The bill clarifies the use of Lottery Funds by the Department of Energy, to be consistent with the agency's adopted budget.

Department of Environmental Quality
House Bill 5008 removes $17,140,248 Other Funds expenditure limitation for debt service payments mistakenly added in Senate Bill 5520. This subsection of Senate Bill 5520, the budget bill for the Department of Environmental Quality, is not necessary because the agency was also provided nonlimited Other Funds authority to pay debt service costs during the 2013-15 biennium in the same bill. This adjustment will prevent authorized Other Fund debt service payments from being erroneously doubled counted in 2013-15.

Department of Land Conservation and Development
The Subcommittee approved $116,000 General Fund to supplement grant funding for the Southern Oregon Regional Land Use Pilot Program. The bill also includes $80,000 General Fund for a grant to the Columbia River Gorge Commission for continuation of work on urban planning issues inside the Oregon portion of the National Scenic Area in the Columbia River Gorge. In addition, a reduction of $35,000 General Fund in the Planning Program was approved because rulemaking will not be required to implement provisions of House Bill 2202 to mining on land zoned for exclusive farm use.

State Department of Fish and Wildlife

The Subcommittee added a one-time $50,000 General Fund appropriation as state match for a study on the effects of cormorant predation on listed salmonids. The state support will be matched with $150,000 Federal Funds to hire seasonal positions to conduct population surveys, conduct diet studies to help verify the extent of salmonid predations, and assist in on-going hazing efforts.

The bill also adds $65,940 General Fund to increase special payments to USDA-APHIS-Wildlife Services for predator control activities. $34,060 General Fund was also added to the Department of Agriculture for the same purpose. With these increases, state-support in both departments for predator control activities will be equalized at $415,889 General Fund for the 2013-15 biennium. The Subcommittee added the following budget note for both agencies:

> **Budget Note:**
> The Department of Fish and Wildlife and the Department of Agriculture shall, using information provided by USDA-APHIS-Wildlife Services, report to the appropriate subcommittee of the Joint Committee on Ways and Means during the 2015 Regular Session on wildlife conflicts responded to by Wildlife Services agents by species, resource type, and methods used to address the conflict, summarized by county.

State Forestry Department

The Department has received a pre-award notice from the U.S. Department of Agriculture regarding the availability of $3 million of federal legacy dollars to be applied to the Gilchrist Forest acquisition. Limitation in that amount is added for the 2013-15 biennium. The total amount includes $600,000 for recently-available infill acreage.

To cover the expense of bond issuance for the Gilchrist Forest purchase and the East Lane construction, the Subcommittee increased Other Funds expenditure limitation by $120,000.

The Department is directed to use up to $200,000 of the Forest Revenue CSF account to supplement Policy Package 486, SB 5521 (2013), for the same purposes as Package 486. Package 486 provided $250,000 Other Funds expenditure limitation to meet statutory requirements for forest research and monitoring on the Elliott State Forest.

The following budget note was approved for the State Forestry Department:

> **Budget Note:**
> Senate Bill 5521 (2013) provided $2,885,000 Lottery Funds limitation to the Department of Forestry for the Governor's dry-side forest health collaboration effort for a new business model to improve federal forest project management and technical and scientific support. In administering the funding, the department is authorized to also consider a small grant program and a limited duration liaison position, from the $2,885,000, at the department's discretion. The small grants are to be administered by the Oregon Watershed Enhancement Board using the Board's existing expenditure limitation. The position, if created, is to be the state's point of contact for the US Forest Service, congressional delegation, local forest collaborative groups, and the state Legislative Assembly.

The Department is directed to report to the Legislature in February 2014 on specific plans, expected outcomes, progress, and the amount of federal funding and support provided to the collaboration.

Parks and Recreation Department

Other Funds expenditure limitation is increased by $5,000,000 for lottery bond proceeds designated to be passed through to a local recipient for the Willamette Falls project. In addition, the limitation is increased by $69,882 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is $0.9 million Lottery Funds.

Department of State Lands

House Bill 5008 increases the Department's Other Funds expenditure limitatiou by $307,360. This is for unspent limitation associated with the conversion of 960 open rangeland acres currently leased for livestock grazing. The acreage will be converted to about 620 acres of irrigated agriculture land. The expenditure limitation was authorized by the Emergency Board in May, 2012. Due diligence review and determination of wetlands, required before undertaking the conversion, has taken longer than expected. After the final wetlands determination report in July 2013, the agency can move ahead to complete the project.

The Subcommittee increased the Federal Funds expenditure limitation in anticipation of two Environmental Protection Agency grants to develop scientifically based tools for functions-based, watershed-scale approach to wetlands mitigation in Oregon. The Department expects final notification on the grants in September 2013. The total amount is $135,000. The Department of Administrative Services (DAS) is requested to unschedule the limitation until such time as State Lands notifies DAS and the Legislative Fiscal Office that the funds are awarded.

Water Resources Department

The Subcommittee approved $10,242,513 Other Funds expenditure limitation from bond proceed resources for water supply projects including, but not limited to, statewide piping and lining open, rock or dirt-lined irrigation canal projects; implementation/completion of the Umatilla Basin Aquifer Recovery Project, repairing the Dam at Wallowa Lake and constructing a new reservoir in Juniper Canyon; the Willamette Basin Long-Term Water Allocation Study; the Deschutes Basin Study; and development of above and below ground water storage projects with partners in Oregon, Washington State, and Canada.

PUBLIC SAFETY

Department of Corrections

If House Bill 3194 becomes law, the operational budget for the Department of Corrections (DOC), excluding Community Corrections, is reduced by $19.7 million General Fund and 197 positions (65.31 FTE). This reduction eliminates most of the mandated caseload estimate included in House Bill 5005, and reflects a decrease in projected bed utilization of approximately 700 in 2013-15 from the April 2013 corrections forecast. Although the operational budget is decreased overall, the Department did receive $168,302 General Fund and 0.79 FTE to support the transitional leave program requirements in House Bill 3194.

The Subcommittee made several modifications to DOC's Community Corrections budget. First, $9 million General Fund was approved to enhance baseline funding for community corrections programs. Further, if House Bill 3194 becomes law, baseline funding is increased to total

$215 million, or an additional $8.09 million General Fund. At $215 million, the Community Corrections baseline would be $33 million, or 18%, above the 2011-13 legislatively approved budget. Also, conditional on passage of House Bill 3194, $5 million General Fund was approved for jail support. DOC will distribute these dollars to counties based on each county's proportion of the baseline funding formula.

The following budget note was approved:

> **Budget Note:**
> As in the 2011-13 legislatively approved budget, the Department of Corrections is instructed to address the level of unspecified reductions in its budget without closure of existing facilities and without use of layoffs to reach the reduction goal. A report on what steps may be needed to reach reduction goals will be presented to the Joint Committee on Ways and Means during the February, 2014 legislative session.

Criminal Justice Commission

House Bill 3194 creates the Justice Reinvestment Account (Account) to support grants to counties for programs to reduce recidivism and decrease utilization of state prison capacity. However, the bill itself does not establish a funding level. The Subcommittee approved $10 million General Fund for the Account with the understanding that an additional $5 million would be approved during the February 2014 legislative session if the legislative assembly receives a 2013-15 General Fund forecast that is higher than the close of session forecast. This approval was made with the understanding that the Governor's Office will also direct the Criminal Justice Commission (CJC) to allocate $5 million in federal funds from the 2012 and 2013 Byrne/Justice Assistance Grants for similar grants to counties. In the 2015-17 biennium, the current service level is expected to total $20 million General Fund for the Account.

The Subcommittee also approved $190,000 General Fund and the phase-in of one Program Analyst 4 (0.88 FTE) to support grant administration and the Task Force on Public Safety as authorized in House Bill 3194.

The following budget note was approved:

> **Budget Note:**
> CJC is directed to administer the Justice Reinvestment Program and Specialty Courts Grant Programs during 2013-2015 using General, Other and Federal Funds. CJC will work with the Justice Reinvestment Grant Review Committee and the Criminal Justice Commission to distribute and allocate these different funds in an efficient and effective manner. CJC will report back on the results of this work during the February 2014 legislative session.

Department of Justice

The Subcommittee approved an increase in Other Funds (Criminal Fine Account) expenditure limitation by $700,000 to support an increased allocation to Child Abuse Multidisciplinary Intervention (CAMI). With this adjustment, CAMI would receive in total General Fund and Criminal Fine Account allocations, $10.7 million or 9.9% increase over the 2011-13 legislatively approved budget.

An increase of $1.8 million General Fund was approved for the Oregon Domestic and Sexual Violence Services Fund (ODSVS). If House Bill 3194 becomes law, an additional $2.2 million General Fund, for a total of $4 million, is approved. These adjustments augment the $4.4 million General Fund authorized in House Bill 5018.

This bill includes a reduction in the Other Funds expenditure limitation for the Department of Justice's Civil Enforcement Division of $471,040. During consideration of House Bill 5018, this amount was shifted from the Non-limited budget category. Upon further review, restitution and refund payments from the Protection and Education Revolving Account can correctly be categorized as Non-limited.

The Subcommittee approved the first phase of funding to replace the Child Support Enforcement Automated System (CSEAS). This approval included $1.6 million General Fund for debt service on XI-Q Bonds authorized in Senate Bill 5506, $14.1 million Other Funds expenditure limitation, and $27.4 million Federal Funds. In total, the CSEA projected is estimated to cost $109.4 million with federal funding supporting two-thirds of the project. The Subcommittee also approved the following budget note:

> **Budget Note:**
> The Department of Justice (DOJ) is directed to work with the Department of Administrative Services (DAS) in the development and implementation of the Child Support System Modernization project. DAS is to provide support to and collaborate with the DOJ in the information technology systems development lifecycle, procurement, quality assurance, and other support needed to successfully complete this project. DOJ and DAS are directed to report to the Legislative Fiscal Office at a minimum of every six months through the remainder of the biennium on the status of the project as well as provide copies of all Quality Assurance, Quality Control, and Independent Verification and Validation reports upon their receipt by the agency. DOJ is also to submit an update on the status of foundational project management documentation, including copies of completed documents, each accompanied by independent quality control review, to LFO by December 1, 2013.

The Subcommittee approved budget adjustments for an increase in the statutorily set salary for statewide elected officials as provided for in House Bill 2322. The statewide elected officials include the Governor, Secretary of State, State Treasurer, Attorney General, and the Commissioner of Labor and Industries. Each is to receive a salary increase of $5,000 per year, beginning on January 1, 2014. The impact on the Department of Justice is an increase of $9,174 Other Funds expenditure limitation, including other payroll expenses. Statewide elected officials last received a salary increase in July of 2009. Statutory Judgeships are also to receive a salary increase (see Judicial Branch program area narrative). The compensation for members of the Legislative Assembly remains unchanged.

The Subcommittee also authorized $75,000 General Fund to support the Oregon Crime Victims Law Center. Further, the Defense of Criminal Conviction program was reduced by $391,724 General Fund to reflect a smaller increase in mandated caseload.

Oregon Military Department

The Subcommittee appropriated $275,000 of General Fund for the Oregon Local Disaster Assistance Loan and Grant Account under the Emergency Management program for possible loans or grants from the account. The Department will need to request Other Funds expenditure limitation from either the Legislature or the Emergency Board specific to a local disaster in order to expend funds from the Account.

The bill includes $15,000 General Fund for the Oregon Youth Challenge program for the reimbursement of fuel costs of participating youths parents or legal guardians who travel to the program to visit their children. The Oregon Youth Challenge program is to establish a reimbursement policy for such expenses and is to expend no more than the appropriation provided, unless federal matching funds are available for this purpose.

General Fund Debt Service of $314,523 was approved to support repayment of Article XI-Q General Obligation bond approved in Senate Bill 5506 for the 2013-15 biennium (Sharff Hall – Portland and Roseburg Armory). The appropriation reflects a reduction of $78,840 for General Fund Debt Service savings from previously issued bonds. The General Fund Debt Service for the 2015-17 biennium will total $2.2 million and will include Debt Service costs for Sharff Hall, the Medford Armory, the Roseburg Armory, and the Baker City Readiness Center. The Subcommittee also approved $237,345 Other Funds expenditure limitation for the cost of issuance for the four projects.

Oregon State Police

To address concerns for diminishing availability of public safety services in some Oregon counties, particularly in the areas of patrol and criminal investigations, the Subcommittee approved $1.16 million General Fund and 10 trooper positions (2.50 FTE) within the Patrol Division, $462,000 General Fund and four trooper positions (1.00 FTE) within the Criminal Division, $1.47 million General Fund for forensic equipment and one Forensic Scientist (0.88 FTE), and $300,000 General Fund to support contractual payments for medical examiner services in Southern Oregon.

Department of Public Safety Standards and Training

The Subcommittee approved $1 million Other Funds (Criminal Fine Account) expenditure limitation and four Public Safety Training Specialist 2 positions (3.52 FTE) to support the Oregon Center for Policing Excellence.

Oregon Youth Authority

The General Fund appropriation for the East Multnomah County gang funding is increased by $126,673 for extraordinary inflation associated with personnel costs. Total funding with this addition is $1,833,428.

Because of savings in capital projects, Oregon Youth Authority is able to redirect unspent funds to debt service, eliminating the need for the same amount of General Fund. The Subcommittee approved establishing a new other Funds expenditure limitation for $384,877 for debt service. The General Fund reduction is included in the omnibus adjustments.

TRANSPORTATION

Department of Transportation

Senate Bill 665 proposed moving the Statewide Interoperability Coordinator (SWIC) position and support for the Statewide Interoperability Executive Council from the Department of Transportation to the Department of Administrative Services. The bill was not heard. The agencies are instructed to complete planning for the transfer and report to the February 2014 Legislature on status of the federal FirstNet grant funding and how the SWIC's salary and other expenses will be paid. Two positions that were eliminated from the Department of Transportation's Highway Maintenance unit budget in anticipation of Senate Bill 665's passage are restored. They are a Project Manager 3 and an Operations and Policy Analyst 4. Other Funds expenditure limitation is increased by $391,871 in Personal Services to support the positions.

House Bill 3137 permits an individual to submit to the Department of Transportation a voluntary odometer reading for a vehicle over ten years old as part of transfer of any interest in the motor vehicle. The measure has a fiscal impact to the Driver and Motor Vehicles Division. If the bill becomes law, it is understood that the Department may proceed with implementation if the National Highway Traffic Safety Administration odometer fraud grant in the same amount, for which the Department applied in May, 2013, is awarded. If the grant is not awarded and the Department can find no other funding to implement the measure, the Department may request funding from the Legislature in February 2014.

The Subcommittee approved an increase in Other Funds expenditure limitation in the Transportation Program Development section of $42,000,000 in lottery bond proceeds for ConnectOregon V. In addition, the limitation is increased by $691,683 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is $7.6 million Lottery Funds. The following direction was provided:

Budget Note:

In order to ensure Connect Oregon Funds are used efficiently and effectively, the department shall take steps to ensure that projects are delivered on time and on budget. Actions shall include, but not be limited to, the withholding of five percent of the moneys awarded. Of the amount withheld under this section, the department shall release to the recipient:

(a) Eighty percent when the recipient has completed the project.

(b) Twenty percent when the recipient has submitted and the department has accepted the final performance measure report as established by agreement between the department and the recipient. The department may not pay and the recipient forfeits the amount withheld under this paragraph if the recipient does not submit a final performance measure report before the due date in a manner that is acceptable to the department as established by the agreement between the department and the recipient. Additionally, if the recipient does not submit the performance measure report before the due date, the recipient may not apply for another performance grant during the next application cycle.

Public Transit Other Funds expenditure limitation is increased by $3,500,000 lottery bond proceeds for the Salem Keizer Transit Center. In addition, the Other Funds limitation is increased by $62,986 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is $0.6 million Lottery Funds.

General Fund debt service in Senate Bill 5544 for the Lane Transit EmX project is eliminated, for a reduction of $757,944. Lottery Funds debt service for this borrowing will begin in the 2015-17 biennium.

Other Funds expenditure limitation is increased in the Rail Division by $10,000,000 for lottery bond proceeds for Coos Bay Rail. In addition, the limitation is increased by $239,248 for cost of issuance expenses. There is no debt service in the 2013-15 biennium as the bonds will not be sold until the spring of 2015. Debt service in 2015-17 is $1.8 million Lottery Funds.

Adjustments to 2011-13 Budgets

Emergency Board

House Bill 5008 disappropriates $50,447,306 General Fund from the Emergency Board. This represents all remaining appropriation in the Emergency Board for the 2011-13 biennium.

Oregon University System

The Subcommittee acted to align 2011-13 Other Funds expenditure limitations, adopted for the Oregon University System (OUS) before Senate Bill 242 (2011) was passed, with current budget reality, by removing a total of $2,329,480,585 Other Fund limited and $2,236,635,139 Other Funds non-limited authority approved by the Legislature during the 2011 Regular Session. With the passage of Senate Bill 242 (2011) the Oregon University System and its seven public universities were reorganized as non-state agencies. Part of this change involved removing OUS from being subject to Other Funds expenditure limitation by the Legislature.

Oregon Youth Authority

House Bill 5008 includes a supplemental General Fund appropriation of $200,000 for operations.

Military Department

The Subcommittee disappropriated $460,000 of General Fund for the Oregon Local Disaster Assistance Loan and Grant Account, which is in the Emergency Management program. There are currently no outstanding loan or grant requests for the account. The Subcommittee also disappropriated $26,748 of General Fund Debt Service savings from the Capital Debt Service and Related Costs program.

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
ADMINISTRATION								
ADVOCACY COMMISSIONS OFFICE	Operating Expenses	SB 5501	01	GF	(6,301)	-	-	-
DEPT OF ADMIN SERVICES	Chief Operating Office	HB 5002	01-01	GF	(5,511)	-	-	-
DEPT OF ADMIN SERVICES	Enterprise Asset Management	HB 5002	01-02	GF	(25,298)	-	-	-
DEPT OF ADMIN SERVICES	Oregon Public Broadcasting	HB 5002	01-03	GF	(10,000)	-	-	-
DEPT OF ADMIN SERVICES	Oregon Historical Society	HB 5002	01-04	GF	(15,000)	-	-	-
SECRETARY OF STATE	Administrative Services	SB 5539	01-01	GF	(39,053)	-	-	-
SECRETARY OF STATE	Elections Division	SB 5539	01-02	GF	(136,133)	-	-	-
DEPT OF REVENUE	Administration	SB 5538	01	GF	(1,121,210)	-	-	-
DEPT OF REVENUE	Property Tax	SB 5538	02	GF	(289,008)	-	-	-
DEPT OF REVENUE	Personal Tax and Compliance	SB 5538	03	GF	(1,329,932)	-	-	-
DEPT OF REVENUE	Business	SB 5538	04	GF	(446,852)	-	-	-
DEPT OF REVENUE	Elderly Rental Assistance and Nonprofit Housing	SB 5538	05	GF	(113,440)	-	-	-
EMPLOYMENT RELATIONS BOARD	Operating Expenses	HB 5010	01	GF	(38,817)	-	-	-
OFFICE OF THE GOVERNOR	Operating Expenses	SB 5523	01	GF	(205,081)	-	-	-
OFFICE OF THE GOVERNOR	Expenses for Duties	SB 5523	02	GF	(1,000)	-	-	-
OREGON STATE LIBRARY	Operating Expenses	HB 5022	01	GF	(32,951)	-	-	-
CONSUMER AND BUSINESS SERVICES								
BUREAU OF LABOR AND INDUSTRIES	Operating Expenses	HB 5020	01	GF	(234,674)	-	-	-
ECONOMIC DEVELOPMENT								
ECONOMIC AND COMMUNITY DEVELOP	Arts Commission	HB 5028	01-01	GF	(89,579)	-	-	-
ECONOMIC AND COMMUNITY DEVELOP	Business, Innovation and Trade	HB 5028	03-01	LF	-	(1,178,533)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Business, Innovation and Trade - Seismic Rehab	SB 813	18e-01	LF	-	(3,208)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Shared Services	HB 5028	03-02	LF	-	(136,228)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Shared Services - Seismic Rehab	SB 813	18e-02	LF	-	(2,413)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Film & Video Office	HB 5028	03-03	LF	-	(23,072)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Growth Board	HB 2323	14	LF	-	(2,000)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Oregon Industrial Site Readiness Program	SB 246	08	LF	-	(3,585)	-	-
ECONOMIC AND COMMUNITY DEVELOP	Beginning and Expanding Farmer Loan Program	HB 2700	07	LF	-	(4,552)	-	-
DEPT OF HOUSING/COMMUNITY SVCS	Operating Expenses	HB 5015	01	GF	(169,304)	-	-	-
DEPT OF VETERANS AFFAIRS	Services Provided by ODVA	HB 5047	01-01	GF	(82,086)	-	-	-
DEPT OF VETERANS AFFAIRS	County Payments	HB 5047	01-02	GF	(91,535)	-	-	-
DEPT OF VETERANS AFFAIRS	Vet's Services Organizations Payments	HB 5047	01-03	GF	(2,212)	-	-	-
EDUCATION								
DEPT OF EDUCATION	Operations	SB 5518	01-01	GF	(909,397)	-	-	-
DEPT OF EDUCATION	Oregon School for the Deaf	SB 5518	01-02	GF	(222,340)	-	-	-
DEPT OF EDUCATION	Early intervention services and early childhood special education programs	SB 5518	02-01	GF	(2,720,844)	-	-	-
DEPT OF EDUCATION	Other special education programs	SB 5518	02-02	GF	(857,426)	-	-	-
DEPT OF EDUCATION	Blind and Visually Impaired Student Fund	SB 5518	02-03	GF	(19,769)	-	-	-
DEPT OF EDUCATION	Breakfast and summer food programs	SB 5518	02-04	GF	(46,375)	-	-	-
DEPT OF EDUCATION	Strategic investments	SB 5518	02-05	GF	(436,976)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
DEPT OF EDUCATION	Other grant-in-aid programs	SB 5518	02-06	GF	(80,053)	-	-	-
DEPT OF EDUCATION	Oregon prekindergarten program	SB 5518	02-07	GF	(2,548,483)	-	-	-
DEPT OF EDUCATION	Other early learning programs	SB 5518	02-08	GF	(673,910)	-	-	-
DEPT OF EDUCATION	Youth development programs	SB 5518	02-09	GF	(114,382)	-	-	-
OREGON EDUCATION INVESTMENT BRD	Operating Expenses	SB 5548	01	GF	(123,176)	-	-	-
STUDENT ASSISTANCE COMMISSION	Oregon Opportunity Grants	HB 5032	01-01	GF	(2,259,535)	-	-	-
STUDENT ASSISTANCE COMMISSION	OSAC operations	HB 5032	01-02	GF	(63,075)	-	-	-
STUDENT ASSISTANCE COMMISSION	Other payments to individuals and institutions	HB 5032	01-03	GF	(28,985)	-	-	-
COMMUNITY COLLEGES DEPARTMENT	Operations	HB 5019	01-01	GF	(275,715)	-	-	-
COMMUNITY COLLEGES DEPARTMENT	Skills centers	HB 5019	01-03	GF	(12,000)	-	-	-
HIGHER EDUCATION COORD. COMM.	Operations	HB 5033	01	GF	(45,957)	-	-	-
HUMAN SERVICES								
LONG TERM CARE OMBUDSMAN	Operating Expenses	HB 5024	01	GF	(39,554)	-	-	-
COMMISSION FOR THE BLIND	Operating Expenses	HB 5003	01	GF	(31,287)	-	-	-
PSYCHIATRIC REVIEW BOARD	Operating Expenses	HB 5040	01	GF	(46,969)	-	-	-
DEPT OF HUMAN SERVICES	Central Services, Statewide Assessments & Enterprise-wide Costs	SB 5529	01-01	GF	(3,618,994)	-	-	-
DEPT OF HUMAN SERVICES	Child Welfare, Self Sufficiency, and Vocational Rehabilitation Services	SB 5529	01-02	GF	(16,897,531)	-	-	-
DEPT OF HUMAN SERVICES	Aging and People with Disabilities and Developmental Disabilities Programs	SB 5529	01-03	GF	(25,049,879)	-	-	-
OREGON HEALTH AUTHORITY	Programs	HB 5030	01-01	GF	(36,974,198)	-	-	-
OREGON HEALTH AUTHORITY	Central Services, Statewide Assessments and Enterprise-wide Costs	HB 5030	01-02	GF	(1,834,762)	-	-	-
JUDICIAL BRANCH								
JUDICIAL FIT OR DISABILITY COM	Administration	HB 5017	01-01	GF	(3,849)	-	-	-
JUDICIAL FIT OR DISABILITY COM	Extraordinary expenses	HB 5017	01-02	GF	(209)	-	-	-
JUDICIAL DEPARTMENT	Operations	HB 5016	01-02	GF	(5,455,635)	-	-	-
JUDICIAL DEPARTMENT	Mandated Payments	HB 5016	01-03	GF	(296,940)	-	-	-
JUDICIAL DEPARTMENT	Electronic Court	HB 5016	01-04	GF	(37,415)	-	-	-
JUDICIAL DEPARTMENT	Third-party Debt Collections	HB 5016	01-06	GF	(239,201)	-	-	-
JUDICIAL DEPARTMENT	Oregon Law Commission	HB 5016	05	GF	(4,492)	-	-	-
JUDICIAL DEPARTMENT	Council on Court Procedures	HB 5016	06	GF	(1,040)	-	-	-
JUDICIAL DEPARTMENT	Conciliation & mediation services in circuit courts	HB 5016	07-01	GF	(144,246)	-	-	-
JUDICIAL DEPARTMENT	Operating law libraries or providing law library services	HB 5016	08-01	GF	(144,248)	-	-	-
PUBLIC DEFENSE SERVICES	Appellate Division	HB 5041	01-01	GF	(291,347)	-	-	-
PUBLIC DEFENSE SERVICES	Professional Services	HB 5041	01-02	GF	(4,617,158)	-	-	-
PUBLIC DEFENSE SERVICES	Contract and Business Services Division	HB 5041	01-03	GF	(66,418)	-	-	-
LEGISLATIVE BRANCH								
LEGISLATIVE ADMIN COMMITTEE	General program	HB 5021	01-01	GF	(533,335)	-	-	-
LEGISLATIVE ASSEMBLY	Biennial General Fund	HB 5021	04	GF	(266,482)	-	-	-
LEGISLATIVE ASSEMBLY	77th Leg Assembly	HB 5021	05-01	GF	(338,307)	-	-	-
LEGISLATIVE ASSEMBLY	78th Leg Assembly	HB 5021	05-02	GF	(176,899)	-	-	-
LEGISLATIVE COUNSEL COMMITTEE	Operating Expenses	HB 5021	08	GF	(200,172)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
LEGISLATIVE FISCAL OFFICER	Operating Expenses	HB 5021	11-01	GF	(73,889)	-	-	-
LEGISLATIVE REVENUE OFFICE	Operating Expenses	HB 5021	12	GF	(51,399)	-	-	-
INDIAN SERVICES COMMISSION	Operating Expenses	HB 5021	13	GF	(9,186)	-	-	-
NATURAL RESOURCES								
DEPT OF GEOLOGY AND INDUSTRIES	General Fund	HB 5014	01	GF	(51,519)	-	-	-
DEPT OF PARKS AND RECREATION	General Fund	HB 5034	01	GF	(20,000)	-	-	-
LAND USE APPEALS BOARD	General Fund	SB 5531	01	GF	(30,950)	-	-	-
DEPT OF WATER RESOURCES	Water resources program	SB 5547	01	GF	(540,096)	-	-	-
DEPT OF AGRICULTURE	Administrative and Support Services	SB 5502	01-01	GF	(33,821)	-	-	-
DEPT OF AGRICULTURE	Food Safety	SB 5502	01-02	GF	(130,436)	-	-	-
DEPT OF AGRICULTURE	Natural Resources	SB 5502	01-03	GF	(140,392)	-	-	-
DEPT OF AGRICULTURE	Agricultural Development	SB 5502	01-04	GF	(79,760)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Air quality	SB 5520	01-01	GF	(114,866)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Water quality	SB 5520	01-02	GF	(392,845)	-	-	-
DEPT OF ENVIRONMENTAL QUALITY	Land quality	SB 5520	01-03	GF	(15,194)	-	-	-
DEPT OF FISH AND WILDLIFE	Fish Division	HB 5013	01-01	GF	(252,570)	-	-	-
DEPT OF FISH AND WILDLIFE	Wildlife Division	HB 5013	01-02	GF	(9,767)	-	-	-
DEPT OF FISH AND WILDLIFE	Administrative Services Division	HB 5013	01-03	GF	(29,412)	-	-	-
DEPT OF FISH AND WILDLIFE	Capital Improvement	HB 5013	01-05	GF	(2,912)	-	-	-
DEPT OF FORESTRY	Agency administration	SB 5521	01-01	GF	(4,000)	-	-	-
DEPT OF FORESTRY	Fire protection	SB 5521	01-02	GF	(771,994)	-	-	-
DEPT OF FORESTRY	Private forests	SB 5521	01-03	GF	(286,486)	-	-	-
DEPT OF LAND CONSERVTN/DEVELOP	Planning program	SB 5530	01-01	GF	(211,384)	-	-	-
DEPT OF LAND CONSERVTN/DEVELOP	Grant Programs	SB 5530	01-02	GF	(24,553)	-	-	-
COLUMBIA RIVER GORGE COMMISSION	Operating Expenses	SB 5511	01	GF	(17,820)	-	-	-
PUBLIC SAFETY								
BOARD OF PAROLE/POST PRISON	General Fund	HB 5035	01	GF	(79,300)	-	-	-
OREGON STATE POLICE	Patrol services, criminal investigations and gaming enforcement	HB 5038	01-01	GF	(2,965,500)	-	-	-
OREGON STATE POLICE	Fish and wildlife enforcement	HB 5038	01-02	GF	(57,000)	-	-	-
OREGON STATE POLICE	Forensic services and State Medical Examiner	HB 5038	01-03	GF	(742,545)	-	-	-
OREGON STATE POLICE	Administrative Services, information management and Office of the State Fire Marshal	HB 5038	01-04	GF	(928,850)	-	-	-
DEPT OF CORRECTIONS	Operations and health services	HB 5005	01-01	GF	(17,849,890)	-	-	-
DEPT OF CORRECTIONS	Administration, general services and human resources	HB 5005	01-02	GF	(2,570,120)	-	-	-
DEPT OF CORRECTIONS	Offender management and rehabilitation	HB 5005	01-03	GF	(1,281,735)	-	-	-
DEPT OF CORRECTIONS	Community corrections	HB 5005	01-04	GF	(4,342,090)	-	-	-
DEPT OF CORRECTIONS	Capital Improvements	HB 5005	01-06	GF	(53,975)	-	-	-
CRIMINAL JUSTICE COMMISSION	General Fund	HB 5007	01	GF	(277,465)	-	-	-
DISTRICT ATTORNEYS/DEPUTIES	Department of Justice for District Attorneys	SB 5517	01	GF	(209,190)	-	-	-
DEPT OF JUSTICE	Office of AG & adminstration	HB 5018	01-01	GF	(6,000)	-	-	-
DEPT OF JUSTICE	Civil enforcement	HB 5018	01-02	GF	(77,855)	-	-	-
DEPT OF JUSTICE	Criminal Justice	HB 5018	01-03	GF	(168,930)	-	-	-
DEPT OF JUSTICE	Crime victims' services	HB 5018	01-04	GF	(114,900)	-	-	-
DEPT OF JUSTICE	Defense of criminal conviction	HB 5018	01-05	GF	(379,270)	-	-	-

Agency Name	Appropriation Description	Bill Number	Section/ Sub	Fund	General Fund	Lottery Funds	Other Funds	Federal Funds
DEPT OF JUSTICE	Child Support Division	HB 5018	01-06	GF	(465,565)	-	-	-
DEPT OF MILITARY	Administration	SB 5534	01-01	GF	(88,729)	-	-	-
DEPT OF MILITARY	Operations	SB 5534	01-02	GF	(127,396)	-	-	-
DEPT OF MILITARY	Emergency Management	SB 5534	01-03	GF	(37,768)	-	-	-
DEPT OF MILITARY	Community Support	SB 5534	01-04	GF	(4,114)	-	-	-
OREGON YOUTH AUTHORITY	Operations	HB 5050	01-01	GF	(5,017,373)	-	-	-
OREGON YOUTH AUTHORITY	Juvenile crime prevention/diversion	HB 5050	01-02	GF	(351,862)	-	-	-
OREGON YOUTH AUTHORITY	East Multnomah County gang funding	HB 5050	01-03	GF	(34,135)	-	-	-
OREGON YOUTH AUTHORITY	Multnomah County Gang Services	HB 5050	01-04	GF	(67,542)	-	-	-
OREGON YOUTH AUTHORITY	Capital Improvements	HB 5050	01-06	GF	(14,763)	-	-	-
TRANSPORTATION								
OREGON DEPT OF TRANSPORTATION	PTD: Elderly & People w/Disabilities Transportation Pgm	SB 5544	02	GF	(40,000)	-	-	-
			TOTAL		**(154,895,175)**	**(1,353,591)**	-	-

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Agency Summary

Department of Revenue

Agency Summary

The agency administers more than 30 tax programs. The Personal Income Tax, Corporation Excise Tax, Property Tax, Cigarette and Other Tobacco Tax, and Estate Transfer Tax programs are the largest programs we administer, in terms of our budget and of revenue generated.

The main functions for the **Personal Income, Corporation Excise, Cigarette and Other Tobacco, and Estate Transfer Tax** programs include:

- processing returns;
- accounting for and banking payments;
- assisting and educating taxpayers;
- performing audits;
- enforcing filing requirements;
- collecting delinquent taxes; and
- policy development.

The **Cigarette and Other Tobacco Tax** programs also work with tobacco retailers and distributors to ensure they comply with laws that govern tobacco taxes.

The **Property Tax** program is responsible for the overall supervision of the statewide property tax system, appraisal of large industrial properties with values of more than $1 million, appraisal of centrally assessed companies designated by ORS 308.515, and support of county property tax administration.

The program also establishes and monitors statewide standards for county implementation of the assessment and collection of property taxes, and tax lot map maintenance. They also administer the timber tax, senior and disabled citizen property tax deferral programs, the Forest Products Harvest Tax, and the Small Tract Forestland Severance Tax.

We collect and distribute taxes and fees for other state agencies and local governments. These include such programs as 911 emergency communicatinns tax, transit district taxes, and court fines and fees. We also serve as the primary collection agency for more than 160 state agencies and local governments through the **Other Agency Accounts** program.

Our work is carried out through six sections/divisions:

The **Executive Division** directs the activities of the other divisions and coordinates our legislative, rulemaking, communications, human resources, and internal audit activities.

The **Administrative Services Division** provides support services through its four sections: IT Services, Processing Center, Finance and Budget, and Procurement.

The **Program Management Office/General Services Division** leads and facilitates the ongoing transformation of people, technology, and processes. The division manages certain agency-wide expenditures and fees for efficiency and includes the agency's Research Section.

The **Personal Tax and Compliance Division** directs and manages the state's personal income tax program, including developing tax policy, collection, and audit functions.

The **Business Division** performs collection and audit functions with corporations, partnerships, or entities other than individuals for income taxes and other miscellaneous programs.

The **Property Tax Division** administers the property tax program and several related programs.

These divisions are described more fully under their individual tabs.

BUDGET NARRATIVE

The Oregon Department of Revenue provides services for the general public, tax preparation professionals, counties, local taxing districts, and other state agencies through these program units:

Administration:

- 001 – Executive Division
- 002 – Program Management Office/General Services Division
- 003 – Administrative Services Division
- 004 – Property Tax Division
- 005 – Personal Tax and Compliance Division
- 006 – Business Division
- 015 – Multistate Tax Commission

Property Tax Relief:

- 019 – Elderly Rental Assistance (ERA)/Nonprofit Homes for the Elderly (NPH)
- 025 – Senior and Disabled Citizen Property Tax Deferral

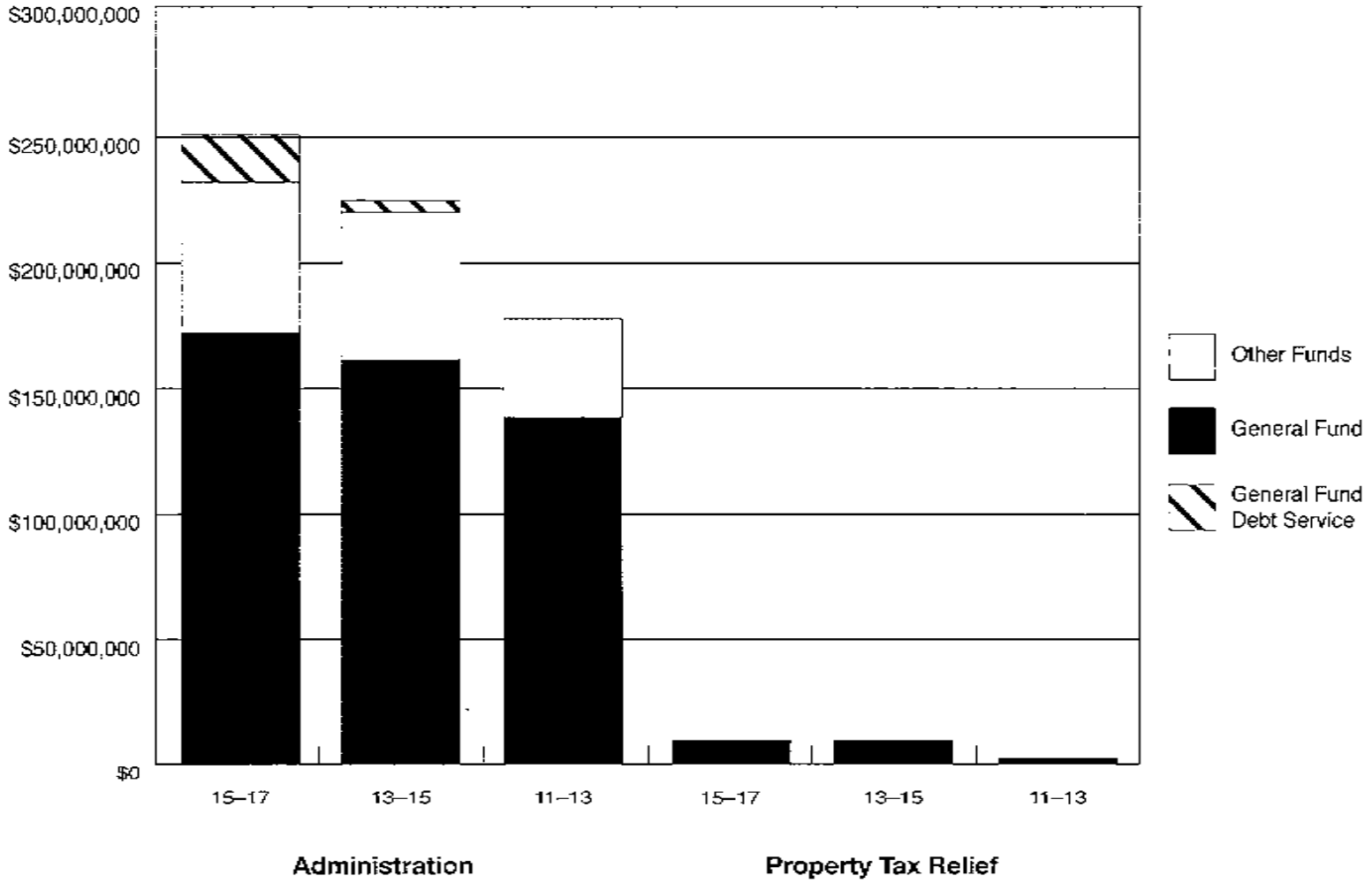
Other:

- 030 – Core Systems Replacement
- 087 – Capital Debt Service and Related Costs

The Agency Request Budget for the 2015–17 biennium is:

Administration	$ 206,497,057
Property Tax Relief	$ 5,672,000
Core Systems Replacement and Debt Service	$ 44,499,449

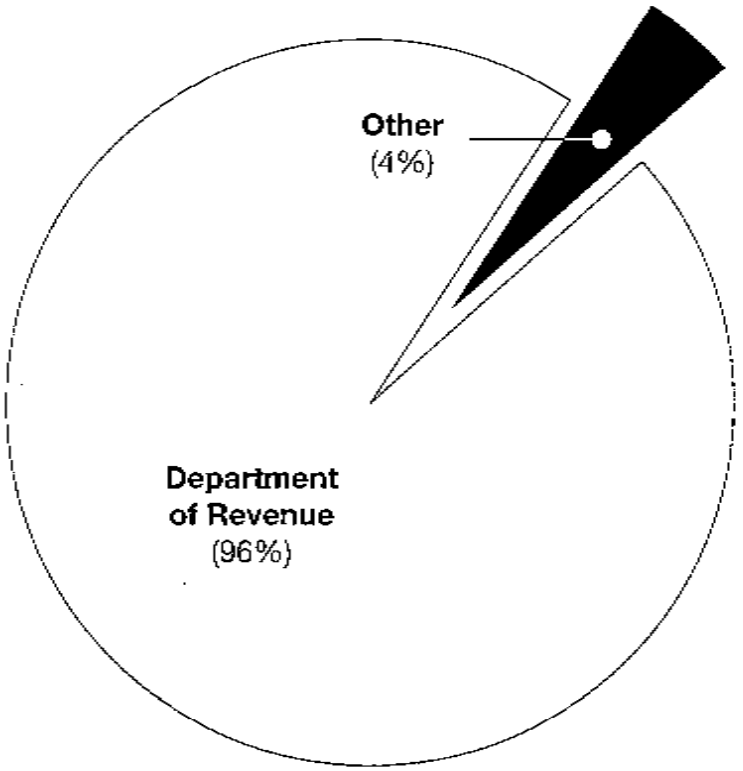
Department of Revenue
2015–2017 Governor's Budget to
2013–2015 and 2011–2013 Legislatively Approved



General Fund/Tax Revenue
Total: $17.6 billion

General Fund Revenue Sources
Administered by Department of Revenue

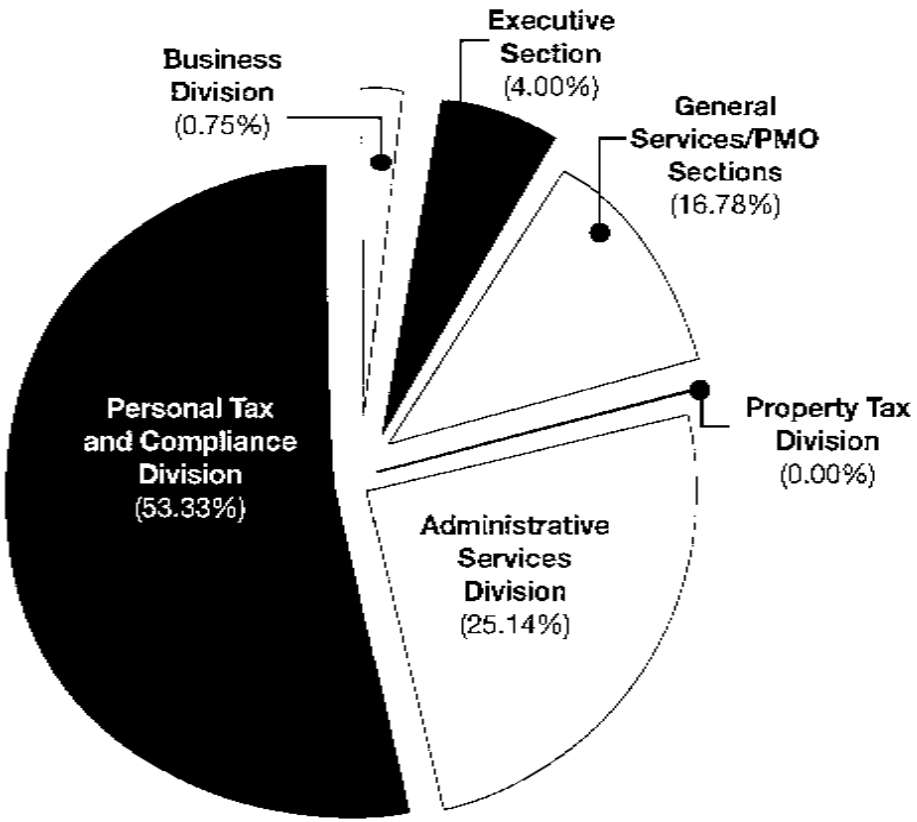
***2015–2017 Biennium—$16.9 billion est.**



* Estimated for 2015–17 from May 2014 forecast.

Percentage of Program Cost by Division/Section

Personal Income Tax Program (2011–2012)



Source: DOR's Cost Allocation System

Mission Statement & Statutory Authority

Mission: "We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens."

Statutory Authority: ORS 305.015 provides that, "It is the intent of the Legislative Assembly to place in the Department of Revenue and its director the administration of the revenue and tax laws of this state, except as specifically otherwise provided in such laws."

2015–21 Agency Strategic Plan

Our vision: *We are a model of revenue administration through the strength of our people, technology, innovation, service, and collaboration.*

Tax administration across the country is changing dramatically. Taxpayers are demanding ways of doing business at times that are convenient to their schedules using tools that are commonplace in the private sector. Businesses are changing, and more are using complex and sophisticated practices to reduce or avoid paying taxes. State agencies must partner together to address issues that affect citizens.

Meeting expectations and demands is difficult at the best of times. Solutions do not lie simply in adding more staff doing more of the same work. What is needed is business transformation. The Department of Revenue is re-engineering business practices to meet the changing needs of the public. We are also looking to technology to help us meet the challenges of revenue administration.

We achieve our vision through five outcome areas. Each outcome is a focal point for our decisions that provides clarity to our vision, and tells us if we're successful:

1. ***Employee engagement***—We engage employees so they care about their work and the performance of the organization and they recognize how their efforts make a difference.

2. ***Customer experience***—We provide clear, accurate, and timely information and services that yields an appropriate customer experience.

3. ***Voluntary Compliance***—We remove barriers and provide incentives, tools, and education to encourage taxpayers to timely meet their obligation to pay taxes.

4. ***Enforcement***—We enforce compliance to generate revenue and promote long-term voluntary compliance.

5. ***Equity & uniformity***—We administer statutes and rules consistently and treat all taxpayers fairly.

We identified 12 key performance measures linked to our mission and to our vision.

Our 2013–19 Agency Strategic Plan outlines specific unit-level initiatives and actions to realize our agency vision. Execution of the plan requires coordination across the agency, transformation within our systems and processes, and partnerships among agencies and other governments. Each biennium, we will review and update the plan and extend it for the ensuing two-year period.

2015–17 Two-year Agency Plan

Agency Programs: We administer tax programs that generate 96 percent of the state's General Fund revenue and 88 percent of all local government revenue (based on 2013–2015 biennial estimates). We manage more than 30 programs that can be divided into six categories. All numbers are based on 2013–15 Essential Budget Level.

- ***Personal Income and Corporation Taxes***: Generates $14.6 billion in General Fund revenues from 535 FTE in the areas of taxpayer assistance and education, processing, banking, auditing, collecting, and filing enforcement.
- ***Property Taxes:*** We provide essential support and oversight to the system of property taxation that generates over $10 billion in local government revenues from 99 FTE in the areas of utility and transportation valuation, industrial property valuation, mapping, county administrative oversight, and forestland valuation.
- ***Cigarette and Other Tobacco Taxes***: Generates $502 million for the Health Plan, General Fund, local government, Stop Smoking Education, and public transit funding. Department staff are responsible for processing, banking, conducting audits, inspections, and referring appropriate matters to the Department of Justice and Oregon State Police for criminal investigations.
- ***Other Taxes:*** The department provides administrative support for Estate Transfer Tax, Amusement Device Tax, Petroleum Load Fee, State Lodging Tax, Hazardous Substance Fee, Small Owner Severance Tax, Forest Products Harvest Tax, and Emergency Communication Tax (911). These programs generate approximately $310 million total in revenues for the General Fund, 911 System, Tourism Commission, local government, schools, Forestry, and Toxic Waste Reduction.
- ***Partnerships:*** The department has partnerships with other agencies, the courts, and local government for the administration, tracking, and collection of funds. For Other Agency Accounts, the department collects approximately $100 million in debt owed to agencies that they have not been able to collect. The department works with the state and municipal courts in collecting,

tracking, and disbursing Court Fines and Assessments of about $129 million. The department works under an interagency agreement with the TriMet and Lane Transit Districts to administer their Transit Taxes, and we collect and remit approximately $477 million back to the transit districts each biennium (using 13–15 biennium estimates).

- ***Assistance Programs:*** The department is responsible for the administration of the Elderly Rental Assistance/Nonprofit Homes for the Elderly (NPH) and Senior and Disabled Citizen Property Tax Deferral programs. Elderly Rental Assistance/NPH ($5.6 million for 2013–15) provides direct property tax relief to elderly low-income renters and funds property tax exemptions granted to non-profit homes for the elderly. The Senior and Disabled Citizen Property Tax Deferral program (approximately $27 million for 2013–15) allows homeowners age 62 and older or disabled with low income to defer property tax payments. The state pays the tax to the counties, which is repaid, with interest, when the home is sold or the owner dies. The 2011 (HB 2543), 2012 (HB 4039), and 2013 (HB 2489 and HB 2510) Legislative Sessions resulted in major changes in eligibility requirements for the Senior and Disabled Citizen Property Tax Deferral programs to bring property tax payments into alignment with available program funding.

Environmental Factors: The current economic forecast projects modest population growth, and slow economic recovery and growth in the 2013–15 biennium. Though the forecast is showing some growth, the agency will still be challenged in the 2015–17 biennium to meet expectations from policymakers to bring in all available revenues under current law.

Agency Initiatives: Our most important initiative is transforming our agency to become a model of revenue administration. While this starts with replacing our 20-year-old automated accounting and management systems through our Core Systems Replacement (CSR) project, it touches most aspects of the organization including our processes and our people.

We're reevaluating our businesses practices as we're replacing our technology systems to establish industry best practices into our everyday work. Our business with our customers will align strategically and tactically with modern core systems.

Using data-driven information to guide our efforts, more sophisticated technology and more efficient processes will modernize our business so we can focus our resources in the most cost-effective way.

Taxpayers will benefit because they'll be able to pay their taxes more easily and conveniently with new technology and streamlined service.

Other initiatives we're continuing or implementing for the 2015–17 biennium include:

- Implementing GenTax integrated tax system and data warehouse for the Corporate, Cigarette, and Tobacco Tax programs by November 2014.
- Implementing GenTax for Personal Income Tax, Self-Employed Transit, Partnership, Property Tax Deferral and Estate Tax programs by November 2015.
- Allowing businesses to register online for multiple state programs through one website, using the multiagency Oregon Business Registry.
- Modernizing payment processing to maintain peak processing of checks, and increase the number of payments processed within 24 hours of receipt.
- Partnering with counties to develop a statewide digital tax lot system that will satisfy many public and private needs.
- Optimizing the collections process. This includes streamlining revenue agent workflow, enhancing coordination with private collection firms, and continuing to explore and test advanced collection-research tools.
- Delivering an increasing collection of web-based services to taxpayers so they can access their tax accounts and pay all or part of their tax debts online.

Criteria for 2015–17 Budget Development

The budget reflects funding needed to allow us to collect revenue in an equitable and efficient manner, and maintain funding for state and local government services.

Key Performance Measure Criteria

The agency has 12 performance measures that relate to the agency's mission and outcomes. These Key Performance Measures are becoming less effective in indicating where we're successful. We've proposed changes so our measures can better reflect to what level we're achieving our identified outcomes. Our proposal includes deleting seven of the following measures, and adding six new ones. Our current measures are:

Tax Administration and Service:
1. Dollars Collected per Revenue Agent per Month (Personal Income Tax): measures the effectiveness of collection staff in the collection of delinquent tax debt.
2. Percent of Property Taxes Collected: measures the degree to which counties are able to collect identified property taxes.
3. Percent of Assessors' Maps Digitized in Geographic Information Format (GIS): measures the effectiveness of staff in providing accurate property tax map information to external partners for administration of the program, as well as for access by other stakeholders, employees, and citizens.
5. Personal Income Tax Non-Filer Assessments Issued per Employee per Month: measures effectiveness of filing enforcement program in identifying non-filing taxpayers and achieving greater compliance.
6. Personal Income Tax and Corporation Tax Cases Closed per Revenue Agent per Month: measures the effectiveness of collection staff in resolving collection cases.
7. Delinquent Returns Filed after Compliance Contact per Filing Enforcement Employee per Month: measures the effectiveness of filing enforcement program in identifying non-filing taxpayers and encouraging greater voluntary compliance.
12. Percent of Customers Rating their Overall Satisfaction with the Agency Above Average or Excellent.
13. Effective Taxpayer Assistance: Provide the most effective taxpayer services by a data-driven combination of direct assistance and electronic self-help services.

Operational Excellence:
8. Average Days to Process Personal Income Tax Refund: measures whether we meet taxpayer expectations of a timely refund.
9. Percent of Personal Income Tax Returns Filed Electronically: measures taxpayers' acceptance and use of electronic filing.

Work Environment:
10. Employee Work Environment: measures employee satisfaction with environment and training/developmental opportunities.
11. Employee Training Per Year: measures the importance placed on employee development and the commitment of resources toward training.

We've identified the following issues with these measures:

	Old Measure	Issues
KPM 1	Dollars collected per Revenue Agent per month	Construction issues
KPM 2	Percent of Property Taxes collected	DOR has little influence over measure
KPM 3	Percent of Assessors' maps digitized in GIS format	Small part of DOR's business
KPM 5	Personal income tax non-filer assessments issued per month	Construction issues
KPM 6	Personal income tax and Corporation tax cases closed per Revenue Agent per month	Construction issues
KPM 7	Delinquent returns filed after compliance contact per filing enforcement employee per month	Construction issues
KPM 10	Employee work environment	Narrow; lacks benchmark ability

We've proposed the following measures to replace measures 1,2,3,5,6,7, and 10:

	Proposed new measure	Outcome
KPM 14	County appraisal program equity and uniformity	County appraisal value uniformity
KPM 15	Industrial appraisal value uniformity	DOR Industrial appraisal value uniformity
KPM 16	Direct enforcement dollars cost-of-funds	Income tax program efficiency and effectiveness
KPM 17	Collection dollars cost-of-funds	Collection function efficiency and effectiveness
KPM 18	Cost of assessments	Assessment function efficiency and effectiveness
KPM 19	Employee engagement	Employee Engagement

The new measures would be organized by our identified outcome areas if our proposal is accepted. Our Key Performance Measures would then indicate our level of success in achieving our outcomes.

Employee engagement:
10. Employee Training Per Year: measures the importance placed on employee development and the commitment of resources toward training.
19. Employee Engagement: Index of employees considered actively engaged by a standardized survey.

Customer experience:
8. Average Days to Process Personal Income Tax Refund: measures whether we meet taxpayer expectations of a timely refund.
12. Customer Service: Percent of Customers Rating their Overall Satisfaction with the Agency Above Average or Excellent.
13. Effective Taxpayer Assistance: Provide the most effective taxpayer services by a data-driven combination of direct assistance and electronic self-help services.

Voluntary compliance:
9. Percent of Personal Income Tax Returns Filed Electronically: measures taxpayers' acceptance and use of electronic filing.

Enforcement:
16. *Direct Enforcement Dollars Cost of Funds* – demonstrates our efficiency and effectiveness at funding services that preserve and enhance the quality of life for all citizens by measuring the cost of funds (COF) for every direct enforcement dollar received by our agency.
17. Collection Dollars Cost of Funds – demonstrates our efficiency and effectiveness at funding services that preserve and enhance the quality of life for all citizens by measuring the cost of funds (COF) for every dollar collected by our agency.
18. Cost of Assessments – demonstrates our efficiency and effectiveness of our suspense, audit, and filing enforcement functions by measuring the cost of every audit and filing enforcement dollar assessed.

Equity & uniformity:
14. Appraisal Program Equity and Uniformity – measures the degree to which county appraisal program equity and uniformity is achieved by determining the percentage of study areas statewide with real market values that are within accepted appraisal standards.
15. Appraisal Value Uniformity – demonstrates our ability to deliver high quality business results by measuring appraisal equity and uniformity for DOR industrial accounts.

Information Technology Projects $1,000,000+

Core Systems Replacement

DOR is in the midst of replacing the majority of its core tax systems to mitigate the growing risks of not being able to support its aging legacy systems and maintain current service levels. The 2013 Legislature previously approved and provided initial funding for this project that spans three biennia.

Replacing core tax systems ensures the agency can continue to achieve its mission of making revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens. It helps demonstrate that government is trustworthy, responsive, and solves problems in a financially sustainable way. Replacing core tax systems enables DOR to reach its vision of becoming a model of revenue administration through the strength of its people, technology, innovation, service, and collaboration.

As the agency responsible for administering $7.5 billion per year of General Funds, DOR has raised the concern since 2009 that reinvestment in core tax system technology and business processes is essential to sustain future revenue administration. As stewards of this responsibility, the department has embarked on implementation of a new Commercial Off-The-Shelf (COTS) integrated tax system and data warehouse (GenTax) through Fast Enterprises, LLC (FAST).

Total cost of the Core Systems Replacement (CSR) Project ($80.9 million) includes costs of debt funding ($8.9 million) and completed preliminary planning phases ($7.3 million). Total remaining project implementation costs for the 2015–17 and 2017–19 biennia, exclusive of debt service, are $43.0 million.

The 2013 Legislature gave approval for the CSR project to proceed by authorizing traditional funding options through:

- DOR's agency budget.
- An additional General Fund Appropriation.
- Article XI-Q general obligation bonds.

Project Costs

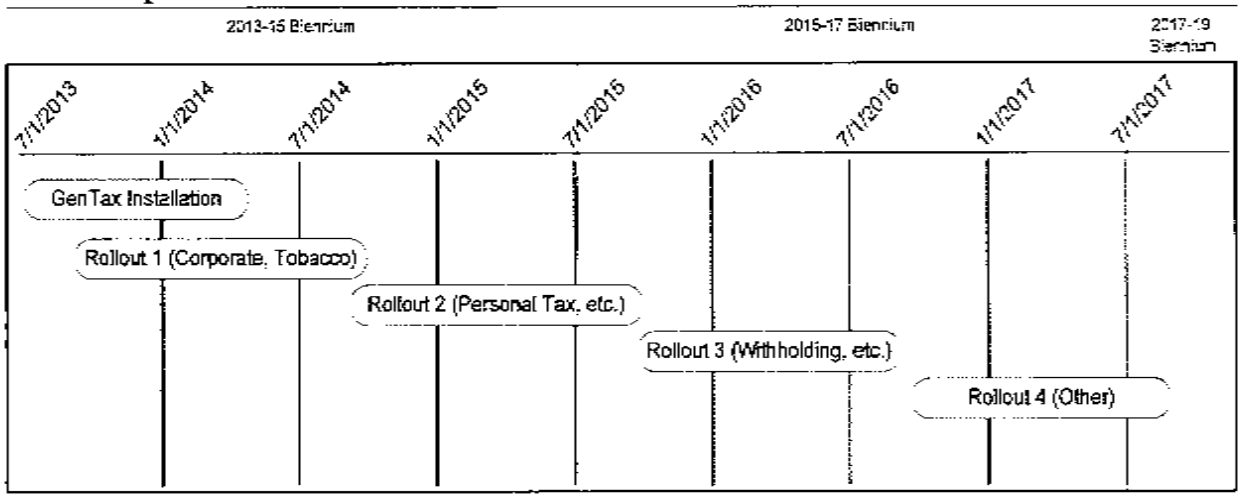
The following table displays costs over the life of the project including costs associated with issuing bonds and bond interest payments.

Core Systems Replacement Project and Financing Costs (Rounded)[1]

Project Costs (in millions)							
	Positions	2009-13	2013-15	2015-17	2017-19 Project	Balance of 2017-19 & Future Biennia	Totals
DOR Contribution							
Ongoing DOR Operationg Costs	3	$ 7.3	$ 0.7	$ 0.9	$ 0.3		$ 9.2
General Fund							
Non-bond eligible General Services and Supplies			$ 0.2	$ 0.2	$ 0.1		$ 0.5
Project Costs			$ 1.9	$ 4.2	$ 1.5		$ 7.6
Total General Fund			$ 2.1	$ 4.4	$ 1.6		$ 8.1
Other Fund Limitation							
Debt Financed Project Costs	32		$ 18.8	$ 26.7	$ 9.1		$ 54.7
Project Totals (before Debt Service)	35	$ 7.3	$ 21.6	$ 32.1	$ 11.0		$ 72.0
Bonding Costs							
Principal & Interest (General Fund)			$ 1.3	$ 13.0	$ 7.1	$ 41.6	$ 63.0
Costs of Debt Issuance (Bond Funded)			$ 0.2	$ 0.4	$ 0.2		$ 0.8

[1] All totals and subtotals are accurately rounded to the nearest $100,000 but may not represent the sum of their component rounded parts, due to the minor inaccuracies inherent in rounding.

Planned Implementation/Rollout Schedule



Property Valuation System (PVS)

DOR is responsible for assessing real market value (RMV) on properties identified as central assessment (e.g. airlines, utilities, railroads, telecommunications, etc.) and those defined as principal and secondary industrial (i.e. valued at over $1 million and engaged in processing or manufacturing activities). In current property tax administration, the agency relies on antiquated applications, and internally developed databases, spreadsheets, and paper files to manage the complex effort of annually valuing 850 industrial sites and 600 central assessment companies. Because of the system's limited capabilities and its fragmented and increasingly unsupportable architecture, many of our processes are manual and paper driven and prone to both error and inefficiency. This combination of manual processes and less reliable, fragmented, and limited technology poses a risk to our long-term ability to develop accurate and timely RMVs for DOR assigned accounts.

Based on our analysis, we believe the appropriate way to address the problem identified above is to fund and deploy commercial off-the-shelf (COTS), Computer Assisted Mass Appraisal (CAMA) software system. The proposed funding mechanism is debt financing through a Certificate of Participation (COP).

The projected 4-year cost of ownership is anticipated to be $3,332,000 ($2,338,000 for 2015–17) for system acquisition, installation, temporary staffing and maintenance and for additional IT infrastructure necessary to support the new system.

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Revenue, Dept of
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	1,081	1,024.49	230,448,006	165,191,130	-	65,256,876	-	-	-
2013-15 Emergency Boards	(7)	(7.83)	395,866	1,450,629	-	(1,054,763)	-	-	-
2013-15 Leg Approved Budget	**1,074**	**1,016.66**	**230,843,872**	**166,641,759**	**-**	**64,202,113**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(9)	(5.32)	6,963,496	7,030,262	-	(66,766)	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			7,516,314	7,516,314	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**1,065**	**1,011.34**	**245,323,682**	**181,188,335**	**-**	**64,135,347**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(671,038)	(496,009)	-	(175,029)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	96,812	81,851	-	14,961	-	-	-
Subtotal	**-**	**-**	**(574,226)**	**(414,158)**	**-**	**(160,068)**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(24,261,153)	(3,137,432)	-	(21,123,721)	-	-	-
Subtotal	**-**	**-**	**(24,261,153)**	**(3,137,432)**	**-**	**(21,123,721)**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	1,642,159	1,282,813	-	359,346	-	-	-
State Gov't & Services Charges Increase/(Decrease)			3,462,928	2,859,365	-	603,563	-	-	-

Revenue, Dept of
Revenue, Dept of
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	5,105,087	4,142,178	-	962,909	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	1,065	1,011.34	225,593,390	181,778,923	-	43,814,467	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Revenue, Dept of
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-000-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	**1,065**	**1,011.34**	**225,593,390**	**181,778,923**	**-**	**43,814,467**	**-**	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	(32)	(32.00)	(5,477,044)	-	-	(5,477,044)	-	-	-
Modified 2015-17 Current Service Level	**1,033**	**979.34**	**220,116,346**	**181,778,923**	**-**	**38,337,423**	**-**	**-**	**-**
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	(2,600,000)	(2,600,000)	-	-	-	-	-
141 - Property Valuation System	3	3.00	2,775,910	445,019	-	2,330,891	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	1,836,836	-	(1,836,836)	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	7	4.00	497,179	-	-	497,179	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	1,111,204	1,111,204	-	-	-	-	-
161 - HB4055-911 Tax	2	2.00	339,480	-	-	339,480	-	-	-
181 - Core Systems Replacement	33	33.00	34,428,387	7,787,669	-	26,640,718	-	-	-
Subtotal Policy Packages	**45**	**42.00**	**36,552,160**	**8,580,728**	**-**	**27,971,432**	**-**	**-**	**-**
Total 2015-17 Governor's Budget	**1,078**	**1,021.34**	**256,668,506**	**190,359,651**	**-**	**66,308,855**	**-**	**-**	**-**
Percentage Change From 2013-15 Leg Approved Budget	0.37%	0.46%	11.19%	14.23%	-	3.28%	-	-	-
Percentage Change From 2015-17 Current Service Level	1.22%	0.99%	13.77%	4.72%	-	51.34%	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Executive Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	33	33.00	6,759,589	6,004,517	-	755,072	-	-	-
2013-15 Emergency Boards	(1)	(1.00)	958,034	792,372	-	165,662	-	-	-
2013-15 Leg Approved Budget	**32**	**32.00**	**7,717,623**	**6,796,889**	**-**	**920,734**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	6	5.20	465,799	428,687	-	37,112	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**38**	**37.20**	**8,183,422**	**7,225,576**	**-**	**957,846**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(3,083)	(355)	-	(2,728)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	5,191	5,103	-	88	-	-	-
Subtotal	**-**	**-**	**2,108**	**4,748**	**-**	**(2,640)**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	17,076	15,114	-	1,962	-	-	-
State Gov't & Services Charges Increase/(Decrease)			107,197	87,258	-	19,939	-	-	-

Revenue, Dept of
Executive Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	124,273	102,372	-	21,901	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	38	37.20	8,309,803	7,332,696	-	977,107	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Executive Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-001-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	38	37.20	8,309,803	7,332,696	-	977,107	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	38	37.20	8,309,803	7,332,696	-	977,107	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2015-17 Governor's Budget	38	37.20	8,309,803	7,332,696	-	977,107	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	18.75%	16.25%	7.67%	7.88%	-	6.12%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
General Services Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	2	2.00	6,969,116	4,167,835	-	2,801,281	-	-	-
2013-15 Emergency Boards	-	-	7,233,154	6,600,123	-	633,031	-	-	-
2013-15 Leg Approved Budget	**2**	**2.00**	**14,202,270**	**10,767,958**	**-**	**3,434,312**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	11	11.00	589,475	548,525	-	40,950	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**13**	**13.00**	**14,791,745**	**11,316,483**	**-**	**3,475,262**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	18,079	15,167	-	2,912	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(5,366)	(3,919)	-	(1,447)	-	-	-
Subtotal	-	-	12,713	11,248	-	1,465	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	894,542	751,797	-	142,745	-	-	-
State Gov't & Services Charges Increase/(Decrease)			-	-	-	-	-	-	-

Revenue, Dept of
General Services Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	894,542	751,797	-	142,745	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	**13**	**13.00**	**15,699,000**	**12,079,528**	**-**	**3,619,472**	**-**	**-**	**-**

Summary of 2015-17 Biennium Budget

Revenue, Dept of
General Services Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-002-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	13	13.00	15,699,000	12,079,528	-	3,619,472	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	13	13.00	15,699,000	12,079,528	-	3,619,472	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	15,384	-	-	15,384	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	15,384	-	-	15,384	-	-	-
Total 2015-17 Governor's Budget	13	13.00	15,714,384	12,079,528	-	3,634,856	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	550.00%	550.00%	10.65%	12.18%	-	5.84%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	0.10%	-	-	0.43%	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Administrative Services Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	263	220.00	50,499,228	43,588,234	-	6,910,994	-	-	-
2013-15 Emergency Boards	(2)	(2.83)	312,082	(103,599)	-	415,681	-	-	-
2013-15 Leg Approved Budget	**261**	**217.17**	**50,811,310**	**43,484,635**	**-**	**7,326,675**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(16)	(11.51)	1,002,596	1,082,007	-	(79,411)	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**245**	**205.66**	**51,813,906**	**44,566,642**	**-**	**7,247,264**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(94,928)	(63,274)	-	(31,654)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(33,903)	(32,518)	-	(1,385)	-	-	-
Subtotal	**-**	**-**	**(128,831)**	**(95,792)**	**-**	**(33,039)**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	359,740	274,457	-	85,283	-	-	-
State Gov't & Services Charges Increase/(Decrease)			3,355,731	2,772,107	-	583,624	-	-	-

Revenue, Dept of
Administrative Services Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal	-	-	3,715,471	3,046,564	-	668,907	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	245	205.66	55,400,546	47,517,414	-	7,883,132	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Administrative Services Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-003-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	**245**	**205.66**	**55,400,546**	**47,517,414**	**-**	**7,883,132**	**-**	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	**245**	**205.66**	**55,400,546**	**47,517,414**	**-**	**7,883,132**	**-**	**-**	**-**
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	(750,000)	(750,000)	-	-	-	-	-
141 - Property Valuation System	-	-	1,758	1,758	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	2,344	-	-	2,344	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	1,172	-	-	1,172	-	-	-
181 - Core Systems Replacement	-	-	(537,170)	(537,170)	-	-	-	-	-
Subtotal Policy Packages	**-**	**-**	**(1,281,896)**	**(1,285,412)**	**-**	**3,516**	**-**	**-**	**-**
Total 2015-17 Governor's Budget	**245**	**205.66**	**54,118,650**	**46,232,002**	**-**	**7,886,648**	**-**	**-**	**-**
Percentage Change From 2013-15 Leg Approved Budget	-6.13%	-5.30%	6.51%	6.32%	-	7.64%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-2.31%	-2.71%	-	0.04%	-	-	-

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Summary of 2015-17 Biennium Budget

Revenue, Dept of
Property Tax Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	99	97.26	25,315,937	14,027,407	-	11,288,530	-	-	-
2013-15 Emergency Boards	(2)	(2.00)	(4,055,659)	(1,832,180)	-	(2,223,479)	-	-	-
2013-15 Leg Approved Budget	**97**	**95.26**	**21,260,278**	**12,195,227**	**-**	**9,065,051**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(2)	(2.00)	845,128	481,936	-	163,192	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**95**	**93.26**	**21,905,406**	**12,677,163**	**-**	**9,228,243**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(62,460)	(46,449)	-	(16,011)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(41,024)	(43,883)	-	2,859	-	-	-
Subtotal	**-**	**-**	**(103,484)**	**(90,332)**	**-**	**(13,152)**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	104,817	32,999	-	71,818	-	-	-
Subtotal	**-**	**-**	**104,817**	**32,999**	**-**	**71,818**	**-**	**-**	**-**

Revenue, Dept of
Property Tax Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	**95**	**93.26**	**21,906,739**	**12,619,830**	**-**	**9,286,909**	**-**	**-**	**-**

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Property Tax Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-004-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	**95**	**93.26**	**21,906,739**	**12,619,830**	**-**	**9,286,909**	**-**	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	**95**	**93.26**	**21,906,739**	**12,619,830**	**-**	**9,286,909**	**-**	**-**	**-**
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	3	3.00	2,311,290	32,081	-	2,279,209	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	1,836,836	-	(1,836,836)	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	7	4.00	494,835	-	-	494,835	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**10**	**7.00**	**2,806,125**	**1,868,917**	**-**	**937,208**	**-**	**-**	**-**
Total 2015-17 Governor's Budget	**105**	**100.26**	**24,712,864**	**14,488,747**	**-**	**10,224,117**	**-**	**-**	**-**
Percentage Change From 2013-15 Leg Approved Budget	8.25%	5.25%	16.24%	18.81%	-	12.79%	-	-	-
Percentage Change From 2015-17 Current Service Level	10.53%	7.51%	12.81%	14.81%	-	10.09%	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Personal Tax and Compliance Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-005-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	433	425.32	66,347,187	64,895,666	-	1,451,521	-	-	-
2013-15 Emergency Boards	(2)	(2.00)	(938,270)	(978,082)	-	39,812	-	-	-
2013-15 Leg Approved Budget	**431**	**423.32**	**65,408,917**	**63,917,584**	**-**	**1,491,333**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(0.51)	3,295,419	3,268,373	-	27,046	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**430**	**422.81**	**68,704,336**	**67,185,957**	**-**	**1,518,379**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(179,578)	(125,363)	-	(54,215)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	150,483	145,333	-	5,150	-	-	-
Subtotal	**-**	**-**	**(29,095)**	**19,970**	**-**	**(49,065)**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	175,435	166,119	-	9,316	-	-	-
Subtotal	**-**	**-**	**175,435**	**166,119**	**-**	**9,316**	**-**	**-**	**-**

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	**430**	**422.81**	**68,850,676**	**67,372,046**	**-**	**1,478,630**	**-**	**-**	**-**

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Personal Tax and Compliance Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-005-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	**430**	**422.81**	**68,850,676**	**67,372,046**	**-**	**1,478,630**	**-**	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	**430**	**422.81**	**68,850,676**	**67,372,046**	**-**	**1,478,630**	**-**	**-**	**-**
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	(1,400,000)	(1,400,000)	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	1,111,204	1,111,204	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**-**	**-**	**(288,796)**	**(288,796)**	**-**	**-**	**-**	**-**	**-**
Total 2015-17 Governor's Budget	**430**	**422.81**	**68,561,880**	**67,083,250**	**-**	**1,478,630**	**-**	**-**	**-**
Percentage Change From 2013-15 Leg Approved Budget	-0.23%	-0.12%	4.82%	4.95%	-	-0.85%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-0.42%	-0.43%	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Business Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-006-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	220	215.91	36,479,595	21,756,763	-	14,722,832	-	-	-
2013-15 Emergency Boards	-	-	(2,613,475)	(2,528,005)	-	(85,470)	-	-	-
2013-15 Leg Approved Budget	**220**	**215.91**	**33,866,120**	**19,228,758**	**-**	**14,637,362**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(8)	(8.50)	1,300,874	1,107,294	-	193,580	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**212**	**207.41**	**35,166,994**	**20,336,052**	**-**	**14,830,942**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(349,068)	(275,735)	-	(73,333)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	21,431	11,735	-	9,696	-	-	-
Subtotal	**-**	**-**	**(327,637)**	**(264,000)**	**-**	**(63,637)**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	82,250	42,327	-	39,923	-	-	-
Subtotal	**-**	**-**	**82,250**	**42,327**	**-**	**39,923**	**-**	**-**	**-**

Revenue, Dept of
Business Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-006-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	**212**	**207.41**	**34,921,607**	**20,114,379**	**-**	**14,807,228**	**-**	**-**	**-**

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Business Division
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-006-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	**212**	**207.41**	**34,921,607**	**20,114,379**	**-**	**14,807,228**	**-**	**-**	**-**
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	**212**	**207.41**	**34,921,607**	**20,114,379**	**-**	**14,807,228**	**-**	**-**	**-**
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Policy Packages									
090 - Analyst Adjustments	-	-	(450,000)	(450,000)	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - Senior/Disabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	2	2.00	322,924	-	-	322,924	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	**2**	**2.00**	**(127,076)**	**(450,000)**	**-**	**322,924**	**-**	**-**	**-**
Total 2015-17 Governor's Budget	**214**	**209.41**	**34,794,531**	**19,664,379**	**-**	**15,130,152**	**-**	**-**	**-**
Percentage Change From 2013-15 Leg Approved Budget	-2.73%	-3.01%	2.74%	2.27%	-	3.37%	-	-	-
Percentage Change From 2015-17 Current Service Level	0.94%	0.96%	-0.36%	-2.24%	-	2.18%	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Multistate Tax Commission
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-015-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	-	-	276,646	-	-	276,646	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	**276,646**	-	-	**276,646**	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	**276,646**	-	-	**276,646**	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	8,299	-	-	8,299	-	-	-
Subtotal	-	-	**8,299**	-	-	**8,299**	-	-	-
040 - Mandated Caseload		-							
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	**-**	**-**	**284,945**	**-**	**-**	**284,945**	**-**	**-**	**-**

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Multistate Tax Commission
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-015-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	-	-	**284,945**	-	-	**284,945**	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	**284,945**	-	-	**284,945**	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	**284,945**	-	-	**284,945**	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	3.00%	-	-	3.00%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Elderly Rental Assistance
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-019-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	-	-	5,558,560	5,558,560	-	-	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	**5,558,560**	**5,558,560**	-	-	-	-	-
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	113,440	113,440	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	-	-	**5,672,000**	**5,672,000**	-	-	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	-	-	**5,672,000**	**5,672,000**	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Elderly Rental Assistance
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-019-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	-	-	5,672,000	5,672,000	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	5,672,000	5,672,000	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2015-17 Governor's Budget	-	-	5,672,000	5,672,000	-	-	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	2.04%	2.04%	-	-	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Core System Replacement
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-030-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	31	31.00	30,166,250	3,637,432	-	26,528,818	-	-	-
2013-15 Emergency Boards	-	-	(500,000)	(500,000)	-	-	-	-	-
2013-15 Leg Approved Budget	**31**	**31.00**	**29,666,250**	**3,137,432**	**-**	**26,528,818**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	1	1.00	(449,235)	-	-	(449,235)	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**32**	**32.00**	**29,217,015**	**3,137,432**	**-**	**26,079,583**	**-**	**-**	**-**
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Non-PICS Personal Service Increase/(Decrease)	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(23,739,971)	(3,137,432)	-	(20,602,539)	-	-	-
Subtotal	**-**	**-**	**(23,739,971)**	**(3,137,432)**	**-**	**(20,602,539)**	**-**	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-

Revenue, Dept of
Core System Replacement
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-030-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	32	32.00	5,477,044	-	-	5,477,044	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Core System Replacement
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-030-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	32	32.00	5,477,044	-	-	5,477,044	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	(32)	(32.00)	(5,477,044)	-	-	(5,477,044)	-	-	-
Modified 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	-	-	-	-	-	-	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	33	33.00	30,665,718	4,415,000	-	26,250,718	-	-	-
Subtotal Policy Packages	33	33.00	30,665,718	4,415,000	-	26,250,718	-	-	-
Total 2015-17 Governor's Budget	33	33.00	30,665,718	4,415,000	-	26,250,718	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	6.45%	6.45%	3.37%	40.72%	-	-1.05%	-	-	-
Percentage Change From 2015-17 Current Service Level	3.13%	3.13%	459.90%	-	-	379.29%	-	-	-

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Capital Debt Service and Related Costs
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-087-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
2013-15 Leg Adopted Budget	-	-	2,075,898	1,554,716	-	521,182	-	-	-
2013-15 Emergency Boards	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	**-**	**-**	**2,075,898**	**1,554,716**	**-**	**521,182**	**-**	**-**	**-**
2015-17 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			7,516,314	7,516,314	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2015-17 Base Budget	**-**	**-**	**9,592,212**	**9,071,030**	**-**	**521,182**	**-**	**-**	**-**
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase-in	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(521,182)	-	-	(521,182)	-	-	-
Subtotal	**-**	**-**	**(521,182)**	**-**	**-**	**(521,182)**	**-**	**-**	**-**
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2015-17 Current Service Level	**-**	**-**	**9,071,030**	**9,071,030**	**-**	**-**	**-**	**-**	**-**

Summary of 2015-17 Biennium Budget

Revenue, Dept of
Capital Debt Service and Related Costs
2015-17 Biennium

Governor's Budget
Cross Reference Number: 15000-087-00-00-00000

Description	Positions	Full-Time Equivalent (FTE)	ALL FUNDS	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds
Subtotal: 2015-17 Current Service Level	-	-	**9,071,030**	**9,071,030**	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2015-17 Current Service Level	-	-	**9,071,030**	**9,071,030**	-	-	-	-	-
080 - E-Boards									
080 - May 2014 E-Board	-	-	-	-	-	-	-	-	-
081 - September 2014 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
090 - Analyst Adjustments	-	-	-	-	-	-	-	-	-
141 - Property Valuation System	-	-	462,862	411,180	-	51,682	-	-	-
142 - CAFFA Funding Shortfall	-	-	-	-	-	-	-	-	-
143 - SeniorDisabled Citizens Property Tax Deferral	-	-	-	-	-	-	-	-	-
144 - PTD GF/OF Rebalance	-	-	-	-	-	-	-	-	-
151 - Fraud Analytics and Detection	-	-	-	-	-	-	-	-	-
161 - HB4055-911 Tax	-	-	-	-	-	-	-	-	-
181 - Core Systems Replacement	-	-	4,299,839	3,909,839	-	390,000	-	-	-
Subtotal Policy Packages	-	-	**4,762,701**	**4,321,019**	-	**441,682**	-	-	-
Total 2015-17 Governor's Budget	-	-	**13,833,731**	**13,392,049**	-	**441,682**	-	-	-
Percentage Change From 2013-15 Leg Approved Budget	-	-	566.40%	761.38%	-	-15.25%	-	-	-
Percentage Change From 2015-17 Current Service Level	-	-	52.50%	47.64%	-	-	-	-	-

Summary Cross Reference Number	*Cross Reference Description*	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
001-00-00-00000	**Executive Division**						
	General Fund	5,486,243	6,004,517	6,796,889	7,332,696	7,332,696	-
	Other Funds	1,054,248	755,072	920,734	977,107	977,107	-
	All Funds	6,540,491	6,759,589	7,717,623	8,309,803	8,309,803	-
002-00-00-00000	**General Services Division**						
	General Fund	13,641,678	4,167,835	10,767,958	12,339,730	12,079,528	-
	Other Funds	2,557,947	2,801,281	3,434,312	3,658,972	3,634,856	-
	All Funds	16,199,625	6,969,116	14,202,270	15,998,702	15,714,384	-
003-00-00-00000	**Administrative Services Division**						
	General Fund	39,908,624	43,588,234	43,484,635	47,227,985	46,232,002	-
	Other Funds	7,144,439	6,910,994	7,326,675	7,938,393	7,886,648	-
	All Funds	47,053,063	50,499,228	50,811,310	55,166,378	54,118,650	-
004-00-00-00000	**Property Tax Division**						
	General Fund	13,043,600	14,027,407	12,195,227	14,817,052	14,488,747	-
	Other Funds	5,647,006	11,288,530	9,065,051	9,877,861	10,224,117	-
	All Funds	18,690,606	25,315,937	21,260,278	24,694,913	24,712,864	-
005-00-00-00000	**Personal Tax and Compliance Division**						
	General Fund	51,662,084	64,895,666	63,917,584	68,483,250	67,083,250	-
	Other Funds	830,404	1,451,521	1,491,333	1,478,630	1,478,630	-

Summary Cross Reference Number	Cross Reference Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
005-00-00-00000	**Personal Tax and Compliance Division**						
	All Funds	52,492,488	66,347,187	65,408,917	69,961,880	68,561,880	-
006-00-00-00000	**Business Division**						
	General Fund	17,170,836	21,756,763	19,228,758	20,114,379	19,664,379	-
	Other Funds	11,537,240	14,722,832	14,637,362	15,130,152	15,130,152	-
	All Funds	28,708,076	36,479,595	33,866,120	35,244,531	34,794,531	-
015-00-00-00000	**Multistate Tax Commission**						
	Other Funds	261,337	276,646	276,646	284,945	284,945	-
019-00-00-00000	**Elderly Rental Assistance**						
	General Fund	5,399,284	5,558,560	5,558,560	5,672,000	5,672,000	-
030-00-00-00000	**Core System Replacement**						
	General Fund	-	3,637,432	3,137,432	4,415,000	4,415,000	-
	Other Funds	-	26,528,818	26,528,818	26,250,718	26,250,718	-
	All Funds	-	30,166,250	29,666,250	30,665,718	30,665,718	-
087-00-00-00000	**Capital Debt Service and Related Costs**						
	General Fund	-	1,554,716	1,554,716	13,392,049	13,392,049	-
	Other Funds	-	521,182	521,182	962,864	441,682	-
	All Funds	-	2,075,898	2,075,898	14,354,913	13,833,731	-

Summary Cross Reference Number	*Cross Reference Description*	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
TOTAL AGENCY							
	General Fund	146,312,349	165,191,130	166,641,759	193,794,141	190,359,651	-
	Other Funds	29,032,621	65,256,876	64,202,113	66,559,642	66,308,855	-
	All Funds	175,344,970	230,448,006	230,843,872	260,353,783	256,668,506	-

Agency Name REVENUE

2015 - 2017 Biennium — Agency Number: 15000

Agency-Wide Priorities for 2015-17 Biennium ARB

1	2	4	5	6	7	8	10	14	15	16	17	18	19			20
Priority (ranked with highest priority first)	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	OF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, F, or D)	Legal Citation	Biennial Revenues	Comments on Proposed Changes to CSL included in ARB
Dept	Prgm/ Div														
REVENUE	PTAC	Personal Income Tax (Infrastructure)	1,4,5,6,7,9,10	4	32,174,308		$ 32,174,308	192	144.05		Y		ORS 316.032	$ 15,175,735,376	
REVENUE	BUS	Withholding Tax/CP/UI/WC (Infrastructure)		4	12,600,847	639,042	$ 13,239,889	94	93.69		Y		ORS 316.032		
REVENUE	BUS	Corp Excise/Income Tax (Infrastructure)	6	4	15,638,845	197,932	$ 15,836,777	87	86.44		Y		ORS 316.020, 316.031	$ 996,948,445	
REVENUE	BUS	Tobacco Taxes (Infrastructure)		4		3,149,114	$ 3,149,114	10	9.61				ORS 323	$ 482,786,285	
REVENUE	PTD	Utility - Property Tax	2	4	2,945,737	1,443,161	$ 4,388,898	15	14.65		Y		ORS 308.505-665	$ 477,600,000	Local revenues from appraised properties
REVENUE	PTD	Industrial - Property Tax	2	4	4,083,787	6,574,399	$ 10,658,186	39	38.43		Y		ORS 308.113-129	$ 615,597,135	Local revenues from appraised properties
REVENUE	BUS	Compliance		4	3,631,868	184,162	$ 3,816,030	27	27.00		Y		ORS 316.032	****	Function generates $25 million in tax assessments revenue included in lines 6 and 18.
REVENUE	PTAC	Audit		4	34,051,659		$ 34,051,659	153	152.50		Y		ORS 316.032	$ 41,000,000	
REVENUE	BUS	Corp Excise Tax		4	6,875,013	87,013	$ 6,962,026	38	38.00		Y		ORS 305.615,317.070	$ 39,500,000	
REVENUE	TOB	Tobacco Taxes		4			$ -						CRS 323	$ 1,200,000	
REVENUE	BUS	Withholding Tax/CP/UI/WC		4	4,034,853	204,624	$ 4,239,478	30	30.00		Y		ORS 316.032	$ 62,500,000	
REVENUE	PTAC	PIT	1	4	34,173,337		$ 34,173,337	153	153.00		Y		ORS 316.032	$ 284,000,000	
REVENUE	TOB	Tobacco Taxes		4			$ -						CRS 323	$ 500,000	
REVENUE	PTAC	PIT	5,7	4	6,812,332		$ 6,812,332	31	30.50		Y		ORS 316.032	****	Tax assessments revenue included in line 19.
REVENUE	BUS	Inheritance Tax		4	601,455		$ 601,455	3	2.67				CRS 118		
REVENUE	BUS	Fiduciary Estate Tax		4	421,040		$ 421,040	3	2.33				CRS 118	$ 202,126,255	
REVENUE	BUS	Fiduciary Trust Tax		4	490,027		$ 490,027	3	2.95				CRS 118		
REVENUE	PTD	A&T Standards (Infrastructure)	2	4	6,027,157		$ 6,027,157	20	20.00		Y		ORS 306.126		
REVENUE	PTD	A&T Mapping (Infrastructure)	3	4	2,975,893		$ 2,975,893	14	14.00		Y		ORS 306.125		
REVENUE	PTD	OR Land Info System-(ORMAP)	3	4		1,789,576	$ 1,789,576	1	0.85				ORS 306.132		
REVENUE	PTD	Local Budget Program (Infrastructure)	6	4	542,563		$ 542,563	3	2.56		Y		ORS 294	9,306,802,665	Property tax revenues for local government
REVENUE	PTD	Finance-Prop Tax (Infrastructure)	8	4	582,357		$ 582,357	3	2.84		Y		ORS 306.115		
REVENUE	PTD	Eastern Oregon Timber Land		4	81,449		$ 81,449	0	0.24				ORS 321		
REVENUE	PTD	Western Oregon Timber Land		4	171,197		$ 171,197	1	0.69				ORS 321		
REVENUE	PTD	Forest Products Harvest Tax		4	1,164,952		$ 1,164,952	5	5.63				ORS 321	$ 14,118,200	
REVENUE	ASD	Court Fines & Assessments		4		73,389	$ 73,389	0	0.22				ORS 137-300	$ 113,585,321	
REVENUE	BUS	Other Agency Accounts		4		13,724,487	$ 13,724,487	84	83.78		Y		ORS 293.250	$ 90,500,000	
REVENUE	BUS	TRANSIT TA	Tri-Met Trans Dist Payroll Tax		4		4,136,125	$ 4,136,125	21	19.65		Y		ORS 305.620	$ 601,487,760
REVENUE	BUS	TRANSIT TA	Lane Transit Dist. Payroll Tax		4		1,301,557	$ 1,301,557	8	8.40		Y		ORS 305.620	$ 52,285,276
REVENUE	BUS	TRANSIT TA	Tri-Met Self Employment Tax		4		716,557	$ 716,557	4	3.68		Y		ORS 305.620	$ 37,857,250
REVENUE	BUS	TRANSIT TA	Lane Trans. Dist. Self Emp Tax		4		235,165	$ 235,165	1	1.00		Y		ORS 305.620	$ 3,564,876
REVENUE	BUS	LODGING	State Lodging Tax		4		728,117	$ 728,117	4	3.43				ORS 320.315	$ 28,000,000
REVENUE	BUS	911	Emergency Communications Tax		4		308,912	$ 308,912	1	1.19				ORS 401.792	$ 81,392,000
REVENUE	PTD	TIMBER	Small Tract Forestland		4	138,503		$ 138,503	1	0.81				CRS 321	$ 1,018,000
REVENUE	BUS	SPA	Hazardous Substance Fee		4	-	328,323	$ 328,323	1	1.34				ORS 453.400	$ 5,719,858
REVENUE	BUS	SPA	Amusement Device Tax		4	86,404		$ 86,404	0	0.37				ORS 320.011	$ 8,280,000
REVENUE	BUS	SPA	Petroleum Load Fee		4		143,507	$ 143,507	1	0.58				ORS 465.104	$ 4,149,645
REVENUE	PTD	SENIOR DE	Deferral Programs (Property Tx)		4		3,349,254	$ 3,349,254	13	12.68				ORS 311.386-311.701	$ 38,500,000
REVENUE	PTD	VALUATION	Gas & Oil Production Tax		4		9,755	$ 9,755	0	0.03				CRS 324.700	$ 237,000
REVENUE	PTD	VALUATION	Strategic Investment Program		4		18,136	$ 18,136	0	0.02				ORS 285C	
REVENUE	PTAC	ERA	Elderly Rental Assistance (admin)		4	345,402		$ 345,402	2	1.28				ORS 310.630-310.705	
REVENUE	PTAC	ERA	Elderly Rental Assistance/ Non Profit Homes for the Elderly (prog)		12	5,326,598		$ 5,326,598	0	0.00				ORS 310.630-310.706	
REVENUE	ASD	Finance	Checkoff Commission		4		3,751	$ 3,751	0	0.05				ORS 305.690-305.753	
REVENUE	CSR	CSR	Core Systems Replacement			4,415,000	26,250,718	$ 30,665,718	33	33.00					
REVENUE	CSR	CSR & PVS	Debt Service				962,864	$ 962,864	0	0.00					
								$ -							
					130,402,392	86,559,642	$ 246,961,734	1,378	1,321.34					$ 28,734,291,177	

130,402,392 86,559,642 246,961,734 1378 1321.34

Prioritize each program activity for the Department as a whole
Document criteria used to prioritize activities:

- Large Funding Stream over $100million.
- Impact to General Fund
- Long term Health of tax programs.
- Core business function.
- Administrative efficiency
- Statutorily Required.
- Business Continuity Plan
- Customer Funded.

7. Primary Purpose Program/Activity Exists

1 Civil Justice
2 Community Development
3 Consumer Protection
4 Administrative Function
5 Criminal Justice
6 Economic Development
7 Education & Skill Development
8 Emergency Services
9 Environmental Protection
10 Public Health
11 Recreation, Heritage, or Cultural
12 Social Support

20. Legal Requirement Code

C Constitutional
F Federal
D Debt Service

10% Reduction Options (ORS 291.216)

ACTIVITY OR PROGRAM (WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	DESCRIBE REDUCTION (DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2015–17 AND 2017–19)	AMOUNT AND FUND TYPE (GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	RANK AND JUSTIFICATION (RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
1. **Reduction Package #1.** The department's mission is, "We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens." A key piece of this mission is safeguarding the state's major General Fund revenue sources. For example, of the $13 billion that flows into the state biennially from personal income tax, about 97% is paid because taxpayers are voluntarily paying their taxes through withholding, estimated tax, and annual payments. It is critical that we support and assist these taxpayers. Most of the positions in this reduction option collect delinquent taxes and identify taxpayers who are not filing or paying personal and corporate income taxes. Some of these positions audit returns and some appraise industrial or utility properties for local	While this cut focuses on our enforcement efforts, it will impact all parts of the department's business, including employer withholding, tax collections, auditing, filing enforcement and taxpayer support. Processing Center reductions in data entry, support, and seasonal staff will extend tax return processing season, delaying refunds and correction of returns. The cut reduces our capacity to identify and act on tax avoidance. It will also reduce our capacity to collect delinquent debt. The department will have less capacity to provide support and assistance to local property tax offices; reduces training and county support. Reductions will place our core systems replacement project at risk. Cuts to our Attorney General (AG) budget will impact the long-term stability of our tax programs.	**SAVINGS: $8,621,821 GF** **$1,548,223 OF** **71 POSITIONS AND 61.78 FTE**	**Revenue Loss of $32 million General Fund and $3.5 million Other Fund.** The amounts shown above reflect the direct impact to revenues. The cuts contained in this package also have an indirect impact on long-term revenue protection by reducing long-term voluntary compliance. This first layer of cuts has a greater impact on direct revenues.

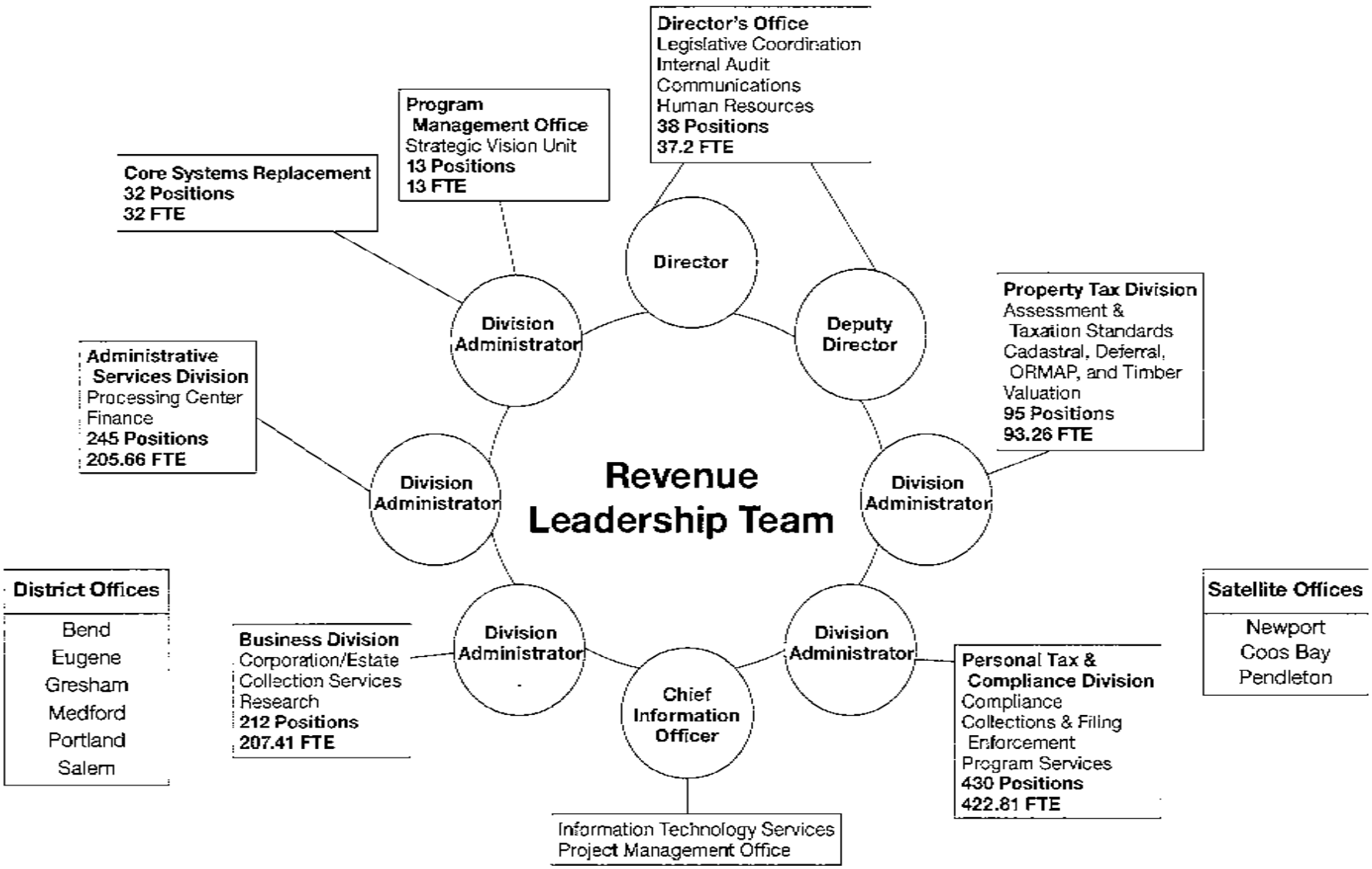
ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
property tax purposes. The Processing Center positions are used to for data entry and processing returns. The reduction option package reduces compliance activity but allows the department to maintain the basic infrastructure to administer these programs that generate General Fund dollars. Long-term compliance would be compromised with these reductions. The department is not able to reduce these programs to this level without affecting the 2015–17 General Fund revenue streams. This package places our Core Systems Replacement at risk due to a reduction of positions in our Information Technology and Program Management Office areas. The package also reduces the Other Funds revenues by eliminating positions that collect revenue for other state agencies. This package includes corresponding infrastructure cuts including management	Revenue loss is projected to be $32 million General Fund and $3.5 million other funds. POS 71 FTE 61.78		

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
positions to maintain manager to staff ratios.			
Reduction Package #2. Many of these positions collect delinquent taxes and identify taxpayers who are not filing or paying personal and corporate income taxes. These positions reduce industrial appraisal activity and the ability to provide any meaningful oversight, training, and assistance to county assessment and taxation programs. Reductions to this extent will require the department to eliminate certain functions and duties that will diminish program performance. Management reduction maintains span of control. Reduced staffing will require the reorganization of remaining functions at the risk that certain duties will either not be completed timely or at all. Cuts to our Attorney General (AG) budget will reduce the number of cases appealed by the agency.	While this cut focuses on our enforcement efforts, the cut will impact all parts of the department's business, including employer withholding, tax collections, auditing, filing enforcement and taxpayer support. The cut will reduce our capacity to identify and act on tax avoidance. It will also reduce our capacity to collect delinquent debt. The flow of funds to other agency account clients will be reduced. Reductions in IT services will affect our core systems replacement project and support for business operations. Reductions in Finance will also reduce support to business operations. Cuts to our Attorney General (AG) budget will impact the long-term stability of our tax programs. Revenue loss is projected to be $23.7 M General Fund and $6.0 million in other funds. POS 67 FTE 59.92	**SAVINGS: $8,624,670 GF** **$2,234,630 OF** **67 POSITIONS AND 59.92 FTE**	**REVENUE LOSS IS PROJECTED TO BE $23.7 MILLION GENERAL FUND BASED AND $6.0 MILLION OTHER FUNDS.** The amounts shown above reflect the direct impact to revenues. The cuts contained in this package have a higher and longer lasting impact on long-term revenue protection by reducing long-term voluntary compliance. This additional layer of cuts places our core revenue streams at greater risk.

BUDGET NARRATIVE

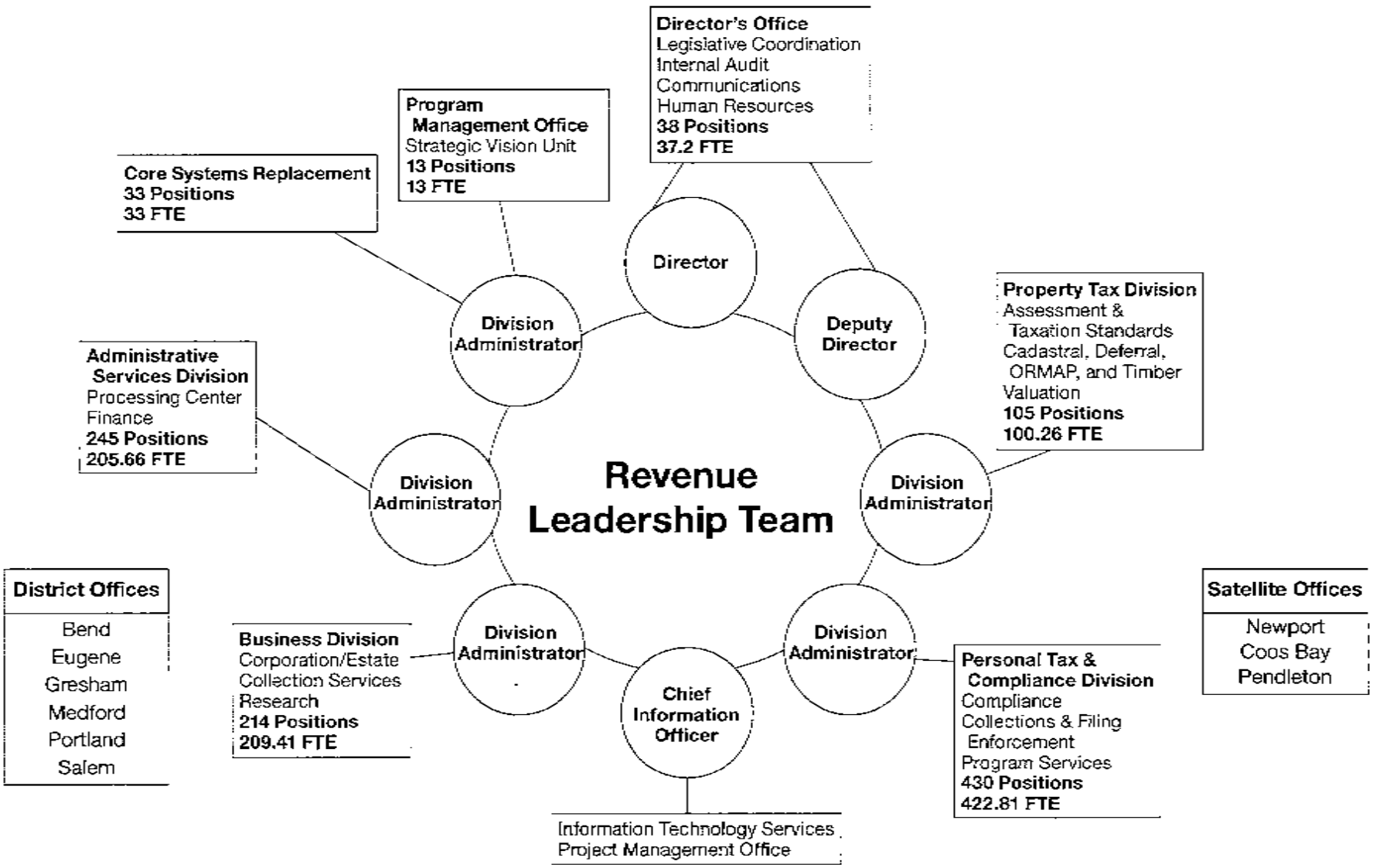
ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
This package places our Core Systems Replacement at risk due to a reduction of positions in our Information Technology section. The package also reduces the Other Funds revenues by eliminating positions that collect revenue for other state agencies. This package includes corresponding infrastructure cuts related to the positions in this package. For example, areas that provide administrative support for the department have been reduced to align with staffing levels.			

Oregon Department of Revenue
2013–2015



Total Positions: 1065
Total FTE: 1011.34

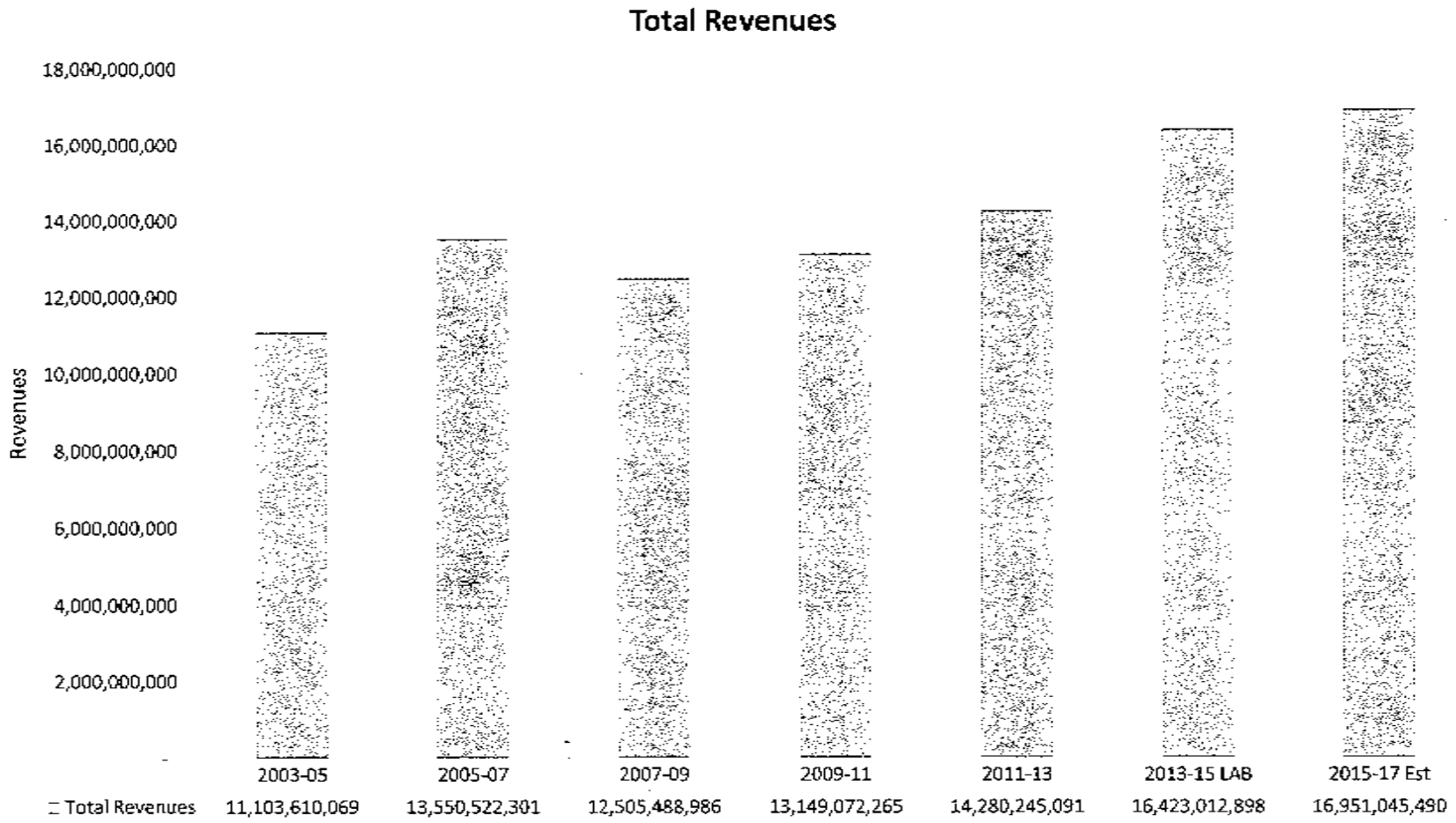
Oregon Department of Revenue
2015–2017



Total Positions: 1078
Total FTE: 1021.34

Revenues

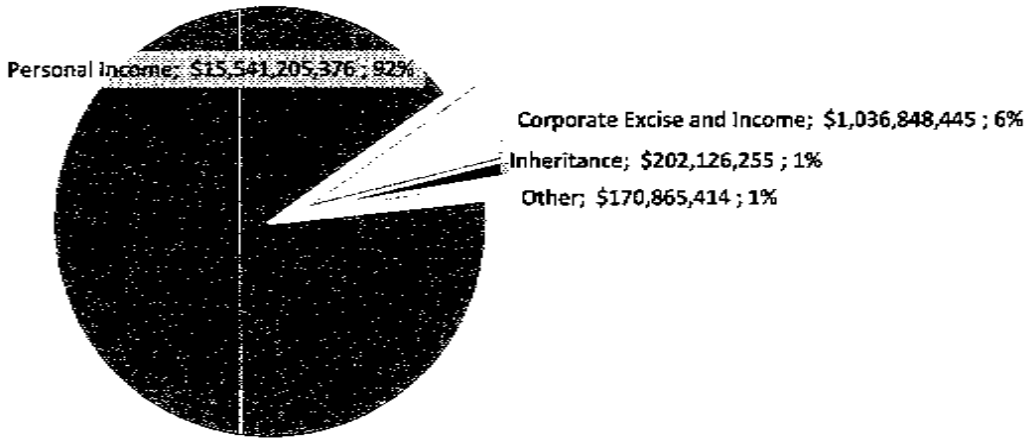
Revenues


Total Revenues
18,000,000,000
16,000,000,000
14,000,000,000
12,000,000,000
10,000,000,000
8,000,000,000
6,000,000,000
4,000,000,000
2,000,000,000
-
Revenues
2003-05
2005-07
2007-09
2009-11
2011-13
2013-15 LAB
2015-17 Est
Total Revenues
11,103,610,069
13,550,522,301
12,505,488,986
13,149,072,265
14,280,245,091
16,423,012,898
16,951,045,490

The Oregon Office of Economic Analysis (OEA) releases revenue forecasts four times per year. According to the most recent release (May 2014) General Fund revenues for the State of Oregon are expected to total $17,642 million in 2015–17 biennium, an increase of 11.6% percent from the prior period, and $145 million (+0.8%) above the March forecast. In 2017–19 biennium, revenue growth is expected to slow to 8.2%, followed by rates of just under 10% in subsequent biennia. The slowdown in long-run revenue growth is largely due to the impact of demographic changes and changes in savings behavior. In particular, the labor force will lose many very productive workers with a lifetime of experience over the coming years.

The department has two types of revenues: General Fund and Other Fund. General Fund revenues are the largest source of funding to the state. General Fund revenue sources administered by the Department of Revenue are described below.

GF Revenues DOR administers 15–17
Total $16,951,045,490



Personal Income Taxes (ORS 316.032)
Personal Income Taxes are collected on resident individuals, estates and trusts, as well as part-year residents and nonresidents with income from Oregon sources. The tax rates vary from 5% to 9.9% on taxable income. A variety of deductions and credits are available to those who qualify.

Personal Income Taxes collected are the largest source of revenue for the State of Oregon. 2015–17 estimates have revenue from Personal Income Taxes at $15.5 billion.

Corporate Excise and Income Taxes (ORS 305.015, 317.056, 317.070)
Corporate Excise Taxes are collected on corporations doing business in Oregon. Corporations not doing business in Oregon, but having income from an Oregon source, pay a Corporate Income Tax.

The Corporate tax rate is 6.6% of the first $1 million of taxable income and 7.6% of any amount of taxable income in excess of $1 million. The minimum excise tax for a S-Corp is $150. The minimum excise tax for a C-Corp is $150 for corporations with Oregon sales below $500,000 with a graduated increase up to $100,000 for C-Corps with Oregon sales of $100 million or more.

Corp Excise and Income Taxes are estimated for 2015–17 to be just over $1 billion.

Amusement Device Tax (ORS 320.011)
An excise tax must be paid by any person who engages in the business of operating a qualifying amusement device in Oregon. This tax is imposed on video lottery game terminals. The annual tax is $125 per video lottery game terminal with a limit of 6 per establishment. An additional $50 is imposed on each video lottery game terminal when yearly net receipts of the terminals at a location exceed $104,000. An additional $75 is imposed on each video lottery game terminal when yearly net receipts of the terminals at a location exceed $260,000. The State Lottery Commission sends uncollected accounts to the department for collection activity. Revenues are distributed to state and county general funds and to community colleges and workforce development.

Inheritance Taxes (ORS 118)
In 2012, Oregon Inheritance Tax changed to the Oregon Estate Transfer Tax. The Estate Transfer Tax needs to be filed if the gross estate is $1 million or more at the date of death. The Oregon Estate Transfer Tax is tied to the Federal Estate Tax.

In addition to the General Fund, the Department of Revenue collects revenue from a variety of sources and transfers it to various state and local agencies. These sources and their uses are:

Cigarette Tax (ORS 323)
The Department of Revenue currently collects a tax of $1.31 per pack of 20 cigarettes distributed in the state of Oregon. This tax is paid by the cigarette distributors. Of the $1.31 collected, $.23 goes to the General Fund for general governmental purposes, $.97 goes to the Oregon Health Plan, $.04 goes to the Tobacco Use Reduction Account, $.02 goes to the Department of Transportation (Public Transit Division), and the other $.05 is transferred to the Department of Administrative Services, which in turn transfers $.025 to Oregon cities and $.025 to Oregon counties. All transfers are net of administrative expenses. Distribution amounts are rounded and approximate.

Other Tobacco Products Tax (ORS 323)
The department currently collects a tax of 65 percent of the wholesale sales price imposed on all other tobacco products (maximum of $.50 per cigar and $1.78 per ounce, with a minimum of $2.14 per retail container on moist snuff and other non-combustible products) sold, stored, used, consumed, handled, or distributed in Oregon. This tax is paid by the distributors of other tobacco products. Revenues, net of administrative expenses, are transferred as follows: 53.84 percent to the General Fund for general governmental purposes, 41.54-percent to the Oregon Health Plan, and 4.62-percent to the Tobacco Use Reduction Account.

Other Employer-Employee Taxes (305.620)
Other Employer-Employee Taxes are made up of transit taxes. These taxes are TriMet Self Employment and Payroll taxes and Lane Transit District Self Employment and Payroll Taxes.

These are payroll based mass-transit taxes collected from employers in the Lane and TriMet transit districts. A tax is also imposed on self-employment income earned by businesses within these districts. The transit districts set the rates. Receipts, less administrative expenses, are transferred to the transit districts.

Gas and Oil Severance Taxes (324.700)
A severance tax is imposed on gas and oil production in Oregon. Receipts, less administrative expenses, are transferred to the Common School Fund.

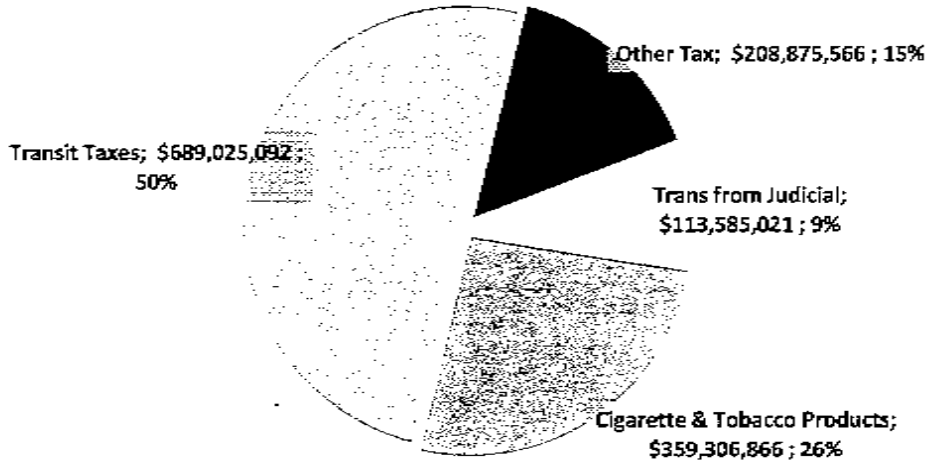
Timber Taxes (Eastern Oregon & Western Oregon & Small Tract Forestland Severance Taxes) (ORS 321)
Small Tract Forestland (STF) Severance tax is paid upon harvest of timber from private forestland. Under this program, eligible forestland owners pay 20 percent of their property tax annually while delaying the payment of the remaining 80 percent of their property tax until they harvest timber from their land. Receipts from the tax paid at harvest, less administrative expenses, are paid to state-controlled school funds and county governments to replace foregone property taxes. The 2014 rates are $5.18 per thousand board feet of timber harvested in western Oregon and $4.03 per thousand board feet of timber harvested in eastern Oregon. The receipts for this program are expected to be approximately $0.84 million for the biennium.

The Forest Products Harvest Tax is paid on timber harvested from all land, public and private, in Oregon. The tax rate for 2014 is fixed at $3.5316 per thousand board feet harvested. The Department of Revenue collects and distributes the tax to the Forest Research Laboratory at Oregon State University, the Oregon Department of Forestry for administration of the Forest Practices Act and the Emergency Fire Fund, and the Oregon Forest Resources Institute. The receipts for this program are expected to be $29 million for the biennium.

Other Taxes

In addition to the above sources, the Department of Revenue collects revenues for various programs such as the Private Rail Car, Rural Telephone, Emergency Communications, and Electric Co-op. These receipts are distributed to the various state and local agencies administering these programs.

Other Funds Revenues - Transfer Out
Total $1,370,792,545



CAFFA
The County Assessment Function Funding Account (CAFFA) is funded through a document recording fee plus a portion of the interest collected on delinquent property tax payments. These amounts are collected by the counties and sent to the Department of Revenue. At least 90% of receipts are distributed to the counties. The 2013–2015 estimates are based on projections made by the various program managers in cooperation with economic forecasters at the Department of Revenue and the Department of Administrative Services.

Business Licenses and Fees (ORS 465.104)
We collect Hazardous Substance Fees, which are assessed by the State Fire Marshal. The receipts, less administrative costs, are transferred to the Oregon State Police (State Fire Marshal), the Department of Environmental Quality, and cities that participate.

We collect a fee for each load on the initial withdrawal of petroleum products from bulk and the import of petroleum products to a storage tank in Oregon. The receipts, less administrative costs, are transferred to the Oregon State Police (State Fire Marshal) and the Department of Environmental Quality.

Administration Service Charges
This revenue is from charges for administering various Other Funds programs. It also includes charges for the sale of forms and publications. The rates billed are based on actual charges from our cost accounting system. The rates for forms and publications are fixed. We receive an Other Funds Limitation to spend the receipts received. This is used to offset the cost of these services.

Donations(ORS 305.690-305.753)
Taxpayers, through a check-off system on their tax returns, may donate part of their personal income tax refund to the following charities: Oregon Nongame Wildlife; Child Abuse Prevention; Alzheimer's Disease Research; Stop Domestic and Sexual Violence; Habitat for Humanity of Oregon; Oregon Head Start Association; American Diabetes Association; Oregon Coast Aquarium; SMART; SOLV; St. Vincent de Paul Society of Oregon; The Nature Conservancy; Doernbecher Children's Hospital Foundation; The Oregon Humane Society; The Salvation Army—Oregon; the Oregon Veterans' Home; and Planned Parenthood of Oregon; Oregon Lions; Shriner's Hospital for Children; Special Olympics of Oregon; Susan G Komen; Oregon Military Emergency Financial Assistance; Oregon Historical Society; Oregon Food Bank; Albertina Kerr Centers; American Red Cross; Cascade AIDS Project; and Veteran's Suicide Prevention. The receipts, less administrative costs, are transferred to the various agencies and organizations.

Senior and Disabled Citizens' Property Tax Repayments (ORS 311.666 – 311.701)
The Senior and Disabled Citizen Property Tax Deferral program (approximately $27 million) allows homeowners age 62 and older or disabled with low income to defer property tax payments. The State pays the tax to the counties, which is repaid, with interest, when the home is sold or the owner dies. The 2011 (HB 2543), 2012 (HB 4039), and 2013 (HB 2489 and HB 2510) Legislative Sessions resulted

in major changes in eligibility requirements for the Senior and Disabled Citizen Property Tax Deferral programs to bring property tax payments into alignment with available program funding.

Fines and Forfeitures
We collect and distribute funds pertaining to the Criminal Fine and Assessment Account. We collect funds for this account from municipal and justice courts; the Judicial Department collects funds from the circuit and district courts.

Other Revenue
Other Revenue is a Housing Transfer that began in 09–11. It is a pass-through to the Housing and Community Services Department.

DETAIL OF FEE, LICENSE, OR ASSESSMENT REVENUE INCREASE

PROPOSED FOR INCREASE/ESTABLISHMENT

Purpose or Type of Fee, License or Assessment	Who Pays	2013-15 Estimated Revenue	2015-17 Agency Request	2015-17 Governor's Budget	2015-17 Legislatively Adopted	Explanation
None						

____Agency Request ____Governor's Budget ____Legislatively Adopted Budget Page ____

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-000-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Personal Income Taxes	12,288,743,654	13,636,603,386	13,636,603,386	15,541,205,376	15,541,205,376	-
Corp Excise and Income Taxes	905,335,930	1,012,036,621	1,012,036,621	1,036,848,445	1,036,848,445	-
Other Employer -Employee Taxes	-	477,493,000	477,493,000	689,025,092	689,025,092	-
Cigarette Taxes	411,014,876	370,356,408	370,356,408	367,960,778	367,960,778	-
Other Tobacco Products Taxes	108,512,824	110,264,261	110,264,261	116,525,507	116,525,507	-
Amusement Taxes	2,225,552	4,480,000	4,480,000	4,480,000	4,480,000	-
Inheritance Taxes	205,197,551	212,961,590	212,961,590	202,126,255	202,126,255	-
Eastern Oregon Severance Taxes	6,298	6,000	6,000	6,000	6,000	-
Western Oregon Severance Taxes	174,540	612,400	612,400	1,043,000	1,043,000	-
Other Severance Taxes	-	237,000	237,000	237,000	237,000	-
Other Taxes	-	170,784,726	170,784,726	164,576,996	164,576,996	-
Business Lic and Fees	-	8,766,267	8,766,267	9,869,503	9,869,503	-
Admin and Service Charges	33,998,921	65,256,876	65,878,031	68,057,904	67,882,961	-
Fines and Forfeitures	35,919,952	21,275,249	21,275,249	27,885,564	27,885,564	-
Interest Income	118,776	-	-	-	-	-
Donations	-	1,292,000	1,292,000	1,334,000	1,334,000	-
Other Revenues	6,874,045	27,732,110	27,732,110	28,776,603	28,776,603	-
Transfer In - Intrafund	29,723,978	-	-	-	-	-
Transfer from General Fund	5,399,284	5,672,000	5,672,000	5,672,000	5,672,000	-
Tsfr From OR Business Development	5,000	-	-	-	-	-
Tsfr From Judicial Dept	99,195,667	91,422,437	91,422,437	85,699,457	85,699,457	-
Transfer Out - Intrafund	(29,723,978)	-	-	-	-	-
Transfer to Other	-	(16,461,538)	(16,461,538)	(9,365,757)	(9,365,757)	-
Transfer to General Fund	(13,518,180,571)	(15,043,276,323)	(15,043,276,323)	(16,951,045,490)	(16,951,045,490)	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-000-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Transfer to Counties	-	(533,352,348)	(533,352,348)	(741,563,922)	(741,563,922)	-
Tsfr To Human Svcs, Dept of	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	-
Tsfr To Administrative Svcs	(18,373,975)	(15,892,078)	(15,892,078)	(14,319,663)	(14,319,663)	-
Tsfr To Governor, Office of the	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	-
Tsfr To Justice, Dept of	(16,290,775)	(19,913,740)	(19,913,740)	(20,541,179)	(20,541,179)	-
Tsfr To Lands, Dept of State	(263,406)	(237,000)	(237,000)	(237,000)	(237,000)	-
Tsfr To Judicial Dept	(9,921,074)	(9,374,580)	(9,415,927)	(6,471,244)	(6,471,244)	-
Tsfr To Military Dept, Or	(78,548,657)	(81,970,000)	(81,970,000)	(81,392,000)	(81,392,000)	-
Tsfr To Police, Dept of State	(5,061,747)	(4,390,890)	(4,390,890)	(7,993,959)	(7,993,959)	-
Tsfr To Pub Safety Std/Trng	(20,550,970)	(24,520,000)	(24,520,000)	(25,720,000)	(27,820,235)	-
Tsfr To Corrections, Dept of	(6,276,355)	-	-	-	-	-
Tsfr To Environmental Quality	(2,114,874)	(2,128,544)	(2,128,544)	(2,128,544)	(2,128,544)	-
Tsfr To Oregon Health Authority	(360,272,153)	(336,734,482)	(346,734,482)	(346,192,079)	(346,192,079)	-
Tsfr To HECC	-	-	-	(1,745,810)	(1,745,810)	-
Tsfr To OR University System	-	(7,344,134)	(7,344,134)	(8,520,296)	(8,520,296)	-
Tsfr To Education, Dept of	(365,768)	(340,252)	(340,252)	(615,890)	(615,890)	-
Tsfr To Comm Coll/Wkfrc Dev	(2,794,057)	(1,725,308)	(1,725,308)	-	-	-
Tsfr To Forestry, Dept of	(13,835,300)	(12,431,108)	(12,431,108)	(14,421,948)	(14,421,948)	-
Tsfr To Fish/Wildlife, Dept of	(87,408)	(10,000)	(10,000)	(10,000)	(10,000)	-
Tsfr To Transportation, Dept	(7,973,936)	(7,123,192)	(7,123,192)	(6,369,832)	(6,369,832)	-
Tsfr To Housing and Com Svcs	(22,211,836)	(25,830,000)	(25,830,000)	(28,589,533)	(28,589,533)	-
Total Other Funds	**$16,819,501**	**$71,416,307**	**$61,996,115**	**$81,304,827**	**$79,029,649**	**-**
Nonlimited Other Funds						
Sr Citizen Prop Tax Repayments	-	38,497,653	38,497,653	38,497,653	38,497,653	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-000-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Nonlimited Other Funds						
Transfer to Counties	-	(33,807,326)	(33,807,326)	(33,807,326)	(33,807,326)	-
Total Nonlimited Other Funds	**-**	**$4,690,327**	**$4,690,327**	**$4,690,327**	**$4,690,327**	**-**

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2011-2013 Actual	2013-15 Legislatively Adopted	2013-15 Estimated	2015-17 Agency Request	2015-17 Governor's	2015-17 Legislatively Adopted
Personal Income Taxes	OTHER	0105	12,288,743,654	13,636,603,386		15,541,205,376	15,541,205,376	
Corp Excise and Income Taxes	OTHER	0110	905,335,930	1,012,036,621		1,036,848,445	1,036,848,445	
Other Employer – Employee Taxes								
• TriMet	OTHER	0130	-	403,630,000		601,487,750	601,487,750	
• TriMet Self Emp	OTHER	0130	-	22,528,000		31,657,250	31,657,250	
• LTD	OTHER	0130	-	47,743,000		52,295,216	52,295,216	
• LTD Self Emp	OTHER	0130	-	3,592,000		3,584,876	3,584,876	
Cigarette Taxes	OTHER	0135	411,014,876	370,356,408		367,960,778	367,960,778	
Other Tobacco Products Taxes	OTHER	0140	108,512,824	110,264,261		116,525,507	116,525,507	
Amusement Taxes	OTHER	0145	2,225,552	4,480,000		4,480,000	4,480,000	
Inheritance Taxes	OTHER	0155	205,197,551	212,961,590		202,126,255	202,126,255	
Eastern Oregon Severance Taxes	OTHER	0160	6,298	6,000		6,000	6,000	
Western Oregon Severance Taxes	OTHER	0162	174,540	612,400		1,043,000	1,043,000	
Other Severance Taxes	OTHER	0165	-	237,000		237,000	237,000	
Other Taxes	OTHER	0195		170,784,726		164,576,996	164,576,996	

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2011-2013 Actual	2013-15 Legislatively Adopted	2013-15 Estimated	2015-17 Agency Request	2015-17 Governor's	2015-17 Legislatively Adopted
Business Lic and Fees								
Hazard Waste	OTHER	0205	-	5,388,924		5,719,858	5,719,858	
Petro Load	OTHER	0205	-	3,377,343		4,149,645	4,149,645	
Dry Cleaning Solvent	OTHER	0205	-	0		0	0	
Admin and Service Charges	OTHER	0415	33,998,921	65,256,876		68,057,904	68,057,904	
Fines and Forfeitures	OTHER	0505	35,919,915	21,275,249		27,885,564	27,885,564	
Interest Income	OTHER	0605	118,776	-		-	-	
Donations	OTHER	0905	-	1,292,000		1,334,000	1,334,000	
Other Revenues	OTHER	0975	6,874,045	27,732,110		28,776,603	28,776,603	

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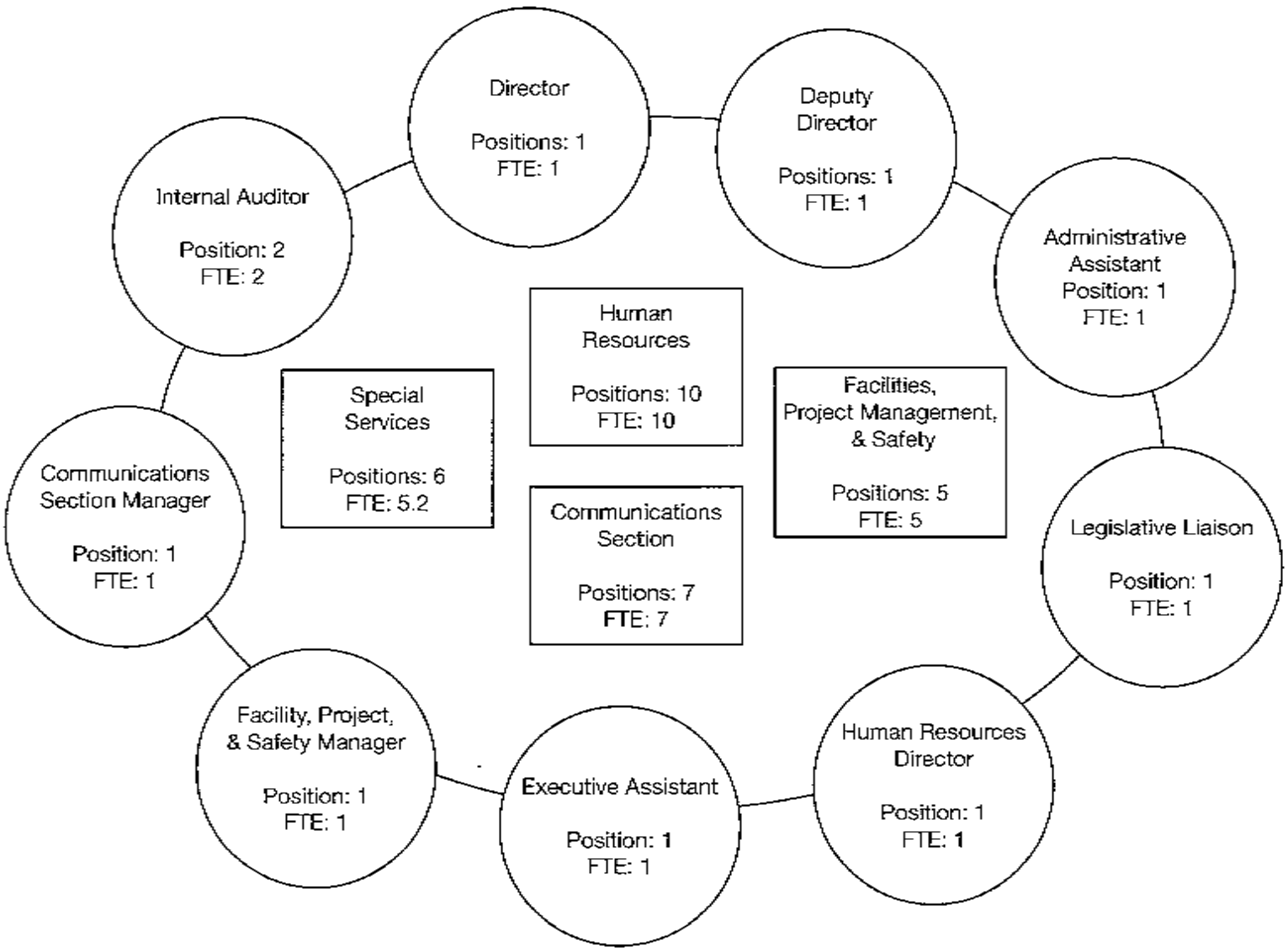
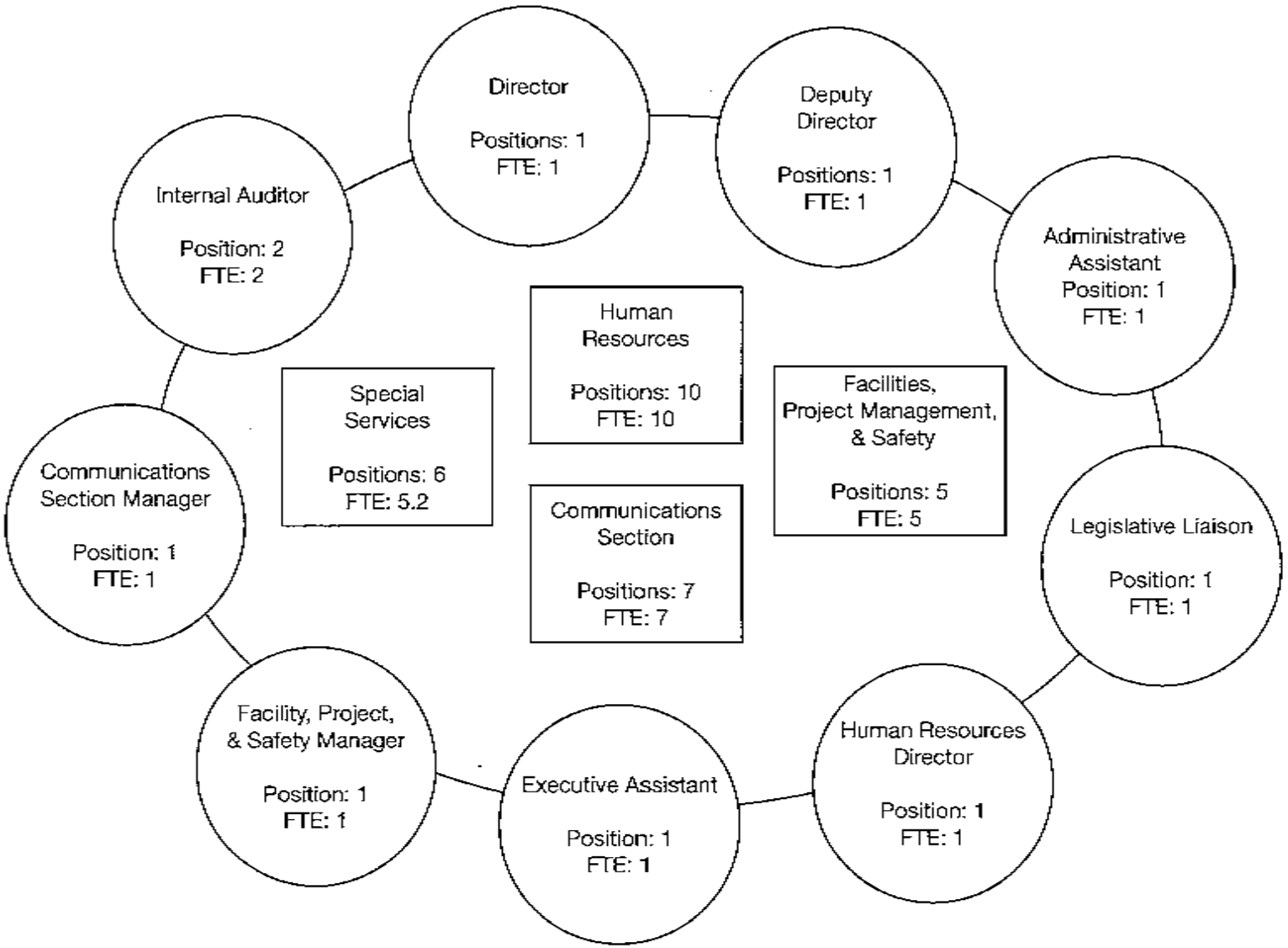
Executive Section
2013–2015



Total Positions: 38
Total FTE: 37.2

Executive Section
2015–2017



Total Positions: 38
Total FTE: 37.2

Executive Division

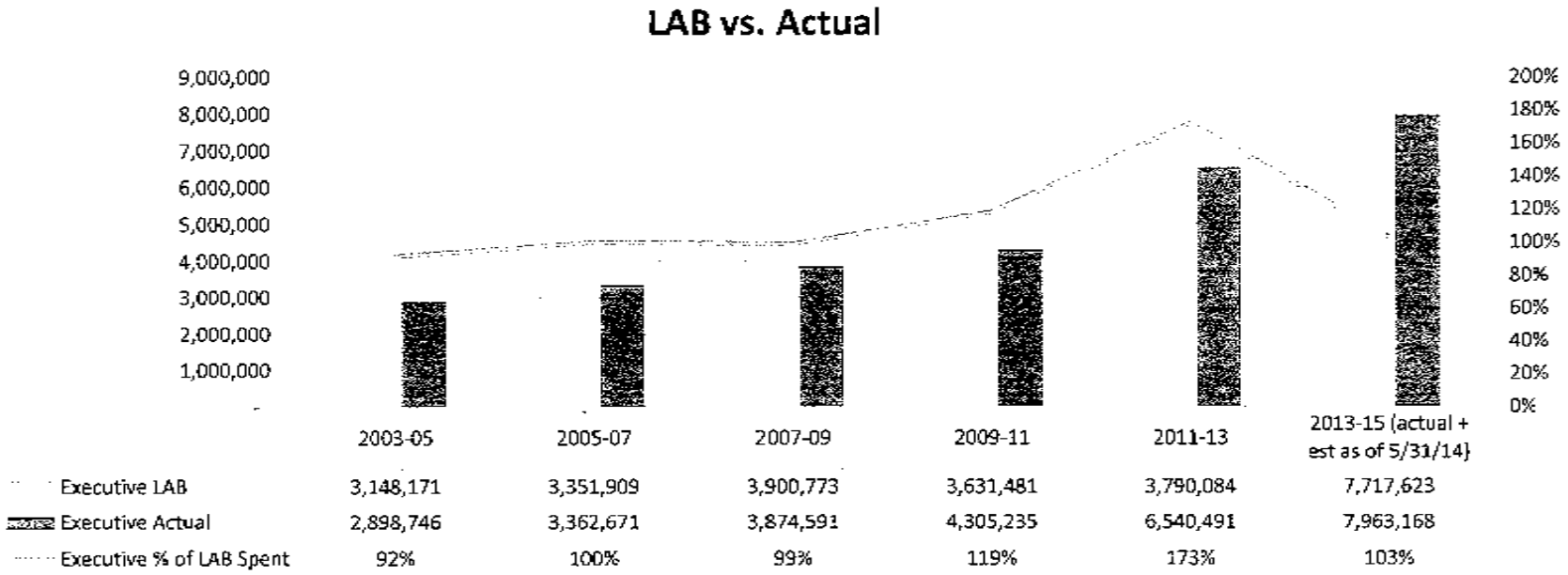
Executive Summary

Primary Outcome Area: Improving Government
Secondary Outcome Area: N/A
Program Contact: Kristine Kautz (503) 945-8213

Program overview

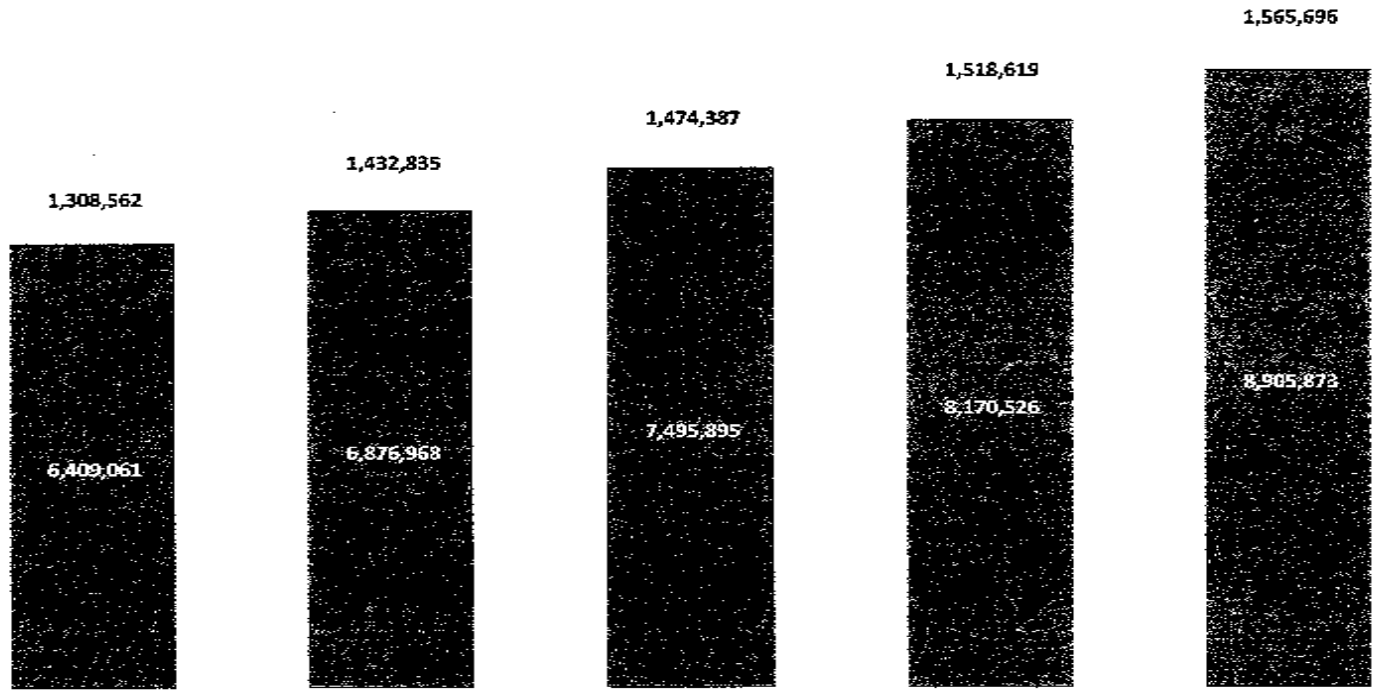
The Executive Section has three units including the Director's Office, Communications, and Human Resources.

Program funding request



	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est as of 5/31/14)
Executive LAB	3,148,171	3,351,909	3,900,773	3,631,481	3,790,084	7,717,623
Executive Actual	2,898,746	3,362,671	3,874,591	4,305,235	6,540,491	7,963,168
Executive % of LAB Spent	92%	100%	99%	119%	173%	103%

ESTIMATE OF FUTURE COSTS



	2013-15 (LAB)	2015-17 (ARB - CSL)	2017-19	2019-21	2021-23
Executive CO	-	-	-	-	-
Executive S&S	1,308,562	1,432,835	1,474,387	1,518,619	1,565,696
Executive PS	6,409,061	6,876,968	7,495,895	8,170,526	8,905,873

Executive Division does not have additional program funding requests above Current Service Level.

Executive Division

Program Description

The Director's Office staff provides overall leadership and direction for the agency's programs and divisions and coordinates the department's legislative, rule-making, and internal audit activities.

The Communications Unit provides the means for the agency to educate and communicate with taxpayers, stakeholders, and external partners. Communications creates and maintains approximately 750 forms and publications for Oregon's diverse taxpayer population. One example is the personal income tax booklet, which is distributed in small print quantities and made available electronically to over 1.8 million filers every year. In addition, this section is responsible for improving the usability of the agency's website, which had over 7.5 million visitors between March 30, 2013 and April 1, 2014. Communications also handles all media inquiries, coordinates public records requests, oversees the agency's plain language efforts, provides media and writing training to department staff and county assessors, and manages the agency's records retention program.

The Human Resources Unit provides general oversight of the agency's relationship with its more than 1,000 employees. Specific responsibilities include the recruitment and retention of skilled employees, management of personnel issues, administration of employee benefits and the coordination of labor relations for the agency. The Human Resources Unit is responsible for facility and special services management, such as quick copy, fleet, telephones, and space configurations. Disclosure staff are managed by Human Resources and oversee and liaise with the Internal Revenue Service (IRS), and to ensure the department is meeting its IRS agreement requirements around safeguarding federal tax information.

Description of the various funding streams that support the program

The program is supported by General Fund and Other Funds.

Executive Division

Essential Packages

Purpose: The essential packages present budget adjustments needed to bring the base budget to Continuing Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2015–2017 biennium.

How Accomplished: See individual packages below for detail.

Staffing Impact: See individual packages below for detail.

Quantifying Results: See individual packages below for detail.

Revenue Sources: The revenue sources are the same as for the program unit as a whole.

Package Fiscal Impact Summary: See individual packages below for detail.

Executive Division

010 Non-PICS Personal Services / Vacancy Factor

Package Description
The Executive Division experienced positions vacancies in the first year of the 2013–15 biennium; accordingly, a vacancy factor calculation has been made using the Department of Administrative Services prescribed formula. This calculation results in a decrease of $355 General Fund and a decrease of $2,728 Other Funds. The package provides a Non-PICS Personal Services cost increase of $5,103 General Fund and $88 Other Funds for changes in pension bond assessment, mass transit taxes, unemployment assessments, and other Non-PICS items such as temporary appointments and other differentials.

2017–19 Fiscal Impact
Fully phased in. This package will be adjusted by the Department of Administrative Services prescribed vacancy formula and directed other non-PICS adjustments each biennium.

Executive Division

031 Inflation & Price List Adjustments

Package Description
The Cost of Goods and Services increase totals $101,961 General Fund and $21,873 Other Funds. This is based on the standard 3% biennial inflation factor increase in Services & Supplies and Capital Outlay. The section has a net increase of $87,258 General Fund and $19,939 Other Funds for State Government Service Charges, based on the Secretary of State Audits Division price list.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Executive Division

032 Above Standard Inflation

Package Description
The Cost of Goods and Services increase totals $411 General Fund and $28 Other Funds for above standard inflation on Professional Services.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Executive Division
Cross Reference Number: 15000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	4,748	-	-	-	-	-	4,748
Total Revenues	**$4,748**	-	-	-	-	-	**$4,748**
Personal Services							
Overtime Payments	71	-	-	-	-	-	71
Public Employees' Retire Cont	11	-	-	-	-	-	11
Pension Obligation Bond	4,030	-	42	-	-	-	4,072
Social Security Taxes	5	-	-	-	-	-	5
Mass Transit Tax	986	-	46	-	-	-	1,032
Vacancy Savings	(355)	-	(2,728)	-	-	-	(3,083)
Total Personal Services	**$4,748**	-	**($2,640)**	-	-	-	**$2,108**
Total Expenditures							
Total Expenditures	4,748	-	(2,640)	-	-	-	2,108
Total Expenditures	**$4,748**	-	**($2,640)**	-	-	-	**$2,108**
Ending Balance							
Ending Balance	-	-	2,640	-	-	-	2,640
Total Ending Balance	-	-	**$2,640**	-	-	-	**$2,640**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Executive Division
Cross Reference Number: 15000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	101,961	-	-	-	-	-	101,961
Admin and Service Charges	-	-	19,233	-	-	-	19,233
Total Revenues	**$101,961**	-	**$19,233**	-	-	-	**$121,194**
Services & Supplies							
Instate Travel	499	-	96	-	-	-	595
Out of State Travel	66	-	-	-	-	-	66
Employee Training	1,760	-	321	-	-	-	2,081
Office Expenses	3,718	-	731	-	-	-	4,449
Telecommunications	758	-	37	-	-	-	795
State Gov. Service Charges	87,258	-	19,939	-	-	-	107,197
Data Processing	15	-	-	-	-	-	15
Professional Services	4,111	-	281	-	-	-	4,392
Employee Recruitment and Develop	142	-	-	-	-	-	142
Dues and Subscriptions	587	-	-	-	-	-	587
Facilities Rental and Taxes	39	-	8	-	-	-	47
Other Services and Supplies	1,554	-	277	-	-	-	1,831
Expendable Prop 250 - 5000	1,454	-	183	-	-	-	1,637
Total Services & Supplies	**$101,961**	-	**$21,873**	-	-	-	**$123,834**
Total Expenditures							
Total Expenditures	101,961	-	21,873	-	-	-	123,834
Total Expenditures	**$101,961**	-	**$21,873**	-	-	-	**$123,834**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Executive Division
Cross Reference Number: 15000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(2,640)	-	-	-	(2,640)
Total Ending Balance	-	-	**($2,640)**	-	-	-	**($2,640)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Executive Division
Cross Reference Number: 15000-001-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	411	-	-	-	-	-	411
Admin and Service Charges	-	-	28	-	-	-	28
Total Revenues	**$411**	-	**$28**	-	-	-	**$439**
Services & Supplies							
Professional Services	411	-	28	-	-	-	439
Total Services & Supplies	**$411**	-	**$28**	-	-	-	**$439**
Total Expenditures							
Total Expenditures	411	-	28	-	-	-	439
Total Expenditures	**$411**	-	**$28**	-	-	-	**$439**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

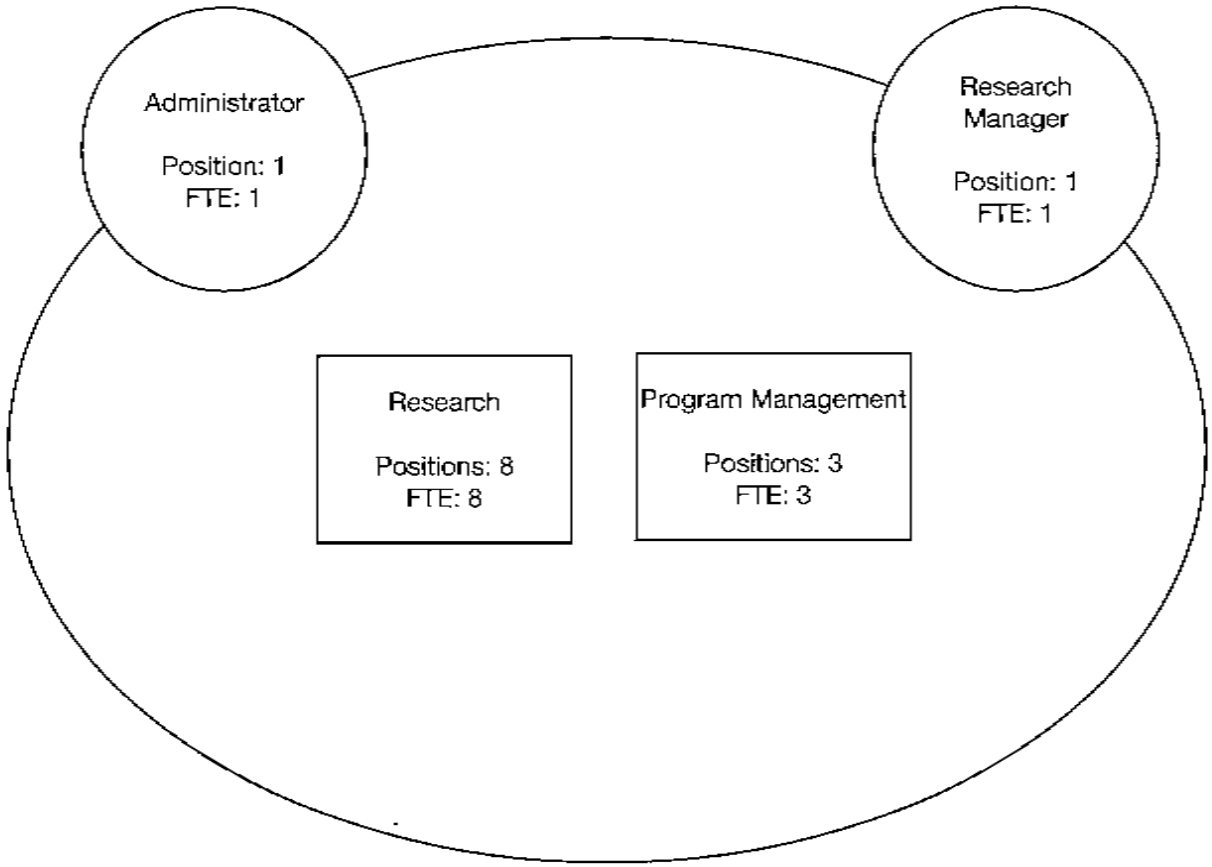
Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-001-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	1,054,249	757,645	923,307	974,534	974,534	-
Total Other Funds	**$1,054,249**	**$757,645**	**$923,307**	**$974,534**	**$974,534**	-

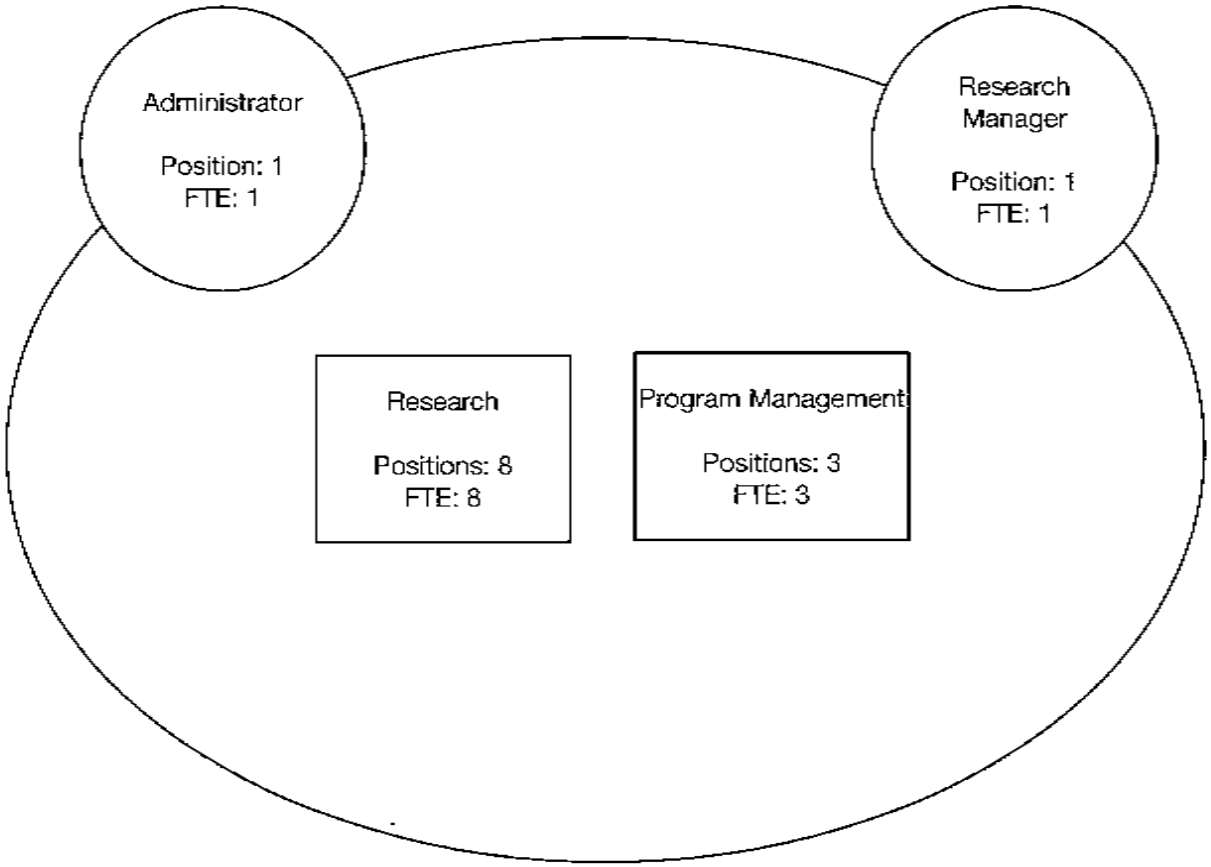
PMO/General
Services Section

Program Management Office/General Services Division
2013–2015



Total Positions: 13
Total FTE: 13

Program Management Office/General Services Division
2015–2017

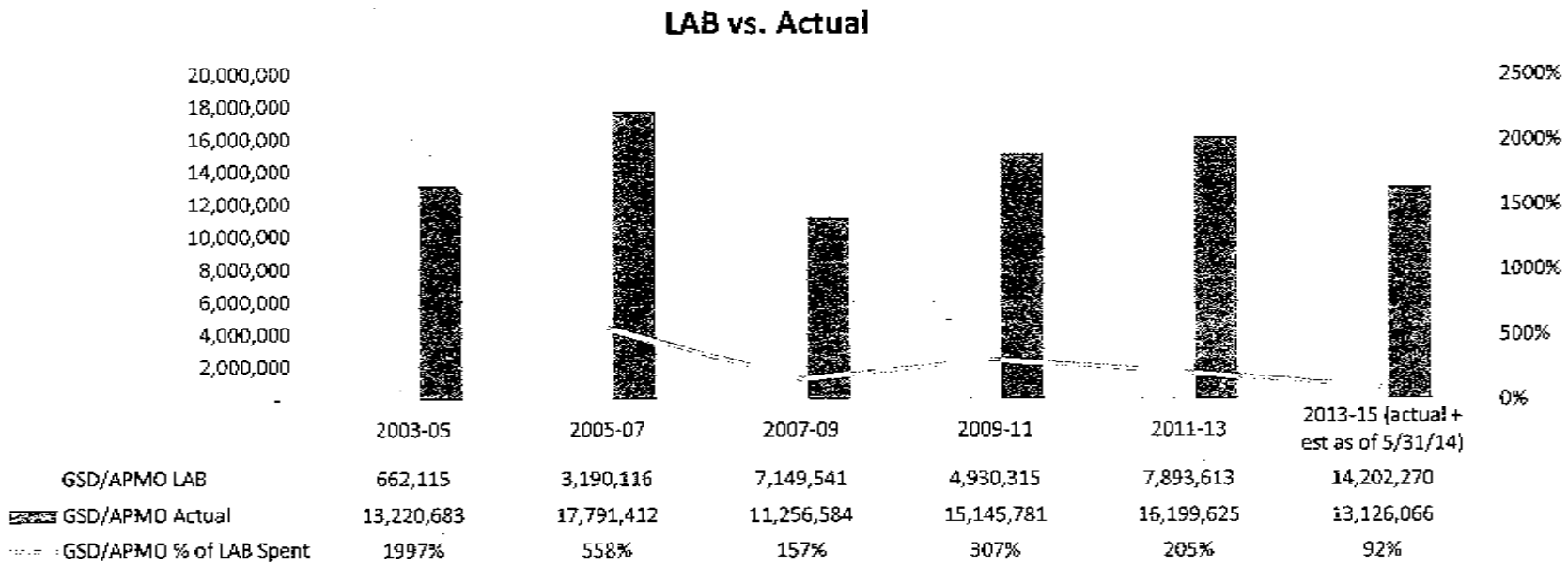


Total Positions: 13
Total FTE: 13

Program Management Office/General Services Division

Executive Summary

Primary Outcome Area: Improving Government
Secondary Outcome Area: N/A
Program Contact: Eric Smith (503) 945-8232



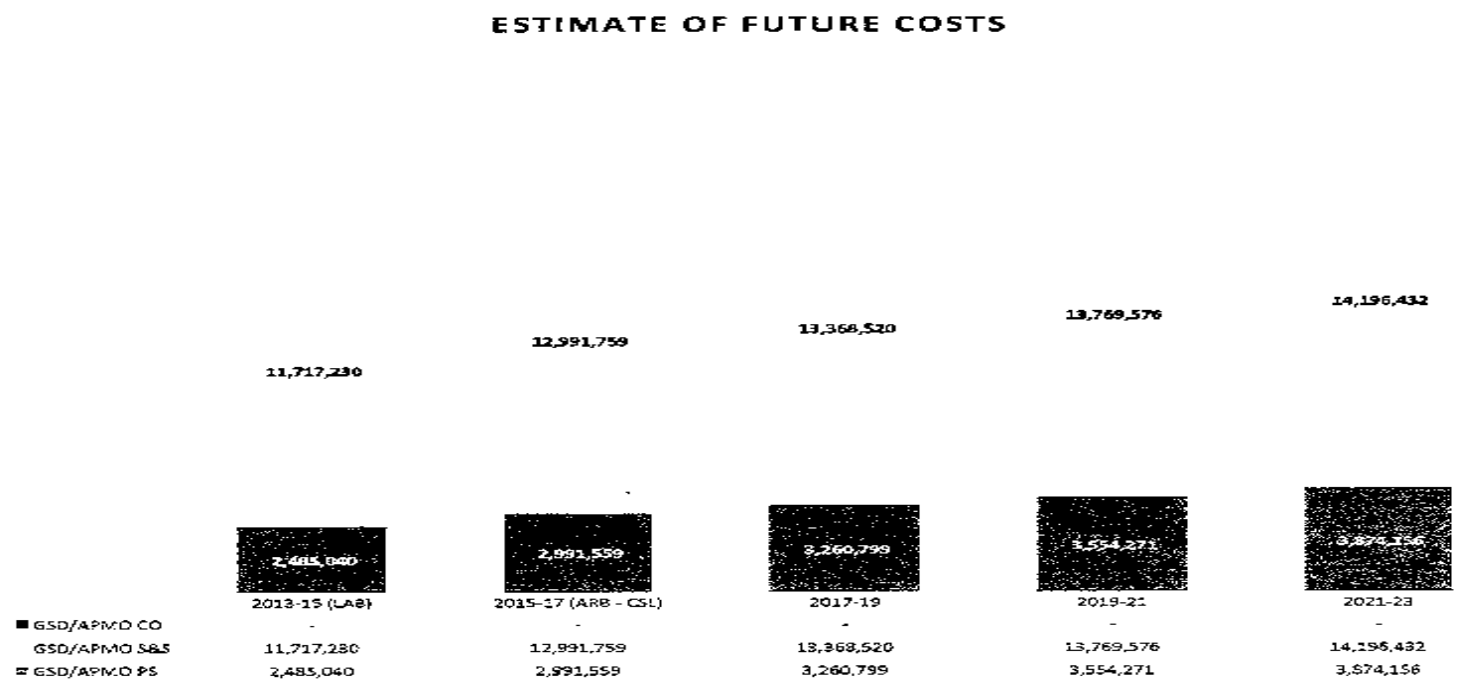
Program Management Office/General Services Division

Program Overview

General Services/Program Management Section represents two centralized functions for Revenue:

- Agency-wide Service Expenditures, such as postage fees and Attorney General (AG) expenses, support the administration of Oregon's income and property tax programs funding public services that preserve and enhance the quality of life for all citizens.
- Agency Program Management includes project management, portfolio reporting, process improvement, and metrics. These resources specifically focus on achieving Revenue's vision of becoming a model of revenue administration through the strength of our people, technology, innovation, service, and collaboration.

Program Funding Request



Program Management Office/General Services Division

Program Description

Agency-wide Service Expenditures: Certain agency-wide service expenditures and fees are managed centrally for operational efficiency. Such expenditures and fees include postage, AG expenses, county property lien recording and release fees, private collection firm fees, and merchant fees. These expenses and fees would be spread among Revenue's other division proposals if not managed centrally.

Program Management Office: Agency leadership has created a Program Management Office (PMO) to lead and facilitate the ongoing transformation of people, processes, and technology. The main functions in the PMO include project management, portfolio reporting, process improvement, and metrics.

The PMO has led the initiative to replace our core systems such as tax processing, accounting, and compliance systems with industry best practice solutions. Efforts include creating a business case, program management plan, request for proposal, and executing a procurement process to identify the successful vendor to partner with Revenue to implement new systems. The legislature approved the new system in July 2013, and the department will conclude the Core Systems Replacement (CSR) project in the 2017–19 biennium.

CSR will reduce the risk of interruptions to revenue flows due to aging and obsolete systems currently in use to administer Oregon's tax programs. New systems will enable best practices for integration of data, improved business processes, provide the Legislature and Revenue with the ability to make decisions using better information, and provide more opportunities to improve taxpayer compliance. Process improvements using new technology will provide improved customer experience, and enhance workforce satisfaction and effectiveness. The implementation of new core systems began in fall of 2013 and continues through fall of 2017.

Program Management Office/General Services Division

Program Justification and Link to 10-Year Outcome

The PMO provides leadership and resources for Revenue's effort to Improve Government. The Core Systems Replacement project managed by the PMO will:

- Provide more flexibility for service delivery.
- Enhance overall online service delivery.
- Allow for more investment in operational efficiency initiatives (i.e. using State Data Center).
- Use nationally recognized best practices for tax administration.

The PMO is also developing a foundation for reporting and monitoring performance metrics that benefit decision-making and improve responsiveness and problem solving.

Program Performance

The PMO is now four-years old. The primary role of the PMO is to assist Revenue's performance improvement through project management, portfolio reporting, and process improvement.

The number one objective of the PMO for the next four years is to successfully replace core tax systems with a new system. Project management metrics and milestone accomplishments are primary indicators of PMO success, including:

- Development of a Business Case (completed on time).
- Development of an RFP (completed on time).
- Procurement/Intent to Award (completed on time).
- Contract Signed (on schedule).
- Legislative Approval (completed July 2013).
- Begin Implementation—Rollouts 1, 2, 3 & 4 (began fall 2013, with four rollouts scheduled for fall 2014, 2015, 2016, and 2017 respectively).
- Final Acceptance (Fall 2017).

Program Management Office/General Services Division

Enabling Legislation/Program Authorization

The Revenue Leadership Team created the PMO as a way to better manage resources, projects, and priorities internally. The key is to have a framework that is understandable and agreed to so that divisions can see the planned timing and necessary resources for projects.

Funding Streams

General Fund and Other Funds support both the Agency-wide Service Expenditure and Agency Program Management programs.

Revenue Forecast

The Other Funds Revenues represent expenses charged to various Other Funds programs for the department's administrative costs. The programs include all of those listed under the Revenue tab. In most cases, revenue equals the department's cost. Therefore, estimates are based on the projected costs to administer each program.

Program Management Office/General Services Division

Essential Packages
Purpose: The essential packages present budget adjustments needed to bring the base budget to Continuing Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2013–15 biennium.

How Accomplished: See individual packages below for detail.

Staffing Impact: See individual packages below for detail.

Quantifying Results: See individual packages below for detail.

Revenue Sources: The revenue sources are the same as for the program unit as a whole.

Package Fiscal Impact Summary: See individual packages below for detail.

Program Management Office/General Services Division

010 Non-PICS Personal Services / Vacancy Factor

Package Description
The Program Management Office experienced positions vacancies in the first year of the 2013–15 biennium; accordingly, a vacancy factor calculation has been made using the Department of Administrative Services prescribed formula. This calculation results in an increase of $15,167 General Fund and $2,912 Other Funds. The package provides a Non-PICS Personal Services cost decrease of $3,919 General Fund and $1,447 Other Funds for changes in pension bond assessment, mass transit taxes, unemployment assessments, and other Non-PICS items such as temporary appointments and other differentials.

2017–19 Fiscal Impact
Fully phased in. This package will be adjusted by the Department of Administrative Services prescribed vacancy formula and directed other non-PICS adjustments each biennium.

Program Management Office/General Services Division

031 Inflation & Price List Adjustments

Package Description
The Cost of Goods and Services increase totals $751,676 General Fund and $142,724 Other Funds. This is based on the standard 3% biennial inflation factor increase in Services & Supplies and Capital Outlay.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Program Management Office/General Services Division

032 Above Standard Inflation

Package Description
The Cost of Goods and Services increase totals $121 General Fund and $21 Other Funds for above standard inflation on Professional Services.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions

Program Management Office/General Services Division

161 HB 4055–911 Tax

Package Description
This package requests two positions for the enforcement of the new 911 tax. Tax enforcement requires Attorney General (AG) costs and the department centralizes these costs in the General Services Division. Cost of Goods and Services increase for centralized AG by $15,384 Other Funds.

2017–19 Fiscal Impact
Fully phased in.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: General Services Division
Cross Reference Number: 15000-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	11,248	-	-	-	-	-	11,248
Total Revenues	**$11,248**	-	-	-	-	-	**$11,248**
Personal Services							
Pension Obligation Bond	(4,108)	-	(1,371)	-	-	-	(5,479)
Mass Transit Tax	189	-	(76)	-	-	-	113
Vacancy Savings	15,167	-	2,912	-	-	-	18,079
Total Personal Services	**$11,248**	-	**$1,465**	-	-	-	**$12,713**
Total Expenditures							
Total Expenditures	11,248	-	1,465	-	-	-	12,713
Total Expenditures	**$11,248**	-	**$1,465**	-	-	-	**$12,713**
Ending Balance							
Ending Balance	-	-	(1,465)	-	-	-	(1,465)
Total Ending Balance	-	-	**($1,465)**	-	-	-	**($1,465)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: General Services Division
Cross Reference Number: 15000-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	751,676	-	-	-	-	-	751,676
Total Revenues	**$751,676**	-	-	-	-	-	**$751,676**
Services & Supplies							
Instate Travel	1,182	-	118	-	-	-	1,300
Out of State Travel	961	-	134	-	-	-	1,095
Employee Training	1,994	-	278	-	-	-	2,272
Office Expenses	104,977	-	27,896	-	-	-	132,873
Telecommunications	1,541	-	230	-	-	-	1,771
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	2,240	-	205	-	-	-	2,445
Publicity and Publications	544	-	-	-	-	-	544
Professional Services	1,208	-	214	-	-	-	1,422
Attorney General	633,915	-	58,750	-	-	-	692,665
Employee Recruitment and Develop	166	-	5	-	-	-	171
Dues and Subscriptions	1,420	-	76	-	-	-	1,496
Facilities Rental and Taxes	588	-	96	-	-	-	684
Other Services and Supplies	685	-	54,722	-	-	-	55,407
Expendable Prop 250 - 5000	255	-	-	-	-	-	255
Total Services & Supplies	**$751,676**	-	**$142,724**	-	-	-	**$894,400**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: General Services Division
Cross Reference Number: 15000-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	751,676	-	142,724	-	-	-	894,400
Total Expenditures	**$751,676**	-	**$142,724**	-	-	-	**$894,400**
Ending Balance							
Ending Balance	-	-	(142,724)	-	-	-	(142,724)
Total Ending Balance	-	-	**($142,724)**	-	-	-	**($142,724)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 032 - Above Standard Inflation

Cross Reference Name: General Services Division
Cross Reference Number: 15000-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	121	-	-	-	-	-	121
Admin and Service Charges	-	-	21	-	-	-	21
Total Revenues	**$121**	-	**$21**	-	-	-	**$142**
Services & Supplies							
Professional Services	121	-	21	-	-	-	142
Total Services & Supplies	**$121**	-	**$21**	-	-	-	**$142**
Total Expenditures							
Total Expenditures	121	-	21	-	-	-	142
Total Expenditures	**$121**	-	**$21**	-	-	-	**$142**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 161 - HB4055-911 Tax

Cross Reference Name: General Services Division
Cross Reference Number: 15000-002-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	15,384	-	-	-	15,384
Total Revenues	-	-	**$15,384**	-	-	-	**$15,384**
Services & Supplies							
Attorney General	-	-	15,384	-	-	-	15,384
Total Services & Supplies	-	-	**$15,384**	-	-	-	**$15,384**
Total Expenditures							
Total Expenditures	-	-	15,384	-	-	-	15,384
Total Expenditures	-	-	**$15,384**	-	-	-	**$15,384**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-002-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Personal Income Taxes	12,288,743,654	13,603,503,386	13,603,503,386	15,541,205,376	15,541,205,376	-
Corp Excise and Income Taxes	905,335,930	1,012,036,621	1,012,036,621	1,036,848,445	1,036,848,445	-
Other Employer -Employee Taxes	-	477,493,000	477,493,000	689,025,092	689,025,092	-
Cigarette Taxes	411,014,876	370,356,408	370,356,408	367,960,778	367,960,778	-
Other Tobacco Products Taxes	108,512,824	110,264,261	110,264,261	116,525,507	116,525,507	-
Amusement Taxes	2,225,552	4,480,000	4,480,000	4,480,000	4,480,000	-
Inheritance Taxes	205,197,551	212,961,590	212,961,590	202,126,255	202,126,255	-
Eastern Oregon Severance Taxes	6,298	6,000	6,000	6,000	6,000	-
Western Oregon Severance Taxes	174,540	612,400	612,400	1,043,000	1,043,000	-
Other Severance Taxes	-	237,000	237,000	237,000	237,000	-
Other Taxes	-	170,784,726	170,784,726	164,576,996	164,576,996	-
Business Lic and Fees	-	8,766,267	8,766,267	9,869,503	9,869,503	-
Admin and Service Charges	7,785,580	2,785,139	2,785,139	2,800,544	2,800,544	-
Fines and Forfeitures	35,919,952	21,275,249	21,275,249	27,885,564	27,885,564	-
Interest Income	118,776	-	-	-	-	-
Donations	-	1,292,000	1,292,000	1,334,000	1,334,000	-
Other Revenues	6,874,045	27,545,040	27,545,040	28,589,533	28,589,533	-
Transfer In - Intrafund	29,401,311	-	-	-	-	-
Transfer from General Fund	-	5,672,000	5,672,000	5,672,000	5,672,000	-
Tsfr From OR Business Development	5,000	-	-	-	-	-
Tsfr From Judicial Dept	99,195,667	91,422,437	91,422,437	85,699,457	85,699,457	-
Transfer Out - Intrafund	(29,401,311)	-	-	-	-	-
Transfer to Other	-	(16,461,538)	(16,461,538)	(9,365,757)	(9,365,757)	-
Transfer to General Fund	(13,515,769,239)	(15,010,176,323)	(15,010,176,323)	(16,951,045,490)	(16,951,045,490)	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-002-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Transfer to Counties	-	(535,352,348)	(533,352,348)	(741,563,922)	(741,563,922)	-
Tsfr To Human Svcs, Dept of	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	-
Tsfr To Administrative Svcs	(18,373,975)	(15,892,078)	(15,892,078)	(14,319,663)	(14,319,663)	-
Tsfr To Governor, Office of the	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	-
Tsfr To Justice, Dept of	(16,290,775)	(19,913,740)	(19,913,740)	(20,541,179)	(20,541,179)	-
Tsfr To Lands, Dept of State	(263,406)	(237,000)	(237,000)	(237,000)	(237,000)	-
Tsfr To Judicial Dept	(9,921,074)	(9,374,580)	(9,415,927)	(6,471,244)	(6,471,244)	-
Tsfr To Military Dept, Or	(78,548,657)	(81,970,000)	(81,970,000)	(81,392,000)	(81,392,000)	-
Tsfr To Police, Dept of State	(5,061,747)	(4,390,890)	(4,390,890)	(7,993,959)	(7,993,959)	-
Tsfr To Pub Safety Std/Trng	(20,550,970)	(24,520,000)	(24,520,000)	(25,720,000)	(27,820,235)	-
Tsfr To Corrections, Dept of	(6,276,355)	-	-	-	-	-
Tsfr To Environmental Quality	(2,114,874)	(2,128,544)	(2,128,544)	(2,128,544)	(2,128,544)	-
Tsfr To Oregon Health Authority	(360,272,153)	(336,734,482)	(346,734,482)	(346,192,079)	(346,192,079)	-
Tsfr To HECC	-	-	-	(1,745,810)	(1,745,810)	-
Tsfr To OR University System	-	(7,344,134)	(7,344,134)	(8,520,296)	(8,520,296)	-
Tsfr To Education, Dept of	(365,768)	(340,252)	(340,252)	(615,890)	(615,890)	-
Tsfr To Comm Coll/Wkfrc Dev	(2,794,057)	(1,725,308)	(1,725,308)	-	-	-
Tsfr To Forestry, Dept of	(13,835,300)	(12,431,108)	(12,431,108)	(14,421,948)	(14,421,948)	-
Tsfr To Fish/Wildlife, Dept of	(87,408)	(10,000)	(10,000)	(10,000)	(10,000)	-
Tsfr To Transportation, Dept	(7,973,936)	(7,123,192)	(7,123,192)	(6,369,832)	(6,369,832)	-
Tsfr To Housing and Com Svcs	(22,211,836)	(25,830,000)	(25,830,000)	(28,589,533)	(28,589,533)	-
Total Other Funds	**($12,381,792)**	**$8,757,500**	**($1,283,847)**	**$15,860,397**	**$13,760,162**	**-**

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2011-2013 Actual	2013-15 Legislatively Adopted	2013-15 Estimated	2015-17 Agency Request	2015-17 Governor's	2015-17 Legislatively Adopted
Personal Income Taxes	OTHER	0105	12,288,743,654	13,636,603,386		15,541,205,376	15,541,205,376	
Corp Excise and Income Taxes	OTHER	0110	905,335,930	1,012,036,621		1,036,848,445	1,036,848,445	
Other Employer – Employee Taxes								
• TriMet	OTHER	0130	-	403,630,000		601,487,750	601,487,750	
• TriMet Self Emp	OTHER	0130	-	22,528,000		31,657,250	31,657,250	
• LTD	OTHER	0130	-	47,743,000		52,295,216	52,295,216	
• LTD Self Emp	OTHER	0130	-	3,592,000		3,584,876	3,584,876	
Cigarette Taxes	OTHER	0135	411,014,876	370,356,408		367,960,778	367,960,778	
Other Tobacco Products Taxes	OTHER	0140	108,512,824	110,264,261		116,525,507	116,525,507	
Amusement Taxes	OTHER	0145	2,225,552	4,480,000		4,480,000	4,480,000	
Inheritance Taxes	OTHER	0155	205,197,551	212,961,590		202,126,255	202,126,255	
Eastern Oregon Severance Taxes	OTHER	0160	6,298	6,000		6,000	6,000	
Western Oregon Severance Taxes	OTHER	0162	174,540	612,400		1,043,000	1,043,000	
Other Severance Taxes	OTHER	0165	-	237,000		237,000	237,000	
Other Taxes	OTHER	0195		170,784,726		164,576,996	164,576,996	

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2011-2013 Actual	2013-15 Legislatively Adopted	2013-15 Estimated	2015-17 Agency Request	2015-17 Governor's	2015-17 Legislatively Adopted
Business Lic and Fees								
Hazard Waste	OTHER	0205	-	5,388,924		5,719,858	5,719,858	
Petro Load	OTHER	0205	-	3,377,343		4,149,645	4,149,645	
Dry Cleaning Solvent	OTHER	0205	-	0		0	0	
Admin and Service Charges	OTHER	0415	33,998,921	65,256,876		68,057,904	68,057,904	
Fines and Forfeitures	OTHER	0505	35,919,915	21,275,249		27,885,564	27,885,564	
Interest Income	OTHER	0605	118,776	-		-	-	
Donations	OTHER	0905	-	1,292,000		1,334,000	1,334,000	
Other Revenues	OTHER	0975	6,874,045	27,732,110		28,776,603	28,776,603	

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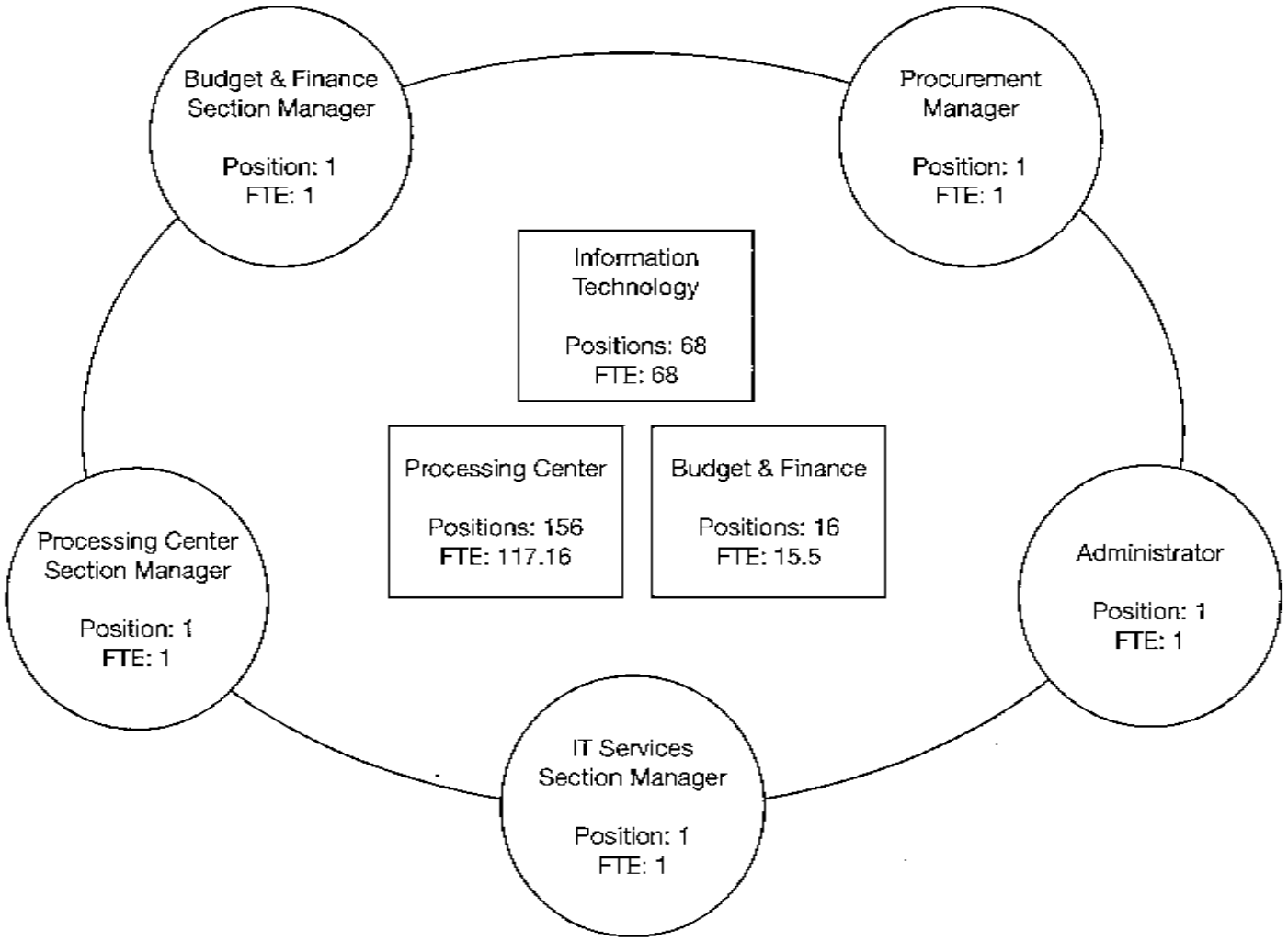
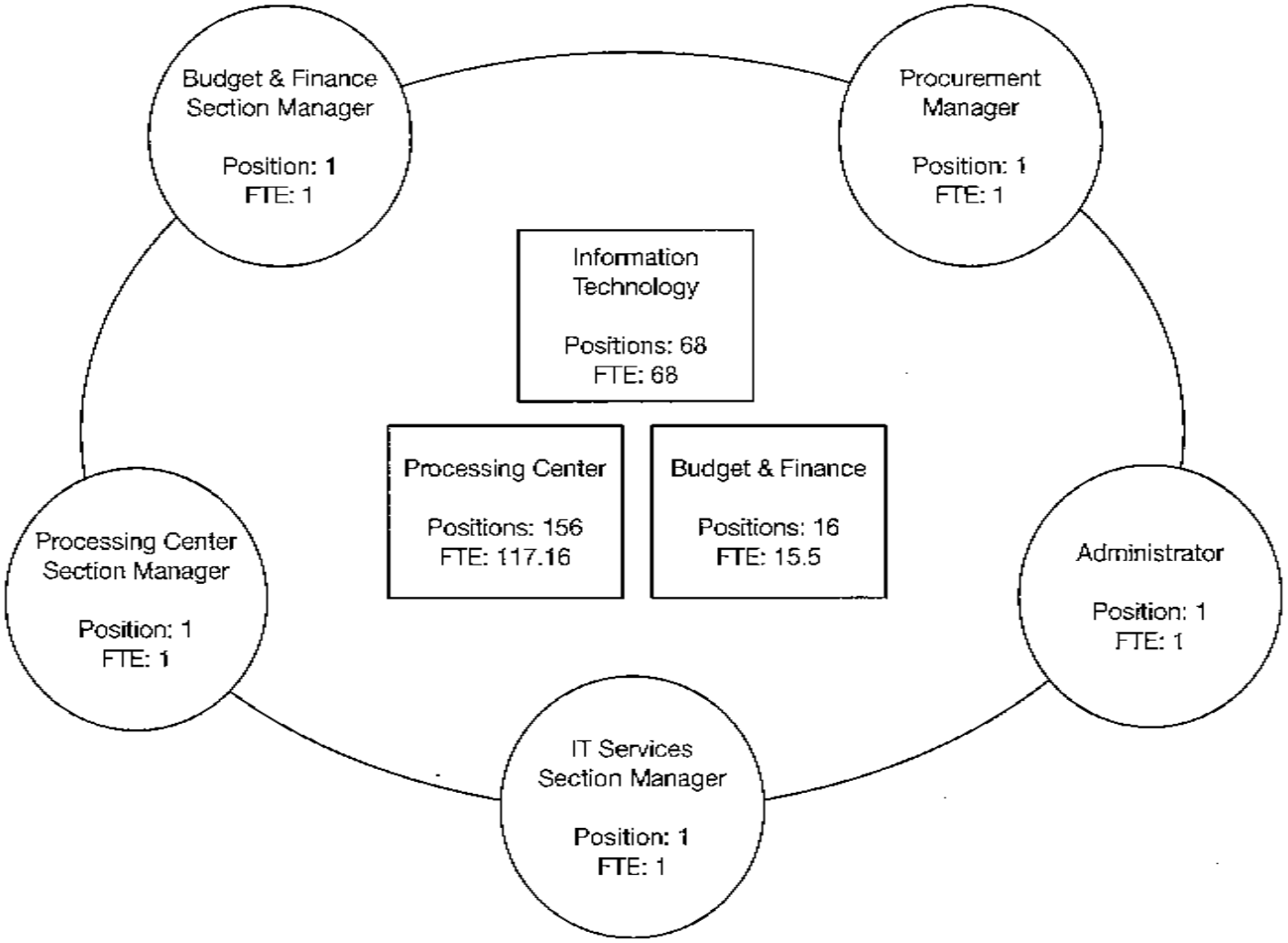
Administrative Services Division

Administrative Services Division
2013–2015



Total Positions: 245
Total FTE: 205.66

Administrative Services Division
2015–2017

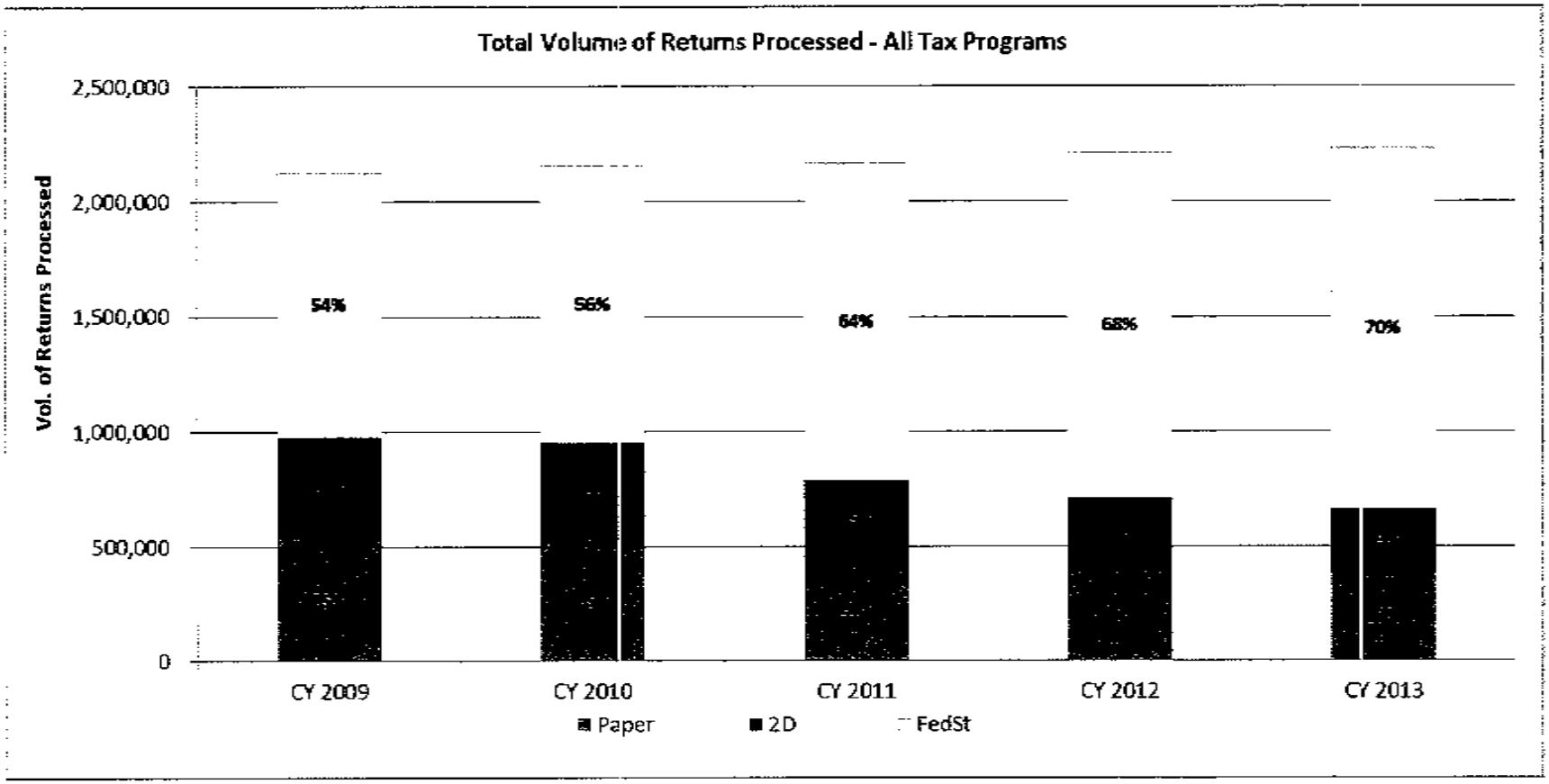


Total Positions: 245
Total FTE: 205.66

Administrative Services Division

Program Unit Executive Summary

Primary Outcome Area: Improving Government
Secondary Outcome Area: N/A
Program Contact: Terrence Woods, (503) 947-2547

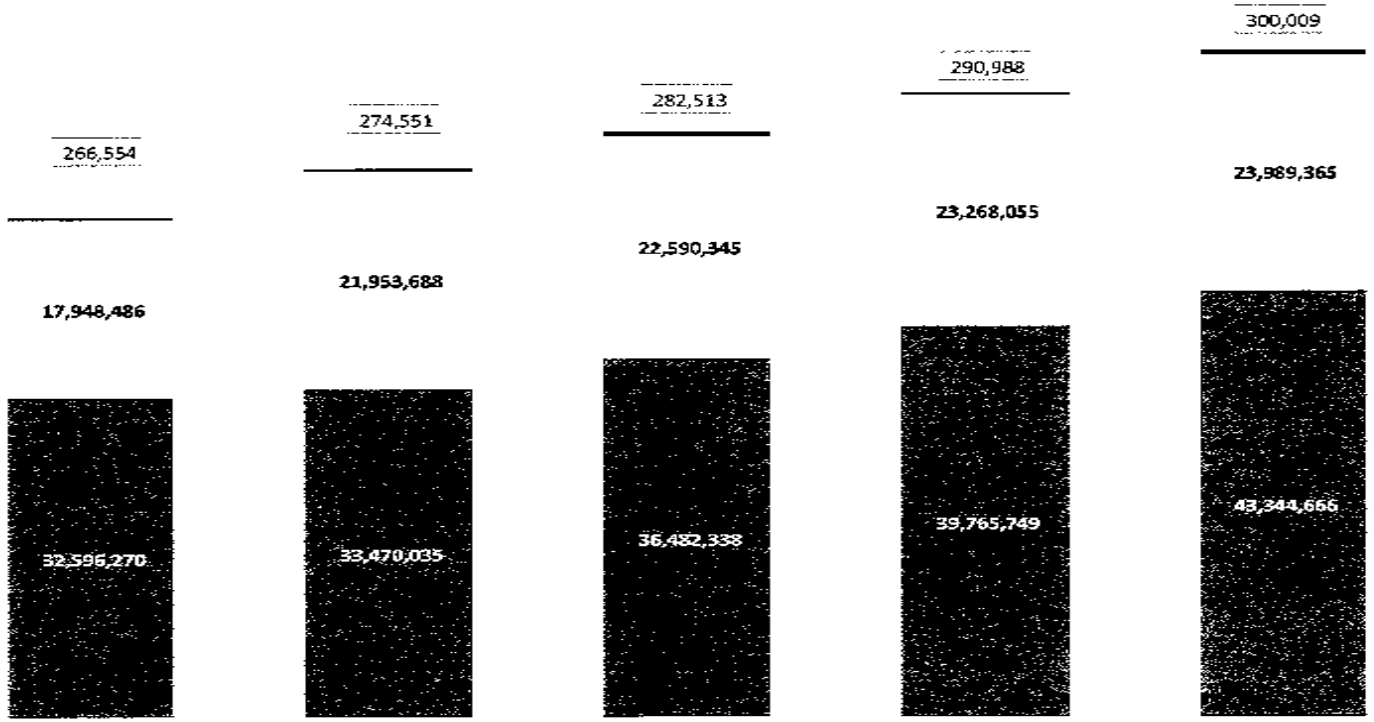


Program Overview

The Administrative Services Division provides the infrastructure, services, and solutions to meet the business needs of the organization.

Program Funding Request

ESTIMATE OF FUTURE COSTS



	2013-15 (LAB)	2015-17 (ARB - CSL)	2017-19	2019-21	2021-23
■ ASD/IT CO	266,554	274,551	282,513	290,988	300,009
ASD/IT S&S	17,948,486	21,953,688	22,590,345	23,268,055	23,989,365
▣ ASD/IT PS	32,596,270	33,470,035	36,482,338	39,765,749	43,344,666

Administrative Services Division

Program Description

Administrative Services Division (ASD) accounts for approximately 32 percent of the total Department of Revenue budget. ASD provides a broad range of services through its sections: Information Technology (IT) Services, Processing Center, Procurement and Payroll and Finance and Budget.

The division's Processing Center activities are carried out in an environment that is evolving from a high volume, mechanical production-type environment to one that relies heavily on technology and automation. The Processing Center deposits more than $8.5 billion in tax payments each year. For calendar year 2014, fifty-one percent of the transactions received electronically; checks, money orders, and cash make up the other 49%. Seventy-one percent of the dollars are received electronically; checks, money orders, and cash make up the remainder. Annually, ASD generates over 6 million pieces of out-bound mail and receives over 4.5 million articles of mail, including all Oregon tax returns filed on paper. The Processing Center provides support for all of the agency's programs.

The IT Services Section provides technology-based business solutions and technical support for our programs and employees. Responsibilities include information security, network, and desktop support; applications development that operate either on the agency's central or distributed windows-based systems; and monitoring and researching technology. The integrated tax accounting system, our core business system, is the repository of taxpayer account information for the State of Oregon. Computing infrastructure and network administration are provided by Enterprise Technology Services.

The Finance & Procurement Section manages the agency's integrated tax accounting system; provides general fiscal support (e.g., payroll, accounts payable, etc.), coordinates purchasing, and accounts for and distributes all revenue collected by the agency.

Program Justification and Link to 10-Year Outcome

The IT Services Section (ITS) is pivotal to increasing operational efficiencies within the agency and as a statewide enterprise. The demand for data, process automation, and mobile technologies has increased over the past five years. ITS is on the forefront to continue to increase automation within the agency and provide a foundation for future capabilities. Additionally, ITS will continue to partner with Enterprise Technology Services and other agencies on state enterprise efforts such as active directory consolidation, identity management and others as appropriate.

The Processing Center Section (PCS) provides banking, mail opening, data entry, and tax file management for the agency's programs. By centrally delivering these services to the agency, there is a cost and time savings. In addition, PCS plays an important role in the move to electronic filing and payment methods.

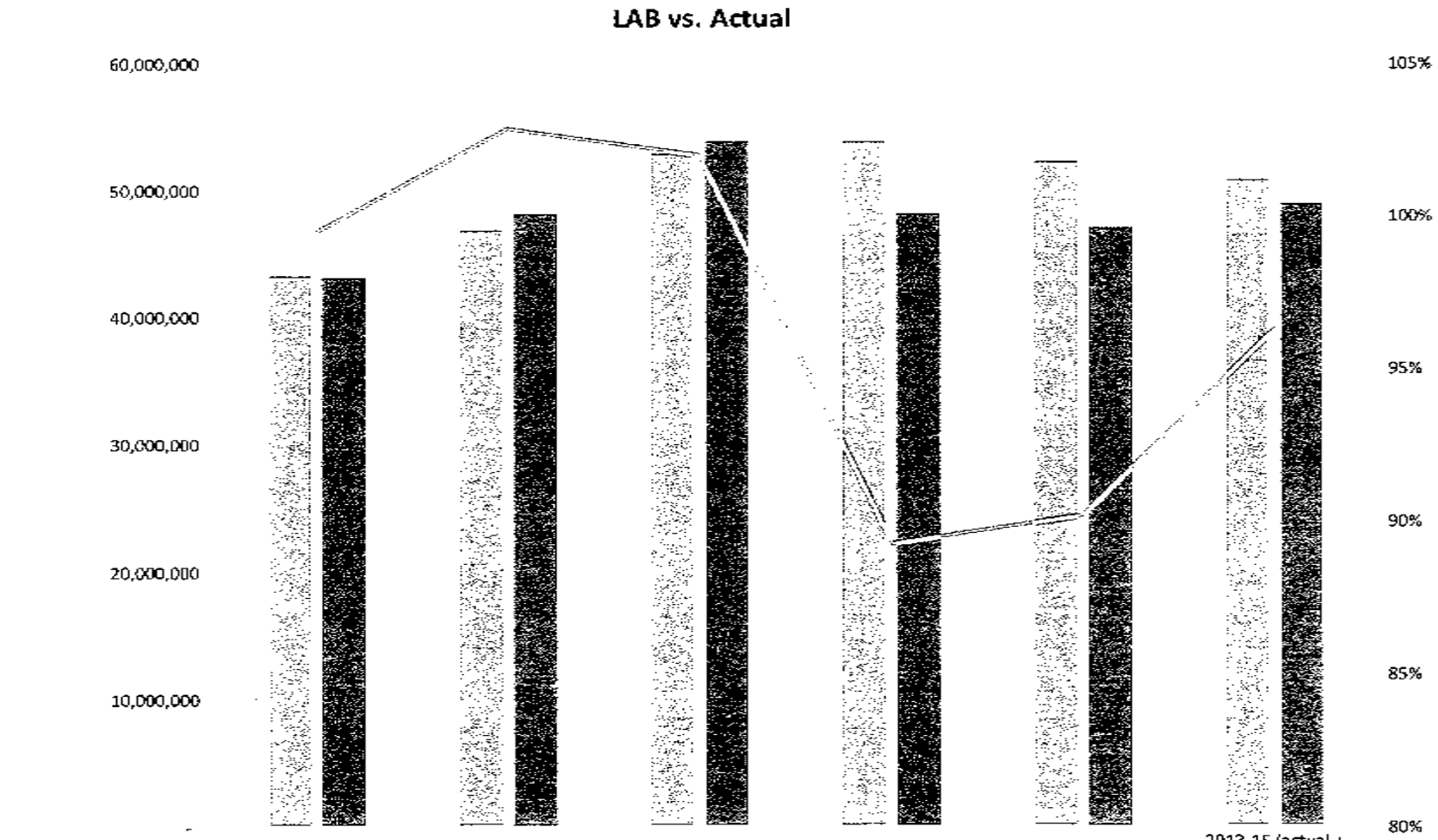
Administrative Services Division

Program Performance

Information Technology Services is increasing their capability to measure performance as part of their service management project. Some highlights include:

- 247 supported applications.
- Over 1,200 supported desktops.
- Average 2,000+ service requests per month.
- Average 1,700− service resolutions per month (85 percent average monthly resolution rate).
- And 5,300 registered taxpayers using the Taxpayer Self Sufficiency application.

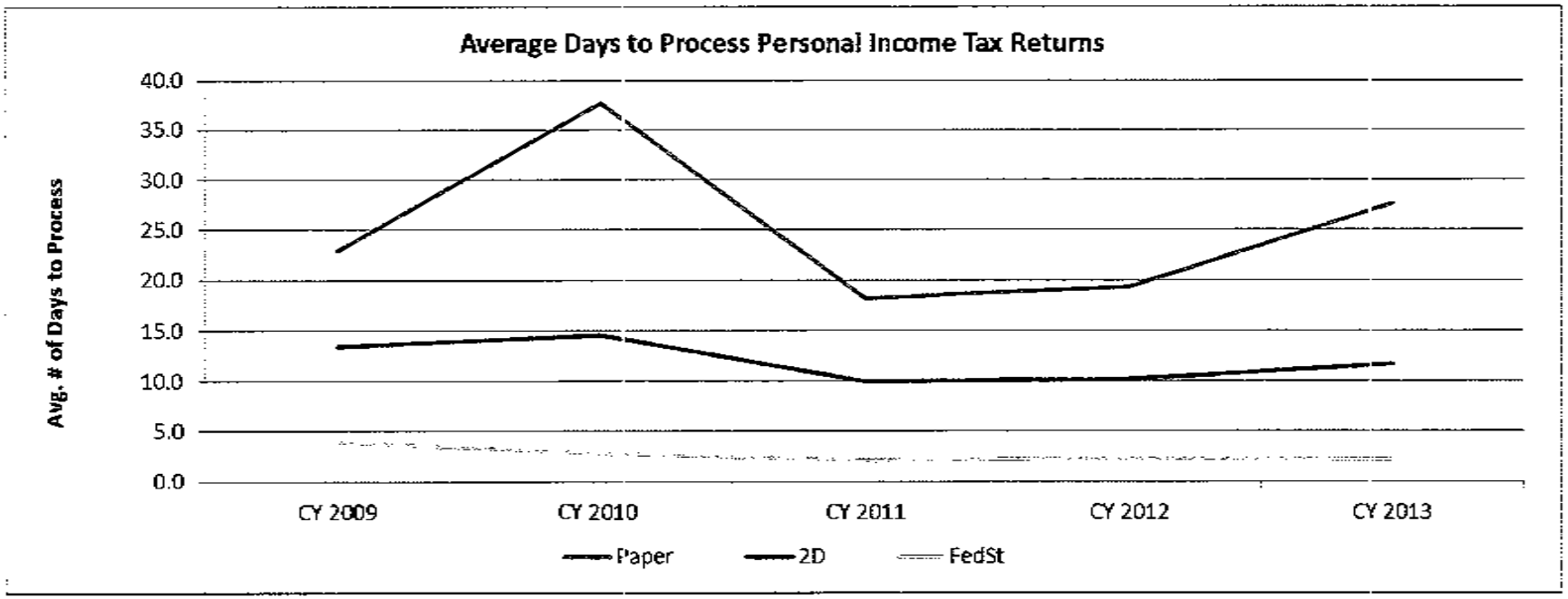
Administrative Services Division



	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est. as of 5/31/14)
ASD LAB	43,262,800	46,775,371	52,796,772	53,850,710	52,214,292	50,811,310
ASD Actual	43,026,987	48,085,973	53,837,628	48,040,858	47,053,063	48,895,442
ASD % of LAB Spent	99%	103%	102%	89%	90%	96%

Administrative Services Division

Processing tax returns in a timely manner impacts many Oregon citizens and the ability to accurately forecast revenue. The following graph highlights the efficiency gains the center has realized in processing returns and highlights the impact e-filing has on processing times.



Administrative Services Division

Enabling Legislation/Program Authorization

ORS 305.025 establishes authority for the Department of Revenue.

Funding Streams

The Administrative Services Division is funded by 87% General Funds and 13% Other Funds. The Other Funds is comprised of a variety of sources the agency receives for other programs and is based on the other program's use of Administrative Services Division Services.

Significant Proposed Program Changes from 2013–15

The Administrative Services Division does not anticipate any significant changes to our programs beyond adapting to support the Core Systems Replacement work the department is undergoing.

Information Technology Services (ITS):

ITS Mission
We provide practical solutions and reliable support enabling our business partners to excel in meeting their objectives.

ITS Vision
We increase information technology capacity for our business partners to flourish.

Information Security Services (ISS)
Provides expertise in the key areas of Information Security: confidentiality, integrity and availability of information. Responsibilities include creating, implementing and maintaining information policies, procedures and standards. Also, ISS plays a vital role in information risk management and monitoring of systems for any wrongdoings or security vulnerabilities. Lastly, ISS provides security awareness knowledge and training, vulnerability and penetration testing, information security incident response and ensure regulatory compliance.

Administrative Services Division

Engineering Services
Provides expertise in the key areas of network, database, middleware and desktop engineering including base pc configurations. Responsibilities include maintaining the overall network infrastructure, monitoring performance and optimizing throughput. This includes both wired and wireless connections centrally and in the field locations. Middleware is required for most of our web applications and database management is required for both legacy systems and our new tax system.

Application Services
Provides expertise in the key areas of custom application development, COTS consultation and implementation, and SaaS consultation and implementation. This area currently supports over 250 custom software solutions including iSeries, windows and web platforms. Provide solutions for tasks and/or processes that are time consuming or cannot be performed without automation.

Shared Services
Provides expertise in the key areas of Enterprise Architecture, Project Management, Business Analysis, Portfolio and Vendor Management. Responsibilities include conducting enterprise analysis, design, planning and implementation of technology solutions for the entire agency. This area includes our Chief Architect for all of our systems and telephony consultation.

Support Services
Provides expertise in the key areas of Service Desk, Systems Support Analysis and Production Control. Responsibilities include support incident management, data corrections and table updates. Additionally, monitoring of batch jobs, testing system enhancements and end-user training.

Processing Center:
The Processing Center consists of one administration unit, plus five additional units that make up what is referred to as the Pipeline. Each unit in the Pipeline specializes in a particular piece of processing.

Staff from Mail Processing picks up over 2 million pieces of mail from the post office each year. The mail received includes a wide variety of documents such as payments, returns, registrations, etc., for more than 30 tax programs and more than 400 other agencies. Mail extracting machines are used to open mail four times faster than by hand. Mail is sorted, counted, batched, and delivered or routed to the appropriate areas.

Administrative Services Division

Pipeline Quality Assurance (PQA) visually scans tax returns for legibility and completeness. They also open, prepare, and batch Corporation Tax returns as part of Tax Processing Automation (TPA). Returns are sent to Numbering where an assigned Filing Number is stamped on each one. Tax header information from paper returns are keyed into the system by Taxpayer Identification. Checks are separated from the returns and routed to the Banking and Miscellaneous Cash units. Returns are routed to the Information Transcription Unit (ITU).

The Processing Center deposits more than 9.5 billion in tax payments each year. Sixty-seven percent of the funds received are made through electronic funds transfer; checks, money orders, and cash make up the other thirty-three percent. Banking processes all payments received for the agency, routing checks by armored car to the bank daily. Batches of checks and vouchers are run on remittance processors, which encode, endorse, archive, balance and sort the items. Electronic Funds Transfer (EFT) processes Automated Clearing House (ACH) authorizations and electronic payments. Miscellaneous Cash receives payments without a valid OCR scan line, as well as payments requiring research. They prepare valid vouchers and route the payments to Banking, and documents to ITU.

Information Transcription (ITU) keys data from specific lines of the tax return, including filing status, exemptions, dollar amounts, direct deposit information, and required return detail. A second employee keys the information again to ensure accuracy. ITU is responsible for keying taxpayer information for approximately 30 different tax programs. Once keyed, returns and documents are sent to the Files/Micrographics unit, where returns are numerically filed by Filing Number and Business Identification Number. The Files unit maintains approximately 10 million returns. They track all returns checked in and those pulled from files for official use by authorized department employees.

The Administration Unit consists of a staff of Operations and Policy Analysts (OPAs). The OPA's duties include working with vendors to approve tax forms and vouchers; assisting units with issues; reporting; and a variety of projects related to maintaining and updating systems and equipment used by the Processing Center. The OPAs are a liaison between other agency units and the Processing Center.

Administrative Services Division

Procurement, Purchasing and Payroll:
The Procurement, Contracts, and Payroll Unit is responsible for processing agency employees' payroll information as well as managing and conducting its procurement processes.

The unit focuses on employee engagement as well as customer experience, and serves the agency as an internal service provider, supporting other parts of the agency in carrying out its mission and the other outcome areas. This is accomplished by sustaining internal business relationships through consistent practices and customer satisfaction. The unit also maintains transparent and ethical practices that demonstrate integrity, fairness and professionalism. The unit is dedicated to committing to improvement and investing in staff through learning opportunities. This is carried out by promoting an atmosphere where staff may do their job in an innovative manner, and by finding learning opportunities both inside and outside a classroom setting.

The Procurement, Contracts and Payroll Unit budget has dedicated funds for staff training. A high value is placed on professional certifications and the unit has set and maintained the standard of being a fully certified agency by the Universal Public Procurement Certification Council as well as by the Department of Administrative Services with their Oregon Public Basic Certification. These certifications and the knowledge and skills gained from the continuing education provide staff with industry best practices that allow them to be better partners with agency customers and to help procure the goods and services the agency needs to carry out its mission.

Finance and Budget:
The Finance and Budget Section is responsible for timely and accurately tracking, monitoring, reporting and accounting for all revenues and expenditures for more than 30 programs administered by the agency. The work area develops and monitors all phases of the budget process and is responsible for the development and preparation of the Department's Statewide Financial Report (SFR), which is combined with other agencies' SFRs to complete the Comprehensive Annual Financial Report for the state.

Expected outcomes for this work area include providing timely and accurate service to all of our customers. Other governmental entities rely on our financial information to make critical operating decisions impacting the level of services provided to the citizen's of Oregon.

Revenue Forecast
The Other Funds Revenues represent expenses charged to various Other Funds programs for the agency's administrative costs. The programs include all of those listed under the Revenue tab.

In most cases, revenue equals the agency's cost. Therefore, estimates are based on the projected costs to administer each program.

Administrative Services Division

Essential Packages
Purpose: The essential packages present budget adjustments needed to bring the base budget to Continuing Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2013–2015 biennium.

How Accomplished: See individual packages below for detail.

Staffing Impact: See individual packages below for detail.

Quantifying Results: See individual packages below for detail.

Revenue Sources: The revenue sources are the same as for the program unit as a whole.

Package Fiscal Impact Summary: See individual packages below for detail.

Packages involving IT projects/Initiatives: See individual packages below for detail.

Administrative Services Division

010 Non-PICS Personal Services / Vacancy Factor

Package Description
The Administrative Services Division experienced positions vacancies in the first year of the 2013–15 biennium; accordingly, a vacancy factor calculation has been made using the Department of Administrative Services prescribed formula. This calculation results in a decrease of $63,274 General Fund and $31,654 Other Funds. The package provides a Non-PICS Personal Services cost decrease of $32,518 General Fund and $1,385 Other Funds for changes in pension bond assessment, mass transit taxes, unemployment assessments, and other Non-PICS items such as temporary appointments and other differentials.

2017–19 Fiscal Impact
Fully phased in. This package will be adjusted by the Department of Administrative Services prescribed vacancy formula and directed other non-PICS adjustments each biennium.

Administrative Services Division

031 Inflation & Price List Adjustments

Package Description
Inflation costs and price list adjustments increased by a total of $3,044,774 General Fund and $668,657 Other Funds. State Government Service Charges increased $2,772,107 General Fund and $583,624 Other Funds. The rest of the increases were based on the standard 3% biennial inflation factor increase in Services and Supplies, Capital Outlay, and price list increases for such items as uniform rent.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Administrative Services Division

032 Above Standard Inflation

Package Description
The Cost of Goods and Services increase totals $1,790 General Fund and $250 Other Funds for above standard inflation on Professional Services and IT Professional Services.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Administrative Services Division

060 Technical Adjustments

Package Description
As instructed, a portion of State Government Service Charges were moved to Telecommunications and Data Processing. Telecommunications received $406,533 General Funds and $85,532 Other Funds. Data Processing received $471,324 General Funds and $99,164 Other Funds.

2017–19 Fiscal Impact
Fully phased in.

Administrative Services Division

090 Analyst Adjustments

Package Description
This package reduces personal services by an anticipated vacancy savings of $500,000 General Funds. It also reduces telecommunications and IT expendable property by $150,000 General Funds and $100,000 General Funds, respectfully.

2017–19 Fiscal Impact
Fully phased in.

Administrative Services Division

141 Property Valuation System

Package Description
Property Tax Division is requesting funding for a new Property Valuation System. Since data processing expenditures are centralized in the Administrative Services Division's IT Services Section, the costs associated with data processing in this package are placed in this division. Data processing costs associated with the new Property Valuation System are $1,758 in General Funds.

2017–19 Fiscal Impact
Fully phased in.

Administrative Services Division

143 Senior / Disabled Citizens Property Tax Deferral

Package Description
Property Tax Division is requesting funding for additional positions to more effectively cover the needs of this program. Since data processing expenditures are centralized in the Administrative Services Division's IT Services Section, the costs associated with data processing in this package are placed in this division. Data processing charges associated with this package are anticipated to be $2,344 in Other Funds.

2017–19 Fiscal Impact
Fully phased in.

Administrative Services Division

161 HB 4055–911 Tax

Package Description
This package requests two positions for the enforcement of the new 911 tax. Tax enforcement requires data processing costs and the Department centralizes these costs in the Administrative Services Division's IT Services Section. The costs associated with data processing in this package are placed in this division. Data processing charges associated with this package are anticipated to cost $1,172 in Other Funds.

2017–19 Fiscal Impact
Fully phased in.

Administrative Services Division

181 Core Systems Replacement

Package Description
This package requests expenditures associated with the Core Systems Replacement (CSR) project. The purpose of this adjustment is to align expenditures in the proper divisions. Initially, this expense was included in the Administrative Services Division, where this expenditure would reside if the CSR Policy Option Package (POP) is not approved. The CSR POP adds the expenditure to the project and removes it from our Administrative Services Division to alleviate duplicate funding. Data Processing is reduced by $537,170 General Funds.

2017–19 Fiscal Impact
Fully phased in.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(95,792)	-	-	-	-	-	(95,792)
Total Revenues	**($95,792)**	-	-	-	-	-	**($95,792)**
Personal Services							
Temporary Appointments	752	-	2,116	-	-	-	2,868
Overtime Payments	1,054	-	-	-	-	-	1,054
Shift Differential	768	-	-	-	-	-	768
All Other Differential	5,579	-	575	-	-	-	6,154
Public Employees' Retire Cont	1,168	-	91	-	-	-	1,259
Pension Obligation Bond	(45,290)	-	(4,169)	-	-	-	(49,459)
Social Security Taxes	625	-	206	-	-	-	831
Unemployment Assessments	4,942	-	84	-	-	-	5,026
Mass Transit Tax	(2,116)	-	(288)	-	-	-	(2,404)
Vacancy Savings	(63,274)	-	(31,654)	-	-	-	(94,928)
Total Personal Services	**($95,792)**	-	**($33,039)**	-	-	-	**($128,831)**
Total Expenditures							
Total Expenditures	(95,792)	-	(33,039)	-	-	-	(128,831)
Total Expenditures	**($95,792)**	-	**($33,039)**	-	-	-	**($128,831)**
Ending Balance							
Ending Balance	-	-	33,039	-	-	-	33,039
Total Ending Balance	-	-	**$33,039**	-	-	-	**$33,039**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	3,044,774	-	-	-	-	-	3,044,774
Admin and Service Charges	-	-	541,479	-	-	-	541,479
Total Revenues	**$3,044,774**	-	**$541,479**	-	-	-	**$3,586,253**
Services & Supplies							
Instate Travel	1,204	-	222	-	-	-	1,426
Out of State Travel	146	-	35	-	-	-	181
Employee Training	7,979	-	849	-	-	-	8,828
Office Expenses	28,266	-	9,204	-	-	-	37,470
Telecommunications	6,623	-	1,467	-	-	-	8,090
State Gov. Service Charges	2,772,107	-	583,624	-	-	-	3,355,731
Data Processing	33,778	-	7,010	-	-	-	40,788
Publicity and Publications	23	-	4	-	-	-	27
Professional Services	15,319	-	2,094	-	-	-	17,413
IT Professional Services	2,579	-	412	-	-	-	2,991
Employee Recruitment and Develop	694	-	103	-	-	-	797
Dues and Subscriptions	234	-	55	-	-	-	289
Facilities Rental and Taxes	123,670	-	49,450	-	-	-	173,120
Fuels and Utilities	41	-	6	-	-	-	47
Facilities Maintenance	3,099	-	1,006	-	-	-	4,105
Other Services and Supplies	9,454	-	1,997	-	-	-	11,451
Expendable Prop 250 - 5000	3,418	-	268	-	-	-	3,686

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	31,011	-	7,983	-	-	-	38,994
Total Services & Supplies	**$3,039,645**	-	**$665,789**	-	-	-	**$3,705,434**
Capital Outlay							
Office Furniture and Fixtures	1,022	-	171	-	-	-	1,193
Telecommunications Equipment	803	-	70	-	-	-	873
Data Processing Software	2,584	-	148	-	-	-	2,732
Data Processing Hardware	720	-	2,479	-	-	-	3,199
Total Capital Outlay	**$5,129**	-	**$2,868**	-	-	-	**$7,997**
Total Expenditures							
Total Expenditures	3,044,774	-	668,657	-	-	-	3,713,431
Total Expenditures	**$3,044,774**	-	**$668,657**	-	-	-	**$3,713,431**
Ending Balance							
Ending Balance	-	-	(127,178)	-	-	-	(127,178)
Total Ending Balance	-	-	**($127,178)**	-	-	-	**($127,178)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,790	-	-	-	-	-	1,790
Admin and Service Charges	-	-	250	-	-	-	250
Total Revenues	**$1,790**	-	**$250**	-	-	-	**$2,040**
Services & Supplies							
Professional Services	1,532	-	209	-	-	-	1,741
IT Professional Services	258	-	41	-	-	-	299
Total Services & Supplies	**$1,790**	-	**$250**	-	-	-	**$2,040**
Total Expenditures							
Total Expenditures	1,790	-	250	-	-	-	2,040
Total Expenditures	**$1,790**	-	**$250**	-	-	-	**$2,040**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
Services & Supplies							
Telecommunications	406,533	-	85,532	-	-	-	492,065
State Gov. Service Charges	(877,857)	-	(184,696)	-	-	-	(1,062,553)
Data Processing	471,324	-	99,164	-	-	-	570,488
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(750,000)	-	-	-	-	-	(750,000)
Total Revenues	**($750,000)**	-	-	-	-	-	**($750,000)**
Personal Services							
Vacancy Savings	(500,000)	-	-	-	-	-	(500,000)
Total Personal Services	**($500,000)**	-	-	-	-	-	**($500,000)**
Services & Supplies							
Telecommunications	(150,000)	-	-	-	-	-	(150,000)
IT Expendable Property	(100,000)	-	-	-	-	-	(100,000)
Total Services & Supplies	**($250,000)**	-	-	-	-	-	**($250,000)**
Total Expenditures							
Total Expenditures	(750,000)	-	-	-	-	-	(750,000)
Total Expenditures	**($750,000)**	-	-	-	-	-	**($750,000)**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 141 - Property Valuation System

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,758	-	-	-	-	-	1,758
Total Revenues	**$1,758**	-	-	-	-	-	**$1,758**
Services & Supplies							
Data Processing	1,758	-	-	-	-	-	1,758
Total Services & Supplies	**$1,758**	-	-	-	-	-	**$1,758**
Total Expenditures							
Total Expenditures	1,758	-	-	-	-	-	1,758
Total Expenditures	**$1,758**	-	-	-	-	-	**$1,758**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 143 - SeniorDisabled Citizens Property Tax Deferral

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	2,344	-	-	-	2,344
Total Revenues	-	-	**$2,344**	-	-	-	**$2,344**
Services & Supplies							
Data Processing	-	-	2,344	-	-	-	2,344
Total Services & Supplies	-	-	**$2,344**	-	-	-	**$2,344**
Total Expenditures							
Total Expenditures	-	-	2,344	-	-	-	2,344
Total Expenditures	-	-	**$2,344**	-	-	-	**$2,344**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 161 - HB4055-911 Tax

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	1,172	-	-	-	1,172
Total Revenues	**-**	**-**	**$1,172**	**-**	**-**	**-**	**$1,172**
Services & Supplies							
Data Processing	-	-	1,172	-	-	-	1,172
Total Services & Supplies	**-**	**-**	**$1,172**	**-**	**-**	**-**	**$1,172**
Total Expenditures							
Total Expenditures	-	-	1,172	-	-	-	1,172
Total Expenditures	**-**	**-**	**$1,172**	**-**	**-**	**-**	**$1,172**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 181 - Core Systems Replacement

Cross Reference Name: Administrative Services Division
Cross Reference Number: 15000-003-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(537,170)	-	-	-	-	-	(537,170)
Total Revenues	**($537,170)**	-	-	-	-	-	**($537,170)**
Services & Supplies							
Data Processing	(537,170)	-	-	-	-	-	(537,170)
Total Services & Supplies	**($537,170)**	-	-	-	-	-	**($537,170)**
Total Expenditures							
Total Expenditures	(537,170)	-	-	-	-	-	(537,170)
Total Expenditures	**($537,170)**	-	-	-	-	-	**($537,170)**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-003-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	7,144,440	6,924,563	7,340,244	7,885,506	7,885,489	-
Other Revenues	-	52,825	52,825	52,825	52,825	-
Total Other Funds	**$7,144,440**	**$6,977,388**	**$7,393,069**	**$7,938,331**	**$7,938,314**	-

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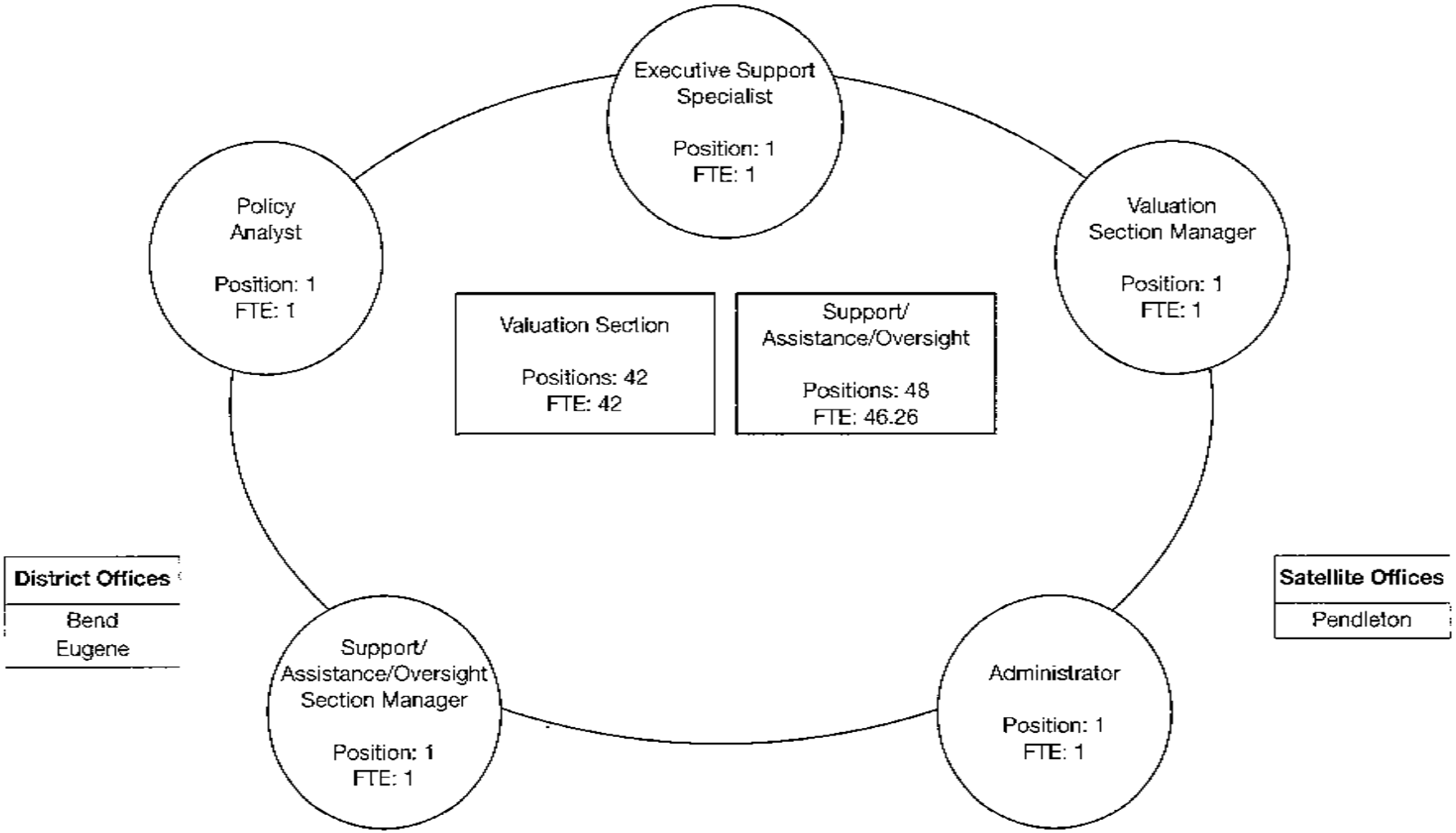
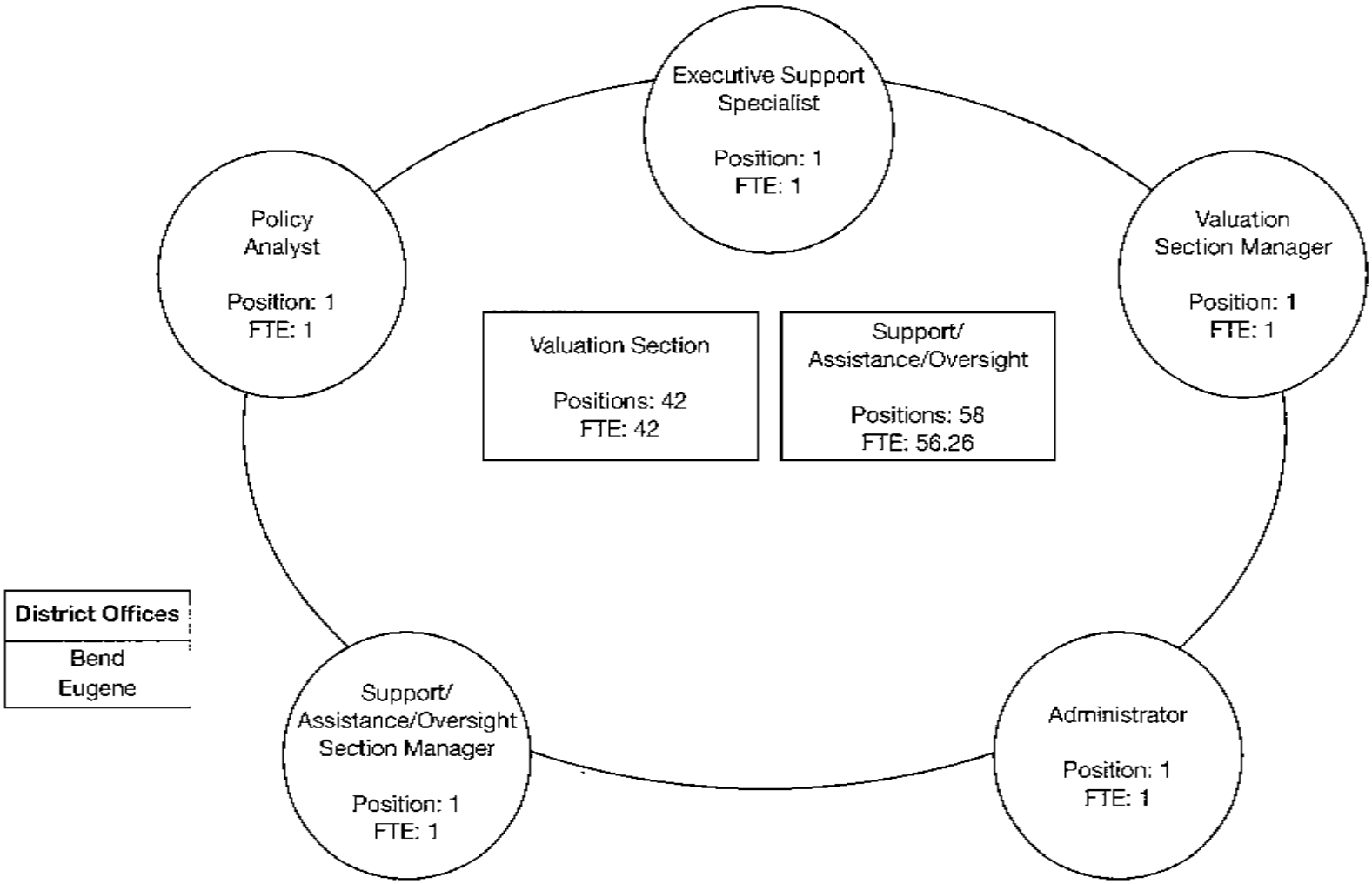
Property Tax
Division

Property Tax Division
2013–2015



Total Positions: 95
Total FTE: 93.26

Property Tax Division
2015–2017



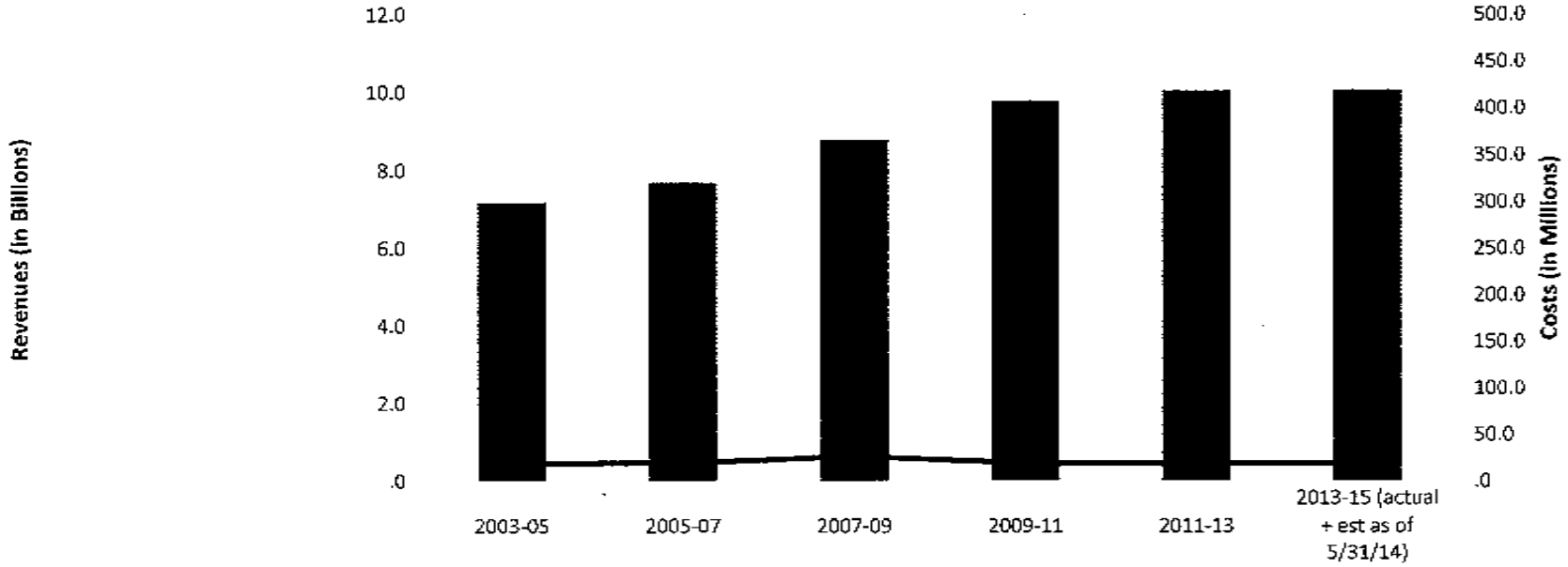
Total Positions: 105
Total FTE: 100.26

Property Tax Division

Program Unit Executive Summary

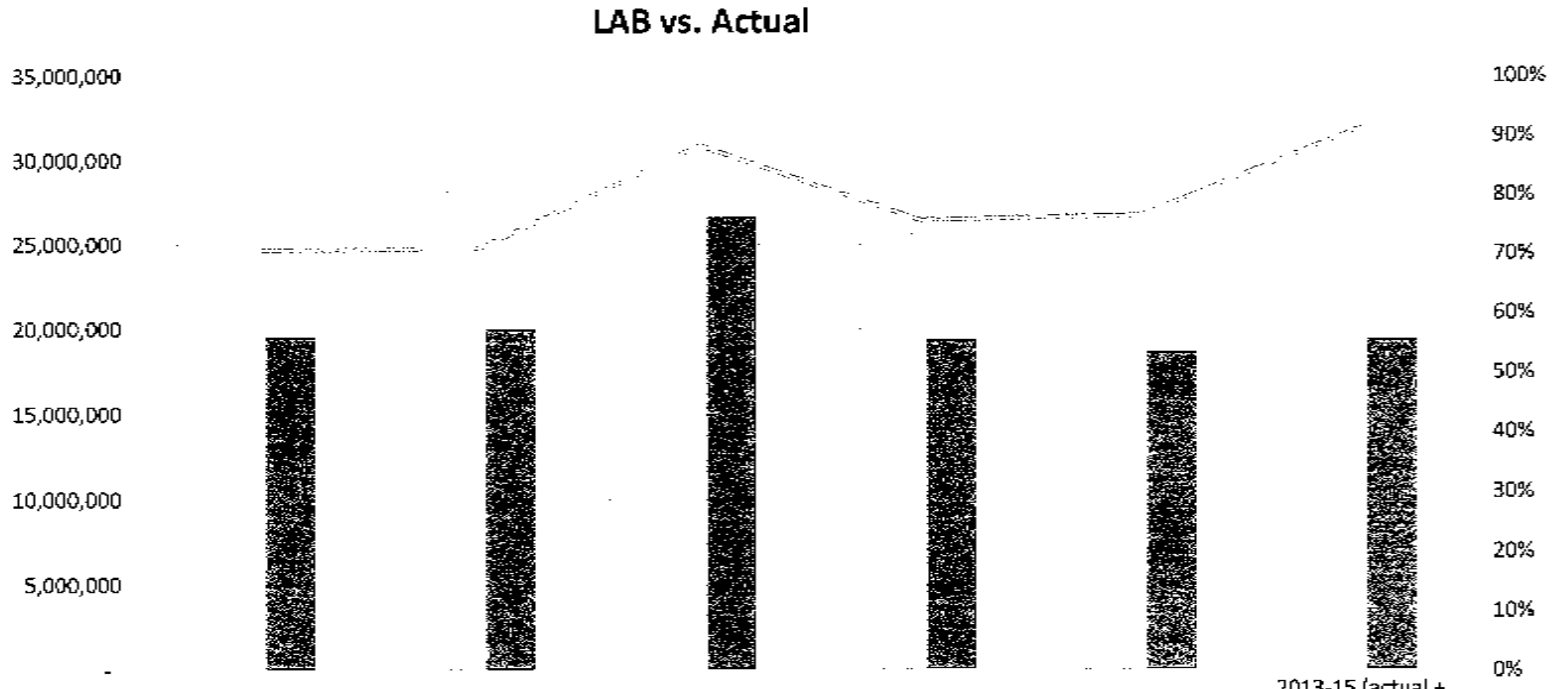
Primary Outcome Area: Improving Government
Secondary Outcome Area: N/A
Program Contact: Mark Kinslow, 503-779-6521

Property Tax Administration Costs vs. Taxes Collected per Biennium



	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est as of 5/31/14)
Total Tax Collected (in billions)	7.2	7.7	8.8	9.8	10.1	10.1
PTD Administration Costs (in millions)	19.6	20.0	26.6	19.4	18.7	19.4

Property Tax Division



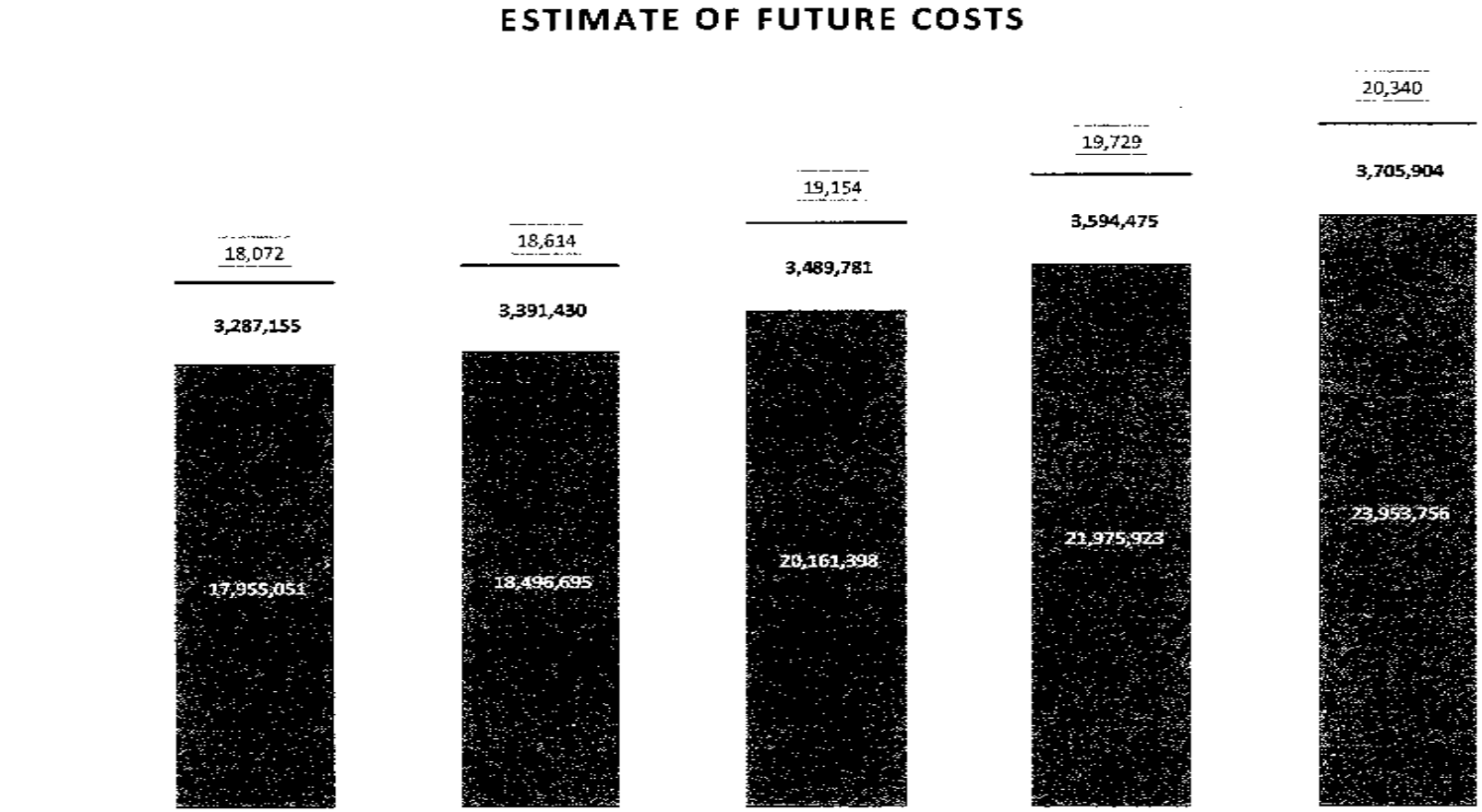
	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est as of 5/31/14)
PTD LAB	27,698,623	28,244,957	30,190,500	25,648,410	24,430,322	21,260,278
PTD Actual	19,552,389	20,000,277	26,648,354	19,399,988	18,690,607	19,423,316
PTD % of LAB Spent	71%	71%	88%	76%	77%	91%

Program Overview

The Property Tax Division (PTD) has statewide oversight responsibilities, maintains technical standards, provides assistance, and appraises high value properties for the property tax system that generates over $5.0 billion a year state-wide to fund public schools, police and fire departments, and other local government services.

Property Tax Division

Program Funding Request



	2013-15 (LAB)	2015-17 (ARB - CSL)	2017-19	2019-21	2021-23
■ PTD CO	18,072	18,614	19,154	19,729	20,340
PTD S&S	3,287,155	3,391,430	3,489,781	3,594,475	3,705,904
▨ PTD PS	17,955,051	18,496,695	20,161,398	21,975,923	23,953,756

Property Tax Division

Program Description

The Property Tax program is responsible for the overall supervision and support of the statewide system for property tax administration. Our responsibilities include valuation of large industrial properties and valuation of utilities and companies designated by ORS 308.515, which includes airlines, telecommunications, railroads, and gas and electric companies.

The program also sets and monitors statewide standards for the assessment and collection of property taxes, and provides tax lot mapping and maintenance services for several counties. The property tax program also collects payments in-lieu of property taxes e.g., electric co-op gross revenue taxes.

There are five major areas of program focus:

1) Cadastral Information Systems Unit - Accurate maps are important for describing the property for assessment and taxation and for identifying ownership.
    - The division maintains the assessor office maps of ten smaller counties on a contractual cost-share basis.
    - The division administers the ORMAP program. ORMAPs purpose is to develop a seamless statewide digital tax lot base-map that improves property tax system administration, and which aids the development of GIS applications for all levels of government and the private sector.
    - The division reviews and approves/disapproves taxing district boundary changes for accuracy and completeness under ORS 308.225.

2) Industrial and Utility Valuation
    - The division is mandated by statute to value all industrial properties in the state with a real market value of $1 million or more. For the 2013–14 tax year, this represents about 850 sites, almost 4,275 accounts, and approximately $20 billion of real and personal property value in the state.
    - The division also centrally assesses $20 billion of utility, energy transmission, communication, and transportation property annually, representing 600 companies for the 2013–14 tax year.
    - The combined total value of $40 billion for industrial and centrally assessed property determined by the division is added to the county tax rolls. This represents approximately $480 million tax revenue to fund local government services off setting general fund need.

Property Tax Division

3) County Support, Assistance, and Oversight—The Oregon Constitution requires uniformity in the application and administration of property tax law.
   - To promote uniformity, the Legislature has granted the department supervisory authority over Oregon's 36 county assessment and taxation programs.
   - To make for a more equitable system, the department sets appraisal standards, monitors programs, provides training, and offers direct assistance to counties.
   - The department works with counties to identify productivity enhancements and to find ways to maintain a healthy property tax system during difficult financial times.

4) Forestland Valuation and Timber Taxes
   - By statute the department establishes the specially assessed value on over 7.9 million acres of private forestland statewide.
   - The department also administers the Small Tract Forestland Severance Tax and Forest Products Harvest Tax programs, which produce approximately $30 million per biennium to finance state and county programs.

5) Senior and Disabled Citizen Property Tax Deferral Program
   - The department administers this property tax deferral program, which pays property taxes on the homes of eligible senior and disabled citizens in return for a state lien on the property and annual interest collected upon sale or death of the owner.
   - The department paid over $13.4 million in property taxes to counties for nearly 7,000 program participants in the 2013-14 tax year.

Property Tax Division

Program Cost Drivers

1) Program Diversity and Complexity.
   - There are dozens of special assessment programs, over one hundred different types of exemptions, and over one thousand taxing districts that receive property tax revenues, all of which have different requirements to operate and administer within the property tax system.
   - Past property tax limitation measures (Measures 5 and 50) and complex programs, such as urban renewal, significantly increase the work connected with calculating property taxes.
2) Cost to Maintain Obsolete Business Processes or Impact of Inadequate Technology.
   - Over-reliance on a patchwork of labor-intensive business processes that don't take advantage of available technology and lower cost, best industry practices.
   - Reliance on manual processes increases the risk of error, and extends response times for customers.
   - Most applications for industrial and utility valuation have been built by appraisal staff in mainstream software that has limited adaptability; application maintenance imposes both direct and indirect costs.
   - Electronic storage of data and history is limited; the capacity for extracting the available data to answer "what if" questions are equally limited.
3) Inadequate Customer and Stakeholder Support.
   - Expectations are not fully met as taxpayers and counties cannot always give or receive information in electronic format or use web-based applications to full advantage.
   - Responses to taxpayer and county questions can generally only happen during office hours or when staff is available.
   - Staff must be re-directed toward hands-on customer and stakeholder support activities where long-term investments in technology-based solutions would likely prove less costly.
4) Impact of Budgetary Shortfalls on Local Assessment Administration.
   - County assessment and taxation offices face the risk of underfunding and with it, the corresponding risk of failure to maintain assessment and taxation program adequacy.
   - Depending on the level of impact and the number of counties impacted, department intervention may be required to maintain local program adequacy, which imposes both direct and opportunity costs.

Property Tax Division

Program Justification and Link to 10-Year Outcome

The following is a sampling of program efforts that move us toward achieving 10-year goals:

1) To further citizen panels for engagement, we hold at least one formal taxpayer and stakeholder forum to answer questions and partner toward agreeable solutions when there is an administrative rule change that affects these parties.
2) To improve tools that will heighten training effectiveness as measured by appraiser continuing education performance, we provide pre- and post-class subject matter tests.
3) To focus resources on service delivery and provide tools and accountability mechanisms for success, we survey our county partners at regular intervals on the quality and timeliness of our work product.

Program Performance (A sample of representative measures)

PTD Customer Service Quality

- Survey Oregon's assessors and tax collectors each biennium. In the most recent survey (2013), over 90-percent of the respondents stated they have a positive working relationship with PTD, and over 80-percent found the level of communication acceptable or better.

Cadastral Information Systems (Cycle Time Measure) establishes an average 14-day turnaround time for map maintenance.

Industrial Valuation (Cycle Time Measures) establishes baselines and targets to complete industrial property returns. The normalized 10-year average to process a return is about 48.5 days.

County Support Assistance and Oversight (Training Tools)

- Substituted costly "live, class-room" appraiser training with web-based, "E-learning" alternatives.
- Between 2009–2014, the number of E-learning courses for which appraiser CE credit was awarded rose over eight-fold (3 to 25).

Forestland Valuation and Timber Taxes (Administrative Efficiency) administer the same programs in 2014 as 5 years ago with 38-percent fewer FTE (8 FTE to 5 FTE) through productivity gains and process improvements.

Property Tax Division

For 2013–14, the department paid taxes for nearly 7,000 Senior and Disabled Citizen Property Tax Deferral Program participants distributing over $13.4 million to Oregon's counties. We successfully incorporated major changes to the program from the 2011, 2012, 2013, and 2014 Legislative Sessions.

Enabling Legislation/Program Authorization

- ORS 306.115 provides the department with the authority to exercise general supervision and control over the system of property taxation statewide.
- In ORS Chapter 306 the department is granted authority for securing uniformity in the system of assessment and taxation (ORS 306.120), appraising industrial property (ORS 306.126), and administering the ORMAP program (ORS 306.132).
- ORS Chapter 308 spells out additional roles for the department in the assessment of property for taxation, including utility property.
- ORS Chapter 321 provides authority for administering the Forest Products Harvest Tax and Small Tract Forestland programs.
- ORS 311.666 to 311.701 provides authority for administering the Senior and Disabled Citizen Property Tax Deferral program.

Funding Streams

- Just over 60-percent of the positions in PTD are funded by the General Fund, and the balance by Other Funds sources.
- The County Assessment Function Funding Assistance Account (CAFFA) established under ORS 294.184 provides an Other Funds stream that supports the appraisal of principal and secondary industrial property and centrally assessed companies. This funding stream supports over 23 FTE, mostly in the industrial valuation and centrally assessed areas. Monies from the CAFFA account arise from property tax delinquent interest and document recording fees.
- Expenses related to maintaining assessor's maps for a dozen counties as provided under ORS 306.125 are contractually reimbursed. This Other Funds stream partially supports 9 FTE.
- Expenses related to administration of the ORMAP program are reimbursed from the Other Funds stream provided by document recording fees as provided under ORS 306.132. This supports a portion of 1 FTE.

Property Tax Division

- Expenses related to administration of the Senior and Disabled Citizen Property Tax Deferral program are reimbursed from the program's Other Funds revolving account.

Program Unit Narrative

The Property Tax Division is responsible for the overall support and supervision of the statewide property tax system, appraisal of large industrial properties and centrally assessed companies and the direct administration of the Senior and Disabled Deferral and Timber Tax programs. The division's 13–15 LAB of $21.26 million represents approximately 9% of DORs total budget. Oregon's property tax system generates over $5.0 billion a year to fund public schools, police and fire departments, and other local government services.

The Property Tax Division consists of five major program areas as follows:

County Support, Assistance and Oversight
The Oregon Constitution requires uniformity in the application and administration of property tax law. To aid in the achievement of uniformity in the property tax system, the Legislature has granted the department supervisory authority over the assessment and taxation program in the 36 Oregon counties. The goal is to promote and ensure uniformity and equity in taxation, and in general, to strive for an equitable system. This is primarily accomplished by setting standards, monitoring programs, providing training, and offering direct assistance to individual counties on a variety of special programs.

Program staff provides assistance and support to assessors, tax collectors and their respective staffs. Finance, taxation, and exemption analysts work with local taxing districts and counties on a variety of budget, tax calculation, tax collection and exemption issues. Department staff provides assistance on appraisal and assessment issues involving ratio and indexing studies and methods,, and appraisals of unusual or special properties. They conduct evaluation of all 36 county grant applications for assessment and taxation funding adequacy. All staff work with our county partners on identifying and implementing productivity enhancements. The focus for this next biennium will be to assist the counties in finding ways to maintain a healthy property tax system during difficult financial times.

Property Tax Division

Industrial and Centrally Assessed Property Valuation

The DOR is responsible for assessing real market value (RMV) on properties identified as central assessment (e.g. companies such as airlines, utilities, railroads, telecommunications, etc.) and statutorily defined as principal and secondary industrial (i.e. valued at over $1 million and engaged in processing or manufacturing activities). In 2013, the DOR appraised 850 principal and secondary industrial sites and 600 central assessment companies resulting in RMV of $40 billion and tax revenues of approximately $480 million to local districts.

Cadastral Mapping and ORMAP

Accurate maps of properties are essential to accurate property assessments to the correct owners. The division maintains the assessor maps of 9 smaller counties. The division also approves boundary changes initiated by taxing districts to ensure that the resulting boundaries correctly align with the underlying taxing authority.

ORMAP is an ongoing statewide mapping project to develop a seamless statewide digital tax lot base map that will facilitate and improve administration of the property tax system. This base map will also aid in the development of Geographic Information System (GIS) applications for all levels of government and the private sector. Funding for the project comes from a $1 document recording fee. The fund resides at the department and an advisory committee develops policy guidance for grants to the counties from the fund. The fee is expected to generate approximately $630,000 annually. Progress toward the goal of a statewide base map is tracked annually. DOR works with the ORMAP Advisory Committee and the ORMAP Tech group to ensure effective strategies for setting and meeting goals.

Forestland Valuation and Timber Taxes

The department is involved with three functions directly related to property taxes on forestland. Each of these functions is mandated by statute. The agency establishes the specially assessed value of forestland. This process uses a market sales analysis of highest and best use of forestland to create the specially assessed value for approximately 7.9 million acres of forestland. In western Oregon, we are responsible for the establishment and review of the productivity classes of western Oregon forestlands. This classification process is used to assign the proper property tax values based on productivity. In addition, the department provides assistance to the counties by identifying owners with 5,000 or more acres of forestland, and providing general forestland program guidance.

The department administers the Small Tract Forestland (STF) Severance Tax and Forest Products Harvest Tax programs. The STF program raises less than $1 million per biennium statewide for K-12 schools, community colleges, and counties. The Forest Products

Property Tax Division

Harvest Tax raises about $29 million per biennium for various state programs and the Oregon Forest Resources Institute. Activities include processing and auditing tax returns, educating the taxpaying public, collecting and distributing timber tax revenues, maintaining the STF database, and advising the counties regarding laws/processes around forestland special assessments.

Revenue Forecast
Revenue comes from Other Fund receipts from the payment of deferred taxes. Other Fund estimates are based on past experience. Most Other Funds revenues come from county mapping contracts, deferral program re-payments and the CAFFA Program.

Mapping
The department provides mapping services to 9 small counties throughout the state. Approximately 10% of the department's cadastral mapping costs are covered by county mapping contracts..

Deferral
Due to changes to deferral program eligibility requirements made by the legislature in 2011, 2012, and 2013, the deferral revolving account has a healthy current balance and an anticipated positive balance into the foreseeable future.

CAFFA
Document recording fees plus a portion of the interest collected on delinquent property tax payments help to support the department appraisal of approximately 900 industrial sites, as well as the department administration of the county grant process. Recording fees and delinquent interest fluctuate significantly depending on economic conditions and have not kept up pace with increasing costs associated with this appraisal work.

Property Tax Division

010 Non-PICS Personal Services / Vacancy Factor

Package Description
The Property Tax Division experienced positions vacancies in the first year of the 2013–15 biennium; accordingly, a vacancy factor calculation has been made using the Department of Administrative Services prescribed formula. This calculation results in a decrease of $46,449 General Fund and $16,011 Other Funds. The package provides a Non-PICS Personal Services cost decrease of $43,883 General Fund and an increase of $2,859 Other Funds for changes in pension bond assessment, mass transit taxes, unemployment assessments, and other Non-PICS items such as temporary appointments and other differentials.

2017–19 Fiscal Impact
Fully phased in. This package will be adjusted by the Department of Administrative Services prescribed vacancy formula and directed other non-PICS adjustments each biennium.

Property Tax Division

031 Inflation & Price List Adjustments

Package Description
The Cost of Goods and Services increase totals $32,140 General Fund and $67,018 Other Funds. This is based on the standard 3% biennial inflation factor increase in Services & Supplies and Capital Outlay.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Property Tax Division

032 Above Standard Inflation

Package Description
The Cost of Goods and Services increase totals $859 General Fund and $4,800 Other Funds for above standard inflation on Professional Services.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Property Tax Division

141 – Property Valuation System (PVS)

Purpose

The Oregon Department of Revenue (DOR) is responsible for assessing real market value (RMV) on properties identified as central assessment[2] (e.g. companies such as airlines, utilities, railroads, telecommunications, etc) and those defined as principal and secondary industrial[3] (i.e. valued at over $1 million and engaged in processing or manufacturing activities). In current property tax administration, the DOR relies on antiquated applications, and internally developed databases, spreadsheets and paper files to manage the complex effort of annually valuing 850 industrial sites and 600 central assessment companies. Because of the system's limited capabilities and its fragmented and increasingly unsupportable architecture, many of our processes are manual and paper driven and prone to both error and inefficiency. This combination of manual processes and less reliable, fragmented and limited technology poses a risk to our long-term ability to develop accurate and timely RMVs for DOR assigned accounts.

How Achieved

Based on our analysis, we believe the appropriate way to address the problem identified above is to fund and deploy commercial off-the-shelf (COTS), Computer Assisted Mass Appraisal (CAMA) software system. The proposed funding mechanism is debt financing through a Certificate of Participation (COP).

[2] ORS 308.505
[3] ORS 306.126

Property Tax Division

The following chart is an estimated 4-year cost breakdown:

	2015	2016	2017	2018	Total Cost
Software	$1,000,000	$500,000	$150,000	$150,000	$1,800,000
Staff	$312,000	$326,000	$340,000	$354,000	$1,332,000
Hardware	$50,000				$50,000
Quality Assuarance	$75,000	$75,000			$150,000
Total	**$1,437,000**	**$901,000**	**$490,000**	**$504,000**	**$3,332,000**

2015-17 biennium	**$2,338,000**	
2017-19 biennium		**$994,000**

The projected 4-year cost of ownership is anticipated to be $3,332,000 ($2,338,000 for 2015–17). This includes system acquisition, installation, temporary staffing, maintenance, and additional IT infrastructure necessary to support the new system.

Background

Technology exists to better aid the DOR in meeting its statutory requirements of valuing complex Oregon property. CAMA systems have been around for 15 or more years in all Oregon counties. They are developed to aid the public property tax administrator in the daunting task of annually valuing each and every assessable unit of property in a given jurisdiction. These CAMA systems make it easier to identify, track and maintain data related to assessable property; and, they further allow for appropriate appraisal techniques to be employed in developing and maintaining statutory value in a timely manner—promoting equity and uniformity of assessment administration.

The DOR lacks a comprehensive CAMA system that integrates all the necessary data to effectively manage its appraisal responsibility without spending significant time on manual processes. More time is spent on understanding and using applications and manual

Property Tax Division

processes rather than on performing appraisals. This inefficiency is a significant impediment to effectively completing work with current staffing levels, which have declined over 30% in the last 10 years while the number of accounts the DOR is responsible for appraising have increased. Long-term program stability is increasingly at risk.

Alternatives Analysis

DOR's analysis of potential solutions yielded three viable options: 1) maintain existing system; 2) build a customized system in-house; or 3) install industry standard CAMA software.

Option 1: DOR's ability to maintain or modify the existing technology falls short of creating a stable, long-term solution. By keeping the existing system, the DOR would not have the full range of industry standards needed to implement a more robust appraisal program. We would only be able to make incremental improvements due to the unsupported system architecture, leaving us limited in our capabilities and continuing to rely on paper files and manual processes. Under this option, current inefficiencies will be difficult or impossible to overcome.

Option 2: DOR's ability to develop new appraisal applications is limited. IT does not currently have the skills or financial resources at its disposal to take on a task of this size. Even after hiring the necessary technical staff, the DOR would not likely have the ability to develop a system that meets the current industry standards. Any system developed internally would likely result in creating an updated version of our existing appraisal applications that eventually, if not immediately, would falls short of industry standards.

Option 3: CAMA systems are designed to provide equity and uniformity for property valuation and to develop RMV timely and accurately. CAMA systems identify, map, retain inventory and assist in the appraisal of real and personal property. CAMA systems integrate technology to better identify property and to value large groups of similar property at the same time (mass appraisal).

Property Tax Division

Recommendation

Given the risks associated with relying on limited and unstable technology, and the identified benefits associated with industry-standard CAMA systems, we believe investing in a COTS CAMA software solution will enhance our long-term ability to manage statutory work and improve efficiencies.

Risks of inaction

The current system was developed over 15 years ago and the ability to ensure ongoing maintenance is uncertain at best. The system lacks integration of any kind, both internally and with external stakeholders, and also lacks many features necessary to maintain an effective appraisal program. If the DOR does not receive approval to implement a system in the coming biennium, there is a significant risk to our ability to continue to provide accurate property valuations and to ensure timely information to the counties and taxpayers necessary for completion of the annual tax roll. In addition, due to the manual nature of current processes, and the continuing and increasing pressures on staff resources to do more with less due to budgetary constraints, errors are likely.

Project Timeline

2013-15 Biennium			2015-17 Biennium			2017-19 Biennium
prior to 1/1/2014	7/1/2014	7/1/2015	12/31/2015	7/1/2016	7/1/2017	12/31/2017
Complete: System Evaluation Business Process CAMA Review	Develop: Business Case POP	Develop: Business Case POP	Develop: RFP Vendor Selection	Implement: Roll out Conversion Testing	Implement: Data Entry Conversion Testing	Finalize: Go Live Conversion Finalize

Property Tax Division

Staffing Impact

DOR is not requesting additional permanent FTE as a part of this request, but does anticipate a need for temporary FTE to support this project and to ensure that the agency maintains existing systems and accomplishes current work priorities. Identified staffing needs include project management (ISS8), IT technical lead (ISS7), and business analyst (Operations and Policy Analyst 3).

Note: Due to the timing of implementation, there will be minimal if any impact to the CSR project. Implementation of PVS will take place in 2016, well into the CSR final project phases. Most of IT CSR project staffing needs will be known and nearing completion. Finance and budget needs related to CSR needs will likely be completed by the time PVS is begun.

Quantifying Results

The DOR will ensure that project implementation follows a well-defined timeline with deliverables and quality assurance objectives. Once the project is fully implemented, the following measures will provide verification of project success:

- Days to process IPRs (Operational Measure). The DOR currently tracks days to process IPRs, from when return is opened to when a Value Transmittal Sheet is mailed to the counties and taxpayers with DOR's final value determination. A fully implemented CAMA system should materially reduce the days necessary to complete this task.
- Days to review appraisals and IPRs (Operational Measure). The current procedure is for a team lead to review all work, including a combination of paper files and electronic workbooks, to determine if appropriate methodologies were followed and reasonable conclusions drawn. This review step should take significantly fewer days to complete with an integrated CAMA system.
- Coefficient of Dispersion (COD). This is an agency key performance measure, where the DOR compares values determined through appraisal with market based sales of property. A lower COD indicates a close proximity of assessed value to RMV. With available CAMA system data analytics, assessment values should be closer to RMV.

Property Tax Division

Revenue Source

The PVS project is being financed each biennium through:

- Article XI-Q general obligation bonds.
- DOR's agency budget.
- An additional General Fund appropriation contracted maintenance and support, miscellaneous services and supplies which are not bond-eligible expenses and bond debt service.

2017–19 Fiscal Impact

Some costs will phase-out in 2017–19.

Property Tax Division

142 - CAFFA Funding Shortfall Policy Option Package

Purpose

Problem: Due to an increase in costs, combined with a decrease in available County Assessment Function Funding Assistance (CAFFA) revenue, the DOR has a significant funding shortfall to meet statutorily mandated duties related to the Industrial Valuation program. In the past, we have managed this shortfall in available CAFFA revenue by using excess GF in other parts of the agency and/or Service and Supplies savings within the Property Tax Division. Beginning in the 2013–15 biennium, the legislature began appropriating the department's budget at the division level instead of the agency level. The result is that we are no longer able to address structural budget issues between GF and OF allocations internally.

Proposed Solution: We are requesting budgetary authority to re-align GF and OF resources to better reflect actual business activity and associated costs.

How Achieved

In order to address the ongoing deficit in CAFFA funding, we request a permanent GF allocation equivalent to the currently anticipated CAFFA revenue deficit of $1.8 million for the 15–17 biennium.

Alternatives Considered: A number of options are available to address the current CAFFA funding shortfall including increasing recording fees, increasing the DORs portion of CAFFA fund beyond the current 10%, shifting industrial appraisal work from DOR to the counties or seeking a GF appropriation. All options related to creating or shifting additional CAFFA funding to DOR or shifting current DOR workload to the counties are viewed as unworkable at this time.

Staffing Impact

The result of this action would be that approximately 10 appraiser positions in the Valuation Section of the Property Tax Division would move from OF to GF.

Quantifying Results

We are statutorily required to ensure all properties are valued to 100% of RMV. Maintaining a strong Industrial Valuation Program will ensure proper values are developed and are delivered to counties in a timely manner. Ultimately, correct values translate to correct taxes being assessed with the proceeds going to support a variety of taxing district functions including schools.

Revenue Source: General Fund

2017–19 Fiscal Impact: Fully phased in.

Property Tax Division

143 – Senior Disabled Citizens Property Tax Deferral Policy Option Package

Problem: Due primarily to the significant changes to the Deferral program eligibility and filing requirements over the past several legislative sessions, there is a significant and ongoing need for additional deferral staff dedicated to the program.

These law changes have added complexity to all aspects of program administration, specifically:

- The time it takes to process/review applications has increased by 733 percent. In addition to two criteria (age & adjusted gross income) that had to be met to qualify for the program prior to the law changes, there are criteria related to residency, insurance, net worth, reverse mortgages, and the real market value of the home.
- There are limits (caps) on the number of new applications that may be accepted each year and the number of applications that may be accepted under the provisions of HB2510 (2013). This requires a manual counting and tracking of each "cohort".
- The new "recertification" process requires DOR to review all program participants every two years. This effectively added over 3000 additional applications to be processed each year to validate ongoing eligibility.
- Increased appeals, correspondence, and phone calls from both applicants and county officials.

How Achieved / Staffing Impact
Create and fund one AS2 and six seasonal AS1s.

Quantifying Results

The ability to meet the increased demands of the program that resulted from the statutory changes made in the previous two legislative sessions. Improved customer service and reduced response times from appropriate program staffing will result in increased customer satisfaction.

Revenue Source
Positions would be funded by the Senior and Disabled Property Tax Deferral Revolving Account.

2017–19 Fiscal Impact
Fully phased in.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(90,332)	-	-	-	-	-	(90,332)
Total Revenues	**($90,332)**	-	-	-	-	-	**($90,332)**
Personal Services							
Temporary Appointments	562	-	-	-	-	-	562
Overtime Payments	310	-	-	-	-	-	310
Shift Differential	42	-	-	-	-	-	42
All Other Differential	922	-	-	-	-	-	922
Public Employees' Retire Cont	202	-	-	-	-	-	202
Pension Obligation Bond	(42,961)	-	2,574	-	-	-	(40,387)
Social Security Taxes	141	-	-	-	-	-	141
Unemployment Assessments	512	-	37	-	-	-	549
Mass Transit Tax	(3,613)	-	248	-	-	-	(3,365)
Vacancy Savings	(46,449)	-	(16,011)	-	-	-	(62,460)
Total Personal Services	**($90,332)**	-	**($13,152)**	-	-	-	**($103,484)**
Total Expenditures							
Total Expenditures	(90,332)	-	(13,152)	-	-	-	(103,484)
Total Expenditures	**($90,332)**	-	**($13,152)**	-	-	-	**($103,484)**
Ending Balance							
Ending Balance	-	-	13,152	-	-	-	13,152
Total Ending Balance	-	-	**$13,152**	-	-	-	**$13,152**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	32,140	-	-	-	-	-	32,140
Total Revenues	**$32,140**	-	-	-	-	-	**$32,140**
Services & Supplies							
Instate Travel	4,466	-	589	-	-	-	5,055
Out of State Travel	407	-	85	-	-	-	492
Employee Training	4,750	-	2,380	-	-	-	7,130
Office Expenses	2,659	-	12,573	-	-	-	15,232
Telecommunications	3,299	-	299	-	-	-	3,598
Data Processing	3,610	-	655	-	-	-	4,265
Publicity and Publications	1,077	-	17	-	-	-	1,094
Professional Services	8,589	-	48,002	-	-	-	56,591
Employee Recruitment and Develop	681	-	27	-	-	-	708
Dues and Subscriptions	1,091	-	13	-	-	-	1,104
Facilities Rental and Taxes	110	-	1,322	-	-	-	1,432
Facilities Maintenance	279	-	-	-	-	-	279
Other Services and Supplies	152	-	71	-	-	-	223
Expendable Prop 250 - 5000	860	-	553	-	-	-	1,413
Total Services & Supplies	**$32,030**	-	**$66,586**	-	-	-	**$98,616**
Capital Outlay							
Office Furniture and Fixtures	-	-	333	-	-	-	333

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Telecommunications Equipment	110	-	99	-	-	-	209
Total Capital Outlay	**$110**	-	**$432**	-	-	-	**$542**
Total Expenditures							
Total Expenditures	32,140	-	67,018	-	-	-	99,158
Total Expenditures	**$32,140**	-	**$67,018**	-	-	-	**$99,158**
Ending Balance							
Ending Balance	-	-	(67,018)	-	-	-	(67,018)
Total Ending Balance	-	-	**($67,018)**	-	-	-	**($67,018)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	859	-	-	-	-	-	859
Total Revenues	**$859**	-	-	-	-	-	**$859**
Services & Supplies							
Professional Services	859	-	4,800	-	-	-	5,659
Total Services & Supplies	**$859**	-	**$4,800**	-	-	-	**$5,659**
Total Expenditures							
Total Expenditures	859	-	4,800	-	-	-	5,659
Total Expenditures	**$859**	-	**$4,800**	-	-	-	**$5,659**
Ending Balance							
Ending Balance	-	-	(4,800)	-	-	-	(4,800)
Total Ending Balance	-	-	**($4,800)**	-	-	-	**($4,800)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 141 - Property Valuation System

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	32,081	-	-	-	-	-	32,081
Admin and Service Charges	-	-	2,279,209	-	-	-	2,279,209
Total Revenues	**$32,081**	**-**	**$2,279,209**	**-**	**-**	**-**	**$2,311,290**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	376,632	-	-	-	376,632
Empl. Rel. Bd. Assessments	-	-	132	-	-	-	132
Public Employees' Retire Cont	-	-	59,470	-	-	-	59,470
Pension Obligation Bond	-	-	-	-	-	-	-
Social Security Taxes	-	-	28,812	-	-	-	28,812
Worker's Comp. Assess. (WCD)	-	-	207	-	-	-	207
Mass Transit Tax	-	-	2,260	-	-	-	2,260
Flexible Benefits	-	-	91,584	-	-	-	91,584
Total Personal Services	**-**	**-**	**$559,097**	**-**	**-**	**-**	**$559,097**
Services & Supplies							
Instate Travel	351	-	-	-	-	-	351
Employee Training	6,209	-	-	-	-	-	6,209
Office Expenses	3,519	-	-	-	-	-	3,519
Telecommunications	9,873	-	-	-	-	-	9,873
IT Professional Services	-	-	150,000	-	-	-	150,000
Expendable Prop 250 - 5000	1,581	-	-	-	-	-	1,581

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 141 - Property Valuation System

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	10,548	-	-	-	-	-	10,548
Total Services & Supplies	**$32,081**	**-**	**$150,000**	**-**	**-**	**-**	**$182,081**
Capital Outlay							
Office Furniture and Fixtures	-	-	20,112	-	-	-	20,112
Data Processing Software	-	-	1,500,000	-	-	-	1,500,000
Data Processing Hardware	-	-	50,000	-	-	-	50,000
Total Capital Outlay	**-**	**-**	**$1,570,112**	**-**	**-**	**-**	**$1,570,112**
Total Expenditures							
Total Expenditures	32,081	-	2,279,209	-	-	-	2,311,290
Total Expenditures	**$32,081**	**-**	**$2,279,209**	**-**	**-**	**-**	**$2,311,290**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Positions							
Total Positions							3
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**3**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 141 - Property Valuation System

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	**3.00**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 142 - CAFFA Funding Shortfall

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,836,836	-	-	-	-	-	1,836,836
Admin and Service Charges	-	-	(1,836,836)	-	-	-	(1,836,836)
Total Revenues	**$1,836,836**	-	**($1,836,836)**	-	-	-	-
Personal Services							
Class/Unclass Sal. and Per Diem	1,239,816	-	(1,239,816)	-	-	-	-
Empl. Rel. Bd. Assessments	440	-	(440)	-	-	-	-
Public Employees' Retire Cont	195,766	-	(195,766)	-	-	-	-
Social Security Taxes	94,844	-	(94,844)	-	-	-	-
Worker's Comp. Assess. (WCD)	690	-	(690)	-	-	-	-
Flexible Benefits	305,280	-	(305,280)	-	-	-	-
Total Personal Services	**$1,836,836**	-	**($1,836,836)**	-	-	-	-
Services & Supplies							
Employee Training	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	1,836,836	-	(1,836,836)	-	-	-	-
Total Expenditures	**$1,836,836**	-	**($1,836,836)**	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 142 - CAFFA Funding Shortfall

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 143 - SeniorDisabled Citizens Property Tax Deferral

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	494,835	-	-	-	494,835
Total Revenues	-	-	**$494,835**	-	-	-	**$494,835**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	258,744	-	-	-	258,744
Empl. Rel. Bd. Assessments	-	-	176	-	-	-	176
Public Employees' Retire Cont	-	-	40,858	-	-	-	40,858
Social Security Taxes	-	-	19,795	-	-	-	19,795
Unemployment Assessments	-	-	10,000	-	-	-	10,000
Worker's Comp. Assess. (WCD)	-	-	273	-	-	-	273
Mass Transit Tax	-	-	1,466	-	-	-	1,466
Flexible Benefits	-	-	122,112	-	-	-	122,112
Reconciliation Adjustment	-	-	83	-	-	-	83
Total Personal Services	-	-	**$453,507**	-	-	-	**$453,507**
Services & Supplies							
Instate Travel	-	-	468	-	-	-	468
Employee Training	-	-	6,092	-	-	-	6,092
Office Expenses	-	-	4,692	-	-	-	4,692
Telecommunications	-	-	8,608	-	-	-	8,608
Expendable Prop 250 - 5000	-	-	2,108	-	-	-	2,108
IT Expendable Property	-	-	12,656	-	-	-	12,656
Total Services & Supplies	-	-	**$34,624**	-	-	-	**$34,624**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 143 - SeniorDisabled Citizens Property Tax Deferral

Cross Reference Name: Property Tax Division
Cross Reference Number: 15000-004-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	6,704	-	-	-	6,704
Total Capital Outlay	-	-	**$6,704**	-	-	-	**$6,704**
Total Expenditures							
Total Expenditures	-	-	494,835	-	-	-	494,835
Total Expenditures	-	-	**$494,835**	-	-	-	**$494,835**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							7
Total Positions	-	-	-	-	-	-	**7**
Total FTE							
Total FTE							4.00
Total FTE	-	-	-	-	-	-	**4.00**

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4351000	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,218.00		125,232			125,232
									59,995			59,995
4351000	OA C1488 IA	INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	5,684.00		136,416			136,416
									62,617			62,617
4352000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	4,791.00		114,984			114,984
									57,593			57,593
		TOTAL PICS SALARY							376,632			376,632
		TOTAL PICS OPE							180,205			180,205
		TOTAL PICS PERSONAL SERVICES =	3	3.00	72.00				556,837			556,837

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4051000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4051000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4128000	OA C0728 AA	APPRAISER ANALYST 4	1-	1.00-	24.00-	09	7,023.00		168,552- 70,149-			168,552- 70,149-
4128000	OA C0728 AA	APPRAISER ANALYST 4	1	1.00	24.00	09	7,023.00	168,552 70,149				168,552 70,149
4130000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4130000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4198000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4198000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4199000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	02	4,358.00		104,592- 55,157-			104,592- 55,157-
4199000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	02	4,358.00	104,592 55,157				104,592 55,157
4201000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	06	5,277.00		126,648- 60,328-			126,648- 60,328-
4201000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	06	5,277.00	126,648 60,328				126,648 60,328
4206000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	09	6,080.00		145,920- 64,845-			145,920- 64,845-
4206000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	09	6,080.00	145,920 64,845				145,920 64,845
4214000	OA C0726 AA	APPRAISER ANALYST 2	1-	1.00-	24.00-	02	3,781.00		90,744- 51,911-			90,744- 51,911-
4214000	OA C0726 AA	APPRAISER ANALYST 2	1	1.00	24.00	02	3,781.00	90,744 51,911				90,744 51,911

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4284000	OA	C0727	AA APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4284000	OA	C0727	AA APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4337000	OA	C0727	AA APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4337000	OA	C0727	AA APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
			TOTAL PICS SALARY						1,239,816	1,239,816-			
			TOTAL PICS OPE						597,020	597,020-			
			TOTAL PICS PERSONAL SERVICES =		.00	.00			1,836,836	1,836,836-			

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
0004344	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004345	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004346	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004347	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004348	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004349	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
4343000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	2,873.00		68,952			68,952
										46,804			46,804
			TOTAL PICS SALARY							258,744			258,744
			TOTAL PICS OPE							183,214			183,214
			TOTAL PICS PERSONAL SERVICES =	7	4.00	96.00				441,958			441,958

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

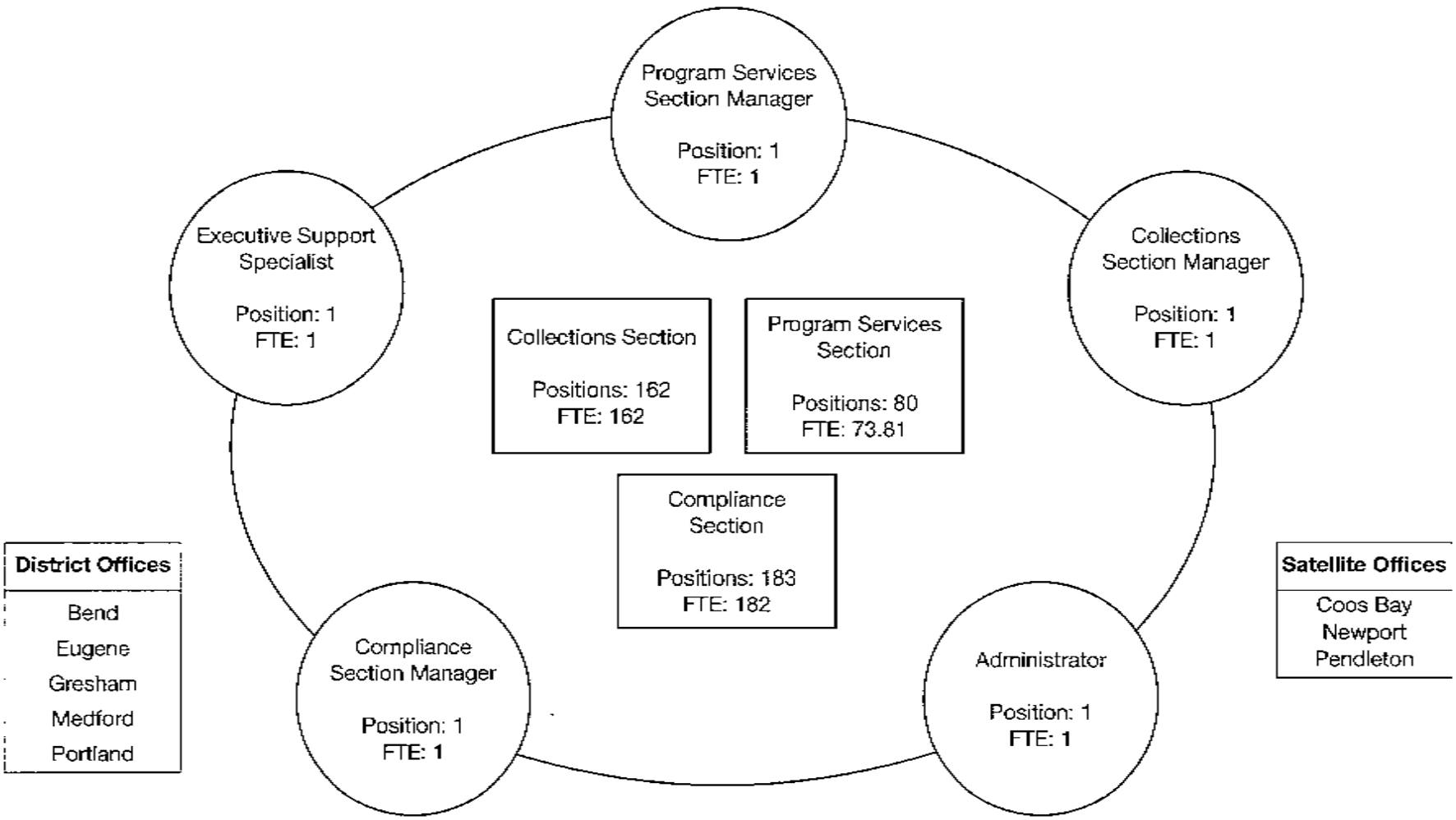
Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-004-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	5,647,006	11,288,530	11,288,530	11,879,482	12,225,738	-
Transfer In - Intrafund	322,667	-	-	-	-	-
Transfer Out - Intrafund	(322,667)	-	-	-	-	-
Total Other Funds	**$5,647,006**	**$11,288,530**	**$11,288,530**	**$11,879,482**	**$12,225,738**	**-**

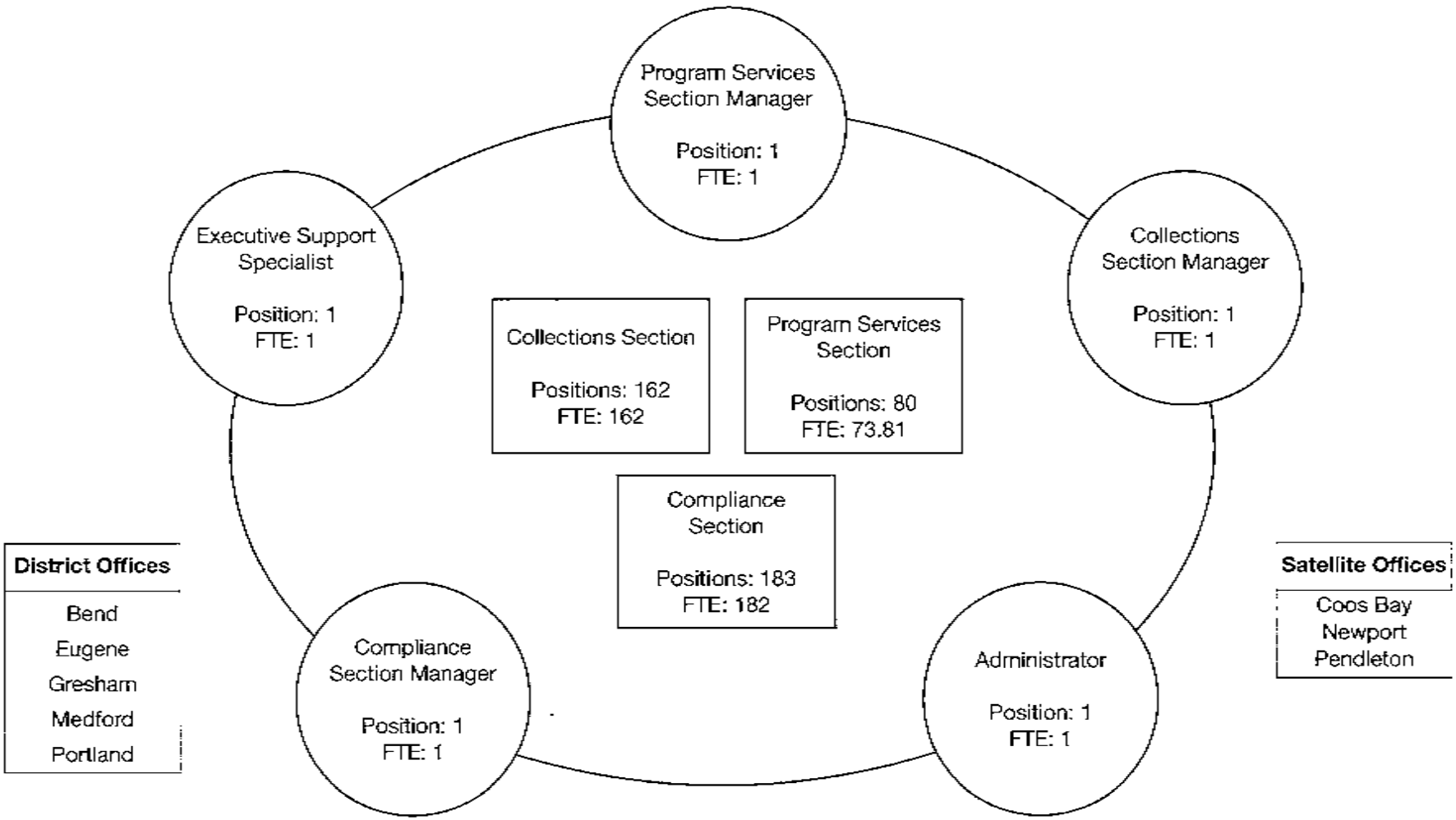
Personal Tax and
Compliance Division

Personal Tax and Compliance Division
2013–2015



Total Positions: 430
Total FTE: 422.81

Personal Tax and Compliance Division
2015–2017



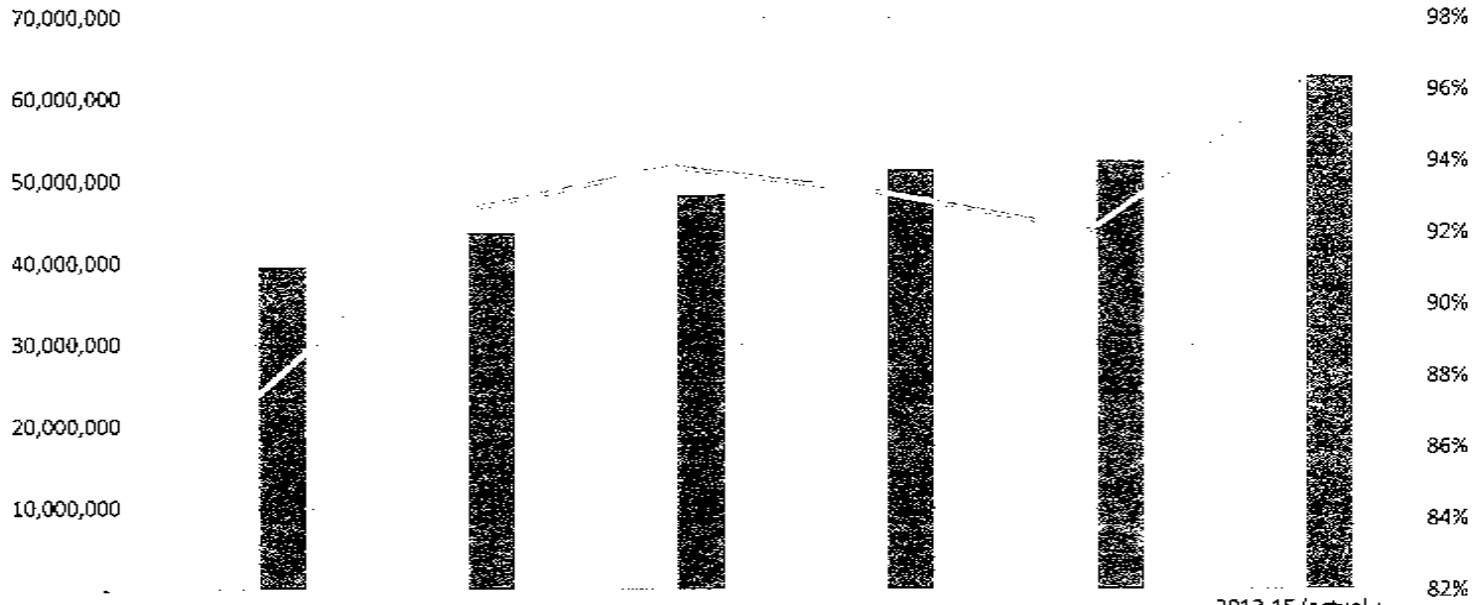
Total Positions: 430
Total FTE: 422.81

Personal Tax and Compliance Division

Program Unit Executive Summary

Primary Outcome Area: Improving Government
Secondary Outcome Area: N/A
Program Contact: Joann Martin (503) 945-8539

LAB vs. Actual



	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est as of 5/31/14)
PTAC LAB	45,376,397	47,246,479	51,613,630	55,178,210	57,021,577	65,408,917
PTAC Actual	39,619,536	43,755,398	48,430,938	51,384,011	52,492,482	62,905,418
PTAC % of LAB Spent	87%	93%	94%	93%	92%	96%

Personal Tax and Compliance Division

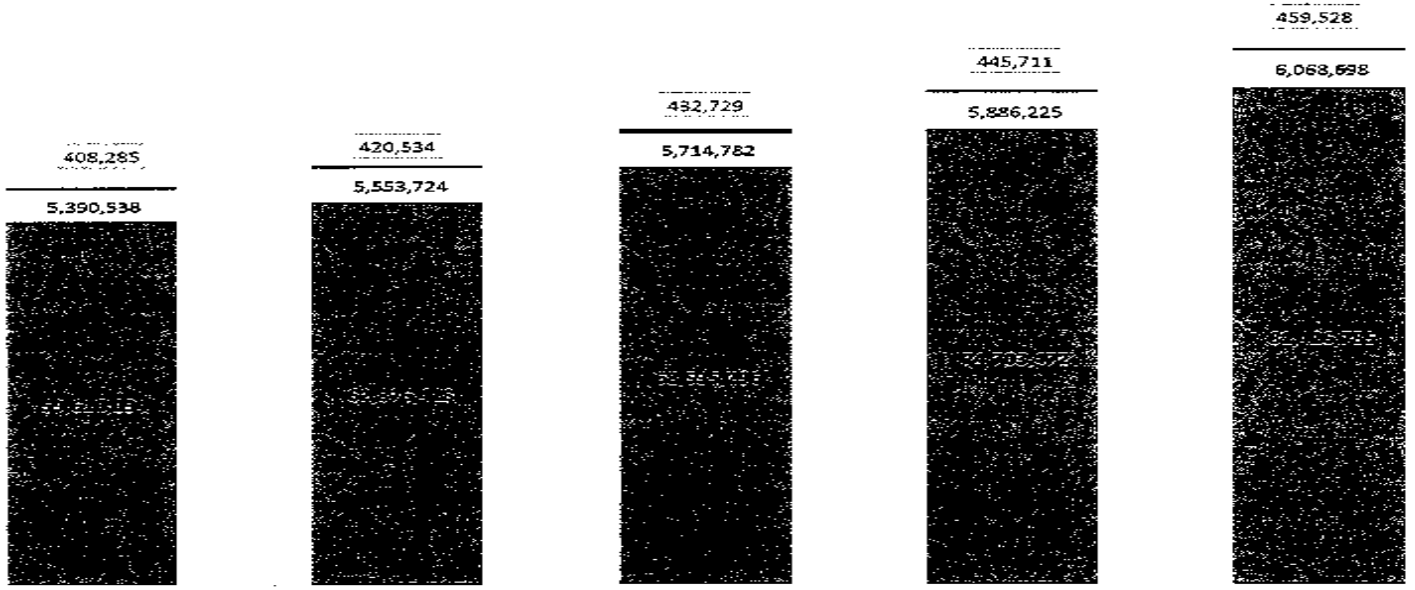
Program Overview

The Personal Tax and Compliance Division administers the Personal Income Tax Program, which is Oregon's largest source of General Fund revenue generating approximately $15.5 billion for the 15–17 biennium.

Program Funding Request

The Personal Tax and Compliance Division plans to submit a policy option package in 2015 geared towards fraud detection. The package seeks to add data analytics that will bring a variety of data sources for use tax return processing and other enforcement work. In addition, it will fund the programming to match income tax withholding in real-time. The two total about $1.1 million for the biennium.

ESTIMATE OF FUTURE COSTS



	2013-15 (LAB)	2015-17 (ARB - CSL)	2017-19	2019-21	2021-23
PTAC CO	408,285	420,534	432,729	445,711	459,528
PTAC S&S	5,390,538	5,553,724	5,714,782	5,886,225	6,068,698
PTAC PS	59,610,094	62,876,418	68,535,296	74,703,472	81,426,785

Personal Tax and Compliance Division

Program Description

The Personal Tax and Compliance (PTAC) Division directs and manages the state's personal income tax program, including policy development, audit, and collection functions. The overall goal of the division is to improve taxpayer voluntary compliance with the programs it administers through a three-pronged approach of taxpayer assistance, education, and enforcement activities.

The division commits its resources to:

- Providing information and assistance to individuals so they can correctly file and pay their tax.
- Enforcement activities such as auditing and pursuit of non-filers.
- Collection of delinquent debt.

Program Justification and Link to 10-Year Outcome

The personal income tax program is projected to bring in approximately $15.5 billion in general fund revenue for 2015–2017. Because the personal income tax is the state's primary revenue source for discretionary spending, the amount of personal income tax dollars collected is directly related to the ability of the state to achieve its 10-year outcome goals for virtually every program area in this budget process.

The most effective way to encourage voluntary compliance with Oregon tax law is to provide the tools to easily comply. That includes giving simple, timely, and trusted information to taxpayers. We achieve this through our forms and instructions as well as safe, accurate, and speedy tax filing systems. We look for quality policy development and communication with our internal and external stakeholders, as well as all of our taxpayers.

Enforcement activities are employed for those who do not voluntarily comply with Oregon's personal income tax laws. Enforcement actions affect individuals who understate income, overstate expenses or deductions, fail to file required returns, file fraudulent returns, and/or fail to pay.

We continue to focus audit resources on cash-based businesses, pass-through entities, domestic corporations, as well as single issues such as itemized deductions, Oregon modifications, and tax credits. Our filing enforcement resources are focused on wage earners who fail to file when required as well as self-employed individuals who are often more difficult to identify.

Personal Tax and Compliance Division

One of the key aspects of both audit and filing enforcement is case identification. We strive to be more systematic and strategic in our process of identifying non-filers and good audit leads. Enforcement actions also serve a dual role of educating taxpayers who may not understand their obligations under the law. This is an area where we are able to provide individualized education based on taxpayers' needs. Enforcement activities play a further important role in establishing a presence with the public that directly affects our voluntary compliance goals.

The Personal Tax and Compliance Division's program responsibility also includes the collection of delinquent taxes. This includes unpaid taxes when a return is filed without full payment, assessments based on processing or audit adjustments, and filing enforcement activity. The division also provides collection activities for Payroll Withholding, Lane and Tri-Met Transit, Property Tax Senior Deferral and Timber programs. Employees assist in resolving account maintenance problems and promote voluntary compliance by providing information and education to the public in a professional manner.

Our collections process has many different layers. The primary focus is answering incoming calls or making outbound calls along with our new resource of caller elected callback. The next layer of collections involves using different databases to find a source of funds to garnish (wages, bank account, etc.). Lastly, we use our field collectors or our Collection Agency Program that contracts with the private collection firms. We also have a bankruptcy unit to help protect the state's interests in bankruptcy situations.

Program Performance

The division started the biennium with a significant number of vacant positions. To address, all sections continue to actively hire across a variety of classifications. This has led to substantial training activity that contributes to the challenge of maintaining our focus on core functions.

Some specific performance details from within the division:

- The division has focused on increasing the number of personal income tax returns filed electronically as electronically filed returns are faster and less expensive to process. As a result, e-filed returns have increased from 21% of all filings for tax year 2001 to approximately 83% in tax year 2013.
- We make approximately $27.5 million in net adjustments per year during the processing of tax returns. Each return is subject to business rules; those that fall outside the criteria are manually reviewed to ensure accuracy. Adjustments are made both in favor and against the taxpayer.
- In 2013, nearly 400,000 taxpayers received assistance from the division through our Tax Services (call center) group.

Personal Tax and Compliance Division

- Compliance continues to look for efficiencies and ways to streamline work. Changes include a centralized case selection process as well as identifying, implementing and refining process improvements. Our biennium is to close 14,655 audits, which are estimated to address almost $25 million in underreporting and 82,935 filing enforcement cases, which are estimated to address over $150 million in unreported tax dollars. In addition, we bill all cases reported to us by the Internal Revenue Service, which is estimated at over $35 million. Increasing voluntary tax compliance through our enforcement efforts continues to be a focus for the division.
- On the collection side, our primary goal is maximize voluntary payment opportunities wherever possible while minimizing the enforcement actions DOR may need to take in the future. The department realizes an integral part of collections is the customer experience. Giving debtors different payment options increases the chance for a positive collection experience. In the case where a stronger collection approach is needed we have given the debtor numerous opportunities to resolve the debt. The Collection section's goal is to collect $305 million in 2013–15.

Enabling Legislation/Program Authorization

ORS 305.015 provides that, "It is the intent of the Legislative Assembly to place in the Department of Revenue and its director the administration of the revenue and tax laws of this state, except as specifically otherwise provided in such laws."

ORS chapters 305, 314, 316, and 317 require the department to provide forms and instructions for filing returns and paying tax; preparing withholding tables for use by employers; auditing and examining returns; and collecting taxes due.

The Personal Tax and Compliance Division authorization is under Oregon Revised Statutes chapter 305, specifically, the Personal Income Tax Act of 1969.

Funding Streams

The program is funded almost entirely with General Fund. The Other Funds revenues represent expenses charged to various programs for the department's administrative costs. Personal Tax and Compliance Other Fund expenditures are primarily for the administration of Tri-Met and Lane County Transit Self-Employment Tax programs. In most cases, revenue equals the department's cost.

Personal Tax and Compliance Division

Significant Proposed Program Changes from 2013–15

The Personal Tax and Compliance Division will be fully engaged with the core systems replacement project and is expected to begin transition in the fall of 2014. The division is projected to be converted and trained to begin using the new system by late fall of 2015. By the filing season (January–April) 2016 the personal tax filing system will be completely transitioned to the new core system.

Program Unit Narrative

PTAC Division accounts for 30 percent of the Department of Revenue's operating budget. With over 1.8 million personal income tax returns filed in 2014, the Personal Income Tax Program provides about 87% of the state's General Fund revenue and 90% of General Fund Tax revenue.

Improving Voluntary Compliance. A goal of the Personal Tax and Compliance Division is to improve taxpayer voluntary compliance. The division uses enforcement activities, taxpayer assistance, and education to encourage such compliance. These activities are designed to focus on specific taxpayer behavior. The division commits most of its resources to specific strategies to enhance voluntary compliance: the collection of debt, filing enforcement, business audits, single-issue audits, and providing assistance to individuals so they can correctly file and pay their personal income tax. We also have a local presence throughout the state with our five district and three satellite offices.

Enforcement. Although voluntary compliance is the ultimate objective, various factors require the division to continue to increase both the audit and filing enforcement functions. Enforcement actions focus on individuals who understate income, who overstate expenses, deductions, or tax credits, who do not file required returns, and who fail to pay their tax liabilities. In addition, the division continues to focus on audits of cash-based businesses, partnerships and pass-through entities, as well as various single issues such as itemized deductions, Oregon modifications, and tax credits. The division also provides enforcement resources to ensure compliance on corporation and Lane and Tri-Met Self-Employment Transit tax returns. These enforcement actions have a direct impact at the entity level and also may flow through to the individual owner's tax returns.

Personal Tax and Compliance Division

Filing enforcement continues to be a focus for the department. The division contacts individuals who earn income who have not filed returns to remind them of their tax obligations. The filing enforcement staff also conveys willingness to assist these individuals with coming into compliance. The division is continuing to develop/implement a more systematic and strategic approach to identify and find remedies for non-filers. This includes prioritizing non-filer leads, streamlining processes and contacting non-filers in a timely manner. We also direct resources to ensuring taxpayers claim correct exemptions for payroll withholding purposes. By paying the correct amount as they earn wages, the amount owed when they file their personal tax returns is reduced and makes it easier to stay in compliance.

Changes in the way taxpayers conduct business make it more challenging and difficult to audit. Today's taxpayers are more likely to have multiple bank accounts and are more likely to use multiple credit cards for expenditures. The use of the Internet for banking as well as the ease of buying and selling goods or services online provides additional challenges to auditing. Moreover, records needed to substantiate transactions often require extra time to obtain, and sometimes can only be secured at additional cost to the taxpayer. As a result, we use various technology tools to identify and audit tax returns. In addition, the implementation of the GenTax system in 2015 for personal income tax will provide the Division with additional tools for auditing. Although we already use data to identify potential audits, GenTax includes a data warehouse that will contain more third party data than we can currently use.

Finally, the division partners with the Attorney General's office to pursue individuals that require additional investigation and possible criminal prosecution.

Collections. The Personal Tax and Compliance Division is also responsible for the collection of delinquent taxes. Collection activities focus on liabilities resulting from unpaid taxes when a return is filed without full payment, assessments based on processing or audit adjustments, and filing enforcement activity. The division also provides collection activities for Payroll Withholding, Lane and Tri-Met Transit, Property Tax Senior Deferral, and Timber programs.

Revenue Agents in the division collect on tax liabilities for multiple tax programs, secure delinquent tax returns, identify and correct account maintenance problems, and promote voluntary compliance by providing information and education to the public in a helpful, pleasant, and professional manner.

In addition, the Collection Agency Program (CAP) contracts with Private Collection Firms (PCFs) for the collection of delinquent tax debt. CAP is currently working to increase its efficiency and capacity as well as to address recommendations received from stakeholders. The Bankruptcy Unit protects the interest of the agency for all tax programs. The Bankruptcy Unit is responsible for the

Personal Tax and Compliance Division

administration of the bankruptcy program, including receiving, processing, and monitoring bankruptcy cases. The technicians receive and review bankruptcy petitions of various chapters. They enforce the auto stay, analyze and recommend a course of action that will ensure the appropriate level of protection for the department.

Modernizing Tax Administration. The Personal Tax and Compliance Division is also responsible for tax policy development. This includes developing legislative concepts, reviewing legislative bills, writing administrative rules, updating forms and instructions, and providing training to employees and tax professionals on changes to personal income tax law. The staff also researches and develops policy choices for complex tax issues for consideration by policymakers and agency leadership.

For the filing of tax returns, DOR is linked to the IRS' modernized electronic filing system. This application is a web based service and provides greater efficiency and flexibility in filing returns by reducing processing time by one day and allows schedules to be attached to returns. More than 1.4 million Oregon taxpayers e-filed their personal income tax returns in 2014.

Personal Tax and Compliance Division

Essential Packages
Purpose: The essential packages present budget adjustments needed to bring the base budget to Continuing Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2015–2017 biennium.

How Accomplished: See individual packages below for detail.

Staffing Impact: See individual packages below for detail.

Quantifying Results: See individual packages below for detail.

Revenue Sources: The revenue sources are the same as for the program unit as a whole.

Package Fiscal Impact Summary: See individual packages below for detail.

Packages involving IT projects/Initiatives: See individual packages below for detail.

Personal Tax and Compliance Division

010 Non-PICS Personal Services / Vacancy Factor

Package Description
The Personal Tax and Compliance Division experienced positions vacancies in the first year of the 2013–15 biennium; accordingly, a vacancy factor calculation has been made using the Department of Administrative Services prescribed formula. This calculation results in a decrease of $125,363 General Fund and $54,215 Other Funds. The package provides a Non-PICS Personal Services cost increase of $145,333 General Fund and $5,150 Other Funds for changes in pension bond assessment, mass transit taxes, unemployment assessments, and other Non-PICS items such as temporary appointments and other differentials.

2017–19 Fiscal Impact
Fully phased in. This package will be adjusted by the Department of Administrative Services prescribed vacancy formula and directed other non-PICS adjustments each biennium.

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031 Inflation & Price List Adjustments

Package Description
The Cost of Goods and Services increase totals $164,674 General Fund and $9,291 Other Funds. This includes an increase in facilities rent of $52,010, based on projections in the Price List of Goods and Services. The rest is based on the standard 3% biennial inflation factor increase in Services & Supplies and Capital Outlay.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Personal Tax and Compliance Division

032 Above Standard Inflation

Package Description
The Cost of Goods and Services increase totals $1,445 General Fund and $25 Other Funds for above standard inflation on Professional Services.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

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090 Analyst Adjustments

Package Description
This package reduces personal services by an anticipated vacancy savings of $500,000 General Funds. This package reduces services and supplies for facilities rent $500,000 General Funds. It also reduces capital outlays for office furniture and telecommunications equipment by $225,000 General Funds and $175,000 General Funds, respectfully.

2017–19 Fiscal Impact
Fully phased in.

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151 - Fraud Policy Option Package
Analytics and Detection / Withholding Match

Purpose

In order to combat modern identity theft based refund fraud, DOR is developing a multi-faceted approach. DOR has opportunities to increase fraud detection as part of the implementation of a new core system (GenTax). Using additional GenTax products, including a data exchange with other states, would provide important tools in reducing the number of refunds issued for a fraudulent return. The integration of a third-party data analytics and identity theft quiz would enhance our fraud detection capabilities (Part A). The new system will give DOR the ability to match, in real time, state income tax withholding claimed on the tax return against that reported by employers (Part B).

DOR is proposing, through a policy option package, to purchase and implement the fraud tools.

Combined Package Summary for 2015–17

Part (A)	Cost for 1st Year	Cost for 2nd Year*
Data Exchange (DEX) w/Thompson Reuters Analytics	$ 297,000	$ 300,000
Thompson Reuters "CLEAR" (20 Licenses)**	$ 38,000	$ 39,000
Identity Theft Quiz	$ 38,000	$ 38,000
Total per year	$ 373,000	$ 377,000
2015–17 Biennial Total		$ 750,000

Part (B)	Cost for 1st Year	Cost for 2nd Year*
Modification of OED Payroll System	$361,204	$ 0
Total per year	$361,204	$ 0
2015–17 Biennial Total		$ 361,204

2015–17 Total cost Per Year for Part (A) and (B)	$734,204	$ 377,000
2015–17 Biennial Total		$1,111,204

Personal Tax and Compliance Division

Fraud Overview

Nearly 12.6 million people in the U.S. fell victim to some sort of identity theft in 2012.[4] Tax refund fraud is becoming a favorite pursuit for identity thieves. Fueled by efforts of revenue agencies to become more efficient and convenient, fraudsters can apply for multiple refunds a day, using an address of their choosing.

It has become increasingly difficult to detect identity theft fraud. A typical fraudulent refund involves a tax return filed with a valid (stolen) social security number and fictitious W2 information. DOR, like other taxing authorities, can and does implement a rules based solution to block many of these refunds. While often successful, much of the process is manual, and the true amount of fraud that goes undetected is unknown. It is also nearly impossible to recoup the refunded funds when the fraud is discovered as the fraudulent filer's real location is generally unknown. In such cases, DOR will hold the victimized taxpayer harmless and issue any refund owed him regardless of the ability to prosecute and seek restitution from the fraudster.

At the federal level, the Internal Revenue Service (IRS) stopped $6.5 billion in fraudulent personal income tax refunds in 2012 on 939,000 2011 tax returns. The Treasury Inspector General for Tax Administration (TIGTA) estimated the IRS issued fraudulent refunds totaling $5.2 billion that same year. TIGTA also estimated that figure could rise to $21 billion in the next five years.[5]

In the first 5 months of 2014, Oregon stopped 1,031 refunds (out of 1.3 million refund returns) totaling $1.56 million. DOR also knows it paid $38,000 in fraudulent refunds (the fraud was discovered after fraudulent refunds were processed and sent. We discover the fraud through a variety of means including when we get information from other states and when the true taxpayer files a return). In nearly all cases, the fraud is committed using stolen social security numbers and fictitious W2s.

How Achieved

Part A. DOR proposes to enhance fraud detection in the core system replacement product (GenTax) by integrating products offered by *Thompson Reuters* (a big data company). There are three contract options outlined below: a data exchange with analytics, an identity quiz, and an investigative tool. The proposal would exercise the contract options already negotiated with Fast Enterprises (the vendor installing GenTax).

[4] "SIRF's Up", *The Economist*, November 30, 2013
[5] TIGTA report 2012-42-080, July 19, 2012, page 3.

Personal Tax and Compliance Division

The timing for these options coincides with the roll out of the Personal Income Tax module in GenTax. Beginning in the **2016** processing season, implement:

- An analytics to the data exchange (called "DEX" in GenTax[6]). The integration of Thompson Reuters with DEX allows for big data analytics during general processing of tax returns.
- An online identity verification quiz supported through GenTax's "Taxpayer Access Point." This product works in tandem with DEX and asks taxpayers to verify their identity (when it is unclear) before their refund is issued.
- The Thompson "CLEAR" product; an investigative and research tool with data warehouse access to real time information from two large credit bureaus. This product allows DOR to examine single cases on an as needed basis (typically used as a fraud, audit and collection tool to help identify and locate taxpayers).

Additionally, DOR will take advantage of other capabilities of the DEX package (at no additional cost):

- Enhanced the use of internal business rules.
- Analytics performed on returns within Oregon's system.
- Daily exchange of fraudulent refund information with other GenTax states.

Thompson Reuters (TR) employs sophisticated analytic algorithms to match against personal records stored in large data warehouses (referred to as "big data"). These records are created when an individual applies for credit or consumer loan, registers to vote, does a change of address, establishes an account with the electric company, etc. Some of the records are publicly available; some are purchased by TR.

[6] DEX is standard in GenTax; cost shown is for applying the Thompson big data analytics. DEX by itself provides analytics of Oregon returns (for example, looking for patterns), as well as exchanging and integrating information from other GenTax states.

Personal Tax and Compliance Division

DOR would send taxpayer information from the header of the tax return (name, address, date of birth, Social Security number, etc.,) to TR. They would apply their algorithms and run the information against the personal records in their data warehouse. This process notes anomalies (inconsistent addresses, use of multiple social security numbers, incarceration, etc.) and generates a fraud score. Essentially, the score is a determination or probability of whether or not this individual is a "real" person. The process is done in real-time, taking just moments to produce the results. Treatment of the score / tax return is a state decision.

Part (B). DOR proposes to transition from a post-refund and audit driven withholding match to a real-time, pre-refund process. DOR currently matches personal income tax withholding claimed on returns against employer withholding reports post refund.

Changing the method for receiving withholding data would enable DOR to match withholdings in real-time and prior to the issuance of a refund. The new method agreed to and to be implemented by Oregon Employment Department (OED), will be achieved by programming changes involving:

- Adding a column to Form 132 to capture the amount of state withholding remitted on behalf of each employee.
- Modifying the quarterly data (WageVu) OED currently sends Revenue to include the data from the new Form 132 column.
- Configuring existing systems (GenTax) to match personal income tax returns with withholdings reported by employer.
- Configuring existing systems (GenTax) to match employer reported withholdings with employer deposited withholdings.

Implementation will begin January 1, 2016. Employers will begin reporting the Oregon withholding data on their quarterly payroll reports starting with the first quarter of calendar year 2016. DOR will perform outreach and training to external stakeholders impacted by the change. The actual real-time withholding matching will begin in 2017 when the 2016 tax year processing season begins. In addition, DOR's Withholding program will create an enforcement process to maximize employer reported data.

A common method to file fraudulent returns is to submit an early return with a valid SSN, but that does not report any true Oregon wages. There is often a lag of time between the processing a return and the receipt of the fourth quarter withholding report that is due at the end of March. DOR's intent to match from the first three quarters of the year will most likely result in the detection of many of these fraudulent returns. That match could be performed against any returns submitted before employers report annual reconciliation forms to the state.

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The impact to employers is expected to be minimal. Employers currently file a combined quarterly payroll report (Form 132) for five tax programs: Unemployment Insurance, Withholding Tax, TriMet Transit, Lane Transit, and Workers' Benefit Fund Assessment. (By agreement, OED processes the reports and maintains the report processing system, while DOR processes all payments and maintains the payment processing system). Adding a column to Form 132 will allow us to collect individual state tax withheld presents little burden to the employer. Those contacted indicated no opposition if given time to plan and program (if needed).

Finally, DOR currently collects annual summary state withholding data from employers / payroll reporters through the use of its iWire program. As stated above, this information is due by March 31 each year. The information is received too late to effectively use for "real time" matching. In addition, employer compliance rate with iWire (40%) is significantly less than with Form 132 (95%). (The 2013 legislature created penalties for employer reporting to help increase iWire compliance). There are no plans to discontinue iWire; it summarizes the quarterly reports and is also the source of other informational returns summaries (1099's).

Staffing Impact

DOR does not anticipate the need for any additional FTE to implement the fraud analytics programs (Part A). There may be some temporary impact to staff productivity for training purposes; especially for those FTE assigned a "CLEAR" license. Also, DOR will likely need to realign some resources in the short-term to address review returns and address issues arising from the identity quiz.

Initial impact for Part B will be felt at OED to revise Form 132 and program their processing system for the form change. The cost of Part B is solely to pay OED for programming. Estimated biennium costs to deliver the information quarterly are less than $10,000.

Once matching begins, DOR estimates that suspended returns could significantly increase. To meet the initial workload demand, DOR plans to use business rules to control the number of returns suspended. DOR will also shift resources to utilize the anticipated savings from GenTax automation and from analytics / identity quiz (GenTax will automate a good portion of Filing Enforcement. The analytics/quiz will automate some of the current manual review).

If implemented, DOR will evaluate both the analytics and the matching operations for efficiencies and resource needs. It's possible DOR would present a 2017–19 policy option package to address additional personal service resources and the creation of a dedicated fraud team.

Personal Tax and Compliance Division

Quantifying Results

It is difficult to quantify the amount of additional fraud that will be detected using the proposed analytics. Unfortunately, DOR does not know how much fraud goes undetected. However, other states utilizing similar analytics are successful in finding additional fraud:

Part A – use of analytics in 2013:

Louisiana	Population: 4.57 million	2.4 million returns	Fraud Stopped: $1.8 million
Georgia	Population: 4.57 million	4.0 million returns	Fraud Stopped: $8.0 million

DOR anticipates results similar to Louisiana as it has roughly the same number of returns filed each year. DOR will also be able to take advantage of other states' knowledge to reduce the number of false positives given by the analytics.

In 2014, Louisiana stopped $8 million in fraud and Wisconsin stopped $7.5 million. Wisconsin used the analytics from Thompson Reuters with an identity quiz in 2014. Wisconsin stopped another $5.5 million where the identity was validated, but other adjustments were made. Louisiana stopped $8 million in fraudulent refunds in a one year pilot with LexisNexis combined with their analytics and identity quiz.

In addition, the analytics will allow the DOR to mostly automate a highly manual detection process. A key piece of this is early detection of identity theft. In 2014, DOR saw more than 400 cases of identity theft, up considerably from the prior year. While most fraud is identity theft (stolen social security numbers), DOR calls it identity theft when it happens to a real taxpayer that files in Oregon.

Part B -- Real time withholding match is relatively new; only two states have a process for 2014:

Wisconsin	Population: 5.7 million	2.9 million returns	Fraud Stopped: $.5 million
New York	Population: 19.57 million	9.6 million returns	Fraud Stopped: $42.0 million

DOR anticipates results similar to Wisconsin for fraud detection results. They are a GenTax state and Oregon will mimic their business rules. It should be noted that 2014 was the first year Wisconsin matched withholding. They also used the matching to bill employers for over $700,000 in unpaid withholding as well as also making adjustments to non-fraud returns for overstated withholding.

Personal Tax and Compliance Division

As previously stated, in cases of identity theft the DOR holds the victimized taxpayer harmless. Despite having issued a refund for that social security number, DOR will issue a refund to the victim regardless of the ability to catch, prosecute or receive restitution from the fraudster. As a result, the state essentially pays twice in these cases. As a result, it is anticipated that these packages should be able to stop sufficient fraud to cover the expenditure in a relatively reasonable time.

Revenue Source

Part (A) is a General Fund appropriation request of $750,000 for the 2015–17 biennium. Costs are for the contract options negotiated with Fast Enterprises. The breakdown is below, shown for the first year.

1. GenTax "DEX": Thompson Reuters charges a flat fee based on number of returns filed. For DOR's 1.3 million refund returns, the cost is $285,000 a year.
2. Thompson Reuters "CLEAR": Individual licenses to use this product range from $138 – 160 / month per licensee (depending on the number of licensees). DOR proposes to purchase 20 licenses as a pilot to determine if more are needed/wanted. Buying 20 licenses will cost $35,640 / year.
3. GenTax Taxpayer Access Point Identity Quiz: The separate fee, with unlimited use, is $35,000/year.

The three-year contract requires indexing for inflation. The contract must be amended to invoke these contract options; costs are rounded up to allow for contract negations.

The funding for use of the Thompson data analytics is a General Fund appropriation expense and would become part of the Personal Income Tax Division base budget in future biennia. DOR also notes the original implementation costs for these options are not eligible for core systems replacement project bond funding and will not affect the project in that respect.

Part (B) is a General Fund appropriation request of $361,204 for the 2015–17 biennium.

Personal Tax and Compliance Division

Summary

Given the amount of potential fraud, DOR sees the use of a commercial identity authentication product as integral to refund fraud mitigation strategies. Matching withholding in real time adds another tool that gets at the heart of fraudulent refund claims. Those committing the fraud are constantly changing their filing habits as they learn limits and controls imposed by the state. Sophisticated fraud rings generally are not detectible without the use of analytics.

DOR cannot stop all refund fraud, even using one of these products. But, DOR and the state of Oregon would benefit from purchasing analytics; the cost is more than recouped by the identification and prevention of fraudulent refunds. Those benefits extend to the taxpayers of Oregon by way of more tax dollars being available to fund state services. There is also value that can't be measured in revenue dollars – fewer citizens falling victim to identity theft within DOR's system through the early detection and prevention.

2017–19 Fiscal Impact
There will be costs to phase out.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	19,970	-	-	-	-	-	19,970
Total Revenues	**$19,970**	-	-	-	-	-	**$19,970**
Personal Services							
Temporary Appointments	396	-	2,260	-	-	-	2,656
Overtime Payments	103	-	-	-	-	-	103
All Other Differential	105	-	-	-	-	-	105
Public Employees' Retire Cont	33	-	-	-	-	-	33
Pension Obligation Bond	127,352	-	2,436	-	-	-	129,788
Social Security Taxes	46	-	173	-	-	-	219
Unemployment Assessments	1,283	-	-	-	-	-	1,283
Mass Transit Tax	16,015	-	281	-	-	-	16,296
Vacancy Savings	(125,363)	-	(54,215)	-	-	-	(179,578)
Total Personal Services	**$19,970**	-	**($49,065)**	-	-	-	**($29,095)**
Total Expenditures							
Total Expenditures	19,970	-	(49,065)	-	-	-	(29,095)
Total Expenditures	**$19,970**	-	**($49,065)**	-	-	-	**($29,095)**
Ending Balance							
Ending Balance	-	-	49,065	-	-	-	49,065
Total Ending Balance	-	-	**$49,065**	-	-	-	**$49,065**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	164,674	-	-	-	-	-	164,674
Total Revenues	**$164,674**	-	-	-	-	-	**$164,674**
Services & Supplies							
Instate Travel	8,780	-	118	-	-	-	8,898
Out of State Travel	1,746	-	-	-	-	-	1,746
Employee Training	13,801	-	111	-	-	-	13,912
Office Expenses	16,067	-	2,521	-	-	-	18,588
Telecommunications	28,376	-	1,337	-	-	-	29,713
Data Processing	6,421	-	125	-	-	-	6,546
Publicity and Publications	2,231	-	-	-	-	-	2,231
Professional Services	14,455	-	248	-	-	-	14,703
Employee Recruitment and Develop	2,420	-	9	-	-	-	2,429
Dues and Subscriptions	1,016	-	-	-	-	-	1,016
Facilities Rental and Taxes	48,541	-	3,469	-	-	-	52,010
Fuels and Utilities	136	-	-	-	-	-	136
Facilities Maintenance	845	-	-	-	-	-	845
Agency Program Related S and S	3,648	-	1,073	-	-	-	4,721
Other Services and Supplies	1,587	-	4	-	-	-	1,591
Expendable Prop 250 - 5000	2,556	-	75	-	-	-	2,631
Total Services & Supplies	**$152,626**	-	**$9,090**	-	-	-	**$161,716**
Capital Outlay							
Office Furniture and Fixtures	6,706	-	175	-	-	-	6,881

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Telecommunications Equipment	5,175	-	26	-	-	-	5,201
Data Processing Hardware	167	-	-	-	-	-	167
Total Capital Outlay	**$12,048**	**-**	**$201**	**-**	**-**	**-**	**$12,249**
Total Expenditures							
Total Expenditures	164,674	-	9,291	-	-	-	173,965
Total Expenditures	**$164,674**	**-**	**$9,291**	**-**	**-**	**-**	**$173,965**
Ending Balance							
Ending Balance	-	-	(9,291)	-	-	-	(9,291)
Total Ending Balance	**-**	**-**	**($9,291)**	**-**	**-**	**-**	**($9,291)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,445	-	-	-	-	-	1,445
Total Revenues	**$1,445**	-	-	-	-	-	**$1,445**
Services & Supplies							
Professional Services	1,445	-	25	-	-	-	1,470
Total Services & Supplies	**$1,445**	-	**$25**	-	-	-	**$1,470**
Total Expenditures							
Total Expenditures	1,445	-	25	-	-	-	1,470
Total Expenditures	**$1,445**	-	**$25**	-	-	-	**$1,470**
Ending Balance							
Ending Balance	-	-	(25)	-	-	-	(25)
Total Ending Balance	-	-	**($25)**	-	-	-	**($25)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(1,400,000)	-	-	-	-	-	(1,400,000)
Total Revenues	**($1,400,000)**	-	-	-	-	-	**($1,400,000)**
Personal Services							
Vacancy Savings	(500,000)	-	-	-	-	-	(500,000)
Total Personal Services	**($500,000)**	-	-	-	-	-	**($500,000)**
Services & Supplies							
Facilities Rental and Taxes	(500,000)	-	-	-	-	-	(500,000)
Total Services & Supplies	**($500,000)**	-	-	-	-	-	**($500,000)**
Capital Outlay							
Office Furniture and Fixtures	(225,000)	-	-	-	-	-	(225,000)
Telecommunications Equipment	(175,000)	-	-	-	-	-	(175,000)
Total Capital Outlay	**($400,000)**	-	-	-	-	-	**($400,000)**
Total Expenditures							
Total Expenditures	(1,400,000)	-	-	-	-	-	(1,400,000)
Total Expenditures	**($1,400,000)**	-	-	-	-	-	**($1,400,000)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 151 - Fraud Analytics and Detection

Cross Reference Name: Personal Tax and Compliance Division
Cross Reference Number: 15000-005-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,111,204	-	-	-	-	-	1,111,204
Total Revenues	**$1,111,204**	-	-	-	-	-	**$1,111,204**
Services & Supplies							
IT Professional Services	1,111,204	-	-	-	-	-	1,111,204
Total Services & Supplies	**$1,111,204**	-	-	-	-	-	**$1,111,204**
Total Expenditures							
Total Expenditures	1,111,204	-	-	-	-	-	1,111,204
Total Expenditures	**$1,111,204**	-	-	-	-	-	**$1,111,204**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-005-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Personal Income Taxes	-	33,100,000	33,100,000	-	-	-
Admin and Service Charges	830,405	1,451,521	1,491,333	1,518,379	1,518,379	-
Transfer to General Fund	-	(33,100,000)	(33,100,000)	-	-	-
Total Other Funds	**$830,405**	**$1,451,521**	**$1,491,333**	**$1,518,379**	**$1,518,379**	**-**

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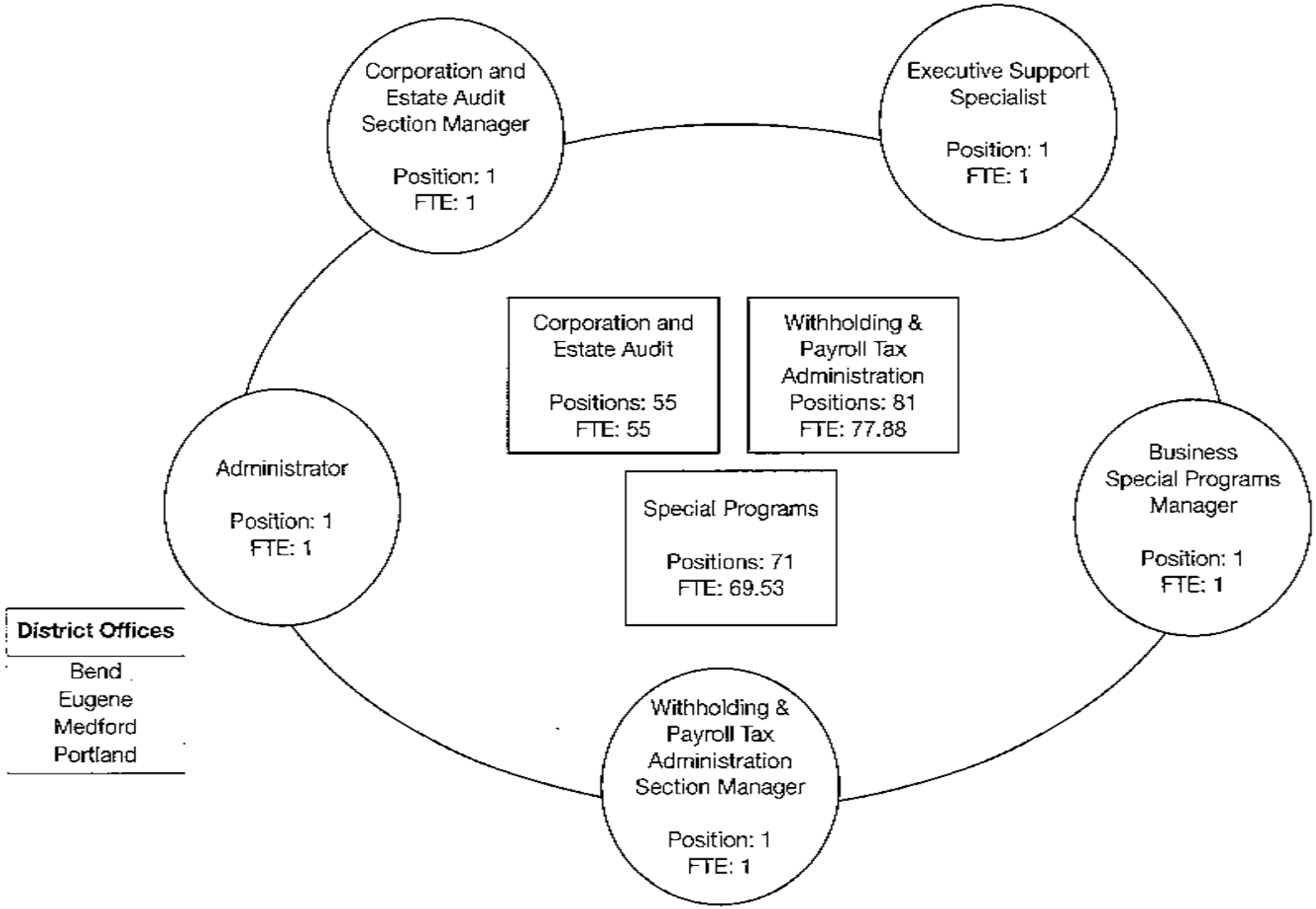
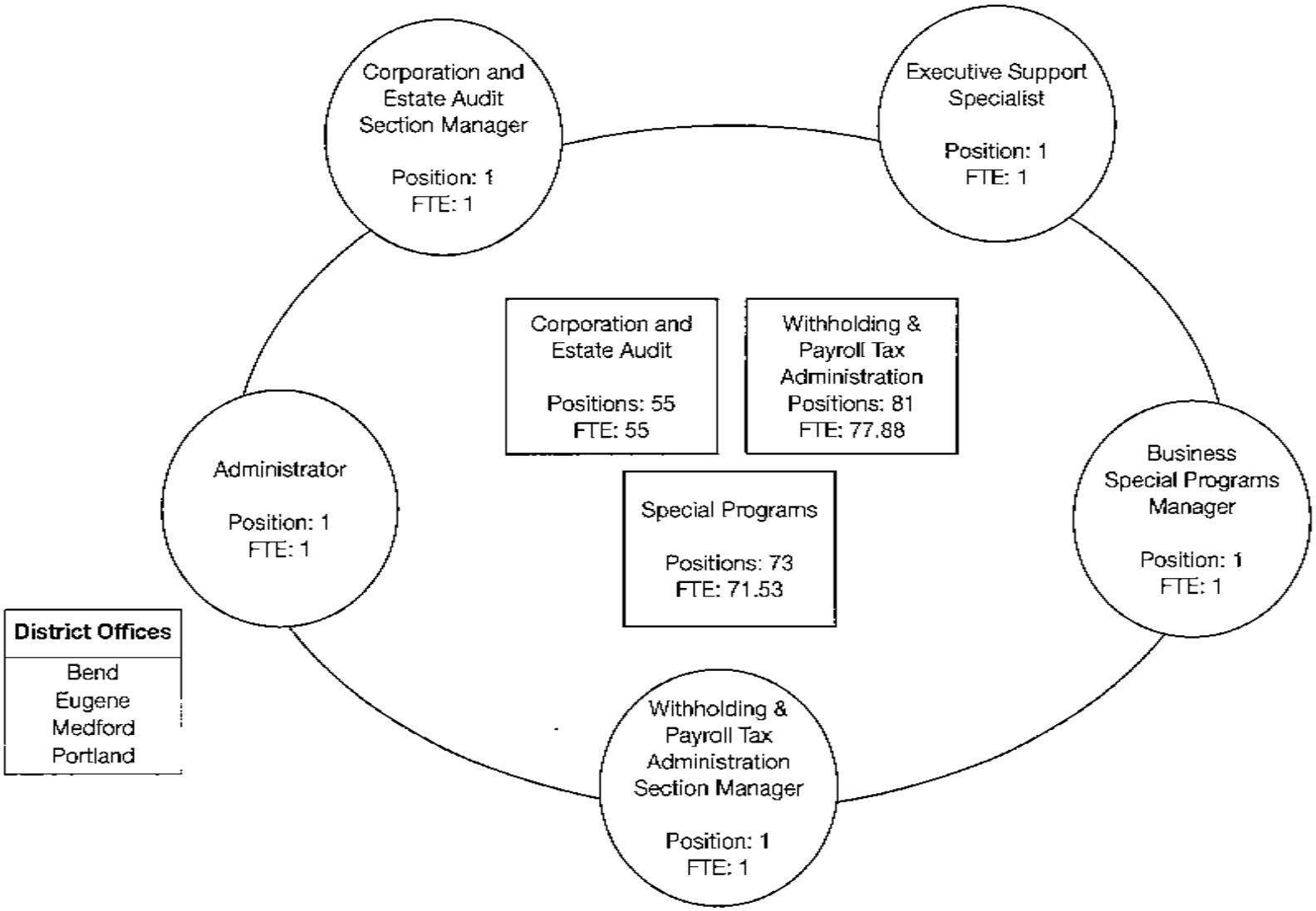
Business Division
2013–2015



Total Positions: 212
Total FTE: 207.41

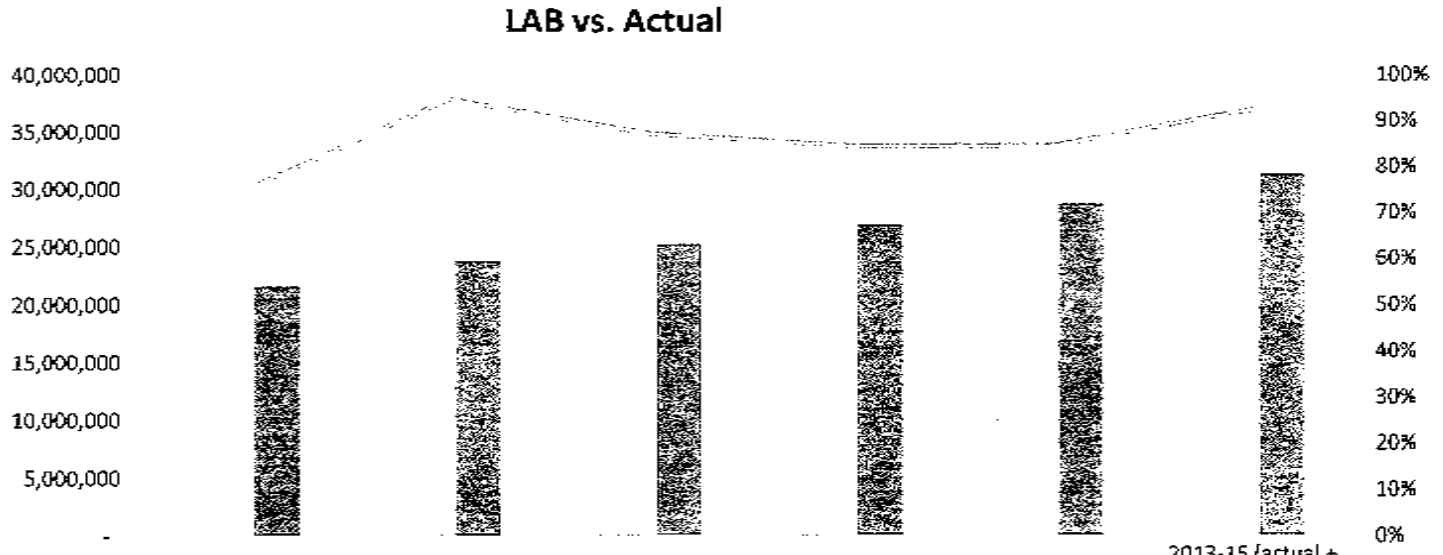
Business Division
2015–2017



Total Positions: 214
Total FTE: 209.41

Business Division

Primary Outcome Area: Improving Government
Secondary Outcome Area: N/A
Program Contact: Jack Ogami, 503-945-8030



	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est as of 5/31/14)
BUSINESS LAB	28,677,771	25,107,425	28,910,650	31,829,936	33,928,478	33,866,120
BUSINESS Actual	21,610,674	23,802,925	25,217,854	26,896,826	28,708,074	31,316,237
BUSINESS % of LAB Spent	75%	95%	87%	85%	85%	92%

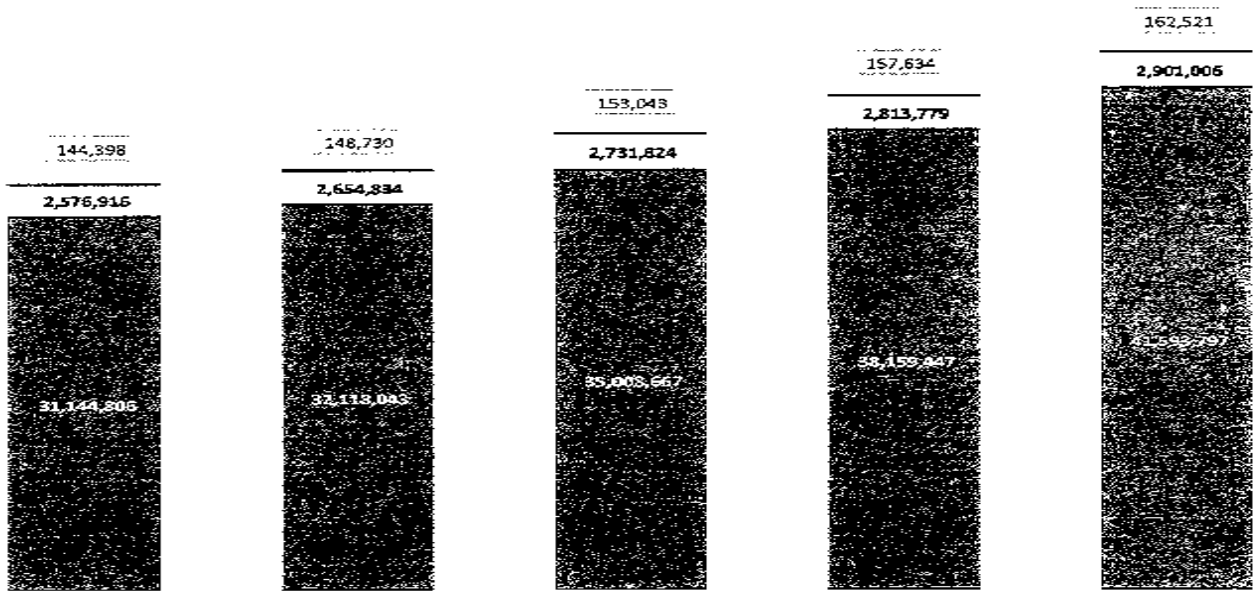
Business Division

Program Overview

The Business Division works with large and small businesses so they can report and pay the correct tax due to help fund services provided by state government. Programs administered by the division contribute approximately $6 billion in revenue to the state annually (this includes personal income tax withholding that employers remit to us and are then claimed on individual income tax returns.) The division provides collection expertise and services to other agencies.

Program Funding Request

ESTIMATE OF FUTURE COSTS



	2013-15 (LAB)	2015-17 (ARB - CSL)	2017-19	2019-21	2021-23
■ BUSINESS CO	144,398	148,730	153,043	157,634	162,521
BUSINESS S&S	2,576,916	2,654,834	2,731,824	2,813,779	2,901,006
= BUSINESS PS	31,144,806	32,118,043	35,008,667	38,159,447	41,593,797

Business Division

Program Description

The Business Division administers several tax and other revenue programs. These programs include Corporation Income and Excise Taxes, Employer Income Tax Withholdings, Transit Payroll Taxes, Fiduciary, Estate, Other Agency Accounts, Cigarette Tax, Other Tobacco Products Tax, and other Special Programs such as Amusement Device Tax, State Lodging Tax, Emergency Communication Tax, Petroleum Load Fee, and Hazardous Substance Tax. The combined programs have annual revenue of more than $6 billion (this amount includes income tax withholdings, which are included in the Personal Tax and Compliance narrative).

The Business Division's program responsibility includes collection of delinquent business taxes. These include income taxes withheld by employers and sent to the department, corporation taxes, and local transit district taxes. As of June 2014, there were delinquent accounts totaling $172.35 million in unpaid payroll and corporation taxes. Through June 2014, during the 2013–2015 biennium, the Business Division generated approximately $53 million from collection activities. A major responsibility of the division is to provide the means for employers to report and remit employee income tax withholding. Withholding and Transit Tax compliance projects continue to be conducted throughout the state and the division continually works with community partners to educate business owners regarding their responsibilities under the payroll based tax programs. This education results in improved compliance with the state's tax laws and the understanding of responsibilities under the payroll based tax programs.

The Business Division collects debts owed to other agencies. As of May 2014, we are actively collecting 228,000 accounts totaling $331 million owed to state programs. These other agencies have also identified an additional 328,000 delinquent accounts totaling over $2.37 billion to offset against tax refunds (if available) through the automated refund offset program.

The Business Division audits corporation income and excise tax returns, and has program responsibility for transit self-employment tax returns. Audit activity is performed by staff located in Salem, Portland, and Eugene. A significant number of audits are conducted on corporations doing business in more than one state. Corporation Auditors travel to taxpayers' offices located throughout the country to conduct audits. The corporate income and excise tax is estimated to bring in over $1.0 billion for the 2015–17 biennium.

The Business Division administers the Cigarette and Other Tobacco tax programs that generate approximately $480 million in biennial tax receipts.

Business Division

The Business Division will continue to encourage cooperation with other state and federal agencies to simplify the tax programs affecting Oregon employers. As an example, we are participating in the Central Business Registry that provides a single entry point for Oregon businesses to register with state agencies. We partner with two other agencies for the combined payroll tax reporting of five different programs. The department has partnered with seven other state agencies and boards to comprise the Interagency Compliance Network. These agencies and boards work together to achieve better compliance with independent contractor laws. By providing an information website, outreach activities, and joint audit and enforcement, the network is establishing a level playing field for businesses seeking to hire independent contractors as well as for those workers who are working as independent contractors. The Corporation Section successfully partnered with the IRS, other state revenue agencies, and tax preparation software companies to provide electronic filing for corporate taxpayers. We work closely with other states through organizations such as the Multi-State Tax Commission and the Federation of Tax Administrators to achieve tax compliance and promote a healthy tax system.

Program Justification and Link to 10-Year Outcome

Confidence in the Business Division's administration of tax programs is impacted by how fair people view the current system and enforcement of tax laws. To fulfill our mission we focus on making the tax systems we administer work so funding for public services is preserved. The Business Division partners with a variety of other Oregon state agencies, the legislative and judicial branches of Oregon government, other states, the federal government, and the tax professional community to accomplish our mission. We provide the tools needed by businesses to comply with tax reporting and paying responsibilities. A healthy revenue system is essential to the public sector creating the fertile environment needed by the private sector to build the vibrant and innovative economy that is central to the 10-year plan for Oregon project.

Business Division

Program Performance

Revenue to Cost Ratio - Withholding, Corp, Tobacco, Transit, Inheritance, 911, Lodging, and OAA.

**Numbers shown in millions*

Biennium	Revenue	Cost	Ratio
2007–09	11,240	25.2	446 : 1
2009–11	44,506	26.9	428 : 1
2011–13	12,792	28.7	446 : 1

The above chart shows the total revenues for the withholding, corporation, tobacco, transit, Inheritance, 911, lodging, and OAA tax programs compared to the costs to administer these programs. Although the 2009–11 biennium shows a lower ratio of revenue to costs than the 2007–09 biennium, the remaining biennium shows an upward trend of revenue compared to costs to administer. We want to see the ratio of revenue to costs continue to increase as we look for more effective and efficient ways to administer the tax programs.

Enabling Legislation/Program Authorization

ORS chapters 305, 314, 316, and 317 require the department to provide forms and instructions for filing returns and paying tax; preparing withholding tables for use by employers; auditing and examining returns; and collecting taxes due. ORS 293.250 gives us authority to collect debts on behalf of other state agencies and boards. ORS chapters 320 and 323 give the department authority to administer the tobacco, cigarette, and several other smaller tax programs.

Business Division

Funding Streams

Business Division operations are funded by a combination of General Funds and Other Funds. General Fund revenue primarily comes from the income tax programs administered by the Department of Revenue, including those administered by the Business Division. Sources of other funds revenue are other agencies paying for collection services provided by the Business Division, transit district payments for administration, collection and audit services provided by the department; and directly from the revenue streams for programs such as tobacco and other smaller tax programs administered by the department.

Significant Proposed Program Changes from 2013–2015

The 2013 legislature approved funding to replace the Agency's legacy computer system. This project is referenced as the Core System Replacement (CSR) project. The CSR project will replace the agency's existing computer system in three phases. The first phase will move the Corporation and Tobacco tax programs to the new technology in November 2014.

Program Narrative

The Business Division directs and manages tax programs where the primary interaction is with business or commercial interest. The Division also contains the state's captive collection agency known as Other Agency Accounts (OAA). The Business Division operates on 15.8% of the agency's total budget. The combined programs have annual revenue of more than $8 billion and include:

Corporation Income and Excise Taxes,
Payroll taxes and withholdings,
Fiduciary, Inheritance/Estate,
Other Agency Accounts,
Tobacco Taxes, and
Other miscellaneous taxes (e.g. amusement device, lodging, 911, etc.)

The division's biennial budget is $34.8 million for 2015–17.

Business Division

The Business Division works to create easier ways for people to comply assists taxpayers and tax practitioners with voluntary compliance, focuses on the greatest areas of risk and leverages data and systems for enforcement. The Business Division's program responsibility includes collection of delinquent business taxes. These include income taxes withheld in trust by employers and sent to the department, corporation taxes, and local transit district taxes. As of February 2013, there were delinquent accounts totaling $164 million in unpaid payroll and corporation taxes. During the 2011–13 biennium, the Business Division generated approximately $84 million from collection activities. A major responsibility of the division is to uphold and improve compliance with the state's tax laws. The division also works with community partners to educate business owners about their responsibilities under the payroll-based tax programs through various information and educational events.

Withholding and Payroll Tax
The Withholding and Payroll Tax administers the Withholding program as part of a multi-agency effort to administer Combined Payroll Tax Programs. These programs have a far reaching impact as they affect the payroll reporting of every employer in Oregon and many outside of Oregon as well as every individual wage earner that files a personal income tax return. In addition for direct responsibility for the Withholding program, the section is under contract to administer the Lane and Tri-Met Transit Taxes. The section also provides collections support to all tax programs operation in the Business Division.

The Withholding and Payroll Tax Section is a key partner for various activities that involve inultiple state agencies. The department participates in the Interagency Compliance Network, which coordinates several state agencies' efforts to enforce laws relating to the classification of workers. The Central Business Registry is a partnership with the Secretary of State, which is an ongoing effort to provide employers a single interface to register their business with multiple agencies.

Through these activities we focus on the following outcomes and use budgeted resources to:

Create easier ways for people to comply and file:
We assist taxpayers and tax practitioners with voluntary compliance through continued outreach and educational efforts throughout the state.

Focus on the greatest areas of risk:
We strive to assess liable entity on collection liabilities within 60 days of the initial assessment.

Business Division

Leverage data and systems for enforcement:
We utilize tools and opportunities to enhance enforcement efforts including the use of iWire.

Attract and retain outstanding employees and value employee participation:
We invest in our staff through continued education and training activities.

Special Programs
Special Programs Section consists of two main units, one unit administers seven different tax programs, and the other unit collects debt for other state agencies. We are focused on two main outcomes which directly achieve the agency's outcomes of engaging employees, creating a positive customer experience, achieving voluntary compliance, enforcing the law, and providing complete equity and uniformity:

1) Attain 100% voluntary compliance by:
    - Creating easier ways for people to comply and file.
    - Leverage data and systems for enforcement.
    - Attain customer self-sufficiency.
    - Attract and retain outstanding employees by investing in our staff.
2) Achieve maximum recovery of debts owed to the State of Oregon while providing a quality customer experience.

We accomplish these outcomes through a variety of initiatives developed with the help of staff. Some examples are expanding our communication methods with taxpayers and feepayers, developing criteria to resolve debt within 90 days, expand work schedules for staff, develop telework opportunities for staff, attain online 24/7 capabilities for filing and paying debt. We use our budgeted resources to hire and recruit the finest employees and provide sufficient tools for taxpayers, debtors and our staff so they can accomplish appropriate tasks in the easiest and most effective way possible.

Business Division

Corporation and Estate

The Corporation and Estate Section is responsible for three primary tax programs. The corporate excise/income tax, the estate tax, and transit district self-employment taxes. Our strategies and initiatives are focused on achieving voluntary compliance with the programs we administer by focusing on agency outcome areas: voluntary compliance, enforcement, customer experience, equity and uniformity, and employee engagement. To attain positive outcomes in each of these areas we have six objectives or goals:

1. Understanding the needs and behaviors of our taxpayers.
2. Providing information and tools that allow our taxpayers to comply with tax laws.
3. Focusing our audit and enforcement practices on compliance issues specific to our taxpayers.
4. Acquiring and using relevant internal and external data sources to support our business.
5. Evaluating and adjusting our strategies, processes, and procedures to improve our business.
6. Developing policy concepts for consideration by the governor and legislature.

To reach these goals and objectives, we have identified a variety of initiatives developed with the help of staff. Some examples are evaluating taxpayer strategies to reduce their tax burden, identifying emerging compliance risks, investing in more technical training for staff, making full use of available data in our enforcement efforts, and providing information or reports to the legislature.

We use our budgeted resources to employ staff to:

- Develop forms and information for taxpayers and tax professionals so they can comply with tax reporting, filing, and paying requirements.
- Assist in developing systems used for processing tax returns and complete processing of returns sent to the program area for problem resolution.
- Answer questions from taxpayers about the programs we administer.
- Audit returns for noncompliance with tax laws.
- Identify taxpayers that have not filed returns and help them get returns filed.
- Handle first level of appeal for contested adjustments.

The Business Division also use budgeted resources to provide training for staff, cover travel expenses for audit work, legal assistance with appeals or legal questions, and equipment or supplies needs.

Business Division

Essential Packages
Purpose: The essential packages present budget adjustments needed to bring the base budget to Continuing Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2015–2017 biennium.

How Accomplished: See individual packages below for detail.

Staffing Impact: See individual packages below for detail.

Quantifying Results: See individual packages below for detail.

Revenue Sources: The revenue sources are the same as for the program unit as a whole.

Package Fiscal Impact Summary: See individual packages below for detail.

Packages involving IT projects/Initiatives: See individual packages below for detail.

Business Division

010 Non-PICS Personal Services / Vacancy Factor

Package Description
The Business Division experienced positions vacancies in the first year of the 2013–15 biennium; accordingly, a vacancy factor calculation has been made using the Department of Administrative Services prescribed formula. This calculation results in a decrease of $275,735 General Fund and $73,333 Other Funds. The package provides a Non-PICS Personal Services cost increase of $11,735 General Fund and $9,696 Other Funds for changes in pension bond assessment, mass transit taxes, unemployment assessments, and other Non-PICS items such as temporary appointments and other differentials.

2017–19 Fiscal Impact
Fully phased in. This package will be adjusted by the Department of Administrative Services prescribed vacancy formula and directed other non-PICS adjustments each biennium.

Business Division

031 Inflation & Price List Adjustments

Package Description
The Cost of Goods and Services increase totals $41,714 General Fund and $39,923 Other Funds. The increase is based on the standard 3% biennial inflation factor increase in Services & Supplies and Capital Outlay.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Business Division

032 Above Standard Inflation

Package Description
The Cost of Geods and Services increase totals $613 General Fund for above standard inflation on Professional Services.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

Business Division

090 Analyst Adjustments

Package Description
This package reduces personal services by an anticipated vacancy savings of $450,000 General Funds.

2017–19 Fiscal Impact
Fully phased in.

Business Division

161- HB4055-911 Tax

Overview

The tax imposed in ORS 403.200 to 403.230 is distributed to support the state's emergency communications systems. House Bill 4055 (HB 4055), passed by the 2014 legislature, extends the current tax to prepaid telecommunications service subscribers until October 1, 2015 and establisbes a point of sale method of collection for the same thereafter. The current tax is imposed at the rate of $0.75 per month per subscriber and the point of sale method is imposed at the rate of $0.75 per prepaid transaction.

Currently, we receive returns from approximately 250 to 300 taxpayers. We expect between 1,700 and 2,000 additional returns, quarterly, after implementing the new point of sale collection method. HB 4055 increased distributions allowed to us to fund the increased administrative expenses anticipated due to the law changes. We plan to use these funds to increase resources for taxpayer assistance, collection, return processing, and enforcement.

Problem

While House Bill 4055 allowed additional funds to the department for administration, the legislature did not authorize additional positions to perform the increased duties resulting from the law changes in the 2013–15 biennium. The agency did submit a fiscal impact form when the measure was considered that identified the need for additional resources in the 2015–17 biennium. This policy option package requests the additional resources to administer the program.

How Achieved

The increased number of taxpayers and change in collection method will require increased return processing and enforcement resources. We are requesting two positions to meet our needs in administering ORS 403.200 to 403.230. We are requesting one Tax Auditor 2 (TA2) and one Administrative Specialist 2 (AS2).

Staffing Impact

TA2: The 9-1-1 emergency communications tax is collected and remitted by service providers and retailers varying in size and complexity. The TA2 classification is the best fit for enforcing compliance through audit on this tax program. The TA2 independently conducts field and office audits of tax returns and financial records of large domestic, multistate and multinational corporations, large sole proprietorships, partnerships, and S-Corporations for compliance with Federal and State tax laws.

Business Division

This position will be used to conduct audits on returns filed by service providers and retailers. We expect this auditor to complete roughly 35 audits per year, after an initial training period. The person in this position may also provide analysis on industry statistics to support filing enforcement on taxpayers that fail to file the required returns. If we are granted this position, we expect the TA2 to begin work on July 1, 2015.

AS2: The increased number of taxpayers will require additional resources for processing returns and maintaining files. Additionally, the wider population of tax remitters will likely yield a greater number of non-filers, or taxpayers who do not file returns as required. The AS2 classification is the best fit for this resource. The AS2 assists in the ongoing operation of the tax program and performs research, analysis, and evaluation to support activities for compliance.

This position will be used to conduct research and analysis and perform filing enforcement activities in order to administer the tax program's filing requirements. The AS2 will help develop and apply procedures to determine the tax liabilities of entities required to collect and remit the 9-1-1 emergency communications tax. The AS2 will also review returns in processing and assist in maintaining the tax program's files.

Revenue Source

Positions would be funded by the revenues from the 911 program. The percentage allowed for administrative costs by the Department of Revenue increased from 0.5 percent to 1.0 percent.

Fiscal Impact

The total cost of this package for 2015–17 is $322,924.

Conclusion

House Bill 4055 amended the 9-1-1 emergency communications tax changing the method of collection for prepaid telecommunications service subscribers. The bill also allowed additional funding to the department to facilitate administration of the collection of the tax. However, needed positions were not granted to the department to meet the needs of the law changes. We are requesting one Tax Auditor 2 and one Administrative Specialist 2 to carry out the increase in administrative activities.

2017–19 Fiscal Impact

Fully phased in.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(264,000)	-	-	-	-	-	(264,000)
Total Revenues	**($264,000)**	-	-	-	-	-	**($264,000)**
Personal Services							
Temporary Appointments	-	-	933	-	-	-	933
Overtime Payments	1,266	-	-	-	-	-	1,266
Shift Differential	79	-	-	-	-	-	79
All Other Differential	539	-	-	-	-	-	539
Public Employees' Retire Cont	297	-	-	-	-	-	297
Pension Obligation Bond	7,904	-	7,633	-	-	-	15,537
Social Security Taxes	144	-	71	-	-	-	215
Unemployment Assessments	679	-	302	-	-	-	981
Mass Transit Tax	827	-	757	-	-	-	1,584
Vacancy Savings	(275,735)	-	(73,333)	-	-	-	(349,068)
Total Personal Services	**($264,000)**	-	**($63,637)**	-	-	-	**($327,637)**
Total Expenditures							
Total Expenditures	(264,000)	-	(63,637)	-	-	-	(327,637)
Total Expenditures	**($264,000)**	-	**($63,637)**	-	-	-	**($327,637)**
Ending Balance							
Ending Balance	-	-	63,637	-	-	-	63,637
Total Ending Balance	-	-	**$63,637**	-	-	-	**$63,637**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	41,714	-	-	-	-	-	41,714
Admin and Service Charges	-	-	5,941	-	-	-	5,941
Total Revenues	**$41,714**	-	**$5,941**	-	-	-	**$47,655**
Services & Supplies							
Instate Travel	5,393	-	1,602	-	-	-	6,995
Out of State Travel	11,472	-	74	-	-	-	11,546
Employee Training	3,237	-	1,507	-	-	-	4,744
Office Expenses	4,525	-	14,542	-	-	-	19,067
Telecommunications	6,779	-	8,215	-	-	-	14,994
Data Processing	416	-	1,497	-	-	-	1,913
Publicity and Publications	391	-	-	-	-	-	391
Professional Services	6,129	-	-	-	-	-	6,129
Employee Recruitment and Develop	302	-	40	-	-	-	342
Dues and Subscriptions	218	-	28	-	-	-	246
Facilities Rental and Taxes	198	-	53	-	-	-	251
Fuels and Utilities	-	-	662	-	-	-	662
Facilities Maintenance	158	-	272	-	-	-	430
Other Services and Supplies	-	-	7,761	-	-	-	7,761
Expendable Prop 250 - 5000	1,411	-	423	-	-	-	1,834
Total Services & Supplies	**$40,629**	-	**$36,676**	-	-	-	**$77,305**
Capital Outlay							
Office Furniture and Fixtures	690	-	3,191	-	-	-	3,881

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Telecommunications Equipment	395	-	56	-	-	-	451
Total Capital Outlay	**$1,085**	-	**$3,247**	-	-	-	**$4,332**
Total Expenditures							
Total Expenditures	41,714	-	39,923	-	-	-	81,637
Total Expenditures	**$41,714**	-	**$39,923**	-	-	-	**$81,637**
Ending Balance							
Ending Balance	-	-	(33,982)	-	-	-	(33,982)
Total Ending Balance	-	-	**($33,982)**	-	-	-	**($33,982)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 032 - Above Standard Inflation

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	613	-	-	-	-	-	613
Total Revenues	**$613**	-	-	-	-	-	**$613**
Services & Supplies							
Professional Services	613	-	-	-	-	-	613
Total Services & Supplies	**$613**	-	-	-	-	-	**$613**
Total Expenditures							
Total Expenditures	613	-	-	-	-	-	613
Total Expenditures	**$613**	-	-	-	-	-	**$613**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(450,000)	-	-	-	-	-	(450,000)
Total Revenues	**($450,000)**	-	-	-	-	-	**($450,000)**
Personal Services							
Vacancy Savings	(450,000)	-	-	-	-	-	(450,000)
Total Personal Services	**($450,000)**	-	-	-	-	-	**($450,000)**
Total Expenditures							
Total Expenditures	(450,000)	-	-	-	-	-	(450,000)
Total Expenditures	**($450,000)**	-	-	-	-	-	**($450,000)**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 161 - HB4055-911 Tax

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	322,924	-	-	-	322,924
Total Revenues	-	-	**$322,924**	-	-	-	**$322,924**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	173,544	-	-	-	173,544
Empl. Rel. Bd. Assessments	-	-	88	-	-	-	88
Public Employees' Retire Cont	-	-	27,403	-	-	-	27,403
Social Security Taxes	-	-	13,276	-	-	-	13,276
Worker's Comp. Assess. (WCD)	-	-	138	-	-	-	138
Mass Transit Tax	-	-	1,041	-	-	-	1,041
Flexible Benefits	-	-	61,056	-	-	-	61,056
Total Personal Services	-	-	**$276,546**	-	-	-	**$276,546**
Services & Supplies							
Instate Travel	-	-	234	-	-	-	234
Out of State Travel	-	-	19,440	-	-	-	19,440
Employee Training	-	-	3,046	-	-	-	3,046
Office Expenses	-	-	2,346	-	-	-	2,346
Telecommunications	-	-	7,904	-	-	-	7,904
Attorney General	-	-	-	-	-	-	-
Total Services & Supplies	-	-	**$32,970**	-	-	-	**$32,970**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 161 - HB4055-911 Tax

Cross Reference Name: Business Division
Cross Reference Number: 15000-006-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	13,408	-	-	-	13,408
Total Capital Outlay	**-**	**-**	**$13,408**	**-**	**-**	**-**	**$13,408**
Total Expenditures							
Total Expenditures	-	-	322,924	-	-	-	322,924
Total Expenditures	**-**	**-**	**$322,924**	**-**	**-**	**-**	**$322,924**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Positions							
Total Positions							2
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**2**
Total FTE							
Total FTE							2.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**2.00**

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
6591000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	2,873.00		68,952			68,952
										46,804			46,804
6592000	OA	C5632	AA TAX AUDITOR 2	1	1.00	24.00	02	4,358.00		104,592			104,592
										55,157			55,157
			TOTAL PICS SALARY							173,544			173,544
			TOTAL PICS OPE							101,961			101,961
			TOTAL PICS PERSONAL SERVICES =	2	2.00	48.00				275,505			275,505

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-006-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	11,537,241	14,722,832	14,722,832	15,051,697	15,051,697	-
Other Revenues	-	134,245	134,245	134,245	134,245	-
Total Other Funds	**$11,537,241**	**$14,857,077**	**$14,857,077**	**$15,185,942**	**$15,185,942**	-

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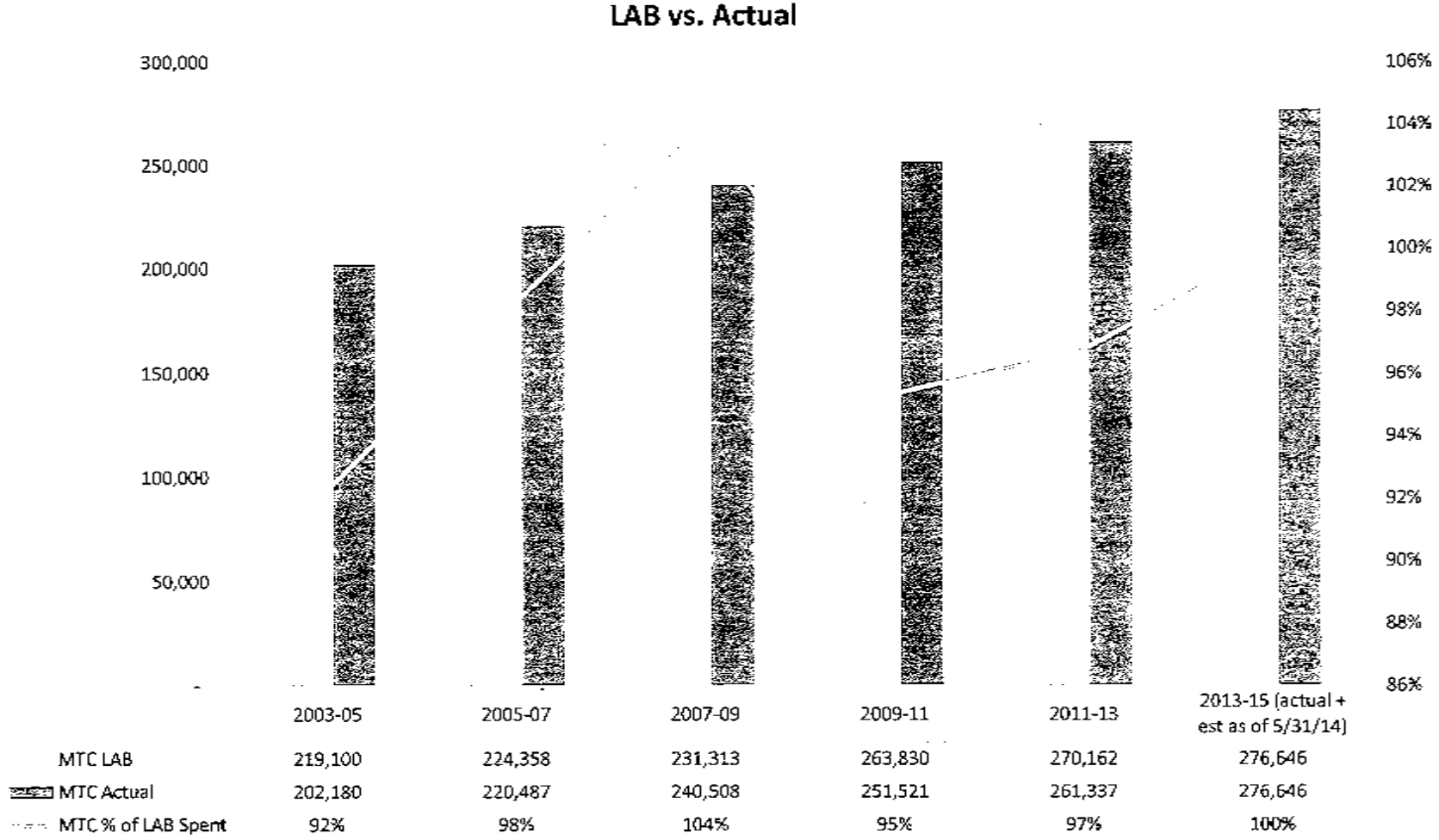
Multistate Tax
Commission

Multistate Tax Commission

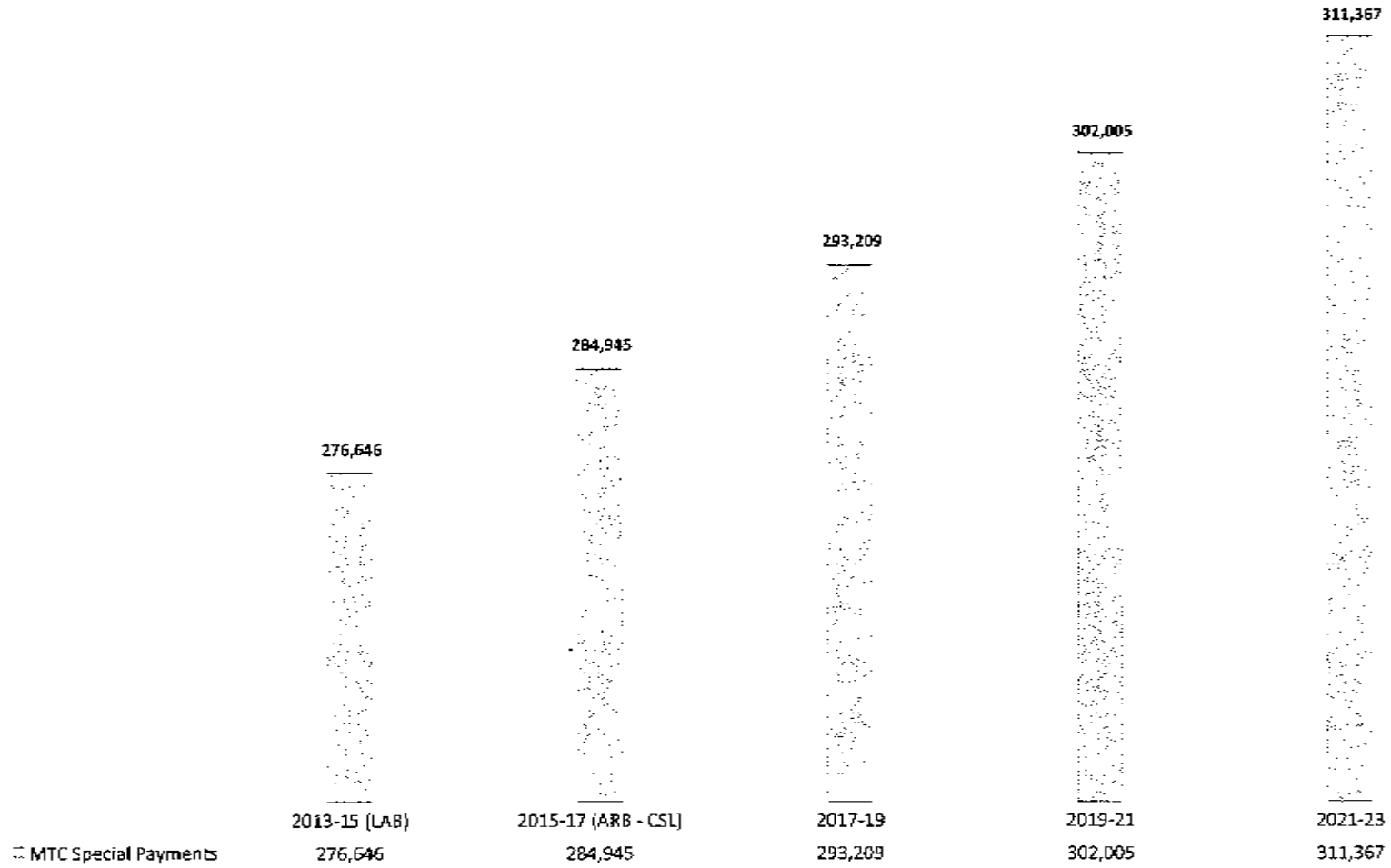
Graphical representation of the program



	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15 (actual + est as of 5/31/14)
MTC LAB	219,100	224,358	231,313	263,830	270,162	276,646
MTC Actual	202,180	220,487	240,508	251,521	261,337	276,646
MTC % of LAB Spent	92%	98%	104%	95%	97%	100%

Multistate Tax Commission

ESTIMATE OF FUTURE COSTS



Multistate Tax Commission

Program Description

Oregon is a member of the Multistate Tax Commission (MTC), an intergovernmental organization composed of 17 states that have joined in an effort to promote uniformity in state taxation of corporate income. By adopting the Multistate Tax Compact, the member states attempt to eliminate double taxation of the same income by more than one state, facilitate filing required returns, and reduce the risk of federal legislation restricting state taxation. The MTC accomplishes its objectives in several ways. It recommends uniform statutes and regulations for application to special industries and situations, conducts joint audits of multistate corporations on behalf of the member states in which the corporations operate, conducts investigations to determine if corporations are taxable in member states, operates a unitary business information exchange program among member states, provides national education to federal and state audiences through workshops and conferences, and gives legal support to member states.

Member states are assessed operational expenses of MTC each year. Assessments are proportional to the total amount of all income tax revenue received by each state. A continuous MTC revolving account provides for deposit of revenue received from MTC audits and payments of MTC assessments. Account balances in excess of $150,000 are transferred to the General Fund on June 30 of each year.

Multistate Tax Commission

031 Inflation & Price List Adjustments

Package Description
The Distributions to Non-governmental Units increased $8,299 Other Funds. The increase is based on the standard 3% biennial inflation factor increase in Services & Supplies and Capital Outlay.

2017–19 Fiscal Impact
Fully phased in. Anticipate an inflation adjustment for 2017–19 based upon Department of Administrative Services price list and instructions.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Multistate Tax Commission
Cross Reference Number: 15000-015-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	8,299	-	-	-	8,299
Total Revenues	-	-	**$8,299**	-	-	-	**$8,299**
Special Payments							
Dist to Non-Gov Units	-	-	8,299	-	-	-	8,299
Total Special Payments	-	-	**$8,299**	-	-	-	**$8,299**
Total Expenditures							
Total Expenditures	-	-	8,299	-	-	-	8,299
Total Expenditures	-	-	**$8,299**	-	-	-	**$8,299**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-015-00-00-00000

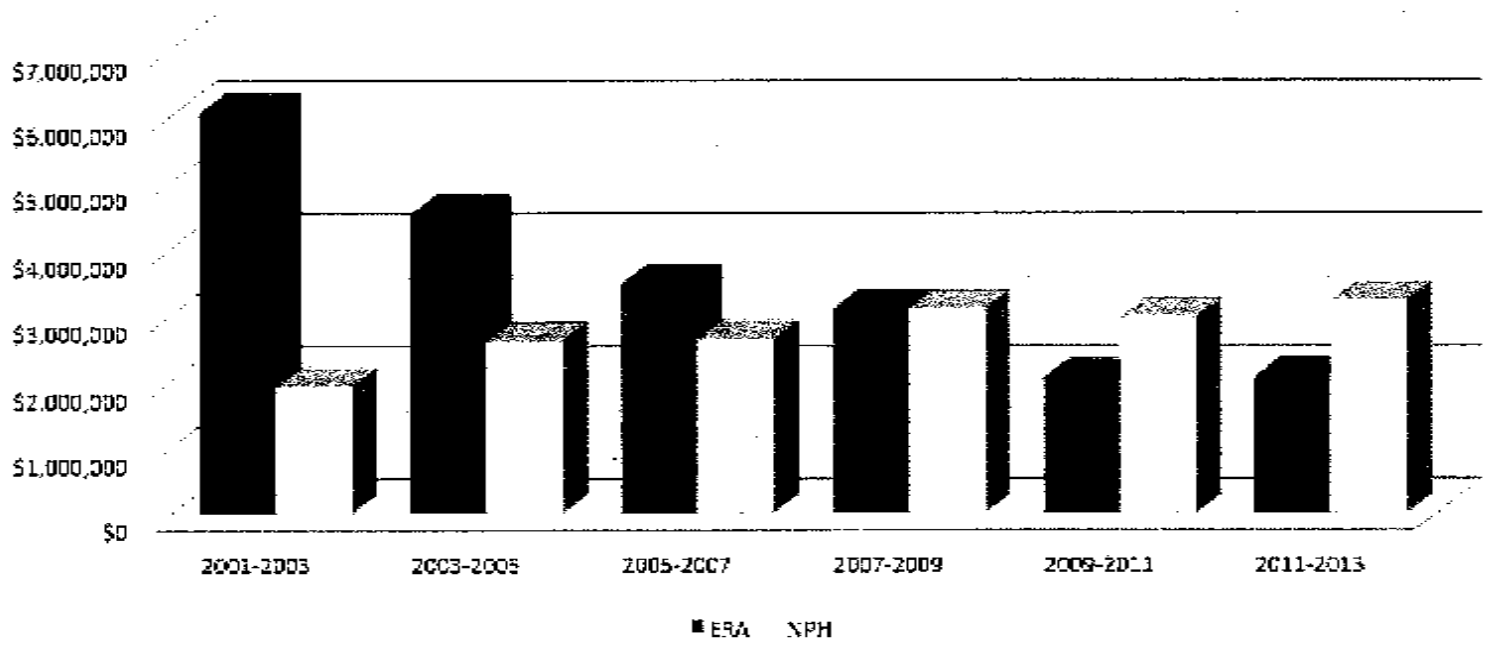
Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	-	276,646	276,646	284,945	284,945	-
Transfer to General Fund	(2,411,332)	-	-	-	-	-
Total Other Funds	**($2,411,332)**	**$276,646**	**$276,646**	**$284,945**	**$284,945**	-

Elderly Rental Assistance

Elderly Rental Assistance

Executive Summary

Primary Outcome Area:	Healthy People
Secondary Outcome Area:	N/A
Program Contact: Non-Profit Homes	Bram Ekstrand (503) 302-1947
Elderly Rental Asst.	Ken Ross (503) 945-8890

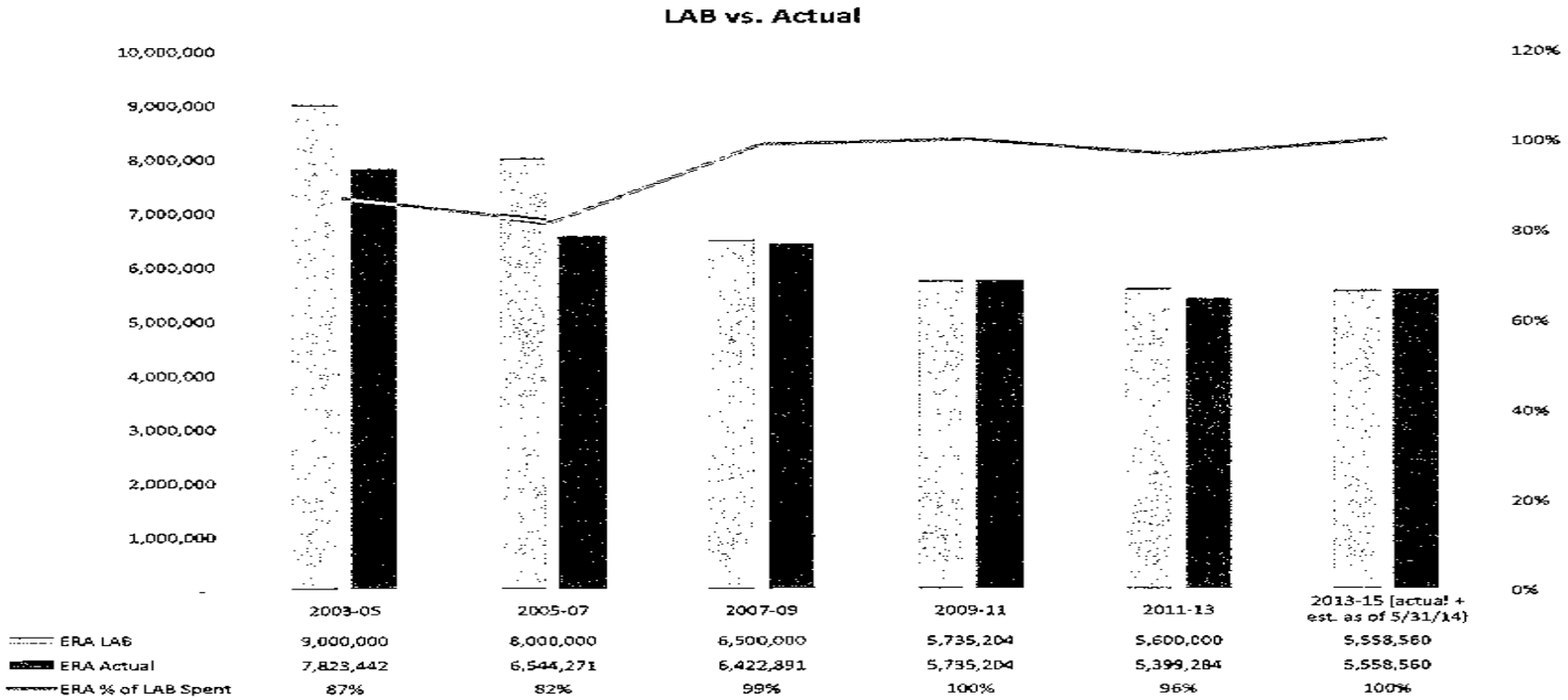


Elderly Rental Assistance

Program Overview

The Non-profit Homes for the Elderly Program (NPH) is a state funded property tax exemption. It is granted to private non-profit corporations that provide permanent housing, recreational and social facilities, and care to elderly persons. The value of the exemption is passed on to the individual residents in the form of a rent credit.

The Elderly Rental Assistance Program (ERA) is a state funded rental assistance program. ERA provides rental assistance to people 58 years old and older with certain income levels, and who paid more than 20 percent of their income for rent. Payment is made once a year, and is intended to pay a portion of one month's rent.

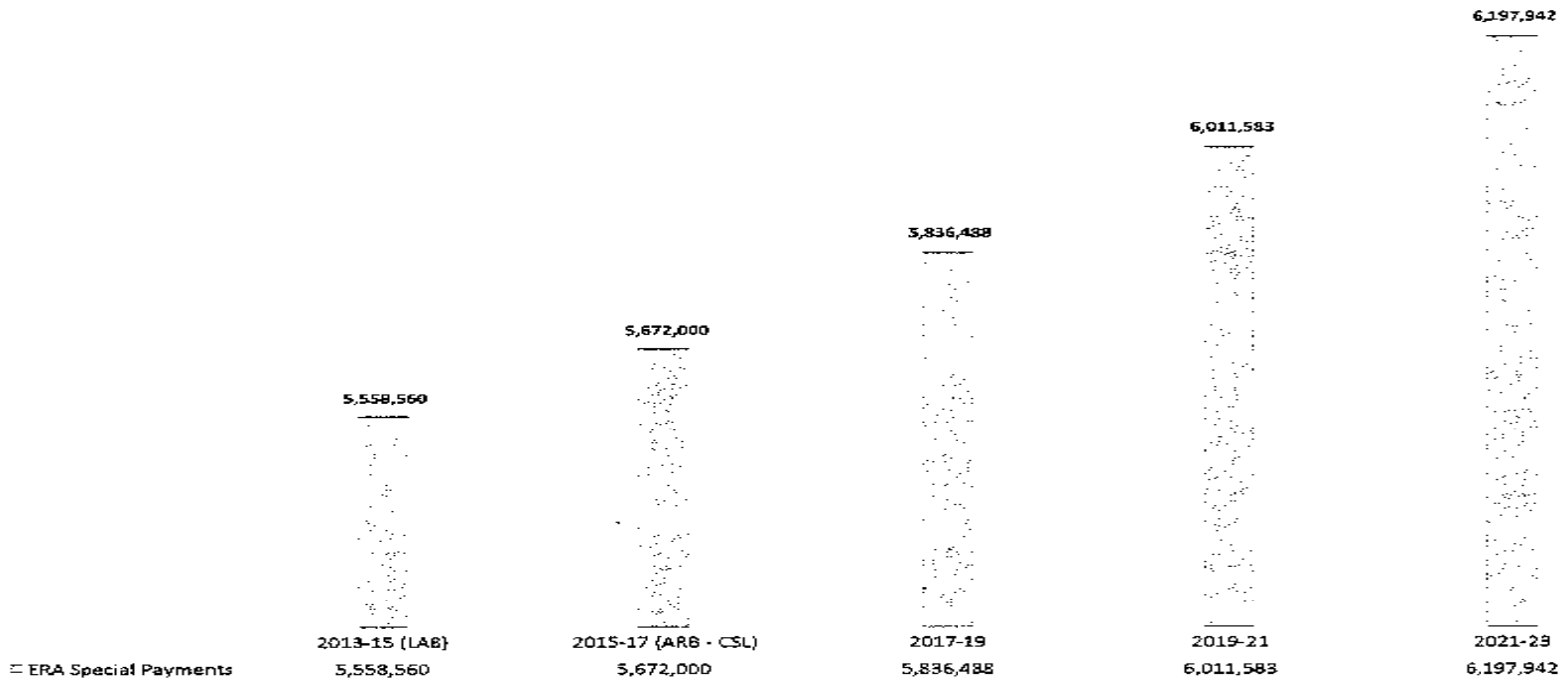


Elderly Rental Assistance

Program Funding Request

The NPH and ERA Programs were fully funded for the 2013-2015 biennium.

ESTIMATE OF FUTURE COSTS



Elderly Rental Assistance

Program Description

The NPH program was enacted in 1977 to assist private non-profit corporations in providing permanent housing and care to elderly persons.

In order to qualify for this program the non-profit corporation must be organized and operated only for the purpose of furnishing permanent residential, recreational, and social facilities for elderly persons (62 years of age & older). The residents' payments for living, medical, and recreational expenses and for social services and facilities must make up at least 95% of the corporation's operating gross income. The non-profit must receive federal or state financial aid under federal and state laws designed to aid low-income individuals. This effectively subjects the residents to income limitations. The corporation may not charge more than one-month rent as a "move in" fee or deposit and the rent amount must reflect the property tax savings.

The corporation applies to the county assessor of the county in which the property is located. The assessor approves or denies the exemption. If approved, the assessor computes the tax and notifies the Department of Revenue of the amount of the exemption. The department pays the tax, less 3%, to the county treasurer by November 15 of each year. The payment is from a General Fund appropriation that also includes payments for the Elderly Rental Assistance Program. If the General Fund appropriation is insufficient, the department will proportionately reduce the payment of tax for the exemption. The non-profit corporation retains the full property tax exemption, whether or not the appropriation covers the full amount of the property tax exemption. Local districts absorb the loss of taxes not paid by the state.

Program Performance

We made property tax payments of approximately $1.725 million in 18 counties for 48 eligible non-profit homes under this program for the 2012–13 tax year. For the 2013–14 tax year, we made property tax payments of approximately $1.683 million in 18 counties for 47 eligible non-profit homes.

As described above, the counties are responsible for processing exemption applications and notifying the department of the approved tax exemption amount. Upon the request of the county assessor, the department will certify the approval or disapproval of an application. We are also responsible for transferring the money to the counties for qualifying properties, and sending letters to approved applicants. This requires approximately 25 hours for one FTE position each year.

Elderly Rental Assistance

The ERA program was created in 1975 to provide rental assistance to people 58 years old and older with certain income levels, and who paid more than 20 percent of their income for rent. The assistance offset the portion of rent attributable to property tax (thus the requirement that the rental property must be subject to Oregon property tax).

The program peaked with participants in 1990 at 11,372. Assistance reached $6.5 million in 1992 with an average assistance amount of $559. To date in 2013, there are 2,284 participants sharing just under $1 million in assistance, an average of $375 per renter. The average age of the renter today is almost 71 years old compared with almost 73 years old in 1993.

ERA numbers have declined steadily since the early 1990s. While there are many reasons for this, it's primarily because the income limit has been below the minimum Social Security benefit amount for couples since 2005.

Enabling Legislation/Program Authorization

NPH:

- ORS 307.241 describes the purpose of the NPH program.
- ORS 307.242 describes the filing and processing of claims for the exemption.
- ORS 307.243 describes the property eligible for exemption.
- ORS 307.244 describes the funding of the exemption, computation of rate of levy and method of proration.
- ORS 307.245 describes the denial of exemption for failure to reflect exemption by rent reduction.

ERA:

- ORS 310.630 – ORS 310.706 provide for the administration of the ERA program.

Funding Streams

The money to carry out the purposes of the ERA program and pay the property tax exemption to the counties is from a suspense account described under ORS 310.692. It is an appropriation from the Legislative Assembly to the Department of Revenue to make payments under this exemption and the Elderly Rental Assistance Program.

Elderly Rental Assistance

Program Unit Narrative

In 2013–15, the Elderly Rental Assistance (ERA) and Nonprofit Housing for the Elderly (NPH) Program shares a $5.6 million appropriation. This fund provided rental assistance to elderly low-income renters through indirect property tax relief. An annual check is mailed to ERA claimants each November. Benefits are based on income levels and the amount of rent, fuel, and utilities paid. The NPH program allows for reduced rent by funding county property tax exemptions granted to non-profit entities that provide housing for the elderly. The counties also receive their payment in November each year.

The entire budget allocation for ERA/NPH goes to direct payments to the claimants/counties. There are no dollars included for administrative costs in either program.

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-019-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Transfer from General Fund	5,399,284	-	-	-	-	-
Total Other Funds	**$5,399,284**	-	-	-	-	-

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Senior Citizen Prop.
Tax Deferral

Senior and Disabled Citizen Property Tax Deferral

Program Description

The department administers the Senior Citizen and Disabled Citizens Property Tax Deferral Programs. These programs pay the property taxes and special property assessments for qualified senior and disabled citizens in exchange for a lien against the property for the estimated amount of the deferred taxes plus interest.

These programs are Other Funds programs. Due to a variety of factors beginning in approximately the 2007–2009 biennium, the amount of money being spent on tax payments exceeded the amount coming into the fund in the form of repayments, threatening the viability of the program. Program changes to eligibility were made during the 2011, 2012, and 2013 sessions that result in renewed program funding self-sufficiency.

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

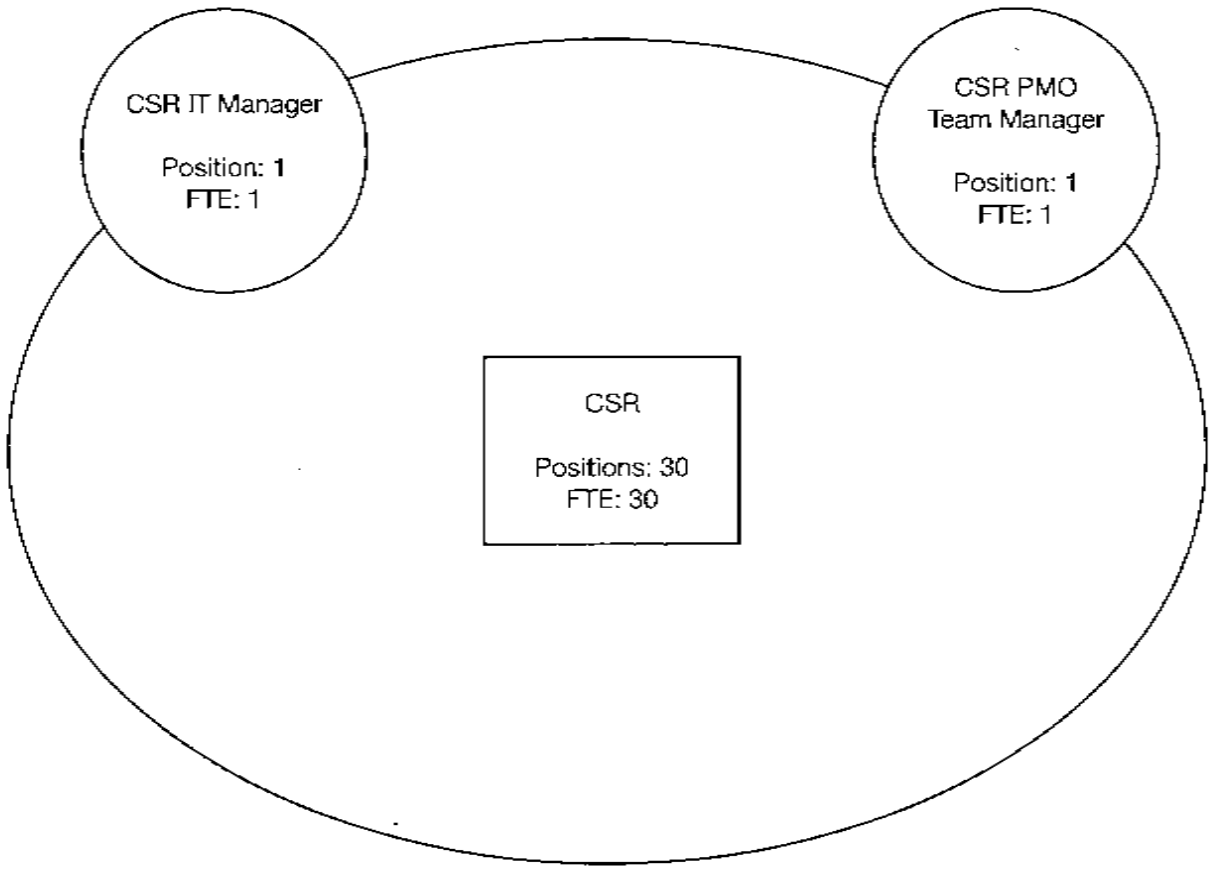
Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-025-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Nonlimited Other Funds						
Sr Citizen Prop Tax Repayments	-	38,497,653	38,497,653	38,497,653	38,497,653	-
Transfer to Counties	-	(33,807,326)	(33,807,326)	(33,807,326)	(33,807,326)	-
Total Nonlimited Other Funds	-	**$4,690,327**	**$4,690,327**	**$4,690,327**	**$4,690,327**	-

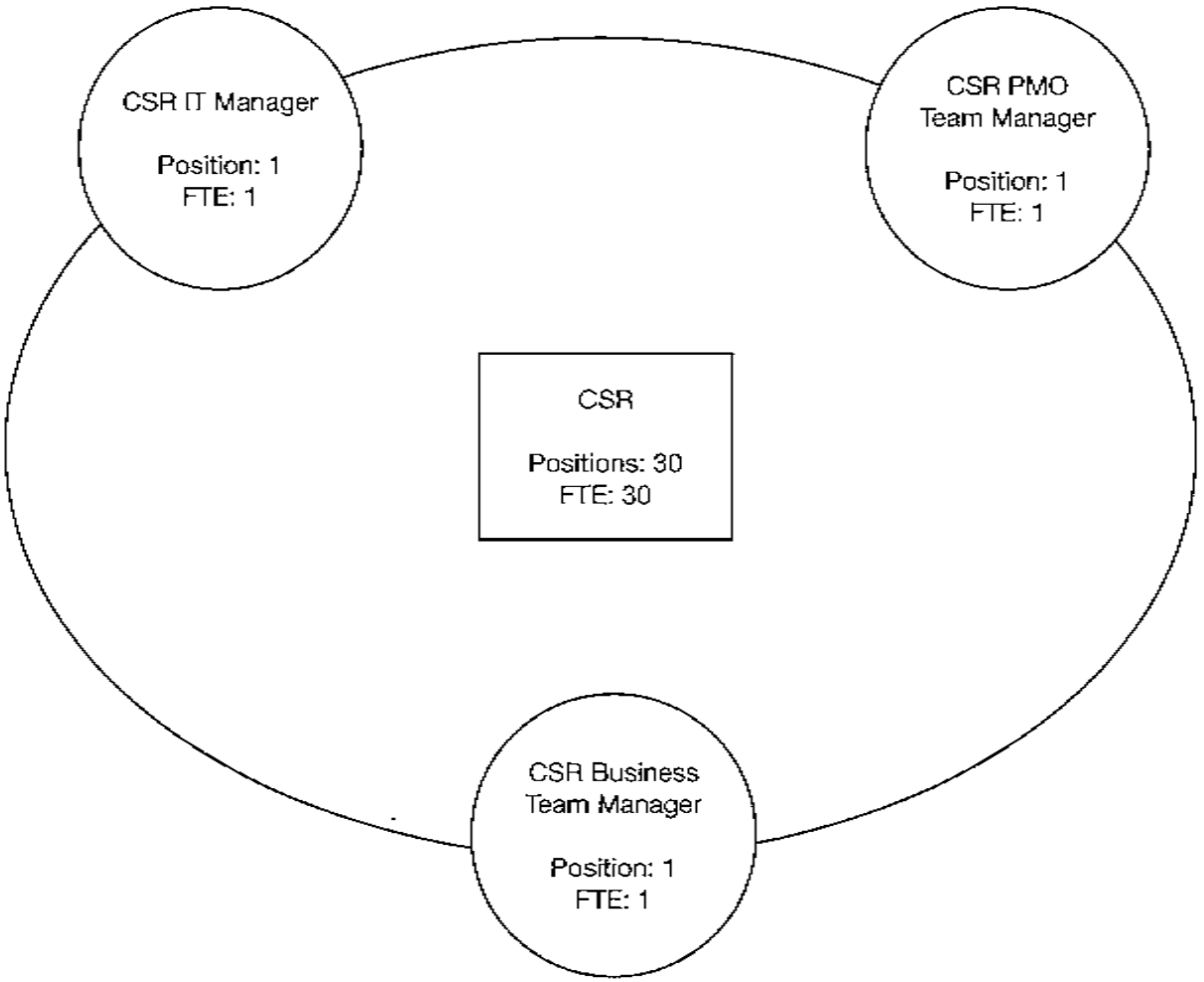
Core System Replacement

Core Systems Replacement
2013–2015



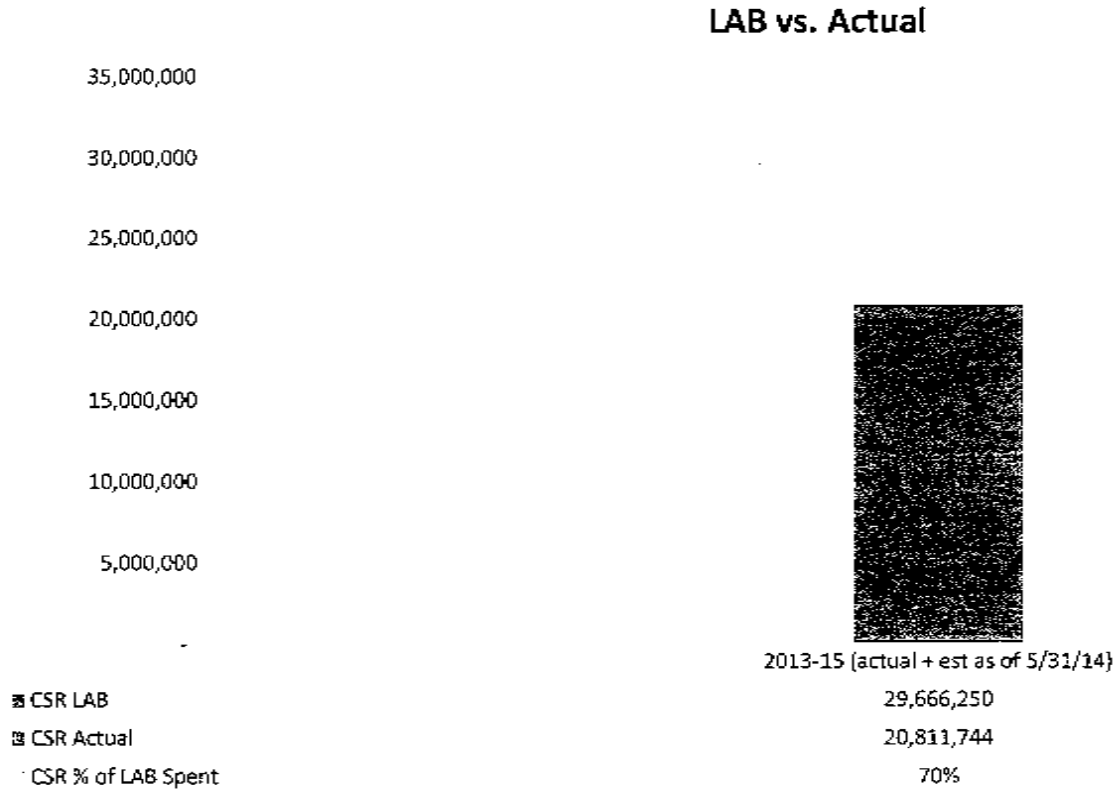
Total Positions: 32
Total FTE: 32

Core Systems Replacement
2015–2017



Total Positions: 33
Total FTE: 33

Core System Replacement



Core System Replacement

Essential Packages

Purpose: The essential packages present budget adjustments needed to bring the base budget to Continuing Service Level (CSL), the calculated cost of continuing legislatively approved programs into the 2013–15 biennium.

How Accomplished: See individual packages below for detail.

Staffing Impact: See individual packages below for detail.

Quantifying Results: See individual packages below for detail.

Revenue Sources: The revenue sources are the same as for the program unit as a whole.

Package Fiscal Impact Summary: See individual packages below for detail.

Core System Replacement

022 Phase Out Program and One-Time Costs

Package Description
This package phases out non-PICS personal services and services and supplies costs for the Core System Replacement project. Policy 181- Core Systems Replacement Policy Option Request – restores funding for the project.

2017–19 Fiscal Impact
Fully phased out with the exception of some debt service costs.

Core System Replacement

070 – Revenue Shortfalls

Package Description
This package phases out the personal services costs for the Core System Replacement project. Policy 181- Core Systems Replacement Policy Option Request – restores funding for the project.

2017–19 Fiscal Impact
Fully phased out with the exception of some debt service costs.

Core System Replacement

181- Core Systems Replacement Policy Option Request

Prelude

The Core Systems Replacement (CSR) project spans three biennia, and the attached POP narrative describes the project's 2015–17 funding needs. These funding needs are based upon assumptions which may change between now and the 2015 Legislative session, particularly in regard to the use of 2013–15 contingency funds that could reduce the amount of bond funds carried over to 2015–17. Between now[7] and the 2015 Legislative session, the additional following variables may influence the amount of funding requested. DOR will continue to update LFO and CFO representatives as these items get clarified/resolved:

Overtime Compensation (should have experience upon which to more accurately project by December 2014):
Overtime is being monitored monthly, and, based on Rollout 1 overtime experience, future personal services costs may be adjusted for additional overtime (some high-level estimates are already included).

Enterprise Technology Services (ETS) costs (should be more accurately defined by Feb/March 2015):
Original ETS cost projections were estimated based on 2011–13 rates with an anticipated inflationary increase. To date, the project has not yet utilized increased ETS services sufficiently to determine future ETS needs, but is monitoring usage and current ETS costs. By early 2015, the agency should have experienced enough usage and storage charges with sufficient stability to more accurately project future ETS fees. Additionally, by that time, ETS should have forecasted and published the 2015–17 biennial rates.

Debt Service Costs (DAS continues to refine bond issuance and debt service costs):
DOR continues to consult with DAS CFO to project anticipated bond sale expenditures, including issuance costs, interest, and debt service payment needs. Future bond costs are estimates until each bond is sold and actual costs are established. Bond costs will continue to be updated throughout the budget process with information provided by DAS CFO.

[7] Project costs and forecasted expenditures included in this narrative tie to the CSR June 2014 2013--15 Biennium Monthly Budget Report (except for the presentation category of actual expenditures to date for non-bond eligible general services and supplies that will be updated in the next accounting cycle).

Core System Replacement

Purpose

The Department of Revenue (DOR) is in the midst of replacing the majority of its core tax systems to mitigate the growing risks of not being able to support its aging legacy systems and maintain current service levels.

Replacing core tax systems ensures the agency can continue to achieve its mission of making revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens. It helps demonstrate that government is trustworthy, responsive, and solves problems in a financially sustainable way. Replacing core tax systems enables DOR to reach its vision of becoming a model of revenue administration through the strength of our people, technology, innovation, service, and collaboration.

As the agency responsible for administering $7.5 billion per year of General Funds, DOR has raised the concern since 2009 that reinvestment in core tax system technology and business processes is essential to sustain future revenue administration. As stewards of this responsibility, the Department sought and received approval to embark on implementation of a new Commercial Off-The-Shelf (COTS) integrated tax system and data warehouse (GenTax) through Fast Enterprises, LLC (FAST).

Total cost of the Core Systems Replacement (CSR) Project ($80.9 million) includes costs of debt funding ($8.9 million) and completed preliminary planning phases ($7.3 million). Total remaining project implementation costs for the 2015–17 and 2017–19 biennia, exclusive of debt service, are $43.0 million.

Package Description

DOR received initial project funding and approval in 2013. The department needs ongoing project funding to continue replacing its aging and obsolete core computer systems, re-engineer processes to maximize the ability to increase compliance and revenue collection, and provide services that taxpayers and lawmakers demand using up-to-date tools.

This initiative, the CSR project, is sponsored by the DOR Leadership Team and supported by a comprehensive business case containing the rationale for this change, recommended implementation approach, metrics, risks, and estimated costs and benefits to the State of Oregon.

Core System Replacement

DOR is seeking:

- **$17.4 million in General Fund appropriation for 2015–17.** $4.2 million of these costs are for estimated Enterprise Technology Services (ETS) fees and contract maintenance, and $.2 million is for estimated non-bond fund eligible general services and supplies. Debt service costs are projected for $13.0 million in 2015–17.
- **$27.1 million in Other Fund limitation for 2015–17** for the debt-financed costs of continuing installation, Rollout 2 and 3 vendor payments, contractor expenses, developer and project management staffing, hardware, and Quality Assurance/IV&V costs. This request includes one (1) additional FTE for project work associated with coordination of data conversion and data cleansing activities and reclassification of two (2) previously approved technical positions due to more complex skill sets needed for configuration and long-term system support and operation.

The table below reflects a breakdown of the expected project costs, by biennium[8,9].

Project Costs (in millions)							
	Positions	2009-13	2013-15	2015-17	2017-19 Project	Balance of 2017-19 & Future Biennia	Totals
DOR Contribution							
Ongoing DOR Operationg Costs	3	$ 7.3	$ 0.7	$ 0.9	$ 0.3		$ 9.2
General Fund							
Non-bond eligible General Services and Supplies			$ 0.2	$ 0.2	$ 0.1		$ 0.5
Project Costs			$ 1.9	$ 4.2	$ 1.5		$ 7.6
Total General Fund			$ 2.1	$ 4.4	$ 1.6		$ 8.1
Other Fund Limitation							
Debt Financed Project Costs	32		$ 18.8	$ 26.7	$ 9.1		$ 54.7
Project Totals (before Debt Service)	35	$ 7.3	$ 21.6	$ 32.1	$ 11.0		$ 72.0
Bonding Costs							
Principal & Interest (General Fund)			$ 1.3	$ 13.0	$ 7.1	$ 41.6	$ 63.0
Costs of Debt Issuance (Bond Funded)			$ 0.2	$ 0.4	$ 0.2		$ 0.8

Note: Totals reflect actual project costs. Component figures may not total accurately due to rounding.

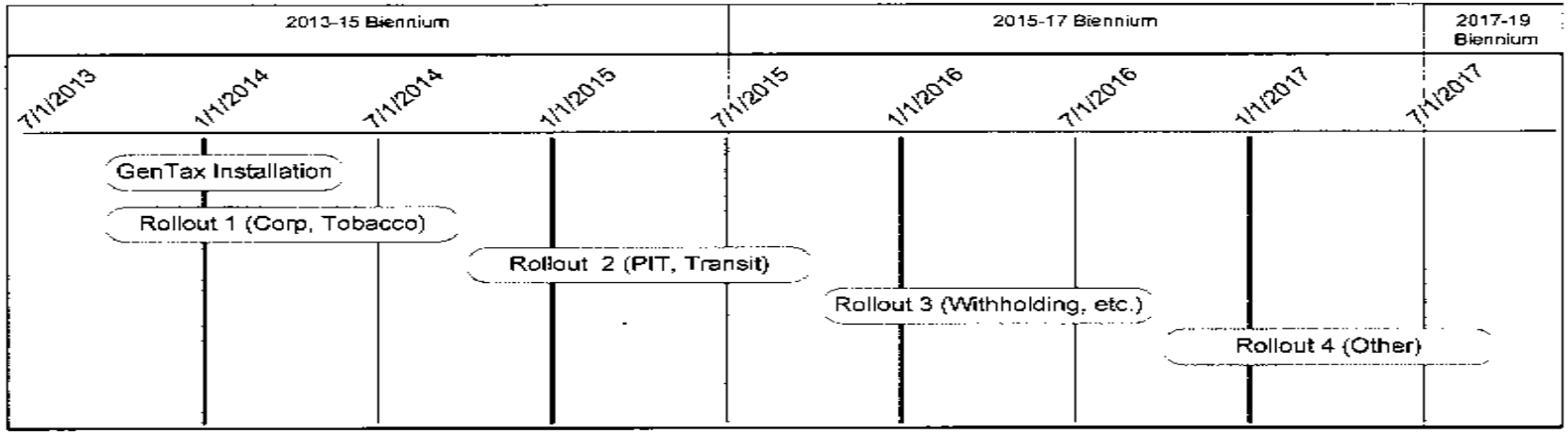
[8] DOR is submitting a separate 2015—17 POP package seeking approximately $750,000 additional funding to acquire tools and services to assist the department in detecting and mitigating tax fraud. The current contract with FAST contains options for these tools and services for an additional cost.
[9] Debt financed project costs include $3.5 M contingency requested to be appropriated in 2015—17 (DOR assumes any of the unused $3 M 2013—15 contingency would be made available for 2015—17) and $.5 M in 2017—19.

Core System Replacement

CSR Project phases:

- **Planning Phases:**
  2009–11 Biennium: Planning and Preparation
  2011–13 Biennium: Agency Readiness and Procurement
- **CSR Implementation Phase:**[10,11]
  2013–15 Biennium:
  Fall, 2014—Rollout 1: Corporate and Tobacco Programs
  2015–17 Biennium:
  Fall, 2015—Rollout 2: Personal Income Tax, Transit Self-Employment, Deferral and Estate Tax Programs
  Fall, 2016—Rollout 3: Withholding, Transit Payroll, Other Agency Accounts, and Small Programs
  2017–19 Biennium:
  Fall, 2017—Rollout 4: Other Remaining Programs

Planned Implementation Road Map



[10] CSR rollouts include additional tax and revenue programs that are not listed here.
[11] Currently planned rollout phases.

Core System Replacement

Revenue Source and Cost Summary

The CSR project is an investment in staff, processes, and technology. This initiative will provide value through reduced agency risk, a more productive and responsive workforce, and increased revenue to Oregon.

Core Systems Replacement Initiative

- ✓ Invest in process and technology solutions with significant value to the State of Oregon and its citizens.
- ✓ Align business processes to support the agency's goals.
- ✓ Replace many of the aging and obsolete systems that currently support the agency's core functions.

The CSR project is being financed each biennium through:

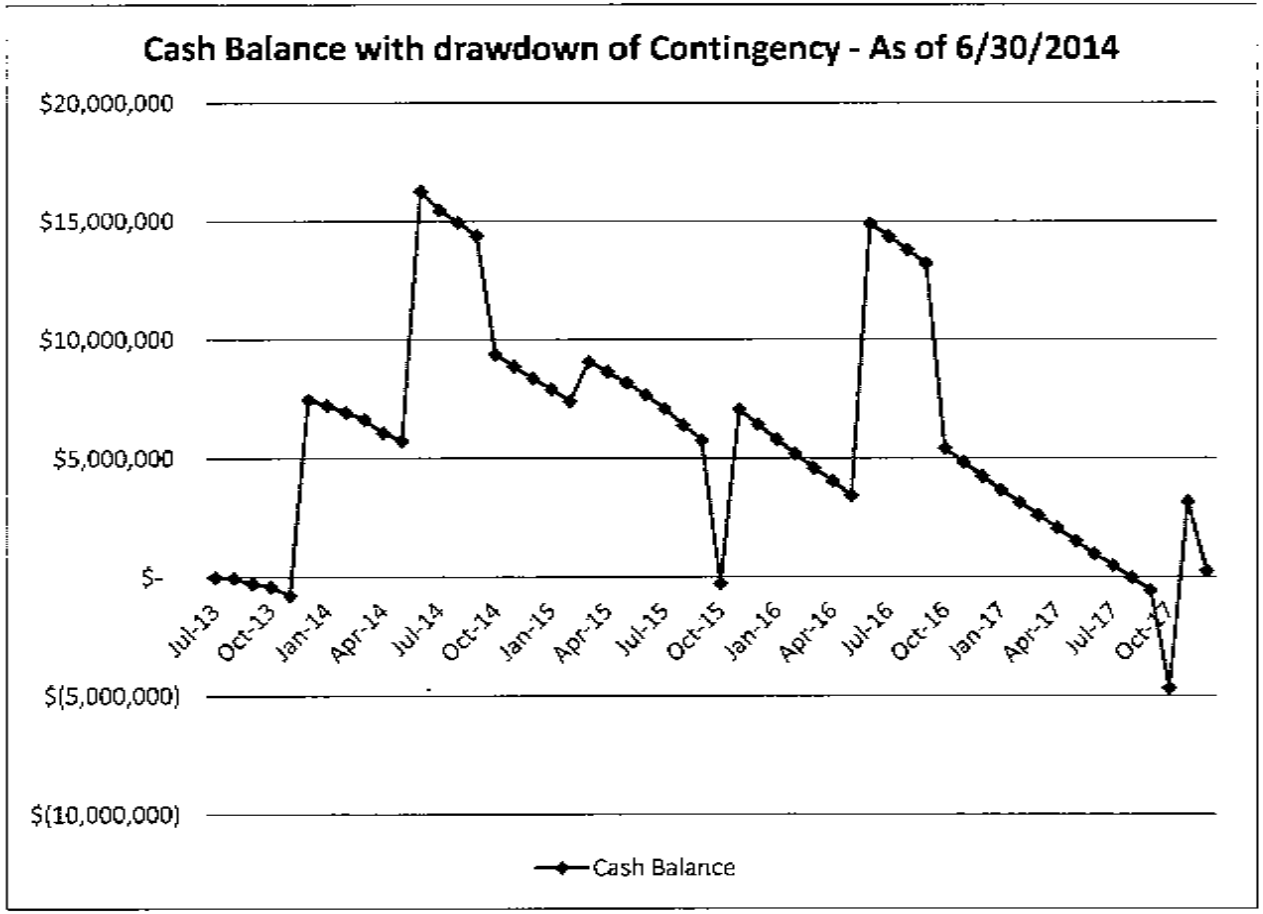
- Article XI-Q general obligation bonds.
- DOR's agency budget.
- An additional General Fund appropriation for ETS fees, contracted maintenance and support, non-bond eligible general services and supplies, and bond debt service.

Total cost of the CSR project ($80.9 million) includes costs of debt funding ($8.9 million) and completed preliminary planning phases ($7.3 million). Total remaining project implementation costs for the 2015–17 and 2017–19 biennia, exclusive of debt service, are $43.0 million. Current costs include all agency costs and the previously negotiated capped contract cost of $32.5 million for installation of GenTax by FAST.

The Article XI Q bonds are being issued in six (6) separate issuances, and each has a seven (7) year maturity period. The debt funded amount of the project is expected to be $54.7 million. The cost to issue the bonds is expected to be $.8 million (rounded), and the total net debt service costs associated with the bonds is expected to be $8.9 million (rounded) over the life of the bonds; therefore, total debt service costs are estimated at $63.0 million. DOR anticipates receiving updated project bonding costs from DAS throughout the life of the project.

Core System Replacement

The issuance of the debt is being scheduled to track with the expenditures. Each fall a major milestone (phase) should be completed, and a large vendor payment will be made. The following cash flow chart shows the bonds issued and the subsequent drawdowns throughout the life of the project. The department is assuming that the bond proceeds will be available to the department 30 days after issuance. The department believes that it will be able to initially "front" the money at the beginning of each remaining biennium (July through October expenditures) before the October 2015 and 2017 bond sales.



Core System Replacement

Need for system

Oregon tax administration programs are supported by a technical architecture designed in the 1980s. Agency core processes rely on a myriad of disparate, aging software applications and databases. As an example, the Integrated Tax Accounting system, on which all of the other core systems depend, is nearing 22 years old. DOR processes $7.5 billion a year, more than 90 percent of the state's General Fund revenue, through this aging system. Each year the agency manages the risks associated with this aging technology while also working to keep it operational.

At the same time, tax administration across the country is undergoing sweeping change. Taxpayers' needs are evolving, and they now demand new ways of doing business that match the convenience of private sector innovations like online banking and automatic bill pay. Meeting these needs enhances opportunities for voluntary compliance. Also, businesses and individual taxpayers are changing, and more are using complex and sophisticated practices to reduce or avoid paying taxes.

The need to address the risks of aging and obsolete systems and increased taxpayer complexity and demand are described in the following key business drivers:

Business Drivers

- ✓ Need for enhanced compliance and revenue
- ✓ Demand for improved customer service
- ✓ Need for increased overall efficiency
- ✓ Need for increased flexibility in tax administration

DOR submitted its plan to the 2013 Legislature along with a comprehensive *Core System Replacement Business Case* that documents the issues DOR currently faces and addressed these issues with a recommendation for replacement. DOR continues to work with the Legislative Fiscal Office, providing information and answering questions during the 2013 and 2014 Legislative sessions, as well as between sessions.

Core System Replacement

How achieved

DOR invested in a study of its current environment and available options as referenced in the *Core System Replacement Business Case*. This work resulted in the determination that the agency must replace existing core tax processing, accounting, and compliance systems with industry leading solutions. This replacement initiative provides the critical technology foundation for DOR to achieve its mission and vision for the future. In conjunction with process re-engineering, the integrated systems and data will enable DOR to use technology to make smarter and more timely decisions, increase voluntary compliance, improve overall compliance, and improve revenue administration.

DOR determined that a Commercial Off-The-Shelf (COTS) integrated tax system and data warehouse best fit the agency's needs. With COTS packages, the basic architecture and programming are already complete, so deployment can begin quickly. In addition, COTS solutions ensure that DOR will be able to keep up with technology changes in the future.

In early 2012 DOR conducted a competitive procurement process and selected FAST. Over the last decade, more than half of other states' revenue agencies have replaced their core systems, most of them with COTS solutions. Twenty of those agencies selected FAST's GenTax solution. All completed GenTax implementations have been or are anticipated to be successfully delivered on time and on budget.

State	Completion Date	State	Completion Date
Alabama	2010	Minnesota	2012
Alaska	2016	Mississippi	2015
Arkansas	2012	Montana	2007
California (EDD)	2011	New Mexico	2008
Colorado	2012	North Dakota	2007
Georgia	2012	Oklahoma	2013
Idaho	2002	Utah	2012
Illinois	2011	Vermont	2017
Louisiana	2005	West Virginia	2010
Massachusetts	2017	Wisconsin	2011

Core System Replacement

Benefits

The benefits of replacing core tax systems can be described in three categories: risk avoidance, improved performance, and increased revenues.

Risk Avoidance

The primary benefit to replacing core tax systems is to continue supporting existing revenue streams by reinvesting in core infrastructure to reduce risks of revenue loss. Risks include:

- Some key systems are at risk of reaching maximum capacity and/or failure.
- Highly specialized and inflexible applications require manual workarounds to meet business needs.
- Inflexible, obsolete and diverse architecture adds complexity and presents risk of not being supported (skill sets fading or increasingly difficult to find).
- Seasonal changes and legislative tax-law revisions require multiple, complex system updates which take time; the agency risks not being able to execute such changes by the time laws or policies are effective.

Improved Performance

Replacing core tax systems provides many benefits. An integrated system and data warehouse will provide a single view of taxpayer information, easier access to data analytics and management tools, consistent business processes, better tools for employees to conduct their work, improved capabilities for sharing resources and data, and increased ability to respond timely to changes in laws and regulations.

In addition, DOR will have ongoing membership in the community of GenTax users, sharing data and best practices, as well as ensuring the content and reliability of future product releases. States that have implemented a COTS Comprehensive Tax System have realized benefits such as those identified below:

Core System Replacement

Expected Benefits

Enhanced Compliance and Revenue
- Increased ability to uncover noncompliant taxpayers
- Faster identification of under-reporting taxpayers
- More effective audit-candidate selection
- Increased fraud detection

Increased Overall Efficiency
- Improved data driven decision-making
- Reduced errors and transaction time
- Faster training time
- Fewer redundant steps

Improved Customer Service
- Wider variety of secure and efficient web services with real-time processing
- Complete, accurate and timely answers to taxpayer questions
- Increased information security and privacy

Increased Flexibility in Tax Administration
- Quick, economical response to statutory changes and requests for information
- Ability to adapt to evolving taxpayer needs, behaviors and complex financial transactions

Increased Revenues

Other states have reported increased revenues as a result of replacing their core tax systems. However, DOR discovered during the procurement process that estimating revenue increases that are directly tied to the system replacement presents many challenges due to multiple influences on revenues, both internal and external to DOR. Estimating impacts on revenue generation may be more reliable after the system is installed and business process impacts are known. DOR is establishing metrics to monitor performance during and after the system is implemented.

Based on their experience in many other states, FAST believes DOR will see an increase in revenue during the life of the project and afterwards from improved service and better compliance tools. Benefits that should improve revenue generation are expected in non-filer compliance, audit, collections and refund fraud reductions for the personal income tax, withholding, and corporate tax programs.

Future Anticipated Operating Costs

The total cost of ownership (TCO) of the COTS integrated tax system and data warehouse after implementation includes annual maintenance and support costs of the new system, as well as ongoing ETS server and storage costs for the new system (net of savings from reduced ETS fees associated with retiring legacy systems). Estimated cost for these items beginning in 2019 is approximately $8 million per biennium. This provides DOR with system upgrades as new versions of the system are released, and ensures, for example, that 10 years after GenTax is first installed, DOR will be using the most current version. DOR will no longer be concerned with

Core System Replacement

upgrading its core tax systems because they will always be operating in the most current system available. System enhancements, if necessary, may require additional funds.

Some business processes may change as a result of implementing the new system. As a result, personal services needs may also change once DOR more fully understands changes to business processes.

Staffing impact

DOR is requesting one (1) additional FTE as part of this request (32 positions have been previously approved for the life of the project). Based on project implementation to date, a need for one additional position has been identified to coordinate data conversion and data cleansing activities throughout the life of the project.

DOR is also requesting reclassification of two (2) previously approved positions to reflect a higher-level technical skill set needed for configuration duties and support of GenTax.

DOR is not requesting additional future (after the life of the project) FTE as part of this request. However, for an initiative of this size and scope, DOR needs to temporarily augment certain staff functions in both business areas and in IT Services, as well as acquire skills that are not currently in the department. During implementation, DOR is back-filling certain positions or contracting out for services to satisfy project and current system needs. The department has previously received 32 positions for the life of the project. These positions are being used to back-fill behind current staff that has been moved to the project to ensure current operational levels and commitments are maintained. In addition, three positions from the agency's Program Management Office are dedicated to the CSR project.

The staff augmentation plan frees up key staff for work on various project phases while ensuring that the agency maintains existing systems, accomplishes current work, and continues collection and audit revenue-generating efforts. The staff augmentation plan addresses areas such as:

- Identifying required skills and investing resources in areas such as data analytics, testing and training coordination, system configuration and business process improvement expertise.
- Acquiring special expertise where not available in-house, such as change leadership and large-scale project management.
- Back-filling for key technology and subject matter experts.

Core System Replacement

Planned number of FTE[12] required for the remainder of the initiative, including the one (1) additional position requested is:

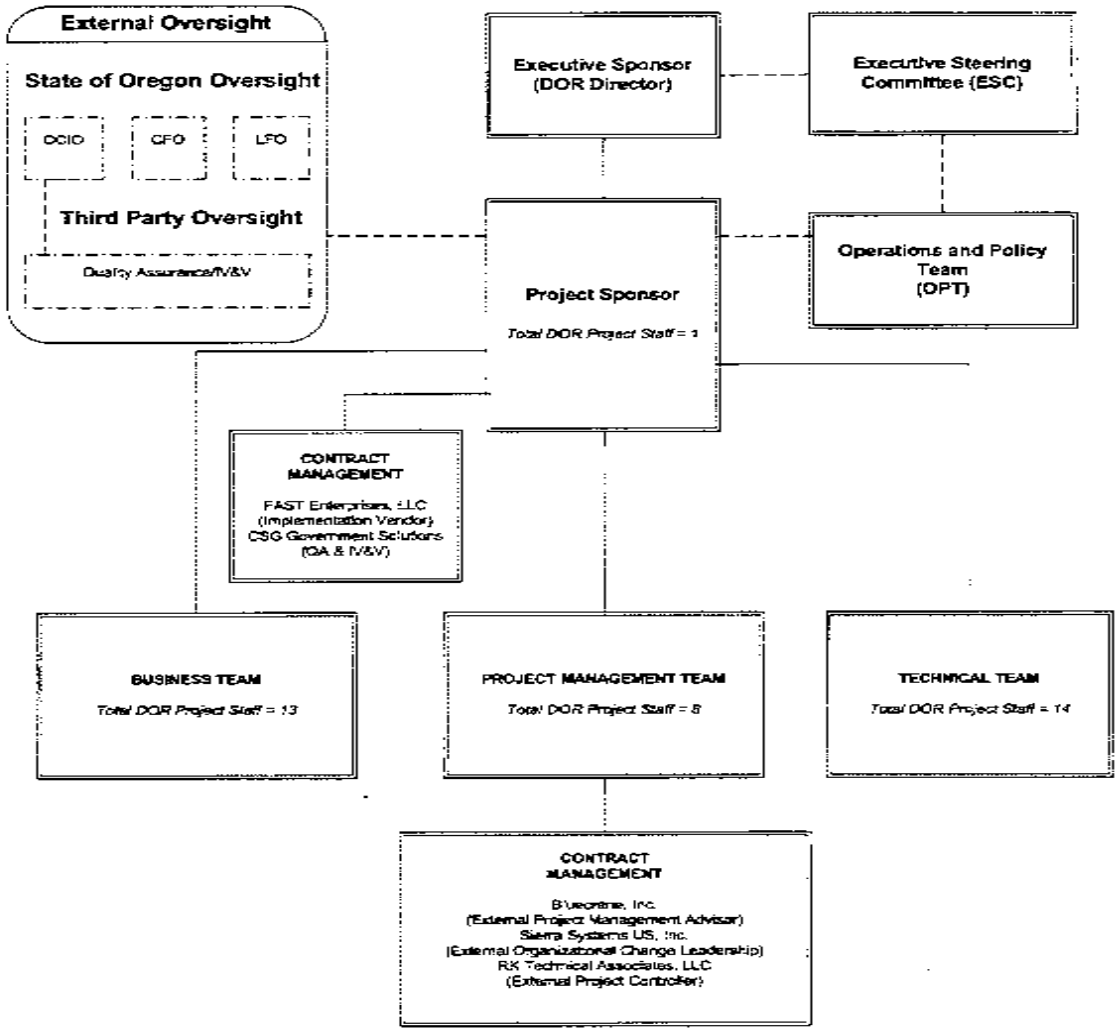
	2015–17	2017–19
Core Systems Replacement		
DOR Project Team:		
Project Management Team (3 from within the Program Management Office)	9	4.5
Technical Team	14	7
Business Team	13	6.5
Total FTE	36	18

The project has developed the following organization chart for staffing the project.

[12] Does not include testing and training activities which will involve most DOR staff at certain points during the project.

Core System Replacement

Planned DOR Core Systems Replacement Project Team



Core System Replacement

Oversight and governance

Project organization, staffing, and communication

- This initiative has been approved by the State CIO and is being managed under the oversight of the Office of the Chief Information Officer (OCIO).
- DOR has established an Executive Steering Committee to oversee the initiative. This Committee is made up of the Revenue Leadership Team.
- The Program Management Office (PMO) has staff assigned to manage the initiative full time.
- DOR is partnering with vendors to use a structured organizational change management approach to ensure agency staff and stakeholders are fully involved and informed.
- Agency partners such as DAS ETS, DAS Procurement Services, and the Department of Justice are involved in key project teams.

Performance metrics

DOR is using metrics to monitor the project (also see "How We Measure Success" in this document).

Quality assurance

The agency is working with DAS OCIO quality assurance specialists and has engaged independent quality assurance contractors since January 2010. DOR continues to follow the statewide quality assurance program, as administered by DAS OCIO. The project team's Internal Quality Assurance (QA) coordinator oversees and coordinates the quality assurance efforts.

Core System Replacement

Managing risks

DOR developed a Risk and Issue Management Plan for the CSR project that is part of the overall Project Management Plan (PMP). The Plan addresses the process for all risks. At a high level, this process is:

- **Risk Identification**—focus on identifying risks that may occur in the upcoming phase and those long-term risks that can be mitigated effectively in the current juncture of the project
- **Risk Analysis**—ensure risks are adequately examined in a structured and systematic method
- **Risk Response Planning**—comprised of three general strategies: risk reduction (threats), risk enhancement (opportunities), and risk acceptance/risk contingency planning (either)
- **Risk Status Reporting**—status of project risks are reported monthly as part of a risk dashboard established for the project
- **Risk Escalation**—risks are escalated to the CSR Operations and Policy Team and/or the Executive Steering Committee if they cannot be adequately addressed by the Risk/Issue Management Team

Risks and issues are documented and tracked in Risk and Issue Registers. Throughout the life of the project, the Risk and Issue Management Team established for this project will manage risks according to the defined Risk Management Plan procedures.

Core System Replacement

Quantifying Results

The CSR project will be measured by how well it achieves agency strategic goals and the efficiency with which it does so. The agency is establishing key metrics that are linked to the agency's Key Business Drivers. These metrics will be evaluated at significant milestones in the project. More information about project metrics is available in the Business Case. Examples of metrics include:

Project-Specific Metrics
• Project meets milestones (timeliness) and is completed on time
• Project meets milestones (cost) and is completed within budget
• Project scope is defined, managed, and delivered
• Deliverables meet or exceed quality requirements
Operational Impacts
• Web Self-Sufficiency Metrics: o Number of self-sufficiency actions available, by tax program o Successful actions completed by users of DOR's web self-sufficiency tools, by tax program

These metrics will be tracked and reported throughout the project. Additional metrics will be developed or modifications may occur to existing metrics, if appropriate, to best represent the project's success. The full measure of the project's success will require a broad assessment of both qualitative and quantitative information after the system has been installed.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Overtime Payments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Pension Obligation Bond	-	-	-	-	-	-	-
Social Security Taxes	-	-	-	-	-	-	-
Mass Transit Tax	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(3,137,432)	-	-	-	-	-	(3,137,432)
Admin and Service Charges	-	-	(20,602,539)	-	-	-	(20,602,539)
Total Revenues	**($3,137,432)**	-	**($20,602,539)**	-	-	-	**($23,739,971)**
Personal Services							
Overtime Payments	-	-	(59,722)	-	-	-	(59,722)
Public Employees' Retire Cont	-	-	(9,430)	-	-	-	(9,430)
Pension Obligation Bond	-	-	-	-	-	-	-
Social Security Taxes	-	-	(4,569)	-	-	-	(4,569)
Mass Transit Tax	-	-	-	-	-	-	-
Total Personal Services	-	-	**($73,721)**	-	-	-	**($73,721)**
Services & Supplies							
Office Expenses	-	-	(70,200)	-	-	-	(70,200)
Telecommunications	-	-	(35,100)	-	-	-	(35,100)
Data Processing	(1,125,000)	-	-	-	-	-	(1,125,000)
Professional Services	-	-	(1,220,267)	-	-	-	(1,220,267)
Facilities Rental and Taxes	-	-	(686,469)	-	-	-	(686,469)
Other Services and Supplies	(2,012,432)	-	(16,811,782)	-	-	-	(18,824,214)
Total Services & Supplies	**($3,137,432)**	-	**($18,823,818)**	-	-	-	**($21,961,250)**
Capital Outlay							
Data Processing Software	-	-	(852,500)	-	-	-	(852,500)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Hardware	-	-	(852,500)	-	-	-	(852,500)
Total Capital Outlay	**-**	**-**	**($1,705,000)**	**-**	**-**	**-**	**($1,705,000)**
Total Expenditures							
Total Expenditures	(3,137,432)	-	(20,602,539)	-	-	-	(23,739,971)
Total Expenditures	**($3,137,432)**	**-**	**($20,602,539)**	**-**	**-**	**-**	**($23,739,971)**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 070 - Revenue Shortfalls

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	(5,477,044)	-	-	-	(5,477,044)
Total Revenues	-	-	**($5,477,044)**	-	-	-	**($5,477,044)**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(3,667,512)	-	-	-	(3,667,512)
Empl. Rel. Bd. Assessments	-	-	(1,364)	-	-	-	(1,364)
Public Employees' Retire Cont	-	-	(579,101)	-	-	-	(579,101)
Social Security Taxes	-	-	(280,560)	-	-	-	(280,560)
Worker's Comp. Assess. (WCD)	-	-	(2,139)	-	-	-	(2,139)
Flexible Benefits	-	-	(946,368)	-	-	-	(946,368)
Total Personal Services	-	-	**($5,477,044)**	-	-	-	**($5,477,044)**
Total Expenditures							
Total Expenditures	-	-	(5,477,044)	-	-	-	(5,477,044)
Total Expenditures	-	-	**($5,477,044)**	-	-	-	**($5,477,044)**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							(32)
Total Positions	-	-	-	-	-	-	**(32)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 070 - Revenue Shortfalls

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							(32.00)
Total FTE	-	-	-	-	-	-	**(32.00)**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 181 - Core Systems Replacement

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	4,415,000	-	-	-	-	-	4,415,000
Admin and Service Charges	-	-	26,250,718	-	-	-	26,250,718
Total Revenues	**$4,415,000**	-	**$26,250,718**	-	-	-	**$30,665,718**
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	4,498,872	-	-	-	4,498,872
Overtime Payments	-	-	297,117	-	-	-	297,117
All Other Differential	-	-	60,512	-	-	-	60,512
Empl. Rel. Bd. Assessments	-	-	1,452	-	-	-	1,452
Public Employees' Retire Cont	-	-	766,842	-	-	-	766,842
Social Security Taxes	-	-	371,521	-	-	-	371,521
Worker's Comp. Assess. (WCD)	-	-	2,277	-	-	-	2,277
Mass Transit Tax	-	-	26,993	-	-	-	26,993
Flexible Benefits	-	-	1,007,424	-	-	-	1,007,424
Total Personal Services	-	-	**$7,033,010**	-	-	-	**$7,033,010**
Services & Supplies							
Instate Travel	40,000	-	-	-	-	-	40,000
Employee Training	75,000	-	-	-	-	-	75,000
Office Expenses	65,000	-	-	-	-	-	65,000
Telecommunications	36,000	-	-	-	-	-	36,000
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	1,800,000	-	279,000	-	-	-	2,079,000
Professional Services	-	-	2,273,304	-	-	-	2,273,304

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 181 - Core Systems Replacement

Cross Reference Name: Core System Replacement
Cross Reference Number: 15000-030-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Professional Services	2,375,000	-	12,622,500	-	-	-	14,997,500
Facilities Rental and Taxes	-	-	518,904	-	-	-	518,904
Other Services and Supplies	24,000	-	3,524,000	-	-	-	3,548,000
Total Services & Supplies	**$4,415,000**	**-**	**$19,217,708**	**-**	**-**	**-**	**$23,632,708**
Total Expenditures							
Total Expenditures	4,415,000	-	26,250,718	-	-	-	30,665,718
Total Expenditures	**$4,415,000**	**-**	**$26,250,718**	**-**	**-**	**-**	**$30,665,718**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Positions							
Total Positions							33
Total Positions	**-**	**-**	**-**	**-**	**-**	**-**	**33**
Total FTE							
Total FTE							33.00
Total FTE	**-**	**-**	**-**	**-**	**-**	**-**	**33.00**

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1028000	MMS X7006 IA	PRINCIPAL EXECUTIVE/MANAGER D	1-	1.00-	24.00-	09	8,496.00		203,904- 78,436-			203,904- 78,436-
1029000	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1-	1.00-	24.00-	02	5,218.00		125,232- 59,995-			125,232- 59,995-
1030000	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1-	1.00-	24.00-	02	5,218.00		125,232- 59,995-			125,232- 59,995-
1031000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1032000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1033000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1034000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1035000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1036000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1037000	OA C1485 IA	INFO SYSTEMS SPECIALIST 5	1-	1.00-	24.00-	02	4,408.00		105,792- 55,438-			105,792- 55,438-
1038000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1039000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1040000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1041000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1042000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1043000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1044000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1045000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1046000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1047000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1048000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1049000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1050000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1051000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1052000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	03	6,046.00		145,104- 64,653-			145,104- 64,653-
1053000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1054000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1-	1.00-	24.00-	05	3,001.00		72,024- 47,524-			72,024- 47,524-
1055000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	03	5,028.00		120,672- 58,926-			120,672- 58,926-
1056000	OA	C1245	AA FISCAL ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1057000	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1-	1.00-	24.00-	09	7,850.00		188,400- 74,802-			188,400- 74,802-
1058000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	09	6,691.00		160,584- 68,282-			160,584- 68,282-
1059000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	00	0.00					

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	TOTAL PICS SALARY									3,667,512-			3,667,512-

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1060000	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	09	8,496.00		203,904 78,436			203,904 78,436
1061000	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	09	7,850.00		188,400 74,502			188,400 74,502
1062000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	08	6,876.00		165,024 69,322			165,024 69,322
1063000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	08	6,876.00		165,024 69,322			165,024 69,322
1064000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	01	4,984.00		119,616 58,679			119,616 58,679
1065000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	09	6,507.00		156,168 67,247			156,168 67,247
1066000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	06	5,664.00		135,936 62,504			135,936 62,504
1067000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	06	5,664.00		135,936 62,504			135,936 62,504
1068000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	02	4,711.00		113,064 57,143			113,064 57,143
1069000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	06	5,664.00		135,936 62,504			135,936 62,504
1070000	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	08	5,805.00		139,320 63,295			139,320 63,295
1071000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	05	4,740.00		113,760 57,307			113,760 57,307
1072000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	01	3,770.00		90,480 51,859			90,480 51,859
1073000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	01	3,770.00		90,480 51,859			90,480 51,859
1074000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	08	7,701.00		184,824 73,964			184,824 73,964
1075000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	09	6,691.00		160,584 68,282			160,584 68,282

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1076000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	07	6,080.00		145,920 64,845			145,920 64,845
1077000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1078000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1079000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1080000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1081000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	05	5,529.00		132,696 61,745			132,696 61,745
1082000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	05	5,529.00		132,696 61,745			132,696 61,745
1083000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1084000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1085000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1086000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1087000	MMS X7008 AA	PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	04	6,351.00		152,424 66,369			152,424 66,369
1088000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	09	6,691.00		160,584 68,292			160,584 68,292
1089000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1090000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	04	5,277.00		126,648 60,328			126,648 60,328
1091000	OA C0107 AA	ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	06	3,139.00		75,336 48,300			75,336 48,300

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1092000	OA C1244	AA FISCAL ANALYST 2	1	1.00	24.00	09	5,802.00		139,248			139,248
									63,280			63,280
		TOTAL PICS SALARY							4,498,872			4,498,872
		TOTAL PICS OPE							2,065,688			2,065,688
		TOTAL PICS PERSONAL SERVICES =	33	33.00	792.00				6,564,560			6,564,560

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-030-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	-	26,528,818	26,528,818	26,699,953	26,699,953	-
Total Other Funds	**-**	**$26,528,818**	**$26,528,818**	**$26,699,953**	**$26,699,953**	-

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Capital Debt Service

Article XI-Q Bond Financing and Other Financing Request Form

STATE OF OREGON, DEPARTMENT OF ADMINISTRATIVE SERVICES
PROGRAM FOR REAL PROPERTY AND EQUIPMENT FINANCING

Please return your response to this Request Form by **May 15, 2014**

Please return the completed form to:

Jean Gabriel, Capital Finance & Planning Manager
Department of Administrative Services
Chief Financial Office
155 Cottage Street NE, U10
Salem, OR 97301-3963

If you have any questions, please call Jean Gabriel at (503) 378-3107.

AGENCY: Department of Revenue

DIVISION: Administrative Services Division

CONTACT PERSON: Jan Hunt

TITLE: Budget and Finance Manager

ADDRESS: 955 Center St. NE, Salem, OR 97310

TELEPHONE: (503) 945-8466

ALTERNATE CONTACT: Terrence Woods

REAL PROPERTY ACQUISITION OR RESTORATION FINANCING

Please specify the equipment items that you expect to acquire using Article XI-Q Bonds or capital leases over the next biennium beginning July 1, 2015. Please indicate the type of equipment and when funds are needed to acquire the equipment. Please note: Financing agreements are defined at ORS 283.085(3) and include any agreement to finance real or personal property that is or will be owned and operated by the state. This includes lease purchase agreements, installment sales agreements, and similar financing arrangements. Do not include operating leases on this form.

EQUIPMENT TYPE

Please list by type, amount needed, and when you will need the funds in the spaces provided (brand names are not required).

Description of Equipment/Personal Property	Dollar Value of Financed Asset	Purchased or Developed *In-House	Date to be Placed in Service/Useful Life	2015-17 Budget Proposal (Yes or No)	Financing Method (e.g. XI-Q Bonds, Capital Lease, etc)
Replaces 2/3 of core tax and revenue processing systems with COTS solution integrated tax system and data warehouse.	$55,163,810	Both – This is a COTS solution customized to meet DOR needs.	The system will be rolled out in four phases. The first rollout will be in November 2014, with three subsequent rollouts over the next three years at approximately the same time (Fall) of each year./Estimated Useful life – 10 years.	Yes	XI- Q Bonds
To fund and deploy a Property Valuation System (PVS) using commercial off-the-shelf (COTS), Computer Assisted Mass Appraisal (CAMA) software system.	$3,332,313	Both – This is a COTS solution customized to meet DOR ueeds.	The system is estimated to go live in December 2017/Estimated Useful Life – 10 years.	Yes	XI-Q Bonds

INTERAGENCY AGREEMENT RELATING TO FINANCING PROPERTY THROUGH THE DEPARTMENT OF ADMINISTRATIVE SERVICES
(Article XI-Q General Obligation Bonds)

This Interagency Agreement is entered into between the Oregon Department of Administrative Services (DAS) and the Department of Revenue (the "Project Agency") and shall be effective on the date noted herein.

Section 1. Recitals.

a. Article XI-Q of the Oregon Constitution and Senate Bill 5506 enacted in the 2013 legislative session (collectively the "Act") authorize DAS to request the State Treasurer to issue general obligation bonds to finance the costs of acquiring or constructing personal property that is or will be owned or operated by the State of Oregon and infrastructure related to such personal property..

b. Under the Act, DAS may establish procedures under which state agencies may request projects to be financed with Article XI-Q bonds and DAS may bill those agencies that have projects financed with XI-Q bonds for the costs of financing the project(s), including debt service payments.

c. DAS will attempt to coordinate the financing under the Act, and to finance projects on a tax-exempt basis, so that borrowing costs are reduced.

d. The amount of XI-Q bonds that may be sold in each biennium is limited by the biennial bond bill approved by the Legislative Assembly under ORS 286A.035.

e. The Project Agency hereby requests DAS to use the Act to finance the personal property project(s) described in the attached Exhibit A (the "Project").

f. DAS is willing to ask the State Treasurer to issue bonds under the Act to finance the Project, subject to the conditions contained in this Agreement.

Section 2. Definitions. Capitalized terms used in this Agreement shall have the meanings defined for such terms above and in this section, unless the context clearly requires otherwise.

"Code" means the Internal Revenue Code of 1986, as amended.

"Bonds" means the State of Oregon Article XI-Q General Obligation Bonds, 2014 Series A and any other borrowing issued by the State of Oregon to refund all or a part of the 2014 Series A bonds.

"Draw Plan" means the anticipated spending plan for the proceeds of the Bonds as described in Exhibit B-3.

Section 3. Representations of Project Agency. The Project Agency represents and warrants to DAS that:

a. Adequate amounts have been budgeted to the Project Agency for the payment of costs associated with the financing of the Project during the current biennium, and the Project Agency reasonably expects that it will receive appropriations in future biennia which are sufficient to permit the Project Agency to pay the debt service and financing costs related to the Bonds which will be billed to it during each biennia.

b. For fiscal period 2013-15 and all subsequent fiscal periods, the Project Agency will take all steps necessary to insure that its budget request contains a line item for debt service and other charges associated with the financing. These steps shall include all reasonable assistance to DAS to assure that such amounts are included in the Governor's budget request to the Legislative Assembly pursuant to ORS 286A.826.

c. Financing the Project through the Act is consistent with the financial policies of the Project Agency, and the Project Agency is not using this financing method to deviate from past, accepted budgeting practices.

d. The Project has an estimated useful life of at least 6 years and the Project is for an essential governmental purpose.

e. As of the date of this Agreement, with respect to those components of the Project for which all competitive contractor selection procedures have been completed, all public bidding requirements applicable to the Project have been complied with, and all time periods in which a challenge to the contractor selection process reasonably could be asserted have expired. With respect to those components of the Project for which the contractor selection procedures have not been completed, the Project Agency will use its best good faith efforts to conduct the respective procurement processes in compliance with all applicable public bidding requirements.

f. Project Agency has the responsibility for preparing, implementing, and maintaining policies and procedures to meet its federal information return requirements. Project Agency will comply with Internal Revenue Service requirements for Form 1099-MISC reporting. Project Agency is responsible for preparing, implementing, and maintaining policies and procedures to meet its federal information return requirements for proceeds from the sale of the Bonds. Exhibit E provides guidance on how agencies on SFMA can comply with this requirement. It is provided here as reference for Project Agency only and Project Agency should check the DAS, Chief Financial Office webpage at http://www.oregon.gov/DAS/CFO/SARS/policies/oam/50.50.00.po.pdf for any updates to the attached Exhibit E. The processes and forms described in the electronic Exhibit E apply all bonds.

Section 4. The Financing.

a. DAS expects the State Treasurer to issue the Bonds on or about May 7, 2014. The Project Agency shall be required to record an allocable share of closing costs from bond

proceeds at closing. A schedule of the debt service payments that are required to be paid to DAS and the dates on which such payments must be made by DAS are attached as Exhibit B. The Project Agency shall deposit debt service payments with DAS approximately 20 days prior to the subject payment date by DAS

Section 5. Timing of Project Agency Payments. Project Agency will make payments to DAS approximately 20 days prior to the dates specified in Exhibit B for costs of debt service and other costs related to the financing. DAS will remit all principal and interest payments to the State's paying agent.

Section 6. Amount of Payments. In addition to a designated share of debt service on the Bonds, the Project Agency hereby agrees, and acknowledges that it will be required to pay, the following:

a. Amounts owing to the federal government under federal tax law (arbitrage rebate) for earnings on the construction money during the construction period in excess of the arbitrage earning limit set by federal law of 2.550238% for the Project or components of Project. In general, these payments will be based on the rate of investment of the proceeds of the Bonds and how quickly they will be expended. Usually, the quicker the proceeds are spent, the smaller these amounts will be. In any case, the proceeds of the Bonds must be spent within three years of their issue date. The applicable tax provisions are quite complex and this provision is not a complete discussion. Project Agency agrees to contact DAS if it has questions about the actual issuance date, the timing of expenditures of the Bonds' sale proceeds or the allowable uses of such proceeds.

b. An allocable share of the on-going costs of DAS in carrying out its responsibilities under the Act which include Disbursement Agency fees and other costs in connection with the bonds and the cost of arbitrage rebate computations.

Section 7. Restrictions on Use of Project. In order to finance the Project at the lowest reasonably available interest rate, DAS may finance the property in such a fashion that interest paid on the financing is excludable from gross income under the Code, the State is eligible for a federal interest subsidy payment or similar favorable treatment. Because the Project may be financed by bonds with beneficial federal tax or other provisions that lower the cost of financing, the Project and its use may be subject to very substantial restrictions. In order to obtain the benefit of low cost financing through the Act and under federal law, the Project Agency represents and agrees that:

a. The Bonds' sale proceeds will only be used to pay the costs of the Project.

b. The Project Agency shall not change the use of the Project, or in any manner alter its design, structure, or configuration in any way inconsistent with the Project Agency's currently approved plan, without first requesting and receiving the written consent of DAS.

c. The Project will not be leased, subleased, sold, or otherwise transferred without the prior written consent of DAS.

d. The Project Agency will not permit any of the Project to be used by anyone except the State or Oregon, and its agents for authorized government purposes unless it obtains the prior written consent of DAS. "Use" includes leases, management contracts, service contracts, or any other arrangement in which a person, partnership, corporation, or other entity uses the property.

e. The Project Agency will comply with all requirements subsequently imposed by DAS on the use of the Project in order to protect the tax-exempt, subsidy or other low cost status of the financing.

f. The Completion Certificate included as Exhibit C hereto shall be executed by the Project Agency and provided to DAS upon substantial completion or acquisition of all the Project.

Section 8. Liquidated Damages, Performance Bond or Insurance Payments.

a. Any moneys received by the Project Agency pursuant to the terms of any agreement with a Contractor which are intended to compensate for failures or defects in construction of the Project, including, but not limited to, liquidated damages or payments under a performance bond or bonds, or other acquisition or construction related guarantees shall be submitted to DAS or its designee for deposit in the Bonds project account and applied in the same manner as required for unexpended proceeds deposited to that account. This deposit will not be required if DAS and the Project Agency determine that the moneys are not needed to complete the Project.

b. Project Agency may apply the proceeds of insurance received in the event of loss or damage to the Project to the repair or replacement of the Project. If the insurance proceeds are not used to repair or replace the Project, the proceeds must be submitted to the DAS to be deposited in the Article XI-Q Bond Fund established in ORS 286A.820 and used for the payment of debt service.

Section 9. Management of Financing Proceeds. DAS will cause the sale proceeds of the Bonds to be deposited in a segregated account with Wells Fargo Bank, and disbursed when the Project Agency completes a proper requisition and demonstrates that money is required to pay costs of the Project. DAS will employ substantially uniform documents for all financings under the Act, and the Project Agency should anticipate that it will have little control over the management of the proceeds of the Bonds, prior to the time those proceeds are used to pay costs of the Project. While the proceeds are held pending disbursement, earnings on the proceeds may be required to be limited in order to maintain the tax exemption or other low cost status of the financing, and earnings in excess of a certain level may be reqoired to be rebated to the United States. Limiting earnings and payments of rebates will increase the Project Agency's cost of financing the Project.

a. Requests for the payment of approved Project costs must be made using the Payment Request Form attached as Exhibit D.

b. Payment requests may be for substantial amounts of money that are required to be paid by the Project Agency within a deadline or be subject to a financial penalty. The timely delivery and identification of payment deadlines of every Payment Request Form is the responsibility of the Project Agency. DAS will not be responsible for a late payment penalty. Project Agency should make an extra effort to assure that payments subject to a penalty are delivered to the DAS Accounts Payable Section in time to permit at least seven working days for processing and that any deadline is clearly marked on the payment request. DAS also encourages the Project Agency to request invoices be paid by electronic transfer methods to expedite payment.

Section 10. Termination.

This Agreement shall remain in effect until the later of (i) the date that the Bonds are no longer outstanding or (ii) if there is any claim from the federal government for rebate or other amounts in connection with the Bonds, the date such claim is finally resolved or paid.

DATED this _____ day of June, 2014.

Department of Administrative Services
Chief Financial Office
"DAS"

By: _____
Jean Gabriel, Finance Manager

Department of Revenue

"Project Agency"

By: _____
Kris Kautz, Deputy Director

EXHIBIT A

PROPERTY DESCRIPTION

The Department of Revenue expects to use approximately $10,694,327 of the proceeds of the 2014 Series A Bonds to finance the implementation of the replacement of the agency's core information technology applications.

EXHIBIT B-1

Debt Service Schedule
Department of Revenue
Core System Replacement
2014 Series A XI-Q Bonds
Semi-annual Payments

Date	Principal	Interest *	Debt Service	Remaining Balance
11/1/2014		179,171.67	179,171.67	9,660,000
5/1/2015	0	185,350.00	185,350.00	9,660,000
11/1/2015	0	185,350.00	185,350.00	9,660,000
5/1/2016	1,465,000	185,350.00	1,650,350.00	8,195,000
11/1/2016	0	156,050.00	156,050.00	8,195,000
5/1/2017	1,525,000	156,050.00	1,681,050.00	6,670,000
11/1/2017	0	133,175.00	133,175.00	6,670,000
5/1/2018	1,570,000	133,175.00	1,703,175.00	5,100,000
11/1/2018	0	101,775.00	101,775.00	5,100,000
5/1/2019	1,635,000	101,775.00	1,736,775.00	3,465,000
11/1/2019	0	60,900.00	60,900.00	3,465,000
5/1/2020	1,715,000	60,900.00	1,775,900.00	1,750,000
11/1/2020	0	43,750.00	43,750.00	1,750,000
5/1/2021	1,750,000	43,750.00	1,793,750.00	0
	9,660,000	1,726,521.67	11,386,521.67	

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EXHIBIT B-2

Department of Revenue
Core System Replacement
Sources and Uses for 2014 Series A XI-Q Bonds

Bond Payable:		9,660,000.00
Original Issue Premium:		1,109,663.95
Project Funds:	10,694,327.00	
Underwriters Discount:	37,405.28	
Costs of Issuance:	37,931.67	
Capitalized Interest:		
Totals:	10,769,663.95	10,769,663.95

Project Account Funds
Agency Projects
(Funds held at Disbursement Agent)

Beginning Balance	10,694,327.00
Total:	10,694,327.00

2014 Series A
Costs of Issuance Funds
(Funds held at Disbursement Agent)

Underwriter's Discount	37,405.28
Costs of Issuance:	37,931.67
Totals:	75,336.95

True Interest Cost: **1.3773%**

EXHIBIT B-3

Department of Revenue
Budget Schedule
Establishing Accounts for 2014 Series A XI-Q Bonds
Core System Replacement

BUDGET

	Totals
Project Bond-eligible Staff	3,386,105
Project Contract Serv	554,667
Space/S&S	494,622
Vendor Contract	4,000,000
Contingency	1,500,000
Q&A	758,933
	10,694,327

EXHIBIT B-3

Department of Revenue
Draw Schedule
Establishing Accounts for 2014 Series A XI-Q Bonds
Core System Replacement

8/10/2014	$916,498
9/10/2014	$916,498
10/10/2014	$916,498
11/10/2014	$916,498
12/10/2014	$916,498
1/10/2015	$916,498
2/10/2015	$916,498
3/10/2015	$916,498
4/10/2015	$916,498
5/10/2015	$916,498
6/10/2015	$916,498
7/10/2015	$612,849
	$10,694,327

EXHIBIT C
Department of Revenue
Core System Replacement

COMPLETION CERTIFICATE

On behalf of the Department of Revenue, I hereby certify that the project funded with the 2014 Series A XI-Q Bonds proceeds and described in the Interagency Agreement between the Department Administrative Services and the Department of Revenue has been completely acquired, constructed, and installed substantially in conformity with the specifications thereof.

I also certify that all costs of acquiring, constructing, and installing the project and all expenses incidental thereto have been determined and paid, or provision has been made for payment.

Hence all of the remaining funds in the 2014 Series A project Account related to the Department of Revenue project are available to pay the following:

1. Any rebate due to the federal government in order to comply with the federal Tax Code. That rebate amount will be determined by DAS or its agent for the Treasurer of State.

2. Any remaining allocable share of the costs to DAS to carry out the responsibilities of the Interagency Agreement.

3. Transferred to the 2014 Series A Account which is dedicated to pay interest on the remaining 2014 Series A principal.

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This Certificate authorizes and instructs DAS to transfer that portion of the 2014 Series A bond proceeds Account and apply the funds in the manner described above.

The Department of Revenue also understands and will take all necessary steps to provide funds and budget authority to pay annual Trustee or Disbursement Agent and Fiscal Agent fees and an assessment from Oregon State Treasury (OST) Debt Management Division through the remaining term of the Interagency Agreement. Those fees will be billed to Department of Revenue. For purposes of developing future biennial budget requests, the Trustee or Disbursement Agent and Fiscal Agent fees are estimated to amount to approximately $2,000 per year and OST fees will be based on the Price List for OST assessments.

Dated: _____

State of Oregon, _____

By: _____
Authorized Officer

EXHIBIT D

PAYMENT REQUEST FORM

00001*
Number

TO: Oregon Department of Administrative Services, as Issuer of 2014 Series A XI-Q Bonds.

You are hereby directed to draw checks on the Wells Fargo Project Account #_____ in the following amounts to the following payees, and send them to the address indicated below:

Amount	Payee	Address	Purpose or Type of Expense

Each amount is an expense appropriately incurred by the Department of Revenue, of the State of Oregon for approved Core Systems Replacement Project Costs.

On behalf of the Department of Revenue, I hereby certify that all property to be paid for is free and clear of all liens and encumbrances, or that any liens and encumbrances will be satisfied and released and all property will be free and clear of all liens and encumbrances upon payment therefore as herein requested.

Dated this _____ day of _____ 20___.

STATE OF OREGON acting by and through its Department of Revenue

By: _____
Authorized Signature

*All requests should be numbered sequentially for proper recording.

EXHIBIT E
XI-Q General Obligation Bonds (Q Bonds)
Payment Procedure
1099-MISC Reporting

Generally: As described in http://www.oregon.gov/DAS/CFO/SARS/policies/oam/50.50.00.po.pdf, all state agencies must comply with Internal Revenue Service requirements for Form 1099-MISC reporting. Statewide Financial Management Services (SFMS) is responsible for coordinating all information return compliance issues for state agencies that utilize Statewide Financial Management Application (SFMA). SFMS provides specific guidance, instruction, and current information to all agencies on all aspects of information return reporting, including: information and interpretations of form 1099-MISC reporting criteria, accumulation of payment information, backup withholding requirements, and the filing requirements for all information returns. SFMS Operations files all 1099-MISC forms for all SFMS vendors that meet the reporting requirements.

Each agency has the responsibility for preparing, implementing, and maintaining policies and procedures to meet its federal information return requirements. State agencies are required to file form 1099-MISC for all non-SFMS vendors and other types of 1099 forms.

Vendors subject to reporting are any vendors that are not corporations, except for medical corporations and attorneys, which are subject to reporting. Payments to companies, sole proprietorships, estates, trusts, partnerships, medical corporations, individuals, or non-profit organizations are all reportable (Non-profit organizations are not 1099-MISC reportable if they have submitted form 501C).

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State agencies that use proceeds from the sale of Article XI-Q Bonds (Q Bonds) to pay vendors for reportable payments (services, rent, royalties, or other things of value, e.g. prizes and awards, remunerations, emoluments, gains, profits, or income) are responsible for preparing, implementing, and maintaining policies and procedures to meet its federal information return requirements.

Procedure:
Agencies with proceeds from Q Bonds borrowing can fulfill their federal information return requirements using one of three methods. We strongly recommend use of method # 1.

- **Method # - 1 Use of the Statewide Financial Application (SMFA) to make all Vendor Payments** - The preferred method is for agencies to use the SFMA to make payments to all vendors. The agency would then reimburse the operating fund from which the original payment was made with funds held at the disbursement agent. Each reimbursement request would consist of a copy of the original invoice and the agency voucher that was used to create the payment request in SFMA.

  This method, where all vendor payments are made from the SFMA, does not require significant changes to normal disbursement or accounting practices. It does require

agencies to manage a reimbursement process to ensure that expenditures made from operating funds for approved project costs are reduced and that the appropriate cash in bank program cost profile expenditures are increased in kind.

- **Method # - 2 Pay Vendors directly from Disbursement Agent accounts (reconcile monthly)** - Agencies process Payment Request Forms to pay vendors for project costs from the project account held with the Disbursement Agent. Each month, the agency accountant enters each individual expenditure for the cash in bank expenditures (from the Disbursement Agent statement) using transaction code 568. This requires the accountaot to use the proper batch type, the vendor number and vendor name in each journal voucher. As with payments directly made through SFMA, the choice of the appropriate comptroller object code for each transaction must be determined; whether the expenditure is 1099-MISC reportable or 1099-MISC non-reportable.

- **Method # - 3 Pay Vendors directly from Disbursement Agent accounts (reconcile annually)** - In the third method, the agency processes Payment Request Forms to pay vendors for project costs from the project account held with the Disbursement Agent. Agencies determine whether vendors are 1099-MISC reportable by reviewing the 1099 indicator using the System Wide Vendor Profile (52 Profile). Vendors with a "Y" indicatnr will require a 1099-MISC Form for reportable payments. Annually, agencies would complete the following procedure.

    - At the end of each calendar year, the agency accountant would run an expenditure query from each Wells Fargo project account and summarize the 1099-MISC reportable expenditures by vendor.
    - Review the amount of 1099-MISC reportable amount on the DAFR 7940 report.
    - Complete a 1099-MISC Change Request form provided by the SFMS Operations 1099 Accountant to include the amount of payments made by the Trustee.
        - Increase the current amount reported on the DAFR 7940 by the total amount made from agency project accounts.
        - This method requires the agency to adjust a vendor's 1099-MISC reportable data after the calendar year ends by submitting a 1099-MISC Change Request.
        - This adjustment (increase) of a vendor's 1099-MISC reportable amount is requested through SFMS Operations after the accounting month of December is closed.
        - Agencies can verify the update by viewing the 43M profile.

MEMORANDUM

STATE OF OREGON
DEPARTMENT OF ADMINISTRATIVE SERVICES

Date: July 31, 2014

To: Jean Gabriel, Finance Manager
Chief Financial Office

From: James C Bucholz, Director

Subject: Signature Authorization for:
Draw Requests on the XI-Q 2014 Series A Bonds

The following Department of Revenue staff is designated as authorized to approve all requests for the withdrawal of funds from the bond proceeds accounts associated with the above series. Sample signatures are provided below.

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James C. Bucholz
Director _____ Signature _____

Kris Kautz
Deputy Director _____ Signature _____

Terrence Woods
ASD Director _____ Signature _____

Capital Debt Services

Program Description

This section is for the Capital Debt Service for the Core Systems Replacement (CSR) and Property Valuation Systems (PVS). For the 2015–17 biennium, the total cost of debt service for the agency is $13,833,730.

Summary by project:

Project	*Cost of Issuance*	*Principal & Interest*	*Total DS Cost*
CSR	390,000	12,980,868	13,370,868
PVS	51,682	411,180	462,862
Totals	441,682	13,392,048	13,833,730

LAB vs. Actual

	2013-15 (actual + est as of 5/31/14)
Debt Service LAB	2,075,898
Debt Service Actual	2,075,898
Debt Service % of LAB Spent	100%

Capital Debt Services

022 Phase Out Program and One-Time Costs

Package Description
This package phases out non-PICS personal services and services and supplies costs. Policy 181- Core Systems Replacement Policy Option Request – restores the necessary capital debt costs for the project.

2017–19 Fiscal Impact
Fully phased out with the exception of some debt service costs.

Capital Debt Services

141 Property Valuation System

Package Description
Property Tax Division is requesting funding for a new Property Valuation System. The debt service portion of this policy option package falls here. The cost of the debt service on this project is $411,180 in General Fund Debt Service and $51,682 Other Funds.

2017–19 Fiscal Impact
Debt Service costs will be adjusted accordingly in future biennia.

Capital Debt Services

181 Core Systems Replacement

Package Description
This package requests expenditures associated with the Core Systems Replacement (CSR) project. The debt service portion of this policy option package falls here. The cost of the debt service on this project is $3,909,839 in General Fund Debt Service and $390,000 Other Funds.

2017–19 Fiscal Impact
Debt Service costs will be adjusted accordingly in future biennia.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Capital Debt Service and Related Costs
Cross Reference Number: 15000-087-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	(521,182)	-	-	-	(521,182)
Total Revenues	**-**	**-**	**($521,182)**	**-**	**-**	**-**	**($521,182)**
Services & Supplies							
Other Services and Supplies	-	-	(521,182)	-	-	-	(521,182)
Total Services & Supplies	**-**	**-**	**($521,182)**	**-**	**-**	**-**	**($521,182)**
Total Expenditures							
Total Expenditures	-	-	(521,182)	-	-	-	(521,182)
Total Expenditures	**-**	**-**	**($521,182)**	**-**	**-**	**-**	**($521,182)**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 141 - Property Valuation System

Cross Reference Name: Capital Debt Service and Related Costs
Cross Reference Number: 15000-087-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	411,180	-	-	-	-	-	411,180
Admin and Service Charges	-	-	51,682	-	-	-	51,682
Total Revenues	**$411,180**	**-**	**$51,682**	**-**	**-**	**-**	**$462,862**
Services & Supplies							
Other Services and Supplies	-	-	51,682	-	-	-	51,682
Total Services & Supplies	**-**	**-**	**$51,682**	**-**	**-**	**-**	**$51,682**
Debt Service							
Principal - Bonds	300,000	-	-	-	-	-	300,000
Interest - Bonds	111,180	-	-	-	-	-	111,180
Total Debt Service	**$411,180**	**-**	**-**	**-**	**-**	**-**	**$411,180**
Total Expenditures							
Total Expenditures	411,180	-	51,682	-	-	-	462,862
Total Expenditures	**$411,180**	**-**	**$51,682**	**-**	**-**	**-**	**$462,862**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Revenue, Dept of
Pkg: 181 - Core Systems Replacement

Cross Reference Name: Capital Debt Service and Related Costs
Cross Reference Number: 15000-087-00-00-00000

Description	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	3,909,839	-	-	-	-	-	3,909,839
Admin and Service Charges	-	-	390,000	-	-	-	390,000
Total Revenues	**$3,909,839**	-	**$390,000**	-	-	-	**$4,299,839**
Services & Supplies							
Other Services and Supplies	-	-	390,000	-	-	-	390,000
Total Services & Supplies	-	-	**$390,000**	-	-	-	**$390,000**
Debt Service							
Principal - Bonds	2,735,000	-	-	-	-	-	2,735,000
Interest - Bonds	1,174,839	-	-	-	-	-	1,174,839
Total Debt Service	**$3,909,839**	-	-	-	-	-	**$3,909,839**
Total Expenditures							
Total Expenditures	3,909,839	-	390,000	-	-	-	4,299,839
Total Expenditures	**$3,909,839**	-	**$390,000**	-	-	-	**$4,299,839**
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Revenue, Dept of
2015-17 Biennium

Agency Number: 15000
Cross Reference Number: 15000-087-00-00-00000

Source	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
Other Funds						
Admin and Service Charges	-	521,182	521,182	962,864	441,682	-
Total Other Funds	**-**	**$521,182**	**$521,182**	**$962,864**	**$441,682**	**-**

IT Related Projects and Initiatives for 2015-17

Project Count	Project (Title)	Description (Text)	Estimated Cost ($)	Info. Resource Req./Bus. Case ($>150k) (Y/N)	Reported to DAS/LFO (1=Y, 0=N)	Start Date	End Date	Est. Hours	Duration (Months)	Phase	DAS Required (1=Y, 0=N)	LFO Required (1=Y, 0=N)	Remarks
1.	Core System Replacement (fka TaPR)	Replaces 2/3 of core tax and revenue processing systems with COTS solution integrated tax system and data warehouse	$87,700,000	Yes	1	7/1/09	12/31/17	350,000	102	Execution	1 (Standard QA requirements and quarterly reporting to DAS)	1 (Budget Note to work with DAS, provide QC'd project plans by 2/1/14, and report semi-annually to LFO)	Have met all DAS and LFO requirements timely.
2.	Property Valuation System (PVS)	Replace current, antiquated system with a more comprehensive COTS solution	$3,332,000	Yes	0	7/1/2015	12/31/2017	TBD	30	Planning	1	1	Updating business case and cost estimates. Cost estimate is currently based on information gathered 2 years ago.
3.													
4.													
5.													
6.													
7.													
8.													
9.													
10.													
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
		Portfolio Value (Total $ All)	$91,032,000										

Audit Responses

Secretary of State Audits

Strategies for Increasing Personal Income Tax Compliance and Revenue Collections

Recommendation: We recommend that DOR better identify and address the backlog of non-filers, increase tax compliance efforts, and increase the effectiveness and efficiency of its collections process.

Department Response: Management agrees with the recommendations and will continue to develop better methods for identifying people who do not file Oregon personal income tax returns. Management will also continue to develop performance management strategies in collections.

Statewide Single Audit Report for the Year Ended June 30, 2010

Recommendation: We recommend department management perform effective reviews over the year-end calculations of the taxes receivable estimates to ensure accrual calculations are accurate.

Department Response: Management agrees with the recommendation and is in the process of improving the review process of year-end tax receivable calculations.

Recommendation: We recommend department management ensure accounting staff have the requisite knowledge and skills to perform their assigned duties and ensure accounting transactions are accurately recorded to the proper accounts.

Department Response: Management agrees with the recommendation and has implemented processes which address improving staff knowledge and skills and ensuring accounting transactions are accurately recorded to the proper accounts.

Department of Revenue Computer Controls Ensured Accurate Processing of Tax Returns

Recommendation: We recommend the department revise its procedures regarding application source code, and address some security matters we describe in a confidential management letter.

Department Response: Management agrees with the recommendations and is in the process of replacing its core systems, which will improve procedures regarding application source code. Management also agrees with the recommendations within the confidential management letter and has implemented the specific responses.

Follow-up on Strategies for Increasing Personal Income Tax Compliance and Revenue Collections

Recommendation: We recommend department management continues to address the recommendations of our previous report.

Department Response: Management agrees with the follow-up recommendation and has continued to improve its processes per the original report.

Statewide Single Audit Report for the Year Ended June 30, 2011

Recommendation: We recommend department management develop and implement effective monitoring procedures to ensure all accounting transactions are entered in the state accounting system for financial reporting purposes.

Department Response: Management agrees with the recommendation and has begun implementing improved procedures.

Recommendation: We recommend department management comply with state policy and ensure the cash accounts in its subsidiary system are routinely reconciled to the state accounting system and to Oregon State Treasury accounts.

Department Response: Management agrees with the recommendation and has begun the process of improving cash account reconciliations.

Recommendation: We recommend department management ensure accounting staff have the requisite knowledge and skills to perform their assigned duties and ensure all accounting transactions result in accurate financial reporting.

Department Response: Management agrees with the recommendation and has begun implementing staff training and will enhance said training with additional in-depth accounting and technical guidance.

Statewide Single Audit Report for the Year Ended June 30, 2012

There were no findings or material weaknesses found for the period ending June 30, 2012. The Secretary of State commented on the findings and recommendations from the previous year's financial audit (ending June 30, 2011).

The agency has taken corrective action on the recommendation above regarding ensuring all accounting transactions are entered into the state accounting system for financial reporting purposes. The agency has made progress toward completing the other two recommendations.

Secretary of State Property Tax Deferral Program: Financial Review

Recommendation: We recommend department management develop and implement procedures to ensure interest receivable for the Senior and Disabled Property Tax Deferral Program is reported in SFMA.

Department Response: We agree, and a process has been implemented to record a monthly accrual of interest receivable in SFMA.

Recommendation: We recommend department management consider performing its lien adjustment process on a more frequent schedule to ensure sufficient liens exist to cover participants' liabilities.

Department Response: We agree, a process has been implemented which includes performing the lien adjustment process on a more frequent schedule to ensure sufficient liens exist to cover participants' liabilities.

Statewide Single Audit Report for the Year Ended June 30, 2013

There were no findings or material weaknesses found for the period ending June 30, 2013.

AFFIRMATIVE ACTION REPORT

Quality relationships are part of the core values of the Department of Revenue. Our statement of values includes the following:

1. We emphasize fair and respectful treatment of everyone with whom we work, including our co-workers, Oregon taxpayers, and our external partners.
2. We value and appreciate the unique contributions of all department employees.
3. We understand and appreciate the similarities and differences of the citizens of Oregon. We strive for a workforce that reflects those similarities and differences.

The commitment to a diverse workforce starts at the top at the Department of Revenue. Our directorhas made clear his passion for and commitment to diversity. The agency's Revenue Leadership Team reflects that commitment.

Some of the major efforts the department undertakes to promote a more diverse and welcoming work environment include:

1. On-going efforts by the Workforce Environment Council to develop short-term and long-term strategies that focus on enhancing the work environment, especially in the areas of recruitment, staff development and retention, and to assist the agency in achieving their vision of a strong work environment and value of quality relationships.
2. On-going efforts by the Revenue's Council for Diversity and Inclusion and the Affirmative Action Officer to assist the agency in achieving its workforce diversity goals by acting as a resource to managers and supervisors in the accomplishment and understanding of their affirmative action responsibilities. This group assists in the development, analysis, and monitoring of the department's Affirmative Action Plan.
3. Hiring bilingual employees and using their skills to provide better service to Oregon taxpayers.
4. Increasing awareness and promoting a more diverse workforce through experiences and education. This is done through training, group discussions, displays, and books.
5. Providing rotational, developmental, and temporary work assignments for employees to increase their opportunities for advancement.

We are exceeding our goals for hiring women, and we are seeing progress in hiring people of color. We are not meeting our goals, and have seen little progress in hiring people with disabilities. We are evaluating and implementing programs and processes that will effectively enhance our recruitment, development, and retention efforts.

Agency Management Report

KPMs For Reporting Year 2013

Finalize Date:

Agency: REVENUE, DEPARTMENT of

	Green = Target to -5%	Yellow = Target -6% to -15%	Red = Target > -15%	Pending	Exception Can not calculate status (zero entered for either Actual or Target)
Summary Stats:	50.00%	0.00%	50.00%	0.00%	0.00%

Detailed Report:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
1 - Dollars Collected Per Revenue Agent Per Month (Personal Income Tax)	88,429	123,000	Red	2013	Performance on this measure has increased year over year yet is below the 2012 legislatively approved target.
2 - Percent of Property Taxes Collected.	94.00	93.80	Green	2013	In addition to the excellent measured performance, surveys of the Counties (both need and satisfaction) show good support for DOR Property Tax leadership, staff and support.
3 - Percent of Assessor's Maps Digitized in a GIS Format.	78	95	Red	2013	The Department will be coming forward to formally request targets for this measure be aligned to the state-wide advisory committee recommendations, which are integral to the strategic plan for translating all the state's property maps by 2016.
5 - Personal Income Tax Nonfiler Assessments Issued Per Employee Per Month.	70	45	Green	2013	2010-2011 has been an extraordinary period in the state's financial situation. In times of great economic hardship it is reasonable to anticipate a negative impact in tax filing.

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Agency Management Report

KPMs For Reporting Year 2013

Finalize Date:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
6 - Personal Income Tax and Corporation Tax Cases Closed Per Revenue Agent Per Month.	106	170	Red	2013	The state has faced virtually unprecedented economic challenges since 2009. Because our tax system is largely based on personal income, the results of high unemployment have been profound. Our staff have continued to perform at their best under these very difficult circumstances. We are also taking process improvement steps to more effectively balance workload between taxpayer inquiry and other duties.
7 - Delinquent Returns Filed After Compliance Contact Per Filing Enforcement Employee Per Month.	29	26	Green	2013	We saw an increase from 2011 to 2012 that is getting us closer to the target levels. This indicates that our strategies are having the desired impact.
8 - Average Days to Process Personal Income Tax Refund.	7	12	Green	2013	As we pursue increased taxpayer self-sufficiency, transitioning taxpayers to electronic systems reduces both taxpayer time, effort and errors/rework, and therefore Department costs. Multiple data sources indicate the public is growing more comfortable, and developing greater capacity for electronic transactions. We will continue to pursue this strategic objective, measuring the degree to which we are successful in increasing taxpayer self-sufficiency through the use of electronic methods.
9 - Percent of Personal Income Tax Returns Filed Electronically	81	80	Green	2013	Again, the Department's strategy to increasingly move toward electronic transactions can be seen as having a positive effect on the outcome of this KPM. While this KPM is essentially measuring an output ... the result of that output is part of a more complex outcome (increased taxpayer self-sufficiency through the increased use of electronic methods).

Agency Management Report

KPMs For Reporting Year 2013

Finalize Date:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
10 - Employee Work Environment (based upon a scale of 1-6)	4.15	5.00	Red	2011	There is no time in recent history where public sector employees have faced more uncertainty and pending and/or actual changes than now. These conditions can be expected to continue and perhaps increase in the foreseeable future. The Department is expending considerable time, effort and resources toward keeping employees informed; engaging them actively in the change process, and addressing physical environmental issues promptly when known.
11 - Employee Training Per Year (percent receiving 20 hours per year).	27	60	Red	2013	Limited resources and mission critical priorities largely dominate current training decisions. While the Department continues to average more than 20 hours per employee, the target for the actual number of employees who have received at least 20 hours is, and will probably remain, difficult to achieve in the current environment.
12 - Customer Service: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	78.50	98.00	Red	2013	The data for this report was collected for two weeks in August of 2013. Taxpayers who called in were directed to a phone survey through the IVR. Walk-in taxpayers were given a card with the number to call and take the survey through the IVR. The results were downloaded into a spreadsheet for tabulation. The error rate is presumed to be within 5%.

Agency Management Report

KPMs For Reporting Year 2013

Finalize Date:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
13 - Effective Taxpayer Assistance: Provide the most effective taxpayer assistant services by a data-driven combination of direct assistance and electronic self-help services.	61	55	Green	2013	This is the first time the Department has attempted a composite KPM measure. It is unfortunate the baseline period was characterized by large numbers of variables outside of normal operations. However, in spite of these many issues, the Department continued to deliver consistently high levels of measured customer service. We continue to believe that complex outcomes require the use (in some cases) of more complex measures, such as this one.

This report provides high-level performance information which may not be sufficient to fully explain the complexities associated with some of the reported measurement results. Please reference the agency's most recent Annual Performance Progress Report to better understand a measure's intent, performance history, factors impacting performance and data gather and calculation methodology.

REVENUE, DEPARTMENT of

Annual Performance Progress Report (APPR) for Fiscal Year (2012-2013)

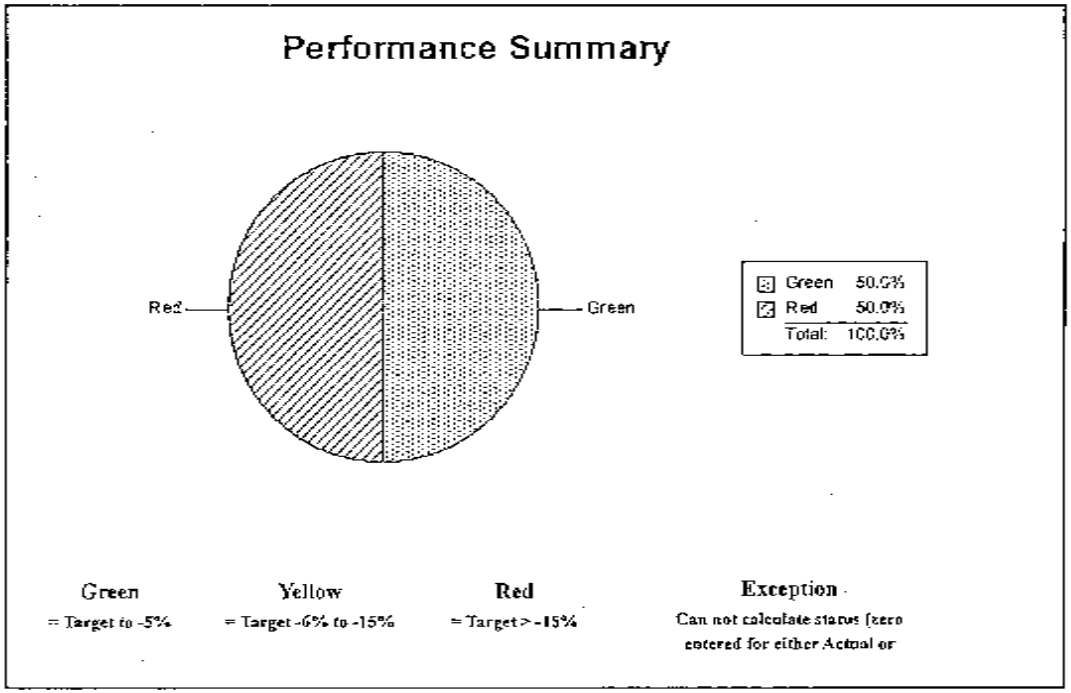
Original Submission Date: 2013

Finalize Date:

2012-2013 KPM #	2012-2013 Approved Key Performance Measures (KPMs)
1	Dollars Collected Per Revenue Agent Per Month (Personal Income Tax)
2	Percent of Property Taxes Collected.
3	Percent of Assessor's Maps Digitized in a GIS Format.
5	Personal Income Tax Nonfiler Assessments Issued Per Employee Per Month.
6	Personal Income Tax and Corporation Tax Cases Closed Per Revenue Agent Per Month.
7	Delinquent Returns Filed After Compliance Contact Per Filing Enforcement Employee Per Month.
8	Average Days to Process Personal Income Tax Refund.
9	Percent of Personal Income Tax Returns Filed Electronically
10	Employee Work Environment (based upon a scale of 1-6)
11	Employee Training Per Year (percent receiving 20 hours per year).
12	Customer Service: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.
13	Effective Taxpayer Assistance: Provide the most effective taxpayer assistant services by a data-driven combination of direct assistance and electronic self-help services.

REVENUE, DEPARTMENT of	I. EXECUTIVE SUMMARY
Agency Mission: We make tax systems work to fund the public services that preserve and enhance the quality of life for all citizens.	

Contact: Kris Kautz	**Contact Phone:** 503-945-8213
Alternate: Jan Hunt	**Alternate Phone:** 503-945-8466



1. SCOPE OF REPORT

The agency's Key Performance Measures (KPM's) are intended to represent our major business outcomes in the income tax and property tax programs. These measures address the agency's major functions that include collecting revenue, auditing returns, and assisting taxpayers.

2. THE OREGON CONTEXT

The Department of Revenue is a key strategic and operational partner in providing healthy tax systems and long-term revenue stability for the State of Oregon. Our mission of making revenue systems work to fund public services includes strong work values around operational excellence and fiscal responsibility. The experience and skills required to support our mission significantly contributes to the governor and the legislature providing the best possible future for all Oregonians.

Our performance is guided by the agency's vision that emphasizes the importance of tax administration and service, operational excellence, and a safe and positive work environment. We currently have 12 department performance measures that tell us how well we are doing in these areas. Our organizational strategic vision is designed to move and motivate the department for many years. To continue making this vision a reality we are committed to innovating, streamlining, and using the most appropriate tools and technology available to us.

The agency continually collects, analyzes, and communicates information from and to stakeholders to build healthy relationships, better understand stakeholder needs, and drive continuous improvement in our operations.

3. PERFORMANCE SUMMARY

The department has identified 12 key measures of performance linked to its mission and vision. Significant successes during the past year include: A significant increase in the number of personal income tax non-filer assessments issued per employee per month. Success in this arena is due to changes implemented to increase leads due to data matching with the IRS and continuing to focus on enforcement to increase voluntary compliance. We continue to see growth in the number of personal income tax returns filed electronically. More and more taxpayers are filing electronic returns, improving speed and efficiency of processing and reducing costs (KPM #9). And, the number of days to process a return continues to trend downward and exceed the targets (KPM #8).

The department also had some challenges in meeting some performance measures, including: The dollars collected per revenue agent per month (KPM #1) and the corresponding measure personal income tax and corporation tax cases closed per revenue agent per month (KPM #6). In both of these measures, the targets were not met. Upon closer review it is clear that these two measures are a subset of the total number of revenue agents and don't represent the work of all the staff in these areas. The percent of assessors maps digitized in GIS format (KPM #3), has made some progress, but has struggled to met goals. The number of delinquent returns filed after compliance contact per filing enforcement employees per month (KPM #7) still is under target, but did make some gains in FY 12. New strategies around training and contacting taxpayers sooner are in place, but have not been in place longe enough to produce desired results. Due to budget constraints, the ability to provide employees with 20 hours of training per year has suffered. We believe FY 13 will bear out different results as we have put a high emphasis on getting employees training opportunities.

4. CHALLENGES

As we look to the future, slow economic growth and tight budget resources will continue for some time. We will be challenged to find new ways and innovative ways of delivering services, collecting tax revenues, providing employees with the tools and resources they need, and without making some investment in our core IT systems.In addition, as the agency has reviewed its KPMs and strategic plan, we have found that some of the measures we currently have are not the

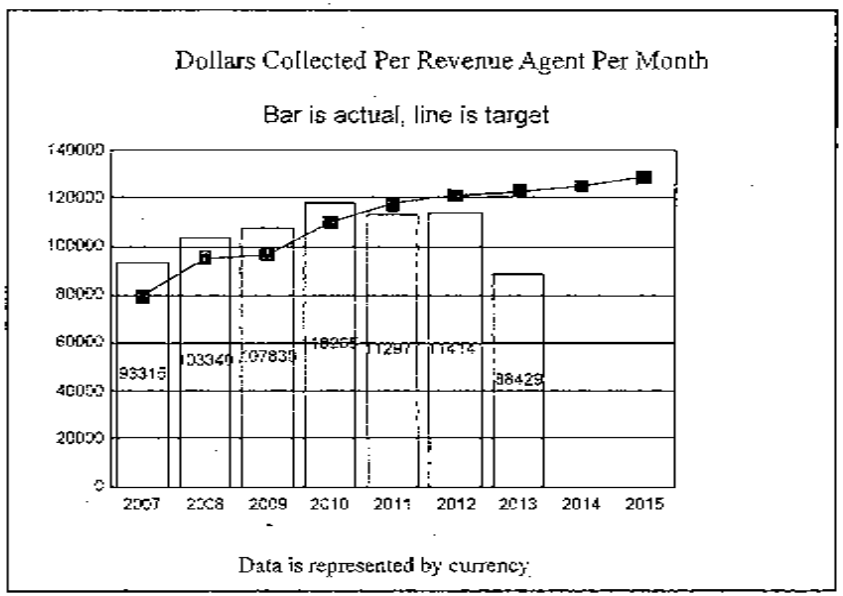
best measures to track our performance over time. As we have had significant turnover in agency leadership in the last 18 months, there is a recognition that some measures need to be re-tooled to provide better data and management resources to the organization. The agency believes that KPM #1, KPM #5, KPM #6, KPM #7, and KPM #10 need to be reworked.

5. RESOURCES AND EFFICIENCY

The agency's Legislatively Approved budget for the 2011-13 biennium is $181,373,337; which represents a slight decrease from the previous biennium. The department made progress on its key measures, including its efficiency measures, over the last year.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #1	Dollars Collected Per Revenue Agent Per Month (Personal Income Tax)	2000
Goal	Tax Administration: Provide excellent service, helping taxpayers meet their commitments with education, assistance and compliance.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Agent Production Reports ACTF007, PTAC Performance Measures, Cost Allocation System (CAS); based on productivity per position.	
Owner	Joann Martin, Personal Tax and Compliance Division Administrator	



1. OUR STRATEGY

Our strategy is to maintain a workforce of skilled employees and provide them with essential collection tools and technology. We evaluate the effectiveness of collection staff in collecting delinquent tax debt; analyze the type and age of delinquent debt; and evaluate the use of additional collection tools.

2. ABOUT THE TARGETS

The target measures the productivity of collection staff, based on the dollars collected per position. The higher the level achieved, the greater the productivity.

3. HOW WE ARE DOING

Actuals for 2013 were $88,429 and our target was $123,000. Actuals for 2012 were $114,141 and our target was $121,000.

4. HOW WE COMPARE

Comparable data is not available. It is difficult to compare Oregon's performance with other states due to their widely diverse tax structures.

5. FACTORS AFFECTING RESULTS

Conceptually, this measure is personal income tax revenue attributed to the collections efforts of a specified group of revenue agents divided by the number of agents in this group. The mechanics of this measure are simple, but the data for this measure is not as straightforward as the measure suggests. Our ability to breakdown data collection activity attributable to each agent and the fact that this measure only focuses on a subset of revenue agent activity highlights shortcomings in the reliability of this measure of performance. Although a slowing economy has been identified in previous reporting, collection measurements continue to show that the department is a strong resource for resolving state debt fairly, efficiently, and effectively. The most recent increase in collections may in part be attributed to the implementation of a new sustainable work model that allows incoming calls to be handled by agents specialized in customer service to resolve accounts on the phone. Other agents are now focused primarily on work queues and resolving accounts through outbound calls, issuing letters, warrants, and garnishments to meet a 90-day resolution goal. This and other management practices to prioritize work queues have resulted in an overall increase in productivity. we are one year into these changes and have not fully realized the increases expected in productivity.

6. WHAT NEEDS TO BE DONE

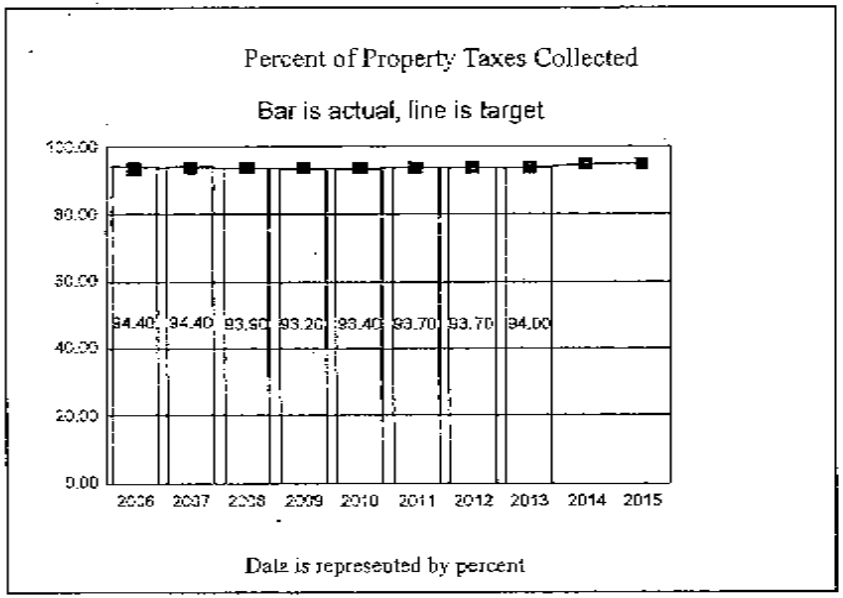
We're proposing replacing this measure with one that doesn't limit the population being measured so we can measure the overall effectiveness of our collections functions. Core System Replacement implmentation will introduce additional automation and scoring of accounts. We must also keep positions filled to maximize production.

7. ABOUT THE DATA

The reporting cycle is Oregon's fiscal year.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #2	Percent of Property Taxes Collected.	2000
Goal	Tax Administration: Partner with local governments to promote a healthy and consistent property tax system.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Oregon Property Tax Statistics (various years); Property Tax certified, Property Tax Collection, and Total Uncollected report.	
Owner	Mark Kinslow, Property Tax Division Administrator	



1. OUR STRATEGY

Our strategy is to provide training of county collection staff, and develop and maintain support materials to help counties collect identified property taxes.

2. ABOUT THE TARGETS

The target measures the degree to which counties are able to timely collect identified property taxes. The higher the percentage of taxes collected, the better, as most units of local government rely heavily on property taxes to fund local services. Each data point (by calendar year) represents the tax collections as of June 30 of that year.

3. HOW WE ARE DOING

The 2013 target was 93.8 percent. Actual measured performance was slightly above the target at 94.0 percent, which does not represent a statistically significant change.

4. HOW WE COMPARE

Comparable data is not available.

5. FACTORS AFFECTING RESULTS

Data reveals the counties are collecting a high percentage of the total property taxes that are due and are managing their accounts receivable effectively. Additional research has shown that, by the end of the third year following the initial billing, the counties have received about 99.7 percent of the taxes due for that year.The statistics show a high degree of effectiveness in maintaining timely collection activities for the property tax year.

6. WHAT NEEDS TO BE DONE

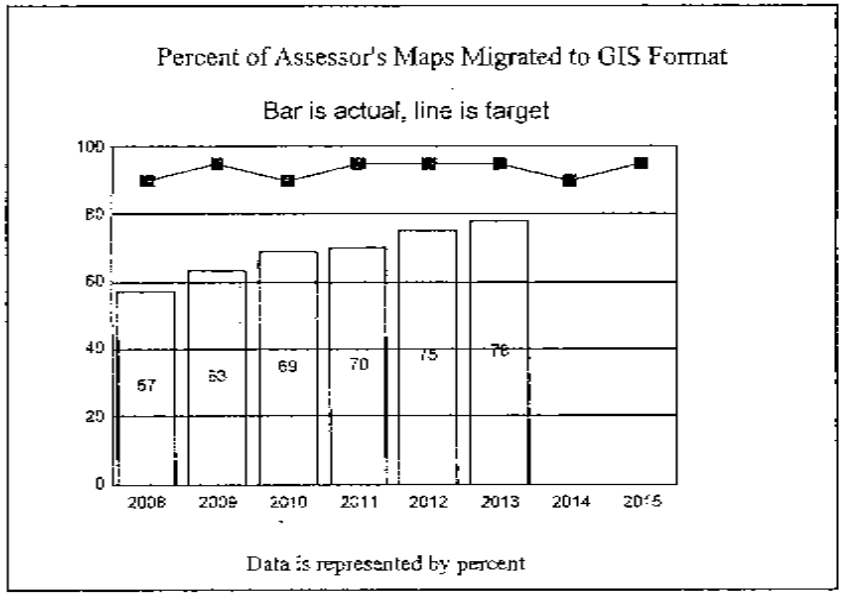
Continue partnerships with county collection offices.

7. ABOUT THE DATA

The reporting cycle is the Oregon fiscal year. The data is self-reported by each of the 36 counties and uses the same methodology as is used for the Health of the Property Tax System publication.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #3	Percent of Assessor's Maps Digitized in a GIS Format.	2004
Goal	Operational Excellence: Adopt best business practices, taking advantage of technology to improve our system and processes.	
Oregon Context	This goal links directly to the department's mission	
Data Source	Oregon Map Project (ORMAP).	
Owner	Mark Kinslow, Property Tax Division Administrator	



1. OUR STRATEGY

Our strategy is to partner with counties to migrate digitized property tax maps into GIS format, providing employees and business partners with easy access to accurate property tax map information.

2. ABOUT THE TARGETS

The ORMAP Advisory Committee (as provided under ORS 306.135), has established a target of 90% for October 2014. The target represents the percentage of maps that are produced using ORMAP mapping methodology and meeting ORMAP technical specifications.The long-term target is to have a totally digital statewide property tax map by the year 2016. This will require transforming all the county assessor maps into a GIS format by that date. The higher the percentage, the better the performance.

3. HOW WE ARE DOING

As of this reporting period, we completed 78 percent of the tax maps, and 85 percent of the tax lots. The long-term target is at-risk of not being met due to diminished funding (funding is received from recording fees arising from real estate activity; real estate activity has declined).

4. HOW WE COMPARE

This measure is difficult to evaluate across jurisdictions because of differing technology and terminology. Jurisdictions in many states are in the process of converting their tax lot base data to GIS-enabled format. Few, however, are doing it from the statewide level.

5. FACTORS AFFECTING RESULTS

Funding challenges and a scarcity of skilled staff at both the state and local level present ongoing challenges, but Advisory Committee targets are being met.

6. WHAT NEEDS TO BE DONE

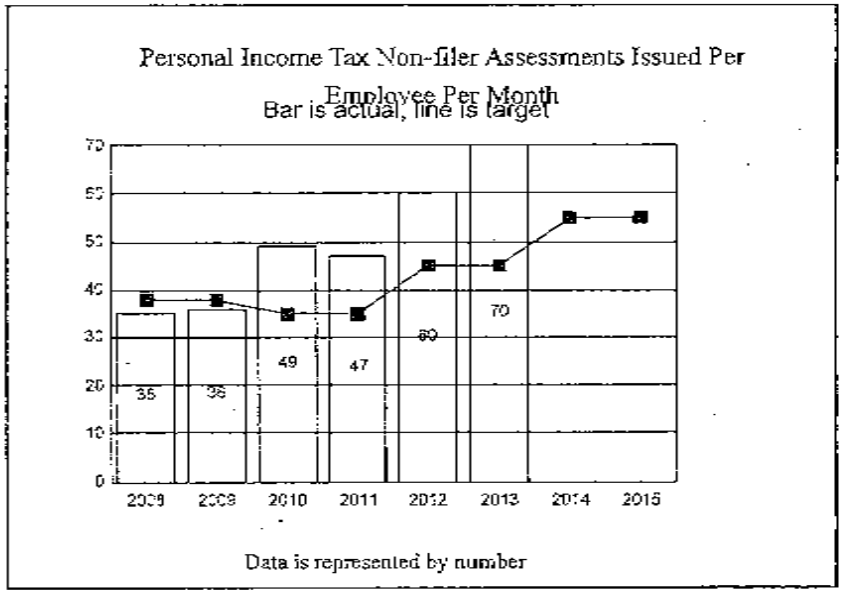
The department needs to continue to partner with counties and others to manage and fund remapping efforts aimed at improving access to assessor map information.

7. ABOUT THE DATA

The reporting cycle is Oregon's fiscal year. Recommendations from our internal auditor who reviewed the 2006 and 2007 cycles have been adopted into the reporting and management of this measure.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #5	Personal Income Tax Nonfiler Assessments Issued Per Employee Per Month.	2000
Goal	Tax Administration: Provide excellent service, helping taxpayers meet their commitments with education, assistance and compliance.	
Oregon Context	This goal links to the department's mission.	
Data Source	Cost Allocation System (CAS) and Filing Enforcement Monthly Reports, based on productivity per position.	
Owner	Joann Martin, Personal Tax and Compliance Division Administrator	



1. OUR STRATEGY

Our strategy is to develop filing enforcement tools, techniques and data sources that will improve the accuracy of our information and help us assist taxpayers to file.

2. ABOUT THE TARGETS

We continue to emphasize that taxpayers voluntarily file tax returns (KPM #7). As we increase that effort, we should not be sending as many assessments of tax due to taxpayers. As a result, we project the number of assessments per employee should peak, and then decline over time.

3. HOW WE ARE DOING

In 2013, the number of failure-to-file assessments closed per employee per month was 70. In 2012, the number closed per employee per month was 60.

4. HOW WE COMPARE

Comparable data is not available. It is difficult to compare Oregon's performance with other states due to their widely diverse tax structures.

5. FACTORS AFFECTING RESULTS

During 2013 fiscal year, we continued following the process changes and strategies that allowed filing enforcement staff to be more efficient than in the previous period. We've implemented a monthly caseload review where staff and their managers meet to discuss their cases. We've implemented a progam which allows staff to see their statistics at any time which may help to motivate them. We have also continued to analyze data from the IRS to find filing enforcement leads. All of these factors may have contributed to increased staff productivity, resulting in an increase to the number of assessments issued.

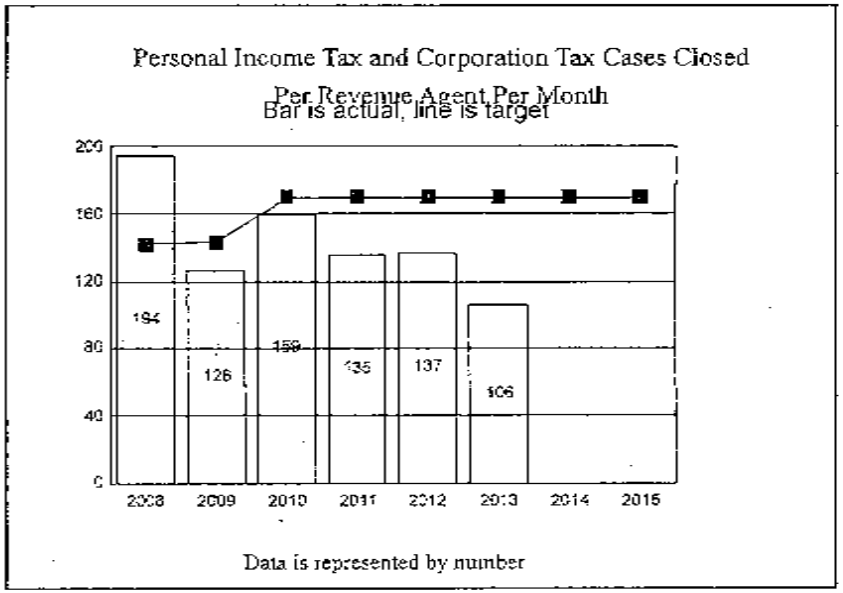
6. WHAT NEEDS TO BE DONE

We believe the strategies we currently have in place are important for improving long-term voluntary compliance. Improved enforcement is an integral part of our larger strategy of voluntary compliance.This measure only focuses on one strategy for affecting voluntary compliance when we actually focus on multiple strategies. In the future, we will examine additional strategies that offer more education and assistance to non-filers and we will seek replacing this measure with one that takes a holistic approach and will encompass all of the strategies we've adopted into our business.

7. ABOUT THE DATA

The reporting cycle is the Oregon fiscal year.

KPM #6	Personal Income Tax and Corporation Tax Cases Closed Per Revenue Agent Per Month.	2000
Goal	Tax Administration: Provide excellent service, helping taxpayers meet their commitments with education, assistance, and compliance.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Data from Agent Production Reports ACTF007 and FTE from Cost Allocation System (CAS), based on productivity per position.	
Owner	Joann Martin, Personal Tax and Compliance Division Administrator	



1. OUR STRATEGY

Our strategy is to provide collection staff with tools and training to resolve collection cases quickly. The measure evaluates the effectiveness of staff in working with taxpayers to close cases.

2. ABOUT THE TARGETS

The target reflects steady growth in cases closed per revenue agent. A higher number is better.

3. HOW WE ARE DOING

For 2013, the number of cases closed is 106 (59 percent of target). For 2012, the number of cases closed was 137 (81 percent of target).

4. HOW WE COMPARE

Comparable data is not available.

5. FACTORS AFFECTING RESULTS

The department made changes to the staffing model to more effectively balance incoming calls from taxpayers and using a more effective call-queue management process. This change was implemented in January 2012 and our results have shown a slight increase in cases closed per month. Our ability to breakdown data of collection activity attributable to each agent and the fact that this measure only focuses on a subset of revenue activity highlights shortcomings in the reliability of this measure of performance.

6. WHAT NEEDS TO BE DONE

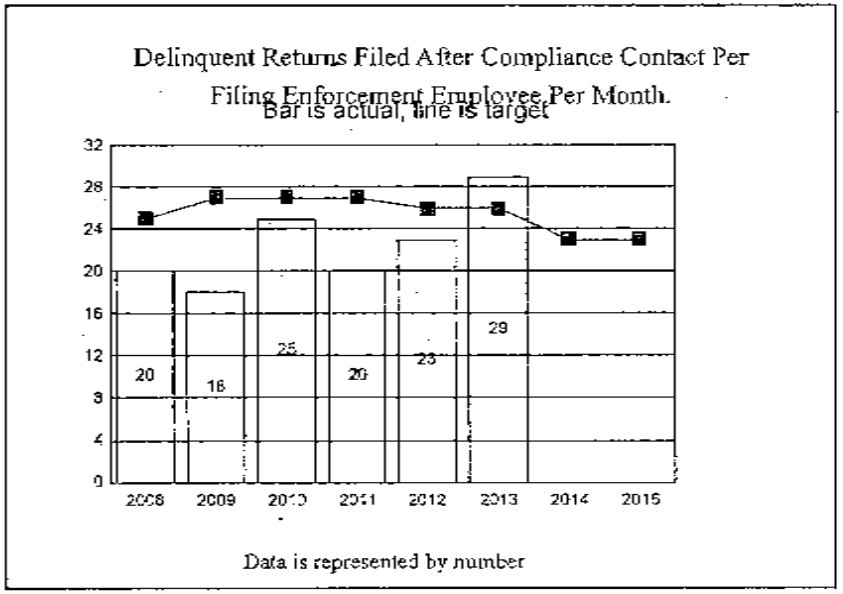
We're proposing replacing this measure with one that doesn't limit the population being measured so we can measure the overall effectiveness of our collections functions. Core System Replacement implementation will introduce additional automation and scoring of accounts. We must also keep positions filled to maximzie production.

7. ABOUT THE DATA

The reporting cycle is the Oregon fiscal year.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #7	Delinquent Returns Filed After Compliance Contact Per Filing Enforcement Employee Per Month.	2001
Goal	Tax Administration: Provide excellent service, helping taxpayers meet their commitments with education, assistance and compliance.	
Oregon Context	This goal links to the department's mission.	
Data Source	Cost Allocation System (CAS) and Filing Enforcement Monthly Reports, based on productivity per position	
Owner	Joann Martin, Personal Tax and Compliance Division Administrator	



1. OUR STRATEGY

Our strategy is to identify non-filing taxpayers and encourage them to file their own returns. If taxpayers voluntarily comply by filing their own returns, we believe there is a higher likelihood of their future tax compliance.

2. ABOUT THE TARGETS

We lowered the targets for 2014 and 2015 (to 23) based on past performance prior to seeing the data for the 2013 fiscal year. This year's results may or may not be representative of the future. We will continue to watch this closely and report on any changes.

3. HOW WE ARE DOING

In 2013, the number of filed returns closed per employee per month was 29. In 2012, the number of filed returns closed per employee per month was 23.

4. HOW WE COMPARE

Comparable data is not available. It is difficult to compare Oregon's performance with other states due to their widely diverse tax structures.

5. FACTORS AFFECTING RESULTS

Employers are now required to submit wage and withholding information electronically to us. This has allowed us to provide that information directly to wage-earning taxpayers when they don't have it, allowing them to file their returns themselves. The efficiencies we've gained due to process changes over the last couple of years continue to allow us to contact more taxpayers. It's assumed the more taxpayers we contact, the more returns we receive. We also continue to analyze data from the IRS to find filing enforcement leads. All of these factors may have contributed to increased staff productivity, resulting in an increase to the number of returns filed after compliance contact from filing enforcement employees.

6. WHAT NEEDS TO BE DONE

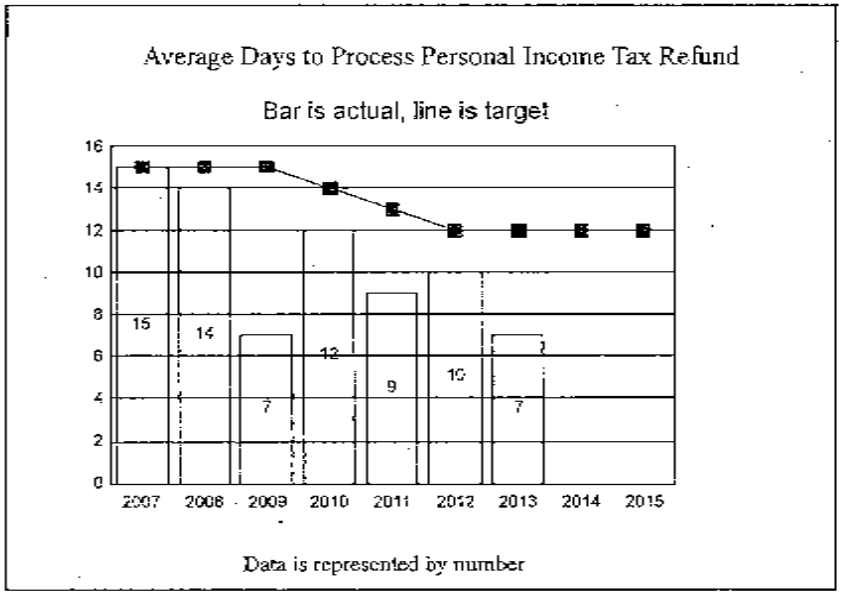
We emphasize voluntary filing of tax returns by taxpayers as a key long-term strategic objective. We will continue, through various means, to encourage taxpayers to file after compliance contact with us.Increasing production will increase the number of filed returns per employee per month. Because of the efficiencies gained, we can allocate more staff to the pro-active approach of verifying proper withholding on W-4s for employees in Oregon. This reallocation will result in voluntarily filed returns that have the appropriate amount of withholding, but they won't be trackable in this measure.

7. ABOUT THE DATA

The reporting cycle is the Oregon fiscal year.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #8	Average Days to Process Personal Income Tax Refund.	1999
Goal	We adopt best business practices to make tax systems work better, and take full advantage of opportunities presented by new technology.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Personal income tax return processing system.	
Owner	Larry Warren, ASD Administrator	



1. OUR STRATEGY

Our strategy is to issue personal income tax refund requests in a timely manner, through efficient use of people, processes, and systems.

2. ABOUT THE TARGETS

The target is to issue refunds within 12 days from receipt of the tax return. Lower is better for this measure.

3. HOW WE ARE DOING

Actual performance for 2013 was seven days, five days fewer than the target. Performance for 2012 was 10 days.

4. HOW WE COMPARE

Oregon's targets and performance are comparable with other states.

5. FACTORS AFFECTING RESULTS

Refunds on electronically filed (e-filed) returns are issued quicker. As more taxpayers e-file, it reduces the average (81% of our personal income tax returns were e-filed - see KPM#9). E-filed returns averaged 2.23 days to process. Returns received in the mail decreased by about 34,000 in 2013 -- which averaged just over 20 days to process. 2013 was the first year where all e-filed returns came in on the new federal Modernized e-file (MeF) platform. MeF returns process one full day quicker than those in the old legacy e-file system.Processing delays by the IRS and/or the timeliness of Congress enacting legislation also has an effect on our ability to process timely. This year, it only affected the processing start date.

6. WHAT NEEDS TO BE DONE

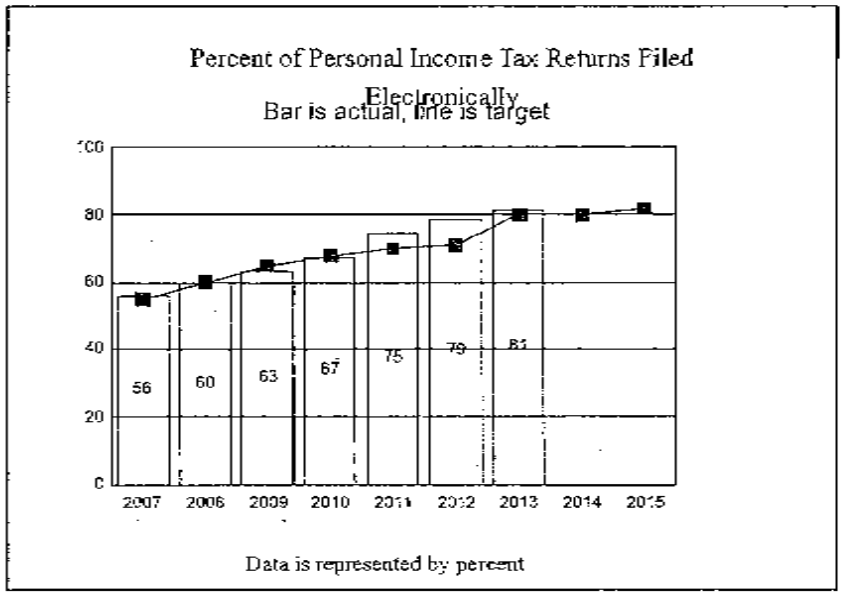
We need to continue process improvements that balance efficiency with accuracy, verification, and fraud detection. We also need to continue providing education on the benefits of filing electronically.

7. ABOUT THE DATA

The reporting cycle is the calendar year in which returns for the preceding tax year are processed (example: 2012 returns processed in 2013).This data reports on tax returns that do not suspend from the automated process for errors or additional review. Refunds from returns that suspended took, on average, nearly 90 days to process. This number is up 58 days from the previous year due to intentional changes to the review procedures (many aimed at fraud prevention).Note: The data does not include amended returns.

REVENUE, DEPARTMENT of	II. KEY MEASURE ANALYSIS

KPM #9	Percent of Personal Income Tax Returns Filed Electronically	2002
Goal	Operational Excellence: Adopt best business practices, taking advantage of technology to improve our system and processes.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Personal income tax return processing system statistics for electronically filed returns.	
Owner	Joann Martin, Personal Tax and Compliance Administrator	



I. OUR STRATEGY

Our strategy is to improve customer service and efficiency by increasing the percent of personal income tax returns filing electronically. Electronically filed (e-filed) returns are faster and less expensive to process.

2. ABOUT THE TARGETS

The targets were revised upward in 2011 to reflect the continued growth in e-filing at the state and federal level. For 2013, the target was 80%. Higher is better.

3. HOW WE ARE DOING

We are above target with 81.2% of the tax returns filed electonically. The numbers for e-file have consistently risen each year, though the rate of growth has slowed.

4. HOW WE COMPARE

Historically, Oregon's rate of e-filing has been comparable with other states. According to an August Federation of Tax Administration survey, states with approximate filing volume similar to Oregon were at an 83% e-file rate. The national average was 84%. The IRS received 84.5% of their returns electronically in calendar year 2013.

5. FACTORS AFFECTING RESULTS

Oregon's e-filing is tied with the federal return; we benefit as more taxpayers choose to file their federal tax returns electronically. Revenue continues to push e-file by reminding tax practitioners of the 2011 filing mandate. Oregon also participates in the Free File Alliance that allows taxpayers to e-file for free if they meet certain criteria. Finally, Oregon allows taxpayers to enter their return information into an on-line fillable form and file the return directly with us for free. We have yet to achieve 100% participation by practitioners in the e-file mandate. Also, unlike other states, Revenue has not put much emphasis on advertising e-file to taxpayers because the growth has been steady over the years.

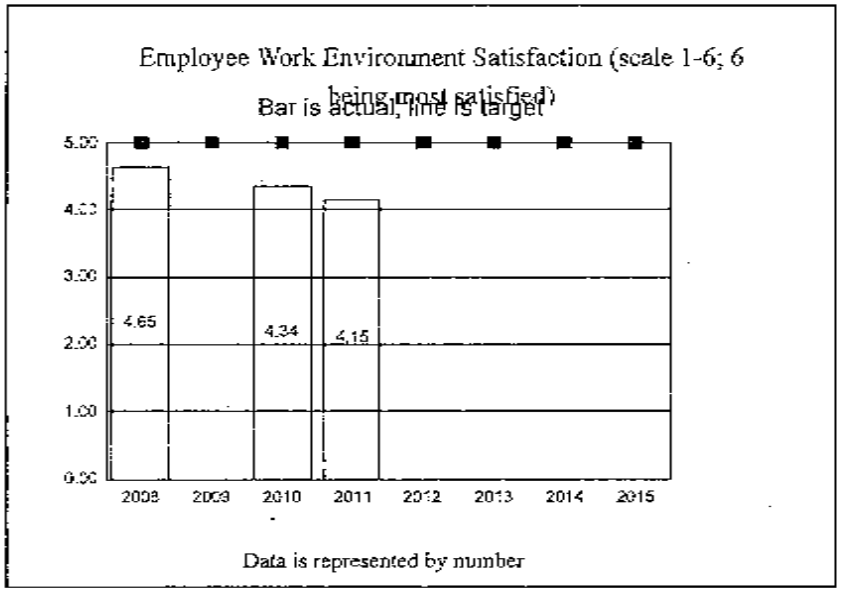
6. WHAT NEEDS TO BE DONE

We will continue to emphasize the benefits of electronic filing to taxpayers and practitioners through our forms, booklets, and publications; including information on our website; and by discussing e-file benefits with taxpayers when we interact with them.

7. ABOUT THE DATA

This data is only for personal income tax returns. The reporting cycle for e-file percentages is the calendar year.

KPM #10	Employee Work Environment (based upon a scale of 1-6)	2002
Goal	Work Environment: Provide a positive, productive, and welcoming work environment.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Employee survey conducted by the agency's Workforce Environment Council.	
Owner	Kimberly Dettwyler, Human Resources Section Manager	



1. OUR STRATEGY

Provide our employees with the physical environment, support, and resources they need to do their jobs well.

2. ABOUT THE TARGETS

Employees rate the work environment on a scale of 1-6, high is better.

3. HOW WE ARE DOING

We did not provide the survey to staff in FY 2012. In late spring 2012, the agency's leadership team discussed a different measurement tool for employee work environment/engagement. We have implemented a new tool for FY 2013.

4. HOW WE COMPARE

Comparable data is not available.

5. FACTORS AFFECTING RESULTS

As previously indicated, no survey was conducted in 2012 or 2013 to compare with the previous years results.

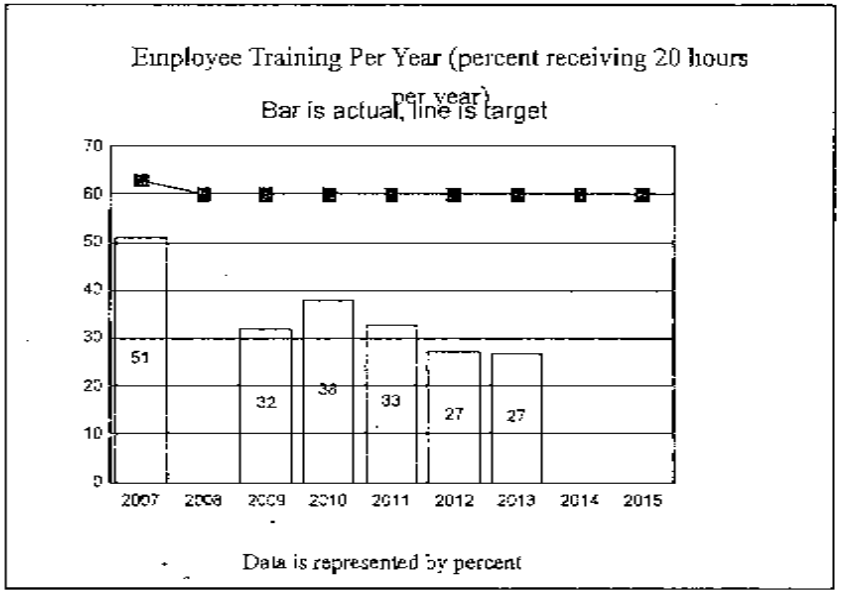
6. WHAT NEEDS TO BE DONE

We are recommending this KPM be eliminated and a new one developed to replace it that is comparable and sustainable.

7. ABOUT THE DATA

The reporting cycle is Oregon fiscal year. Data in previous years was collected through an agency-wide electronic survey. All employees had the opportunity to respond anonymously.

KPM #11	Employee Training Per Year (percent receiving 20 hours per year).	2000
Goal	Work Environment: Provide a positive, productive, and welcoming work environment.	
Oregon Context	This goal links to the department's mission.	
Data Source	Agency Cost Allocation System (CAS) for the period before 2011. iLearn Oregon for 2012 and ongoing.	
Owner	Kimberly Dettwyler, Human Resources Manager	



1. OUR STRATEGY

Our strategy is to advance our workforce by using creative training and development activities to get the most out of training resources.

2. ABOUT THE TARGETS

Oregon Benchmark 29: Labor Force Skills Training - this benchmark measures the percentage of Oregon's state labor force who receive at least 20 hours of skills training during the year. Oregon's Benchmark is that 75 percent of employees receive a minumum of 20 hours of training per year. Our interim target is lower than the statewide target, at 60 percent. We will revise the target upward when we meet the interim target.

3. HOW WE ARE DOING

In 2013 the target was 60%; actual performance was 27%, we are not meeting our training targets.

4. HOW WE COMPARE

There is no state-wide system for means of comparison.

5. FACTORS AFFECTING RESULTS

Budget constraints at the beginning of the fiscal year led to limiting training resources available to critical job skills training. There continues to be an issue with under reporting of training into the data collection source (iLearn).

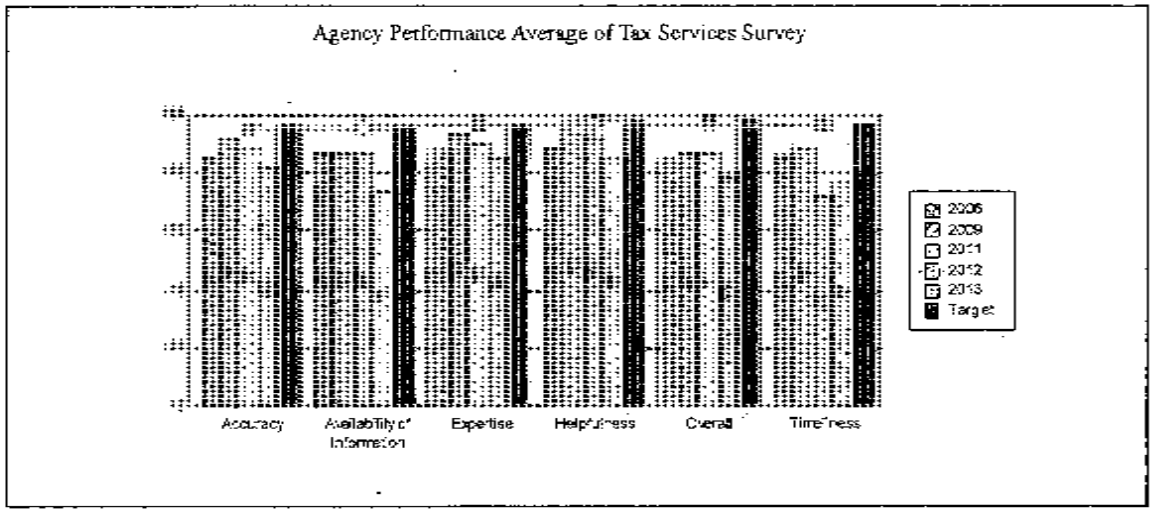
6. WHAT NEEDS TO BE DONE

We will continue to seek creative, low-cost ways to deliver training to the general employee base. We're working to identify and capture standard onboarding training for new employees and specialized training for specific classifications. Our Procurement Office will inform Human Resources of all contracted training provided by vendors to ensure it is recorded in the iLearn system. We'll also continue to partner with managers to make sure we receive training information.

7. ABOUT THE DATA

The reporting cycle is Oregon's fiscal year. The data comes from iLearn Oregon. There is significant under reporting of training into the data collection source (iLearn).

KPM #12	Customer Service: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, and availability of information.	2006
Goal	Tax Administration: Provide excellent service to taxpayers in a timely manner.	
Oregon Context	This goal links to the department's mission.	
Data Source	Written surveys of walk-in customers at our field offices or main building; telephone surveys of randomly selected taxpayer calls.	
Owner	Joann Martin, Personal Tax and Compliance Division Administrator	



1. OUR STRATEGY

Our strategy is to provide the best possible customer service to taxpayers who visit our field offices or call our Tax Services Unit for assistance, as measured by surveys of our customers.

2. ABOUT THE TARGETS

This target is the percent of customers rating their satisfaction with the agency's customer service as "good' or 'excellent' in these categories: accuracy, availability of information, expertise, helpfulness, overall and timeliness. We have set the targets for all components at 90%. Higher percentage is better.

3. HOW WE ARE DOING

Overall net score: 80.4%. Individual categories: Accuracy: 81.8%; Availability: 73.4%; Expertise: 85.6%; Helpfulness: 85.6%; Overall: 78.5%; Timeliness: 77.3%. The customer service ratings were down in 2013, after several years of relatively positive results. Revenue has been inconsistent in the gathering of survey information, which makes the numbers less reliable.

4. HOW WE COMPARE

A state-wide system hasn't been built for agencies to compare themselves against each other.

5. FACTORS AFFECTING RESULTS

Inconsistent reporting periods: The reporting period in 2012 was the month of December. For 2013, it was August with technical and workload issues shortening the survey period to just two weeks. Additionally, the two weeks coincided with our peak collection period. A surge in the mailing of billing and collection notices affected the survey results. Changes in federal law caused nearly a month delay in the start of the 2013 processing season. Economic conditions also play into the needs of the taxpayers as well as budget implications for us. Though the hiring freeze in the last biennium was lifted, we weren't able to fill all the vacancies. Suspended refunds took longer to process this year because of intentional changes in processing to address fraud.

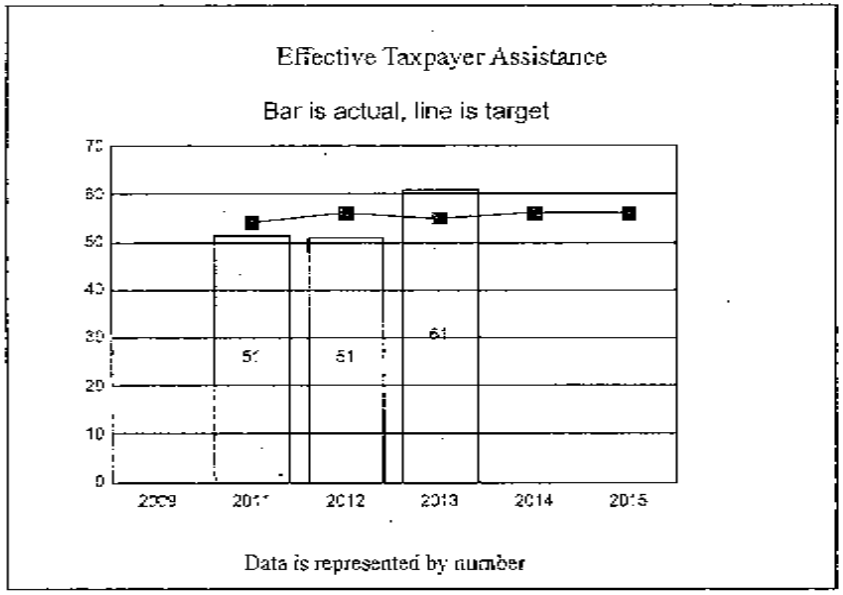
6. WHAT NEEDS TO BE DONE

The department will work to better emphasize the importance of customer service in all areas including timeliness, accuracy, helpfulness, expertise, and availability of information, through increasing availability of self-help options, and direct customer service. Also, the department realizes the need for consistent reporting and has implemented, as part of a new Interactive Voice Response (IVR) system, a survey that is continuously available to taxpayers. All future reporting periods will have similar data collection periods.

7. ABOUT THE DATA

The data for this report was collected for two weeks in August of 2013. Taxpayers who called in were directed to a phone survey through the IVR. Walk-in taxpayers were given a card with the number to call and take the survey through the IVR. The results were downloaded into a spreadsheet for tabulation. The error rate is presumed to be within 5%.

KPM #13	Effective Taxpayer Assistance: Provide the most effective taxpayer assistant services by a data-driven combination of direct assistance and electronic self-help services.	
Goal	Effective Taxpayer Assistance: Provide excellent service, helping taxpayers meet their commitments with education, assistance and compliance.	
Oregon Context	This goal links directly to the department's mission.	
Data Source	Revenue Department automated systems.	
Owner	Joann Martin, Personal Tax and Compliance Division Administrator.	



1. OUR STRATEGY

We have a two-part strategy: increase access to electronic services, and provide effective one-on-one assistance where necessary. We provide

electronic self-help options (web and phone based) for taxpayers to get quick answers or perform common tasks (e.g. Where's My Refund?). We must also provide effective assistance to those who lack access to the web, or for whom direct contact is the only or preferred method. We use customer service surveys as "checks" to ensure we provide the proper balance between direct and self-help service options.

2. ABOUT THE TARGETS

We're using a composite measure that "rolls up" individual results from three specific component measures: call wait times, successful self-help, and direct customer service satisfaction surveys. Individually, these are operational measures. In aggregate, they tell us the degree to which we are providing efficient, effective taxpayer services. Since each portion of the measure is weighted differently (wait times = 40% of the measure, successful self-help look ups = 50%, and customer service ratings = 10%) and the data forms are somewhat different, targets and actuals are normalized into a common expression; a scale of 1=100. A higher aggregate score is better.

3. HOW WE ARE DOING

Overall score: 61 (out of 100). This is up significantly from the 2012 score of 51. Successful self-help look ups account for 50% of this composite measure. In the 2013 fiscal year, changes to the Where's My Refund system greatly increased successful look ups. **Wait-Time:** Calls with less than five minutes wait time = 50.3% of total calls (versus 44.6% in 2012). The decrease in wait times for 2013 over 2012 was partially due to increased staffing levels during the year (hiring freeze was lifted in July 2012 and we filled 5 of the 8 vacancies). Call volume was also a little lower, about 14,000 less calls for the year. General factors that cause longer wait times: of the 216,152 calls, 18,508 (8.6% of all calls) required a Spanish-speaking representative. We only have 3 Spanish speaking representatives, so wait times are longer during peak call times. (We don't track other language requests). Also, employee turnover, new hires and training are on-going factors in our ability to answer phone calls. Wait times are typically increased by other, specific one-time factors. Changes to our refund review processes (refunds took longer) had the biggest potential to increase wait times this year. Also, the season started later, putting more calls into a condensed timeframe. **Percentage of successful Where's My Refund? inquiries made through IVR or web applications:** 64% (up from 49% in 2012). We changed part of our system to recognize returns in earlier stages of processing, decreasing the number of "not-found" responses. Successful inquiries are defined as any response other than "not-found". Meaning, we haven't begun processing the return and it's not found in our system when the taxpayer asks. An unknown number of inquiries are unsuccessful because taxpayers don't wait the suggested two-weeks from when they file the return to allow us to begin processing. Taxpayer expectations on processing don't change year to year, but we do have events that affect the start of processing season. This last reporting period, processing season started several weeks late related to the "fiscal cliff crisis" of 2013. **Percentage of customer service ratings of "good" or "excellent":** 80.4% (down from 96% in 2012). As reported in KPM #12, inconsistent reporting periods and completing the survey immediately after sending collection notices were factors that may have affected this year's numbers.

4. HOW WE COMPARE

Comparable data is not available.

5. FACTORS AFFECTING RESULTS

The primary factors impacting this measure are specific one-time variations. These events are difficult to anticipate and prepare for. We incorporate anything we learn from events to try to limit them to one-time events, and anticipate similar events in the future.

6. WHAT NEEDS TO BE DONE

We need to evaluate our ratio of bilingual staff available to answer bilingual taxpayer calls. We need to monitor the measure and react accordingly as we move past a baseline period. We now have consistent sources for the data that feeds this measure. We need to continue monitoring the data sources as we introduce more self-help tools to our customer service model.

7. ABOUT THE DATA

Reporting cycle is the Oregon fiscal year. During this reporting period, the customer service survey data was collected from August 12 to August 30, 2013. Our IVR now has the standard customer service KPM survey running all year. Our data sample for the next reporting period will better represent our service level for the period. Call wait time data is gathered directly from our phone system. Self-service successful look ups are measured as any inquiry from our phone system or web application that provides a response other than "not found".

REVENUE, DEPARTMENT of	III. USING PERFORMANCE DATA
Agency Mission: We make tax systems work to fund the public services that preserve and enhance the quality of life for all citizens.	

Contact: Kris Kautz	**Contact Phone:** 503-945-8213
Alternate: Jan Hunt	**Alternate Phone:** 503-945-8466

The following questions indicate how performance measures and data are used for management and accountability purposes.	
1. INCLUSIVITY	* **Staff :** Staff are increasingly involved in reviewing our agency mission, vision and values, which are supported by some of these Key Performance Measures. There is increasing participation and input on review and requests for modifying and/or changing measures. * **Elected Officials:** Elected Officials review the performance measures as part of the legislative process. * **Stakeholders:** Stakeholders are consulted regarding the measures as appropriate. * **Citizens:** Citizens review the performance measures on the department's Web site and submit questions and comments.
2 MANAGING FOR RESULTS	Performance measures are used as key indicators of the agency's progress toward achievement of its long-term vision. They are also used as indicators of progress made in projected efficiency gains as a result of automation. The agency uses additional internal measures and division and agency level dashboards to track internal indicators to assist in using output data to more effectively manage to identified outcomes.
3 STAFF TRAINING	Various agency managers have previously, and continue to attend targeted training classes, with topics related to public sector performance measurement and have brought the knowledge gained at those classes back to the agency. In addition, managers have reviewed training and information posted on the Department of Administration Website. The department has begun offering internal training on process performance metrics and the tools of quality.
4 COMMUNICATING RESULTS	* **Staff :** Staff have the capability to review Key Performance Measures on the department's internal Web site. Managers are engaged in multiple levels of review of each updated Annual Performance Progress Report. Based upon their reviews, work processes may be changed or problems/trends identified, which are then addressed. * **Elected Officials:** Elected Officials review the performance measures and evaluate the department's effectiveness as part of the department's budget process. The measures are also included in the Agency Business Plan provided to

	the legislature and other elected officials. * **Stakeholders:** Stakeholders review the measures on the department's external Web site and may ask questions or make suggestions. * **Citizens:** Citizens review the measures on the department's external Web site and may ask questions or make suggestions.

CSR Business Case

Oregon Department of Revenue

Core System Replacement Business Case Analysis

April 12, 2010

Revised, November 18, 2010
Revised, December 1, 2011
Revised, August 15, 2012

416

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PROPOSAL NAME AND DOCUMENT VERSION #	**Core System Replacement Business Case Version 7.0**		
AGENCY	Department of Revenue	DATE	8/15/2012
DIVISION	N/A (Agency)	DAS CONTROL #	
AGENCY CONTACT	Eric H. Smith	PHONE NUMBER	503-945-8232

The person signing this section is attesting to reviewing and approving the business case as proposed.

This table to be completed by the submitting agency	
Executive Sponsor/Agency Head	
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James C. Bucholz, Director	8/15/2012
Signature	
Program Sponsor	
(Name)	(Date)
Eric H. Smith, PMO Administrator	8/15/2012
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This Section to be completed by DAS Office of the Chief Information Officer (OCIO)	
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State CIO	
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1 Executive Summary

The Oregon Department of Revenue (DOR) has identified the need to replace core tax systems to:

- **Mitigate growing risks of not being able to maintain current service levels, and**
- **Enhance the ability to improve performance and generate revenue.**

This business case proposes to replace the majority of DOR's systems with industry best practice solutions that will maintain and enhance DOR's ability to collect and administer Oregon taxes. It provides a rationale for this change, a roadmap for implementing the change, and estimated costs and benefits to the State of Oregon. DOR updated the business case with new information in late 2010 and again in 2011 as research and preparation continued. This version of the business case[1] includes updates to major components such as cost, implementation approach, and benefits projections.

1.1 Mission

DOR is responsible for administering more than 30 tax programs for the State of Oregon. Each year, DOR processes over two million tax returns and collects approximately $7.5 billion, more than 90 percent of the state's General Fund revenue. Additionally, DOR's property valuation program appraises more than $35 billion in property values resulting in over $500 million in property tax revenue for 1,450 local governments.

We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens.

DOR's mission is critical to the health of Oregon. During challenging economic times, when the quality of life for some is threatened, DOR is responding to the dual challenge of reducing internal costs while also generating additional revenue from taxpayers who are not paying their fair share.

Replacing core tax systems will ensure the agency can continue to achieve its mission. It will help demonstrate that government is trustworthy, responsive, and solves problems in a financially sustainable way. Replacing core tax systems will enable DOR to reach its vision of becoming a model of 21st century tax administration through the strength of its people, technology, innovation and service.

1.2 Current State

Oregon tax and revenue administration is supported by a technical architecture designed in the 1980s. Core processes rely on a myriad of aging and obsolete software applications and databases. These systems have inherent limitations that significantly constrain the agency's ability to achieve its mission. Furthermore, employees who have the in-depth knowledge and skills to operate these complex systems are retiring or leaving the public service workforce.

At the same time, tax administration across the country is undergoing sweeping change. Taxpayers now demand new ways of doing business that match the convenience of private sector innovations like online banking and automatic bill pay. Businesses and individuals are changing, and more are using complex and sophisticated practices to reduce or avoid paying taxes. To be more responsive to changes in tax law, address complex avoidance strategies and meet taxpayer expectations, it is critical for DOR to improve core business processes and support them with better technology.

[1] Version 7.0 is the last "full" version of the CSR Business Case. DOR plans to publish an Addendum in December 2012.

An assessment of DOR's current state[2] identified key problem areas (also see Section 2.5, Problem Statement and Section 8.2, Consequences of Failure to Act), including:

1) Technology

Agency systems were developed as solutions to specific business problems rather than solutions for the organization as a whole. Some are very tightly coupled to the point where separation is not easy and often not practical. Others are only barely connected (or not at all) across boundaries, effectively isolating them from other systems. In addition:

- Some key systems are at risk of reaching maximum capacity, failure or both.
- Systems that don't talk to each other preclude a "single view" of the taxpayer.
- Highly specialized and inflexible applications require manual workarounds.
- Inflexible, obsolete and diverse architecture adds risk and complexity.
- Seasonal changes and tax-law revisions require multiple, complex system updates.

2) Business Processes

Many agency business processes were developed within each tax program rather than for the organization as a whole, resulting in a highly customized environment. DOR is working to simplify and standardize its business processes across tax programs, where appropriate, and plans to leverage industry best practices around which commercial tax solutions have been designed.

DOR recognizes that the agency must change to reduce risk, improve compliance and provide the services its stakeholders and taxpayers demand.

Table 1: Key Business Drivers

Need for enhanced compliance and revenue	Demand for improved customer service
Need for increased overall efficiency	Need for increased flexibility in tax administration

As the agency responsible for administering more than 90 percent of the state's General Fund, DOR has raised the concern since 2009 that reinvestment in the core tax system technology and business process is essential to sustain future revenue administration. As stewards of this responsibility, the department has engaged in several activities to find the best solution to this problem and prepare for success, including:

- ✓ Developing a business case using internal assessments, information from industry experts and other state revenue agencies.
- ✓ Establishing governance and quality assurance involving DOR leadership, Department of Administrative Services Office of the Chief Information Officer (OCIO) and third-party experts.
- ✓ Implementing project management methods and documentation required for a project of this size.
- ✓ Acquiring specific information for decision makers by executing a Request for Proposal, then negotiating and signing a contract with FAST Enterprises, LLC, contingent upon legislative approval in 2013.
- ✓ Conducting business process improvement to ensure DOR is ready to begin implementation by 2013.

[2] See the "Current State Assessment and Preliminary Future Vision", 12/15/2009 for the complete assessment.

1.3 Proposed Solution

After careful consideration of the alternatives, DOR proposes to acquire a Commercial Off-the-Shelf (COTS) Comprehensive Tax System (CTS) to replace its core systems. With COTS packages, the basic architecture and programming are already complete, so deployment can begin quickly. In addition, COTS solutions ensure that DOR will be able to keep up with technology changes both now and in the future.

In early 2012 DOR conducted a competitive procurement process for a CTS solution and selected Fast Enterprises, LLC (FAST). Over the last decade, more than half of other states' revenue agencies have replaced their core systems, most of them with COTS solutions. Sixteen of those agencies selected FAST's GenTax solution. All completed GenTax implementations were successfully delivered on time and on budget.[3]

Alabama	2005	Idaho	2000	Mississippi	2010	Oklahoma	2011
Arkansas	2008	Illinois	2006	Montana	2003	Utah	2006
Colorado	2008	Louisiana	2002	New Mexico	2002	West Virginia	2006
Georgia	2008	Minnesota	2008	North Dakota	2005	Wisconsin	2005

After completing contract negotiations in May 2012, DOR signed a contract with FAST, contingent upon legislative approval. The contract calls for a benefits-based funding model, as described in this business case.

1.4 Implementation Approach

The Core System Replacement initiative consists of the following components:

- **Agency Readiness, Planning, Procurement and Preparation** – Current-state analysis, market research, process documentation, data cleansing, organizational change assessment, request for proposals, proposal evaluation, contracting
- **Comprehensive Tax System (CTS)** – Tax data warehouse, data mining for discovery, audit selection, collections scoring, case management and core revenue administration functionality to support all tax programs

DOR plans to implement the solution beginning in the 2013-15 biennium and continuing through 2018. The implementation approach is comprised of phases that are scheduled to maximize the return on this investment.

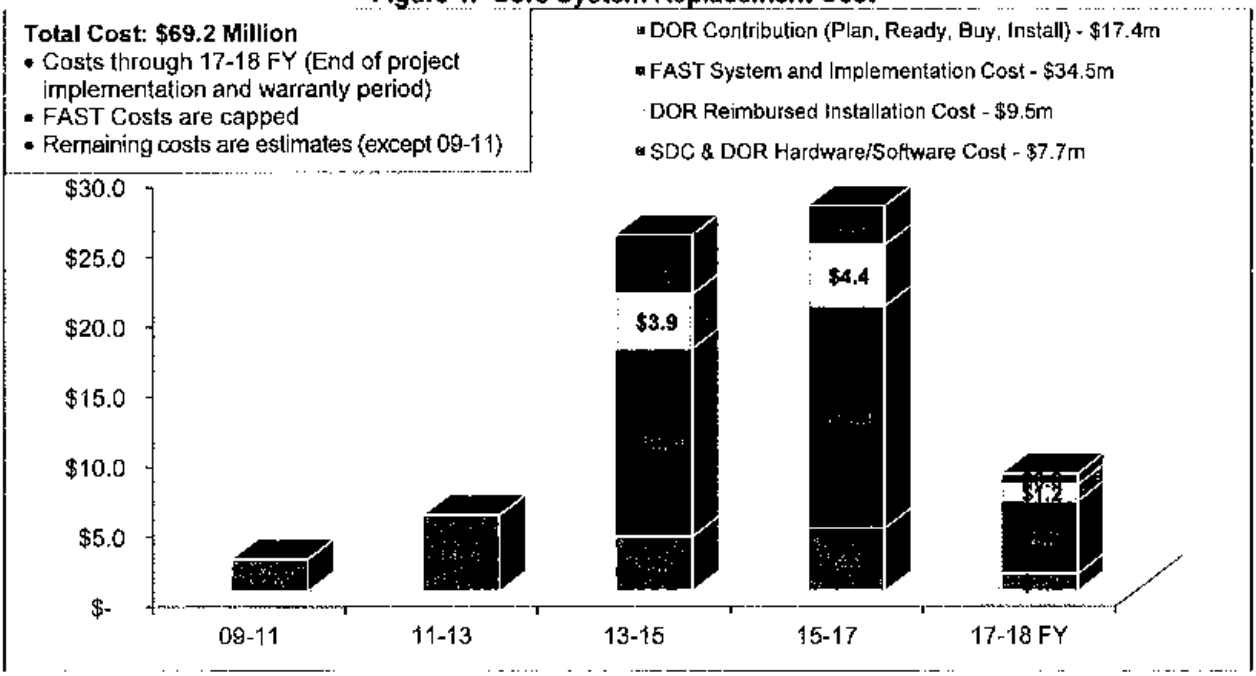
1.5 Estimated Costs and Benefits

Cost. The estimated total project cost is $69.2 million through the final implementation and warranty phase, ending in 2018. DOR signed a $34.5 million contract with FAST in May 2012, contingent upon legislative approval. The remaining $34.7 million is agency cost, and includes all internal effort as well as third-party Quality Assurance.

The following chart represents costs by biennium and category:

[3] Years shown are project start dates (year contract was awarded). Also see Appendix A, Status of State Tax Agency Modernization Efforts.

Figure 1: Core System Replacement Cost



Note: Individual components sum to $69.1 million due to rounding. Summation of all estimated costs is $69,217,000, or $69.2 million.

Total estimated agency cost is $34.7 million, including all costs from inception in 2009 through completion in 2018. Costs for the 2009-11 biennium are actual costs. All other agency costs are estimated based on information from FAST and other industry experts, as well as experiences in other states that have replaced their core systems. Actual costs will be reported regularly via established project reporting mechanisms as the initiative moves forward.

Benefits.[4] The benefits of replacing core tax systems can be described in three categories: 1) Risk Avoidance, 2) Improved Performance, and 3) Increased Revenues.

1. Risk Avoidance

The primary benefit of replacing core tax systems is to continue supporting existing revenue streams by reinvesting in core infrastructure to reduce risks of revenue loss (see Section 8.2, Consequences of Failure to Act).

An assessment of DOR's "current state", conducted in 2009, contains seventy pages describing the issues and constraints DOR staff and stakeholders face daily.[5] Many of these problems could be addressed and remedied individually, but, as demonstrated throughout this business case, only a comprehensive Core System Replacement will address them in their totality.

It's difficult to estimate precisely when risks that impact revenue may materialize. A more detailed estimate of risks will be included in the Core System Replacement Business Case Addendum planned for completion in December 2012.

[4] DOR plans to publish a detailed cost/benefit analysis in December 2012 (see Section 2.3, Purpose)
[5] See the "Current State Assessment and Preliminary Future Vision", 12/15/2009 for the complete assessment.

2. Improved Performance

Replacing core tax systems provides many opportunities for improved performance. An integrated system provides easier access to data analytics and management tools, better tools for employees to conduct their work, improved capabilities for sharing resources and data, and increased ability to respond in a timely fashion to changes in laws and regulations. States that have implemented a COTS Comprehensive Tax System have realized benefits such as:

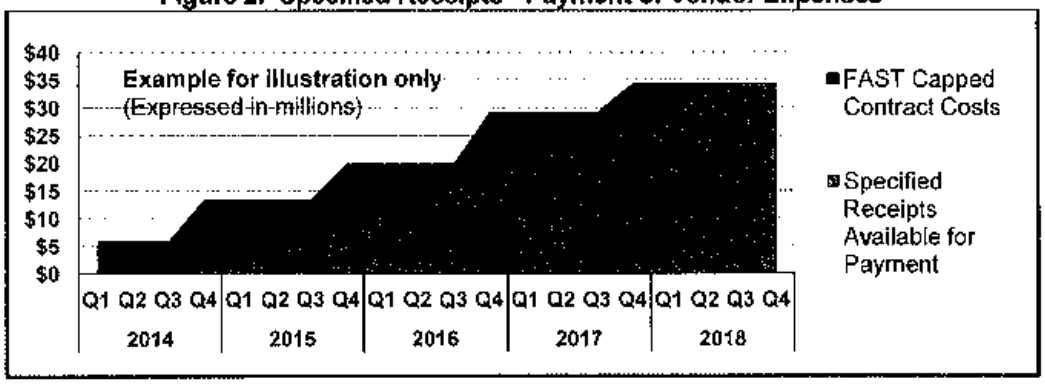
Table 2: Expected Benefits

Enhanced Compliance and Revenue • Increased ability to detect noncompliant taxpayers • Faster identification of under-reporting taxpayers • More effective audit-candidate selection • Increased fraud detection	**Improved Customer Service** • Wider variety of secure and efficient web services with real-time processing • Complete, accurate and timely answers to taxpayer questions • Increased information security and privacy
Increased Overall Efficiency • Improved data-driven decision-making • Reduced errors and transaction time • Faster training time • Fewer redundant steps	**Increased Flexibility in Tax Administration** • Quick, economical response to statutory changes and requests for information • Ability to adapt to evolving taxpayer needs, behaviors and complex financial transactions

3. Increased Revenues

Other states have reported increased revenues as a result of replacing their core tax systems. However, DOR discovered during the procurement process that estimating revenue increases directly tied to the system replacement presents many challenges due to multiple influences on revenues, both internal and external. Estimating impacts on revenue generation will be more reliable after the system is installed and business process impacts are known. DOR is establishing metrics to ensure that all benefits, including additional revenues, are tracked both during and after the system is implemented.

Figure 2: Specified Receipts - Payment of Vendor Expenses



Because of the difficulty in estimating benefits, DOR and FAST, in consultation with Legislative Revenue Office (LRO), have agreed to propose a benefits-based funding method that designates Specified Receipts for project payments. This funding method is subject to legislative approval. These Specified Receipts are directly associated with programs and functions that benefit from the Core System Replacement.

1.6 Recommendation

The agency recommends full implementation of its Core System Replacement initiative as presented in this business case, that is:

- Replace core revenue systems with the selected Commercial Off-the-Shelf (COTS) Comprehensive Tax System (CTS) solution (GenTax)
- Use benefits-based funding for the CTS solution, funding the solution through Specified Receipts from tax programs benefitting from implementation of the new system

In conjunction with process reengineering, the integrated systems and data will enable DOR to use technology to make smarter decisions, increase voluntary compliance, and improve overall compliance and revenue administration. It will provide value through reduced agency risk, a more productive and responsive workforce, and increased revenue to Oregon.

Replacing the agency's core systems is an investment in DOR staff, processes and technology that will provide a positive return on investment to Oregon taxpayers with both immediate and long-term benefits. It will provide the critical technology foundation necessary for the agency to achieve its mission and realize its vision for the future.

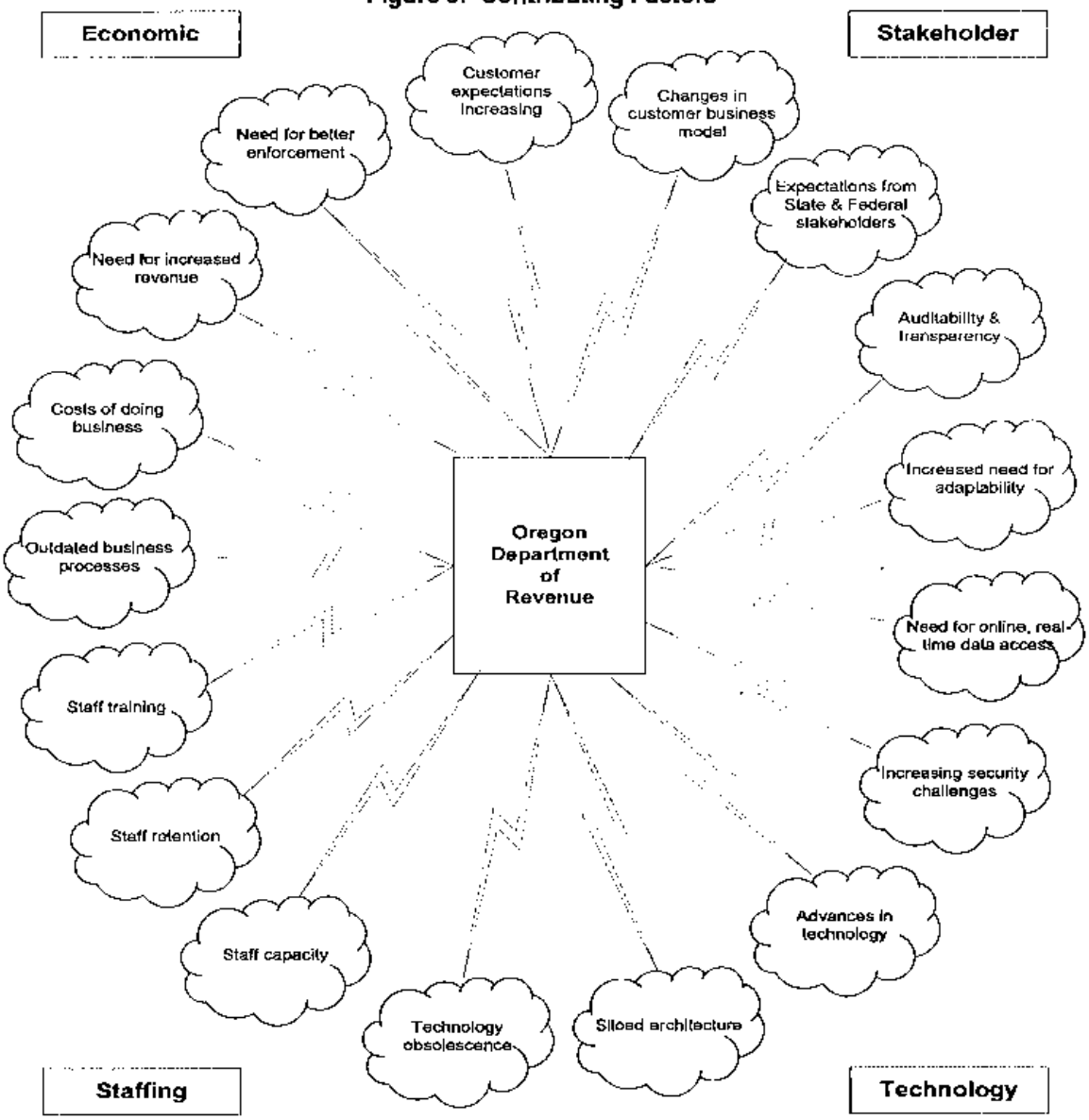
2 Background and Purpose

2.1 Background

Responding to the growing expectations of Oregon taxpayers, as well as the inability of aging computer systems to efficiently support modern tax services, in 2008 the Oregon Department of Revenue (DOR) set a new strategic vision spanning the next five to seven years. DOR's strategic vision is to be a *"... model of 21st century tax administration through the strength of our people, technology, innovation and service."*

Figure 3 below illustrates the external and internal factors that converged, prompting DOR to focus on achieving this vision.

Figure 3: Contributing Factors



DOR began moving toward this vision by defining seven specific strategic goals:

- Maintain and Enhance a Talented, Forward-Looking Workforce
- Create a Culture of Constant Improvement
- Deliver High Quality Business Results
- Become a Customer-Focused Organization
- Partner with Others to Achieve Our Mission
- Preserve and Enhance Public Confidence
- Enhance Voluntary Compliance and Increase Collection of Taxes Due Under the Law

To further understand how a new approach to business processes and technology could be used to transform and lead the agency toward its vision, DOR developed the Technology and Process Reengineering (TaPR) program.

The primary goal of the initiative is to build a technology and business process infrastructure that will deliver four primary outcomes:

- Enhance taxpayer compliance and revenue
- Improve customer service to taxpayers and business partners
- Increase overall efficiency
- Increase ability to adapt quickly to changing tax administration needs

DOR defined these outcomes as Key Business Drivers as follows:

Table 3: Key Business Drivers

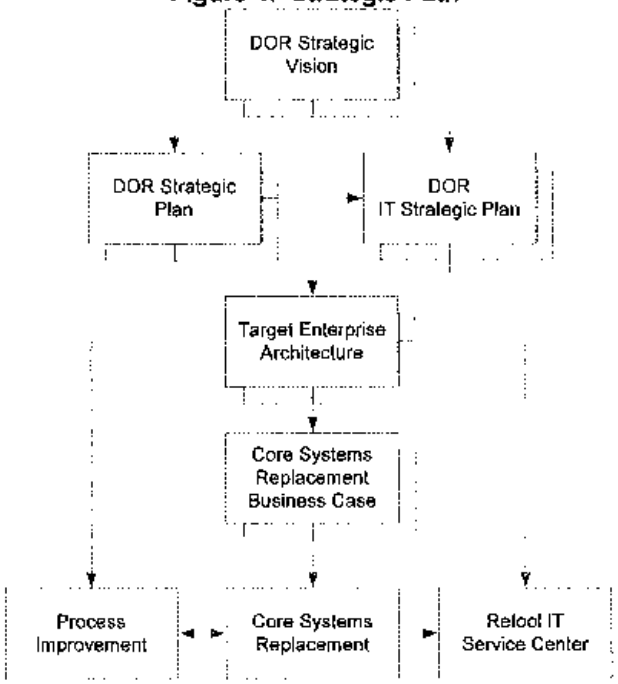
	Compliance	***Customer Satisfaction***	***Workforce Effectiveness***	***Partnerships***
Business Driver	Need for enhanced compliance and revenue	Demand for improved customer service	Need for increased overall efficiency	Need for increased flexibility in tax administration
Driver Definitions	• Increase voluntary compliance through improvad customer service and customar access to information • Predict taxpayer noncompliance with greater ease and accuracy • Generate more timely and complete data for educating, assisting and enforcing laws	• Make taxpayer services more accessible, convenient, transparent, timely, and secure • Provide easy access to tax laws, guidelines, and frequently asked questions • Allow taxpayers to file returns and make payments using tools thet are familiar to them • Resolve questions and concerns on first contact	• Eliminate risk and cost of maintaining multiple, diverse systems • Mitigate the risk of interruptions to current revenue flows • Eliminate redundant steps and automate more processes • Pool all taxpayer information in one place • Automate processing for all tax types, as appropriate	• Respond quickly and economically to changes in tax laws, creation of new taxes, and legislative requests for information • Adapt to evolving taxpayer needs, behaviors, and complex financial transactions • Improve exchange of data with business partners, such as the IRS, counties, states, and tax practitioners • Improve collaboration with state agency partners

In 2007 and 2008, DOR hired external experts to conduct agency assessments related to technology and service delivery, including:

- IT Organizational Assessment[6]
- IT Transition Plan[7]
- IT Service Delivery Assessment[8]

DOR also gathered best practices and lessons learned from top tax administration modernization experts and other states that have implemented integrated tax systems.

Figure 4: Strategic Path



In 2009, DOR hired Revenue Solutions, Inc. (RSI) to develop a:

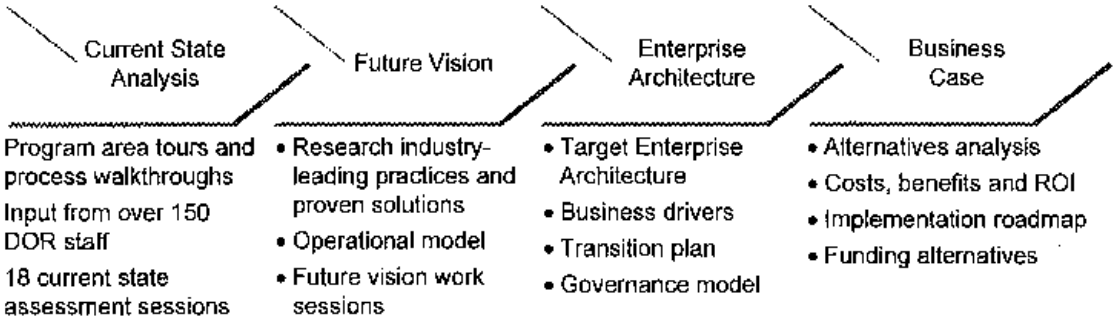
- High-level Target Enterprise Architecture plan, including a current-state assessment and a vision for future business processes and supporting technology.
- Core System Replacement Business Case for DOR's transformation.
- Policy Option Package, based on the business case, for presentation to and approval by the 2011 Oregon Legislature.

RSI employed its business transformation methodology, represented in Figure 5 below, along with the results of the previously conducted studies,[9] to:

- Assess DOR's current needs,
- Assist in developing a future vision,
- Provide a Target Enterprise Architecture plan upon which to base future decisions, and
- Develop the initial version of this business case.[10]

[6] IT Services Future Staffing Model, *ieSolutions*, July-September 2007.
[7] IT Services Transition Plan, *Virtual Information Executives, LLC (VIE)*, February-June 2008.
[8] Service Delivery Assessment Report, *Virtual Information Executives, LLC (VIE)*, June 2008.
[9] See Bibliography, Appendix K for complete listing of these studies.
[10] DOR has revised the Core System Replacement Business Case extensively since the initial version was published in 2010.

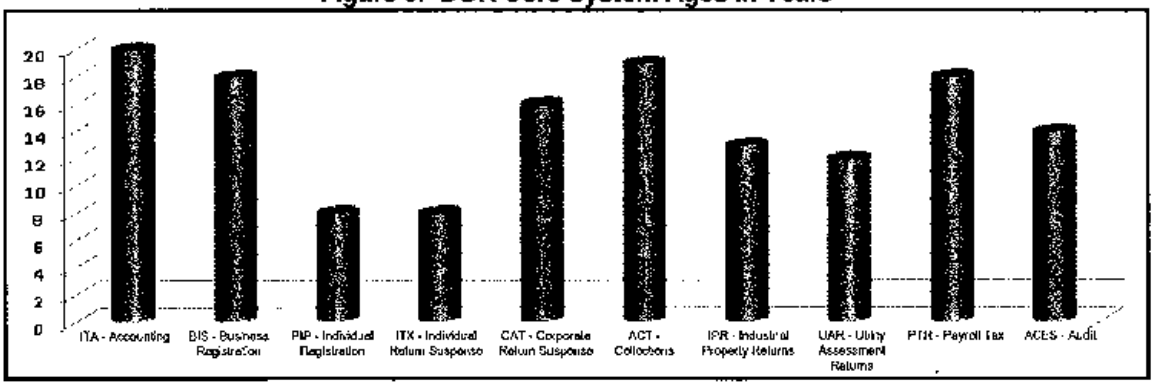
Figure 5: Business Transformation Methodology



2.1.1 Current State Analysis

Oregon tax and revenue administration is supported by a technical architecture designed in the 1980s. The Integrated Tax Accounting (ITA) system, upon which all other core systems depend, is nearing 20 years old. DOR processes $7.5 billion a year, more than 90 percent of the state's General Fund revenue, through this aging system. The improvements in efficiency provided by DOR's core systems have diminished with the passing of time, and the applications are now obstacles to increasing productivity and enhancing efficiency.

Figure 6: DOR Core System Ages in Years



These systems have inherent limitations that significantly constrain the agency's ability to achieve its mission. Furthermore, key employees with the specific in-depth knowledge and skills to operate these systems are retiring or leaving the public service workforce. To be more responsive to changes in tax laws and to meet taxpayer expectations, it is critical for DOR to improve its technology and update its supporting processes.

In late 2009, the RSI team toured work areas, studied documents and reviewed technology to assess DOR's current state. DOR staff spent many hours demonstrating the agency's current technology, answering questions about current and desired business processes, and providing detailed metrics on agency performance where possible. RSI also held a series of workshops and one-on-one meetings to review functional and technical areas.

The resulting study, the "Current State Assessment and Preliminary Future Vision," provided the basis for DOR's "Target Enterprise Architecture" plan. DOR used both of those documents[11] as the initial basis for this business case.

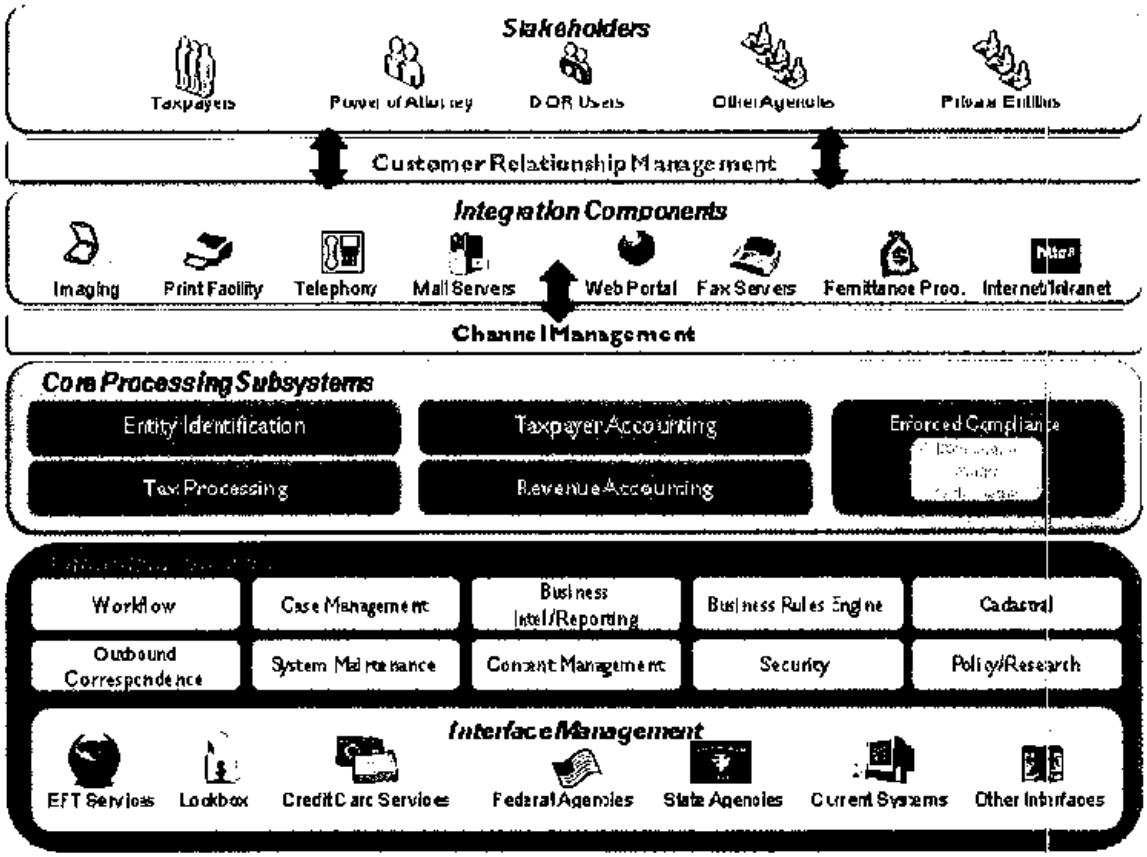
[11] See Bibliography, Appendix K, for complete listing of these studies.

2.1.2 Future Vision

RSI then worked with DOR to envision a future environment influenced by industry common practices and solutions, yet able to address the specific requirements of Oregon taxpayers and tax legislation. Figure 7 below represents the conceptual view for the next generation of Oregon tax processes and systems.[12] It presents the interaction between DOR stakeholders and core DOR processes and demonstrates how enterprise processes and technology can be used to support DOR's core mission. This view is a departure from the current compartmentalized environment, and its use of industry common practices provides DOR with a strong set of process and technology solutions to achieve success.

The "Target Enterprise Architecture" document and related artifacts contain detailed descriptions of DOR's future vision as well as proposed steps that DOR can take to arrive at the target architecture in support of its strategic goals.

Figure 7: Vision for DOR Future Environment



Achieving this vision for DOR's future environment will require a transformation of processes, technology and, to a degree, the DOR organization.

[12] See the "Current State Assessment and Preliminary Future Vision" (RSI, 12/15/2009), as well as the "Target Enterprise Architecture" (RSI, 2/25/2010) documents for the complete assessment and recommendations. Both documents were prepared by RSI in partnership with the Oregon Department of Revenue.

2.2 Business Case Proposal

DOR is engaged in an agency-wide transformation scheduled to occur over nine years. This is a significant effort that will shape how the agency provides tax administration services for decades to come. This initiative is an investment in the alignment of business processes to agency goals and the replacement of its existing core information technologies. Goals of the initiative include:

Invest in process and technology solutions that create significant value for the State of Oregon and its taxpayers. The investment will leverage the experience of many states that have preceded DOR down the path toward modernization, and it will draw on the solutions that have provided the greatest return on investment to these other states.

Replace aging and obsolete systems that are currently charged with supporting DOR's core functions. DOR's systems must be replaced to enable business process and customer service transformation and to reduce the risk of obsolescence and drain of system knowledge expected as experienced employees retire. These core systems will be replaced by a new COTS Comprehensive Tax System and a new Property Valuation System. These technology improvements will replace the core systems used daily by DOR, as well as more than 80 other systems that have been developed over time to fix new problems and shortcomings in the core system.

Figure 8: Current core systems (80+ Systems)

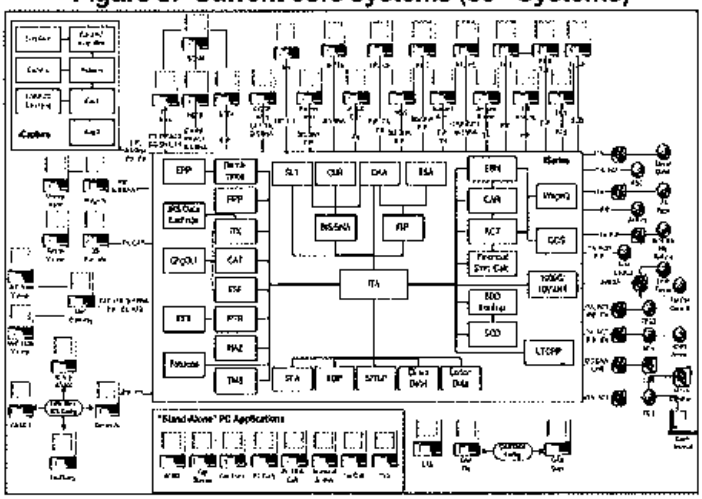
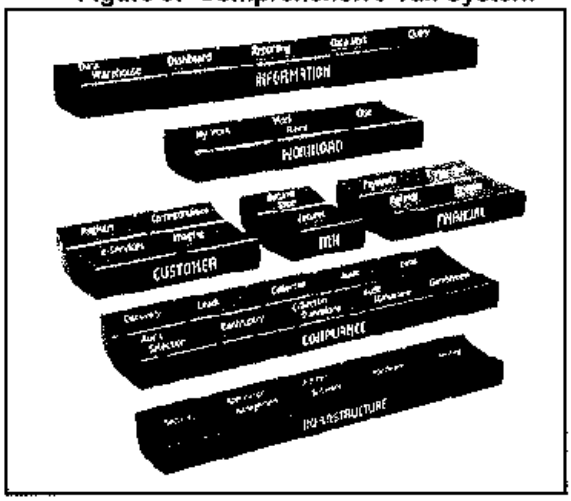


Figure 9: Comprehensive Tax System



DOR proposes to acquire a COTS Comprehensive Tax System (CTS) that includes the software tools and services pictured above (right). With a COTS package, the basic architecture and programming are already complete, so the agency can begin deploying it quickly.

Align DOR business processes to support the agency's goals. DOR will use industry leading practices to refine and improve its current processes. Many of the current processes were developed within each tax program rather than for the organization as a whole, resulting in a highly compartmentalized environment. The proposed transformation will realign processes and technology for greater interagency cooperation, efficiency, and responsiveness to Oregon's taxpayers.

2.3 Purpose

The purpose of this document is to present the business case for DOR's technology and process reengineering initiative. This document follows State of Oregon and DOR standards in presenting alternatives considered by DOR, the preferred solution, costs and benefits (financial and non-financial) and the risks and potential impacts of the Core System Replacement. Additionally, this document presents a recommended project roadmap designed to minimize DOR risk and maximize benefits to the state.

DOR has done significant research in the development of this business case. The agency gathered information from experts, such as tax system solution providers, and other state revenue agencies with similar experiences, and applied this research to DOR's own situation and needs. DOR updated the business case with new information in late 2010 and again in late 2011 as research and preparation continued. This August 2012 version of the business case includes updates to major components such as cost, implementation approach, and benefit projections.

DOR published a Request for Proposal (RFP) for the Comprehensive Tax Solution on June 28, 2011 and received responses from three solution providers. Using a Best Value Procurement process, DOR selected Fast Enterprises, Inc. (FAST) and signed a contract, contingent upon legislative approval, in May 2012.

At the same time, DOR published a Request for Information (RFI) for the Property Valuation System (PVS). As a result of the responses and other internal research, DOR is pursuing a replacement PVS solution outside of this business case. There are two primary reasons for this:

1. A variety of solutions exist, including both COTS and Software as a Service options
2. These solutions are much less costly than expected

The major changes in this version (Version 7) of the business case are (also see Planned Addendum below):

- Revised most sections based on the contract negotiated with FAST.
- Removed PVS cost and implementation approach from the document.

Planned Addendum

DOR plans to publish an addendum to this business case that will provide a detailed cost/benefit analysis based on information gained from contract negotiations. The addendum, to be published December 2012, will include:

- **Costs.** An in-depth analysis of costs which includes a detailed assessment of total cost of ownership. The analysis will compare:
  - The "do nothing" alternative (see Section 3.2.1, Maintain), with
  - The alternative to move forward with GenTax, the selected COTS solution (see Section 3.2.3, Replace with industry standard solution).
- **Benefits.** A refined analysis to better estimate the benefits of implementing the GenTax solution. This analysis will focus on key functional areas with the most direct impact, and will further define:
  - Key assumptions.
  - Financial and non-financial benefits.
  - Operational efficiencies, including strategies for reinvesting these efficiencies.

DOR will be providing regular project reports, outside of this business case, as described in pertinent sections of this document.

2.4 Scope

This business case addresses DOR's Core System Replacement and the reengineering of its business processes (see Figure 7). Core systems and processes include:

- Tax processing for all tax programs (including timber, senior deferral, and other small tax programs).
- Revenue and taxpayer accounting.
- Data analytics.
- Discovery, audit, and collections.
- Data and information exchange (internal and external).

The following systems and processes, while significantly impacted by the core process and system changes, are outside the scope of this initiative:

- Human resources and facilities.
- Payroll, finance (other than revenue accounting), and procurement.
- IT operations and governance processes.
- Graphical Information Systems (cartography and ORMAP).

2.5 Problem Statement[13]

The Current State Assessment and Preliminary Future Vision[14] contains a detailed assessment of issues that DOR faces as it attempts to provide services to support its strategic goals. These problems can be summarized in the following major categories:

1. Technology.
2. Business Processes.
3. Data Analytics.
4. Online Services.

1. Technology

Agency systems were developed in the mid-1980s and 1990s as solutions to specific business problems rather than solutions for the organization as a whole. Some systems are very tightly coupled to the point where separation is not easy and often not practical. Others are only barely connected (or not at all) across boundaries, effectively isolating them from other systems. The result is redundant, inconsistent and/or stand-alone repositories of taxpayer data.

DOR's key technology constraints include:

- Some key systems are at risk of reaching maximum capacity, failure or both.
- Highly specialized and inflexible applications require manual workarounds.
- Inflexible, obsolete and siloed architecture adds complexity.
- Seasonal changes and tax law revisions require multiple and complex system updates.
- Escalating loss of technical system knowledge (skilled IT staff retiring or leaving state service).

Discussion: The agency, as with many other state agencies, is constrained by tools and technology that were created when communication was limited to US mail and personal contact. Agency systems are not able to meet current taxpayer expectations, such as the ability to make a

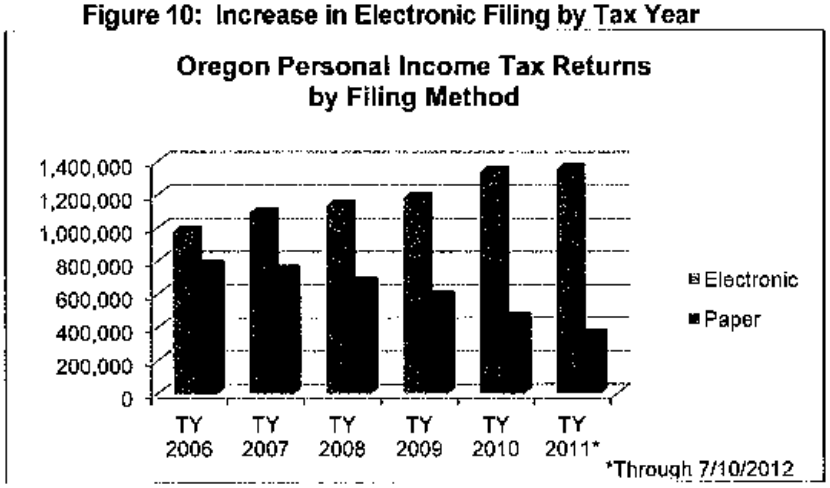
[13] Also see Section 8.2, Consequences of Failure to Act.
[14] *Current State Assessment and Preliminary Future Vision*, prepared for the Oregon Department of Revenue by RSI, Inc., December 15, 2009.

payment that is immediately applied to a debt (i.e., "real-time transactions"). DOR's reliance on overnight batch processing and notifications sent via US mail add unnecessary cost, not just in postage, paper, and printing, but also in processing time. For instance, a payment submitted online can be immediately banked, but a payment sent by mail can only be banked when received in the office and handled by agency staff.

Tax accounting processes still rely on batch processes operated in a carefully orchestrated linear fashion to update taxpayer accounts and record financial transactions. These transactions may take up to five business days to complete, and performing the required steps out of sequence causes system errors and further delays.

The number of returns that are filed electronically has increased dramatically (Figure 10 below). In the past five tax years (TY) the percentage of personal income tax returns filed electronically increased from 55 percent (TY 2006) to 80 percent (TY 2011). Current systems have been modified to accept these electronic returns, but are not able to handle the high-volume demand of true online processing.

Figure 10: Increase in Electronic Filing by Tax Year



Small tax programs administer and collect taxes and fees such as 911, state lodging, and tobacco taxes. These programs rely primarily on manual processes and do not have electronic filing capability. Online electronic filing, along with automating internal processes, would allow entities to file directly with DOR.

Over the past several years, employees have made numerous enhancements and additions to DOR's core systems to mitigate these limitations. Non-technical employees have developed a number of custom databases and spreadsheets to help outdated primary and supporting systems meet business needs. IT Services employees spend the majority of their time operating and maintaining these systems and interfaces, leaving them little time to support the agency's strategic initiatives. Agency employees spend valuable time working around system limitations and trying to resolve issues with the data, time that could be spent focusing on actual collection or audit activity. The 80+ systems now work against the effort rather than supporting it.

2. Business Processes

Many DOR business processes were developed within each tax program rather than for the organization as a whole, resulting in highly-customized supporting systems. DOR is working to simplify and standardize its business processes across tax programs and take advantage of the industry best practices around which commercial tax solutions have been designed. In addition,

many existing business processes have been designed to "work around" technology barriers and, thus, are inefficient, redundant and error-prone. DOR also faces the escalating loss of business process knowledge, as employees skilled in these complex and compartmentalized processes retire or leave state service.

Discussion: DOR employees have become proficient at developing workarounds (both business and technical) to support the shortcomings of aging software applications. Some of these are manual processes (for example, additional handoffs and manual data entry are used to complete some processes), and some consist of spreadsheets or other user-developed tools to track, analyze or report data that cannot be provided by current core systems.

3. Data Analytics

DOR does not have the real-time data and analytical tools it needs to support quick and effective decision-making throughout the agency.

Discussion: Like most of the agency's systems, DOR's databases are "program-centric" rather than "taxpayer-centric". This precludes a composite view of a taxpayer and related entities. In addition, agency systems were developed at a time when data storage capabilities were limited, so valuable information from tax returns and other customer interactions is kept only in paper archives. Other critical components of this problem include:

1. **Disparate, duplicate and inconsistent data** - Over time, numerous applications have been created to supplement the core systems, including user-created databases and spreadsheets. Design decisions have been made within a siloed business architecture, resulting in disparate systems with duplicate and often conflicting data.

2. **Non-standard data and lack of analytical tools** - Consistent and integrated data, along with decision-making tools, are at the heart of the compliance (audit, discovery and collection) process. However, the technology and process problems cited above have engendered not only several varieties of database applications, but several versions of the same databases. The result is redundant, inconsistent and/or stand-alone repositories of taxpayer data.

4. Online Services

Taxpayers are demanding ways of doing business that are convenient for them, using online tools like the ones they use to pay bills or do their banking.

Discussion: DOR currently supports several public-facing web applications, as well as supporting services such as taxpayer account services and electronic payments. More taxpayer-focused services have been added recently as part of the Taxpayer Self-Sufficiency project. However, DOR's batch-based systems preclude offering services that require "real-time" transactions (e.g., making a payment that is immediately applied to an account). DOR can continue to add additional services using existing technology, but the technology and data issues cited above will result in expensive "workarounds" rather than industry-standard solutions.

2.6 Program Management

DOR established the Technology and Process Reengineering (TaPR) program to manage the Core System Replacement (CSR) with a Comprehensive Tax System (CTS) solution which will replace the majority of DOR core systems. This initiative has been approved by the state Chief Information Officer (CIO) and is being managed under the oversight of the Office of the CIO (OCIO)[15].

Project Oversight: DOR worked with OCIO early in the process to hire a third-party Quality Assurance (QA) consultant. The QA consultant continues to provide objective oversight, reporting directly to both DOR Program Management and OCIO. In addition, a third-party Independent Verification and Validation (IV&V) consultant will be added when implementation begins.

Risk and Issue Analysis and Management: DOR has developed a Risk and Issue Management Plan and established a Risk/Issue Management Team that tracks and manages risks and issues through use of Risk and Issue Registers. In addition, the third-party QA consultant conducts risk assessments as part of their role in evaluating project quality. (Also see Section 8, Risk Assessment and Risk Management).

Program Management Team: The Program Management Team consists of dedicated staff including a Program Sponsor, Program Manager, Project Managers, Business Analysts, a Technical Lead, and a Communications Specialist. In 2011, DOR hired a company with extensive experience in managing large-scale IT projects to augment and mentor the internal project team. These experts, who included a Program Manager and Business and Technical Leads, assisted the agency in completing foundational planning[16] for the CTS and PVS projects.

Program Management Plan: DOR, with assistance from a team of project management experts, developed and implemented a Program Management Plan (PMP) following the best practices prescribed in the Project Management Body of Knowledge (PMBOK). After contract negotiations, DOR is updating the PMP and sub-plans to incorporate FAST methodologies and practices. Appendix B, Program Plan Hierarchy, includes a list of the sub-plans (control documents), which include Communications, Quality Management, and other plans mentioned in this section.

Organizational Change: DOR recognizes the need for a structured approach to change leadership and ensured that the contract for the CTS solution with FAST includes a viable, structured change leadership approach.

Stakeholders: TaPR stakeholders include both internal and external parties that are involved with, have influence over, and/or will be affected by the Core System Replacement. DOR has engaged key partners and stakeholders throughout the planning process. In addition, a Stakeholder Advisory Board will be established when implementation planning begins. DOR has included Stakeholder Management as a sub-set of the Communications Plan.

Process Mapping: DOR completed basic core process maps and continues to add necessary documentation to provide a robust "as-is" model.

Procurement: DOR published a Request for Proposal (RFP) for the Comprehensive Tax Solution on June 28, 2011 and received responses from three solution providers. Using a Best Value Procurement process, and with the assistance of DAS State Procurement Office and Department of Justice, DOR selected FAST. DOR negotiated and signed a contract with FAST in May 2012,

[15] Formerly the Department of Administrative Services' Enterprise Information Strategy and Policy Division (EISPD).
[16] See Appendix B, CSR Program Management Hierarchy.

contingent upon legislative approval.

Requirements: DOR staff completed both detailed and high-level business (functional) and technical (non-functional) requirements for the CTS procurement. DOR used internal experts (IT and business), information collected from other states having similar projects, and other experts such as Gartner and revenue/tax solution providers. All CTS business requirements map to the agency vision and objectives.

Requirements Validation: DOR employed a unique procurement process, which included an in-depth on- and off-site analysis of the GenTax solution and its ability to meet functional and non-functional requirements. The Technology Architecture Review Board, with assistance from State Data Center (SDC) planning staff, was responsible for the review and validation of compliance with technical requirements and the state technology architecture. Teams of agency subject matter experts conducted a similar thorough assessment of the solution's ability to meet functional business requirements with a process that included visits to two other states with the same solution and detailed product demonstrations in which each requirement was addressed. The decision process that DOR designed and employed is included in Appendix I.

Customization: One of the Core System Replacement initiative's objectives is to minimize technical solution customization as a means of reducing risk. During the analysis phase of procurement, DOR verified the 1,292 functional requirements against the FAST GenTax technical solution to assess the software's ability to satisfy these requirements. The evaluation process (see Requirements Validation above) resulted in a very high match rate between the functional requirements and the GenTax solution:

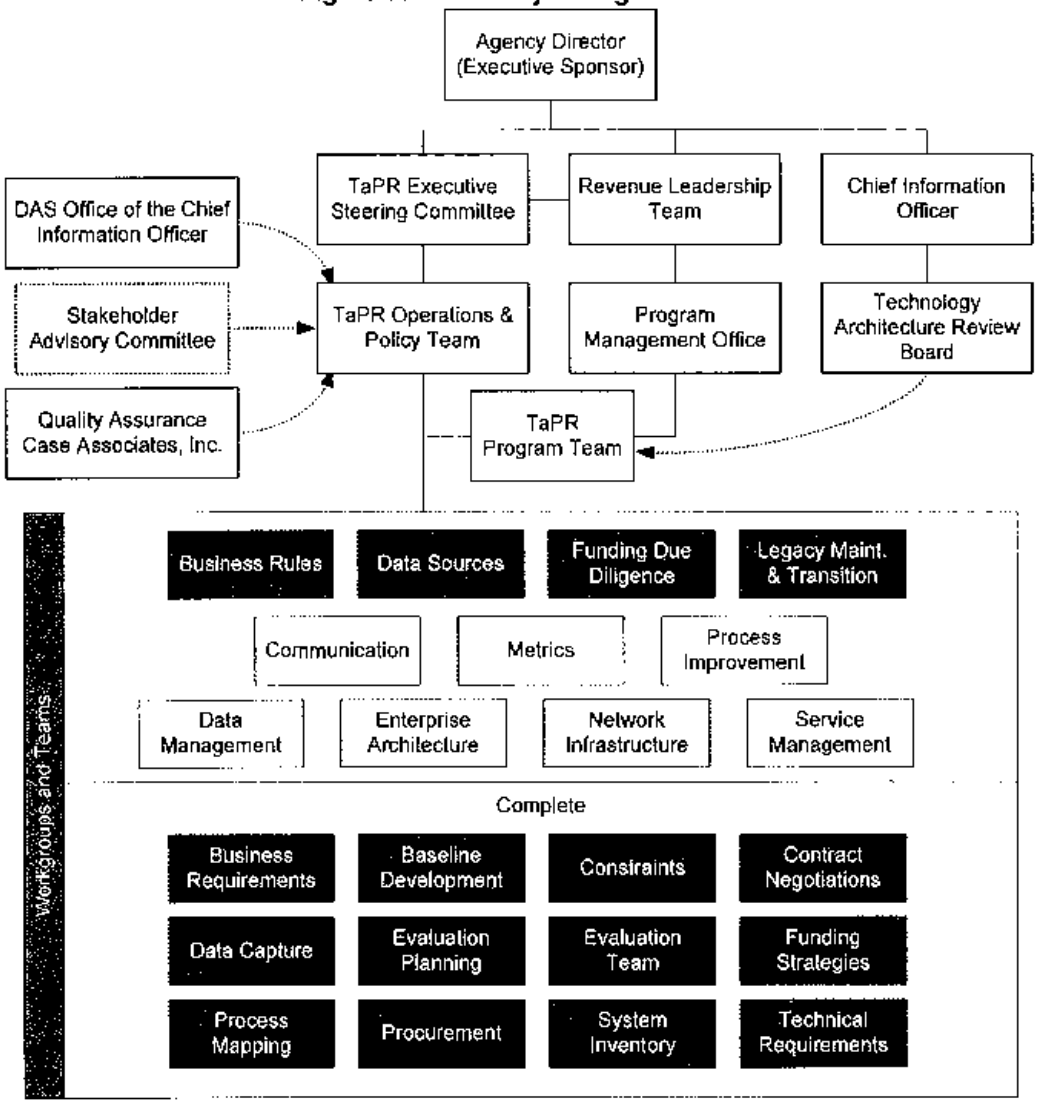
- 94 percent of requirements can be satisfied with core system capability or through system configuration.
- 4.5 percent of the requirements involve system interfaces—requirements that are, by necessity, a custom effort.
- 1.5 percent (19 of 1,292 requirements) was identified as requiring customization. These requirements are receiving further scrutiny to identify a means of providing the business need and avoiding system customization.

Technology Architecture: IT Services has established a Technology Architecture Review Board (TARB) that is tasked with planning and standardizing the technology environment. Additionally, the Program Management Team includes a Technology Lead with experience in this type of project.

Funding Strategy: DOR has elected to use a Specified Receipts benefits-based approach to fund the bulk of the CTS project. This funding mechanism is discussed in Section 6.3, Compensation Model. DOR hired a company with experience in benefits-based funded IT projects to ensure that the agency and the state's interests are appropriately represented.

CTS Project Organization and Staffing

Figure 11: CTS Project Organization



- ***TaPR Executive Sponsor***
  The agency Director is the Executive Sponsor of the Core System Replacement initiative. "The Executive Sponsor acts as a vocal and visible champion, legitimizes the project's goals and objectives, keeps abreast of major project activities, and is the ultimate decision-maker for the project."[17] As Executive Sponsor, the Director also ensures that the initiative aligns with and supports the agency mission.

- ***TaPR Executive Steering Committee***
  The agency established an Executive Steering Committee which is made up of the Agency Leadership Team. The committee provides strategic direction, communicates unified expectations, addresses significant risks and is accountable for securing necessary resources for the TaPR Program.

[17] *Project Roles and Responsibilities*, Cornell University, http://www2.cit.cornell.edu/computer/robohelp/cpmm/Project_Roles_and_Responsibilities.htm

- ***TaPR Program Sponsor***
  The Administrator of the agency Program Management Office is the Program Sponsor and Program Manager for the Core System Replacement initiative. The Program Sponsor "provides support for the Project Manager; assists with major issues, problems, and policy conflicts; removes obstacles; is active in planning the scope; approves scope changes; signs off on major deliverables; and signs off on approvals to proceed to each succeeding project phase."[18] The Program Sponsor works closely with the Executive Sponsor on all major decisions.

- ***TaPR Operations and Policy Team***[19]
  The TaPR Operations and Policy Team (TOPT) provides oversight and leadership for the CTS project, manages scope, ensures that resources are allocated appropriately, and is also responsible for engaging agency stakeholders and partners. TOPT reports to the Executive Steering Committee as well as the Executive Sponsor (Agency Director).

- ***Program Management Team***
  A Program Management Team, assigned to the initiative full time, is responsible for overall project management and oversight. The team includes a Program Manager, Project Managers, Risk and Quality Control Manager, Business Lead, Technical Lead and a Communications Specialist (see "Program Management" above).

- ***Project Workgroups and Teams (Procurement and Readiness Phases)***
  The following groups are working or have worked on preparation for the CTS project. Additional staff, including technical and subject matter experts, are being identified and will be available for work on the transition and implementation phases.

  - ✓ **Business Rules**
    Objective: Identify and document agency business rules that are foundational to the new core systems. Computer systems must be capable of interpreting business rules to know what to do with the information being processed.
  - ✓ **Business Requirements**
    Objective: Identify and document agency business requirements that are foundational to the new core systems.
  - ✓ **Constraints**
    Objective: Identify and investigate solutions for potential constraints that may impact the agency's vision.
  - ✓ **Core Process Mapping**
    Objective: Prepare detailed flowcharts of current business processes.
  - ✓ **Data Capture**
    Objective: Develop an agency strategy for capturing tax information and all other forms of correspondence that must be processed or connected with taxpayer/debtor account activity.
  - ✓ **Data Management**
    Objective: Develop a plan for addressing specific issues with existing agency data in preparation for the replacement of the core systems and addition of a data warehouse.

[18] *Project Roles and Responsibilities,* Cornell University, http://www2.cit.cornell.edu/computer/robohelp/cpmm/Project_Roles_and_Responsibilities.htm
[19] Formerly the TaPR Steering Committee (TSC).

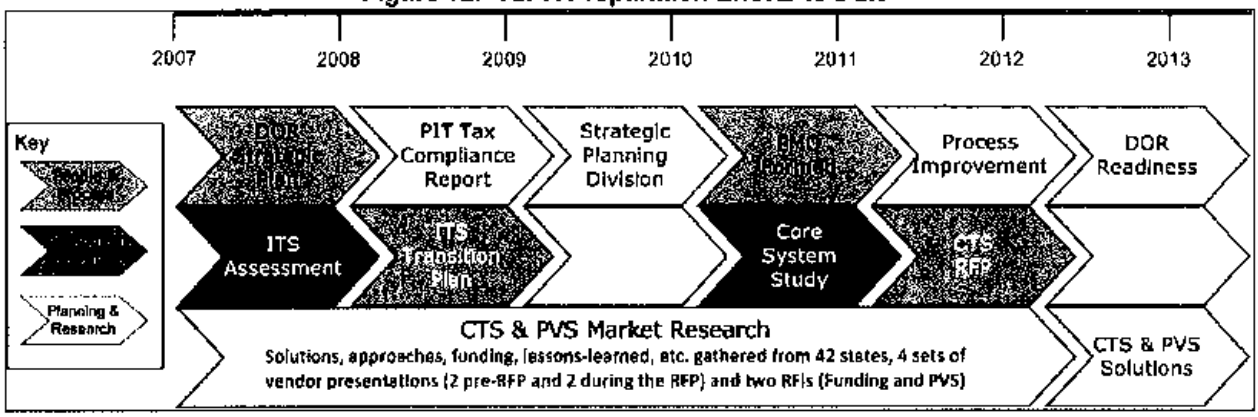
- ✓ **Data Source**
  Objective: Identify data sources (both existing and potential new data sources) for the CTS and ensure agency has necessary agreements in place to utilize new data sources.
- ✓ **Evaluation Planning**
  Objective: Prepare for the evaluation of the vendor product demonstrations and visits to other state revenue agencies, respond to vendor questions on CTS business requirements, and act as subject matter experts for validating those requirements.
- ✓ **Funding Strategies**
  Objective: Recommend funding methodology options, understand the viability of revenue streams for those methods, ensure that agency has enabling legislative proposals, and assist with contract negotiations.
- ✓ **IT Readiness**
  Objective: Ensure that IT Services is fully prepared for implementation of the core system replacement by executing the following readiness programs:
  - **IT Service Management.** Develop and implement a plan for automating and improving IT Service Management.
  - **Enterprise Architecture.** Adopt an agency Enterprise Architecture to guide decision-making for business and technology initiatives with the agency transformation as the vision.
  - **Data Management.** Begin data cleansing and preparation for conversion to new systems.
  - **Infrastructure.** Prepare the technical infrastructure, including agreements with the State Data Center.
- ✓ **Legacy System Maintenance and Transition Plan**
  Objective: Develop and implement a legacy system maintenance and transition plan to ensure that existing core systems are maintained and functional until such systems are replaced.
- ✓ **Metrics**
  Objective: Identify and document critical success measures and develop a plan to use them to monitor project success.[20]
- ✓ **Procurement**
  Objective: Plan, manage and complete all of the solicitations (e.g., Requests for Proposal, Requests for Quotes, etc.) related to this initiative.
- ✓ **Risk/Issue Management Team**
  Objective: Manage all project-related concerns, risks and issues according to the adopted Risk and Issue Management Plan.
- ✓ **Systems Inventory**
  Objective: Update the systems inventory list to categorize, describe and diagram all software applications currently in use.
- ✓ **Technical Requirements**
  Objective: Identify and document technical requirements for the Core System Replacement solutions (see Technology Architecture above).

[20] This work is now assigned to the project Metrics Coordinator on the Program Management team.

2.7 Current Status

Since 2009, DOR has done considerable work in the planning, preparation and procurement phases of the Core System Replacement initiative. The workgroups and teams described in Section 2.6 conducted research, documented business requirements, enlisted the assistance of external experts and accomplished other critical preparation work as shown in the diagram below.

Figure 12: TaPR Preparation Efforts to Date



- **Procurement**
  - Completed the CTS procurement process, including contract negotiations.
  - Completed the PVS Request for Information and revised the PVS project plan based on responses.
- **Preparation**
  - Work continues on readiness activities including resource planning and cost and benefit analysis.
  - IT readiness activities,[21] which are based on earlier IT readiness assessments, continue under the guidance of the experienced Technical Lead.
- **Implementation**
  - Proposed CTS start date is June 2013, pending legislative approval..
  - PVS project cost and implementation approach removed from the CSR Business Case to be pursued separately.

[21] See Section 5.1, Preparation Phases.

3 Alternatives Analysis

The Current State Assessment and Preliminary Future Vision[22] provided the impetus for DOR's Core System Replacement. Based upon this need, DOR assessed alternative approaches to achieving its future vision. The alternatives considered included:

- **Maintain** – Maintain existing processes and systems.
- **Upgrade/Enhance** – Upgrade or enhance existing legacy systems and update business processes as needed.
- **Replace with an Industry Standard Solution** – Replace existing systems over a period of five years with industry best practice solutions.

This section presents a description of each alternative and an assessment of each using common, industry-recognized criteria.

Assumptions:

DOR requires a stable system which:

- Provides state-of-the-art business functionality.
- Is built on modern, industry-standard technology that provides maximum flexibility going forward.
- Allows IT staff to focus on developing new services and support increased data analytics.
- Is fully integrated between functions (i.e., Audit, Collections, Tax Processing and Tax Accounting).
- Can create web-based customer service interfaces to reduce processing time, reduce taxpayer phone calls and increase voluntary compliance.
- Can replace manual selection processes for audit and collections staff by automated scoring, selection and integrated (therefore complete) data.
- Can provide complete information to field staff.
- Offers streamlined centralized services to stakeholders and customers while improving internal processes.

3.1 Methodology

This business case follows a standard approach for evaluating options available to DOR to meet its business goals and objectives. The methodology used first identifies these options and provides a brief description, including advantages and disadvantages. This is then followed by the evaluation of each alternative against criteria defined below.

To provide a thorough comparison of the alternatives, DOR employed six criteria. The tables below present six standard criteria commonly used to evaluate a business case and their definition for assessing each alternative. There are a set of requirements for each criterion to more precisely assess the alternatives against DOR's goals and objectives.

[22] *Current State Assessment and Preliminary Future Vision*, prepared for the Oregon Department of Revenue by RSI, Inc., December 15, 2009.

Criteria 1 - Business Value

How effectively the approach will enable DOR to Transform toward its Future Vision.
Meet functional requirements of 12+ core systems and 80+ supporting applications. Support industry-leading business processes. Support an integrated view of the taxpayer. Improve DOR overall productivity.

Criteria 2 - Total Cost of Ownership (TCO)

Using a holistic view, the sum of initial and ongoing total costs of process and systems.
One-time costs must be returned within five years. Reduce the TCO of DOR core applications.

Criteria 3 - Return on Investment

From both business and financial perspectives, this is the high-level estimate of the cost/benefit analysis of the proposed alternative.
Improve DOR's ability to collect a wide-range of tax revenues. Support enhanced compliance efforts. Allow for early access to revenue generating capabilities.

Criteria 4 - Stakeholder Value

How effectively the approach will meet or exceed Stakeholder expectations.
Provide for alternative ways of purchasing/funding (e.g. benefit-based procurement). Increase taxpayer self-service functions. Implement solution within one-two biennia for legislative oversight and management.

Criteria 5 - Risk

A high-level assessment of the financial, technical, organizational and operational risks associated with adopting the proposed alternative.
Replace aging software and hardware. Minimize the impact on current operations (DOR's ability to administer taxes). Reduce agency risks. Meet DOR, state and federal security standards.

Criteria 6 - Supportability and Flexibility

How quickly the processes and technology can adapt to external changes such as new legislation, emerging technology trends, taxpayer needs, etc.
Reduce the number of support staff necessary to maintain and operate the application software. Solution based upon a Service Oriented Architecture. Decrease the amount of time necessary to implement legislative changes. Consistent with DOR's Enterprise Architecture.

3.2 Alternatives

3.2.1 Alternative 1 – Maintain

This is the "do nothing" alternative. It assumes that DOR will continue to use the existing systems and operate under the existing practices and procedures without major changes. Under this alternative, DOR stakeholders are expected to interact with DOR in the same manner as in the past, and DOR is not expected to see any significant change in taxpayer behavior. Any systems nearing end of life would either be rewritten internally or modified to minimize risk of failure.

Benefits:

- Minimal initial cost.
- DOR is currently able to maintain systems with in-house staff and process returns and payments.
- Minimal disruption of DOR organization.

Risks:

- Existing IT systems and processes do not effectively meet taxpayer and stakeholder expectations, and this will become a more significant issue over time.
- DOR systems are approaching the end of their useful lives. Reliability, maintenance costs, etc. will become more problematic and exponentially more costly in the future.
- An aging workforce will be retiring and taking process and technology knowledge with them.
- Rigidity of the existing systems requires significant resources (staff and technology) to add tax programs or change existing ones.

- Increasing maintenance demands of existing systems will decrease DOR's ability to respond to new legislation or other changes in the external environment.
- DOR falls further behind taxpayer expectations and commonly used technology.

3.2.2 Alternative 2 – Upgrade or enhance existing legacy systems

This alternative consists of upgrading or enhancing the current legacy systems over the next six to eight years. This approach typically integrates data across these multiple systems, standardizes business processes and "rehosts" existing systems to new technology platforms. Several state tax agencies have taken this approach with mixed results.

This alternative has only been successful in situations where the tax agency or revenue department has a fairly advanced degree of integration and standardization already in place. DOR does not have such foundational integration of its legacy systems.

The existing legacy systems at DOR are piecemeal, not integrated and cross multiple platforms. Simply upgrading them one at a time will add to the problem, and it can't be done quickly enough to really effect change. In essence, DOR has been taking this approach for the past ten years and it has neither resolved the problems nor met stakeholder demands.

Based on the current DOR legacy environment, this alternative is either prohibitively expensive or too technically complicated to complete.

Benefits:

- Familiar processes and technology.
- Manageable risk as DOR evaluates functionality of existing systems to support operations and the individual cost of replacing each and every system.
- Minimal disruption of DOR organization.
- Obtains some new technology and integration of some data.

Risks:

- Difficult to implement given the current redundancy of data in DOR systems and the vast number of ad hoc systems used – in the end, this alternative is a 'rewrite' rather than an 'upgrade.'
- System rewrites of this type typically take 10-15 years, resulting in high total cost of ownership.
- An aging workforce will be retiring and taking process and technology knowledge with them. DOR may not be able to modernize quickly enough to capture this knowledge before it is gone.
- DOR will need to increase staff to support the modernization rather than directing staff to compliance efforts.
- The massive effort to modernize existing systems will decrease DOR's ability to respond to new legislation and may be too lengthy to keep up with emerging technology trends.
- The expense and effort needed to modernize in this way will constrain opportunities for DOR to expand its tax compliance efforts.

3.2.3 Alternative 3 – Replace with industry standard solution

The third alternative is to transform DOR's business processes and technology to meet its future vision. Under this option, DOR would replace existing tax processing, property valuation, and compliance systems with industry best practice solutions. The replacement would be based upon business process improvements and would be the catalyst for DOR to continuously improve into the future. Key to the replacement would be the integration of data and DOR's ability to use data to make smarter decisions, improve taxpayer compliance and improve revenue administration.

Benefits:

- Leverages industry-proven practices and solutions.
- Improves the ability of the agency to evolve as legislation changes and taxpayers demand new services.
- Lowers ongoing maintenance costs of technology at DOR by replacing hundreds of existing systems on varied, and often obsolete, technology with a few core systems on common and modern technology.
- Integrates data, providing consistent and accurate information across DOR.
- Enables DOR to leverage information effectively.
- Enables DOR to attain increased uniformity and equity in property tax valuation and meet the needs of counties and taxpayers.
- Expands DOR's ability to improve taxpayer compliance and capture additional revenue.

Risks:

- Risks associated with large-scale projects (see Appendix D, Initial Risk Assessment)
- Organization and operations are interrupted during the length of the replacement, and this may negatively impact customer service.
- Requires agency-wide training on new systems, and staff will need to adjust to the new technology and processes.
- Short-term costs are higher than the Maintain alternative and potentially higher than the Upgrade alternative.

3.3 Alternative Evaluation

Assessment Criteria

To provide a thorough comparison of the alternatives, DOR employed six criteria. Table 4 below presents six standard criteria commonly used to evaluate a business case and the corresponding definition for assessing each alternative.

Table 4: Alternatives Assessment Criteria

Business Value	How effectively the approach will enable DOR to transform toward its future vision.
Total Cost of Ownership	Using a holistic view, the sum of initial and ongoing total costs of process and systems.
Return on Investment	From both business and financial perspectives, this is the high-level estimate of the cost/benefit analysis of the proposed alternative.
Stakeholder Value	How effectively the approach will meet or exceed stakeholder expectations.
Risk	A high-level assessment of the financial, technical, organizational and operational risks associated with adopting the proposed alternative.
Supportability and Flexibility	How quickly the processes and technology can adapt to external changes such as new legislation, emerging technology trends, taxpayer needs, etc.

The following tables assess each alternative's ability to meet the above criteria based on DOR's requirements.

Table 5: Alternatives Assessment - Business Value

- how effectively the approach will enable DOR to transform toward its future vision.			
Requirement	**Maintain**	**Upgrade**	**Replace**
Meet functional requirements of 12+ core systems and 80+ supporting applications.	☑	☑	☑
Support industry-leading business processes.		☑	☑
Support an integrated view of the taxpayer.			☑
Improve DOR overall productivity.			☑
Score	**1**	**2**	**4**

Table 6: Alternatives Assessment - Total Cost of Ownership (TCO)

- using a holistic view, the sum of initial and ongoing total costs of process and systems.			
Requirement	**Maintain**	**Upgrade**	**Replace**
One-time costs must be returned within five years.			☑
Reduce the TCO of DOR core applications.			☑
Score	**0**	**0**	**2**

Table 7: Alternatives Assessment - Return on Investment

- this is the high-level estimate of the cost/benefit analysis of the proposed alternative, from both business and financial perspectives.			
Requirement	**Maintain**	**Upgrade**	**Replace**
Improve DOR's ability to collect a wide-range of tax revenues.		☑	☑
Support enhanced compliance efforts.			☑
Allow for early access to revenue generating capabilities.			☑
Score	**0**	**1**	**3**

Table 8: Alternatives Assessment - Stakeholder Value

- how effectively the approach will meet or exceed stakeholder expectations.			
Requirement	**Maintain**	**Upgrade**	**Replace**
Provide for alternative ways of purchasing/ funding (e.g. benefit-based procurement).			☑
Increase taxpayer self-service functions.		☑	☑
Implement solution within one-two biennia for legislative oversight and management.			☑
Score	**0**	**1**	**3**

Table 9: Alternatives Assessment - Risk

- a high-level assessment of the financial, technical, organizational and operational risks associated with adopting the proposed alternative.

Requirement	Maintain	Upgrade	Replace
Replace aging software and hardware.		☑	☑
Minimize the impact on current operations (DOR's ability to administer taxes).	☑	☑	
Reduce agency risks.			☑
Meet DOR, state and federal security standards.		☑	☑
Score	**1**	**3**	**3**

Table 10: Alternatives Assessment - Supportability and Flexibility

- how quickly the processes and technology can adapt to external changes such as new legislation, emerging technology trends, taxpayer needs, etc.

Requirement	Maintain	Upgrade	Replace
Reduce the number of support staff necessary to maintain and operate the application software.			☑
Solution based upon a Service Oriented Architecture.			☑
Decrease the amount of time necessary to implement legislative changes.			☑
Consistent with DOR's Enterprise Architecture.			☑
Score	**0**	**0**	**4**

The table below summarizes the above findings, with a description of the level to which each alternative meets the evaluation criteria, and the resulting score.

Table 11: Alternatives Evaluation

Criteria	Alternative 1 - Maintain	Score	Alternative 2 – Upgrade	Score	Alternative 3 – Replace	Score
Business Value	Does not meet taxpayer and stakeholder expectations. Process redundancies and system workarounds create inefficiencies.	1	DOR could be upgraded to meet taxpayer and some stakeholder expectations; however, the length of time and the level of effort required could undermine value.	2	Replacement is designed specifically to deliver DOR's future vision using industry leading practices.	4
Total Cost of Ownership	This alternative will have low near-term cost, but very high long-term cost because of the need for ongoing system maintenance and eventual replacement.	0	Modernizing DOR's 12 core systems and 80+ ad hoc systems would make total cost of ownership significantly high.	0	Initial costs will be high; however, long-term costs will be lower as the agency reduces the number of systems it must support and begins to use more common technology.	2
Return on Investment	Increasing maintenance investment and virtually no return other than status quo.	0	Due to the high total cost of ownership and the lack of innovation to capture new revenue sources, ROI would be very low, if not negative.	1	Replacement enables significant opportunities to capture additional revenue and reduce DOR costs. Similar states have found that the ROI is significantly positive on nearly all replacements.	3
Stakeholder Value	DOR will not be able to meet taxpayer, legislature or business partners' expectations.	0	Current stakeholder value would be met, but this would become increasingly difficult as taxpayers' needs mature and new legislation is passed.	1	New business processes, services and technology will meet current and future stakeholder needs.	3
Risk	Failure of a key processing system could significantly impair DOR's ability to process returns and deposit state revenue.	1	Risk is fairly neutral as some technical risks are minimized, but operational and financial risks increase as the agency focuses more of its staff on the modernization effort.	3	Large scale systems and transformation projects carry significant risks. New processes, new systems, and data driven DOR will ultimately reduce long-term agency risk.	3
Support-ability & Flexibility	Legislation will continue to be supported, but the level of effort will increase, and integration with new technology will become more difficult.	0	The intent of the modernization is to increase the flexibility and supportability of the existing processes and model through the use of new technology.	0	Industry leading solutions are crafted to adapt quickly to new trends in revenue administration and technology.	4
Total Score	**Alternative 1 – Maintain:**	2	**Alternative 2 – Upgrade:**	7	**Alternative 3 – Replace:**	19

3.4 Preferred Alternative

The evaluation criteria clearly identify alternative 3, "Replace with industry standard solution" as the most beneficial. This alternative will:

- Meet DOR's needs and those of its stakeholders.
- Reduce the risks to revenue administration.
- Enable the agency to drive new and additional revenue through improved taxpayer compliance.
- Bring DOR technology up to date through the use of industry best practice solutions.

The other alternatives simply do not provide the required value or results. The issues DOR faces could be addressed and remedied individually, but, as demonstrated throughout this business case, only a comprehensive Core System Replacement will address them in their totality and provide additional benefits.

Therefore, the subsequent sections of this business case provide an assessment of market solutions, a plan for DOR to implement the Core System Replacement, and the costs, benefits, and risks associated with such an endeavor.

4 Industry Leading Solutions

4.1 Current Technology Solution Options

Current technology solution options will be key to the success of the Core System Replacement, as the ultimate solution selected by DOR needs to support the agency's full set of business processes. This section provides an overview of current market offerings and options for DOR to consider, and it provides the basis upon which Core System Replacement costs are based.

DOR understands there are many integrated tax solution options available to support its business needs. These solutions come in many forms but, in general, can be categorized into the following options:

- Replace the system(s) with a new custom developed solution
- Replace the system(s) with a framework or transfer solution
- Replace the system(s) with a COTS (Commercial Off-the-Shelf) solution.

4.1.1 Custom Developed Approach

Custom development involves the execution of a modernization effort from the ground up with little or no use of existing software assets. Typically, the agency and the vendor will start with collaboration on definition of requirements and then execute a system development lifecycle approach to building a custom application from the requirements.

A custom solution is usually appropriate when a state has very specific business rules, highly specialized business processes, or legislative restrictions that force a custom solution. There also can be a preference for custom work when an agency has both strong business and technical staff who can work in a project-based environment.

Table 12: Advantages & Disadvantages – Custom Approach

Advantages	Disadvantages
▪ Methodology can be dictated by DOR. ▪ Allows DOR to own/maintain application (i.e., source code). ▪ Meets the specific requirements of DOR. ▪ DOR can proceed at a pace that is consistent with resource and funding availability. ▪ Lower software license fees and lower upfront costs for the project. ▪ DOR does not pay for modules or functionality that might not be used.	▪ Longer project duration and therefore slower realization of Return on Investment (ROI). ▪ Higher risk than other approaches. ▪ Tendency to keep existing business processes rather than reengineer. ▪ Typically a substantial amount of rework in subsequent phases due to lack of a holistic approach. ▪ Total Cost of Ownership can be higher due to more resources required and longer development lifecycle. ▪ Tendency for scope creep as business units begin to ask for more once they see what the solution has to offer. ▪ Requires significantly higher resource requirements from both agency and vendor. ▪ Can result in a "re-inventing" of components that have been successfully deployed or marketed by

Advantages	Disadvantages
	outside vendors. ▪ Requires DOR to maintain systems or contract out maintenance which may result in problematic response to changing requirements.

4.1.2 Framework or Transfer Approach

A framework or transfer solution provides a set of templates, prototypes, models and code that provide a foundation for building a customized or semi-customized application. Typically the solution comprises a robust set of artifacts, including code and process descriptions, to expedite design and development and customize a solution to meet the unique needs of a tax department. Agencies will often request a framework or transfer solution when they feel their requirements or business rules are truly unique or they want a customized solution built using best practices and lessons learned from other agencies. Framework and transfer solutions fall within a broad spectrum between truly custom development and COTS, and have no on-going maintenance fees since the agency owns the customized source code.

Table 13: Advantages & Disadvantages – Framework/Transfer Approach

Advantages	Disadvantages
▪ Based on proven methodology; other states have implemented the product. ▪ Most likely allows DOR to own/maintain application (i.e., source code). ▪ Lower cost than custom solutions because of reusable components (e.g. use cases, user interface standards, rules engine, correspondence engine, security, underlying architecture). ▪ Allows an agency to maintain current business processes if desired. ▪ Methodology can be dictated by DOR.	▪ More risky than COTS, but not as much as custom. ▪ Completely new system – training and possible organizational change required. ▪ May require integration of additional components to meet future vision. ▪ Code or components often contain residual nature of transfer site (e.g., business rules embedded that do not apply). ▪ Specific skill sets needed for tools the framework dictates. ▪ May require customizations to extend use of application to site-specific data source loads and compliance programs. ▪ Total Cost of Ownership may be higher to maintain and enhance the system with internal DOR staff or contracted development which may also result in problematic response to changing requirements.

4.1.3 COTS Approach

COTS means Commercial Off-the-Shelf and is a term for software or hardware products that are ready-made and available for sale to the general public. A COTS product is one that is used 'as-is' or with moderate configuration and plug-in customization. COTS products are designed to be easily installed and to interoperate with existing system components. The use of COTS is successful in many government and business programs because they can offer significant savings in time to implement and total cost of ownership.

There are many types of COTS solutions. When assessing different COTS solutions, the following factors must be taken into account:

- Accessibility – does the vendor give the client access to modify the code or is the code "off-limits" and can only be modified by the vendor?
- Extendibility – does the product offer an integrated suite of products in addition to the tax system, including a data warehouse, and collections and audit functionality?
- Integration – how easily can ancillary systems integrate, such as interactive voice response and payment solutions?
- Customization – will the vendor customize/configure the product to meet the agency's needs, or will the agency have to adapt to the product's functionality? Does the vendor use technology that allows for easily integrated custom functionality?
- Upgradeability – does the vendor offer periodic upgrades to enhance the product, or will the agency be responsible for any future upgrades?

Table 14: Advantages & Disadvantages – COTS Approach

Advantages	Disadvantages
▪ Based on proven methodology. ▪ Lower risk due to proven implementation. ▪ Includes system upgrades and support in maintenance agreement. ▪ Allows for faster implementation schedule. ▪ Agencies typically require smaller IT support staff after implementation if vendor supplies maintenance support. ▪ Vendor typically has pre-screened available tools and components and down-selected to a limited number that are embedded into their product and relevant for tax/revenue implementations.	▪ Limited COTS providers. ▪ Reliance on vendor to support and enhance (proprietary source code). ▪ Requires organization and business processes to adapt to model. ▪ May require integration of additional components to meet future vision. ▪ Potential issues with release upgrades if the baseline is modified. ▪ IT staff typically do not maintain systems, nor are they allowed access to source code which affects custom extensions of the software unless vendor provides custom integration points that allow DOR to add custom functionality without compromising the maintainability of the core product.

4.2 Industry Landscape for Integrated Tax System Solutions

With an understanding of the different Integrated Tax System (ITS) solutions that can be undertaken when implementing an ITS, DOR then reviewed the types of solutions that have been implemented across the United States by other revenue agencies. This information is not intended to identify the best solution for DOR, but will provide an understanding of the integrated tax environment over the past decade.

4.2.1 Overview of ITS Solutions

The vendor market today for ITS solutions is broken into several groupings:

- COTS software products such as SAP's Tax and Revenue Management, Oracle's ETM (Enterprise Taxation Management), RSI's REMS (Revenue Enterprise Management System) and Fast Enterprises' GenTax (General Tax Administration). Some of these products, such as SAP and ETM, are implemented by system integrators (Deloitte Consulting, Accenture, EDS and CGI) who are not part of the companies that built the products (SAP and Oracle). GenTax is built by and is implemented solely by FAST Enterprises. REMS is built by and implemented solely by RSI.
- Transfer software products such as TAS (Accenture) and Advantage Revenue (CGI).
- Custom Solution Providers include CGI, RSI, Unisys and Accenture; however, most IT service providers would respond to an RFP that requests a custom-developed system.
- A single Legacy System Modernization (LSM) solution is currently being implemented by RSI.

4.2.2 Current Implementations & Upcoming RFPs for ITS Solutions

Tax agencies are in various stages of modernization across the country. Eight states - Kentucky, Pennsylvania, Georgia, Illinois, Massachusetts, Minnesota, California, and Oregon - listed tax system modernization among their top five technology priorities, according to the Center for Digital Government's 2010 Digital States Survey.[23] As of July, 2012, ITS procurements are active or recently completed in these states, as well as Mississippi, Missouri, and Oklahoma.

A focus on the end solution must be a priority during the migration from current state to future state. It takes time to fully implement an integrated system that supports all taxes and has the flexibility to meet future agency needs. For this reason, proven solutions that have been successfully implemented in a previous state are now the norm. These solutions are classified as transfer or COTS solutions and represent the majority (88 percent) of modernization efforts that have started or been completed in the last nine years. With the advent of transfer and COTS solutions for state revenue agencies, there has been a gradual movement away from custom or 'home grown' solutions.

The table below presents the trends in legacy tax/revenue system modernization over the last nine years and the primary system integrator of those solutions. These modernization efforts have primarily focused on implementing COTS or Service Oriented Architecture COTS solutions.

[23] "Tax System Modernization Is a Priority Among States", Government Technology online magazine, October 11, 2011, http://www.govtech.com/policy-management/Tax-System-Modernization-Priority-Among-States.html?elq=1ac2060a93fc42f7886b1a1c51cc822d.

Table 15: Summary of Modernization Efforts over the Last 9 Years

Type of ITS	Short Description	Primary System Integrator	Started/Completed	
			# Projects	% Projects
Custom Built – ITS	Integrated tax system developed by vendor and/or client staff using liffle to no pre-developed software.	Accenture, RSI, Unisys, CGI and In House	3	9%
Custom Built – Non ITS	Non-integrated tax system developed by vendor and/or client staff using little to no pre-developed software. This approach is common within tax agencies, but not utilized for full modernization efforts.	n/a	0	0%
Transfer/ Framework	Provides a base of reusable code, typically for core reusable components or shared services. Requires significant custom development.	Accenture, CGI	5	15%
COTS	COTS tax system that is built on a standard architecture and configured to meet the requirements of a tax agency. Minimal custom development is required.	Deloitte, Accenture, EDS, CGI, Oracle, SAP, RSI, FAST	24	73%
Legacy System Modernization	Modernization of the system architecture while preserving all business functionality in a legacy system.	RSI	1	3%
Total			**33**	**100%**

The following table shows the current status of modernization efforts across tax agencies in states that are most comparable to Oregon in size and tax processing volumes.

The cost for this type of project can vary based on many factors, among them the number of components (e.g., collections, imaging, data warehouse, etc.) included in the contract price. For instance, many states replaced their core revenue processing systems with an ITS solution, but did not pursue a compliance or data warehouse solution (see "Scope" in the table below). DOR's Core System Replacement initiative includes a Comprehensive Tax System (CTS) with both ITS and Compliance/Data Warehouse as described in this business case.

Costs are also affected by other factors such as the number of tax types covered and the timeframe assigned to the project.

The costs below **do not include** internal staffing costs or maintenance. With that in mind, these costs should be used as a rough guide only, and should not be used to compare projects against each other. See Appendix A for a complete list of all modernization efforts across the United States.

Table 16: Comparable State Modernization Efforts

State[29]	ITS[28]	Compliance (CS)[25]	When Started	Cost[24] (Millions)	2010 Population (Million)	Annual Revenue Processed (Billions)	Number of Taxes/ Programs	What They Replaced
Idaho	GenTax	GenTax	2002	$ 14.3 (CS/ITS)	1.6	$ 3.2	16	25 years old, no relational database, vendor support for hardware being terminated.
South Carolina	RSI/ Custom	RSI	2004 (CS) 2006 (ITS)	$ 20 (CS) $ 30+ (ITS)	4.6	$ 7.8	32	25 year old mainframe COBOL developed in house.
Utah	GenTax	GenTax	2006	$ 24.5 (CS/ITS)	2.8	$ 5.4	40	Mainframe, siloed, 20 years old, COBOL
Colorado	GenTax	GenTax	2007	$ 37.0 (CS/ITS)	5.0	$ 9.5	15	40-year-old accounting system.
Michigan	SAP	N/A	2007	$ 28.9 (ITS)	9.9	$ 23.5	20	Unisys Mainframe DMS2 running COBOL programs.
Minnesota	GenTax	GenTax	2008	$ 39.0 (CS/ITS)	5.3	$ 19.0	37	Aging, mission-critical systems, with numerous applications performing the same or similar business processes.
Georgia	GenTax	GenTax	2008	$ 42.1 (CS/ITS)	9.7	$ 16.0	10	Antiquated manual system.
Maryland	SAP	Teradata	2009	$ 75.0 (CS/ ITS)	5.8	$ 16.0	14	COBOL-based, mainframe systems developed in 1987 and 1992.
Ohio	Oracle ETM	Teradata	2009	$ 11.3 (CS) $ 42.7 (ITS)	11.5	$ 25.1	23	CICS COBOL on mainframe.
California (EDD)	GenTax	GenTax	2009	$ 46.0 (CS/ITS)	37.3	$ 54.1	4	23 major systems, Tax Accounting System was over 25 years old.
California (FTB)	CGI / TAS	CGI / TAS	2011	$ 399.0 (CS/ITS)	37.3	$ 52.0	6	Disparate mix of mainframe and newer technologies.
Oklahoma	GenTax	Teradata[27]	2012	$ 25.0 (ITS)	3.8	$ 3.5	24	Mainframe and Oracle; Applications on users PCs, spreadsheets.
Oregon	GenTax	GenTax	2013	$34.5 (CS/ITS)[25]	3.8	$ 7.5	30	20-30 years old, mix of mid-range computer (2E/COBOL) and newer technologies.

[24] One-time costs excluding internal costs and maintenance.
[25] Excludes hardware costs of less than $5 million.
[26] Compliance System with data-warehouse.
[27] Also purchased GenTax compliance data warehouse, cost does not include Teradata solution.
[28] Integrated Tax System (ITS solutions may include all or part of the total tax programs).
[29] Sources include studies, state revenue agency publications and websites, personal interviews and other material.

4.2.3 GenTax Implementations

In early 2012 DOR conducted a competitive procurement process and selected Fast Enterprises, LLC (FAST) as the best-value vendor. Over the last decade, more than half of other states' revenue agencies have replaced their core systems, most of them with COTS solutions. Sixteen selected FAST's GenTax solution. All completed GenTax implementations were successfully delivered on time and on budget. The table below[30] lists the agency, completion date (or targeted completion) with schedule and budget rating for each.

Table 17: GenTax Implementations

Agency	Schedule	Budget	Completion Date
British Columbia, Ministry of Finance			Dec 2000
Idaho State Tax Commission			Mar 2002
Manitoba, Ministry of Finance			Mar 2003
Louisiana, Dept. of Revenue			May 2005
North Dakota, Office of State Tax Commissioner			Jun 2007
Montana, Dept. of Revenue			Dec 2007
New Mexico, Tax and Revenue Dept.			Sep 2008
West Virginia, Dept. of Revenue			Feb 2010
Alabama, Dept. of Revenue			May 2010
Ontario, Ministry of Finance			Jun 2010
California, Employment Development Dept.			Jan 2011
Illinois, Dept. of Revenue			Jun 2011
Wisconsin, Dept. of Revenue	2005	In Progress	Est. Completion: 07/2013 (with scope expansions)
Utah State Tax Commission	2006	In Progress	Est. Completion: 09/2012 (with scope expansions)
Colorado, Dept. of Revenue	2008	In Progress	Est. Completion: 12/2012
Arkansas, Dept. of Revenue	2008	In Progress	Est. Completion: 09/2013 (with scope expansions)
Georgia, Dept. of Revenue			Jun 2004
	2008	In Progress	Est. Completion: 09/2012
Minnesota, Dept. of Revenue	2008	In Progress	Est. Completion: 09/2012
Mississippi, Dept. of Revenue	2010	In Progress	Est. Completion: 10/2015
Oklahoma Tax Commission	2011	In Progress	Est. Completion: 12/2013

Schedule		Budget	
	0-5% On or ahead to 5% behind schedule.		Expect to complete/ completed within budget.
	5-15% Behind schedule.		May complete project within budget.
	15+% Behind schedule.		Unable to complete project within budget.

[30] Table is ordered by completion date if implementation is complete, otherwise by start date.

5 Implementation Approach

DOR intends to acquire a COTS Comprehensive Tax System (CTS) that includes these major transactional processes and supporting software tools and services:[31]

1. **Taxpayer relationship management**: This includes multichannel interaction management, correspondence management, contact management, marketing, and education.
2. **Revenue management**: This includes taxpayer identification, return intake, return processing, taxpayer accounting, billing and collection, and revenue accounting.
3. **Compliance tools**:
    - **Data warehousing, lead discovery and predictive analytics:** This includes tools to identify and assess non-filers, audit selection and management to improve the audit "change rate", and collections case scoring and management to apply the most effective treatment strategies to collection cases.
    - **Case management**: This includes both generic case management capabilities, such as creating, updating, cancelling, holding, reactivating, approving, closing and auditing cases, as well as the ability to manage specific types of cases, such as collection, audit, delinquency, and bankruptcy.
4. **Common services**: This includes features and tools that enable more-advanced, tax-specific functionalities to run, including analytics, reporting, data management, workflow, document management, search, and security.

The Core System Replacement initiative is divided into a series of phases. The primary reason for taking this approach is to break the effort into more manageable pieces of work and to align key pieces of the initiative into a logical sequence. By breaking it into phases, future decisions to change the sequencing of implementation components can be managed in a more efficient manner.

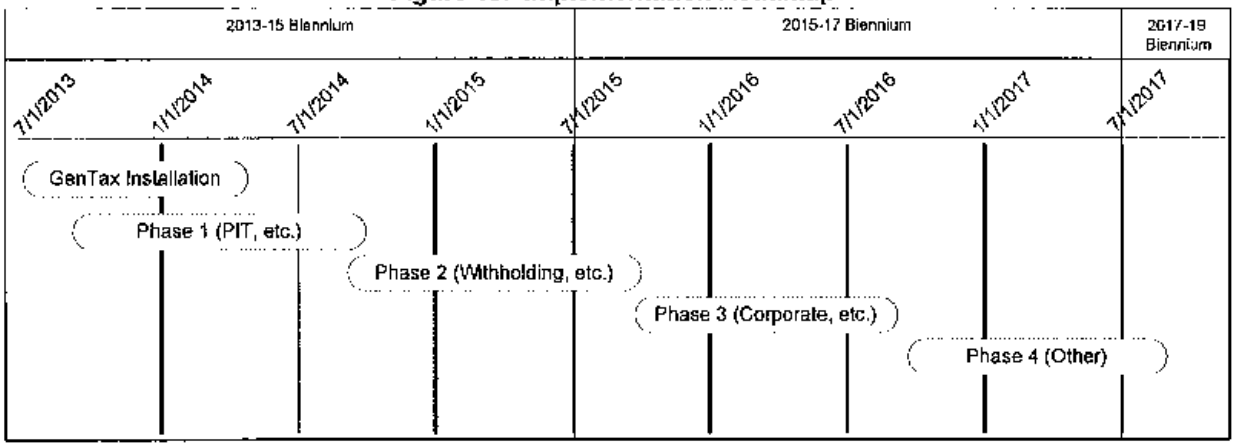
Preparation Phases (Section 5.1):

1. Agency readiness and planning
2. Procurement and preparation (includes ongoing readiness activities)

Implementation Phases (Sections 5.2 and 5.3):
The diagram below illustrates the high-level implementation road map for the Core System Replacement initiative. The timeline meets DOR's objective to implement the highest-yielding revenue-generating initiatives first, and begins the return on investment at the earliest point possible in the implementation.

[31] "Critical Capabilities for Integrated Tax System COTS Products, 2010", Gartner, Inc.

Figure 13: Implementation Roadmap



5.1 Preparation Phases

5.1.1 Agency Readiness and Planning

DOR recognizes the level of effort and complexity associated with a transformation of this nature. To be best equipped for program challenges, the agency has been making and continues to make organizational, process, and infrastructure changes.[32] This phase included the following activities, many of which continue into the next phase:

- Conduct and document a business case assessment for the Core System Replacement.
- Complete business process evaluation and documentation and begin standardizing processes.
- Adopt an agency Enterprise Architecture to guide decision-making for business and technology initiatives with the agency transformation as the vision.
- Prepare the technical infrastructure, including agreements with the State Data Center.
- Enhance communication activities to inform agency stakeholders of the coming changes.
- Begin data cleansing and preparation for conversion to new systems.
- Develop baseline metrics for comparison and tracking.
- Develop and implement a plan for automating and improving IT Service Management.
- Prepare and secure enabling legislation for a Specified Receipts benefits-funded approach (see Section 6.3, Compensation Model).

5.1.2 Procurement and Preparation

The overall goal of the Procurement Phase is to select the right solution to meet DOR's future vision for tax administration. During this phase, DOR staff is conducting the following activities in addition to continuing the readiness activities above:

- Create and issue Requests for Information, as needed, to further understand current solutions.
- Obtain and analyze material from other states' procurements for similar projects.
- Define business, technical and project requirements.
- Create and issue Requests for Proposals for solutions.

[32] Four IT Services assessments were conducted for DOR in the 2007-09 biennium in preparation for moving from the previous Solution Development to a Services Delivery model. These studies are listed in the Bibliography, Appendix K.

- Determine funding mechanisms and receive funding approval.
- Review and evaluate responses in accordance with state procurement guidelines.
- Select vendor(s) and solution(s) and complete the appropriate contract(s).
- Execute the four IT Services readiness programs (described above in the readiness phase):
  - IT Service Management.
  - Enterprise Architecture.
  - Data Management.
  - Infrastructure.

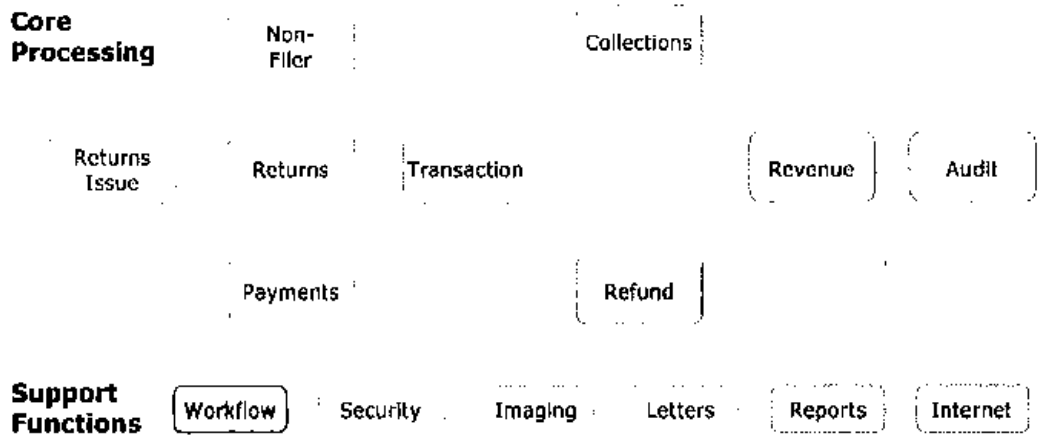
5.2 Implementation Phases

The GenTax solution the agency has selected integrates the compliance, discovery, and case management discussed in previous versions of this business case into the Integrated Tax System so that each phase includes the tax processing components as well as these compliance tools. The benefits of this integrated approach are discussed in Section 6.2, Benefits.

5.2.1 Comprehensive Tax System

Fully implemented, CTS provides increased automation that will enhance the effectiveness of compliance activities and return processing, the ability to more easily integrate with other applications, improved data quality, increased access to data, and better ability to respond to changes in the future including the modification and addition of new tax programs.

Figure 14: GenTax Functional Diagram



CTS capabilities include taxpayer services, return processing, entity registration, filing compliance, account management, audit selection and execution, case management, data matching and analytics, taxpayer accounting, revenue accounting, revenue reporting, distribution processing, bankruptcy management, and overpayment processing.

CTS will be implemented by tax type in the following "rollouts":

1. **Personal Income Tax and other tax programs**. The first implementation stage will include the GenTax system installation. Common support processes (e.g., case management, business rules engines, workflow engines, etc.) will also be released with this implementation.

Table 18: CTS Rollout 1

Personal Income Tax Program
Charitable Checkoff
Tri-Met Transit District Self-Employment Tax Program
Lane Transit District Self-Employment Tax Program
Senior & Disabled Property Tax Deferral Program

2. **Withholding and other tax programs.** Along with the conversion of these tax types, the agency will streamline business processes to follow the standards established in phase one.

Table 19: CTS Rollout 2

Withholding Tax Program
Tri-Met Transit District Payroll Tax Program
Lane Transit District Payroll Tax Program
Unemployment Insurance Tax Program
Workers Compensation Assessment Program
Cigarette Tax Program
Consumer Cigarette Tax Program
Other Tobacco Products Tax Program
Partnership Program
Pass Through Entity - PIT, CORP

3. **Corporate and other tax programs**. Along with the conversion of these tax types, the agency will streamline business processes to follow the standards established in earlier phases.

Table 20: CTS Rollout 3

Corporate Excise Tax Program
Corporate Income Tax Program
Corporate Multistate Tax Program
Estate Tax Program
Fiduciary Estate Tax Program
Fiduciary Trust Tax Program
Other Agency Accounts Program
State Lodging Tax Program
Emergency Communications Tax Program
Petroleum Load Fee Program
Amusement Device Tax Program
Hazardous Substance Possession Fee Program

4. **All other tax programs.** Finally, all other miscellaneous tax types will be converted into the ITS, replacing the many ad hoc systems scattered throughout the agency. Along with the conversion of these tax types, the agency will streamline business processes to follow the standards established in earlier phases.

Table 21: CTS Rollout 4

Assessor's Funding (CAFFA)
Forest Products Harvest Tax
Small Tract Forestland Severance Tax – West Program
Small Tract Forestland Severance Tax - East Program
Electrical Cooperatives (Co-ops)
Gas & Oil Production Tax Program
Private Rail Car Program
Elderly Rental Assistance Program
Revenue Accounting (All other accounting)
Non-Profit Homes
Court Fines & Assessments Program
Green Light (film) Rebate

The CTS Contract Statement of Work, Appendix H, contains additional information about the planned rollouts.

6 Projected Costs, Benefits & Compensation

The Core System Replacement initiative is an investment in DOR staff, processes and technology that must reduce risks associated with existing legacy systems and also provide a positive return on investment to Oregon taxpayers. The initiative will provide value through reduced agency risk, a more productive and responsive workforce and increased revenue to Oregon.

DOR has done extensive work with industry experts and painstakingly researched the lessons learned and leading practices of other states that have replaced their core systems. As a result of these efforts, DOR estimates that the system will provide a positive Return on Investment and pay for itself within two years of completion, as well as continue to provide additional revenue to the state well beyond the end of the project.[33]

For this version of the business case, DOR has done a qualitative and somewhat quantitative reassessment of the initial cost and benefit estimates based on more detailed information obtained during contract negotiations with FAST. The table below provides a revised summary of Core System Replacement costs, and includes internal state resource salaries, software, vendor fees, State Data Center (SDC) and Quality Assurance for all aspects of the initiative.

IMPORTANT NOTE:

- DOR is preparing a Core System Replacement Business Case Addendum which will provide a detailed cost/benefit analysis based on the negotiated contract (see Total Cost of Ownership, Section 6.1.4).
- In addition, DOR will provide regular cost and benefits tracking and reports, including estimated revenue benefits, outside of this business case, as defined in the CTS Program Management Plans.

Table 22: Estimated Cost and Benefit Summary by Biennium

	2009-11	2011-13	2013-15	2015-17	FY 2018	TOTAL
System purchase cost:						
	$ -	*$ -*	*$ 11,300,000*	*$ 13,500,000*	*$ 4,200,000*	*$ 29,000,000*
Maintenance:						
	$ -	*$ -*	*$ 2,125,000*	*$ 2,375,000*	*$ 1,000,000*	*$ 5,500,000*
Contract sub-total:						
	$ -	$ -	$ 13,425,000	$ 15,875,000	$ 5,200,000	$ 34,500,000
Estimated agency cost:						
Internal cost (preparation, implementation, initial SDC):						
	$ 2,140,000	*$ 5,141,000*	*$ 11,523,000*	*$ 11,019,000*	*$ 3,029,000*	*$ 32,852,000*
Project oversight (QA and IV&V):						
	$ 155,000	*$ 292,000*	*$ 520,000*	*$ 704,000*	*$ 194,000*	*$ 1,865,000*
Agency cost sub-total:						
	$2,295,000	$ 5,433,000	$ 12,043,000	$ 11,723,000	$ 3,223,000	$ 34,717,000
Total cost:						
	$2,295,000	**$ 5,433,000**	**$ 25,468,000**	**$ 27,598,000**	**$ 8,423,000**	**$ 69,217,000**
Estimated Specified Receipts:[34]						
	$ -	**$ -**	**$ 2,750,000**	**$ 20,750,000**	**$ 28,000,000**	**$ 51,500,000**

[33] Discussion of revenue projections is covered in Section 6.2.3.

[34] See 6.2.3 Benefits, Increased Revenue and Section 6.3 Compensation Model.

6.1 Costs[35]

This section provides the projected cost of the Core System Replacement initiative, broken down by phase and by rollout. Costs are calculated assuming a project start date of September 2013 through targeted project completion in Fiscal Year 2018. Funding is outlined in Section 6.1.3, CSR Funding Sources, and ongoing costs are discussed in Section 6.1.4, Total Cost of Ownership. Actual state costs may vary, but vendor costs will not exceed the costs reflected in this business case. DOR has allowed for a contingency of approximately 15.9 percent for state costs. The contingency is not reflected in the costs in this section, but is included in the DOR funding limitation request described in Section 6.1.3.

Table 23: Summary Cost

	System	Internal	QA	Maintenance	Total
Readiness & Procurement	$ -	$ 7,281,000	$ 447,000	$ -	**$ 7,728,000**
CTS Solution	**$29,000,000**	$25,571,000	$ 1,418,000	$ 5,500,000	**$ 61,489,000**
Total Costs	**$29,000,000**	**$32,852,000**	**$ 1,865,000**	**$ 5,500,000**	**$ 69,217,000**

6.1.1 Preparation Phase

Readiness and Planning: The Agency Readiness component of the Core System Replacement represents activities necessary to prepare DOR for organizational, process, and technical changes. These include activities such as business process documentation, initiation of Enterprise Architecture, communication efforts, and organizational change management.

Table 24: Readiness and Planning Cost (Actuals)

Resource	2009-2011	2011-2013	2013-2015	2015-2017	FY 2018	Total
Internal	$ 2,140,000	$ -	$ -	$ -	$ -	$ 2,140,000
Quality Assurance	$ 155,000	$ -	$ -	$ -	$ -	$ 155,000
Total	**$ 2,295,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,295,000**

Procurement and Preparation: Procurement activities include requirements definition and the development and evaluation of Requests for Proposals. Additional readiness activities are also included in the costs below.

Table 25: Procurement and Preparation Cost[36]

Resource	2009-2011	2011-2013	2013-2015	2015-2017	FY 2018	Total
Internal	$ -	$ 5,141,000	$ -	$ -	$ -	$ 5,141,000
Quality Assurance	$ -	$ 292,000	$ -	$ -	$ -	$ 292,000
Total	**$ -**	**$ 5,433,000**	**$ -**	**$ -**	**$ -**	**$ 5,433,000**

[35] See Appendix E, CSR Cost Detail.
[36] Actuals through 06/30/2012, remainder is projections based on actuals.

6.1.2 GenTax Comprehensive Tax System

CTS will have a direct impact on DOR's success in using new technology and processes to accomplish its mission. This is due to the number of systems that will be replaced and the importance of these systems to administering compliance efforts and processing returns and payments. The GenTax solution the agency has selected integrates compliance, discovery and case management discussed in previous versions of this business case into the Integrated Tax System.

Software and vendor costs have been negotiated with the vendor and are part of the contract. Internal, SDC and QA/IV&V costs are estimates. Ongoing costs are discussed in Section 6.1.4, Total Cost of Ownership. *(Also see Appendix E, Cost Detail).*

Table 26: CTS Solution Estimated Costs

Resource	2013-2015	2015-2017	FY 2018	Total
Software	$ 5,000,000	$ -	$ -	$ 5,000,000
Vendor	$ 6,300,000	$13,500,000	$ 4,200,000	$ 24,000,000
Internal	$ 9,011,000	$ 8,255,000	$ 2,269,000	$ 19,535,000
SDC	$ 2,512,000	$ 2,764,000	$ 760,000	$ 6,036,000
QA and IV&V	$ 520,000	$ 704,000	$ 194,000	$ 1,418,000
Maintenance	$ 2,125,000	$ 2,375,000	$ 1,000,000	$ 5,500,000
Total	**$ 25,468,000**	**$ 27,598,000**	**$ 8,423,000**	**$ 61,489,000**

6.1.3 CSR Funding Sources[37]

DOR is submitting a Policy Option Package (POP) to the 2013 Oregon State Legislature seeking a special spending limitation that will allow the agency to pay for the CTS system using the Specified Receipts[38] fund, and to request a General Fund allocation for initial project costs. The details of the POP are described below.

2013-15 Budget Request: $4.2 million Allocation and $17.3 million Other Fund Limitation:

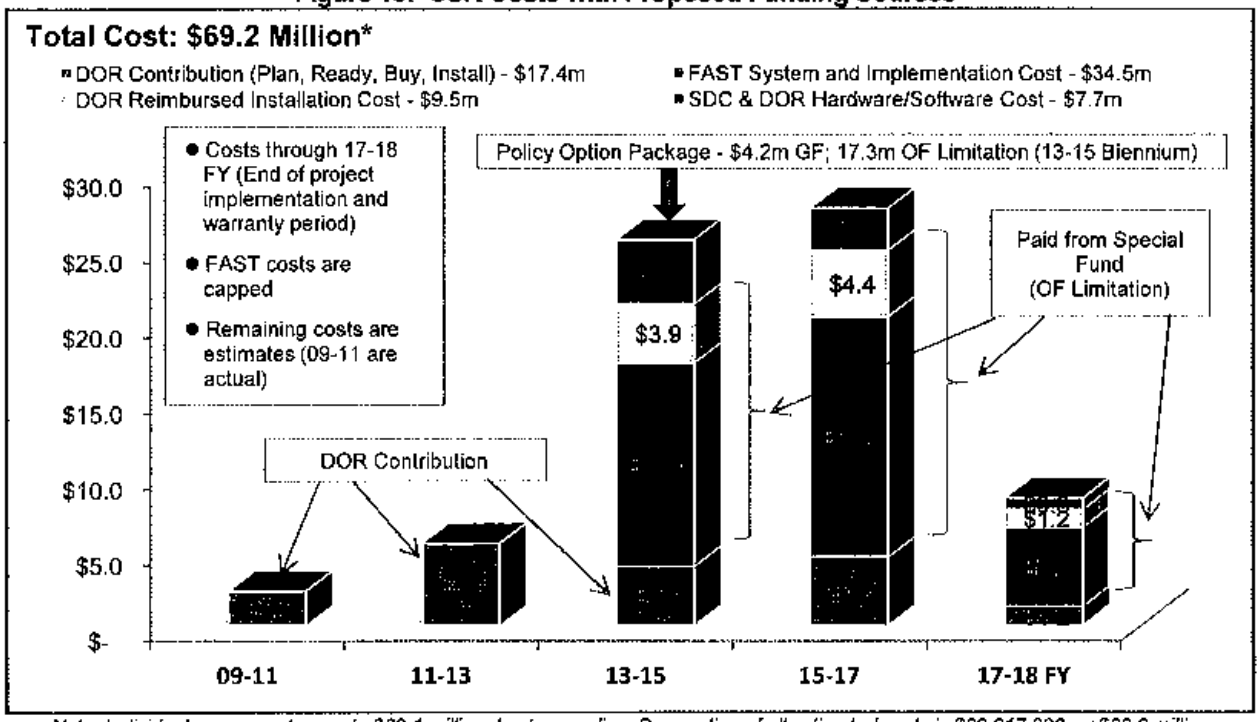
DOR is seeking a **$17.3 million Other Fund spending limitation** that will enable the agency to begin to pay for the system and reimburse internal costs for the 2013-15 biennium. These costs will be paid from a special fund established to pay vendor costs which are capped at $34.5 million over four years beginning fall 2014. Certain agency direct project costs, not to exceed $15 million over four years, will also be paid from this fund. The request for the special fund is being introduced in Legislative Concept 15000-016.

In addition, DOR is seeking a **$4,217,000 General Fund allocation** for the 2013-15 biennium to cover agency SDC costs[39] as well as the cost of replacing desktops with standard, up-to-date equipment necessary for operating the COTS software.

- SDC costs: $2,512,000
- Desktops: $1,705,000

[37] Also see Appendix E, CSR Cost Detail.
[38] See Section 6.3, Compensation Model.
[39] SDC costs are based on 2011-13 pricing and may change during Governor's Recommended Budget process.

Figure 15: CSR Costs with Proposed Funding Sources



Note: Individual components sum to $69.1 million due to rounding. Summation of all estimated costs is $69,217,000, or $69.2 million.

- **DOR Contribution (Plan, Ready, Buy, Install): $17.4 million**
  These costs started in 2009 and are paid from the department's existing appropriation. These costs are for planning, procurement, and preparation for the new system, implementation and testing of the new CTS system, and for training staff to use the new system. ***No additional appropriation is being requested for these costs.***

- **FAST System and Implementation Cost: $34.5 million** (Capped – FAST's costs will not exceed $34.5 million)
  These costs will be paid from the special fund to be established by the Legislature (see more about the special fund in the Benefits section below) and will pay for software and services provided by FAST to plan, install, configure, test, train, and cutover to the new system. ***Other fund limitation is necessary to pay these costs.***

- **DOR Reimbursed Installation Cost: $9.5 million**
  These costs will be reimbursed from the special fund to be established by the Legislature (see more about the special fund in the Benefits section below) and will pay for project management, quality assurance, change leadership, and technological expertise necessary to implement a new system while maintaining legacy systems. Legislation for the special fund will cap DOR reimbursement costs at $15 million, allowing a $5.5 million contingency for DOR costs, if needed and funds are available (15.9% of estimated state costs of $34.7 million). ***Other fund limitation is necessary to pay these costs.***

- **SDC and DOR Hardware and Software Cost: $7.7 million**
  DOR is requesting $4.2 million of these expenses as a 13-15 appropriation for increased SDC fees due to hardware and storage requirements of installing new systems and maintaining legacy systems. These costs include one-time acquisition of desktop hardware and software necessary to operate the new system. Generation of receipts in the special fund will not be available in time to pay for these one-time costs. Funds will then be in DOR's base budget for 13-15 and beyond for the remaining SDC costs of $3.5 million in this category, if approved.

6.1.4 Total Cost of Ownership (TCO)

The total cost of ownership (TCO) of the COTS solution after implementation includes annual maintenance and support costs of the new system, and ongoing SDC hardware and storage costs for the new system (net of savings from reduced SDC fees associated with retiring systems). Estimated cost for these items beginning in 2019 is approximately $8 million per biennium. This will provide DOR with system upgrades as new versions of the system are released, and ensure, for example, that 10 years after GenTax is installed DOR will be using the most current version. DOR will no longer be concerned with upgrading its core tax systems because they will always be operating in the most current system available. System enhancements, if necessary, may require additional funds.

In addition, DOR will have ongoing membership in the community of GenTax users, sharing data and best practices, as well as ensuring the content and reliability of future product releases. For instance, the FAST Data Exchange (DEX) enables states to share fraudulent Social Security Numbers, fictitious bank accounts, and other information on a nightly automated basis to reduce refund fraud.

IMPORTANT NOTE: Now that detailed cost information for a new system has been obtained through contract negotiations, DOR plans to publish an addendum to this business case in time for the December 2012 legislative committee meetings. The addendum will include:

- **Costs.** An in-depth analysis of costs which includes a detailed assessment of total cost of ownership. The analysis will compare:
    - The "do nothing" alternative (see Section 3.2.1, Maintain), with
    - The alternative to move forward with GenTax, the selected COTS solution (see Section 3.2.3, Replace with industry standard solution).

- **Benefits.** A refined analysis to better estimate the benefits of implementing the GenTax solution. This analysis will focus on key functional areas with the most direct impact, and will further define:
    - Key assumptions.
    - Financial and non-financial benefits.
    - Operational efficiencies, including strategies for reinvesting these efficiencies.

6.2 Benefits

The estimated total cost for the Core System Replacement is approximately $69.2 million, including effort-to-date, calculated through completion (Fiscal Year 2018). This is a significant investment given the state's economic climate and budget concerns. However, recent experiences from other state tax agencies implementing large-scale system improvements have resulted in revenue increases sufficient to pay for replacement costs within 2-4 years of implementation.[40] More importantly, failing to make this investment could result in potentially significant loss of revenue due to system failure (see Risk Avoidance, below).

The value of replacing core tax systems can be described in three categories: 1) Risk Avoidance, 2) Improved Performance and 3) Increased Revenues.

6.2.1 Risk Avoidance

The primary benefit of replacing core tax systems is to continue supporting existing revenue streams by reinvesting in core infrastructure to reduce risks of failure (also see Section 8.2, Consequences of Failure to Act).

An assessment of DOR's "current state", conducted in 2009, contains seventy pages describing the issues and constraints DOR staff and stakeholders face daily.[41] Many of these problems could be addressed and remedied individually, but, as demonstrated throughout this business case, only a comprehensive Core System Replacement will address them in their totality and provide the additional risk avoidance, performance, and revenue benefits described in this section.

The Current State Assessment and Preliminary Future Vision, and other research conducted by DOR, highlights numerous critical risks, including:

- Some key systems are at risk of reaching maximum capacity and/or failure.
- Highly specialized and inflexible applications require manual workarounds to meet business needs.
- Inflexible, obsolete, and diverse architecture adds complexity and presents risk of not being supported.
- Seasonal changes and legislative tax-law revisions require multiple, complex system updates which take time to implement; DOR risks not being able to execute such changes by the time new laws or policies are effective.
- Escalating loss of technical system knowledge (skilled IT staff, with in-depth knowledge of systems and business rules, retiring or leaving state service).
- Escalating loss of business process knowledge (skilled subject matter experts, familiar with necessary workarounds, retiring or leaving state service).

It's difficult to estimate precisely when risks that impact revenue may materialize. A more detailed estimate of risks will be included in the CSR Business Case Addendum planned for completion by December 2012.

[40] Based on FAST's measurement methodology.
[41] See the *Current State Assessment and Preliminary Future Vision*, 12/15/2009 for the complete assessment.

6.2.2 Improved Performance[42]

The following pages describe some of the benefits ascribed to areas of impact:

- **Revenue Administration** - Return processing and related activities including revenue accounting, correction and exception processing, and initial billing.
- **Compliance** - Unreported tax identification and billing (including non-filers), and pursuit of unpaid debts.
- **Taxpayer Services** - Services such as electronic filing, online education, and self-service account management.

DOR has not assigned monetary value to the following benefits, but other states implementing Comprehensive Tax Systems have experienced both efficiency and revenue gains through these improvements. DOR plans to implement all of these features to the extent allowable under current law and policy.[43]

Revenue Administration Benefits	
One efficient system for all tax types	
Description	*Several tax types, such as Tobacco and Timber, do not currently have robust tax processing systems. Other tax types do not have formal systems.*
Benefits	• All tax types will be moved onto a single system, allowing for economies of scale that make it cost-effective to process all tax types in a single system. • Standardization of processes and a reduction in manual effort in the administration of these tax types will improve operational efficiency and resource utilization.
Tax processing efficiency	
Description	*Numerous efficiencies will be seen as a result of reduced manual activities, the timeliness of data availability, enhanced functionality relative to legacy systems, and a reduction of interfaces between disparate systems.*
Benefits	• Payment transfers across tax types will be simplified. Transfers of money across taxpayers, tax periods, or tax types completed in one system is more efficient. A strong audit trail will be maintained, increasing security of dollar transfers. • Easy access to available data will result in the ability to perform automated checks in real-time rather than performing manual checks within multiple systems to verify information. Real-time automated validation and verification are much more efficient than manual research. • Online adjustment capabilities will result in the immediate processing of changes instead of waiting for the nightly batch process to determine the impact. • Having all data within one system will provide all users with the appropriate security access, with immediate visibility to data as it is changed. • Fewer systems on which to train users will result in reduced training time.
Returned mail	

[42] Additional performance improvements are cited in Appendix F, Initial Benefit Methodology, Opportunities and Assessments.

[43] Some features, such as third-party address correction, may require administrative rule or statutory changes.

Description	*Automated process for identifying correct address for returned mail.*
Benefits	• A single system using a repository of address information will ensure that mail does not continue to go out after the legal assessment notice on addresses that DOR knows are inaccurate. • A barcode could be printed on outgoing mail and scanned upon return to either stop additional mail from being sent or to look for a better address. • Access to better address information could increase the number of payments, as well as saving the costs associated with managing returned mail.

Use of business rules and improved exception processing

Description	*New systems will promote the use of business rules to reduce errors and exceptions, and facilitate their systematic correction.*
Benefits	• Business rules within a business rules engine will allow authorized users to participate in the process of configuring the system. This transparency will give a larger audience the visibility to see how DOR does its business and will reduce DOR's reliance on scarce IT staff. • A combination of real-time checks and a pre-certification process will also reduce the volume of common exceptions and allow manual review on a smaller, more specific pool of cases for follow-up.

Internal and external offsets

Description	*While DOR currently participates in the Treasury Offset Program, there are additional opportunities to automate offset processes.*
Benefits	• With data for all tax types within a single database, internal refund offsets can be performed in a straightforward manner, and a notice or explanation indicating why a refund was reduced can be sent to the taxpayer. • Centralizing debt for offset will enable automated data matching against external debt as part of the regular refund process. • Refund offsets reduce overall collection activities, reduce the volume of invoices to generate and reduce collection case workloads.

Proven and widely used solution

Description	*Sixteen other state tax and revenue agencies successfully use the same solution. These states share data, best practices, and business rules for compliance and other programs.*
Benefits	• DOR will benefit from other proven and successful programs and practices at 16 other states. As an example, the FAST Data Exchange (DEX) is currently used by 11 states to share fraudulent SSNs, bank accounts, and other information on a nightly automated basis to reduce refund fraud.

Compliance Benefits

Common access to aggregated internal/external data

Description	*New system capabilities will assist in effectively leveraging data and information available, providing access to all who need it for better decision-making, assisting in allocating resources and driving programs and treatment of*

	taxpayers using as much automation as possible.
Benefits	• Additional data will help better select and drive audit programs, including development of new programs for non-filers and under-reporters. This could reduce the number of audits resulting in no changes. • Enhanced refund processing by having timely and automated access to information needed for decision making. • Complete, aggregated data will provide for enhanced review of individual income tax refunds and assist in automating review steps. One option could be to change from the current resource-intensive process to an automated "pre-validation" process (to confirm identities, likely withholding tax thresholds, and eligibility for credits/refunds in advance based on existing information). • Resource savings will result from working cases in less time and working fewer unchanged audits. More time could be spent on highly productive correspondence audits including taxpayer preparer cases, lifestyle program cases, and non-resident cases.

Improved case management capabilities

Description	*Industry-proven solutions use data not currently used by DOR to drive case management and compliance actions.*
Benefits	• DOR can use the ITS and data warehouse to facilitate the passing of audit information (Revenue Agent Reports, or RARs) from the IRS to DOR and have a business process in place to 1) automate the creation of the case, 2) verify if the taxpayer has reported the change, 3) if not, compute the Oregon tax impact/adjustment, 4) support assignment and case tracking, 5) create notification to the taxpayer, and 6) post the bill to the ITS. Many of these activities are currently manual, and new systems will automate them. • Even though RARs will require a manual review and adjustment calculation, significant benefits will be achieved by automating the data load process, checking to see if the change was reported, automating the case creation process, and posting the bill to the ITS. • This process also will allow DOR staff to see all information needed to respond to phone calls or correspondence and quickly resolve issues. • Using the Information Returns Master File (IRMF) provided by the IRS to identify income not reported by non-filers will allow DOR to issue accurate estimated bills rather than inquiry letters.

Consolidation of receivables

Description	*Significant gains can be made when consolidating receivables under a single collection case and automating enforced collection actions and inventory monitoring to apply the next best action.*
Benefits	• DOR compliance activities related to outstanding debts will become more proactive by using automated processes like risk-based scoring, case creation and assignment, automated bank or wage levies, and alerts. • The system can review existing inventories for account updates such as payments or changes in demographic information. Once identified, the case is automatically assigned to the appropriate collector. This approach removes the need for management to continually view reports or manually review existing inventories and provides the collector with the information they need when they need it.

Risk-based scoring of receivables

Description	*Maximum benefits from scoring occur when cases are scored early in the collections process (i.e., during the initial billing stage).*
Benefits	• Focused initiatives could include special compliance projects or forwarding receivables to outside collection agencies based on the taxpayer's risk-score. • Scoring could also include an inventory management mechanism to distribute cases across collection inventories, as well as assess the inventory of outstanding debts that have been deemed uncollectable. • Scoring could help ensure that, as compliance programs or season fluctuations generate new outstanding debts, inventory levels are not too high or too low for a given inventory or collector assignment.

User experience and system maintenance

Description	*DOR staff work in one system, providing them with a full view of the taxpayer.*
Benefits	• Time spent researching information across several systems can now be spent on direct collection activities that will generate increased revenue. • A single system utility will manage security, case types, correspondence templates, case assignment, approvals, and workflow. • A consolidated system will allow common case management functions to be utilized. The case structure to be employed can be used to manage any work item (suspended return, a refund request, a billing case, or a collections case requiring automated or manual action).

Inventory monitoring

Description	*Cases can be driven through automation of enforcement actions and DOR staff can be alerted to take effective collection action when changes occur to the taxpayer assigned to their inventory.*
Benefits	• For supporting enforced collections, Entity Identification provides address, asset, and relationship information, which are necessary to pursue the best possible collections strategy. • Manual review of reports or ad hoc analysis is automated and those accounts requiring more work move to the top of a work list so that enforced collection action can occur in a timely manner.

Automation of responsible party billing

Description	*The process of billing to and collecting from responsible individuals could be significantly improved by building a repository of responsible party information using sources such as registration, Secretary of State, and existing known responsible party cases. This repository would provide DOR staff with a list of potential candidates upon case assignment.*
Benefits	• Combined with risk-score, this would provida information to the collector to begin the responsible party process sooner. • The ITS also will provide the ability for an outstanding debt to be associated with multiple debtors and collection actions within the system in order to track payment sources. • Billing to the responsible party will occur on that specific receivable, providing a way to see who has been billed and when. • An ITS will provide an easier process for billing, payment allocation and crediting

	payments to an outstanding debt shared by multiple debtors.

Non-filed returns and estimated assessments

Description	*Knowing when returns should be filed based on the account type and filing frequency is not enough. Additional data sources such as wage or third-party data (e.g. Dun & Bradstreet) are necessary to support estimated assessments where recent return information is not available.*
Benefits	• DOR staff will know potential failure-to-file situations and the estimated associated revenue at risk as soon as the taxpayer has missed their return due date. • Additional data is used to estimate the assessment which provides a more accurate receivable for the system or collector to manage. • Fewer adjustments to assessments mean that more time is spent on collection activities as opposed to data purification activities.

Taxpayer Services Benefits

New and improved self-service by taxpayers

Description	*All taxpayer data in one database makes it easier to present information in a logical manner and provide access needed.*
Benefits	• Self-service functionality that may have been difficult or not cost-effective to provide with legacy tax-based and functional tax processing systems will now be available. • Taxpayers are able to go online to perform routine account maintenance and find information instead of making a phone call or submitting a form. • The system will allow for additional functionality, including internet business registration, and taxpayer-created deferred payment agreements. This will reduce service calls and manual activities performed by the Taxpayer Assistance group.

Enhanced electronic filing promotion

Description	*Similar to taxpayer self-service, enhanced electronic filing promotion will result in greater numbers of businesses filing electronically and less paper to manually process.*
Benefits	• The overall error rate due to data capture errors will be reduced. • New systems will also facilitate the creation of electronic filing capabilities for more tax types than are currently available.

Improved compliance from taxpayer education

Description	*The initiative will result in improved tax collection through better taxpayer education.*
Benefits	• Having all data in a single database and using improved analysis tools will allow analysis to take place on specific taxpayer groups. • Patterns that emerge can allow DOR to target specific educational programs for those segments of the taxpayer population that are having difficulty with compliance. • While actual benefits related to Improved Taxpayer Education have not been listed in Appendix F, there will be a revenue generation impact by increasing voluntary compliance related to this education effort.

6.2.3 Increased Revenue

Other states have reported increased revenues as a result of replacing their core tax systems. However, DOR discovered during the procurement process that estimating revenue increases that are directly tied to the system replacement presents many challenges due to multiple influences on revenues, both internal and external to the agency. Estimating impacts on revenue generation will be more reliable after the system is installed and business process impacts are known. DOR is establishing metrics to ensure that benefits, including additional estimated revenues, are tracked both during and after the system is implemented.

Table 27: Examples of Benefits Experienced by Other States[44]

	Year Completed	Estimated Investment	Return	Return on Investment Ratio	Period (years)
Arizona DOR	2008	$122M	$122M[45]	1:1	4
Hawaii DOR	2007	$53M	$250M	5:1	8
Kansas DOR	2000	$45M	$120M	3:1	5
New York DTF	Ongoing	$140M	$1B	7:1	5
South Carolina	2010	$40M	$135M	3:1	4
Virginia DOR	2006	$153M	$350M	2:1	6

FAST estimates a $51.5 million overall increase in revenue[46] during the life of the project from improved service and better compliance tools. The methodology for this estimate is based on their experience in 16 other state revenue agencies. Benefits are expected in non-filer compliance, audit, collections and refund fraud reductions for the personal income tax, withholding and corporate tax programs. This is a conservative estimate and is not tied to specific improvements. Instead, it is an aggregate of likely improvements.

Table 28: FAST Projected Revenue Benefit (by Biennium)

2013-15	$ 2,750,000
2015-17	$20,750,000
2017-19	$28,000,000
Total	$51,500,000

Actual improvements in specific programs or functions may vary, but FAST is confident that overall benefits will exceed $50 million during the life of the project, with continued benefits well beyond. It is probable, based on other states' results, that DOR will experience additional revenues over and above the projected $51.5 million during the life of the project. However, the projected increase provides a basis for establishing the Specified Receipts benefits-based compensation model. FAST estimates $20 million per year of increased revenues after implementation which would indicate full repayment for all project expenses within one year after implementation is complete. DOR, FAST, and LRO will continue to evaluate revenue impacts for the 2013 Legislative Session.

[44] Other states may not have accounted for external factors such as population growth, inflation or other factors that may have also affected economic growth in the state and impacted revenues.
[45] Measured cost savings only up to point at which project was paid for.
[46] Over the estimated 3 percent growth that is included in the Specified Receipts model to reflect revenues that may have been generated without the core system replacement.

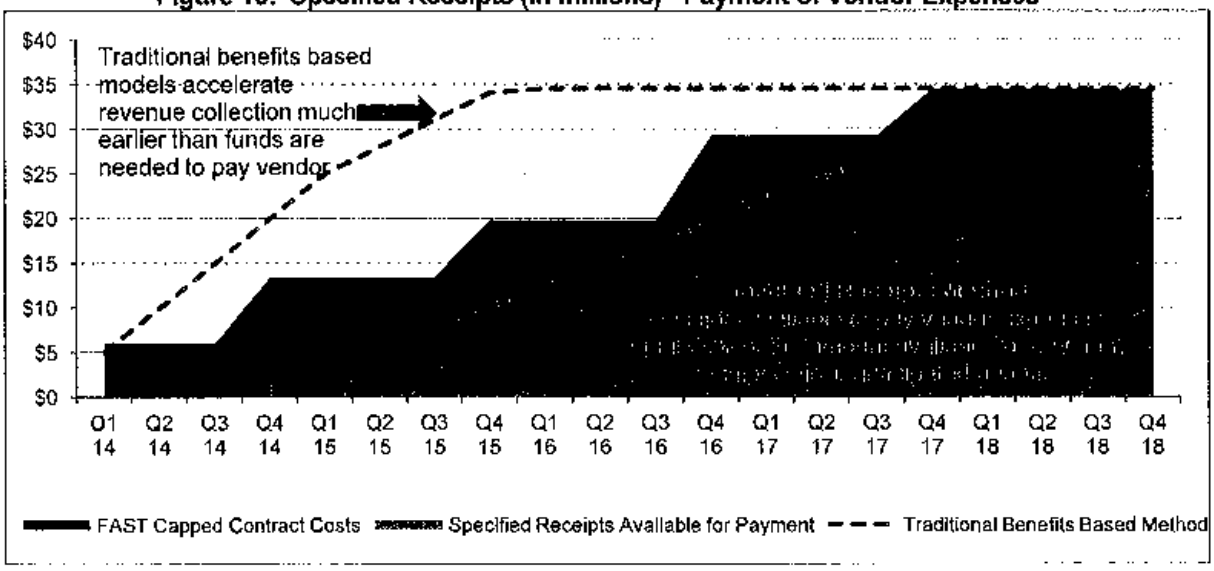
6.3 Compensation Model

Because of the difficulty in estimating direct revenue benefits, DOR and FAST, in consultation with Legislative Revenue Office (LRO), propose using a benefits-based funding method that designates Specified Receipts for project payments. This funding method is subject to legislative approval. These Specified Receipts are directly associated with programs and functions that benefit from the Core System Replacement. (See Appendix G, CTS Contract, Section 5 Compensation for details about Specified Receipts). The Specified Receipts funding model will:

- Measure certain late payment and compliance receipts associated with programs that benefit from the new system (Specified Receipts).
- Establish base receipts using the 2013 calendar year unless anomalies suggest a better period.
- Be measurable in both the existing legacy DOR systems and GenTax system.
- Be adjusted for estimated 3 percent growth that may occur without Core System Replacement.
- Include the $51.5 million increased revenue projection from FAST.
- Establish targets in order for the vendor to earn full payment of expenses; expenses will be partially paid if targets are not met.
- Deposit a percentage of actual receipts into a special fund to be designated by the 2013 Legislature.
- Designate that the special fund is split: 75 percent to pay FAST expenses; 25 percent to pay specific DOR expenses.
- Pay all FAST project expenses and approximately half of DOR expenses from the special fund.
- Cap project expenses paid from the special fund at $49.5 million ($34.5 million FAST, $15 million DOR).
- Pay expenditures during the life of the project until December 31, 2018, or cap is met, whichever comes first.

The chart below illustrates how FAST will be paid from 75 percent of the special fund and estimates when funds may be available for payment.

Figure 16: Specified Receipts (in millions) - Payment of Vendor Expenses[47]



[47] Example to illustrate methodology, actual receipts may vary.

This method satisfies several concerns raised during the procurement process:

- Traditional benefits-based models (represented by dashed line in figure 16 above) often accelerate collections and set aside large amounts of funds for the project early in the implementation process.
- Traditional methods typically do not account for revenue growth that may occur without a new system before payments are due.
- The Specified Receipts method paces the payment of project expenses with anticipated (estimated) benefits and attempts to account for growth that would otherwise be expected.
- If the total target receipts are not fully realized, this method partially compensates, but does not fully pay, the vendor. This ensures the vendor will continue with the project and provides an incentive for their performance.

7 Foundational Strategies, Factors and Metrics

7.1 Foundational Strategies

DOR has adopted foundational strategies for the Core System Replacement project. The rationale, value, assumptions, and consequences of these strategies are discussed on the following pages.

- **Strategy #1 - Use of a Commercial Off-the-Shelf product** – the use of a COTS product and associated tools that has all/most functional/business needs already developed, integrated, and tested.
- **Strategy #2 - Minimal COTS product customization strategy** – use of a COTS product "out of the box" across all tax programs with minimal customization.
- **Strategy #3 - Non-comprehensive requirements definition strategy** – use of high-level business and technical requirements for the Request for Proposal.
- **Strategy #4 - DOR will partner with the solution provider on project management strategy** - a collaborative partnership in project management.
- **Strategy #5 - COTS solution provider will do "heavy lifting" on the solution implementation strategy** – rely on the solution provider as the expert in the implementation of their COTS product.
- **Strategy #6 - Agency readiness strategy** – ensure that agency leadership, staff and other stakeholders (external and internal) are informed and involved throughout the project.
- **Strategy #7 - Continue Request for Proposal (RFP) for a Comprehensive Tax Solution without official funding approval** – publish RFP and receive proposals to ensure complete and accurate information about the COTS solution before obtaining legislative funding authority.
- **Strategy #8 - Benefits-based funding strategy** – fund the costs of the project out of the benefits realized from the implemented COTS solution.
- **Strategy #9 - Independent Quality Assurance (QA) oversight** – have a third-party QA consultant on board early in the project and throughout solution implementation, including independent verification and validation (IV&V).

Strategy #1 - Use of a Commercial Off-the-Shelf product - the use of a COTS product and associated tools that has all/most functional/business needs already developed, integrated, and tested.

1. **Rationale and Value** – Section 3 (Alternatives Analysis) and Section 4 (Industry Leading Solutions) provide the basis for the decision to use COTS solutions.
2. **Assumptions**
   - One or more robust and mature products for individual business functions are available that could be used to replace some or all of the existing core systems.
   - COTS is a safer solution than building a system internally or modifying products from other states.
   - COTS will result in little or no internal product development.
   - COTS architecture will fit into DOR's current and long-term architectural plans.
   - DOR staff will be able to support and operate the newly installed COTS product.

3. **Potential Consequences**
   If a COTS product is not available that fits into the SDC environment, the SDC may have to retrofit the current environment to allow installation of the product. This could result in significantly larger resource needs and a longer project timeline.
4. **Potential consequence resolution**
   DOR worked closely with the SDC during the procurement process, involving them in the technical architecture review. The selected COTS solution fits into the SDC environment.

Strategy #2 - Minimal COTS product customization strategy - use of a COTS product "out of the box" across all tax programs with minimal customization.

1. **Rationale and Value** - Choosing to customize a COTS solution negates many of the values a COTS product brings.
2. **Assumptions**
   - DOR will be willing to adopt a common set of business practices, regardless of size or business environment.
   - DOR will leverage the solution provider's experience with best practices used in other states.
   - Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR) can and will be modified where necessary.
3. **Potential Consequences**
   If ORS/OAR changes can't be made timely, DOR will not be able to take advantage of some of the new COTS product capabilities such as certain types of debt offsets.
4. **Potential consequence resolution**
   DOR has contractual agreement to make the best use of the solution "out of the box" with minimal configurations. In addition, DOR is looking at laws and administrative rules to ensure that necessary changes can be requested in a timely fashion.[48]

Strategy #3 - Non-comprehensive requirements definition strategy – use of high-level business and technical requirements for the Request for Proposal.

1. **Rationale and value** – DOR used a high-level synopsis of its detailed business requirements, as well as high-level technical requirements, in its Request for Proposal to ensure that the agency received the best possible product proposal from COTS solution providers.
2. **Assumptions**
   - COTS solutions, by their nature, address the primary business requirements for their targeted industry.
   - DOR designed and used a procurement process in which all requirements were validated with the "Best Value" solution provider.
3. **Potential consequences**
   If the solution provider is unable to meet the detailed business requirements, DOR will have to either delay the project until agreement is reached or modify the detailed requirements. This could impact project schedule and cost.

[48] DOR has multiple legislative concepts for the 2013 Legislature that will increase the ability to take full advantage of GenTax capabilities. Additional legislative concepts may be introduced in the future.

4. **Potential consequence resolution**
   The DOR procurement process included an extensive review of detailed business and technical requirements. The selected COTS solution meets more than 90 percent of DOR business and technical requirements.

Strategy #4 - DOR will partner with the solution provider on project management strategy - a collaborative partnership in project management.

1. **Rationale and value** - Industry best practices show that managing projects through a collaborative partnership helps to achieve project success
2. **Assumptions**
   - DOR has internal or contracted project management expertise independent from the solution provider.
   - The solution provider is willing to work on the project in a collaborative environment.
   - The solution provider will work with DOR to meet or exceed QA and IV&V requirements for project management.
3. **Potential consequences**
   If the solution provider and DOR are unable to reach agreement on a collaborative project management approach, then project schedule, timeline, and resources may be greater than anticipated.
4. **Potential consequence resolution**
   DOR and FAST were able to agree on project management strategy as documented in the negotiated contract (Appendix H, CTS Contract Statement of Work).

Strategy #5 - COTS vendor will do "heavy lifting" on the solution implementation strategy - rely on the solution provider as the expert in the implementation of their COTS product.

1. **Rationale and value** – COTS solution providers have vast experience in implementing their solutions, with knowledge as to whether to use a phased approach, how to schedule the phases, if used, etc. DOR will follow the implementation strategy recommended by the vendor to ensure the best value and efficiencies.
2. **Assumptions**
   - The solution provider has experience implementing the selected COTS product and has a solid, documented approach.
   - Implementation approach meets the requirements for the ROI, as defined in Section 3, within the required timeframe.
3. **Potential consequences**
   If the COTS provider does not provide their "A-Team", the project schedule may be at risk.
4. **Potential consequence resolution**
   DOR has contractual agreement with FAST to ensure that they enlist their "A-Team" in the project. The contract gives DOR the right to review and approve or deny any changes to team staffing.

Strategy #6 - Agency readiness strategy - ensure that agency leadership, staff and other stakeholders (external and internal) are informed and involved throughout the project.

1. **Rationale and value** – Agency readiness is a key component of a successful project, especially one of this size and scope. Also see Section 5.1, Preparation Phases.

2. **Assumptions**
   - There will be active and visible participation by DOR leaders who authorized and funded the project.
   - Project sponsors are building the needed coalition of organizational leaders.
   - Project sponsors are communicating directly with DOR employees.
   - DOR will develop a coaching plan for involving key managers and supervisors.
   - DOR is using a structured approach to managing the change, with the assistance of the solution provider.
   - DOR will involve agency staff through workgroups, focus sessions, and other means of outreach.
   - DOR is placing a heavy emphasis on communication, both internally and externally.
3. **Potential consequences**
   The timeline and potentially the success of the project could be at risk if DOR does not involve staff and stakeholders.
4. **Potential consequence resolution**
   DOR is currently involving staff and stakeholders in all aspects of program planning. In addition, DOR has contractual agreement with FAST to ensure that they partner with DOR using structured change leadership best practices.

Strategy #7 - Continue Request for Proposal (RFP) for a Comprehensive Tax Solution without official funding approval - publish RFP and receive proposals to ensure complete and accurate information about the COTS solution before obtaining legislative funding authority.

1. **Rationale and value** – DOR designed a procurement process and funding approach in which information is gathered and validated prior to committing state resources.
2. **Assumptions**
   - Project will be benefits-funded.
   - DOR keeps the legislature, governor, and other key stakeholders informed throughout the planning stages.
3. **Potential consequences**
   If the legislature does not agree to make the statutory changes necessary for the agency to utilize benefits-based funding for the project, the project will be delayed or cancelled (See Section 8.2, Consequences of Failure to Act).
4. **Potential consequence resolution**
   Not resolved: DOR was able to move forward with negotiating and signing the CTS contract with FAST by including a clause that contract execution is subject to legislative approval. However, the potential consequence remains if DOR fails to receive legislative approval for the CTS contract.

Strategy #8 - Benefits-based funding strategy - fund the costs of the project out of the benefits realized from the implemented COTS solution.

1. **Rationale and value** – *see discussion in Section 6 of this document.*
2. **Assumptions**
   - DOR has internal or hired experts, independent from the COTS provider, who will act in the best interest of the state.
   - DOR keeps key state officials informed of the process.
   - DOR puts key metrics, negotiated with the solution provider, in place and tracks and reports on them.
   - Oregon legal experts ensure that contract terms are in the best interest of the state.

3. **Potential consequences**
   If DOR and the solution provider are unable to agree to the metrics and compensation model, the project will be delayed until such agreement is reached.

4. **Potential consequence resolution**
   DOR and FAST negotiated a "Specified Receipts" benefits-based funding model as part of contract negotiations. The contract was signed by all parties May 30, 2012.

Strategy #9 - Independent Quality Assurance (QA) oversight - have a third-party QA consultant on board early in the project and throughout solution implementation, including independent verification and validation (IV&V).

1. **Rationale and value** – The state requires third-party QA and IV&V on all IT projects of this size and scope. DOR proactively hired a QA consultant in its early planning stages and will be adding IV&V services when the implementation process is initiated.

2. **Assumptions**
   - QA consultant has experience in IT projects of this size and scope.
   - Third-party QA/IV&V will be in place throughout the life of the project.
   - The QA/ IV&V consultant(s) will meet all of the requirements set forth by OCIO.
   - DOR has a project team member responsible for quality oversight working closely with the consultant(s).

3. **Potential consequences**
   If the QA consultant does not have the necessary experience or is unable to meet the requirements put in place by OCIO, DOR will have to seek another QA consultant. This may affect the project schedule.

4. **Potential consequence resolution**
   The current third-party QA consultants meet OCIO requirements for QA. DOR will be addressing IV&V requirements in early 2013.

7.2 Critical Success Factors

Critical Success Factors (CSF) are defined by the Business Dictionary (www.businessdictionary.com) as a "limited number (usually between 3 and 8) of characteristics, conditions, or variables that have a direct and serious impact on the effectiveness, efficiency, and viability of an organization, program, or project." DOR's critical success factors for this initiative are:

1. **Ongoing executive support:** DOR must have an aligned leadership voice with the ability to overcome project barriers, motivate participation and ensure that participants work together to achieve project success while ensuring operational priorities are consistently met.

2. **Structured training and change leadership:** DOR is using a structured approach to change leadership to ensure that employees are aware of the changes, understand the reasons for the changes and have the right knowledge and skills to transition from the current state to the future state.

3. **Project management expertise and strong resource commitment:** DOR has allocated staff, including subject matter experts and project managers, in full- and part-time roles to ensure adequate resource commitment throughout the life of the initiative. Additionally, DOR engaged consultants with extensive experience in large IT implementations to provide foundational structure and mentor the DOR program management team.

4. **Engaged staff and stakeholders:** DOR is engaging staff and other stakeholders early and often throughout the project to identify and address needs, communicate progress and status and garner acceptance.

5. **Aligned business and IT operations:** DOR has both formal and informal coordination and collaboration among business and technology interests.

6. **A systemic means of measuring progress toward specific business goals:** DOR is refining identified measures that are directly tied to business drivers and putting appropriate tracking mechanisms in place.

7. **Agency/Solution Provider partnership:** DOR has adopted a project approach to partner with the Solution Provider to ensure the best value for the state. Industry best practices show that a collaborative partnership helps to achieve project success.

7.3 Critical Success Metrics

The Core System Replacement will be measured by how well it achieves DOR's strategic goals and the efficiency with which it does so. This section documents critical success metrics used to assess the value of the project to DOR. These metrics will be evaluated at significant project milestones as a gauge for possible realignment of the roadmap and project priorities.

DOR will continue to evaluate the relevance of the metrics and success factors at key points, such as during pre-implementation assessments and at critical program milestones. Additional metrics will be developed and modifications may occur to existing metrics to best represent the project's success.

IMPORTANT NOTE: DOR will track these metrics using appropriate baselines and targets and provide regular Metrics reports throughout the project.

Table 29: Core System Replacement Metrics

Funding-Specific Metrics	
1.1	Specified Receipts meet or exceed Total Target Receipts
Business (Operational) Metrics	
2.1	Dollars collected per revenue agent
2.2	Dollars billed per compliance personnel
2.3	Increase in customer self-service (web services)
Project-Specific Metrics	
3.1	Project meets milestones (timeliness) and is completed on time
3.2	Project meets milestones (cost) and is completed within budget
3.3	Total number of significant scope changes are limited
3.4	Deliverables meet or exceed quality requirements

The following pages describe each metric, mapping each to the agency's strategic goals, as shown in Figure 17 below.[49]

Figure 17: Agency Strategic Goals

[49] See Section 2.1, "Background" for more information about Agency Strategic Goals and Key Business Drivers.

Funding-Specific Metrics:

How will we document enhanced revenues attributable to Core System Replacement?

Measure 1.1	**Specified Receipts meet or exceed Total Target Receipts**
Strategic Goals: (X 2 X 3 (X X 6 X 7	*Expected outcome* • Estimate enhanced revenues attributable to CSR. *Why is it important?* • The goal is to meet annual targets for General Fund contribution. DOR will work with the selected solution provider to determine appropriate measurements for estimating enhanced revenue. *How will we measure it?* • Target receipts for 2014 – 2018 will be established using 2013 actual receipts and grown to account for 1) increased receipts that are anticipated without a new system, and 2) increased receipts as a result of the new system. Actual 2014 – 2018 receipts will be measured against these targets.[50] *Which tax programs?* • Personal income tax, payroll tax and corporate excise tax.

Business (Operational) Metrics:

How will we ensure the desired outcomes are met and continue to be met?

Measure 2.1	**Dollars collected per revenue agent**[51]
Strategic Goals: (X 2 X 3 (X X 6 X 7	*Expected outcome* • Enhanced revenues attributable to CSR. *Why is it important?* • The goal is to meet annual targets for General Fund contribution. This measure is used to show the productivity of compliance staff, based on dollars collected per position and is expressed as: Dollars collected per revenue agent. *How will we measure it?* • Measured monthly from the Agent Production Report in net dollars collected per classification code, RA1, RA2 and RA3 positions. *Which tax programs?* • Personal income tax, including withholding, and corporate tax programs.

[50] See Appendix E, CTS Contract - Section 5 Compensation.
[51] This is not the same as the Key Performance Measure (KPM # 1) that is reported to the Legislature as part of the Agency Request Budget (ARB) document.

Business (Operational) Metrics:

How will we ensure the desired outcomes are met and continue to be met?

Measure 2.2	**Dollars billed per compliance personnel**
Strategic Goals: 2 3 6 7	*Expected outcome:* • Increased efficiency in compliance. *Why is it important?* • The goal is to meet annual targets for General Fund contribution. This measure is used to show the productivity of audit staff, based on dollars billed per position and is expressed as: Dollars billed per compliance personnel. *How will we measure it?* • Initial billing of tax, penalty and interest divided by the total number of compliance personnel budgeted for each tax program. *Which tax programs?* • Personal income tax, including withholding, and corporate tax programs.
Measure 2.3	**Increase in customer self-service (web services)**
Strategic Goals: 2 3 4 5 7	*Expected outcome* • Increased taxpayer access to information and processes for managing their tax obligations. *Why is it important?* • Increasing taxpayer self-sufficiency is directly tied to making key tax services easily available and attractive to users. Electronic transactions are available on a continuous (24x7) basis; they are faster and less prone to human error than their manual counterparts. External business trends parallel the DOR objective of moving increasingly to electronic transactions for similar reasons to those detailed above. *How will we measure it?* • Set target for the number of electronic payments and compare the actual electronic payments received to the target amount. • Compare the number of electronic payments received in this biennium against the number of electronic payments received in the prior biennium. *Which tax programs?* • Personal income tax, including withholding, and corporate tax programs.

Project-Specific Metrics

How will we ensure that the Core System Replacement (CSR) is on track?

Measure 3.1	**Project meets milestones (timeliness) and is completed on time**
Strategic Goals: (1)(2)(3)(4)(5)(6)(7)	*Expected outcome* • Efficient and effective project management as demonstrated by completing CSR on time. *Why is it important?* • The CSR Program will have multiple phases (projects). Each phase will be measured against the targeted completion date for that phase. *How will we measure it?* • This measure will report on each phase individually, along with an overall project completion date. o Actual completion date compared to projected completion date. o Acceptable variance is within 10 percent of the target completion date. o Tracking will begin once a vendor has been selected, contract signed and legislative approval received.
Measure 3.2	**Project meets milestones (cost) and is completed within budget**
Strategic Goals: (1)(2)(3)(4)(5)(6)(7)	*Expected outcome* • Efficient and effective project management as demonstrated by completing CSR within budget. *Why is it important?* • The goal is to have a minimal variance between budgeted and actual project costs. Now that a vendor has been selected and a contract signed, projected costs have been established. This measure will determine the difference between the budgeted and actual cost. *How will we measure it?* • Variance between budgeted and actual project costs. Typically, this is expressed as the total actual cost compared to final estimated costs (not including previously approved change orders). • This measure will be reflected as number of dollars over/under the budgeted amount for each phase. Standard accounting practices will be used to represent the data.
Measure 3.3	**Total number of significant scope changes are limited**
Strategic Goals: (1)(2)(3)(4)(5)(6)(7)	*Expected outcome* • Efficient and effective project management as demonstrated by minimizing changes to project scope. *Why is it important?* • There are always change orders in complex projects and always some

Project-Specific Metrics

How will we ensure that the Core System Replacement (CSR) is on track?

	time slip because of this (and other factors). Not everything can be anticipated, and conditions can change during the lifetime of a complex project. The goal is to minimize the number of significant unexpected changes to CSR scope. *How will we measure it?* • Variance between anticipated number of change orders and actuals.
Measure 3.4 **Strategic Goals:** (1)(2)(3)(4)(5)(6)(7)	**Deliverables meet or exceed quality requirements** *Expected outcome* • Efficient and effective project management as demonstrated by deliverables that meet or exceed quality requirements. *Why is it important?* • The goal is to have a system that meets or exceeds business, technical and quality requirements. The quality of the content of the project's planning and program management documents provides the foundation for the successful management of the project. *How will we measure it?* • Independent quality control review report of the program documents to determine if the content meets the quality control document standards checklist. This checklist was developed from applicable standards and best practices: Project Management Institute [PMI], International Standards Organization [ISO] or Institute of Electrical and Electronics Engineers [IEEE].

8 Risk Assessment and Risk Management

DOR understands that projects of this scale have significant risks around new business processes, organizational change and, most notably, large IT systems implementations. Over the last decade, more than twenty-five state revenue agencies have undergone transformations; most have gone very smoothly, but some have struggled. DOR has contacted many of these agencies and is using lessons learned from their experiences as part of its risk management process to mitigate risks and minimize the impact on DOR, its stakeholders and taxpayers.

Effective risk management increases the probability and impact of positive events and decreases the probability and impact of events adverse to the program.[52] Risk Management includes activities for identifying program risks, categorizing and prioritizing risks, developing strategies for specific risks (mitigation, avoidance, transfer, or acceptance), and monitoring the execution of risk response efforts.

8.1 Risks, Impacts and Mitigation Strategies

Risk Assessments

An initial Risk Assessment was conducted in 2009 as part of this business case.[53] DOR conducted another internal Risk Assessment early in 2012. In addition, the third-party QA consultant conducts regular risk assessments as part of their quality oversight responsibility.

Risk Management

DOR has established a Risk and Issue Management Plan (RIMP) for the Comprehensive Tax System (CTS) project. The plan establishes the framework for effective risk and issue management. It also documents the process, organization, and approach DOR will use to manage, communicate and resolve project risks for the program.

DOR developed a Risk Management Plan for the CTS project which is part of the overall CTS Program Management Plan (PMP). The plan addresses the process that the team will use for all risks. At a high level, this process involves:

- **Risk Identification** – focus on identifying risks that may occur in the upcoming phase and those long-term risks that can be mitigated effectively in the current juncture of the program.
- **Risk Analysis** – ensure risks are adequately examined in a structured and systematic method.
- **Risk Response Planning** – comprised of three general strategies: risk reduction (threats), risk enhancement (opportunities) and risk acceptance/risk contingency planning (either).
- **Risk Status Reporting** – status of program risks will be reported monthly as part of a risk dashboard established for the program.
- **Risk Escalation** – risks will be escalated to the TaPR Operations and Policy Team if they cannot be adequately addressed by the Risk/Issue Management Team.

DOR established a formal Risks/Issue Management Team that began convening in early December 2011. The Team manages risks, issues and concerns according to the adopted Risk and Issue Management Plan. The Risk Management process diagram is included in Appendix C.

[52] *Project Risk Management*, Project Management Body of Knowledge (PMBOK) Fourth Edition (2008).
[53] See Appendix D, Initial Risk Assessment.

8.2 Consequences of Failure to Act[54]

Failure to act means that DOR accepts the status quo and continues to expend resources maintaining aging and obsolete systems that 1) lack integrated data and decision-making tools and 2) are unable to cost-effectively provide taxpayers with automated, streamlined services.

Further, failure to act means a potential loss of revenue:

1. Loss of additional revenues from integrated, industry-standard systems.
2. Loss of current levels of revenue resulting from system failure(s).

Potentially, the biggest risk is to not proceed with the core technology and process changes that are required to provide 21st century tax administration while increasing revenue and taxpayer compliance for the State of Oregon.

Risks of not proceeding with the Core System Replacement:

- ***Improvements to taxpayer services will not be realized.***
  - ✓ Existing IT systems and processes do not effectively meet taxpayer and stakeholder expectations; this will become a more significant issue over time.
  - ✓ DOR's batch-based systems preclude offering services that require "real-time" transactions (e.g., making a payment that is immediately applied to an account).
  - ✓ DOR can continue to add additional services using existing technology, but limitations in existing systems, platforms, as well as critical data issues, will result in expensive "workarounds" rather than industry-standard solutions.
  - ✓ Agency staff will continue to struggle against the limitations of the current platforms, databases and infrastructure to provide the additional services that customers and stakeholders require.
  - ✓ DOR will fall further behind taxpayer expectations and commonly used technology.
- ***Agency staff will continue to use multiple, disparate systems to complete work.***
  - ✓ Currently, agency staff must gather taxpayer information that resides in redundant, inconsistent and/or stand-alone repositories. This can result in the use of inaccurate or incomplete information as staff work to put the disparate pieces together manually.
  - ✓ Differences in applications and interfaces increase training time and increase time spent accomplishing daily work. Simple tasks such as responding to taxpayers' questions often require finding information in more than one system or application.
- ***Highly complex application portfolio and data environment will continue to increase the cost, complexity and implementation time of seasonal and tax-law changes.***
  - ✓ Agency systems were developed in the mid-1980s and 1990s as solutions to specific business problems rather than solutions for the organization as a whole.
  - ✓ Some systems are very tightly coupled - to the point where separation is not easy and often not practical. Others are only barely connected (or not at all) across boundaries, effectively isolating them from other systems.
  - ✓ Key technical staff with in-depth knowledge of these complex systems are retiring or leaving state service.

[54] See Section 2.5, Problem Statement and Section 6.2.1, Risk Avoidance.

- ***DOR will not realize benefits, such as maximizing collections and quick and effective decision-making, that are available through integrated data and industry standard data analytics tools.***
  - ✓ Like most of the agency's systems, DOR's databases are "program-centric" rather than "taxpayer-centric". This precludes a composite view of a taxpayer and related entities.
  - ✓ Agency systems were developed when data storage was limited, so valuable information from tax returns and other customer interactions is not currently captured or stored except in paper archives.
  - ✓ Technology and process workarounds have resulted in not only several varieties of database applications, but several versions of the same data.
  - ✓ Without industry-standard analytical tools, agency staff will continue to struggle to capture and utilize the increasing pool of complex electronic data that is available.
- ***Staff will continue to build and use technical and process workarounds.***
  - ✓ Business processes have been designed to work around technology barriers and, thus, are inefficient, redundant and error-prone.
  - ✓ Technical workarounds include spreadsheets or other user-developed tools to track, analyze or report data that cannot be provided by current core systems. These systems further exacerbate problems with disparate and duplicate data.
  - ✓ Key program staff with in-depth knowledge of business processes that "work around" system limitations are retiring or leaving state service.
- ***IT Services staff will continue to spend the majority of time operating and maintaining systems and interfaces, with little time to support agency strategic initiatives.***
  - ✓ DOR systems are approaching the end of their useful lives. Reliability, maintenance costs, etc. will become more problematic and exponentially more costly in the future.
  - ✓ The core system is a set of COBOL applications running on an IBM mid-range computer, surrounded by a significant number of Windows and Web applications. Problem resolution times and application update times are longer and more costly than they would be with an integrated system.
  - ✓ Increasing maintenance demands of existing systems will decrease DOR's ability to respond to new legislation or other changes in the external environment.
  - ✓ Rigidity of the existing systems requires significant resources (IT and program) to add tax programs or change existing ones (e.g., necessary tax year changes).
- ***As core systems fail or reach capacity, IT Services staff will have to write new applications constrained by the current inflexible and complex technical infrastructure and data environment.***
  - ✓ Developing new applications using newer technologies within the current technical environment increases risk, and does not resolve critical issues such as duplicate or disparate data, multiple applications for a single task and manual workarounds.

The assessment of DOR's current state,[55] conducted in 2009, contains seventy pages describing these and other issues and constraints DOR staff and stakeholders face daily. Many of these problems could be addressed and remedied individually, but, as demonstrated throughout this business case, only a comprehensive Core System Replacement will address them in their totality and provide the additional risk avoidance, performance and revenue benefits described in this document.[56]

[55] See the *Current State Assessment and Preliminary Future Vision*, 12/15/2009 for the complete assessment.
[56] See Section 6.2, Benefits.

Appendix A: Status of State Tax Agency Modernization Efforts

The table below shows the current status of modernization efforts across tax agencies in the United States. States that are most comparable to Oregon in size and tax processing volumes are bolded. Cost of Modernization value is shown for tax systems that were modernized in the last nine years.

These costs **do not include** internal staffing costs or hardware and software maintenance. In addition, costs vary widely based on many factors, such as the number of components included in the contract price, the number of tax types covered, the timeframe assigned to the project, the amount of hardware included in the contract price, etc. These costs provide a rough guide only and should not be used to compare projects against each other or to provide DOR with an exact cost for its modernization efforts.

Tax Agency	Current System	Type of System	Modernized in Last 9 Years[57]	Modernized 9+ Years Ago (ITS)	Cost of Modernization
Alabama Department of Revenue	GenTax	COTS	2005		$24,000,000
Alaska Department of Revenue	In House	Custom Built Non-ITS		X	n/a
Arizona Department of Revenue	TAS	Transfer	2003		$122,000,000
Arkansas Department of Revenue	GenTax	COTS	2008		$27,000,000
California Board of Equalization	In House	Custom Built Non-ITS		X	n/a
California Franchise Tax Board	ETM	COTS	2011		$399,000,000 (Apr 2011 awarded)
Colorado Department of Revenue	GenTax	COTS	2008		$36,500,000
Connecticut Department of Revenue	TAS	Transfer	2004		$63,000,000
Delaware Division of Revenue	In House	Custom Built ITS		X	n/a
District of Columbia Office of Tax and Revenue	TAS	Transfer		X	n/a
Florida Department of Revenue	SAP	COTS	2007		$90,000,000
Georgia Department of Revenue	GenTax	COTS	2008		$42,100,000
Hawaii Department of Taxation	Advantage Revenue	Transfer	2005		$53,000,000

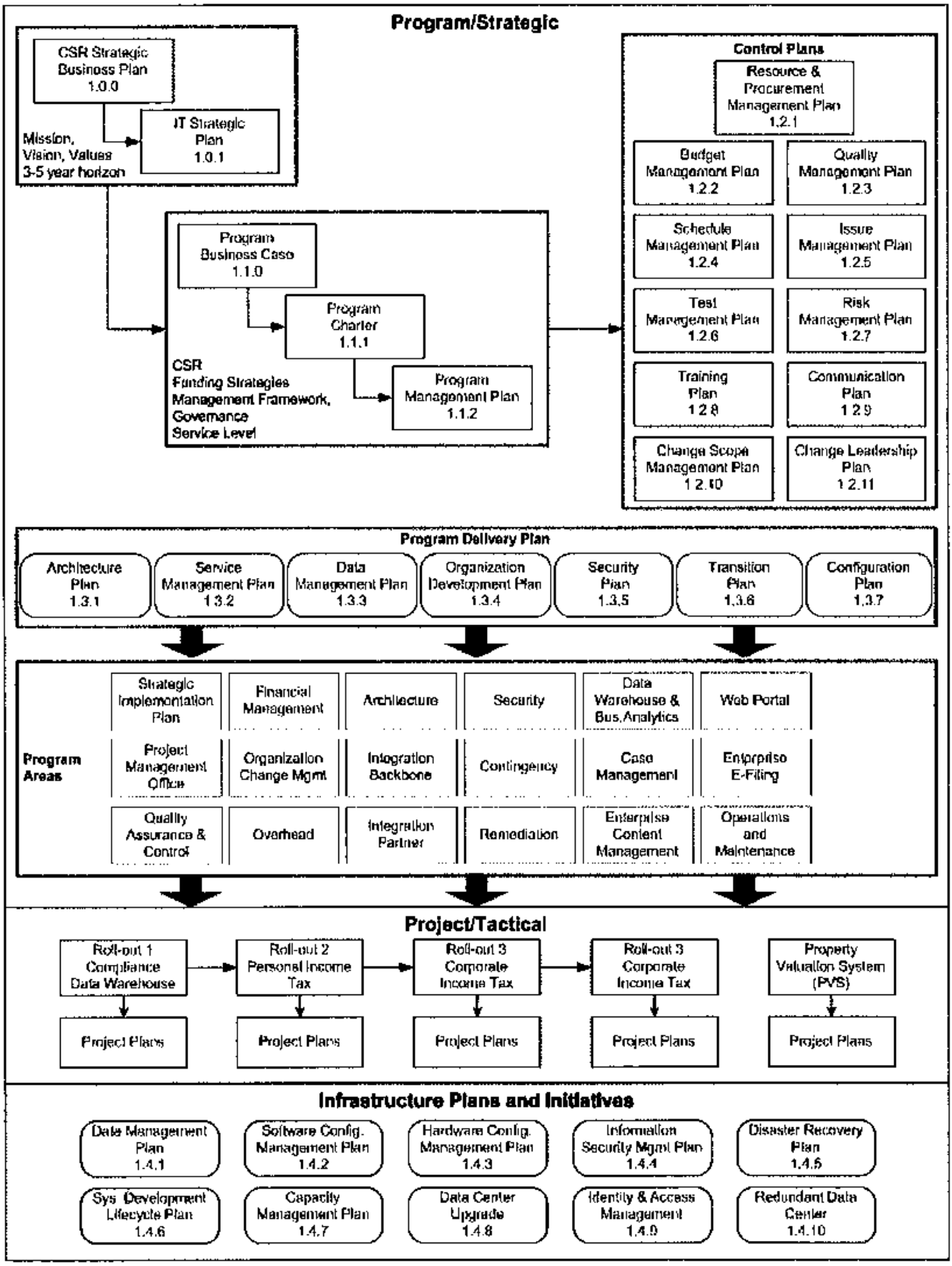
[57] Approximate year project started.

Tax Agency	Current System	Type of System	Modernized in Last 9 Years[57]	Modernized 9+ Years Ago (ITS)	Cost of Modernization
Idaho State Tax Commission	GenTax	COTS		X	$10,500,000
Illinois Department of Revenue	GenTax	COTS	2006		$49,200,000
Indiana Department of Revenue	TAS	Transfer		X	$54,000,000
Iowa Department of Revenue	In House	Custom Built Non-ITS		X	n/a
Kansas Department of Revenue	Advantage Revenue	Custom Built ITS		X	$45,000,000
Kentucky Department of Revenue	ETM	COTS	2011		$33,200,000
Louisiana Department of Revenue	GenTax	COTS		X	$16,000,000
Maine Revenue Services	Modernized TAS	LSM	2010		$10,000,000
Maryland - Comptroller of Maryland	SAP	COTS	2009		$74,700,000
Massachusetts Department of Revenue	SAP	COTS	2011		$128,000,000 (Feb 2011 started)
Michigan Department of Treasury	SAP	COTS	2007		$29,000,000
Minnesota Department of Revenue	GenTax	COTS	2008		$39,000,000
Mississippi Tax Commission	GenTax	COTS	2010		$40,000,000 (Jan 2011 awarded)
Missouri Department of Revenue	Revenue Premier	COTS	2012		$74,900,000
Montana Department of Revenue	GenTax	COTS	2003		$28,200,000
Nebraska Department of Revenue	In House	Custom Built Non-ITS		X	n/a
Nevada Department of Taxation	TAS	Transfer	2003		$28,000,000
New Hampshire Department of Revenue Administration	In House	Custom Built Non-ITS		X	n/a
New Jersey Division of Revenue	TAS	Transfer		X	n/a

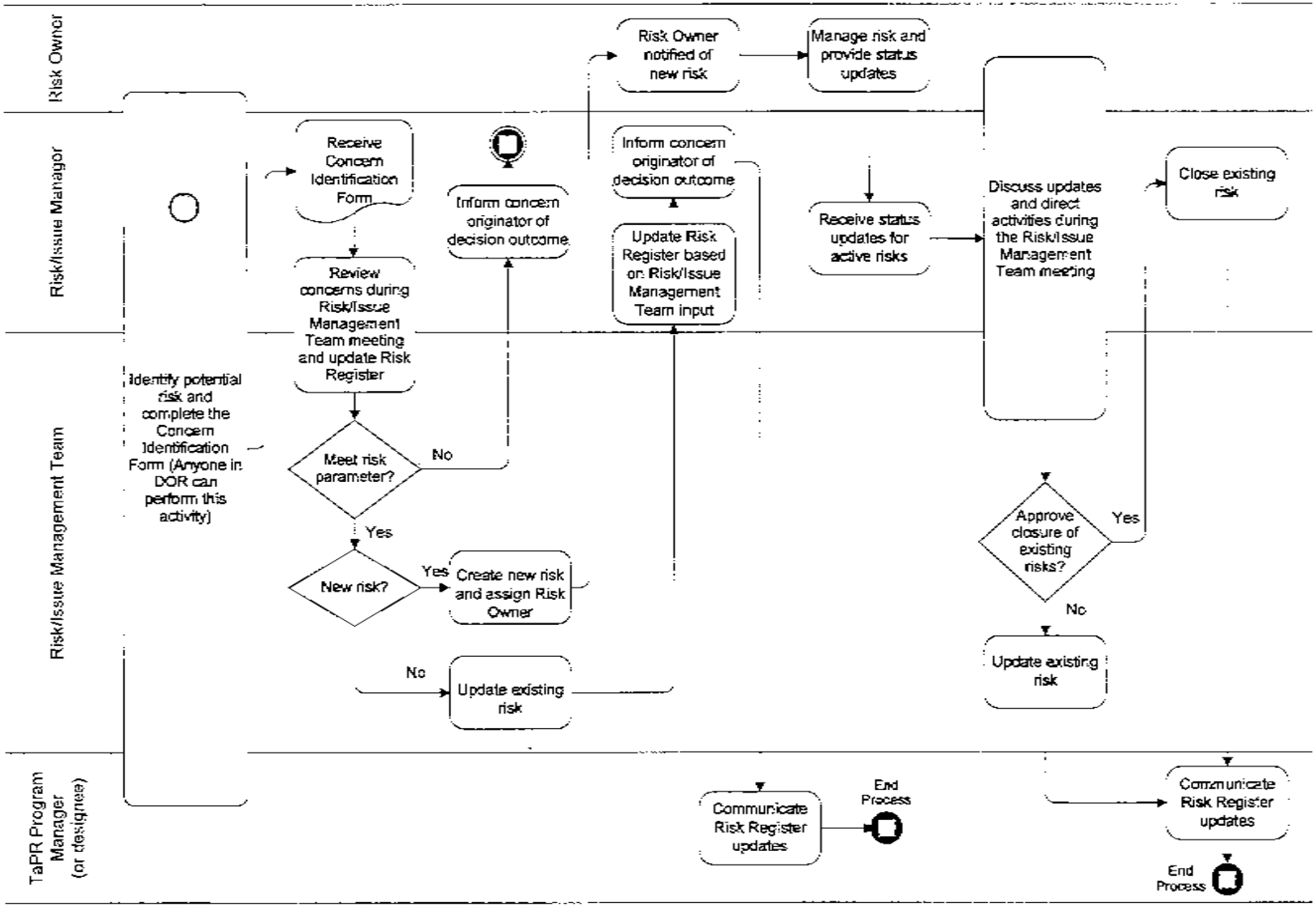
Tax Agency	Current System	Type of System	Modernized in Last 9 Years[57]	Modernized 9+ Years Ago (ITS)	Cost of Modernization
New Mexico Taxation and Revenue Department	GenTax	COTS		X	$10,000,000
New York State Department of Tax and Finance	In House	Custom Built ITS	2003		$140,000,000
North Carolina Department of Revenue	ETM	COTS	2008		$58,900,000
North Dakota State Tax Commissioner	GenTax	COTS	2005		$11,000,000
Ohio Department of Taxation	ETM, Teradata	COTS	2008		$59,000,000
Oklahoma Tax Commission	GenTax	COTS	2011		$22,900,000 (Nov 2010 started)
Oregon Department of Revenue	GenTax	COTS	2013 *If approved*		$34,500,000
Pennsylvania Department of Revenue	SAP	COTS	2010		$100,000,000
Puerto Rico Hacienda Department	TAS	Transfer		X	n/a
Rhode Island Division of Taxation	In House	Custom Built Non-ITS		X	n/a
South Carolina Department of Revenue	Revenue Premier	Custom Built ITS	2006		$50,000,000
South Dakota Department of Revenue	In House	Custom Built ITS	X		Unknown
Tennessee Department of Revenue	TAS	Transfer		X	n/a
Texas Comptroller of Public Accounts	In House	Custom Built ITS		X	n/a
Utah State Tax Commission	GenTax	COTS	2006		$28,500,000
Vermont Department of Taxes	ETM	COTS	2007		$8,300,000
Virginia Department of Taxation	Advantage Revenue	Transfer	2008		$153,000,000
Washington Department of Revenue	In House	Custom Built Non-ITS	*Investigating Alternatives*	X	n/a

Tax Agency	Current System	Type of System	Modernized in Last 9 Years[57]	Modernized 9+ Years Ago (ITS)	Cost of Modernization
West Virginia Department of Revenue	GenTax	COTS	2006		$22,500,000
Wisconsin Department of Revenue	GenTax	COTS	2005		$41,500,000
Wyoming Department of Revenue	In House	Custom Built Non-ITS		X	n/a
Total			34	19	

Appendix B: CSR Program Plan Hierarchy



Appendix C: Risk Management Process[58]



[58] Excerpt from Core System Replacement Risk & Issue Management Plan

Appendix D: Initial Risk Assessment

In the original version of this business case, DOR examined twenty-four commonly encountered risks that may occur during a tax agency's software implementation. These risks reflect what has been encountered by other state revenue agencies and do not necessarily reflect what may be encountered on every project, nor do they reflect every risk that may be encountered. However, the list provides a robust cross-section of the risks that should be mitigated as the project proceeds.

The Core System Replacement Risk Matrix below provides an overview of twenty-four commonly encountered risks, comparing probability of occurrence against the severity of the consequences.

Risks were evaluated in the context of occurrence, potential impact severity to the project and timeframe in which they are expected to occur. The probability of occurrence for a given risk falls into three categories:

- High – Without mitigation, it will almost certainly occur (71% to 99% - highly likely)
- Medium – Without mitigation, it is likely to occur (31% to 70% - likely)
- Low – Without mitigation, it may occur (1% to 30% - remote to unlikely)

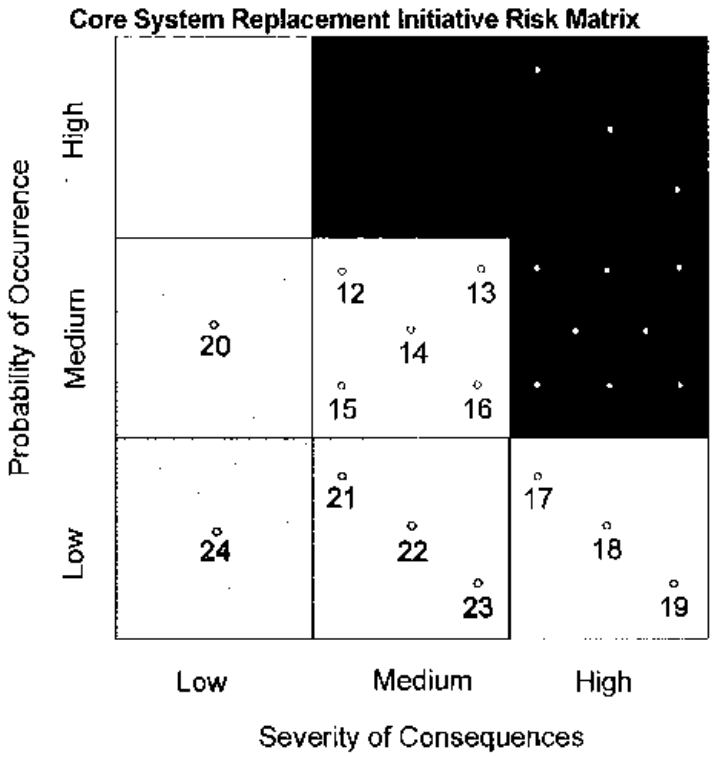
The impact severity of the consequences for a given risk falls into three categories:

- High – Without mitigation, it will have significant negative impact on the project
- Medium – Without mitigation, it will have some negative impact on the project
- Low – Without mitigation, it will have little or no significant impact on the project

Each risk was assigned a priority, based on the need for immediate review and mitigation. Not all risks require a high level of intervention at all times, and the focus of the priority rating is to optimize resources to address those risks with the highest need for immediate mitigation (probability/impact rating). The first-level indicator for priority (based on rating from combining the probability and impact ratings) is high, medium or low. A second-level indicator is time-oriented and consists of the following classifications:

- Less than 6 months
- 6 months to a year
- More than a year

DOR will periodically assess the effectiveness of mitigation strategies throughout the projects and will adjust its efforts so that the mitigation effectiveness is moving toward the desired resolution for all risks that the agency is facing.



The following table provides a description of each risk shown in the above matrix and mitigation strategies that the agency can take or has taken to address each risk. These risks fall into the following categories:

- Solution
- Scheduling
- Staffing
- Environment

#	Risk and Impacts[59]	Category	Severity	Probability	Mitigation
1	**Poorly defined requirements.** Requirements can be insufficiently defined, too narrowly defined, unclear and/or based on current processes instead of more efficient ones. This can result in difficulties selecting a vendor, inability to hold vendors responsible for system functionality and a system not meeting stakeholders' needs.	**Solution**	H	H	• Identify business owners who will be responsible for driving the requirements • Define requirements in appropriate detail and map requirements to key business objectives • Leverage experiences from other states • Clearly establish expectations within the agency, with vendors and with users

[59] Historical content - for current risks and issues, see the TaPR Risk and Issue Management registers.

#	Risk and Impacts[69]	Category	Severity	Probability	Mitigation
2	**Dedicated DOR project staff is not identified.** This includes staff not being identified up front or staff not being dedicated to the project full-time and being distracted by their 'day jobs'. The project schedule can be severely delayed if the staff is not available to perform their roles.	**Staffing**	H	H	• Specific dedicated staff identified and committed for all roles of the project • The project can be too big for the agency to handle so it is essential to break the project up into manageable phases and scale it to a level such that the agency can provide the appropriate staff
3	**Project staff is not performing at a level of productivity expected and assumed in the work estimates.** This applies to both DOR staff and the staff supplied by the vendor. The project schedule can be also severely delayed if staff is unable to perform their roles. Note that this risk needs to be addressed at different stages of the project, when different skill sets are needed.	**Staffing**	H	H	• Robust training programs should be implemented to help staff develop appropriate skill sets • Make sure to include 'just-in-time training' to address needs as the project evolves (for example, design skills may be needed earlier in the project, testing skills later) • Hire contractors if necessary to address specific project needs that may not be required long term • Implement productivity tools to improve communication and increase re-use of existing materials • Use 'earned value' management tools (measure work on three dimensions: effort expended, schedule completed, work product completed – if the percentage values are not in synch, address the issue immediately)
4	**Scope creep**. While every project will require some changes over the course of design and development, the risk is that too many changes are made, impacting product integrity, conversion, testing and overall delivery.	**Solution**	H	M	• Impact of changes to planned scope should be assessed and quantified with a view on the conversion effort • Employ a rigorous change control process, including the appropriate deferment of non-essential scope • Expect change to happen and plan for a reasonable contingency
5	**Project implementation milestones are too big, too complex and too far apart on the schedule**. This allows the project to proceed too far and potentially in the wrong direction, without confirmation.	**Schedule**	H	M	• Use an iterative development approach • Plan and deliver applications and processes in a logical order, building from a foundation upward • Encourage a phased approach to the overall project • Establish early "quick win" initiatives to deliver early benefits and get some successes associated with the project
6	**System Design changes not tied**	**Schedule**	H	M	• Invoke the established change control

#	Risk and Impacts[59]	Category	Severity	Probability	Mitigation
	to a specific business need. This risk can result in expansion of scope and a system that no longer aligns with the stated business needs and processes. These changes can unnecessarily derail a project timeline.				process with a firm business need criteria • Even if the changes are agreed to by the stakeholders, project management must make and deliver a clear assessment of the impact
7	**Vendor project roles are staffed with junior staff, while the subject matter experts are part-time or unavailable.** This may also impact the project schedule.	**Staffing**	H	M	• Ensure commitment of outside experts, even if on a part-time basis • Do not skimp on project support staff (to reduce time wasted on administrative tasks) • Write caveats into the contract to discourage changes in key staff members
8	**Project work plan becomes out of date after project launch.** This may cause substantial re-work in the project timeframe, impacting scheduling, staff and infrastructure.	**Schedule**	H	M	• Define and adhere to a scope control and change process • Actively manage risks and add mitigation actions to the plan • Act on lessons from proof of concept and early iterations of new components • Minimize the "overlap" of phases in the project
9	**Project readiness.** This risk is that DOR is not prepared to manage the project from procurement through development and implementation. Appropriate resources, including staffing and infrastructure needed for the project, are not in place according to the schedule.	**Schedule**	H	M	• Schedule is dependent on having certain software/hardware in place at certain times • Ensure project plan identifies early on infrastructure requirements for development, test and production • Establish the infrastructure early, including project communication channels, work repositories (on a platform such as SharePoint), configuration management, etc.
10	**Project financials.** The risk is that project benefits are insufficient to fund the project.	**Staffing**	H	M	• The contract should have frequent checkpoints/milestones that not only look at the success of project activities but also assess whether the financial benefits are sufficient to continue with additional phases • Have a contingency in place to allow for staff to be shifted to benefits-generating activities if and when needed
11	**Schedule impacts on operations.** Poorly coordinated schedules or schedule slippage may cause the	**Schedule**	H	M	• Coordinate scheduling around the processing season • Pay particular attention to staff

#	Risk and Impacts[69]	Category	Severity	Probability	Mitigation
	key target dates of the project to run into the high volume processing windows of the agency. This could negatively impact tax return processing and decrease agency responsiveness to taxpayer needs.				assignments, system demands and external stakeholder demands
12	**Performance of application is inadequate** to meet the processing needs of DOR's approximately two million taxpayers.	**Solution**	M	M	• Plan for growth in the data and in user demands on the application • Invest in adequate hardware and third-party components • Carry out performance testing early and often
13	**Testing limitations**. The plan for testing is inedequate for the scale of the project and complexity of the solution. The test plan does not include thorough testing on integration points with other systems, both internal and external to the agency. If the testing plan is insufficient, the agency will be dealing with the undiscovered defects late in Development or well into Production.	**Solution**	M	M	• Involve testing early in the process • Schedule interface testing earlier in the process to shake out some of the defects • Allow for appropriate testing times during each phase of the project
14	**Lack of/change in executive sponsors.** This includes changes in leadership and changes in agency priorities, which may cause a lack of decision-making at the project level.	**Staffing**	M	H	• On initiation of the project, conduct workshop on the role of sponsors and champions in leading the effort • Steering Committee involvement in all stages of the project is required • Any changes in executive sponsorship will have an adequate transition period • Explicit checkpoints should be included to reconfirm the project business case
15	**Level and approach to conversion addressed late in project.** The risk is that data issues that should have been addressed early in a project are not addressed or discovered until the project end stages, causing unnecessary delays.	**Solution**	M	M	• Confirm conversion approach very early in project • Convert a summary level of data that has reference points to search for additional elements • Start early, clean data up front rather than leaving conversion issues to later in the project • Include designs and testing for performance in the technical architecture
16	**Dedicated staff does not understand their roles or responsibilities clearly**. They may	**Staffing**	M	M	• Actively engage key staff to foster understanding and partnership, with a common goal of project success

#	Risk and Impacts[59]	Category	Severity	Probability	Mitigation
	also fail to understand the impact of their role on the success of the project.				• Define success criteria and measures of quality • Assess organizational and operational readiness for project implementation early in the project • For each stage of the project, carry out a kickoff meeting where key staff is given the opportunity to understand project (or phase) objectives and their associated roles and responsibilities
17	**New technology is not proven in the proposed environment.** This can result in unexpected issues when the technology is executed, in terms of performance, infrastructure, usability and delivery.	**Solution**	H	L	• Conduct a thorough proof of concept as part of the project • Establish key checkpoints to assess status • Leverage industry leading practices and proven technologies
18	**Project proceeds without a Technical Architect.** Without someone who owns the technical architecture, decisions may be made that can impact the agency later after implementation.	**Staffing**	H	L	• Create and communicate the architecture clearly in the relevant dimensions of technology (business components, network, application, database, data model, etc.) • Ensure committed time and attention from a technical architect
19	**Organizational Change Readiness** is not aligned with the process and systems changes associated with the project. This can result in delays in system and process acceptance and an initial decrease in operational efficiencies.	**Environ-mental**	H	L	• DOR has already taken steps to mitigate this risk, including change readiness surveys, large-scale staff involvement in the effort, open and frequent communications and organizational design efforts
20	**Conflicting cultures between DOR and the vendor.**	**Staffing**	L	M	• Build the project teams with a mix of organizations and have the teams mixed together on site • Encourage project activities among DOR/vendor teams • Bring in third-party groups to initiate training/group activities • Pay attention to staff motivation and morale (keep the project fun)
21	**Lack of honest and timely communications.** This can include how project information is disseminated internally within the agency. It also includes communicating effectively to key external stakeholders like the legislature so that there are no surprises or miscommunication.	**Environ-mental**	M	L	• As part of Change Management Communication work stream, develop and deliver a Communications Plan, both internally within the agency and externally to outside stakeholders and the tax public.

#	Risk and Impacts[69]	Category	Severity	Probability	Mitigation
22	**Architectural complexity is not appropriate for the solution.** This could cause cost overruns and additional training and staffing requirements.	**Solution**	M	L	• Use best practices and experience from previous implementations • Engage a proven team that has implemented architectures with similar complexity • Make sure architecture is not a goal in and of itself
23	**Unions not accepting change,** causing staffing issues as the project progresses.	**Environ-mental**	M	L	• Work with leaders to address Union concerns early in process as part of Stakeholder Management
24	**Integration of infrastructure with State Data Center.** This could impact not only project scheduling, but also implementations occurring at other state agencies.	**Environ-mental**	L	L	• Ensure open communication channels with groups external to the agency that may need to coordinate similar development efforts (DAS) • Ensure that any state mandates with respect to technology are incorporated into design and development.

Appendix E: CSR Cost Detail

The following tables show the cost detail, actuals and estimates, for each planned rollout of the Core System Replacement. Costs have been updated based on the negotiated CTS contract and updated internal efforts. 2009-11 biennium costs are actual costs, and 2011-13 biennium costs are a combination of projected and actual costs as of June 30, 2012.

Costs are broken out by the following activities for the four CTS Rollouts:

- Hardware and Software
- Testing
- Training
- Implementation

Both internal and professional services (Solution Provider) are shown for each activity. Internal costs were derived from both actual costs for the effort to date as well as projected costs for specific positions that are required for remaining work to be done. The types of positions, numbers of staff and hours estimated for each activity is based on input from the selected vendor, internal program knowledge and similar experiences in other states.

Project Oversight (QA)
Quality Assurance (QA) and Independent Verification and Validation (IV&V) estimates are based on actual QA costs to date along with projections developed in concert with the current QA vendor.

State Data Center (SDC)
SDC costs were developed in partnership with SDC planning staff and include implementation of the new system, maintaining legacy systems and increased storage needs. Costs are based on 2011-13 SDC pricing and will be reevaluated when the SDC releases their 2013-15 pricing.

Ongoing Maintenance and Support (Total Cost of Ownership)
DOR's initial assessment of ongoing costs includes software maintenance and SDC fees. DOR will be including detailed projections of ongoing costs as part of the cost/benefit assessment[60] that DOR will be completing and publishing in December 2012.

[60] See Section 6.1.4, Total Cost of Ownership for a discussion of the planned addendum.

Cost detail for CTS Rollout 1 (Rollout 1 Description)

Activity	Resource	2009-11	2011-13	2013-15	2015-17	FY 2018	Total
System (GenTax)	Software	$ -	$ -	$ 5,000,000	$ -	$ -	$ 5,000,000
	Maintenance	$ -	$ -	$ 2,125,000	$ -	$ -	$ 2,125,000
	Total	$ -	$ -	$ 7,125,000	$ -	$ -	$ 7,125,000
SDC/HW	SDC	$ -	$ -	$ 2,512,000	$ -	$ -	$ 2,512,000
	Hardware	$ -	$ -	$ 1,705,000	$ -	$ -	$ 1,705,000
	Total	$ -	$ -	$ 4,217,000	$ -	$ -	$ 4,217,000
Testing &Training	DOR Staff	$ -	$ -	$ 2,532,000	$ -	$ -	$ 2,532,000
	Vendor*	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ 2,532,000	$ -	$ -	$ 2,532,000
Implementation	DOR Staff	$ -	$ -	$ 4,774,000	$ -	$ -	$ 4,774,000
	Vendor	$ -	$ -	$ 6,300,000	$ -	$ -	$ 6,300,000
	Total	$ -	$ -	$11,074,000	$ -	$ -	$ 11,074,000
Sub-Total		$ -	$ -	$24,948,000	$ -	$ -	**$ 24,948,000**
Project Oversight (QA/IV&V)		$ -	$ -	$ 520,000	$ -	$ -	**$ 520,000**
Total Cost (through FY2018):		$ -	$ -	**$25,468,000**	$ -	$ -	**$25,468,000**

*Included in Vendor Implementation costs

Cost detail for CTS Rollout 2 (Rollout 2 Description)

Activity	Resource	2009-11	2011-13	2013-15	2015-17	FY 2018	Total
System (GenTax)	Software	$ -	$ -	$ -	$ -	$ -	$ -
	Maintenance	$ -	$ -	$ -	$ 1,125,000	$ -	$ 1,125,000
	Total	$ -	$ -	$ -	$ 1,125,000	$ -	$ 1,125,000
SDC/HW	SDC	$ -	$ -	$ -	$ 1,382,000	$ -	$ 1,382,000
	Hardware	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ 1,382,000	$ -	$ 1,382,000
Testing &Training	DOR Staff	$ -	$ -	$ -	$ 1,393,000	$ -	$ 1,393,000
	Vendor*	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ 1,393,000	$ -	$ 1,393,000
Implementation	DOR Staff	$ -	$ -	$ -	$ 2,735,000	$ -	$ 2,735,000
	Vendor	$ -	$ -	$ -	$ 5,250,000	$ -	$ 5,250,000
	Total	$ -	$ -	$ -	$ 7,985,000	$ -	$ 7,985,000
Sub-Total		$ -	$ -	$ -	**$11,885,000**	$ -	**$11,885,000**
Project Oversight (QA/IV&V)		$ -	$ -	$ -	$ 352,000	$ -	**$ 352,000**
Total Cost (through FY2018):		$ -	$ -	$ -	**$12,237,000**	$ -	**$12,237,000**

*Included in Vendor Implementation costs

Cost detail for CTS Rollout 3 (Rollout 3 Description)

Activity	Resource	2009-11	2011-13	2013-15	2015-17	FY 2018	Total
System (GenTax)	Software	$ -	$ -	$ -	$ 3,000,000	$ -	$ 3,000,000
	Maintenance	$ -	$ -	$ -	$ 1,250,000	$ -	$ 1,250,000
	Total	$ -	$ -	$ -	$ 4,250,000	$ -	$ 4,250,000
SDC/HW	SDC	$ -	$ -	$ -	$ 1,382,000	$ -	$ 1,382,000
	Hardware	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ 1,382,000	$ -	$ 1,382,000
Testing &Training	DOR Staff	$ -	$ -	$ -	$ 1,392,000	$ -	$ 1,392,000
	Vendor*	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ 1,392,000	$ -	$ 1,392,000
Implementation	DOR Staff	$ -	$ -	$ -	$ 2,735,000	$ -	$ 2,735,000
	Vendor	$ -	$ -	$ -	$ 5,250,000	$ -	$ 5,250,000
	Total	$ -	$ -	$ -	$ 7,985,000	$ -	$ 7,985,000
Sub-Total		$ -	$ -	$ -	$15,009,000	$ -	**$15,009,000**
Project Oversight (QA/IV&V)		$ -	$ -	$ -	$ 352,000	$ -	**$ 352,000**
Total Cost (through FY 2018)		$ -	$ -	$ -	**$15,361,000**	**$ -**	**$15,361,000**

Cost detail for CTS Rollout 4 (Rollout 4 Description)

Activity	Resource	2009-11	2011-13	2013-15	2015-17	FY 2018	Total
System (GenTax)	Software	$ -	$ -	$ -	$ -	$ -	$ -
	Maintenance	$ -	$ -	$ -	$ -	$ 1,000,000	$ 1,000,000
	Total	$ -	$ -	$ -	$ -	$ 1,000,000	$ 1,000,000
SDC/HW	SDC	$ -	$ -	$ -	$ -	$ 760,000	$ 760,000
	Hardware	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -	$ 760,000	$ 760,000
Testing &Training	DOR Staff	$ -	$ -	$ -	$ -	$ 766,000	$ 766,000
	Vendor*	$ -	$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -	$ 766,000	$ 766,000
Implementation	DOR Staff	$ -	$ -	$ -	$ -	$ 1,503,000	$ 1,503,000
	Vendor	$ -	$ -	$ -	$ -	$ 4,200,000	$ 4,200,000
	Total	$ -	$ -	$ -	$ -	$ 5,703,000	$ 5,703,000
Sub-Total		$ -	$ -	$ -	$ -	$ 8,229,000	$ 8,229,000
Project Oversight (QA/IV&V)		$ -	$ -	$ -	$ -	$ 194,000	$ 194,000
Total Cost (through FY 2018)		$ -	$ -	$ -	$ -	**$ 8,423,000**	**$ 8,423,000**

Cost detail by phase and biennia:

Sum of Cost Phase	Activity	Biennium 2009-2011	2011-2013	2013-2015	2015-2017	FY 2018	Grand Total
Agency	Plan/Prep	$ 2,140,000	$ -	$ -	$ -	$ -	$ 2,140,000
	QA	$ 155,000	$ -	$ -	$ -	$ -	$ 155,000
Agency Readiness Total		**$ 2,295,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,295,000**
Procurement	Plan/Prep	$ -	$ 3,856,000	$ -	$ -	$ -	$ 3,856,000
	Procure	$ -	$ 1,285,000	$ -	$ -	$ -	$ 1,285,000
	QA	$ -	$ 292,000	$ -	$ -	$ -	$ 292,000
Procurement Total		**$ -**	**$ 5,433,000**	**$ -**	**$ -**	**$ -**	**$ 5,433,000**
CTS	Software	$ -	$ -	$ 5,000,000	$ 3,000,000	$ -	$ 8,000,000
	SDC/HW	$ -	$ -	$ 4,217,000	$ 2,764,000	$ 760,000	$ 7,741,000
	Test/Train	$ -	$ -	$ 2,532,000	$ 2,785,000	$ 766,000	$ 6,083,000
	Implementation	$ -	$ -	$ 11,074,000	$ 15,970,000	$ 5,703,000	$ 32,747,000
	Maintenance	$ -	$ -	$ 2,125,000	$ 2,375,000	$ 1,000,000	$ 5,500,000
	QA/IV&V	$ -	$ -	$ 520,000	$ 704,000	$ 194,000	$ 1,418,000
CTS Total		**$ -**	**$ -**	**$ 25,468,000**	**$ 27,598,000**	**$ 8,423,000**	**$ 61,489,000**
CSR Total[61]		**$ 2,295,000**	**$ 5,433,000**	**$ 25,468,000**	**$ 27,598,000**	**$ 8,423,000**	**$ 69,217,000**

[61] Does not include PVS purchase or implementation.

Appendix F: Initial Benefit Methodology, Opportunities and Assessments[62]

The initial CSR Business Case Study included a Revenue Generation Study conducted by Revenue Solutions Inc (RSI), which was used to estimate the benefits attributable to a new integrated tax system. RSI tax administration and compliance experts met with key DOR personnel over a three day period. During these meetings, RSI interviewed staff regarding key performance indicators, asking a set of industry-standard performance measurement questions. The interviews focused on three areas of tax administration:

1. **Revenue Administration (RA)** – RSI examined business processes related to returns processing, taxpayer accounting, suspensions, revenue accounting, and taxpayer identification. Typically, and evident at DOR, the benefits associated with these program areas are cost savings from improved efficiency and effectiveness. While some cost savings were estimated, the benefits estimated in these areas were kept at the level of descriptions, rather than financial benefits included in the overall cost/benefit analysis. This is due to the fact that these financial benefits include sensitive cost and resource savings estimates. Furthermore, the estimated benefits from the compliance programs are more than sufficient to make the case for the Core System Replacement.

2. **Audit and Discovery (AD)** – RSI met with DOR representatives from both the personal income tax and business tax audit program areas. For these areas, RSI collected detailed audit data such as total assessments, total recovered from assessments, total number of audits, dollars per audit collected, and dollars per auditor assessed and collected. RSI compared these figures to industry standards and states of similar size and tax structure. RSI then developed the list of audit and discovery programs in the table below and the associated benefit expected.

3. **Collections (CL)** – RSI took a similar approach to estimating financial benefits from system and process improvements in the Collections program. For this effort, RSI interviewed staff responsible for personal income tax and business tax collections, as well as managers of the Other Agency Accounts program area and Outside Collection Agencies.' DOR provided accounts receivable and collected financial reports for these areas, and RSI again compared these to industry standards and states of similar size and tax structure. Several states have seen collections "lifts" resulting from new systems and processes, and RSI used an average liff of 10 percent applied to current accounts receivable in concert with other factors.

Additionally, for each benefit area, the estimates are "ramped up" from initial implementation of the improvement to full production and efficiency.

The table below provides a description of the system, process, or program areas within the RA, AD, and CL categories and an explanation of the benefits expected. Financial benefit estimates are included in the core document. Benefits in all areas are based primarily on results achieved in similar efforts in other states, industry practices, as well as agency experience with audit and collections activity.

[62] The information in this Appendix is from the original benefit assessment conducted by RSI as part of the initial Core System Replacement Business Case, published by DOR in 2010.

RA = Revenue Administration
AD = Audit
CL = Collections

Impact	System, Process, Program	Explanation of Benefit
RA	One Efficient System, combine systems – ACT and ICA, NETS and ACES, ICS, ITX and CAT, ITA, FITS, OPUS (new system)	Less IT support required, less interfaces, staff generally more efficient using one system, reduced training
RA	Incorporate OPUS (new system) functionality as part of Enforcement Case Management	
RA	Reduced System Maintenance and Footprint	Simpler technical environment means fewer staff are required, reduced training, reduced infrastructure costs
RA	New and Improved Self-Service by Taxpayers - Develop infrastructure and processes to support self service	Self-service will reduce DOR time to provide basic information and services, taxpayers will be more likely to comply using 24 hour service. Routine account maintenance could be self-service. Payments, payment agreements, balance look-up.
RA	Single system provides TSU one place to go to answer TP inquiries	Currently starts looking on ITA (or Charge Out for paper returns) but could require looking on six systems. ITA not always used and not in format to provide easy look-up. Most audit correspondence calls now go to auditors – could be handled by TSU.
RA	Tax Processing Efficiencies – payment transfers across tax types	Improved security, resource savings using single system,
RA	Automate process to work and resolve Exception and Suspense cases	Use single system for viewing, working and clearing cases. Automate manual steps including $2,400 unemployment discrepancies reporting unemployment income (data required), taking standard deduction when a dependent, taking standard deduction for Federal and Itemized for OR
RA	Use of Business Rules and Improved Exception Processing	Reduced errors and exceptions, better targeting of cases results in resource savings. User access to adjust rules and tolerances to throttle cases.
RA	Mail Estimated Tax Payment Reconciliation in early January	Reconciliation assists TP to get payments corrected prior to filling and resulting in exceptions. Common errors (Income = posted to wrong year, Corp = posted to affiliate) could be self corrected by TP.
RA	Enhanced Electronic Filing	Fewer data entry staff, reduced error correction, improved billing
RA	OCR/ICR Enhancement	Multiple image systems are being used. Returns are not stored or viewed consistently across the agency. Overall operational efficiency, improved data for audit and collection activities
RA, CL	Internal and External Offsets – improved targeting and processing	More offsets identified, more efficiently processed
RA, AD, CL	Improved Compliance from Taxpayer Education	Providing targeted education results in improved compliance
AD	Common Access to Aggregated Internal/External Data	Leverage all available data to select best cases, reduce false positives and more effectively make decisions
AD	Link data and provide data driven selection and data driven decisions (automated & manual)	Consolidation of appropriate data improves selection and automates decisions and processes (BMF/BRTF, Affiliate File, Payroll, SOS, Motor Vehicle (license, registration), State Licensing Board, Leads from Employment, OR Liquor Commission, Contractors Board, etc.

Impact	System, Process, Program	Explanation of Benefit
AD, CL	Single Audit (Enforcement) Case Management - develop and use common repository (DW) for all audit (enforcement) cases including under reporters, non-filers and non-registrant leads – including those now done in Collection	Single case management provides single system efficiencies and single view of all audit (enforcement) activity. Consistent recording of taxpayer contacts. Improved Appeals tracking. Combine BCIU and similar unit leads in DW to better select and determine action – including leads from Employment (DCBS?), Contractors Board, OR Liquor Commission,
AD	Improve Case 2 Program selection	Select better cases using more data and multi-year data.
AD	Implement cost effective, highly productive correspondence programs	This includes Non-resident programs (high OR rate and proximity to WA provides significant incentive), Problem Preparer program (significant problem in all states). Need to secure MV files as key selection data.
AD, RA	Develop Withholding Match (individual returns/employee to business/employer)	Develop match of withholding (individual returns/employee to business/employer)
AD	Develop Programs to address Industries or Special Initiatives, Hobby Losses, Lifestyle Non-Filers	These more targeted initiatives will require specific data. Construction Industry (Dodge Reports), Flow Though Entities (State K-1 data), General Business filing and reporting (Dun & Bradstreet, BMF/BRTF)
AD	Improve Business (Corporate) Non-filer (non-registrant) identification. Subs not on system for Corp queries.	Using NETS. Single threaded inquiries. More complex queries using additional data (BMF/BRTF, Affiliate File) will provide improved results – more good cases, fewer false positives. Higher Min Corp Tax makes program more effective.
AD, RA	Automate and Data Driven decisions on Business Refund Processes	Case Management of business refunds to use data to drive decisions and processes
AD	Automate Energy Conservation Credit verification, (Small Business Credit (Kicker Credit) reviews)	Automate process, used data to drive decisions, use single case management, reduce resource requirements
AD, RA	Enhanced Personal Income Refund Processing – Consider Pre-validation list	Develop improved selection and Case Management to identify and efficiently work more cases. Automate processes and create data driven letters and decisions. (Option – Pre-validation)
AD, RA	Automate review and adjustment of Working Family Childcare Credit (WFC). Add review rules for EITC	Select more WFC cases having incorrect or fraudulent claims, work more efficiently through automation and data driven decisions
AD	Improve Filing Enforcement	Use more complex queries to identify higher $ cases and lower false positives
AD	Automate CP2000	Automate manual processes, provide case management, work more cases in less time, data driven computations.
AD	Automate RARs	Automate manual processes, provide case management, work more cases in less time
AD	Automate IRMF Non-Filer Program	Automate tax computation and issuance of bills rather than inquiry letters, provide case management, work more cases in less time
AD	Data Analytics	Use all available data to build statistical models to improve selection and reduce false positives.
CL	Consolidation of Receivables	Consolidated view and billing – eliminate delay in income tax billing. Reduce or eliminate need to navigate multiple screens. Do not companionate across separate units (Tobacco).
CL	Improve data driven collection action (automated, manual)	Use all available data to define treatment strategies, most effective collection assignment and action, and optimum OCA assignment. Drive letters and process for License suspension based on Licensing Board data, Liable Entity Request (when data not available)

Impact	System, Process, Program	Explanation of Benefit
CL	Develop Case Management to automate processes and drive letters, assignments and actions	One Case Management system for all bills. Automate processes using data to eliminate or reduce resource requirements. Have access to certain data but not used to drive decision making and automate next-steps (Motor Vehicle data, First Data). Have Summary/Last step screen to allow quick decision making. Reporting driven by Case Management
CL	Improve access and information on "asset screen"	Asset screen is a "notepad" and cannot be used to drive action, alert collector or move case to different unit/action. Single screen for look-up and action (License Suspension)
CL	Risk-Based Scoring of Receivables	Automated and manual data driven approach, more revenue with fewer staff
CL	User Experience and System Maintenance	One system saves time and makes collectors more efficient
CL	Use Scoring to determine the optimum time to assign cases to Private Collection Agencies (PCAs)	Should not use a "one-size-fits-all" assignment to OCAs. Use system data to determine most effective OCAs and assign cases when DOR will realize the most benefit.
CL	Automation of Responsible Person Billing	More effective use of responsible person billing, more revenue, fewer staff. Data driven (not questionnaire), capture defined relationships from DOR data, automated if data available (reduce manager approval process), use prior billing to establish additional responsible person billing
CL	Use Case Management, additional data and improved business processes to father automate wage, financial institution, and third-party garnishments	Will improve timeliness and effectiveness of liens and levies
CL	Improve the Issuance of bills and collection for delinquent returns (With registrants who skip file)	Use additional information to estimate liability and more quickly determine out of business cases.
CL, RA	Use System to Account for Collection fees when assigned to PCAs	Improved accounting may result in needed documentation to support increased budget revenue for DOR

Appendix G: CTS Contract - Section 5 Compensation

State of Oregon Information Technology Services Agreement #102-1342-12

5. **COMPENSATION.**

5.1 General. Agency shall only be liable to Contractor for compensation under this Contract as set forth in this Article 5. The Parties agree that the exact benefits or revenue lift from the System cannot be accurately measured and that the compensation method set forth in this Article 5 is not a method for measuring benefits. The method, instead, represents a simple and easy approach for calculation of the Amount Available for Compensation from Specified Receipts due to implementation of the System based upon estimated Total Target Receipts, Total Project Costs, and agreed upon Compensation Percentages. The Parties agree that this method is a practical and appropriate way to determine the Amount Available for Compensation. An example of the method is set forth in Exhibit B.

5.2 Maximum Payment Amount. Notwithstanding any other provision of this Contract to the contrary, the maximum, not-to-exceed compensation that Agency will pay to Contractor is Thirty-Four Million Five Hundred Thousand Dollars ($34,500,00.00) (the "Maximum Not-To-Exceed Compensation"), which includes payment for Contractor invoices and any allowable expenses for which Contractor may request reimbursement under this Contract. Once the Maximum Not-To-Exceed Compensation has been met, Agency has no further obligation to compensate Contractor.

5.3 Compensation Events and Payment.

5.3.1 Contractor will receive payment based upon successful completion of the Compensable Milestone Events identified in Section 5.3.4 and Exhibit A-1. The maximum amount of compensation available for each Compensable Milestone Event is fixed and set forth in Exhibit A-1. The total of all payments will not exceed the Maximum Not-To-Exceed Compensation amount.

5.3.2 Compensation will be available to Contractor only if:

(1) Contractor has completed all Tasks and Deliverables related to a Compensable Milestone Event; and

(2) Agency has accepted all Deliverables related to a Compensable Milestone Event; and

(3) Contractor has delivered to Agency an accurate invoice; and

(4) Agency has calculated the Amount Available for Compensation, as set forth in Section 5.5, below; and

(5) The special fund accrues available funds for payment to Contractor through December 31, 2018 and funds remain available through March 31, 2019 for final payment.

5.3.3 Agency shall pay Contractor, subject to Section 5.7, in arrears, not more often than quarterly, throughout the Initial Term of the Contract up to the Maximum Not-To-Exceed Compensation amount.

5.3.4 Compensable Milestone Event Payment Schedule

Compensable Milestone Event	Invoice Amount
GenTax Installation [COTS Software]	$5,000,000
Rollout One Production Cutover	$6,300,000
Rollout Two Production Cutover	$5,250,000
Rollout Three Production Cutover	$5,250,000
Rollout Four Production Cutover	$4,200,000
Annual Maintenance and Support	
Year 1 (Initial)	$1,000,000
Year 2 (I2)	$1,125,000
Year 3 (I3)	$1,125,000
Year 4 (I4)	$1,250,000
Year 5 (P5)	$1,000,000
1st COTS Software Upgrade	$3,000,000
Total	**$34,500,000**

5.4 Specified Receipts.

5.4.1 Starting with the quarter beginning no earlier than October 1, 2014, Agency will calculate the Specified Receipts amount using the quarterly report data agreed upon and detailed in Sections 5.4.4 and 5.4.5.

5.4.2 Specified Receipts (SR) include payments in the System with a received date after the payment due date for the Personal Income Tax, Withholding Tax, and Corporation Tax Programs. Receipts will be counted when the liability is known. The Parties will only use Specified Receipts that are materially equivalent between both Agency's legacy systems and Contractor's GenTax system.

As examples, Specified Receipts would likely:

- Include payments accompanying amended returns with additional tax as long as the payment is late.
- Exclude refunds due to liability adjustments (e.g., abatements, waivers, or amended returns that reduce tax).
- Exclude Return Withholding (Withholding paid by the employer on behalf of the employee).

5.4.3 By June 30, 2014, Agency and Contractor will agree to the detailed method of identifying Specified Receipts available for Project payment.

5.4.4 By September 30, 2014, Agency and Contactor will collaboratively create a reporting mechanism that captures and sums the Specified Receipts. Contractor will produce and deliver to Agency the information necessary to collect Specified Receipt data consistent with the reports and reporting methods used by Agency as provided in this Section 5.4. Contractor shall deliver the required information or report to Agency in electronic format or in such other format as directed by Agency.

5.4.5 Within 15 days of the end of the prior quarter, Agency shall measure and produce a report quarterly (based on calendar year) on Specified Receipts including the following information:

- Specified Receipt amount for most recent quarter for each revenue stream.
- Percentage of Specified Receipt to be deposited into the special fund.
- Any unexpected events that cause material variances in the Specified Receipts, such as: tax law changes, changes in economic conditions, implementation of an amnesty program. If material variances from historical trends are identified in Specified Receipts caused by events that were not expected to occur during the Base Year, an appropriate correction may be made to the Specified Receipts identified in Section 5.4.2, as determined through mutual agreement. This may include excluding anomalous months and anomalous payments from the Specified Receipts.
- Amount of any correction, if any, necessary due to an unexpected event.
- Amount deposited into the special fund
- Distributions from the special fund
- Other pertinent information as requested

Agency shall deliver copies of the quarterly reports to Contractor.

5.5 Amount Available for Compensation. The calculation of Amount Available for Compensation is based on an indirect approach:

The estimated Total Project Costs divided by the Total Target Revenue is the Compensation Percentage.

$$TPC / TTR = CP$$

The Amount Available for Compensation is the Compensation Percentage multiplied by the actual Specified Receipts for the prior quarter.

$$\text{Amount Available for Compensation} = CP \times SR$$

- ***Total Project Costs (TPC)*** are defined as the costs invoiced by Contractor and identified Agency Project costs. The TPC will be determined prior to the production cutover of Rollout No. 1 and will remain fixed for the remainder of the Initial Term.

- ***Total Target Receipts (TTR)*** for each program equals the sum of the actual Base Year Specified Receipts with compound growth plus contractor's projected revenue enhancement for all included programs. By June 30, 2014, the TTR will be calculated and finalized by Agency.

    - The Base Year is the calendar year prior to implementation, unless the prior year has a material variance from historical trend, as determined by Agency. This year is not summed in the calculation of TTR.

    - For compound growth, Agency has determined a 3% rate.

- Contractor's Projected Revenue Enhancement (CPRE) is defined by Contractor.
  - 2015 – $5,500,000
  - 2016 – $10,000,000
  - 2017 – $16,000,000
  - 2018 – $20,000,000

- ***Compensation Percentage (CP)*** is equal to expected Total Project Costs divided by Total Target Receipts for the four year measurement period.

5.6 Payment.
Seventy-five percent (75%) of the Amount Available for Compensation, as calculated pursuant to the formula set forth in Section 5.5, will be for Contractor compensation, and twenty-five percent (25%) will be for payment of Agency Project costs.

5.7 Special Fund.
5.7.1 A percentage of Specified Receipts as identified in Section 5.4.5 will be deposited, on a quarterly basis, into a special fund to be created for the purpose of compensating Contractor and paying Agency's Project costs.

5.7.2 Contractor may be compensated from the percentage of Specified Receipts beginning with first Compensable Milestone Event per Section 5.3.4 and ending on March 31, 2019. Full payment may not occur if the Amount Available for Compensation does not meet or exceed expectations for Specified Receipts.

5.8 Invoicing and Payments.

5.8.1 Contractor may invoice Agency upon acceptance and, if applicable, installation for production of all Deliverables related to a Compensable Milestone Event as shown in Exhibit A-1. Such invoices will comply with the requirements of this Section 5.8.1 and will identify the Deliverables completed and Accepted by Agency for which Contractor seeks compensation and will itemize and explain all authorized expenses for which reimbursement is claimed. The invoices also will include the total amount invoiced to date by Contractor prior to the current invoice. Contractor shall submit invoices to Agency' s Authorized Representative. Agency will have the right to review each such invoice for compliance with the requirements of this Section 5.8 and any other relevant provisions of this Contract.

5.8.2 If the amount invoiced exceeds the Amount Available for Compensation allocated to Contractor in special fund as described in Section 5.7.1, the amount in excess of the Amount Available for Compensation will be delayed until the next quarter provided the Amount Available for Compensation is positive. **Interest will not be paid on delayed payments** other than as provided in ORS 293.462.

5.8.3 Contractor will be paid for delivery and Agency acceptance of those Deliverables included in Exhibit A-1, only from the Amount Available for Compensation allocated to Contractor in special fund as described in Section 5.7.1 and only up to the Maximum-Not-to-Exceed Amount of the Contract.

5.9 Maintenance and Support Services. No later than sixty (60) days prior to the expiration of the Initial Support Term, Agency shall advise Contractor of the level of maintenance

and support services desired. Contractor shall invoice Agency for the annual fees for Maintenance and Support. Thereafter, Contractor shall, no later than sixty (60) days from the expiration of any Maintenance or Support period, invoice Agency for the next period of Maintenance and Support in accordance with the pricing set forth in Exhibit I.

5.10 Expenses. Agency will not pay or reimburse any expenses incurred by Contractor during the completion of the Services except as authorized in the Statement of Work. Any such authorized expenses will comply with the Oregon Travel Policy found at: http://egov.oregon.gov/DAS/SCD/SARS/policies/oam/40.10.00.PO.pdf.

5.11 All payments to Contractor are subject to ORS 293.462.

Appendix H: CTS Contract Statement Of Work

EXHIBIT A-1, STATEMENT OF WORK

PART I. GENERAL INFORMATION AND OVERVIEW

Background: The Oregon Department of Revenue ("Agency" or "DOR") administers the State's income tax, property tax, and other revenue programs.

Agency's Mission Statement is:

> "We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens."

Agency's Vision is:

> "We are a model of 21st century revenue administration through the strength of our people, technology, innovation, and service."

Agency collects revenue from a variety of sources and transfers it to various state and local agencies.

Agency has approximately 1,000 employees in locations across the state and administers more than 30 tax programs. There is one main office and eight field offices across the state. Agency uses a series of sections, divisions, and programs to carry out its duties, including: Executive Section, Strategic Planning/General Services Section, Administrative Services Division, Information Technology Section, Property Tax Division, Business, and Personal Tax and Compliance.

Technology: Currently, Agency contracts with the Oregon Department of Administrative Services, State Data Center ("SDC") to monitor and maintain the application servers and middleware used to support the applications used by Agency. Agency supports approximately 1,200 PCs, a combination of desktops and laptop computers, and approximately 200 printers, on a 100MB Ethernet infrastructure network. Agency also supports teleworking via Blackberry devices and via Agency laptop computers and a Virtual Private Network (VPN) connection. All desktops and laptops run Microsoft XP, with MS Office 2003 or higher. One small work unit uses Macs.

Current applications lack common look and feel due to a variety of platforms including 'mainframe', client-server, and locally-built, non-standard applications in Access and Excel.

Purpose of this Statement of Work: Agency recognizes the importance of information technology and the need to become a data-driven organization. To achieve its Mission Statement and realize its vision, Agency has engaged Contractor to design, install and implement a Comprehensive Tax System ("CTS") to maintain and sustain healthy revenue systems, with methods and practices across Agency that are:

- Simple: one consolidated and integrated system vs. many diverse, siloed "stand-alone" systems.
- Timely: increased ability to process information and make decisions quickly.
- Trusted: data integrity and security is ensured for both processing and analysis.

The CTS' purpose is to:

1. Increase compliance and revenue
   - Increase voluntary compliance through improved customer service and customer access to information.
   - Predict taxpayer noncompliance with greater ease and accuracy; generate faster and more complete data for educating, assisting, and enforcing laws.
   - Enhance enforcement, in particular from non-filers and those under-reporting taxable activity.

2. Increased flexibility in tax administration
   - Provide an agile technology solution enabling quick and cost-effective response to support:
     - Changes in tax laws, new taxes, and legislative requests.
     - Evolving taxpayer needs, behaviors, and complex financial transactions.
     - A constantly changing external technical environment, including ability to incorporate and utilize new technologies and to avoid the risks and costs of obsolete and aging technology.
   - Easily exchange data with business partners, such as the IRS, counties, states, and tax practitioners, avoiding custom-built interfaces wherever possible.
   - Improve collaboration with state Agency partners.

3. Improve customer service
   - Provide Taxpayer services that are accessible, convenient, transparent, timely, and secure.
   - Enable Taxpayers to file returns and make payments using self-service tools that are familiar to them (online, mobile, secure e-mail, etc.).
   - Resolve Taxpayer questions and concerns on first contact.

4. Increase overall efficiency
   - Eliminate risk and cost of maintaining multiple, diverse systems.
   - Provide a technology platform that integrates data in real-time across business processes providing consistent and accurate information Agency-wide.
   - Mitigate the risk of interruptions to current revenue flows.
   - Eliminate redundant steps and automate more processes, leveraging industry-proven practices and solutions.
   - Store taxpayer information in a consistent, consolidated record, regardless of channel/media.
   - Provide a comprehensive view of all activity (across all tax programs) for each taxpayer.
   - Automate processing for all tax types.

The CTS is an investment in Agency staff, processes, and technology that must provide a significantly positive return on investment to Oregon taxpayers. It must provide value through reduced Agency risk, a more productive and responsive workforce, and adaptability to changing business needs and advances in technology.

Overview: Contractor shall provide the COTS Software and other Third Party Software provided by Contractor and Services to replace Agency's core systems with a CTS, including Data Warehouse and Business Intelligence tools as described below. Contractor shall provide Agency with the recommended specifications for all Centralized Hardware and personal computers (collectively "Hardware") necessary for the System. Agency, at its sole cost, shall

purchase the Hardware.

Contractor shall install, configure, and implement its GenTax (GenTax is a registered trademark of Fast Enterprises, LLC) solution for the following Tax and Revenue Programs administered by Agency using the following four (4) Rollouts:

Tax & Revenue Program	Rollout
Personal Income Tax Program	1
Charitable Checkoff	1
Tri-Met Transit District Self-Employment Tax Program	1
Lane Transit Dist. Self-Employment Tax Program	1
Senior & Disabled Property Tax Deferral Program	1
Withholding Tax Program	2
Tri-Met Transit District Payroll Tax Program	2
Lane Transit Dist. Payroll Tax Program	2
Unemployment Insurance Tax Program	2
Workers Comp Assessment Program	2
Cigarette Tax Program	2
Consumer Cigarette Tax	2
Other Tobacco Products Tax Program	2
Partnership Program	2
Pass Through Entity – PIT, CORP	2
Corporate Excise Tax Program	3
Corporate Income Tax Program	3
Corporate Multistate Tax Program	3
Estate Tax Program	3
Fiduciary Estate Tax Program	3
Fiduciary Trust Tax Program	3
Other Agency Accounts Program	3
State Lodging Tax	3
Emergency Communications Tax Program	3
Petroleum Load Fee Program	3
Amusement Device Tax Program	3
Hazardous Substance Possession Fee Program	3
Assessor's Funding (CAFFA)	4
Forest Products Harvest Tax	4
Small Tract Forestland Severance Tax – West Program	4
Small Tract Forestland Severance Tax - East Program	4
Electrical Cooperatives (Co-ops)	4
Gas & Oil Production Tax Program	4
Private Rail Car Program	4
Elderly Rental Assistance Program	4

Tax & Revenue Program	Rollout
Revenue Accounting (All other accounting)	4
Non-Profit Homes	4
Court Fines & Assessments Program	4
Green Light (film) Rebate	4

Contractor shall configure GenTax to support the functions and activities required to fulfill Agency's obligations, which shall include:

- Registration and licensing
- Return and form issue
- Return and form processing
- Filing compliance
- Payment processing
- Account maintenance (taxpayer and account maintenance)
- Refund processing
- Collections, including private collection agencies, Other Agency Accounts, and prioritization of accounts
- Bankruptcy management
- Revenue reporting
- Letter and notice issue
- Offsets, both internal and external, including incoming garnishments
- Protests and appeals
- Workflow
- Application security
- Reporting
- Audit selection
- Audit execution and Case Management
- Data matching with various data sources to encourage compliance
- Data analytics
- Other required interfaces
- Web-based account maintenance and form submission
- Imaging Support
- Inspections
- Inventory management

Contractor shall provide long-term maintenance and support of the System as agreed by the Parties.

NOTICE TO PROCEED: Contractor shall begin providing COTS Software and other Third Party Software provided by Contractor and Services upon receipt of a Notice to Proceed ("NTP") from DAS SPO.

PART II. THE WORK

A. Tasks, Deliverables and Artifacts

Contractor shall provide the COTS Software, other third party software as set forth herein, and Services to install, configure, and implement GenTax as Agency's CTS solution as more

particularly described below.

***TASK NO. 0:* PROJECT MANAGEMENT**
Contractor shall provide project management services. Contactor shall assign resources to partner with assigned Agency staff to implement GenTax. The Joint Project Team will oversee the planning and scheduling of work, report progress, identify, and manage Project risks, manage resources, ensure a quality configuration, and direct project communications. The Joint Project Team ensures the configuration of GenTax provides the required business capabilities and adheres to Agency's strategy of employing best tax administration practices. The Joint Project Team is responsible for avoiding unnecessary customization of the GenTax product.

Contractor project management will directly oversee all activities performed by Contractor staff. Agency Project Management will directly oversee all Project activities performed by Agency staff.

Task No. 0 Deliverables and Artifacts:

Deliverable 0.1: Plan and hold a Joint Project Team Kick-off Meeting
Upon receipt of the Notice to Proceed, Contractor shall conduct a Joint Project Team Kick-off meeting between Contractor's Project Team and Agency's Project Team.

Deliverable 0.2: Project Plan, including Strategic Direction and Project Objectives
Contractor shall prepare and deliver a Project Plan. The Project Plan will document how the Project is to be established, executed, and monitored.

The Project Plan contains the following items:

- Strategic direction and project objectives
- Project Schedule including milestones, Deliverable and Artifact due dates
- Staffing plan
- Organization chart
- Infrastructure and technology plan
- Communication plan, including status reporting approach
- Change leadership plan
- Change management approach
- Decision Request process based on the GenTax Implementation Methodology
- Quality Assurance Plan
- Risk Management Plan

***Deliverable 0.3:* Installation of GenTax**
Contractor shall install the version of GenTax currently available in production. Contractor anticipates that version 9 will be available in September 2012. Agency may request in writing that a different version be installed. Contract #102-1342-12 Page **46** of **217**

Contractor shall deliver to Agency or advise Agency on its purchase, installation, configuration, and testing of COTS Software to support the requirements herein.
Deliverable 0.4: Implementation Consulting and Technical Support
Contactor shall provide Agency with implementation consulting. Contractor will advise Agency about opportunities to increase efficiency, maximize revenue collections, and effectively leverage the best tax administration practices inherent in GenTax and accepted among revenue agencies. Contractor will lead the efforts to configure and implement GenTax. Contractor will

organize teams, conduct meetings, gather requirements, propose solutions, and ready the System for service.

Contractor shall provide technical consulting services in support of the Project activities to include assistance with:

- Installation of GenTax on State hardware
- Interfacing to frontend existing Agency imaging systems
- Hardware configuration
- Database administration
- Network administration
- Server administration
- Troubleshooting
- Performance tuning
- Print services
- System backup
- Incorporating GenTax and other Project software into existing disaster recovery plans
- Web services

In addition to the provisions set forth in Section 13.5 of the Contract, Contractor shall take steps necessary to transition the System to Agency at the end of the Project, including training, transfer of Final System Implementation Specifications, and other System documentation created for the Project.

Deliverable 0.5: Meetings and Monthly Reports
Contractor shall attend regular meetings with Agency and submit reports as required on the status of the Project. Meetings will be conducted in Salem, Oregon during normal business hours between 8:00 am and 5:00 pm Pacific Time. Contractor also shall attend other meetings with stakeholders, as requested by Agency.

Each month, the Joint Project Team will report project status and progress to the project steering committees using a standard form to be developed in the Project Plan. Monthly reports will include Project Schedule, performance metrics, risk status, action item status, invoice and payment status, and scope changes requested by either Agency or Contractor.
Contractor shall develop all necessary templates for all deliverables, including revenue data reports as required by Section 5.4.5 of the Contract and status reporting. Status Report requirements will be defined in the Project Plan, and may include:

- Review of the overall Project scope and objectives
- Review or revision of Project Schedule, as necessary
- Review or revision of Project Plan, Technology Plan, Communication Plan, Change Leadership Plan, Change Management Plan, Quality Assurance Plan, as necessary
- Review of the resource and scheduling requirements
- Other Issues

Deliverable 0.6: COTS Software and other Third Party Software provided by Contractor Support during the Initial Support Term
During the Initial Support Term and for the tax systems implemented in each Rollout, Contractor, at no additional cost to Agency, shall provide Agency with the following support for GenTax, including the necessary personnel to perform the Services:

- Access to service packs
- Access to new versions of GenTax

- Access to new and revised documentation
- Defect repair - Contractor will fix core GenTax bugs at no additional cost to Agency

During the Initial Support Term, Contractor will assist Agency with the following tasks:

- Prioritization and management of solution requests
- On-call production support
- Coordinating with Contractor's Development Center
- Configuration assistance
- Application development
- Best practices recommendations
- Implementation of minor legislative/business changes (e.g., tax rates, interest rates, reports, letters, return line items, check-offs) to existing programs
- Performance tuning
- Database maintenance, analysis, and review
- Supplemental user, developer, or operator training
- Assistance with developing interfaces with Agency legacy systems.
- Other consulting and services requested by Agency

Artifact 0.1: Project Schedule Management
Contractor shall prepare and submit to Agency a Project Schedule as part of the Project Plan. During each Rollout, Contractor will lead the Joint Project Team to create the work schedule, acquire and manage resources, monitor progress according to the schedule, resolve issues, escalate decisions, manage risks, and communicate with Project stakeholders.

TASKS NO. 1 - 5: *Contractor shall implement GenTax to support the tax programs and functionality specified in this SOW.*

Contractor shall implement GenTax through four Rollouts, as defined in Tasks No. 1 – 5. Each Task will have substantially the same deliverables described in Task No. 1, as applicable to the specific Programs and functionality required to fulfill the Agency's obligations related to the specific Rollout.

Agency shall issue a Notice to Start for Rollout No. 1. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 1 until Contractor has received the Notice to Start from the Agency for Rollout No. 1.

TASK NO. 1: **ROLLOUT NO. 1**
Contractor shall implement the following tax and revenue programs:

Personal Income Tax Program
Charitable Checkoff
Tri-Met Transit District Self-Employment Tax Program
Lane Transit Dist. Self-Employment Tax Program
Senior & Disabled Property Tax Deferral Program

Task No. 1 Deliverables and Artifacts:

Deliverable 1.0: System Tests
Contractor shall conduct testing for the Rollout as described in Task No. 7 below.

Deliverable 1.1: Final Implementation Specifications
Once Agency representatives assigned to the Joint Project Team review and finalize the Implementation Specifications, they will document the scope of the Rollout's functional requirements and provide the roadmap for that Rollout's development.

Deliverable 1.2: Go-Live
Upon acceptance of the Final Implementation Specifications and End-To-End testing, GenTax will go-live into production, subject to the acceptance provisions of Article 2 of the Contract.

Deliverable 1.3: Final Rollout Documentation
Contractor shall deliver to Agency the final Rollout documents, once per rollout:

- Implementation Specifications
- Conversion Plan
- Cutover Plan
- QA Plan

Artifact 1.0: Delivery of system overview presentations:
Contractor shall demonstrate the various GenTax modules to the Project Team.

Artifact 1.1: Base Configuration:
Contractor shall prepare a base configuration to serve as the starting point for the Rollout. Once in place, the base configuration will support basic navigation and tax type/revenue processing. Contractor shall prepare preliminary Implementation Specification documents to outline the functionality required for the Rollout. Project team members will continually examine the base configuration of GenTax to verify and adjust the direction that the configuration is taking. Contractor will revise the Implementation Specifications to incorporate input obtained during this verification.

Artifact 1.2: End User Training:
Contractor shall conduct training for the Rollout as described in Task No. 8 below.

Artifact 1.3: Pull List:
Joint Project Team shall create and maintain a Pull List to document enhancements, extensions, and improvements to Agency's configuration of GenTax that might not be ready in time for implementation (e.g. due to late submission), that are not recommended, or that are not within the Project scope. Contractor shall implement the items on the Pull List(s) as requested by Agency - time permitting. For example, an item can be scheduled to be completed as part of a future Rollout, it can be assigned to be handled as a production support matter, or it can be rejected by the Joint Project Team as functionality that will not be provided.

Agency Project Team shall prioritize the Pull List to determine what items will be implemented based on the availability of the Joint Project Team.

Artifact 1.4: Training, Change Leadership, and Change Management:
Contractor shall conduct training for the Rollout as described in Task No. 9 below.

Artifact 1.5: Cut-Over Planning and Execution:

a. **Cut-Over Plan.** Contractor shall prepare a Cut-Over Plan. Contractor shall lead the cut-over execution which may include Contractor and Agency task responsibilities.
b. **Operations and Support Plan.** Contractor shall develop an Operations and Support Plan that will detail how the CTS will be supported in production. It will include hours of operation, on call support, hardware responsibilities, application responsibilities, and support team structure.
c. **Operations Manual.** Contractor will develop an Operations Manual that will detail the processes associated with the day-to-day operations required, including:
    - Bringing the application up or down
    - Executing scheduled tasks
    - Diagnosing and remedying possible problems
    - Scheduling backups
d. Contractor will train State to carry out the tasks in the Operations Manual.
e. **Disaster Recovery Plan.** Agency shall deliver a copy of its current Disaster Recovery Plan (including Business Continuity) to Contractor. Contractor shall review the current plan and provide written recommendations to Agency for updating its Disaster Recovery Plan to incorporate the GenTax application and the corresponding platform. Contractor recommendations will focus on strategies Agency has or will implement to mitigate the impact of unforeseen events that affect GenTax availability.
f. **Cut-Over Checklists.** Contractor shall develop and deliver to Agency Cut-over Checklists that will list the interrelated steps and activities that must be coordinated to ensure a smooth and successful Rollout. The Checklists specify a timetable when existing business processes must cease or suspend prior to cut-over and a timetable when those processes will resume after cut-over and new processes will commence.
    i. Contractor also shall prepare a high-level checklist for general use within Agency to communicate the general schedule.
    ii. Contractor shall prepare a detailed, step-by-step, hour-by-hour checklist that the Joint Project Team will follow during the cut-over period.
g. Contractor shall lead the conversion processes, including backing up the databases, preparing the application servers, installing needed software on user computers, and transferring service from legacy applications to GenTax.
h. **Desk Side Support Plan.** Contactor shall develop a Desk Side Support Plan to be used in the immediate period after the system goes live. Contractor shall provide desk-side support to end users, provide help desk support, and carefully monitor operations until processing is stable and users feel comfortable operating the system without support.
i. The Joint Project Team shall determine what, if any, temporary interfaces are required to legacy systems. Such interfaces will be identified and documented in Implementation Specifications.

TASK NO. 2: **ROLLOUT 2**
Contractor shall deliver to Agency the Rollout No. 1 Post Production Review.

Agency shall issue a Notice to Start for Rollout No. 2. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 2 until Contractor has received the Notice to Start from the Agency for Rollout No. 2.

Contractor shall implement the following tax and revenue programs:

Withholding Tax Program
Tri-Met Transit District Payroll Tax Program
Lane Transit Dist. Payroll Tax Program
Unemployment Insurance Tax Program
Workers Comp Assessment Program
Cigarette Tax Program
Consumer Cigarette Tax
Other Tobacco Products Tax Program
Partnership Program
Pass Through Entity – PIT, CORP

Task No. 2 Deliverables and Artifacts: (See Task No. 1 for description)

Deliverable 2.0: Rollout No. 1 - Post Production Review and System Tests
Deliverable 2.1: Final Implementation Specifications
Deliverable 2.2: Go-Live
Deliverable 2.3: Final Rollout Documentation

Artifact 2.0: Contractor and Agency shall review the items on the Pull List to determine if items can be incorporated.
Artifact 2.1: Delivery of System overview presentations
Artifact 2.2: Base Configuration
Artifact 2.3: End User Training
Artifact 2.4: Pull List
Artifact 2.5: Training, Change Leadership, and Change Management
Artifact 2.6: Cut-Over Planning and Execution

- Cut-Over Plan
- Operations and Support Plan
- Operations Manual
- Disaster Recovery Plan
- Cut-Over Checklists
- Contractor Lead Conversion Processes
- Desk Side Support Plan
- Temporary Interfaces for Legacy Systems

TASK NO. 3: **ROLLOUT 3**
Contractor shall deliver to Agency the Rollout No. 2 Post Production Review.

Agency shall issue a Notice to Start for Rollout No. 3. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 3 until Contractor has received the Notice to Start from the Agency for Rollout No. 3.

Contractor shall implement the following tax and revenue programs:

Corporate Excise Tax Program
Corporate Income Tax Program
Corporate Multistate Tax Program
Estate Tax Program
Fiduciary Estate Tax Program
Fiduciary Trust Tax Program
Other Agency Accounts Program
State Lodging Tax
Emergency Communications Tax Program
Petroleum Load Fee Program
Amusement Device Tax Program
Hazardous Substance Possession Fee Program

Task No. 3 Deliverables and Artifacts: (See Task No. 1 for description)

Deliverable 3.0: Rollout No. 2 - Post Production Review and System Tests
Deliverable 3.1: Final Implementation Specifications
Deliverable 3.2: Go-Live
Deliverable 3.3: Final Rollout Documentation

Artifact 3.0: Contractor and Agency shall review the items on the Pull List to determine if items can be incorporated. Contract #102-1342-12 Page **52** of **217**
Artifact 3.1: Delivery of System overview presentations
Artifact 3.2: Base Configuration
Artifact 3.3: End User Training
Artifact 3.4: Pull List
Artifact 3.5: Training, Change Leadership, and Change Management
Artifact 3.6: Cut-Over Planning and Execution

- Cut-Over Plan
- Operations and Support Plan
- Operations Manual
- Disaster Recovery Plan
- Cut-Over Checklists
- Contractor Lead Conversion Processes
- Desk Side Support Plan
- Temporary Interfaces for Legacy Systems

TASK NO. 4: **ROLLOUT 4**
Contractor shall deliver to Agency the Rollout No. 3 Post Production Review.

Agency shall issue a Notice to Start for Rollout No. 4. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 4 until Contractor has received the Notice to Start from the Agency for Rollout No. 4.

Contractor shall implement the following tax and revenue programs:

Assessor's Funding (CAFFA)
Forest Products Harvest Tax
Small Tract Forestland Severance Tax – West Program
Small Tract Forestland Severance Tax - East Program
Electrical Cooperatives (Co-ops)
Gas & Oil Production Tax Program
Private Rail Car Program
Elderly Rental Assistance Program
Revenue Accounting (All other accounting)
Non-Profit Homes
Court Fines & Assessments Program
Green Light (film) Rebate

Task No. 4 Deliverables and Artifacts: (See Task No. 1 for description)

Deliverable 4.0: Rollout No. 3 - Post Production Review and System Tests
Deliverable 4.1: Final Implementation Specifications
Deliverable 4.2: Go-Live
Deliverable 4.3: Final Rollout Documentation, including Post Production Review for Rollout No. 4 and completion of all Project Artifacts. Contract #102-1342-12 Page **53** of **217**

Artifact 4.0: Contractor and Agency shall review the items on the Pull List to determine if items can be incorporated.
Artifact 4.1: Delivery of System overview presentations
Artifact 4.2: Base Configuration
Artifact 4.3: End User Training
Artifact 4.4: Pull List
Artifact 4.5: Training, Change Leadership, and Change Management
Artifact 4.6: Cut-Over Planning and Execution

- Cut-Over Plan
- Operations and Support Plan
- Operations Manual
- Disaster Recovery Plan
- Cut-Over Checklists
- Contractor Lead Conversion Processes
- Desk Side Support Plan
- Temporary Interfaces for Legacy Systems

TASK NO. 5: **SITE SPECIFIC MODULES**

Contractor shall program the required site-specific modules, including letters, reports and interfaces, required to extend the functionality of GenTax as appropriate for the State. Contractor shall endeavor to program such site-specific modules so they will be compatible with future GenTax versions that Contractor might release. Agency may choose to have selected Agency programming staff participate in site-specific programming. Contractor will retain overall responsibility for such programming and reserves the right to take any actions, in consultation

with and notice to Agency, which will ensure on time delivery of a rollout.
Over the course of the Project, some site-specific modules will need to be written for plug-in and other purposes. Contactor will determine if a site-specific module is required, and will endeavor to minimize the necessity of such modules.

Task No. 5 Deliverables: TO BE CONFIRMED, VALIDATED, AND FINALIZED DURING THE PROJECT
Deliverable 5.0: Letters
Deliverable 5.1: Reports
Deliverable 5.2: Interfaces
Deliverable 5.3: Other modules determined necessary during the project

TASK NO. 6: **DATA CONVERSION**
Contractor shall assist Agency with data conversion to provide the CTS with a base set of data extracted, loaded and converted from the legacy systems.

Critical to the success of data conversion is participation by Agency programmers in the data extraction and purification process. These programmers will be responsible for extraction of legacy system data into file layouts that Contractor will provide.

Also critical to the success of data conversion is participation by Agency representatives assigned to the Project Team to review and confirm the data that will be converted. Contractor can validate that extracted data was loaded, but cannot validate whether it accurately represents the state of data from the legacy system.

Contractor and Agency shall inventory Agency legacy data and all other data resources and Contractor shall produce an inventory report.

Contractor shall produce a data conversion plan that will cover aspects of migrating legacy system data to GenTax. Contractor and Agency shall work jointly to develop a Conversion Plan. The Conversion Plan will address all issues related to the data conversion, including:

- Strategies and tactics to address maintaining the shared data and processes.
- Determine level of record detail to be converted.
- Strategies and tactics for conversion of images and True Copies, i.e., power of attorney and notices.

Contractor shall configure automated conversion programs to support the data conversion effort, including:

- Loading legacy system extract files provided by Agency programmers.
- Validating loaded data and identifying data purification needs.
- Resolving conversion errors and analyzing loaded data.
- Verifying completeness.

Agency will conduct data conversion acceptance testing with the assistance of Contractor. Agency will produce reconciliation reports in format specified by Contractor from legacy system(s) to certify that all required data has been converted and any differences can be explained.

Contactor and Agency will conduct a series of mock extractions and conversions to test the conversion processes and to tune performance. This is required to ensure data elements

to ensure data elements from Legacy systems were interpreted correctly in form and meaning. Contractor shall run the conversion programs and assist Agency with the verification of the converted data. In the event that some data cannot be converted or loaded automatically, Agency will be responsible for loading such data using mechanism provided by the Contractor and for certifying the converted database is accurate and complete using a reconciliation process described by the Conversion Plan. Contractor shall adapt and rerun conversion programs as necessary to properly convert and load the data. Contractor shall deliver a Conversion Reconciliation Report to Agency.

Conversion reconciliation will occur at three points:

- By the Agency upon Extract
- By the Contractor and Agency upon Load
- By the Contractor and Agency upon Conversion

Task No. 6 Deliverables and Artifacts:
Deliverable 6.0: Data Conversion Plan to include:

- Data conversion strategy.
- Scope of data to be converted.
- Data conversion timeline.
- Data tables to be built in the new system.
- Field-level data sources for data conversion files identified by the Agency, including a data mapping scheme that identifies any appropriate data parsing, concatenation, and format changes.
- Data extract files and business rules.
- Estimated data volumes.
- Conversions where automated programming will be used to reduce data conversion labor.
- Conversion verification logic, such as counts of records converted, reconciliation of items by tax type, reconciliation of transactions by tax type, and other techniques to ensure data accuracy.
- Required roles, responsibilities, and skills needed to perform data extraction from the legacy systems.
- A plan to identify and handle exceptions.
- Data retention approach per tax and/or revenue program.
- Strategies and tactics to address maintaining the shared data and processes.
- Determine level of record detail to be converted.
- Strategies and tactics for conversion of images and True Copies, i.e., power of attorney and notices.

Deliverable 6.1: Conversion Reconciliation Report.

Artifact 6.0: Inventory of data resources.

TASK NO. 7: **TESTING**
Contractor shall test the new System to ensure it is stable and that the CTS meets the Technical and Functional Requirements and Business Requirements set forth in Exhibit A-2 Attachment A-2a and confirmed throughout the Project.

Contractor shall design, implement, and manage a testing program that comprehensively verifies the configured system functionality, site-specific functionality, and system performance

meets agreed upon standards. Contractor shall demonstrate test readiness, verify validity of test results, and verify stability of the system before moving to production.
Contractor shall:

- Produce a test plan that describes testing approach, testing logistics, identification and training of testers, testing tools, testing schedules, and defect tracking approach.
- Assist with the coordination of IV&V, including allowing IV&V to review plans, attending status meetings, and monitoring progress.
- Design, implement, manage, and control the testing environment.
- Design, implement, and manage testing activities.
- Lead project testing efforts.
- Ensure that appropriate people are assigned and scheduled to the testing effort.
- Gather, document, interpret, and report test results.
- Identify, prioritize, and resolve defects.
- Ensure that functions documented in the Implementation Specifications are tested.
- Ensure that the system complies with the contract requirements.
- Guide Agency's development of business test scenarios and expected test results.
- Train personnel designated by the Agency who will execute the System Test scenarios.
- Conduct the following types of tests:
    - System Testing (User Testing)
    - Conversion Testing
    - Performance Testing
    - End-To-End Testing (Final User Acceptance Testing)
- Lead the effort to resolve any defects identified as a result of these tests.

During the Project's Development phases, unit testing will occur for site-specific components. Contractor will lead the effort to ensure that each configured and site-specific component will perform the business functionality agreed to in the Implementation Specifications documents. Agency acknowledges that GenTax is a packaged software application and its core functionality has already been unit tested by Contractor in its Development Center and other production sites. The Project will not perform those unit tests.

Toward the end of each Development phase, Contractor shall begin System Test planning. System Testing focuses on confirming that Agency will be able to perform the tax administration activities agreed to in the Implementation Specifications documents using the configured system and its site-specific components. Contractor shall produce a System Test Plan that will include:

- System testing execution approach
- Modules targeted for performance testing
- Acceptance criteria
- Tracking approach
- Reporting approach

Contractor shall plan and execute a program to verify that data is accurately and completely extracted and converted according to the Data Conversion Plan. Contractor also shall plan and execute a program to verify that the configured system and its site-specific components will correctly operate upon converted data.

Contractor shall design and execute a selection of tests to ensure the System will satisfactorily perform in both online and batch modes under high volume.

Contractor shall design and execute End-To-End Testing and Performance Tests as the final

step of each rollout prior to the production implementation of GenTax. During these tests, Contractor shall cycle the system through standard business processing, simulating anticipated production processing schedules including receiving inputs and generating output to external sources. These tests also confirm that the system will correctly interface with other systems.

Regression testing will occur as required upon the installation of service packs, upgrades, each Rollout, or other functionality which may impact the current production environment. Contractor will assist Agency in identifying impacted areas, developing (or resurrecting) appropriate test scripts, and verifying results.

Contractor shall establish several operating environments for the performance of the Project's activities. These will include:

- Development
- Testing
- Staging
- Conversion
- Training
- Production

All development, testing, staging, conversion, training, and production environments will remain with Agency at the end of the Project.

Task No. 7 Deliverables and Artifacts:

Deliverable 7.0: Test Plans for the following types of testing:

- System Testing (User Testing)
- Conversion Testing
- Performance/Stress Testing
- End-to-End Testing (Final User Acceptance Testing)

Deliverable 7.1: Project Environments

Artifact 7.0: Test Results
Artifact 7.1: Test Status Reports

TASK NO. 8: **TRAINING, CHANGE LEADERSHIP, AND CHANGE MANAGEMENT**

Training

Contractor shall train Agency's staff who will in turn train Agency's users in the use of GenTax to perform the in-scope tax administration activities.

Contractor shall assess the training needs of Agency, develop a strategy to meet those needs, and plan how to provide training. The Training Plan lays out the approach to training including:

- Identifying trainers and trainees
- Selecting the training venues and equipment
- Deciding on the training methods
- Analyzing the impact on Agency organization and scheduling
- Preparing the overall training schedule

Contractor shall provide a curriculum of computer-based training courses that introduce the functionality of the core product. Contractor also shall provide a standard set of training courses that Agency will localize to reflect Agency's configuration and business operations. Contractor shall provide training as follows:

- Agency staff will be trained using a "train the trainer" approach.
- Agency will assign selected staff members to serve as trainers for each rollout. Contactor shall train these staff trainers and train them to teach GenTax to other Agency staff, as they augment the Contractor-provided standard set of courses to reflect Agency practices and system configuration, and as they deliver training to end users.
- Joint Project Team shall schedule courses, register students, and select training facilities.
- Contractor shall manage the delivery of the training program.
- Contractor shall provide its online help system as part of the core product.

Technical Training

Agency wishes to be able to maintain the CTS, as implemented, with minimal support from Contractor after the Project is over. Throughout the term of this Contract, Contractor shall provide technical training to Agency staff. Contractor shall train Agency staff to use the GenTax developer toolset, and will include State's staff in the performance of project activities. Agency acknowledges that the degree to which it will be able to maintain the implemented System with minimal support from Contractor depends on the assignment of a sufficient number of suitably skilled and motivated people to the Project team so they can develop this capacity.

Agency acknowledges that implementing the system correctly and according to the Project Schedule is a greater priority than technical training itself. If these two objectives conflict, implementing on time will take precedence.

Contractor shall establish a means for Agency to provide GenTax training to its staff after the Project is over. The Training Environment will remain with Agency.

Change Leadership and Change Management

Agency will undergo transformative change as a result of the new System. Transition preparation involves activities necessary to prepare Agency for successful changes (i.e. business practices/processes, technology/tools, organizational structure, staffing, roles, etc.). Contractor shall provide Agency with the foundation, information, and direction necessary to smoothly transition from the current business process and systems to GenTax. Contractor shall make available its personnel who specialize in change management to assist with the Project as required by the Agency. Contractor shall prepare, explain, demonstrate, and facilitate the move of the Agency's business processes to GenTax throughout the Project, and shall incorporate such explanations, demonstrations, and facilitation into the training provided by Contractor.

The Parties acknowledge that communication is key to Change Leadership. Contractor will establish a Change Leadership Team to include the Contractor Project Director, Agency Project Manager, and Contractor Training Team. The team will be responsible for determining appropriate Change Management approaches and implementing them to ready Agency for changes brought by the Project.

Contractor shall assist the Agency in identifying and documenting the proposed organizational role changes. Contractor shall assist Agency to define new roles.

Task No. 8 Deliverables and Artifacts:

Deliverable 8.0: Training Plan (includes strategy for training)
Deliverable 8.1: Training Course Material
Deliverable 8.2: Online Help System

Artifact 8.0: Training Assessment
Artifact 8.2: Training Environment and Data
Artifact 8.3: Change Readiness Assessment

TASK NO. 9: PROJECT DOCUMENTATION

Contractor shall provide technical documentation localized to reflect the configuration provided for Agency. These documents will include:

- GenTax SQL Server Setup Guide
- GenTax Application Server Setup Guide
- GenTax File Server Guide
- GenTax Client Installation Guide
- GenTax Site-Specific Code Standards
- GenTax Architecture Overview
- GenTax Database structure documentation

Task No.9 Deliverables and Artifacts:

Deliverable 9.0: Rollout No. 1 Documents
Deliverable 9.1: Rollout No. 2 Documents (updated from 9.0)
Deliverable 9.2: Rollout No. 3 Documents (updated from 9.1)
Deliverable 9.3: Rollout No. 4 Documents (updated from 9.2)
Deliverable 9.4: Technical Documentation (updated from 9.3)
Deliverable 9.5: Third Party Software Licenses

TASK NO. 10: SYSTEM MAINTENANCE AND SUPPORT

During the entire Initial Support Term of the Contract, at no additional cost to Agency, Contractor shall provide software bug fixes, service packs, and one version upgrade. Also, Contractor shall provide resources to implement corrections, service packs, and bug fixes to the core product.

Contractor shall provide resources to perform production support activities. Contractor shall correct configuration errors as identified by Agency.

After the Initial Support Term, Contractor shall provide Agency with long term maintenance and support as requested by Agency and further described in the Maintenance and Support Agreement attached hereto as Exhibit I.

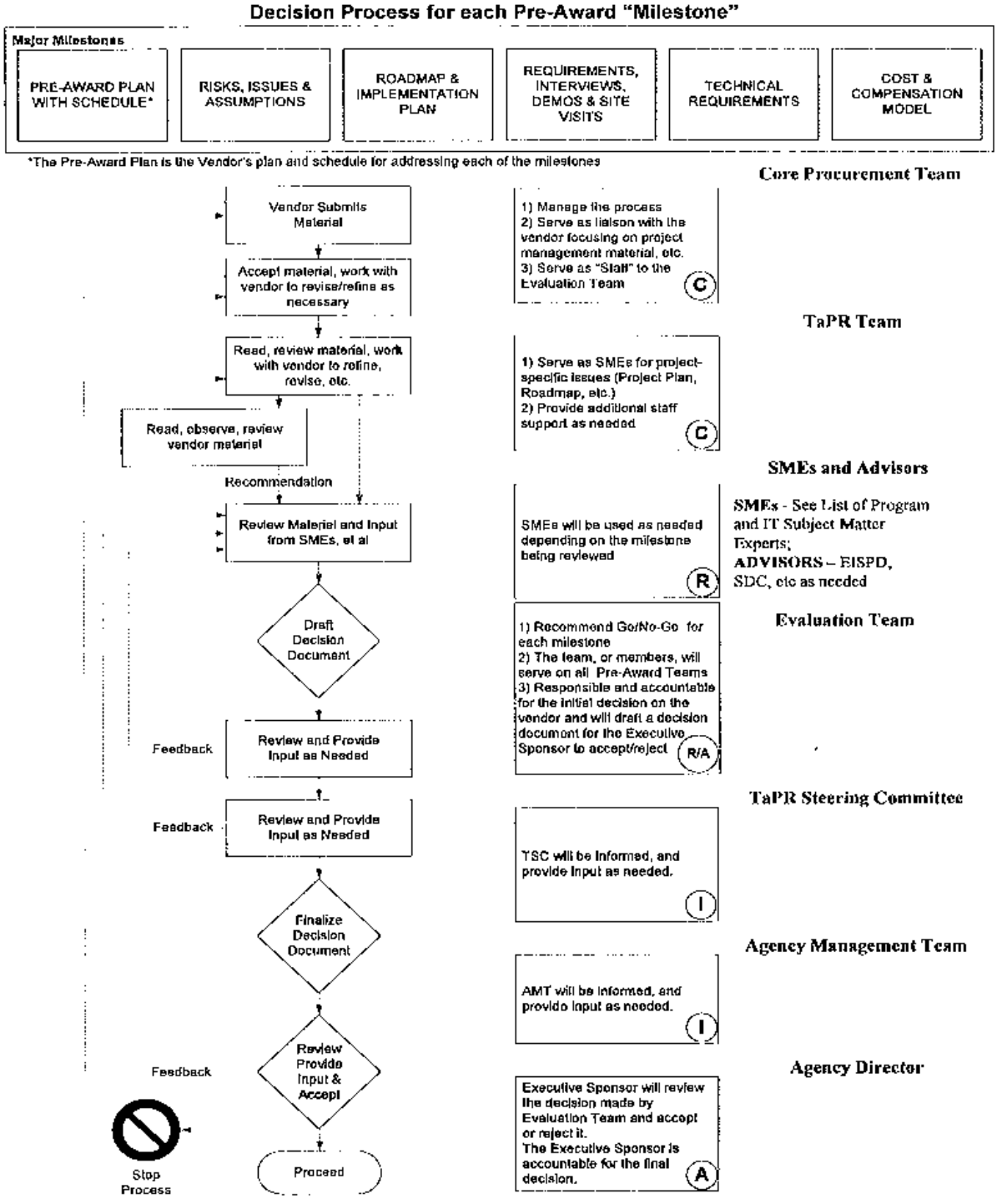
Contractor will abide by State Change and Release Management policies and procedures.

Task No.10 Deliverables and Artifacts:

Deliverable 10.0: System Maintenance and Support during Initial Support Term
Deliverable 10.1: One full version upgrade
Deliverable 10.2: Long Term Maintenance and Support

Appendix I: CTS Procurement Decision Process

Below is the "master" decision tree used for each of the seven steps in the CTS evaluation process. Each step had its own decision tree with slight modifications, but this illustrates the overall decision process.



NOTES: "TaPR Steering Committee" is now the Operations and Policy Team, "Agency Management Team" is now the "Agency Leadership Team". EISPD is now "OCIO". RACI designates who is Responsible, Accountable, Consulted, and Informed.

Appendix J: Glossary of Terms

"Agency", "Department" and **"DOR"** mean the Oregon Department of Revenue (DOR).

"Automated offsets/refund offsets" - see **"Treasury Offset Program"**

"Benefits-based funding" (or benefits-funded contracting) means that costs of a project are paid out of the benefits realized from the implemented solution.

"Best practice" means a method or technique that has consistently shown results superior to those achieved with other means, and that is used as a benchmark (BusinessDictionary.com). For example, use of best practices can accelerate innovation, saving time and reducing risks, without having to "re-invent the wheel."

"Best-value" is a procurement process that is "used to select the most advantageous offer by evaluating and comparing factors in addition to cost or price. It allows flexibility in selection through tradeoffs which the agency makes between the cost and non-cost evaluation factors with the intent of awarding to the contractor that will give the government the greatest or best value for its money."[63]

"Best-value vendor" means the person, contractor or firm who is determined to have the "most advantageous offer."

"Business case" is a structured proposal for business process improvement that functions as a decision package for enterprise leadership. A business case includes an analysis of business process needs or problems, proposed solutions, assumptions and constraints, alternatives, life cycle costs, benefits/cost analysis and investment risk analysis.

"Business Process Mapping" (BPM) refers to activities involved in defining exactly what a business entity does, who is responsible, to what standard a process should be completed and how the success of a business process can be determined.

"Change leadership" (sometimes referred to as "Change Management") is "an organizational process aimed at helping employees to accept and embrace changes in their current business environment."[64]

"Commercial Off-the-Shelf" (COTS) means software developed or regularly used that: (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease, or license to the general public; (iii) has not been offered, sold, leased, or licensed to the public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of this Contract; or (iv) satisfies a criterion expressed in (i), (ii), or (iii) above and would require only minor modifications to meet the requirements of this Contract. *See also Integrated Tax System (ITS) Commercial Off-the-Shelf (COTS).*

"Compliance" means the behavior of reporting and paying Oregon tax voluntarily and on time.

"Comprehensive Tax Solution" - see CTS.

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[63] US General Services Administration, *Seven Steps to Performance Based Acquisition*, http://acquisition.gov/comp/seven_steps/index.html (not dated).

[64] Hiatt, Jeff. "The definition and history of change management" http://www.change-management.com/tutorial-definition-history.htm

"Confidential information" means tax returns, tax reports and related material filed with the Department of Revenue. Some information received from other agencies or accessed through other agencies may also be considered confidential. Federal return information received from the IRS is considered confidential. Oregon Law and/or the Internal Revenue Code prohibit giving certain information to unauthorized persons.

"Core System Replacement" - see CSR.

"CSR" means Core System Replacement. DOR is replacing the majority of its systems with two solutions, a Property Valuation System (PVS) and a Comprehensive Tax Solution (CTS). The Core System Replacement, which consists of these two projects, was spawned from DOR's Technology and Processing Reengineering (TaPR) initiative.

"CTS" means Comprehensive Tax Solution. DOR is using this term to mean an Integrated Tax System (ITS) with data warehouse and business intelligence capabilities and critical supporting services such as content management. CTS also refers to the CTS project, one of two projects that make up the CSR initiative.

"DAS" means the Oregon Department of Administrative Services.

"FTE" means full time equivalent.

"Industry standard" means generally accepted requirements which are followed by members of an industry (BusinessDictionary.com). Formal and informal (de facto) standards exist. Formal standards are developed, documented, and sometimes enforced by organizations such as the International Organization for Standardization (ISO), an organization that promulgates worldwide proprietary, industrial, and commercial standards.

"Integrated Tax System (ITS) Commercial Off-the-Shelf (COTS)" software products are "applications that automate transactional processes of government revenue agencies, such as taxpayer registration, return filing and processing, as well as management activities, such as revenue accounting and reporting." *Critical Capabilities for Integrated Tax System COTS Products, 2010*

"Inventory", for purposes of this business case, refers to a set or grouping of taxpayer accounts (cases) that either have been or will be assigned to staff for audit or collection.

"IRMF" means the **Information Returns Master File (IRMF)**, an IRS database containing data from information returns, also called "payer documents" or "third-party returns". It contains data about both the payer (filer) and the payee (recipient of income).

"OCR/ICR" means Optical Character Recognition (OCR) and Intelligent Character Recognition **(ICR).** OCR and ICR are used in conjunction with imaging systems to "read" characters (data) from a printed document for storage in an electronic format (i.e., a database).

"Program Management Plan" (PMP) means a narrative, text document that is itself an aggregate of project plans developed to organize, direct and control different aspects of the TaPR program.

"Program Schedule" (MPP) means a document which visually displays the timelines, resource requirements, dependencies and milestones for the various initiatives within the TaPR program.

"Proposal" means a written response to a Request for Proposal.

"Proposer" means a person or entity that submits Proposals in response to an RFP.

"Request for Proposals" (RFP) means all documents, either attached or incorporated by reference, and any Addenda thereto, used for soliciting Proposals.

"Revenue Agent Reports (RARs)" are reports of changes to an assessment after examination by an IRS agent (IRS Form 4549). IRS sends these reports to state revenue agencies electronically.

"Risk-Based Scoring" is a method of ranking (scoring) incoming tax returns to match potentially improperly filed returns to the most appropriate treatment and to identify those returns (cases) that can be handled through less burdensome and lower-cost activities.

"Scope of Work" means the general character of the Supplies and Services, the work's purpose and objectives, and agency's expectations. Examples of expectations include, if applicable, a description of the purchase, specifications, tasks (obligations), deliverables, delivery or performance schedule, and acceptance requirements. The Scope of Work helps the prospective proposers develop the proposals.

"SDC" means the Oregon State Data Center. SDC is a 24/7 operation that provides shared IT infrastructure services to DOR and other state agencies. It offers Centralized Infrastructure Management – operation and support of the hardware, system software, licensed software products, security, and system management software.

"Solution Provider" means a vendor or service provider that offers a combination of computer hardware, software and consulting to meet a client's needs.

"State" means the State of Oregon.

"State Procurement Office" or **"SPO"** means that office of the State Services Division of the Department of Administrative Services designated by the Director to carry out the authority of the Department under the Public Contracting Code and Oregon Administrative Rules Chapter 125.

"Statement of Objectives" or "SoO" means a statement of the "basic, top-level objectives of an acquisition and is provided in the request for proposal (RFP) in lieu of a government-written statement of work (SOW). It provides potential offerors the flexibility to develop cost-effective solutions and the opportunity to propose"[65] innovative alternatives meeting the objectives.

"Statement of Work" or **"SOW"** means the portion of the Contract that provides the detailed description of the Services to be provided and sets out the mutual expectations and promises between agency and the Contractor. The SOW includes the work tasks, deliverables, deliverable schedule, payment schedule, and any related service levels.

"Successful Proposer" means the person, contractor or firm to whom the award is made.

"TaPR" means Technology and Process Reengineering. DOR developed the Technology and Process Reengineering (TaPR) program to further understand how a new approach to business

[65] "Guidance for Development of a Statement of Objectives", Robert Knauer, CPPO CPCM, www.acquisitioninstitute.com/uploads/sooguidance.doc.

processes and technology could be used to transform and lead the agency toward its vision. The Core System Replacement (CSR) initiative was spawned from this work.

"Tax Gap" is defined by the IRS as the difference between what taxpayers should pay (what they owe) and what they actually pay on a timely basis. DOR defines it as the amount of tax due, but unreported and uncollected by the Department of Revenue for any given year.

"Tax practitioner" means a person who prepares, advises or assists in the preparation of personal income tax returns for a fee. In Oregon, a tax practitioner must be licensed.

"Technical infrastructure" means the software, hardware and protocols used by the network to support the business applications.

"Technology and Process Reengineering" - see TaPR.

"Third-party software" means computer software programs developed by parties other than the Solution Provider.

"Treasury Offset Program" means the Department of Treasury's Financial Management Service (FMS), which issues IRS tax refunds, has been authorized by Congress to conduct the Treasury Offset Program. Through this program, a personal income tax refund or overpayment may be reduced and offset to pay certain debts.

"Warranty Period" with respect to Hardware, Software, or both, is defined in the Special Terms and Conditions section of the Contract.

"Workflow management" means a computer system that manages and defines a series of tasks within an organization to produce a final outcome or outcomes. Workflow management systems allow the user to define different workflows for different types of jobs or processes.

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Oregon Department of Revenue

ADDENDUM to
Core System Replacement Business Case Analysis

January 31, 2013

Core System Replacement
Business Case Analysis
April 12, 2010
Revised, November 18, 2010
Revised, December 1, 2011
Revised, August 15, 2012
Addendum Added, January 31, 2013

Oregon
John A. Kitzhaber, MD, Governor

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January 31, 2013

The Oregon Department of Revenue compiled and drafted the material in this addendum to complete the Core System Replacement Business Case Analysis (version 7.0) published in August 2012. Information presented in this addendum documents the Total Cost of Ownership (TCO) / Net Benefit analysis of replacing the department's core tax processing systems with a commercial-off-the-shelf (COTS) solution. The analysis uses three funding methods to acquire the COTS solution. In addition, two alternative options of using or modifying existing systems are analyzed for comparison.

Effective November 30, 2012, funding for core systems replacement is not included in the Governor's 2013-15 Balanced Budget. The agency is, therefore, focusing on developing a project proposal to present to the Governor and Legislature for the 2015 Session. ***This addendum is being completed to conclude work on the Business Case that began prior to the Governor's decision because it may be useful in the future, though it may become outdated over time.***

If approval to proceed is received in 2015, a new procurement process will need to be initiated, resulting in a new project plan, different project costs (including a different vendor contract), and a different schedule, funding method, and analysis. Assumptions and calculations used for comparing alternatives in this document may no longer be as reliable due to new costs and schedule.

If you have questions about material contained within this addendum or for information about DOR's core system replacement initiative, please contact Eric H. Smith, DOR Program Management Office Administrator, at eric.h.smith@dor.state.or.us.

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PROPOSAL NAME AND DOCUMENT VERSION #	**Addendum to Core System Replacement Business Case Version 7.0**		
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DIVISION	N/A (Agency)	DAS CONTROL #	
AGENCY CONTACT	Eric H. Smith	PHONE NUMBER	503-945-8232

The person signing this section is attesting to reviewing and approving the Business Case as proposed.

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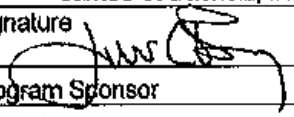
Signature 	1-31-13
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1 Executive Summary

The Department of Revenue developed the Core System Replacement Business Case[1] for the 2013 budget process to provide information for the Governor and Legislature to decide whether DOR should replace its core tax systems. As described in the Business Case, DOR proposes replacing the majority of its systems with industry best practice solutions that will maintain and enhance the agency's ability to collect and administer Oregon taxes. The Business Case provides a rationale for this change, a roadmap for implementing the change, and estimated costs and benefits to the state of Oregon. DOR updated the Business Case with new information in late 2010 and again in 2011 as research and preparation continued. The most recent version of the Business Case reflects details negotiated with Fast Enterprises, LLC (FAST) in 2012 to implement their GenTax solution, subject to legislative approval to proceed. Please reference the Business Case to learn more about why DOR needs to replace core systems and what options were considered that led to the selection of GenTax.

Based on cost and benefit information learned during contract negotiations with FAST, DOR performed a 10-year Total Cost of Ownership (TCO) / Net Benefit analysis of the proposed core system replacement involving five alternatives.

Two alternatives are based upon keeping or remodeling DOR's current systems:

- **Maintain Current Legacy Systems** — Maintains DOR's legacy systems as-is, with incremental improvements occurring over time. This is the most risky option and offers the least net benefit to the state, primarily because of lost opportunity costs related to the unrealized benefits that would come with a new system.
- **Remodel Legacy Systems** — Remodels DOR's legacy systems to seek the functionality found in modern tax administration systems. This option would require a significant investment in human capital to accomplish the remodel, and would take the longest amount of time to accomplish.

Three alternatives are based on replacing DOR's core systems with FAST's GenTax solution. The alternatives compare three different funding options for implementing the GenTax solution. DOR has negotiated an agreement based on a "benefits-based" funding model called Specified Receipts, but has analyzed two other funding methods that could also be pursued. The three funding approaches are:

- **Direct Appropriation** — Funds the project through a direct appropriation from the Legislature. This option may require a new procurement process, which will likely cause the contract cost to change. A new procurement process may delay the project when compared to the Specified Receipts funding option below because DOR has an existing contract for that funding option.
- **Certificates of Participation** — Funds the project through a common financing vehicle known as certificates of participation (COP). Some up-front investment by the state would also be required. This alternative is expected to increase project costs when compared with the Specified Receipts funding option below. This may also cause a delay of the project if a new procurement process is needed.
- **Specified Receipts** — Funds the project from a Special Fund that is established and managed by the Legislature. The Special Fund receives quarterly deposits based upon performance of certain late payments and enforcement receipts. Some up-front investment

[1] Version 7.0 is the most recent "full" version of the CSR Business Case, dated August 15, 2012.

by the state would also be required. This funding method, and why DOR proposed it, is described in Section 2.3.3, as well as in the Business Case.

This comparative analysis shows that the long-term advantage to the state from a cost and benefit perspective would be to replace existing legacy systems with a COTS solution. Of the three options to fund a COTS purchase, the Specified Receipts funding method negotiated by DOR and the Direct Appropriation funding method were the two least costly alternatives.

2 Total Cost of Ownership (TCO) / Net Benefit Analysis

Detailed project cost information for replacing the agency's core systems was negotiated with Fast Enterprises, LLC (FAST) for their GenTax solution. The agreement negotiated with FAST is subject to legislative approval. Specific costs associated with this agreement are included in the latest version of the Business Case.

The availability of detailed cost information based on negotiations with FAST has allowed DOR to compare the total cost[2] and benefit[3] of replacing core systems with GenTax against the total cost and benefit of keeping or remodeling legacy systems. Anticipated benefits are more difficult to calculate and have been conservatively estimated for this analysis. No quantifiable value has been assigned to risks identified for each alternative, including the potential risk of future revenue loss if current legacy systems fail and current revenue streams are interrupted.

DOR also studied alternative funding models for this project that compare the total cost and benefit of installing GenTax using three different funding options.

The alternatives compared are:

Continuing operations with DOR's legacy systems:

1) CURRENT OPERATIONS:	Maintains DOR's legacy systems as is, with incremental improvements occurring over time. (See Business Case, Section 3.2.1, Maintain). DOR estimates it will spend $98.3M for base IT Services over 10 years.
2) REMODEL:	Remodels DOR's legacy systems to seek the functionality found in modern tax administration systems. (See Business Case, Section 3.2.2, Upgrade or enhance existing legacy systems)

Replacing core systems with FAST's GenTax solution comparing three funding methods:

3) DIRECT APPROPRIATION:	Funds the project through a direct appropriation from the Legislature
4) COP FUNDING:	Funds the project through a common financing vehicle known as certificates of participation (COP)
5) SPECIFIED RECEIPTS :	Funds the project from a Special Fund established and managed by the Legislature that receives quarterly deposits based upon performance of certain late payments and enforcement receipts

[2] *For this analysis, "total cost" means costs relating to modernizing or replacing existing systems, including installation of new systems, and maintenance and support costs. This analysis looks at the difference in costs compared to DOR's base budget for IT services.*

[3] *"Benefits" means additional revenue generation resulting from improved performance or captured efficiencies where resources are redirected to conduct other work.*

Table 1: Core System Replacement TCO/Net Benefit 10-Year Comparative Analysis

Core System Replacement TCO/Net Benefit 10-Year Comparative Analysis

	Net Benefit									
	LEGACY				GENTAX					
	CURRENT OPERATIONS		REMODEL		DIRECT APPROPRIATION[1]		COP FUNDING[1]		SPECIFIED RECEIPTS FUNDING	
Low Estimate Scenario	Increased IT Cost[2]	$ -	Increased IT Cost[2]	$ (6.0)	Increased IT Cost[2]	$ (36.2)	Increased IT Cost[2]	$ (36.2)	Increased IT Cost[2]	$ (36.2)
	Project Cost	(7.7)	Project Cost	(98.0)	Project Cost	$ (69.9)	Project Cost	(80.6)	Project Cost	(69.2)
	TCO	(7.7)	TCO	(103.9)	TCO	$ (106.1)	TCO	(116.9)	TCO	(105.4)
	(Opportunity Cost)[3]	(42.6)	Benefit[3]	33.9	Benefit[3]	$ 60.9	Benefit[3]	60.9	Benefit[3]	60.9
	Net Benefit	$ (50.3)	Net Benefit	$ (70.1)	Net Benefit	$ (45.3)	Net Benefit	$ (56.0)	Net Benefit	$ (44.6)
Medium Estimate Scenario	Increased IT Cost[2]	$ -	Increased IT Cost[2]	$ (6.0)	Increased IT Cost[2]	$ (36.2)	Increased IT Cost[2]	$ (36.2)	Increased IT Cost[2]	$ (36.2)
	Project Cost	(7.7)	Project Cost	(98.0)	Project Cost	$ (69.9)	Project Cost	(79.8)	Project Cost	(69.2)
	TCO	(7.7)	TCO	(103.9)	TCO	$ (106.1)	TCO	(116.0)	TCO	(105.4)
	(Opportunity Cost)[3]	(59.6)	Benefit[3]	46.5	Benefit[3]	$ 85.2	Benefit[3]	85.2	Benefit[3]	85.2
	Net Benefit	$ (67.3)	Net Benefit	$ (57.4)	Net Benefit	$ (21.0)	Net Benefit	$ (30.9)	Net Benefit	(20.3)
High Estimate Scenario	Increased IT Cost[2]	$ -	Increased IT Cost[2]	$ (6.0)	Increased IT Cost[2]	$ (36.2)	Increased IT Cost[2]	$ (36.2)	Increased IT Cost[2]	$ (36.2)
	Project Cost	(7.7)	Project Cost	(98.0)	Project Cost	$ (69.9)	Project Cost	(75.2)	Project Cost	(69.2)
	TCO	(7.7)	TCO	(103.9)	TCO	$ (106.1)	TCO	(111.4)	TCO	(105.4)
	(Opportunity Cost)[3]	(94.3)	Benefit[3]	68.1	Benefit[3]	$ 134.7	Benefit[3]	134.7	Benefit[3]	134.7
	Net Benefit	$ (102.0)	Net Benefit	$ (35.8)	Net Benefit	$ 28.6	Net Benefit	$ 23.3	Net Benefit	$ 29.3

[1]Opportunity Cost of 1-Year Delay for New Procurement For COP and Direct Appropriation Alternatives			
Low	$ (1.2)	Low	$ (1.2)
Medium	$ (1.8)	Medium	$ (1.8)
High	$ (2.8)	High	$ (2.8)

[1]Estimated 10 year IT base costs of $98.3M. Base IT costs are not included in the figures above. Increased IT costs above are in addition to base IT costs.

[2]These benefit/(opportunity) estimates are developed by DOR and are independent of the estimated $51.5 million estimate by FAST which is for a 4-year period.

Table 1 Analysis Summary:

Of the five alternatives, the two alternatives that either maintain current legacy systems or remodel legacy systems offer the least net benefit to the state. This is due, in part, to the opportunity costs of not realizing benefits that would likely occur with installation of a new COTS solution, and the high costs associated with remodeling the current complex and inefficient architecture.

Of the three alternatives for acquiring the GenTax COTS solution, the Direct Appropriation and Specified Receipts funding alternatives offer the greatest net benefit to the state. This is because the COP funding alternative includes interest and costs for issuing certificates of participation, as well as additional costs for a new procurement process. The Direct Appropriation alternative is slightly less advantageous than the Specified Receipts alternative because of the likely costs of having to conduct a new procurement process.

Each alternative stands on its own to demonstrate the total cost, including benefits or lost opportunities, for each alternative. The conclusion, or net benefit, for each alternative is to be considered as an indication of the total cost to the State for that alternative given the assumptions in the model stated below for each alternative. Each alternative is to be viewed separately.

For example, comparing the two high estimate scenarios for legacy current operations and COTS direct appropriation, the state over a 10-year period would lose an estimated $102 million, including lost opportunity costs, if it chooses to continue with current legacy systems without enhancements. If the state were to acquire a new COTS solution for the same 10-year period using the direct appropriation alternative, it would generate $28.6 million in benefit above increased costs of acquiring a new system.

Placing the five alternatives side-by-side in Table 1 above provides a single view to compare the outcomes of the five stand-alone alternatives.

Each of the five alternatives includes a low, medium, and high estimate scenario. These scenarios are based on assumptions about how quickly DOR could implement software and hardware changes and/or how quickly potential benefits could be realized. Additionally, the alternative scenarios involving COP funding include additional assumptions about the timing of financing distributions and different timeframes used for repaying financing bonds.

This comparison model includes several global assumptions:

- No major changes are made to Oregon's tax structure, such as new tax types being introduced, amnesty programs offered, etc.
- A 3 percent compound annual growth factor (CAGF) has been assumed in relation to anticipated benefits. This growth estimate represents a token long-term change in revenue that may occur without a new system due to many factors including population growth and inflation. This estimate is based on historical income tax revenue collection activity. Benefits included are net of the 3 percent CAGF.
- No adjustments are made due to assumptions relating to Oregon's economy over a 10-year period. Costs and benefits included for comparison purposes are not adjusted for other factors beyond the 3 percent CAGF.
- All alternatives (except for continuing with current operations) assume and reflect an initial drop in productivity in the first year after system implementation due to extensive training of staff on the new system.
- All alternatives include estimated project costs of $7.7 million expended from the project's inception in 2009 through the end of the 2011-13 biennium to prepare DOR for undertaking a

core systems replacement. Since each alternative includes these costs and the model is forward looking, these costs could have been left out of the analysis without altering any conclusions. However, DOR included these costs to provide transparency about the investment to date preceding each alternative. Readiness and planning activities included business process documentation, initiation of an Enterprise Architecture program, communication efforts, and organizational change management. Procurement and preparation activities included defining requirements and the development and evaluation of requests for proposals.

2.1 Continuing with current legacy systems and operations

Description: This alternative continues with DOR's current legacy systems, acknowledging that the agency has been able to achieve incremental improvements over time.

Specific assumptions: DOR would continue to implement small changes and improvements with current resources and equipment.

Project costs: For this alternative, project costs only include the amount spent by the agency to date in planning and preparing for the core system replacement. All forward looking costs for maintaining current legacy systems and for achieving any small incremental improvements are assumed to be part of the agency's ongoing base budget.

Increased IT costs: No increased IT costs are included going forward. This alternative assumes DOR continues at its current IT Services budget level.

Quantifiable benefits (opportunity costs):

- Since this comparison relates to the benefits realized from installing GenTax, benefits anticipated in the GenTax alternatives become opportunity costs if DOR does not move forward with replacing core systems. Anticipated benefits under the GenTax alternatives have been discounted by 30 percent to reflect that the agency has historically experienced small changes and improvements over time, even without a major system replacement. In other words, benefits are included as opportunity costs in this alternative at 70 percent of the GenTax alternatives' benefit estimate.
- See Section 2.3 for a discussion of the anticipated benefit recovery rate for the GenTax alternatives.
- Also see Section 3 for a more thorough discussion of overall quantifiable and qualitative benefits.

Specific risks:

- Some legacy core systems are at risk of reaching maximum capacity or have already experienced degradation or failure. Costs to maintain current systems will increase (more breaks/fixes, etc. requiring greater IT resources) over time. IT Services staff will spend more of their time fixing current systems and will be less available to make modifications or enhancements for strategic initiatives.
- Existing systems don't talk to each other and are inefficient. Specialized and inflexible applications require manual workarounds to conduct daily business. Moving forward under this alternative, IT Services staff, when faced with making improvements, will have to write new applications, but will be constrained by the current inflexible and complex technical infrastructure and data environment. Systems will become more difficult to use as DOR continues to "add on" to existing systems.
- DOR's current application portfolio and data environment will continue to increase the cost, complexity, and implementation time of seasonal and tax law changes. The current system is tightly integrated and complex, making it difficult for IT staff to deliver timely solutions to rapidly changing business needs.
- Key IT resources with deep core systems knowledge have announced retirement plans and/or are eligible for retirement. DOR also continues to lose long-term seasoned business staff knowledgeable in system workarounds.
- Recruiting and retaining a highly skilled workforce with knowledge and skills applicable to DOR's current technology is becoming increasingly difficult, resulting in potentially higher costs for

maintaining and supporting DOR's legacy systems and business operations or the inability to find enough resources to adequately conduct our work.

- Improvements to taxpayer services will not be realized to the level customers expect, resulting in less customer self-sufficiency and less advancement in customer communications.

2.2 *Upgrading or enhancing legacy systems (Remodel)*

Description: This alternative assumes the agency would perform extensive structural changes upon existing foundational system components to approximate the main functionality achieved with a COTS solution. Specific system enhancements would be developed and individually implemented across all tax programs simultaneously, in order to:

1. Consolidate disparate systems
2. Provide users with a single view of the taxpayer
3. Develop an improved user interface/user experience
4. Implement business intelligence capability
5. Improve taxpayer self-service capabilities

Specific assumptions: DOR will need to invest in acquiring employees with sufficient application development skill sets, while retaining a sufficient number of employees with the necessary skills to maintain and support the current environment. Acquiring sufficient IT skill sets may take several years.

Project costs: In addition to the amount spent by the agency to date in planning and preparing for the core system replacement, this alternative also includes increased IT and business staffing to accomplish the remodel, technical training, professional services for solutions delivery, and hardware and software infrastructure preparation.

Increased IT costs: This alternative includes increased costs for ETS usage and storage fees, software maintenance, and additional maintenance staff in years five through ten of the analysis period.

Quantifiable benefits:

- Benefits would not begin to be realized until at least the fifth year after project initiation, due to the initial time spent designing the new system and acquiring necessary application development skill sets before implementation can begin.
- This alternative assumes a slower benefit recovery rate, as the enhanced functionality is implemented incrementally across all tax program types, rather than in one tax program at a time.
- The value of benefits realized has been reduced for time periods following specific rollout implementations due to productivity loss as employees learn the new system's functionality. Revenue benefits have been estimated and are assumed to be realized more slowly in the low estimate scenario and more quickly in the high estimate scenario.
- See Section 3 for a more thorough discussion of overall quantifiable and qualitative benefits.

Specific risks:

- System rewrites of this type may take at least 10 years, resulting in a high potential for cost overruns, schedule delays, and scope expansion.
  - Design-and-build IT projects often exceed budget projections due to unanticipated cost increases, especially on projects being implemented across several biennia.
  - Design-and-build IT projects often experience schedule delays, which increases project costs and delays any anticipated recovery of benefits.
- Designing and building new systems internally may require another modernization effort after 10 years to keep current with industry best practices and standards.
- The extensive effort and resources needed to modernize existing systems may decrease DOR's ability to respond to new legislation and may be too lengthy to keep up with emerging technology trends.

- This type of solution will be difficult to implement given the current redundancy of data in DOR systems and the number of ad hoc systems in place. In the end, this alternative will largely be a 'rewrite' rather than an 'upgrade'.
- While the agency transitions to a state of preparedness for a remodel project such as this and while new functionality is being designed and built, some legacy core systems may fail, reach capacity, or both. While planning and designing for the remodel project, IT Services staff will also have to write new applications for the legacy core systems, but will be constrained by the current inflexible and complex technical infrastructure and data environment.
- While the agency transitions to a state of preparedness for a remodel project such as this and while new functionality is being designed and built, agency staff will continue to use multiple, disparate systems to complete work. Systems will become more disparate and difficult to use as DOR continues to "add on" to existing systems. Staff will continue to build and use technical and process workarounds. The complicated application portfolio and data environment will continue to increase the cost, complexity, and implementation time of seasonal and tax-law changes.
- An aging workforce is retiring and taking knowledge of DOR's current processes and technology with them; the agency may not be able to modernize quickly enough to capture this knowledge before it is gone. It will become increasingly difficult to maintain and support current legacy systems as remaining staff have less historical knowledge and experience with those systems.
- This alternative will involve business resources with program knowledge from operational functions. DOR will need to increase staff to support the modernization effort rather than directing staff to program compliance efforts.
- Recruiting and retaining a highly skilled workforce with knowledge and skills applicable to DOR's current technology becomes increasingly difficult, resulting in higher risks and potentially higher costs of maintaining and supporting DOR systems and business operations.

2.3 Securing proposed COTS solution (GenTax) comparing three funding methods

These three alternatives all propose securing and implementing the GenTax COTS solution, but propose three different funding methods:

- Direct appropriation (Section 2.3.1)
- Certificates of participation (COP) (Section 2.3.2)
- Specified Receipts (Section 2.3.3)

The following attributes are consistent for all three alternatives to aid in comparing total cost of ownership across funding alternatives.

Description: All three alternatives adopt the same implementation plan of phased rollouts for different tax programs, as currently proposed in the negotiated statement of work with FAST (subject to legislative approval) across an approximate five-year project duration.

Project costs: The estimated total base project cost is $69.2 million through the final implementation and warranty phase. Estimated costs include:

- The current vendor (FAST) contract cost, capped at $34.5 million[4]
- State Data Center (ETS) and DOR hardware/software costs of $8.6 million
- DOR costs of $26.1 million. These costs include:
  - Funds spent by the agency to date in planning and preparing for the core system replacement
  - Business and IT staffing to assist with the COTS implementation
  - Professional project management and quality assurance services

Increased IT costs:

- Maintenance and support during project implementation and covering three years following the project has been negotiated and is included in the vendor price agreement proposed in the Specified Receipts funding alternative. For comparison purposes, all three alternatives assume that maintenance and support during project implementation and for three years following the project would be similarly negotiated if a different funding method is approved.
- The last two years of this 10-year analysis include a 10 percent increase in annual maintenance and support costs across all three alternatives.

Quantifiable benefits:

- The value of benefits realized has been reduced for time periods following specific rollout implementations due to productivity loss, as employees learn the new system's functionality. Revenue benefits are estimated, and are assumed to be realized more slowly in the low estimate scenarios and more quickly in the high estimate scenarios.
- See Section 3 for a more thorough discussion of quantifiable and qualitative benefits.

Specific risks:

- Regardless of which funding method is determined for acquiring the COTS solution, some project costs must be funded through direct appropriation. Funding legislation is needed within each

[4] For comparison purposes, all three alternatives assume a contracted vendor price of $34.5 million for the COTS solution; however, if the project is approved through direct appropriation and/or COP funding, a new procurement process is likely to be required. As a result, the successful vendor may bid for a higher or lower contract price than previously accepted, changing total project costs.

applicable biennium throughout the life of the project. If funding is not provided in a future biennium after a contract has been finalized with the vendor and the project has moved into implementation, DOR would be faced with the choice of either supporting two systems (new and legacy) or moving all production back to the legacy system, which would be very costly and inefficient. A lack of funding mid-project could result in schedule delays and/or incomplete outcomes.

- DOR must adequately train IT staff to maintain and support the new system and software over time, or ongoing maintenance and support costs may be higher than anticipated.
- On-going maintenance and support costs could involve unforeseen and/or atypical increases in outlying years (eight years after initiation and beyond).
- The vendor (FAST) could be acquired or go out of business. DOR has mitigated this concern through contract negotiations, resulting in a contract provision for an escrow agreement covering software programming. For comparison purposes, all three alternatives assume a new contract would contain a similar provision.

2.3.1 Direct appropriation (purchase)

Description: This alternative acquires the COTS solution through direct appropriation from the Legislature in each biennium throughout the life of the project.

Specific assumptions: Because this alternative involves implementing the project across several biennia, DOR assumes the Legislature would appropriate adequate funding throughout the life of the project in each applicable biennium.

Project costs: Funding the core system replacement through direct appropriation may involve conducting a new procurement process when compared to using Specified Receipts funding (Section 2.3.3), estimated to increase project costs by an additional $700,000.

Quantifiable benefits:

- Anticipated revenue benefits realized as a result of efficiencies and productivity gained with the new system would likely be delayed by one year due to the delay in project implementation resulting from conducting a new procurement process, if necessary. These lost benefits are displayed separately as opportunity costs of a one-year delay for this alternative.
- See Section 3 for a more thorough discussion of overall quantifiable and qualitative benefits.

Specific risks:

- Under this alternative, the contract negotiated with the selected vendor may no longer be valid. If the project is approved with a different funding method, a new procurement process may be required. As a result, the successful vendor will likely bid a different price that may be a higher or lower contract price than previously accepted, changing total project costs.
- Proceeding with the core system replacement using a non-benefits-based funding methodology results in the state assuming higher levels of implementation risks, instead of risks being shared with the vendor. To mitigate these risks, the current statement of work may be revised.

2.3.2 Certificates of participation (COP Funding)

Description: The state of Oregon sometimes uses a common financing method, certificates of participation, to finance large projects. This alternative uses state issued certificates of participation to fund the COTS solution. Low, medium, and high estimate scenarios for this alternative are dependent upon the number of funding distributions used and the applicable repayment terms. Some up-front investment by the state would also be required.

Project costs:

- This analysis was compiled using interest rate and funding distribution assumptions provided by Department of Administrative Services, Office of Chief Financial Officer:
  - All scenarios assume a 4.5 percent interest rate for the certificates of participation.
  - Qualified project costs to be paid through COP financing total $38.2 million. See Exhibit A for a description of project costs that qualify to be paid through COP financing compared to project costs anticipated to be paid through specified receipts funding.
  - Scenarios used the following number of distributions and payback periods:

Scenario	*# of distributions*	*Repayment period*
Low	One (1) $38.2 M distribution in year 1	10 years
Medium	Three (3) $10 M and One (1) $8.2 M annual distributions over 4 years	10 years
High	Three (3) $10 M and One (1) $8.2 M annual distributions over 4 years	Each distribution repaid within one (1) year following distribution

- Funding the core system replacement through COP financing may involve conducting a new procurement process when compared to using Specified Receipts funding (Section 2.3.3), estimated to increase project costs by an additional $700,000.

Quantifiable benefits:

- Anticipated revenue benefits realized as a result of efficiencies and productivity gained with the new system would be delayed by one year due to the delay in project implementation resulting from conducting a new procurement process, if necessary. These lost benefits are displayed separately as opportunity costs of a one-year delay for this alternative.
- See Section 3 for a more thorough discussion of quantifiable and qualitative benefits.

Specific risks:

- Under this alternative, the contract negotiated with the selected vendor may no longer be valid. If the project is approved with a different funding method, a new procurement process may be required. As a result, the successful vendor will likely bid a different price that may be a higher or lower contract price than previously accepted, changing total project costs.
- The actual COP interest rate, issuance costs, and repayment terms may be different than estimated for this analysis.

2.3.3 Specified receipts funding

Description: This alternative funds the project from a Special Fund that is established and managed by the Legislature. The Special Fund receives quarterly deposits based upon performance of certain late payments and enforcement receipts.

In preparing for the 2011 Legislative Session, the department determined that funding for its major core system replacement project would probably not be available given the poor economy and revenue shortfall faced by the state. While developing the Business Case, the department learned several other state revenue agencies were using performance-based funding models known as "benefits-based" to fund their system replacement projects. Given Oregon's fiscal climate at the time, the department proposed a benefits-based funding method in which the contractor would provide a large part of the financing for the project. Some up-front investment by the state would also be

required, but the majority of project costs would be paid from the specified receipts benefits-based funding method.

How the Specified Receipts Model works:

- The term "specified receipts" refers to distinct late collection activity payments and compliance receipts, such as revenue from audits and failure-to-file assessments. These will be identified and measured for three of the largest tax programs enhanced through the use of the new system (Personal Income Tax, Withholding Tax and Corporate Excise Tax).
- The specified receipts will be measurable in both the existing legacy DOR systems and the new GenTax system.
- Specified receipts targets will be adjusted for:
    - Estimated 3 percent growth that may occur without core system replacement
    - $51.5 million increased revenue projection by FAST.
- Once the new system is installed, a percentage of actual specified receipts received will be deposited into a Special Fund to be established and managed by the Legislature.
- Those receipts will be used to pay all of FAST's project expenses (if targets are met) and approximately half of DOR's project expenses.
- Receipts deposited into the Special Fund are split 75 percent to pay FAST project expenses and 25 percent to pay specific DOR project expenses.
- Of the total $69.2 million project cost, project expenses to be paid from the Special Fund are capped at $49.5 million ($34.5 million for FAST expenses, $15 million for DOR expenses).

Identified Costs (in millions)		***Total Eligible Costs (in millions)***	
COTS Solution*	$34.5	COTS Solution*	$34.5
DOR Project Costs	9.5	DOR Project Costs	9.5
Hardware/Software	7.8	Contingency	5.5
DOR Operating Budget	17.4		
Total	$69.2	Total Eligible Costs	$49.5

**The current vendor (FAST) contract cost is capped at $34.5 million.*

- Expenditures will be paid from the Special Fund during the life of the project until December 31, 2018, or the $49.5 million cap is met, whichever comes first.
- FAST must complete all tasks and deliverables related to compensable milestone events and DOR must accept them before any payments will be made to FAST from the Special Fund.
- Calculations and payments will be made quarterly.
- No interest will accrue on unpaid invoices from FAST awaiting sufficient receipts in the Special Fund.
- DOR will have ongoing legislative oversight of use of the Special Fund through Other Fund spending limitations and annual reporting.

Specific assumptions: This alternative assumes that the specified receipts funding methodology will be approved and used for paying vendor costs and some DOR project costs; additional project costs will be paid from DOR's budget or direct appropriation in each of the next three biennia. This alternative assumes that the agency's base budget will not be significantly changed throughout the life of the project, and that requests for additional funding as estimated in the Business Case will be approved.

Project costs: Project costs have been identified and are detailed in DOR's 2013-15 Agency Request Budget and the Business Case.

Quantifiable benefits:

- This alternative anticipates that the first implementation rollout would occur late in 2014, and specified receipts would be identified beginning early in 2015.
- Although this alternative has identified specified receipts from three of the agency's largest programs (Personal Income Tax, Withholding Tax, and Corporation Excise Tax) to fund the core system replacement, all programs that DOR administers are anticipated to see improvements in efficiencies, resulting in increased revenue – all tax programs will be converted to new systems by the end of the fourth rollout in 2018.
- See Section 3 for a more thorough discussion of overall quantifiable and qualitative benefits.

Specific risks:

- This model assumes that adequate specified receipts are realized in sufficient time to pay vendor costs as they become due and to reimburse specific agency costs; if sufficient specified receipts are not realized, the vendor will be partially paid, but not fully paid. The vendor accepts this risk. DOR project costs will be partially funded from the specified receipts, but any shortage would need to be covered by the agency's budget.

3 Quantifiable and Qualitative Benefits

While DOR fully anticipates that the new COTS software is going to drive processing efficiencies and incrementally increase revenue, the primary objective for replacing core systems is to continue the agency's ability to protect long-term revenue streams for the state of Oregon. The project's main purpose is to modernize the agency's infrastructure, allowing the agency to continue to administer tax programs into the future.

Efficiencies and additional revenue benefits will also be realized by implementing a COTS solution. Specific benefits quantified and included in this TCO / Net Benefit analysis include:

- Increased revenue from audits and filing enforcement in Personal Income Tax and Corporate Excise Tax due to:
  - Automated processing of federal audit reports, information return matches, and amended corporate returns, which will allow resources to be redeployed to perform more wage filing enforcement cases and simple issue audits (for Personal Income Tax) and desk audit revenue generation (for Corporation Tax).
  - Improved analytics and additional data availability, which will increase dollars billed per case by producing better case modeling, scoring, and prioritizing.
  - Improved efficiencies in case management and decreases in no-change rates, which will decrease hours incurred per case.

- Overall increases in Personal Income Tax collections, net of other enforcement activity, due to:
  - Scoring and prioritization of collection accounts.
  - Automating certain processes, such as garnishments and liens / lien releases.
  - Automating account movement to the appropriate collection resources (internal collections, field collections, private collection firms, etc.).
  - Providing self-service options (online payment plans, payments, etc.).

DOR has been in conversations with several other states and examined information provided by FAST regarding collections in some of those states. Overall, these states estimate between 5 and 12 percent increases in personal income tax collections due to modernization. The challenge with this information is that most of these other states rely less on personal income tax than other taxes and put less resources into their enforcement efforts. Also, these states began in varying degrees of comparability to Oregon with regard to data matching and existing enforcement efforts before implementation. With so many variables, DOR concluded that it cannot rely heavily on other states' experiences and, instead, performed its own assessment in the TCO / Net Benefit analysis of improvements where realized benefits are expected. Results from DOR's own analysis are consistent with what other states have experienced, and DOR's analysis was intentionally conservative.

Other states have reported increased revenues as a result of replacing their core tax systems. However, DOR discovered during the procurement process that estimating revenue increases that are directly tied to the system replacement presents many challenges due to multiple influences on revenues, both internal and external to the agency. Estimating impacts on revenue generation will likely be more reliable after the system is installed and business process impacts are known. DOR is establishing metrics to ensure that benefits, including additional estimated revenues, are tracked both during and after the system is implemented.

As previously indicated in the individual descriptions of each TCO / Net Benefit alternative, anticipated benefits will be realized at varying rates following specific rollout implementations due to

temporary dips in productivity as employees learn the new system's functionality. Revenue benefits are estimated and are assumed to be realized more slowly in the low estimate scenarios and more quickly in the high estimate scenarios.

In addition to the benefits quantified and included in the alternatives, DOR anticipates additional qualitative benefits, but has not assigned specific monetary value to them in the TCO / Net Benefit analysis. Those benefits include:

- The ability to consolidate disparate systems:
  - Allows the agency to adapt more quickly to changing tax laws; multiple applications don't need to be updated with the same data.
  - Positions the agency to more quickly interface with partners (building single-point interfaces, ease of integrating and exchanging data).
  - Provides employees access to all information needed to do their jobs within one system.

- Business Intelligence capability within the COTS software benefiting all tax programs administered by the department, in addition to the Personal Income Tax and Corporate Excise Tax improvements included in the analysis:
  - Allows certain tasks, functions, and processes to be automated for all tax programs (scoring, automating processes, automating account movement, etc.).
  - Produces better data matching, which will result in improved selection of cases (for modeling, collections, and enforcement).

- An improved User Interface / User Experience:
  - Allows employees to use more recent technology to access data intuitively and to utilize new technologies as developed by the marketplace.
  - Reduces time and resources needed to train users.

- A single view of the taxpayer / entity:
  - Eliminates the current employee practice of viewing multiple screens in different applications to develop a comprehensive view of the taxpayer (for enforcement purposes, but also to provide customer assistance).

- Improved taxpayer self-service opportunities:
  - Provides real-time processing (rather than batch processing), allowing taxpayers to immediately see changes reflected on their account online, such as address changes, payments and payment plans, access to correspondence, etc.

- Opportunities to participate in a national community of other states' revenue agencies using tax administration COTS software, sharing:
  - New common business functionality as it is developed by the vendor in response to states' requirements.
  - Fraud detection patterns and findings.
  - New Business Intelligence pattern recognition (for example, matching new data types).
  - Improved support and maintenance from a vendor with a broad customer base.

A more thorough discussion of anticipated benefits in the areas of revenue administration, compliance, and taxpayer services from replacement of DOR's core systems with a COTS solution can be found in the Business Case, Section 6.2.

4 Conclusion

This comparative analysis shows that the long-term benefit to the state from a cost and benefit perspective would be to replace DOR's existing legacy systems with a COTS solution. Of the three options to fund a COTS purchase, the Specified Receipts funding method negotiated by DOR and the Direct Appropriation method were the least costly.

While DOR fully anticipates that the new COTS software is going to drive processing efficiencies and incrementally increase revenue, the primary objective for replacing core systems is to continue the agency's ability to protect long-term revenue streams to the state of Oregon. The project's main purpose is to modernize the agency's infrastructure, allowing the agency to continue to administer tax programs into the future.

Appendix A: Funding sources comparison - specified receipts vs. certificates of participation (COP)

This appendix compares project costs that qualify to be paid using COP financing to project costs proposed to be paid through the specified receipts funding method. Not all project costs are eligible for COP financing. COPs are used to finance capital costs related to construction or acquisition and may not be used to finance ongoing operating costs. For example, maintenance fees paid to the solution provider during the life of the project cannot be included in COP financing, but the cost of Quality Assurance consultants can be paid from COP funds. Therefore, if the core system replacement project is funded through certificates of participation, additional project costs need to be funded through direct appropriation. See the full version of the Business Case for a more thorough discussion of estimated project costs and proposed funding sources.

	Specified Receipts Funding Model: (in $ millions)					*COP Funding Model: (in $ millions)*			
	DOR Budget	*Specified Receipts*	*POP Request*	*Total*		*DOR Budget*	*COP*	*Direct Appropriation*	*Total*
DOR Operating Budget	17.400			17.400		17.400			17.400
DOR Project Costs		9.500		9.500				9.500	9.500
Quality Assurance							1.418	(1.418)	0.000
Hardware/Software			7.800	7.800			7.800		7.800
COTS Contract		34.500		34.500			34.500		34.500
Maintenance during project							(5.500)	5.500	0.000
Total	17.400	44.000	7.800	69.200		17.400	38.218	13.582	69.200

Appendix B: Glossary of Terms

"Agency", "Department" and **"DOR"** mean the Oregon Department of Revenue (DOR).

"Benefits" means additional revenue generation resulting from improved performance or captured efficiencies where resources are redirected to conduct other work.

"Benefits-based funding" (or benefits-funded contracting) means that costs of a project are paid out of the benefits realized from or targeted receipts associated with the implemented solution.

"Business case" is a structured proposal for business process improvement that functions as a decision package for enterprise leadership. A business case includes an analysis of business process needs or problems, proposed solutions, assumptions and constraints, alternatives, life cycle costs, benefits/cost analysis, and investment risk analysis.

"Certificates of participation" or **"COP"** means tax-exempt government securities used to raise funds to improve and construct buildings or purchase equipment. COPs are used to finance capital costs related to construction or acquisition and may not be used to finance ongoing operating costs.

"Commercial off-the-shelf" (COTS) means software developed or regularly used that: (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease, or license to the general public; (iii) has not been offered, sold, leased, or licensed to the public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of the Contract; or (iv) satisfies a criterion expressed in (i), (ii), or (iii) above and would require only minor modifications to meet the requirements of the Contract.

"Compliance" means the behavior of reporting and paying Oregon tax voluntarily and on time.

"Core System Replacement" or **"CSR"** means DOR's project to replace the majority of its systems with a Comprehensive Tax Solution (CTS). The Core System Replacement was spawned from DOR's Technology and Processing Reengineering (TaPR) initiative.

"Comprehensive Tax Solution" or **"CTS"** means an Integrated Tax System (ITS) with data warehouse and business intelligence capabilities and critical supporting services such as content management.

"Enterprise Technology Services" or **"ETS"** is a division of the Department of Administrative Services (DAS) that operates the Oregon State Data Center (SDC), a 24/7 operation that provides shared IT infrastructure services to DOR and other state agencies.

"Fast Enterprises, LLC" or **"FAST"** means the successful proposer, selected by DOR to implement their CTS COTS solution, GenTax. *See also GenTax.*

"GenTax" means a COTS tax administration solution offered by Fast Enterprises, LLC. *See also FAST.*

"Request for proposals" (RFP) means all documents, either attached or incorporated by reference, and any Addenda thereto, used for soliciting Proposals.

"Solution provider" means a vendor or service provider that offers a combination of computer hardware, software and consulting to meet a client's needs.

"State" means the state of Oregon.

"Statement of work" or **"SOW"** means the portion of the Contract that provides the detailed description of the Services to be provided and sets out the mutual expectations and promises between agency and the Contractor. The SOW includes the work tasks, deliverables, deliverable schedule, payment schedule, and any related service levels.

"Technology and Process Reengineering" or **"TaPR"** means DOR's program to further understand how a new approach to business processes and technology could be used to transform and lead the agency toward its vision. The Core System Replacement (CSR) initiative was spawned from this work.

"Technical infrastructure" means the software, hardware, and protocols used by the network to support the business applications.

"Total cost" means costs relating to modernizing or replacing existing systems, including installation of new systems, and maintenance and support costs.

Appendix C: Bibliography

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Oregon Department of Revenue. (2012). *Core System Replacement Business Case Analysis (version 7.0).* Developed internally, August 2012

Oregon Department of Revenue

AMENDMENT to Core System Replacement Business Case Analysis

September 18, 2013

Core System Replacement
Business Case Analysis
April 12, 2010
Revised, November 18, 2010
Revised, December 1, 2011
Revised, August 15, 2012
Addendum added, January 31, 2013
Amendment added, September 18, 2013

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PROPOSAL NAME AND DOCUMENT VERSION #	**Amendment to Core Systems Replacement Business Case Version 7.0**		
AGENCY	Department of Revenue	DATE	9/18/2013
DIVISION	N/A (Agency)	DAS CONTROL #	
AGENCY CONTACT	Eric H. Smith	PHONE NUMBER	503-945-8232

The person signing this section is attesting to reviewing and approving the business case as proposed.

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Executive Sponsor/Agency Head	
(Name)	(Date)
James C. Bucholz, Director	9/18/2013
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Eric H. Smith, PMO Administrator	9/18/2013
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DAS Analyst	
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Introduction

This document amends the Core System Replacement Business Case Analysis (version 7.0, published August 15, 2012). The amendment provides updated information in support of moving forward to the implementation stage of the Core Systems Replacement (CSR) Project after receiving funding and approval to proceed from the 2013 Legislature.

The primary changes in this amendment to version 7.0 of the business case reflect:

- A different, legislatively approved funding method
- Revised overall project costs
- A revised implementation rollout schedule as renegotiated with FAST Enterprises, LLC (FAST)

The purpose of the business case and recommendation to modernize the Department of Revenue's (DOR) systems, applications and business processes with a Commercial off the Shelf (COTS) solution has not changed. DOR recognizes the need to replace core tax systems to mitigate the growing risks of not being able to support its aging legacy systems and maintain current service levels. Therefore, scope and objectives of the business case are unchanged (including purpose, evaluation of alternatives, foundational strategies and assumptions, metrics, risks, etc.). This amendment updates information that has changed.

DOR has conducted numerous activities over the past four years to provide agency readiness, planning, procurement and preparation to modernize its systems. While working with the Legislature and legislative staff since version 7.0 of the business case was published, agency readiness efforts have continued, including:

- IT Readiness programs
- Data Management, including plans to cleanse data prior to conversion
- Building a unified agency leadership team

Revised Funding Method

In earlier versions of the business case, DOR recommended a benefits-based method called "specified receipts" for funding the majority of project costs. In preparing for prior legislative sessions, DOR determined that funding would not be available from conventional funding sources given the poor economy, debt ceiling limits and revenue shortfall faced by the state. Given Oregon's fiscal climate at the time, DOR was encouraged to propose a benefits-based funding method in which the contractor would provide a large part of the financing for the project. Some up-front investment by the state would also be required, but the majority of project costs would be paid from specified receipts identified and measured for three of the largest tax programs that benefit from the new system.

DOR's proposal using the specified receipts funding method was not included in the Governor's 2013-15 Balanced Budget. However, DOR remained available to the Legislature and legislative staff to provide additional information about the project throughout the 2013 Legislative Session.

Ultimately, in July 2013 the Oregon Legislature gave approval for the CSR Project to proceed by authorizing more traditional funding, including:

- DOR's agency budget
- An additional General Fund appropriation
- Article XI-Q general obligation bonds

DAS CFO provided information to DOR and the Legislature regarding debt financing options, including bond types, issuance costs, interest rates, maturity dates and repayment terms. See Section 6.3 for debt financing details.

Revised Project Costs

The amount of legislative funding approved was based on updated project costs estimated at $70.9 million. Costs associated with bond financing (issuance costs and interest) total an additional $11.7 million over the life of the bonds. Together, project and financing costs total $82.6 million.

After receiving legislative approval, DOR amended the procurement process to reflect the changes in funding, and the contract with FAST was renegotiated. The following table displays revised project costs, including costs associated with issuing bonds and paying interest throughout the life of the bonds. See Section 6.3 for a more detailed description of project costs.

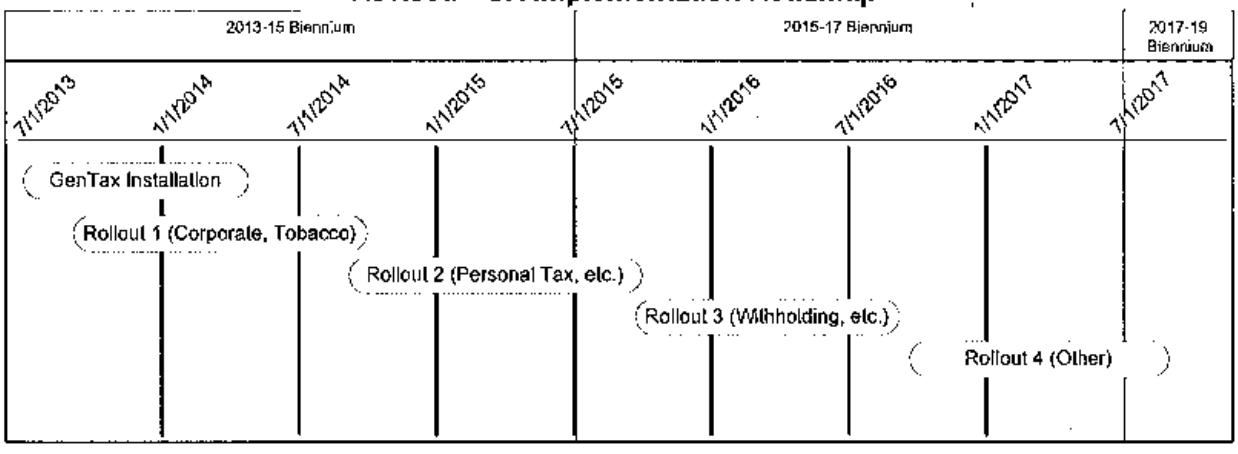
Core Systems Replacement Project and Financing Costs (Revised, Rounded)[1]

Funding Source	2013-15	2015-17	2017-19	Future	Total
Agency budget contribution[2]	$ .8	$ .9	$ .3	$ .0	$ 2.0
Additional General Fund request	$ 3.6	$ 5.2	$ 1.7	$ .0	$10.5
Debt funded costs	$24.9	$26.1	$ 7.4	$ .0	$58.3
Total project costs	***$29.4***	***$32.2***	***$ 9.3***	***$ .0***	***$70.9***
Debt issuance and interest[3]	$ 1.8	$ 3.9	$ 1.8[4]	$ 4.3	$11.7
Total project and financing costs	***$31.1***	***$36.1***	***$11.1***	***$ 4.3***	***$82.6***

Revised Implementation/Rollout Schedule

The overall implementation schedule has not changed as a result of amending the contract with FAST to reflect new funding sources. However, the order in which tax programs will convert to the new system has been revised to reduce implementation risks. See Section 5 for further discussion and a complete listing of tax programs included in each rollout.

Revised CSR Implementation Roadmap



[1] All totals and subtotals are accurately rounded to the nearest $100,000 but may not represent the sum of their component rounded parts, due to the minor inaccuracies inherent in rounding.

[2] DOR contribution in prior biennia (2009-11 and 2011-13) totaled $7.3 million for agency readiness, planning, procurement and preparation activities. This amount is not included in $70.9 million project costs going forward.

[3] Debt service costs include bond issuance costs and interest over the life of the bonds, but not repayment of principal.

[4] Interest expected to be paid during the 2017-19 biennium has been divided equally between the two years of the biennium; FY2017-18 is considered part of the project, FY2018-19 is included in Future Biennia.

Background

Business Case History

DOR conducted significant research in the development of its original Core System Replacement Business Case Analysis (version 4.2 published in April 2010). The purpose of the business case was to determine whether it made sense to modernize DOR's systems. The primary business drivers included mitigating risks associated with aging legacy systems and opportunities to improve tax administration and compliance. Due to the poor economic conditions in Oregon and the large budget deficit facing the state, the former Director received counsel that the only realistic possibility for gaining legislative approval for the system was to present a proposal to "self-fund" the project using a benefits-based funding method. DOR updated the business case with new information in late 2010 (version 5.6) and again in late 2011 (version 6.0) as research and preparation efforts continued to inform how to approach the replacement of core systems. DOR made further revisions in August 2012 (version 7.0), which included updates to major components such as proposed project cost, implementation approach, and benefits-based funding strategy.

DOR published an addendum to the business case in January 2013 which included a total cost of ownership (TCO) and net benefit 10-year comparative analysis. The TCO/net benefit chart compared five alternatives:

- Continuing operations with DOR's legacy systems:
  - Current operations (maintaining legacy systems as they are, with incremental improvements occurring over time)
  - Remodel (remodeling legacy systems to seek the functionality found in modern tax administration systems)
- Replacing core systems with FAST's GenTax COTS solution, comparing three funding methods:
  - Direct appropriation (funding the project through a direct appropriation from the Legislature)
  - Debt financed funding (funding the project through a common financing vehicle)
  - Specified receipts, or "benefits based" funding (funding the project from a special fund established and managed by the Legislature that received quarterly deposits based upon performance of certain late payments and enforcement receipts)

  All three of the replacement options were a better investment than maintaining or remodeling current legacy systems. The Legislature ultimately chose to fund the project using debt financing, which is less costly than continuing with legacy options over time. This TCO analysis will not be refreshed because the Legislature has determined the funding method to pay for the project, and DOR and FAST have finalized the revised agreement and rollout schedule.

One of the largest challenges to the project has been the uncertainty of an unfamiliar funding method such as benefits-based. Because it implied there would be direct benefits from the new system, conversations about the need for replacing legacy systems focused primarily on new revenue and the accuracy of revenue estimates. This obscured the primary reason for DOR's proposal to replace legacy systems: to address risks of being unable to maintain the aging legacy systems and sustain future revenue generation. The Legislature's decision to use traditional funding sources has redirected the focus from revenue generation back to risk mitigation. DOR will track certain key metrics to monitor revenue generation efforts, but the primary objective of the CSR Project is to successfully replace legacy systems and provide a healthy, long-term operating environment.

Although the Governor did not include DOR's CSR Project in his 2013-15 Balanced Budget, DOR was responsive to the Legislature and legislative staff throughout the 2013 session in answering questions and providing requested information. The Legislature informed DOR that it was interested in moving forward with the project, providing a more traditional funding strategy. In July 2013, the Oregon Legislature approved funding for the CSR Project through the sale of Article XI-Q bonds and General Fund appropriations. As a result, the procurement process was amended to reflect the change in funding source, and the contract with FAST was renegotiated.

This amendment to version 7.0 of the business case updates sections of the document with the new funding method, revised project costs and the revised implementation schedule.

Agency Readiness
DOR has conducted numerous activities over the past four years to pursue agency readiness, planning, procurement and preparation to modernize our systems. Since version 7.0 of the business case was published, readiness efforts have continued, including:

- **IT Readiness Programs:**
  - IT Service Management. Implementing the plan to automate and improve IT Service Management.
  - Enterprise Architecture. Developed and adopted an agency Enterprise Architecture that guides decision-making for business and technology initiatives with the agency transformation as the vision.
  - Infrastructure. Preparing the technical infrastructure by partnering with DAS Enterprise Technology Services (ETS), implementing a PC Lifecycle plan and ensuring our network (WAN, LAN and Wireless) are capable of supporting the CSR Project and future system needs.

- **Data Management.** Teams are currently developing plans for cleansing data prior to conversion, as well as developing conversion strategies as various programs will convert to the new system during each of the four planned rollouts.

- **Building a unified agency leadership team.** Complete executive level support for the project has solidified due to the re-establishment of DOR's agency leadership team. Current leaders are engaging employees throughout the agency in preparing for the CSR Project. DOR is also in the process of securing organizational change leadership expertise to assist all employees in transitioning to the new system and helping them understand the way work will be accomplished in the future as a result of the new system.

Section 6.3, Revised Funding Model (page 61)

Delete:
Section, 6.3, Compensation Model, pages 61 and 62

Insert:
In preparing for prior legislative sessions, DOR discovered that funding for its major CSR Project would not be available given the poor economy and revenue shortfall faced by the state. While developing the business case, DOR learned about a funding strategy ("benefits-based" funding, which is a performance-based funding model) being used by several other state revenue agencies to fund their system replacement projects. Given Oregon's fiscal climate at the time, DOR proposed a benefits-based funding method in which the contractor would provide a large part of the financing for the project. Some up-front investment by the state would also be required, but the majority of project costs would be paid from the specified receipts, benefits-based funding method.

DOR's proposal using the specified receipts, benefits-based funding method was not included in the Governor's 2013-15 Balanced Budget. However, DOR remained responsive in answering questions and providing requested information to the Legislature and legislative staff.

Ultimately, in July 2013 the Oregon Legislature gave approval for the CSR Project to proceed by authorizing more traditional funding from three sources, including:

- DOR's agency budget
- An additional General Fund appropriation
- Article XI-Q general obligation bonds

The following table displays funding sources for future project costs across several biennia:

CSR Project Costs (Revised, Rounded)[5,6]

Funding Source	2013-15	2015-17	2017-19	Total
Agency budget contribution[7]	$ .8	$ .9	$ .3	$ 2.0
Additional General Fund request	$ 3.6	$ 5.2	$ 1.7	$10.5
Debt funded costs	$24.9	$26.1	$ 7.4	$58.3
Total project costs	***$29.4***	***$32.2***	***$ 9.3***	***$70.9***

DAS CFO provided information to DOR and the Legislature on debt financing options, including bond types, issuance costs, interest rates, maturity dates and repayment terms. In July 2013, the Oregon Legislature approved the following bond issuance schedule:

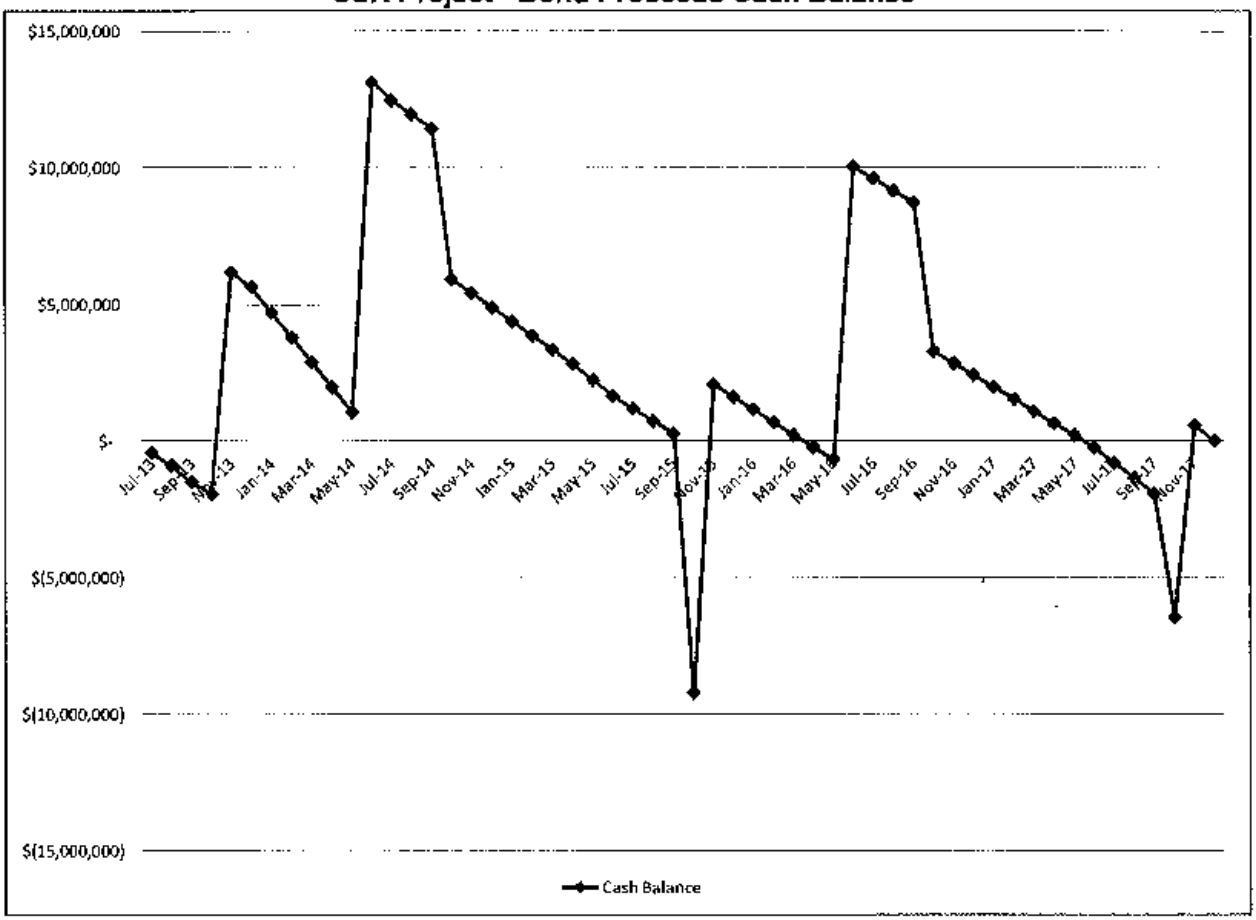
[5] All totals and subtotals are accurately rounded to the nearest $100,000 but may not represent the sum of their component rounded parts, due to the minor inaccuracies inherent in rounding.
[6] Project costs do not include debt service expenses.
[7] DOR contribution in prior biennia (2009-11 and 2011-13) totaled $7.3 million for agency readiness, planning, procurement and preparation activities. This amount is not included in $70.9 million project costs going forward.

CSR Project Article XI-Q Bond Issuance[8]

1	*10/01/2013*	*$13,534,491*	*$260,509*	*$2,250,216*	*$16,045,216*	*11/01/2020*
2	*05/01/2014*	*$12,994,327*	*$260,673*	*$2,661,681*	*$15,916,681*	*05/01/2021*
3	*10/01/2015*	*$13,005,317*	*$259,683*	*$2,327,089*	*$15,592,089*	*11/01/2022*
4	*05/01/2016*	*$11,199,673*	*$245,327*	*$1,965,541*	*$13,410,541*	*05/01/2023*
5	*10/01/2017*	*$ 7,591,643*	*$158,357*	*$1,359,370*	*$ 9,109,370*	*11/01/2024*
Total		*$58,325,451*	*$1,184,549*	*$10,563,897*	*$70,073,897*	

Bond proceeds will be segregated and designated to pay debt-eligible project costs. The resulting available bond proceeds cash balance will fluctuate as bond sale proceeds are received and debt-eligible project expenses are paid. The following chart graphically displays anticipated monthly bond proceeds cash balances over the life of the project[9].

CSR Project - Bond Proceeds Cash Balance



[8] All Article XI-Q bond data provided by DAS CFO.

[9] Assumptions and provisions:

- Assumes proceeds are received within the month following each bond issuance.
- Assumes all contract options are exercised in November 2015. See Section 6.1.
- Based on current contract vendor payment schedule in renegotiated contract.
- Assumes contingency is used and spread throughout the project beginning January 2014. As of the date of this amendment, there are no known plans for use of contingency. If not used, the cash balance position will improve.

Funding (including agency budget contributions, General Fund appropriations and other funds spending limitations) for the 2015-17 and 2017-19 biennia will need to be appropriated by future legislatures during the budget process. DOR will provide project status updates to legislators and legislative staff throughout the life of the project to inform them of future funding needs and project progress.

Section 6.1, Revised Project Costs (page 50)

Delete: *Section 6.1, Costs, pages 50 through 53*

Insert:
This section provides revised CSR Project costs across the next three biennia. Costs are calculated assuming an implementation start date of October 2013 through targeted project completion in 2018. Actual state costs may vary, but vendor (FAST) costs will not exceed the costs reflected in this business case because of the contract's not-to-exceed limitation. Project costs include an appropriate contingency amount for a project of this size and scope (within 10-15% of the primary vendor's contract price). Contingency funds are included in debt funded costs and are designated as Other Funds; therefore, unused contingency amounts carry over to future biennia until the project's end.

The following chart displays the CSR project costs as approved and funded by the 2013 Legislature, based on updated cost information for labor, professional services, hardware, quality assurance, etc.

After the 2013 Legislature approved the project using a different funding method than previously proposed, DOR, with DAS and DOJ's assistance, amended its special procurement process in order to amend the contract with FAST to reflect the new funding method. The chart below also displays revised project costs after the contract with FAST was renegotiated to account for the difterent funding method.

The net result of renegotiating the contract is a price of $32.5 million for the installation of the GenTax integrated tax and data warehouse systems, a reduction in vendor payments of $2 million. New system opportunities allowed DOR to negotiate additional in-scope options for the agency to improve fraud detection through the purchase of third-party data and enhance debt resolution services in the second biennium of the project for up to a total price of $1.3 million. The amount of $.7 million has been moved to the project's contingency category from the vendor payment category based on the reduction in contract price compared to the budgeted amount for vendor payments.

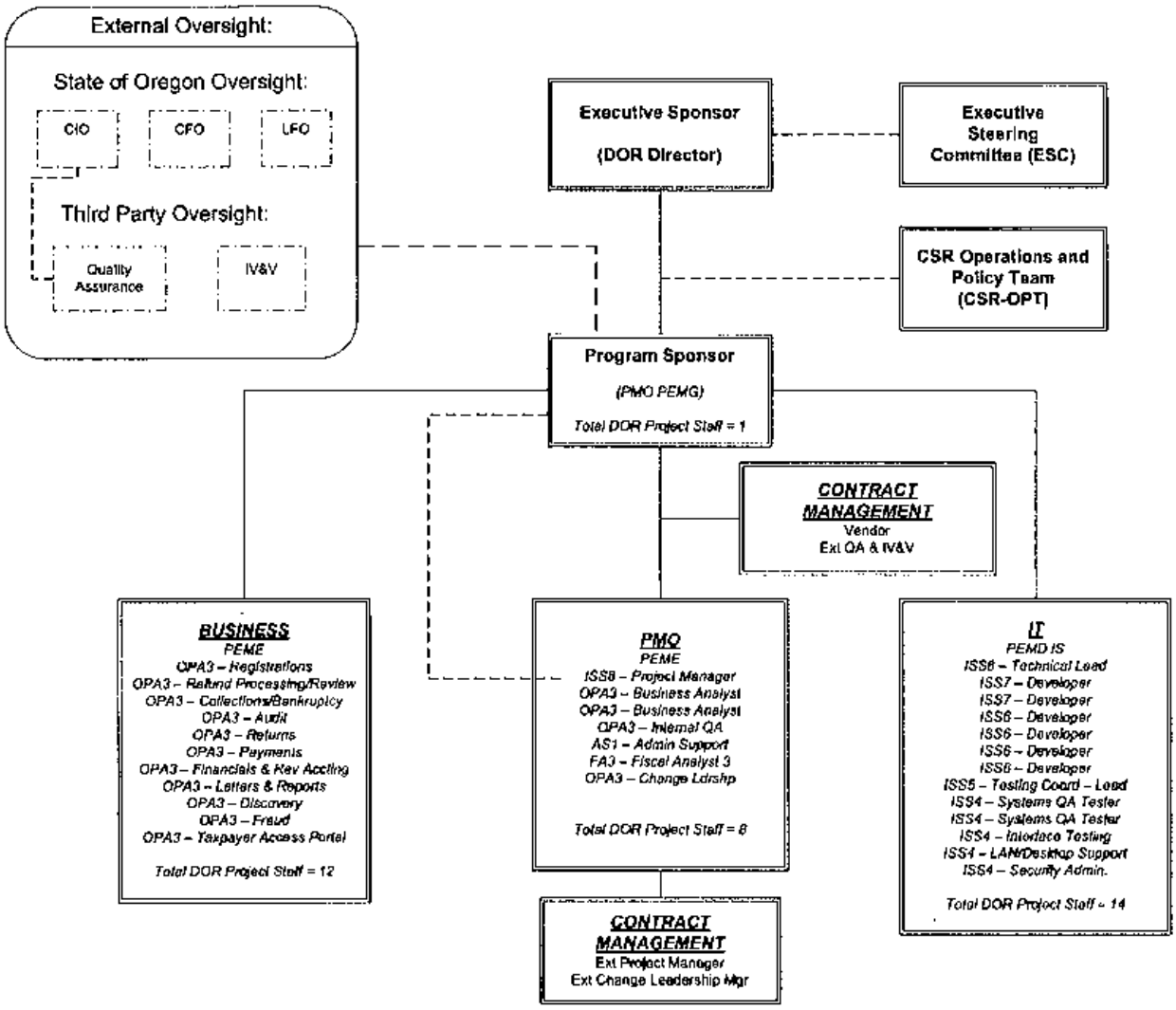
Revised CSR Project Costs (Approved vs. Renegotiated)[10,11,12,13,14,15,16]

Funding Source	Approved (in millions)				Renegotiated (in millions)			
	2013-15	2015-17	2017-19	Total	2013-15	2015-17	2017-19	Total
Agency budget contribution:								
Labor	**$0.8**	**$0.9**	**$0.3**	**$2.0**	**$0.8**	**$0.9**	**$0.3**	**$2.0**
Additional General Fund request:								
ETS (DAS)	$2.5	$2.8	$0.7	$6.0	$2.5	$2.8	$0.7	$6.0
Contracted maintenance	$1.1	$2.4	$1.0	$4.5	$1.1	$2.4	$1.0	$4.5
Total additional General Fund requ	**$3.6**	**$5.2**	**$1.7**	**$10.5**	**$3.6**	**$5.2**	**$1.7**	**$10.5**
Debt funded costs:								
Labor	$6.0	$6.9	$1.9	$14.7	$6.0	$6.9	$1.9	$14.7
Contracted services	$1.2	$1.5	$0.4	$3.1	$1.2	$1.5	$0.4	$3.1
Services, supplies and facilities	$0.8	$0.4	$0.2	$1.4	$0.8	$0.4	$0.1	$1.4
Contracted maintenance	$1.0	$0.0	$0.0	$1.0	$1.0	$0.0	$0.0	$1.0
Vendor payments	$11.3	$13.5	$4.2	$29.0	$9.0	$14.0	$4.0	$27.0
Vendor contract options	$0.0	$0.0	$0.0	$0.0	$0.0	$1.3	$0.0	$1.3
Endpoint hardware/software	$1.7	$0.0	$0.0	$1.7	$1.7	$0.0	$0.0	$1.7
Quality Assurance/IV&V	$1.4	$1.5	$0.4	$3.4	$1.4	$1.5	$0.4	$3.4
Contingency	$3.0	$0.5	$0.5	$4.0	$3.7	$0.5	$0.5	$4.7
Total debt funded costs	**$26.5**	**$24.2**	**$7.6**	**$58.3**	**$24.9**	**$26.1**	**$7.4**	**$58.3**
Total Project Costs	**$31.0**	**$30.3**	**$9.6**	**$70.9**	**$29.4**	**$32.2**	**$9.3**	**$70.9**

In addition to approving funding for the core systems replacement, the Legislature authorized 31 additional positions to staff the project through 2017. The project has developed the following organization chart for staffing the project:

[10] All totals and subtotals are accurately rounded to the nearest $100,000 but may not represent the sum of their component rounded parts, due to the minor inaccuracies inherent in rounding.
[11] Project costs do not include debt service expenses.
[12] The CSR Project is scheduled to end during the 2017-19 biennium, one year after the final rollout or December 31, 2018, whichever is later.
[13] Agency contribution includes the cost of three permanent positions assigned to the CSR Project from the agency's Program Management Office.
[14] Debt funded costs include 31 additional project positions approved by the 2013 Legislature.
[15] Per DAS CFO, first cycle maintenance costs may be capitalized and paid with debt financing. All other contract maintenance costs are included under additional General Fund request.
[16] The contract with FAST includes a 10% retention provision. Ten percent (10%) of each contract payment (except for the initial software installation) will be retained and paid at project completion when all deliverables and artifacts have been accepted by DOR.

DOR Core Systems Replacement Project Team[17]



[17] The Executive Steering Committee has determined the need to double-fill one PEME manager position on the Project Team to ensure business needs are met throughout the project; therefore, total project positions equal 35 (three from the agency's Program Management Office, 31 as approved by the Legislature, and one double-fill).

Section 5, Implementation Approach (page 44)

Delete:
"Implementation Phases (Sections 5.2 and 5.3):
The diagram below illustrates the high-level implementation road map for the Core System Replacement initiative. The timeline meets DOR's objective to implement the highest yielding revenue generating initiatives first, and begins the return on investment at the earliest point possible in the implementation."

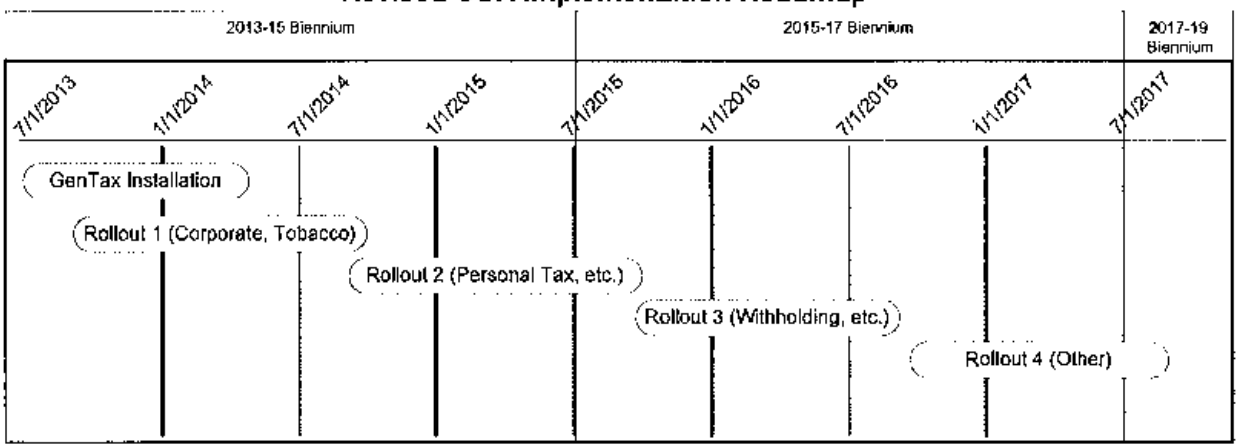
Insert:
Implementation Phase (Section 5.2):

Insert:
The diagram below illustrates the revised high-level implementation roadmap for the CSR Project as reflected in the recently renegotiated contract with FAST. This revised timeline leads with mid-size corporate and tobacco tax programs rather than the largest personal income tax program. This approach reduces risk to the agency and the state by not starting a major system replacement with a large, complex tax program that would affect the largest number of stakeholders. Leading with corporate and tobacco tax programs will provide a thorough base of experience in the first year and demonstrate system viability before implementing the personal income tax program the following year." Unless otherwise agreed to by both parties, programs will be converted in the following rollouts:

Delete: *"Figure 13: Implementation Roadmap"*

Insert:

Revised CSR Implementation Roadmap[18]



Section 5.1.1 Agency Readiness and Planning, page 45:

Delete the last bullet:

- *"Prepare and secure enabling legislation for a Specified Receipts benefits-funded approach (see Section 6.3, Compensation Model)."*

[18] DOR and FAST have agreed that, with mutual consent, the order of programs to be converted to the new system may be revised.

Insert:

- "Prepare and secure funding legislation (see revised Section 6.3, Compensation Model)."

Section 5.2.1 Comprehensive Tax System, page 46:

Delete: *"CTS will be implemented by tax type in the following "rollouts":*

1. ***Personal Income Tax and other tax programs.*** *The first implementation stage will include the GenTax system installation. Common support processes (e.g., case management, business rules engines, workflow engines, etc.) will also be released with this implementation."*

Delete: *"**Table 18: CTS Rollout 1**"*

Delete:

2. *"**Withholding and other tax programs.** Along with the conversion of these tax types, the agency will streamline business processes to follow the standards established in phase one."*

Delete: *"**Table 19: CTS Rollout 2**"*

Delete:

3. ***Corporate and other tax programs.*** *Along with the conversion of these tax types, the agency will streamline business processes to follow the standards established in earlier phases.*

Delete: *"**Table 20: CTS Rollout 3**"*

Delete:

4. *"**All other tax programs.** Finally, all other miscellaneous tax types will be converted into the ITS replacing the many ad hoc systems scattered throughout the agency. Along with the conversion of these tax types, the agency will streamline business processes to follow the standards established in earlier phases."*

Delete: *"**Table 21: CTS Rollout 4**"*

Insert:

The CSR Project will be accomplished across four rollouts. Unless otherwise agreed to by both parties, the table below details the programs planned within each rollout. Along with the conversion of these tax types, DOR will streamline business processes in each rollout to follow standards established in prior rollouts.

The Contract Statement of Work (Appendix H) contains additional information about the planned rollouts.

Revised CSR Rollouts

Tax & Revenue Program	Rollout
Corporate Excise Tax Program	1
Corporate Income Tax Program	1
Corporate Multistate Tax Program	1

Tax & Revenue Program	Rollout
Cigarette Tax Program	1
Consumer Cigarette Tax Program	1
Other Tobacco Products Tax Program	1
Personal Income Tax Program	2
Charitable Checkoff	2
Tri-Met Transit District Self-Employment Tax Program	2
Lane Transit District Self-Employment Tax Program	2
Senior & Disabled Property Tax Deferral Program	2
Partnership Program	2
Pass Through Entity – PIT, CORP	2
Estate Tax Program	2
Fiduciary Estate Tax Program	2
Fiduciary Trust Tax Program	2
Withholding Tax Program	3
Tri-Met Transit District Payroll Tax Program	3
Lane Transit District Payroll Tax Program	3
Unemployment Insurance Tax Program	3
Workers Compensation Assessment Program	3
Other Agency Accounts Program	3
State Lodging Tax Program	3
Emergency Communications Tax Program	3
Petroleum Load Fee Program	3
Amusement Device Tax Program	3
Hazardous Substance Possession Fee Program	3
Assessor's Funding (CAFFA)	4
Forest Products Harvest Tax	4
Small Tract Forestland Severance Tax – West Program	4
Small Tract Forestland Severance Tax – East Program	4
Electrical Cooperatives (Co-ops)	4
Gas & Oil Production Tax Program	4
Private Rail Car Program	4
Elderly Rental Assistance Program	4
Revenue Accounting (All other accounting)	4
Non-Profit Homes	4
Court Fines & Assessments Program	4
Green Light (film) Rebate	4

Additional amendments

The following items replace wording or information presented in the Core System Replacement Business Case Analysis, Version 7.0, to reflect updated information pertaining to project costs, approved funding methods, and the revised implementation schedule. Section titles and page numbers are provided for easier reference.

Executive Summary

Introductory paragraph (page 5)

Delete:
"This version of the business case includes updates to major components such as cost, implementation approach, and benefits projections."

Delete:
Footnote[1] "Version 7.0 is the last "full" version of the CSR Business Case. DOR plans to publish an Addendum in December 2010."

Insert:
See the Background section of the amendment to version 7.0 of the business case for an updated history of the CSR Business Case.

Insert:
This amendment to version 7.0 of the business case updates sections of the full document with the new funding method, revised project costs and the revised implementation schedule based on Legislative approval received in July 2013 and as renegotiated with FAST in August 2013.

1.3 Proposed Solution (page 7)

Delete:
"After completing contract negotiations in May 2012, DOR signed a contract with FAST, contingent upon legislative approval. The contract calls for a benefits-based funding model, as described in this business case."

Insert:
After receiving legislative approval to proceed and legislative authority for the sale of Article XI-Q bonds to fund the majority of project costs, DOR amended the procurement process to reflect the new funding method and renegotiated its contract with FAST in August 2013.

1.5 Estimated Costs and Benefits (page 7)

Delete:
*"**Cost.** The estimated total project cost is $69.2 million through the final implementation and warranty phase, ending in 2018. DOR signed a $34.5 million contract with FAST in May*

2012, contingent upon legislative approval. The remaining $34.7 million is agency cost, and includes all internal effort as well as third-party Quality Assurance.

Delete: *"The following chart represents costs by biennium and category:"*

Delete: *"Figure 1: Core System Replacement Cost"*

Delete:
"Total estimated agency cost is $34.7 million, including all costs from inception in 2009 through completion in 2018. Costs for the 2009-11 biennium are actual costs. All other agency costs are estimated based on information from FAST and other industry experts, as well as experiences in other states that have replaced their core systems. Actual costs will be reported regularly via established project reporting mechanisms as the initiative moves forward."

Insert:
Project Costs. The estimated total project cost is $70.9 million through the final implementation and warranty phase, ending in 2018.

DOR had previously negotiated a $34.5 million contract price with FAST based on a benefits-based funding model. After the Legislature approved funding for the project in July 2013 using more traditional financing, DOR renegotiated the FAST contract, reducing the price to $32.5 million based upon the shift in risk due to changing from benefits-based to bond financing. The renegotiated contract provides that FAST will now install the most recent version of GenTax (V9) for DOR's core systems replacement implementation. The newer version provides an opportunity to take advantage of improved fraud detection services, including additional data matching. The renegotiated contract provides options for DOR to purchase additional data sources and services during the project to improve fraud detection and tax compliance (in line with the original business case objectives) for up to $1.3 million. Though this is a new cost, it is being paid from savings in the overall renegotiated contract price. The renegotiated contract, along with this business case, is subject to standard DAS approval processes.

The remaining $37.1 million of project costs includes DOR costs, third-party Quality Assurance / Quality Control / Independent Verification and Validation, project management and contingency.

Debt Financing Costs. The Legislature has approved Article XI-Q general obligation bonds to finance the majority of the project. Bond issuance costs and interest are in addition to the $70.9 million project costs.

The following chart represents costs by biennium and category:

Core Systems Replacement Project and Financing Costs (Revised, Rounded)[19]

Agency budget contribution[20]	$ .8	$ .9	$ .3	$ .0	$ 2.0
Additional General Fund request	$ 3.6	$ 5.2	$ 1.7	$ .0	$10.5
Debt funded costs	$24.9	$26.1	$ 7.4	$ .0	$58.3
Total project costs	***$29.4***	***$32.2***	***$ 9.3***	***$ .0***	***$70.9***
Debt issuance and interest[21]	$ 1.8	$ 3.9	$ 1.8[22]	$ 4.3	$11.7
Total project and financing costs	***$31.1***	***$36.1***	***$11.1***	***$ 4.3***	***$82.6***

3 Increased Revenues (page 9)

Delete: *"Figure 2: Specified Receipts – Payment of Vendor Expenses"*

Delete:
"Because of the difficulty in estimating benefits, DOR and FAST, in consultation with Legislative Revenue Office (LRO), have agreed to propose a benefits-based funding method that designates Specified Receipts for project payments. This funding method is subject to legislative approval. These Specified Receipts are directly associated with programs and functions that benefit from the Core System Replacement."

Insert:
In July 2013, the Legislature approved funding for the majority of the CSR Project through the sale of Article XI-Q bonds, rather than a Specified Receipts benefits-based method.

1.6 Recommendation (page 10)

Delete:

- *"Use benefits-based funding for the CTS solution, funding the solution through Specified Receipts from tax programs benefitting from implementation of the new system"*

Section 2.3, Purpose (page 17)

Delete from the end of the second paragraph:
"This August 2012 version of the business case includes updates to major components such as cost, implementation approach, and benefit projections."

Insert at the end of the third paragraph:
"The August 2012 version of the business case included updates to major components such as cost, implementation approach, and benefit projections, based on information gained from the contracting process."

[19] All totals and subtotals are accurately rounded to the nearest $100,000 but may not represent the sum of their component rounded parts, due to the minor inaccuracies inherent in rounding.
[20] DOR contribution in prior biennia (2009-11 and 2011-13) totaled $7.3 million for agency readiness, planning, procurement and preparation activities. This amount is not included in $70.9 million project costs going forward.
[21] Debt service costs include bond issuance costs and interest over the life of the bonds, but not repayment of principal.
[22] Interest expected to be paid during the 2017-19 biennium has been divided equally between the two years of the biennium; FY2017-18 is considered part of the project, FY2018-19 is included in the Future Biennia column.

Delete:

"***Planned Addendum***

DOR plans to publish an addendum to this business case that will provide a detailed cost/benefit analysis based on information gained from contract negotiations. The addendum, to be published December 2012, will include:

- *Costs. An in-depth analysis of costs which includes a detailed assessment of total cost of ownership. The analysis will compare:*
  - *The "do nothing" alternative (see Section 3.2.1, Maintain), with*
  - *The alternative to move forward with GenTax, the selected COTS solution (see Section 3.2.3, Replace with industry standard solution).*
- *Benefits. A refined analysis to better estimate the benefits of implemanting the GenTax solution. This analysis will focus on key functional areas with the most direct impact, and will further define:*
  - *Key assumptions.*
  - *Financial and non-financial benefits.*
  - *Operational efficiencies, including strategies for reinvesting these efficiencies.*

DOR will be providing regular project reports, outside of this business case, as described in pertinent sections of this document.

Insert:

DOR published an addendum to the business case in January 2013. As described above in the Background section, the addendum included a total cost of ownership (TCO)/net benefit 10-year comparative analysis of five alternatives:

- Continuing operations with DOR's legacy systems:
  - Current operations (with incremental improvements occurring over time)
  - Remodel (remodeling legacy systems to seek the functionality found in modern tax administration systems)
- Replacing core systems with FAST's GenTax COTS solution, comparing three funding methods:
  - Direct appropriation
  - Debt financing funding
  - Specified Receipts "benefits based" funding

The January 2013 TCO/net benefit analysis was prepared using estimated project costs from 2012, as reflected in version 7.0 of the business case. In the addendum, DOR recognized that the TCO/net benefit model focused primarily on benefits, and the analysis did not express any value on risk of not replacing legacy systems because it was too difficult to estimate. Moving the personal income tax program from the first to the second rollout would delay the realization of some benefits, but it reduces project risk. Ultimately, the project is a reinvestment of capital to maintain the infrastructure of DOR's core systems and to reduce risk of failure. Changes to schedule (moving personal income tax to the second rollout) do not substantially change the cost or the outcome.

Although the Governor did not include DOR's CSR Project in his 2013-15 Balanced Budget, DOR was available to the Legislature and legislative staff throughout the 2013 session to answer questions and provide any requested information. At the request of legislative staff, total project costs were recalculated based on bond financing and provided to the Legislature for their consideration.

In July 2013, the Legislature approved funding for the majority of the CSR Project through the sale of Article XI-Q bonds. As a result, the procurement process was amended and the contract with FAST was renegotiated to reflect a different funding method.

This amendment to version 7.0 of the business case updates sections of the document with revised project costs, new funding method explanations, and the revised implementation schedule based on Legislative approval received in July 2013 and as renegotiated with FAST in August 2013.

DOR will be providing regular project reports, outside of this business case, as directed and described in a legislative budget note received in July 2013.

Section 2.6, Program Management (page 21)

Insert at the end of the **Procurement** paragraph:
Based on the 2013 Legislature's decision to fund the majority of the project using bond sales, the prior procurement process was amended and the contract with FAST was renegotiated in August 2013.

Delete:
*"**Funding Strategy:** DOR has elected to use a Specified Receipts benefits-based approach to fund the bulk of the CTS project. This funding mechanism is discussed in Section 6.3, Compensation Model. DOR hired a company with experience in benefits-based funded IT projects to ensure that the agency and the state's interests are appropriately represented."*

Insert:
Funding Strategy: In July 2013, the Legislature approved funding for the majority of the CSR Project through the sale of Article XI-Q bonds. The balance of project costs will be paid from the agency's budget and an additional General Fund Request in each of the 2013-15, 2015-17 and 2017-19 biennia.

Section 4.2.2, Current Implementations & Upcoming RFPs for ITS Solutions (page 42)

Delete:
"$34.5" in the fifth column, bottom row, of Table 16: Comparable State Modernization Efforts.

Insert:
"$32.5", in the fifth column, bottom row of Table 16: Comparable State Modernization Efforts, with an additional footnote:
After receiving legislative approval to proceed with a different funding method, DOR renegotiated its contract with FAST and agreed to a revised price of $32.5 million, plus $1.3 million in contract options to purchase additional data sources and services during the project to improve fraud detection and tax compliance.

Section 6, Projected Costs, Benefits & Compensation (page 49)

Delete from the second paragraph:
"As a result of these efforts, DOR estimates that the system will provide a positive Return on Investment and pay for itself within two years of completion, as well as continue to provide additional revenue to the state well beyond the end of the project."

Insert:
While DOR fully anticipates that the new COTS software is going to drive processing efficiencies and increase revenue, the primary objective for replacing core systems is to continue the agency's ability to protect long-term revenue streams for the state of Oregon. The project's main purpose is to modernize the agency's infrastructure, allowing the agency to continue to administer tax programs into the future.

Delete the first bullet under "IMPORTANT NOTE":

- *"DOR is preparing a Core System Replacement Business Case Addendum which will provide a detailed cost/benefit analysis based on the negotiated contract (see Total Cost of Ownership, Section 6.1.4)."*

Insert:
A cost/benefit analysis was published in January 2013 in the business case addendum, based on the original contract with FAST.

Delete: *Table 22: Estimated Cost and Benefit Summary by Biennium*

Insert:

Core Systems Replacement Project Costs (Revised, Rounded)[23,24]

Expenditure Category	2013-15	2015-17	2017-19	Total
Agency budget contribution[25]	$ .8	$ .9	$ .3	$ 2.0
Additional General Fund request	$ 3.6	$ 5.2	$ 1.7	$10.5
Debt funded costs	$24.9	$26.1	$ 7.4	$58.3
Total project costs	***$29.4***	***$32.2***	***$ 9.3***	***$70.9***

Section 6.2, Benefits (page 54)

Delete:
"The estimated total cost for the Core System Replacement is approximately $69.2 million, including effort-to-date, calculated through completion (Fiscal Year 2018)."

Insert:
The estimated total cost for the CSR Project moving forward is $82.6 million calculated through project completion (2018)[26], including the costs of issuing bonds and interest associated with Article XI-Q bonds.

Section 6.2.3, Increased Revenue (page 60)

Delete:
"FAST estimates a $51.5 million overall increase in revenue during the life of the project from improved service and better compliance tools. The methodology for this estimate is based on their experience in 16 other state revenue agencies. Benefits are expected in non-filer

[23] All totals and subtotals are accurately rounded to the nearest $100,000 but may not represent the sum of their component rounded parts, due to the minor inaccuracies inherent in rounding.
[24] Project costs do not include debt service expenses.
[25] DOR contribution in prior biennia (2009-11 and 2011-13) totaled $7.3 million for agency readiness, planning, procurement and preparation activities. This amount is not included in $70.9 million project costs going forward.
[26] Excluding amounts spent in 2009-11 and 2011-13 by the department in preparation of legislative approval.

compliance, audit, collections and refund fraud reductions for the personal income tax, withholding and corporate tax programs. This is a conservative estimate and is not tied to specific improvements. Instead, it is an aggregate of likely improvements."

Delete: *"Table 28: FAST Projected Revenue Benefit (by Biennium)"*

Delete:
"*Actual improvements in specific programs or functions may vary, but FAST is confident that overall benefits will exceed $50 million during the life of the project, with continued benefits well beyond. It is probable, based on other states' results, that DOR will experience additional revenues over and above the projected $51.5 million during the life of the project. However, the projected increase provides a basis for establishing the Specified Receipts benefits-based compensation model. FAST estimates $20 million per year of increased revenues after implementation which would indicate full repayment for all project expenses within one year after implementation is complete. DOR, FAST, and LRO will continue to evaluate revenue impacts for the 2013 Legislative Session."*

Delete:
Footnote [46]: "Over the estimated 3 percent growth that is included in the Specified Receipts model to reflect revenues that may have been generated without the core system replacement."

Insert:
Prior estimates of increased revenues were based on an implementation approach that included the Personal Income Tax Program in the first rollout, followed by smaller tax programs in later rollouts. The revised implementation approach (described above in Section 5) includes mid-size tax programs in the first rollout, followed by the Personal Income Tax Program in the second rollout. This approach reduces risk to the agency and the state by not starting a major system replacement with a large, complex tax program that would affect the largest number of stakeholders.

Additionally, while DOR fully anticipates that the new COTS software is going to drive processing efficiencies and increase revenue, the primary objective for replacing core systems is to continue the agency's ability to protect long-term revenue streams for the State of Oregon. The project's main purpose is to reduce increasing risks associated with current legacy systems by modernizing the agency's infrastructure, allowing the agency to continue to administer tax programs into the future. The *Addendum to Core System Replacement Business Case Analysis* (published January 31, 2013) includes a thorough discussion of quantifiable and qualitative benefits anticipated from the CSR Project.

DOR and FAST will continue to evaluate revenue impacts throughout the life of the Core Systems Replacement Project for future legislative reporting.

Section 7.1, Foundational Strategies (pages 63 and 66 through 67)

Delete:
"Strategy #8, Benefits-based funding strategy – fund the costs of the project out of the benefits realized from the implemented COTS solution."

Insert:
Strategy #8, Bond financing strategy -- In July 2013, the Legislature approved funding for the

project using Article XI-Q bond sales. See revised Section 6.3 above for a more thorough explanation of the project funding methodology.

Section 7.3, Critical Success Metrics (page 69 and 70)

Delete:
"Funding-Specific Metrics, 1.1 Specified Receipts meet or exceed Total Target Receipts" from Table 29: Core System Replacement Metrics

Insert:
The Oregon Legislature approved a traditional bond financing method, Article XI-Q bond sales. Therefore, the previously proposed metric relating to specified receipts (a type of benefits-based financing) is no longer relevant.

Appendix A: Status of State Tax Agency Modernization Efforts (page 77)

Delete:
"If approved" from the "Modernized in Last 9 Years" column of the Oregon Department of Revenue row.

Delete:
"$34,500,000" in the "Cost of Modernization" column of the Oregon Department of Revenue row.

Insert:
"$32,500,000, plus $1,258,000 of options" in the "Cost of Modernization" column of the Oregon Department of Revenue row.

Appendix E: CSR Cost Detail (page 90)

Delete: *Appendix E, pages 90 through 93*

Insert:
Prior versions of the business case presented estimated project costs per biennium as well as by phase or rollout. DOR has determined that estimating and tracking project costs by rollout phase is not a simple or meaningful exercise. All funding, project expenses and deliverables will be tracked in line with the state's standard biennial budget cycles. Tracking project expenses by discreet rollout phases would be complicated by the fact that DOR envisions rollouts occurring concurrently in overlapping time periods. The nature of the planned implementation methodology is such that work performed in one rollout applies to and is built upon during subsequent rollouts. As a result, DOR plans to track and report project costs chronologically, in line with the state biennial budget cycle, and not by rollout phases.

Appendix G: CTS Contract - Section 5 Compensation (pages 98 through 102)

State of Oregon Information Technology Services Agreement #102-1342-12

Delete: *5. Compensation, pages 98 through 102*

Insert:

5. COMPENSATION.

5.1. Maximum Payment Amount. Notwithstanding any other provision of this Contract to the contrary, the maximum, not-to-exceed compensation that Agency will pay to Contractor is Thirty-Two Million, Five Hundred Thousand Dollars ($32,500,000) (the "Maximum Not-To-Exceed Compensation"), which includes payment for any allowable expenses for which Contractor may request reimbursement under this Contract.

5.2. Payments.

5.2.1. Payment of Fixed Prices. Subject to the requirements of Sections 5.3 and 5.5, Agency shall pay to Contractor the fixed price for each Rollout (Production Cut Over) completed, delivered to and Accepted by Agency according to the Statement of Work.

5.2.2. Maintenance / Support Services. Maintenance and Support Services. No later than sixty (60) days prior to the expiration of the Initial Support Term, Agency shall advise Contractor of the level of maintenance and support services desired. Contractor shall invoice Agency for the annual fees for Maintenance and Support. Thereafter, Contractor shall, no later than sixty (60) days from the expiration of any Maintenance or Support period, invoice Agency for the next period of Maintenance and Support in accordance with the pricing set forth in Exhibit I.

5.2.3. Payment for COTS Software. Subject to Sections 5.3 and 5.5, Agency shall pay Contractor for COTS Software delivered under this Contract upon Agency's acceptance of the COTS Software, in the amount set forth in the Statement of Work for the COTS Software.

5.3. Retention Amount for Services. Agency shall in all events be permitted to hold back an amount (the "Services Retention Amount") of ten percent (10%) of any amount that is payable by Agency to Contractor, other than amounts attributable to the purchase of Hardware or license of COTS Software, if any. Agency shall pay the then accrued Services Retention Amount to Contractor within thirty (30) days following Final Acceptance.

5.4. Expenses. Agency will not pay or reimburse any expenses incurred by Contractor during the completion of the Services except as authorized in the Statement Work. Any such authorized expenses shall comply with the Oregon Travel Policy.
http://egov.oregon.gov/DAS/SCD/SARS/policies/oam/40.10.00.PO.pdf

5.5. Invoices. Agency shall pay Contractor not more than once each month upon Contractor's submission of a detailed invoice that sets forth the Services performed and Deliverables accepted by Agency for each Rollout. Such invoices shall comply with the requirements of Sections 5.2, 5.3, and 5.4 and shall identify the Deliverables completed and Accepted by Agency for which Contractor seeks compensation and shall itemize and explain all authorized expenses for which reimbursement is claimed. The invoices also shall include the total amount invoiced to date by Contractor prior to the

current invoice. Contractor shall submit invoices to Agency's Authorized Representative. Agency will have the right to review each such invoice for compliance with the requirements of this Section 5.5 and any other relevant provisions of this Contract. All payments to Contractor are subject to ORS 293.462.

5.6. Limit on Payments. Contractor shall not submit invoices for, and Agency shall not pay, any amount in excess of the Maximum Not-To-Exceed Compensation. If this maximum amount is increased by amendment of this Contract, pursuant to Section 17.15, the amendment must be fully effective before Contractor performs Services or delivers goods subject to the amendment. No payment will be made for any Services performed or goods delivered before the Effective Date or after termination of this Contract.

Appendix H: CTS Contract Statement of Work (pages 103 through 120)

Delete: *"Exhibit A-1, Statement of Work", pages 103 through 120*

Insert:

REVISED EXHIBIT A-1
REVISED STATEMENT OF WORK

PART I. GENERAL INFORMATION AND OVERVIEW

Background: The Oregon Department of Revenue ("Agency" or "DOR") administers the State's income tax, property tax, and other revenue programs.

Agency's Mission Statement is:

> "We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens."

Agency's Vision is:

> "We are a model of 21st century revenue administration through the strength of our people, technology, innovation, and service."

Agency collects revenue from a variety of sources and transfers it to various state and local agencies.

Agency has approximately 1,000 employees in locations across the state and administers more than 30 tax programs. There is one main office and eight field offices across the state. Agency uses a series of sections, divisions, and programs to carry out its duties, including: Executive Section, Strategic Planning/General Services Section, Administrative Services Division, Information Technology Section, Property Tax Division, Business, and Personal Tax and Compliance.

Technology: Currently, Agency contracts with the Oregon Department of Administrative Services, Enterprise Technology Services ("ETS") to monitor and maintain the application servers and middleware used to support the applications used by Agency. Agency supports approximately 1,200 PCs, a combination of desktops and laptop computers, and approximately 200 printers, on a 100MB Ethernet infrastructure network. Agency also supports teleworking via Blackberry devices and via Agency laptop computers and a Virtual Private Network (VPN) connection. All desktops and laptops run Microsoft XP, with MS Office 2003 or higher. One small work unit uses Macs.

Current applications lack common look and feel due to a variety of platforms including 'mainframe', client-server, and locally-built, non-standard applications in Access and Excel.

Purpose of this Statement of Work: Agency recognizes the importance of information technology and the need to become a data-driven organization. To achieve its Mission Statement and realize its vision, Agency has engaged Contractor to design, install and implement a Comprehensive Tax System ("CTS") to maintain and sustain healthy revenue systems, with methods and practices across Agency that are:

- Simple: one consolidated and integrated system vs. many diverse, siloed "stand-alone" systems.
- Timely: increased ability to process information and make decisions quickly.
- Trusted: data integrity and security is ensured for both processing and analysis.

The CTS' purpose is to:

1. Increase compliance and revenue
   - Increase voluntary compliance through improved customer service and customer access to information.
   - Predict taxpayer noncompliance with greater ease and accuracy; generate faster and more complete data for educating, assisting, and enforcing laws.
   - Enhance enforcement, in particular from non-filers and those under-reporting taxable activity.

2. Increased flexibility in tax administration
   - Provide an agile technology solution enabling quick and cost-effective response to support:
     - Changes in tax laws, new taxes, and legislative requests.
     - Evolving taxpayer needs, behaviors, and complex financial transactions.
     - A constantly changing external technical environment, including ability to incorporate and utilize new technologies and to avoid the risks and costs of obsolete and aging technology.
   - Easily exchange data with business partners, such as the IRS, counties, states, and tax practitioners, avoiding custom-built interfaces wherever possible.
   - Improve collaboration with state Agency partners.

3. Improve customer service
   - Provide Taxpayer services that are accessible, convenient, transparent, timely, and secure.
   - Enable Taxpayers to file returns and make payments using self-service tools that are familiar to them (online, mobile, secure e-mail, etc.).
   - Resolve Taxpayer questions and concerns on first contact.

4. Increase overall efficiency
   - Eliminate risk and cost of maintaining multiple, diverse systems.
   - Provide a technology platform that integrates data in real-time across business processes providing consistent and accurate information Agency-wide.
   - Mitigate the risk of interruptions to current revenue flows.
   - Eliminate redundant steps and automate more processes, leveraging industry-proven practices and solutions.
   - Store taxpayer information in a consistent, consolidated record, regardless of channel/media.
   - Provide a comprehensive view of all activity (across all tax programs) for each taxpayer.
   - Automate processing for all tax types.

The CTS is an investment in Agency staff, processes, and technology that must provide a significantly positive return on investment to Oregon taxpayers. It must provide value through reduced Agency risk, a more productive and responsive workforce, and adaptability to changing business needs and advances in technology.

Overview: Contractor shall provide the COTS Software and other Third Party Software provided by Contractor and Services to replace Agency's core systems with a CTS, including Data Warehouse and Business Intelligence tools as described below. Contractor shall provide Agency with the recommended specifications for all Centralized Hardware and personal computers (collectively "Hardware") necessary for the System. Agency, at its sole cost, shall purchase the Hardware.

Contractor shall install, configure, and implement its GenTax (GenTax is a registered trademark of Fast Enterprises, LLC) solution for the following Tax and Revenue Programs administered by Agency using the following four (4) Rollouts:

Tax & Revenue Program	Rollout
Corp Excise Tax program	1
Corp Income Tax program	1
Corp Multistate Tax program	1
Cigarette Tax Program	1
Consumer Cigarette Tax	1
Other Tobacco Products Tax program	1
Personal Income Tax program	2
Charitable Checkoff	2
Tri-Met Transit District Self-Employment Tax program	2
Lane Transit District Self-Employment Tax program	2
Senior & Disabled Deferral Program (Property Tax)	2
Partnership Program	2
Pass Through Entity – PIT, CORP	2
Estate Tax program	2
Fiduciary Estate Tax program	2
Fiduciary Trust Tax program	2
Withholding Tax program	3
Tri-Met Transit District Payroll Tax program	3
Lane Transit Dist. Payroll Tax program	3
Unemployment Insurance Tax program	3
Workers Comp Assessment program	3
Other Agency Accounts program	3
State Lodging Tax	3
Emergency Communications Tax program	3
Petroleum Load Fee program	3
Amusement Device Tax program	3
Hazardous Substance Possession Fee program	3

Tax & Revenue Program	Rollout
Assessor's Funding (CAFFA)	4
Forest Products Harvest Tax	4
Small Tract Forestland Severance Tax – West program	4
Small Tract Forestland Severance Tax - East program	4
Electrical Coops	4
Gas & Oil Production Tax program	4
Private Rail Car program	4
Elderly Rental Assistance program	4
Revenue Accounting (All other accounting)	4
Non-Profit Homes	4
Court Fines & Assessments program	4
Green Light (film) Rebate	4

Contractor shall configure GenTax to support the functions and activities required to fulfill Agency's obligations, which shall include:

- Registration and licensing
- Return and form issue
- Return and form processing
- Filing compliance
- Payment processing
- Account maintenance (taxpayer and account maintenance)
- Refund processing
- Collections, including private collection agencies, Other Agency Accounts, and prioritization of accounts
- Bankruptcy management
- Revenue reporting
- Letter and notice issue
- Offsets, both internal and external, including incoming garnishments
- Protests and appeals
- Workflow
- Application security
- Reporting
- Audit selection
- Audit execution and Case Management
- Data matching with various data sources to encourage compliance
- Data analytics
- Other required interfaces
- Web-based account maintenance and form submission
- Imaging Support
- Inspections
- Inventory management

Contractor shall provide long-term maintenance and support of the System as agreed by the Parties.

NOTICE TO PROCEED: Contractor shall begin providing COTS Software and other Third Party Software provided by Contractor and Services upon receipt of a Notice to Proceed ("NTP") from DAS PS.

PART II. THE WORK

A. Tasks, Deliverables and Artifacts
Contractor shall provide the COTS Software, other third party software as set forth herein, and Services to install, configure, and implement GenTax as Agency's CTS solution as more particularly described below.

TASK NO. 0: **PROJECT MANAGEMENT**
Contractor shall provide project management services. Contactor shall assign resources to partner with assigned Agency staff to implement GenTax. The Joint Project Team will oversee the planning and scheduling of work, report progress, identify, and manage Project risks, manage resources, ensure a quality configuration, and direct project communications. The Joint Project Team ensures the configuration of GenTax provides the required business capabilities and adheres to Agency's strategy of employing best tax administration practices. The Joint Project Team is responsible for avoiding unnecessary customization of the GenTax product.

Contractor project management will directly oversee all activities performed by Contractor staff. Agency Project Management will directly oversee all Project activities performed by Agency staff.

Task No. 0 Deliverables and Artifacts:

Deliverable 0.1: Plan and hold a Joint Project Team Kick-off Meeting
Upon receipt of the Notice to Proceed, Contractor shall conduct a Joint Project Team Kick-off meeting between Contractor's Project Team and Agency's Project Team.

Deliverable 0.2: Project Plan, including Strategic Direction and Project Objectives
Contractor shall prepare and deliver a Project Plan. The Project Plan will document how the Project is to be established, executed, and monitored.

The Project Plan contains the following items:

- Strategic direction and project objectives
- Project Schedule including milestones, Deliverable and Artifact due dates
- Staffing plan
- Organization chart
- Infrastructure and technology plan
- Communication plan, including status reporting approach
- Change leadership plan
- Change management approach
- Decision Request process based on the GenTax Implementation Methodology
- Quality Assurance Plan
- Risk Management Plan

Deliverable 0.3: **Installation of GenTax**
Contractor shall install the version of GenTax currently available in production. Contractor anticipates that version 9 will be available in September 2012. Agency may request in writing that a different version be installed.

Contractor shall deliver to Agency or advise Agency on its purchase, installation, configuration, and testing of COTS Software to support the requirements herein.

Deliverable 0.4: Implementation Consulting and Technical Support
Contactor shall provide Agency with implementation consulting. Contractor will advise Agency about opportunities to increase efficiency, maximize revenue collections, and effectively leverage the best tax administration practices inherent in GenTax and accepted among revenue agencies. Contractor will lead the efforts to configure and implement GenTax. Contractor will organize teams, conduct meetings, gather requirements, propose solutions, and ready the System for service.

Contractor shall provide technical consulting services in support of the Project activities to include assistance with:

- Installation of GenTax on State hardware
- Interfacing to frontend existing Agency imaging systems
- Hardware configuration
- Database administration
- Network administration
- Server administration
- Troubleshooting
- Performance tuning
- Print services
- System backup
- Incorporating GenTax and other Project software into existing disaster recovery plans
- Web services

In addition to the provisions set forth in Section 13.5 of the Contract, Contractor shall take steps necessary to transition the System to Agency at the end of the Project, including training, transfer of Final System Implementation Specifications, and other System documentation created for the Project.

Deliverable 0.5: Meetings and Monthly Reports
Contractor shall attend regular meetings with Agency and submit reports as required on the status of the Project. Meetings will be conducted in Salem, Oregon during normal business hours between 8:00 am and 5:00 pm Pacific Time. Contractor also shall attend other meetings with stakeholders, as requested by Agency.

Each month, the Joint Project Team will report project status and progress to the project steering committees using a standard form to be developed in the Project Plan. Monthly reports will include Project Schedule, performance metrics, risk status, action item status, invoice and payment status, and scope changes requested by either Agency or Contractor.
Contractor shall develop all necessary templates for all deliverables, including revenue data reports as required by Section 5.4.5 of the Contract and status reporting. Status Report requirements will be defined in the Project Plan, and may include:

- Review of the overall Project scope and objectives
- Review or revision of Project Schedule, as necessary
- Review or revision of Project Plan, Technology Plan, Communication Plan, Change Leadership Plan, Change Management Plan, Quality Assurance Plan, as necessary
- Review of the resource and scheduling requirements
- Other Issues

Deliverable 0.6: COTS Software and other Third Party Software provided by Contractor Support during the Initial Support Term
During the Initial Support Term and for the tax systems implemented in each Rollout, Contractor, at no additional cost to Agency, shall provide Agency with the following support for GenTax, including the necessary personnel to perform the Services:

- Access to service packs
- Access to new versions of GenTax
- Access to new and revised documentation
- Defect repair - Contractor will fix core GenTax bugs at no additional cost to Agency

During the Initial Support Term, Contractor will assist Agency with the following tasks:

- Prioritization and management of solution requests
- On-call production support
- Coordinating with Contractor's Development Center
- Configuration assistance
- Application development
- Best practices recommendations
- Implementation of minor legislative/business changes (e.g., tax rates, interest rates, reports, letters, return line items, check-offs) to existing programs
- Performance tuning
- Database maintenance, analysis, and review
- Supplemental user, developer, or operator training
- Assistance with developing interfaces with Agency legacy systems.
- Other consulting and services requested by Agency

Artifact 0.1: Project Schedule Management
Contractor shall prepare and submit to Agency a Project Schedule as part of the Project Plan. During each Rollout, Contractor will lead the Joint Project Team to create the work schedule, acquire and manage resources, monitor progress according to the schedule, resolve issues, escalate decisions, manage risks, and communicate with Project stakeholders.

TASKS NO. 1 - 5: *Contractor shall implement GenTax to support the tax programs and functionality specified in this SOW.*

Contractor shall implement GenTax through four Rollouts, as defined in Tasks No. 1 – 5. Each Task will have substantially the same deliverables described in Task No. 1, as applicable to the specific Programs and functionality required to fulfill the Agency's obligations related to the specific Rollout.

Agency shall issue a Notice to Continue for Rollout No. 1. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 1 until Contractor has received the Notice to Continue from the Agency for Rollout No. 1.

TASK NO. 1: **ROLLOUT NO. 1**
Contractor shall implement the following tax and revenue programs:

Corp Excise Tax program
Corp Income Tax program

Corp Multistate Tax program
Cigarette Tax Program
Consumer Cigarette Tax
Other Tobacco Products Tax program

Task No. 1 Deliverables and Artifacts:

Deliverable 1.0: System Tests
Contractor shall conduct testing for the Rollout as described in Task No. 7 below.

Deliverable 1.1: Final Implementation Specifications
Once Agency representatives assigned to the Joint Project Team review and finalize the Implementation Specifications, they will document the scope of the Rollout's functional requirements and provide the roadmap for that Rollout's development.

Deliverable 1.2: Go-Live
Upon acceptance of the Final Implementation Specifications and End-To-End testing, GenTax will go-live into production, subject to the acceptance provisions of Article 2 of the Contract.

Deliverable 1.3: Final Rollout Documentation
Contractor shall deliver to Agency the final Rollout documents, once per rollout:

- Implementation Specifications
- Conversion Plan
- Cutover Plan
- QA Plan

Artifact 1.0: Delivery of system overview presentations:
Contractor shall demonstrate the various GenTax modules to the Project Team.

Artifact 1.1: Base Configuration:
Contractor shall prepare a base configuration to serve as the starting point for the Rollout. Once in place, the base configuration will support basic navigation and tax type/revenue processing. Contractor shall prepare preliminary Implementation Specification documents to outline the functionality required for the Rollout. Project team members will continually examine the base configuration of GenTax to verify and adjust the direction that the configuration is taking. Contractor will revise the Implementation Specifications to incorporate input obtained during this verification.

Artifact 1.2: End User Training:
Contractor shall conduct training for the Rollout as described in Task No. 8 below.

Artifact 1.3: Pull List:
Joint Project Team shall create and maintain a Pull List to document enhancements, extensions, and improvements to Agency's configuration of GenTax that might not be ready in time for implementation (e.g. due to late submission), that are not recommended, or that are not within the Project scope. Contractor shall implement the items on the Pull List(s) as requested by Agency - time permitting. For example, an item can be scheduled to be completed as part of a future Rollout, it can be assigned to be handled as a production support matter, or it can be rejected by the Joint Project Team as functionality that will not be provided.

Agency Project Team shall prioritize the Pull List to determine what items will be implemented based on the availability of the Joint Project Team.

Artifact 1.4: Training, Change Leadership, and Change Management:
Contractor shall conduct training for the Rollout as described in Task No. 9 below.

Artifact 1.5: Cut-Over Planning and Execution:

a. **Cut-Over Plan.** Contractor shall prepare a Cut-Over Plan. Contractor shall lead the cut-over execution which may include Contractor and Agency task responsibilities.
b. **Operations and Support Plan.** Contractor shall develop an Operations and Support Plan that will detail how the CTS will be supported in production. It will include hours of operation, on call support, hardware responsibilities, application responsibilities, and support team structure.
c. **Operations Manual.** Contractor will develop an Operations Manual that will detail the processes associated with the day-to-day operations required, including:
    - Bringing the application up or down
    - Executing scheduled tasks
    - Diagnosing and remedying possible problems
    - Scheduling backups
d. Contractor will train State to carry out the tasks in the Operations Manual.
e. **Disaster Recovery Plan.** Agency shall deliver a copy of its current Disaster Recovery Plan (including Business Continuity) to Contractor. Contractor shall review the current plan and provide written recommendations to Agency for updating its Disaster Recovery Plan to incorporate the GenTax application and the corresponding platform. Contractor recommendations will focus on strategies Agency has or will implement to mitigate the impact of unforeseen events that affect GenTax availability.
f. **Cut-Over Checklists.** Contractor shall develop and deliver to Agency Cut-over Checklists that will list the interrelated steps and activities that must be coordinated to ensure a smooth and successful Rollout. The Checklists specify a timetable when existing business processes must cease or suspend prior to cut-over and a timetable when those processes will resume after cut-over and new processes will commence.
    i. Contractor also shall prepare a high-level checklist for general use within Agency to communicate the general schedule.
    ii. Contractor shall prepare a detailed, step-by-step, hour-by-hour checklist that the Joint Project Team will follow during the cut-over period.
g. Contractor shall lead the conversion processes, including backing up the databases, preparing the application servers, installing needed software on user computers, and transferring service from legacy applications to GenTax.
h. **Desk Side Support Plan.** Contactor shall develop a Desk Side Support Plan to be used in the immediate period after the system goes live. Contractor shall provide desk-side support to end users, provide help desk support, and carefully monitor operations until processing is stable and users feel comfortable operating the system without support.
i. The Joint Project Team shall determine what, if any, temporary interfaces are required to legacy systems. Such interfaces will be identified and documented in Implementation Specifications.

TASK NO. 2: **ROLLOUT 2**
Contractor shall deliver to Agency the Rollout No. 1 Post Production Review.

Agency shall issue a Notice to Continue for Rollout No. 2. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 2 until Contractor has received the Notice to Continue from the Agency for Rollout No. 2.

Contractor shall implement the following tax and revenue programs:

Personal Income Tax
Charitable Checkoff
Tri-Met Transit District Self-Employment Tax program
Lane Transit District Self-Employment Tax program
Senior & Disabled Deferral Program (Property Tax)
Partnership Program
Pass Through Entity – PIT, CORP
Estate Tax program
Fiduciary Estate Tax program
Fiduciary Trust Tax program

Task No. 2 Deliverables and Artifacts: (See Task No. 1 for description)

Deliverable 2.0: Rollout No. 1 - Post Production Review and System Tests
Deliverable 2.1: Final Implementation Specifications
Deliverable 2.2: Go-Live
Deliverable 2.3: Final Rollout Documentation

Artifact 2.0: Contractor and Agency shall review the items on the Pull List to determine if items can be incorporated.
Artifact 2.1: Delivery of System overview presentations
Artifact 2.2: Base Configuration
Artifact 2.3: End User Training
Artifact 2.4: Pull List
Artifact 2.5: Training, Change Leadership, and Change Management
Artifact 2.6: Cut-Over Planning and Execution

- Cut-Over Plan
- Operations and Support Plan
- Operations Manual
- Disaster Recovery Plan
- Cut-Over Checklists
- Contractor Lead Conversion Processes
- Desk Side Support Plan
- Temporary Interfaces for Legacy Systems

TASK NO. 3: **ROLLOUT 3**
Contractor shall deliver to Agency the Rollout No. 2 Post Production Review.

Agency shall issue a Notice to Start for Rollout No. 3. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 3 until Contractor has received the Notice to Start from the Agency for Rollout No. 3.

Contractor shall implement the following tax and revenue programs:

Withholding Tax program
Tri-Met Transit District Payroll Tax program
Lane Transit District Payroll Tax program
Unemployment Insurance Tax program
Workers Comp Assessment program
Other Agency Accounts program
State Lodging Tax
Emergency Communications Tax program
Petroleum Load Fee program
Amusement Device Tax program
Hazardous Substance Possession Fee program

Task No. 3 Deliverables and Artifacts: (See Task No. 1 for description)

Deliverable 3.0: Rollout No. 2 - Post Production Review and System Tests
Deliverable 3.1: Final Implementation Specifications
Deliverable 3.2: Go-Live
Deliverable 3.3: Final Rollout Documentation

Artifact 3.0: Contractor and Agency shall review the items on the Pull List to determine if items can be incorporated.
Artifact 3.1: Delivery of System overview presentations
Artifact 3.2: Base Configuration
Artifact 3.3: End User Training
Artifact 3.4: Pull List
Artifact 3.5: Training, Change Leadership, and Change Management
Artifact 3.6: Cut-Over Planning and Execution

- Cut-Over Plan
- Operations and Support Plan
- Operations Manual
- Disaster Recovery Plan
- Cut-Over Checklists
- Contractor Lead Conversion Processes
- Desk Side Support Plan
- Temporary Interfaces for Legacy Systems

TASK NO. 4: **ROLLOUT 4**
Contractor shall deliver to Agency the Rollout No. 3 Post Production Review.

Agency shall issue a Notice to Continue for Rollout No. 4. Contractor shall not begin providing COTS Software and other Third Party Software provided by Contractor or Services related to Rollout No. 4 until Contractor has received the Notice to Continue from the Agency for Rollout No. 4.

Contractor shall implement the following tax and revenue programs:

Assessor's Funding (CAFFA)
Forest Products Harvest Tax
Small Tract Forestland Severance Tax – West program
Small Tract Forestland Severance Tax - East program
Electrical Coops
Gas & Oil Production Tax program
Private Rail Car program
Elderly Rental Assistance program
Revenue Accounting (All other accounting)
Non-Profit Homes
Court Fines & Assessments program
Green Light (film) Rebate

Task No. 4 Deliverables and Artifacts: (See Task No. 1 for description)

Deliverable 4.0: Rollout No. 3 - Post Production Review and System Tests
Deliverable 4.1: Final Implementation Specifications
Deliverable 4.2: Go-Live
Deliverable 4.3: Final Rollout Documentation, including Post Production Review for Rollout No. 4 and completion of all Project Artifacts.

Artifact 4.0: Contractor and Agency shall review the items on the Pull List to determine if items can be incorporated.
Artifact 4.1: Delivery of System overview presentations
Artifact 4.2: Base Configuration
Artifact 4.3: End User Training
Artifact 4.4: Pull List
Artifact 4.5: Training, Change Leadership, and Change Management
Artifact 4.6: Cut-Over Planning and Execution

- Cut-Over Plan
- Operations and Support Plan
- Operations Manual
- Disaster Recovery Plan
- Cut-Over Checklists
- Contractor Lead Conversion Processes
- Desk Side Support Plan
- Temporary Interfaces for Legacy Systems

TASK NO. 5: SITE SPECIFIC MODULES

Contractor shall program the required site-specific modules, including letters, reports and interfaces, required to extend the functionality of GenTax as appropriate for the State. Contractor shall endeavor to program such site-specific modules so they will be compatible with future GenTax versions that Contractor might release. Agency may choose to have selected Agency programming staff participate in site-specific programming. Contractor will retain overall responsibility for such programming and reserves the right to take any actions, in consultation with and notice to Agency, which will ensure on time delivery of a rollout.

Over the course of the Project, some site-specific modules will need to be written for plug-in and other purposes. Contactor will determine if a site-specific module is required, and will endeavor to minimize the necessity of such modules.

Task No. 5 Deliverables: TO BE CONFIRMED, VALIDATED, AND FINALIZED DURING THE PROJECT
Deliverable 5.0: Letters
Deliverable 5.1: Reports
Deliverable 5.2: Interfaces
Deliverable 5.3: Other modules determined necessary during the project

TASK NO. 6: DATA CONVERSION

Contractor shall assist Agency with data conversion to provide the CTS with a base set of data extracted, loaded and converted from the legacy systems.

Critical to the success of data conversion is participation by Agency programmers in the data extraction and purification process. These programmers will be responsible for extraction of legacy system data into file layouts that Contractor will provide.

Also critical to the success of data conversion is participation by Agency representatives assigned to the Project Team to review and confirm the data that will be converted. Contractor can validate that extracted data was loaded, but cannot validate whether it accurately represents the state of data from the legacy system.

Contractor and Agency shall inventory Agency legacy data and all other data resources and Contractor shall produce an inventory report.

Contractor shall produce a data conversion plan that will cover aspects of migrating legacy system data to GenTax. Contractor and Agency shall work jointly to develop a Conversion Plan. The Conversion Plan will address all issues related to the data conversion, including:

- Strategies and tactics to address maintaining the shared data and processes.
- Determine level of record detail to be converted.
- Strategies and tactics for conversion of images and True Copies, i.e., power of attorney and notices.

Contractor shall configure automated conversion programs to support the data conversion effort, including:

- Loading legacy system extract files provided by Agency programmers.
- Validating loaded data and identifying data purification needs.
- Resolving conversion errors and analyzing loaded data.
- Verifying completeness.

Agency will conduct data conversion acceptance testing with the assistance of Contractor. Agency will produce reconciliation reports in format specified by Contractor from legacy system(s) to certify that all required data has been converted and any differences can be explained.

Contactor and Agency will conduct a series of mock extractions and conversions to test the conversion processes and to tune performance. This is required to ensure data elements from Legacy systems were interpreted correctly in form and meaning.

Contractor shall run the conversion programs and assist Agency with the verification of the converted data. In the event that some data cannot be converted or loaded automatically, Agency will be responsible for loading such data using mechanism provided by the Contractor and for certifying the converted database is accurate and complete using a reconciliation process described by the Conversion Plan. Contractor shall adapt and rerun conversion programs as necessary to properly convert and load the data. Contractor shall deliver a Conversion Reconciliation Report to Agency.

Conversion reconciliation will occur at three points:

- By the Agency upon Extract
- By the Contractor and Agency upon Load
- By the Contractor and Agency upon Conversion

Task No. 6 Deliverables and Artifacts:

Deliverable 6.0: Data Conversion Plan to include:

- Data conversion strategy.
- Scope of data to be converted.
- Data conversion timeline.
- Data tables to be built in the new system.
- Field-level data sources for data conversion files identified by the Agency, including a data mapping scheme that identifies any appropriate data parsing, concatenation, and format changes.
- Data extract files and business rules.
- Estimated data volumes.
- Conversions where automated programming will be used to reduce data conversion labor.
- Conversion verification logic, such as counts of records converted, reconciliation of items by tax type, reconciliation of transactions by tax type, and other techniques to ensure data accuracy.
- Required roles, responsibilities, and skills needed to perform data extraction from the legacy systems.
- A plan to identify and handle exceptions.
- Data retention approach per tax and/or revenue program.
- Strategies and tactics to address maintaining the shared data and processes.
- Determine level of record detail to be converted.
- Strategies and tactics for conversion of images and True Copies, i.e., power of attorney and notices.

Deliverable 6.1: Conversion Reconciliation Report.

Artifact 6.0: Inventory of data resources.

TASK NO. 7: **TESTING**

Contractor shall test the new System to ensure it is stable and that the CTS meets the Technical and Functional Requirements and Business Requirements set forth in Exhibit A-2 Attachment A-2a and confirmed throughout the Project.

Contractor shall design, implement, and manage a testing program that comprehensively verifies the configured system functionality, site-specific functionality, and system performance meets agreed upon standards. Contractor shall demonstrate test readiness, verify validity of test results, and verify stability of the system before moving to production.

Contractor shall:

- Produce a test plan that describes testing approach, testing logistics, identification and training of testers, testing tools, testing schedules, and defect tracking approach.
- Assist with the coordination of IV&V, including allowing IV&V to review plans, attending status meetings, and monitoring progress.
- Design, implement, manage, and control the testing environment.
- Design, implement, and manage testing activities.
- Lead project testing efforts.
- Ensure that appropriate people are assigned and scheduled to the testing effort.
- Gather, document, interpret, and report test results.
- Identify, prioritize, and resolve defects.
- Ensure that functions documented in the Implementation Specifications are tested.
- Ensure that the system complies with the contract requirements.
- Guide Agency's development of business test scenarios and expected test results.
- Train personnel designated by the Agency who will execute the System Test scenarios.
- Conduct the following types of tests:
    - System Testing (User Testing)
    - Conversion Testing
    - Performance Testing
    - End-To-End Testing (Final User Acceptance Testing)
- Lead the effort to resolve any defects identified as a result of these tests.

During the Project's Development phases, unit testing will occur for site-specific components. Contractor will lead the effort to ensure that each configured and site-specific component will perform the business functionality agreed to in the Implementation Specifications documents. Agency acknowledges that GenTax is a packaged software application and its core functionality has already been unit tested by Contractor in its Development Center and other production sites. The Project will not perform those unit tests.

Toward the end of each Development phase, Contractor shall begin System Test planning. System Testing focuses on confirming that Agency will be able to perform the tax administration activities agreed to in the Implementation Specifications documents using the configured system and its site-specific components. Contractor shall produce a System Test Plan that will include:

- System testing execution approach
- Modules targeted for performance testing

- Acceptance criteria
- Tracking approach
- Reporting approach

Contractor shall plan and execute a program to verify that data is accurately and completely extracted and converted according to the Data Conversion Plan. Contractor also shall plan and execute a program to verify that the configured system and its site-specific components will correctly operate upon converted data.

Contractor shall design and execute a selection of tests to ensure the System will satisfactorily perform in both online and batch modes under high volume.

Contractor shall design and execute End-To-End Testing and Performance Tests as the final step of each rollout prior to the production implementation of GenTax. During these tests, Contractor shall cycle the system through standard business processing, simulating anticipated production processing schedules including receiving inputs and generating output to external sources. These tests also confirm that the system will correctly interface with other systems.

Regression testing will occur as required upon the installation of service packs, upgrades, each Rollout, or other functionality which may impact the current production environment. Contractor will assist Agency in identifying impacted areas, developing (or resurrecting) appropriate test scripts, and verifying results.

Contractor shall establish several operating environments for the performance of the Project's activities. These will include:

- Development
- Testing
- Staging
- Conversion
- Training
- Production

All development, testing, staging, conversion, training, and production environments will remain with Agency at the end of the Project.

Task No. 7 Deliverables and Artifacts:

Deliverable 7.0: Test Plans for the following types of testing:

- System Testing (User Testing)
- Conversion Testing
- Performance/Stress Testing
- End-to-End Testing (Final User Acceptance Testing)

Deliverable 7.1: Project Environments

Artifact 7.0: Test Results
Artifact 7.1: Test Status Reports

TASK NO. 8: **TRAINING, CHANGE LEADERSHIP, AND CHANGE MANAGEMENT**

Training

Contractor shall train Agency's staff who will in turn train Agency's users in the use of GenTax to perform the in-scope tax administration activities.

Contractor shall assess the training needs of Agency, develop a strategy to meet those needs, and plan how to provide training. The Training Plan lays out the approach to training including:

- Identifying trainers and trainees
- Selecting the training venues and equipment
- Deciding on the training methods
- Analyzing the impact on Agency organization and scheduling
- Preparing the overall training schedule

Contractor shall provide a curriculum of computer-based training courses that introduce the functionality of the core product. Contractor also shall provide a standard set of training courses that Agency will localize to reflect Agency's configuration and business operations. Contractor shall provide training as follows:

- Agency staff will be trained using a "train the trainer" approach.
- Agency will assign selected staff members to serve as trainers for each rollout. Contactor shall train these staff trainers and train them to teach GenTax to other Agency staff, as they augment the Contractor-provided standard set of courses to reflect Agency practices and system configuration, and as they deliver training to end users.
- Joint Project Team shall schedule courses, register students, and select training facilities.
- Contractor shall manage the delivery of the training program.
- Contractor shall provide its online help system as part of the core product.

Technical Training

Agency wishes to be able to maintain the CTS, as implemented, with minimal support from Contractor after the Project is over. Throughout the term of this Contract, Contractor shall provide technical training to Agency staff. Contractor shall train Agency staff to use the GenTax developer toolset, and will include State's staff in the performance of project activities. Agency acknowledges that the degree to which it will be able to maintain the implemented System with minimal support from Contractor depends on the assignment of a sufficient number of suitably skilled and motivated people to the Project team so they can develop this capacity.

Agency acknowledges that implementing the system correctly and according to the Project Schedule is a greater priority than technical training itself. If these two objectives conflict, implementing on time will take precedence.

Contractor shall establish a means for Agency to provide GenTax training to its staff after the Project is over. The Training Environment will remain with Agency.

Change Leadership and Change Management

Agency will undergo transformative change as a result of the new System. Transition preparation involves activities necessary to prepare Agency for successful changes (i.e. business practices/processes, technology/tools, organizational structure, staffing, roles, etc.). Contractor shall provide Agency with the foundation, information, and direction necessary to smoothly transition from the current business process and systems to GenTax. Contractor shall make available its personnel who specialize in change management to assist with the Project as required by the Agency. Contractor shall prepare, explain, demonstrate, and facilitate the move of the Agency's business processes to GenTax throughout the Project, and shall incorporate such explanations, demonstrations, and facilitation into the training provided by Contractor.

The Parties acknowledge that communication is key to Change Leadership. Contractor will establish a Change Leadership Team to include the Contractor Project Director, Agency Project Manager, and

Contractor Training Team. The team will be responsible for determining appropriate Change Management approaches and implementing them to ready Agency for changes brought by the Project.

Contractor shall assist the Agency in identifying and documenting the proposed organizational role changes. Contractor shall assist Agency to define new roles.

Task No. 8 Deliverables and Artifacts:

Deliverable 8.0: Training Plan (includes strategy for training)
Deliverable 8.1: Training Course Material
Deliverable 8.2: Online Help System

Artifact 8.0: Training Assessment
Artifact 8.2: Training Environment and Data
Artifact 8.3: Change Readiness Assessment

TASK NO. 9: PROJECT DOCUMENTATION

Contractor shall provide technical documentation localized to reflect the configuration provided for Agency. These documents will include:

- GenTax SQL Server Setup Guide
- GenTax Application Server Setup Guide
- GenTax File Server Guide
- GenTax Client Installation Guide
- GenTax Site-Specific Code Standards
- GenTax Architecture Overview
- GenTax Database structure documentation

Task No.9 Deliverables and Artifacts:

Deliverable 9.0: Rollout No. 1 Documents
Deliverable 9.1: Rollout No. 2 Documents (updated from 9.0)
Deliverable 9.2: Rollout No. 3 Documents (updated from 9.1)
Deliverable 9.3: Rollout No. 4 Documents (updated from 9.2)
Deliverable 9.4: Technical Documentation (updated from 9.3)
Deliverable 9.5: Third Party Software Licenses

TASK NO. 10: SYSTEM MAINTENANCE AND SUPPORT

During the entire Initial Support Term of the Contract, at no additional cost to Agency, Contractor shall provide software bug fixes, service packs, and one version upgrade. Also, Contractor shall provide resources to implement corrections, service packs, and bug fixes to the core product.

Contractor shall provide resources to perform production support activities. Contractor shall correct configuration errors as identified by Agency.

After the Initial Support Term, Contractor shall provide Agency with long term maintenance and support as requested by Agency and further described in the Maintenance and Support Agreement attached hereto as Exhibit I.

Contractor will abide by State Change and Release Management policies and procedures.

Task No.10 Deliverables and Artifacts:

Deliverable 10.0: System Maintenance and Support during Initial Support Term
Deliverable 10.1: One full version upgrade
Deliverable 10.2: Long Term Maintenance and Support

Appendix J: Glossary of Terms (page 122)

Delete:
*"**SDC**" means the Oregon State Data Center. SDC is a 24/7 operation that provides shared IT infrastructure services to DOR and other state agencies. It offers Centralized Infrastructure Management – operation and support of the hardware, system software, licensed software products, security, and system management software."*

Delete:
*""**State Procurement Office**" or "**SPO**" means that office of the State Services Division of the Department of Administrative Services designated by the Director to carry out the authority of the Department under the Public contracting Code and Oregon Administrative Rules Chapter 125."*

Insert:
"**Article XI-Q Bonds**" means general obligation bonds sold pursuant to the authority of Article XI-Q, section 1, of the Oregon Constitution.

"**DAS Procurement Services**" means that office of the State Services Division of the Department of Administrative Services designated by the Director to carry out the authority of the Department under the Public contracting Code and Oregon Administrative Rules Chapter 125.

"**ETS**" means "**Enterprise Technology Services**" (formerly "SDC" or "State Data Center"). This division of the Department of Administrative Services (DAS) includes a 24/7 operation that provides shared IT infrastructure services to DOR and other state agencies. It offers Centralized Infrastructure Management – operation and support of the hardware, system software, licensed software products, security, and system management software."

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PVS Business Case

Business Case for
Property Valuation System

Oregon Department of Revenue,
Property Tax Division, Valuation Section

Date: 5/9/14
Version: 1
Author: Mike Vaughn

(503) 945-8648
E-mail michael.j.vaughn@oregon.gov

Business Case – Authorizing Signatures

PROPOSAL NAME AND DOCUMENT VERSION #	**Property Valuation System, Version 1**		
AGENCY	DOR	DATE	July 31, 2014
DIVISION	PTD	DAS CONTROL #	
AGENCY CONTACT	Mike Vaughn	PHONE NUMBER	945-8648

The person signing this section is attesting to reviewing and approving the business case as proposed.

This table to be completed by the submitting agency	
Agency Head or Designee	
(Name)	(Date)
James Bucholz, Director	July 31, 2014
Signature	
Agency Executive Sponsor	
(Name)	(Date)
Mark Kinslow, PTD Administrator	July 31, 2014
Signature	
Agency Chief Information Officer (CIO) or Agency Technology Manager	
(Name)	(Date)
Terrence Woods, CIO	July 31, 2014
Signature	
State Data Center Representative, if required by the State CIO	
(Name)	(Date)
Signature	

This Section to be completed by DAS Chief Information Office (CIO) IT Investment and Planning Section	
DAS CIO Analyst	
(Name)	(Date)
Signature	
State CIO	
(Name)	(Date)
Signature	

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Executive Summary

This business case identifies the reasoning behind the Oregon Department of Revenue's (DOR) request to obtain a commercial off the shelf (COTS) computer assisted mass-appraisal (CAMA) application. In support of a COTS solution, this business case presents analysis of the current environment, including its six major problems; alternatives considered; cost and benefit; and consequences of not acting. A COTS solution will provide the following benefits to DOR's valuation program:

- Integrate appraisal technology
- More broadly and equally employ appraisal industry-standards
- Improve customer service
- Promote higher degrees of confidence in RMV outputs
- Provide a stable, long-term IT platform
- Increase the time available to focus on the appraisal process itself.

DOR's Mission, Values & Goals

DOR's property tax program is responsible for developing real market value (RMV) for 850 industrial properties and 600 central assessment companies around the state. As a result of this program's efforts, local taxing districts annually collect approximately $480 million in tax revenue on approximately $40 billion in taxable value. DOR's mission is to ensure that revenue systems, such as property tax, are administered appropriately now and into the future.

Agency Mission:	"We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens"

DOR's mission is critical to the health of Oregon. During challenging economic times, when the quality of life for some is threatened, DOR is responding to the dual challenge of reducing internal costs while also generating additional revenue from taxpayers who are not paying their fair share. The following agency values and goals support an internal effort to ensure maintenance of effective property tax administration:

Agency Values:	"Service and operational excellence" "Accountability" "Continuous improvement"
Agency Goals:	"Deliver high quality business results" "Create a culture of constant improvement" "Preserve and enhance public confidence"

Current State

DOR lacks a comprehensive CAMA system that integrates all the necessary data to effectively manage its appraisal responsibility without spending significant time on manual process. More time is spent on

understanding and using applications and manual processes rather than on performing appraisals. This distraction is problematic with current service levels; however, staffing levels have declined over 30% in the last 10 years and the number of accounts the DOR is responsible for appraising have increased. Anticipating this trend to continue creates a challenge for long-term program stability.

The Industrial Property Return application (IPR) was developed in 2000 and written in Visual Basic and is the main valuation software program used by DOR to assist in the appraisal of property. Additionally, the DOR relies on several databases, Excel spreadsheets and a hosted appraisal database to complement appraisal completion. These applications stand alone and lack integration, meaning they are not capable of communicating with each other to assist the appraiser during the appraisal process. As a result, appraisers must rely on paper files even more than applications to ensure statutory value is correctly determined.

Solutions Analysis

DOR's analysis of potential solutions yielded three viable alternatives: 1) maintain existing system; 2) build a customized system in-house; or 3) install industry standard CAMA software

Alternative 1 (Maintain): DOR's ability to maintain or modify the existing technology falls short of creating a stable, long-term solution. By maintaining the existing system, the DOR would not have the full range of industry standard tools needed to implement a sustainable appraisal program. Only IT staff is able to make incremental improvements due to the unsupported system architecture, leaving us limited in our capabilities and continuing to rely on paper files and manual processes. Current inefficiencies will be difficult or impossible to overcome.

Alternative 2 (Customize): DOR's ability to develop new appraisal applications is limited. IT does not currently have the skills or resources to take on a task of this size. Even after hiring the necessary technical staff, the DOR would not likely have the ability to develop a system meeting current industry standards. Any system developed internally would likely result in creating a modern version of our existing appraisal applications that eventually, if not immediately, falls short of industry standards.

Alternative 3 (COTS): Commercial CAMA systems are designed to provide equity and uniformity for property valuation and to develop RMV timely and accurately. Commercial CAMA systems identify, map, retain inventory and assist in the appraisal of real and personal property. Commercial CAMA systems integrate technology to allow for greater ability of identifying property and value large groups of similar property at a time (mass appraisal).

Solution Conclusion

Given the risks associated with relying on limited and unstable technology, and the identified benefits associated with industry-standard CAMA systems, we believe investing in a COTS CAMA software solution (Alternative 3) will enhance our long-term ability to manage statutory work. This solution addresses the six major challenges or problems with our existing systems:

- Fragmented and unsupportable technology
- Non-industry standards of mass appraisal

- Increasing numbers of properties to appraise and decreasing staffing levels
- Lack of an integrated system
- Inability to communicate electronically with taxpayers, such as efile or permit account access
- Lack of data analytics

Solution Costs

A COTS CAMA solution will enable valuation decisions that meet industry standards and assist the DOR in developing statutory RMV timely and accurately. The proposed funding is debt financing through a Certificate of Participation (COP).

The following chart is an estimated 4-year cost breakdown:

	2015	2016	2017	2018	Total Cost
Software	$1,000,000	$500,000	$150,000	$150,000	$1,800,000
Staff	$312,000	$326,000	$340,000	$354,000	$1,332,000
Hardware	$50,000				$50,000
Quality Assuarance	$75,000	$75,000			$150,000
Total	**$1,437,000**	**$901,000**	**$490,000**	**$504,000**	**$3,332,000**

2015-17 biennium	**$2,338,000**	
2017-19 biennium		**$994,000**

Project Timeline

Project implementation is likely to occur over a 2-3 year period. Once project funding is approved, the process will include: hiring temporary project staff necessary to oversee vendor selection; IT implementation; IT conversion; training and finally a "go live" date that will conclude the project in early 2018. The following chart is based on funding approval for the 2015-17 biennium:

2013-15 Biennium			2015-17 Biennium			2017-19 Biennium
prior to 1/1/2014	1/1/2014 - 7/1/2014	7/1/2014 - 7/1/2015	7/1/2015 - 12/31/2015	12/31/2015 - 7/1/2016	7/1/2016 - 7/1/2017	7/1/2017 - 12/31/2017
Complete: System Evaluation Business Process CAMA Review	Develop: Business Case POP	Develop: Business Case POP	Develop: RFP Vendor Selection	Implement: Roll out Conversion Testing	Implement: Data Entry Conversion Testing	Finalize: Go Live Conversion Finalize

Risks of inaction

The current system was developed over 15 years ago and the ability to ensure ongoing operability is uncertain at best. The system lacks integration of any kind, both internally and with stakeholders, and also lacks many features necessary to maintain an effective appraisal program. If a system is not approved, there is a significant risk to our ability to continue to provide accurate property valuations and ensure timely information to the counties and taxpayers necessary for the annual tax roll. In addition, due to the manual nature of current processes, and the continuing and increasing pressures on staff resources to do more with less due to budgetary constraints, errors are likely. Either additional staffing would be needed to address the errors or the risks associated with those errors would have to be accepted.

Purpose

The purpose of this request is to seek funding for a commercial off the shelf (COTS) valuation application to replace the current antiquated and fragmented appraisal applications in use by the DOR. A COTS solution will enable valuation decisions in a computer assisted mass appraisal (CAMA) program that meet industry standards and assist the DOR in developing statutory (RMV) timely and accurately.

Background

Unless exempted from taxation, all Oregon property is assessed a value as of January 1 for property tax purposes. The DOR is responsible for assessing RMV on property identified as central assessment[1] (e.g. companies such as airlines, utilities, railroads, telecommunications, etc) or property statutorily defined as principal and secondary industrial[2] (i.e. valued at over $1 million and engaged in processing or manufacturing activities). In 2013, the amount of RMV developed by DOR was over $40 billion on behalf of Oregon counties and resulted in tax revenues of approximately $480 million to local districts[3].

For the current year, DOR is responsible for appraising 850 principal and secondary industrial sites and 600 central assessment (CA) companies. Over the last ten year period, the DOR experienced a 23% increase in the number of industrial sites and a 50% increase in the number of central assessment companies to appraise. Over the same timeframe, DOR staffing levels, in the property tax division (PTD), have decreased approximately 30%.

Timelines for assessing property value are largely driven by statutory deadlines for submitting values to county assessors for inclusion on each county's tax roll. CA companies fall under a different set of statutes than industrial property, and therefore have a slightly different timeframe of due dates and processes than industrial property; but, all values must be included on county tax rolls that are set on September 25th of each year.

Valuing property begins with knowledge of its attributes (e.g. age, quality, use, etc). To gather information on properties for which we have the responsibility of assessing, the DOR relies primarily on a self-reporting system required by law. For industrial property, all business property owners, with property appraised by DOR, must file an industrial property return (IPR) by March 1 (or with an

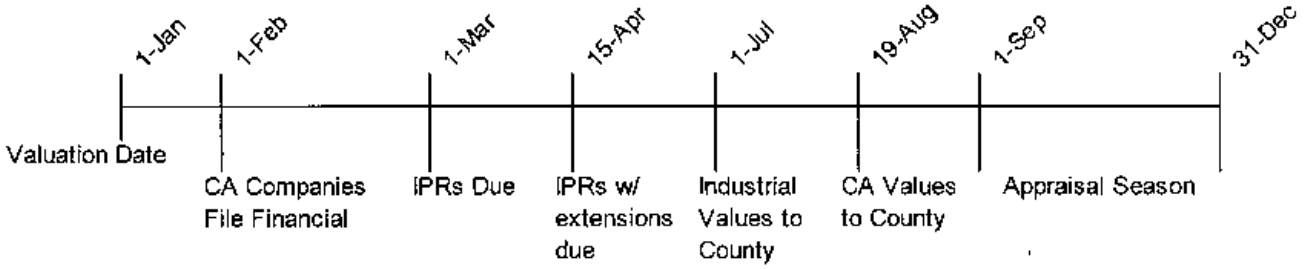
[1] ORS 308.505
[2] ORS 306.126
[3] *Oregon Property Tax Statistics 2013-14:* The average tax rate is 12/1000 for RMV resulting is tax revenue collected of $480 m ($40b *12/1000).

extension, April 15[4]) to the DOR. IPRs are submitted on paper, with an accompanying CD containing asset information from companies. For CA, companies are required to file financial information with DOR on February 1[5].

For industrial property, the DOR periodically completes site inspections to ensure the inventory information received from a company is current and all assessable property is assessed according to law. Due to the volume and complexity of industrial properties and limited appraisal staff and tight, fixed timelines, inspections occur once every six years. A complete listing of industrial sites will inventory all buildings and machinery and equipment useful to the business. The DOR only has a limited window of time each year to perform physical property inspection, usually occurring from August to January. Industrial property values are transmitted by paper to counties by July 1[6].

CA company valuation does not lend itself to property inspection because companies often have operations either nationally or internationally. Unlike industrial valuation where appraisals are specific to physical property location in Oregon, CA appraisals value an entire company and then determine the value that should be allocated to Oregon for property tax purposes. CA company values are transmitted to counties before August 19[7].

Since DOR is heavily reliant on self-reporting by taxpayers, there is limited time available to process returns or company financials and generate values for property tax purposes. Any delay in delivering RMV challenges county government and taxing districts to develop appropriate budgets.



Whether information is collected by an appraiser in the field or through filings by a taxpayer, the ability to store and recall property inventory information in a useful manner is central to developing credible values for property tax purposes. Currently, the DOR relies on several fragmented applications.

The IPR system was developed in 2000 and written in Visual Basic and is the main valuation application used by DOR to appraise property. Additionally, the DOR relies on several databases; excel spreadsheets and a hosted appraisal database to complete appraisal work. Each of these applications are stand alone, not integrated meaning all work done within one system cannot be shared with another. Additional processes are entirely paper-based; in fact appraisers at the DOR must rely on paper files even more than applications to ensure statutory value is determined.

[4] ORS 308.290
[5] ORS 3308.520
[6] ORS 308.290
[7] ORS 308.621

In summary, DOR's annual process to assess RMV for statutorily defined property is time-compressed. The timeline limitations defined by law requires execution of appropriate appraisal methodology along with reliance on technology to ensure that property tax timelines are met. With reduced staffing levels, increasing numbers of properties and property types to appraise, and limited technology, DOR faces many headwinds to continue producing credible RMV in a timely manner.

Problem or Opportunity Definition

Technology exists to better aid the DOR in meeting its statutory requirements of valuing complex Oregon property. Commercially available CAMA systems have been used for 15 or more years in all Oregon counties. They are developed to aid the public property tax administrators in the daunting task of annually valuing each and every assessable unit of property in a given jurisdiction. These CAMA systems make it easier to identify, track and maintain knowledge of assessable property; and, they further allow for appropriate appraisal techniques to be employed in developing and maintaining statutory value in a timely manner—promoting equity and uniformity of assessment administration.

DOR currently relies on antiquated applications, internally developed databases, spreadsheets and paper files to manage the complex effort of annually valuing 850 industrial sites and 600 CA companies. The DOR lacks a comprehensive CAMA system that integrates all the necessary data to effectively manage its appraisal responsibility without spending significant time on manual processes. More time is spent on understanding and using applications and manual processes than on performing appraisals. This distraction is problematic with current staffing levels, which have declined over 30% in the last 10 years while the number of accounts the DOR is responsible for appraising have increased. The result is that long-term program stability is in question unless we implement efficiency gains.

Customer service and stakeholder expectations are unmet because of technology limitations. DOR's current application lacks basic elements common in private and public sectors. For example, taxpayers cannot electronically file annual returns with either DOR or counties nor can they electronically access property tax information—both available even in the smallest of Oregon counties. Combine these limitations with an inability to audit or review value-related information using data analytics to verify if values developed by DOR are meeting statutory requirements, and stakeholders from taxpayers to county assessors and ultimately taxing districts are apt to question our credibility.

Additionally, the IT platform used to develop the main valuation application is no longer supported. Since Visual Basic is not a modern programming language, finding qualified staff to maintain applications developed using it can be difficult. The DOR currently has qualified staff to manage minor changes and enhancements to the IPR application; however, IT management does not expect this trend to continue. New technical staff coming into the agency are often not experienced or even trained in most unsupported programming languages. The result will likely be the need to hire outside consultants or begin the task of developing a new application in a more appropriate and supported environment.

With readily available commercial appraisal software, there is an opportunity for DOR to employ industry-standard applications that will better enable the agency to continue to meet its mission to, "make revenue system work to fund the public services that preserve and enhance the quality of life for all citizen" and further its goal to, " deliver high quality business results." By returning the

program's focus to appraisal and appraisal-related activities (e.g. property inspections, auditing company financials, etc), DOR believes an investment now will enable significantly improved program performance and stability into the future.

Alternatives Analysis

This section presents a description of each alternative solution and analysis of their benefits, costs, and risks, resulting in a recommendation built upon the best business case.

Assumptions

The following assumptions are fundamental to analyzing each alternative. Any changes in the following may result in a different outcome:

1) The following technology requirements are necessary for a functioning system:
   - Internal IT support is available to troubleshoot and install software updates; but not available to develop a new system or provide major ongoing support.
   - Commercial CAMA systems are available that are compatible with DOR's IT infrastructure
   - Hardware will be located and maintained at either the SDC or with an external vendor.

2) A four year total cost of ownership (TCO) is utilized in this analysis, and begins with 2016 as a starting date for analysis

3) DORs appraisal workload will continue to increase as more industrial accounts rise above the $1 million secondary account threshold and more CA companies enter the state.

4) There will be no significant changes to statutes outlining DORs appraisal responsibilities.

Selection Criteria and Alternatives Ranking

Selection Criteria

	Category	Explanantion
1	Integration	Single access point for all appraisal data
2	Customer Service	e-file; stakeholder access to data
3	Maintenance	Ongoing maintenance for technology
4	Replace Manual Process	
5	Current, IT technology	Updating technology to maintain current application
6	IT Stability	Long-term planning
7	Cost/Benefit	
8	Risk	

Solution Requirements

Solution Requirements

	Explanation
1	Fully integrated application able to address storage, retrieval and usage of available data for appraisal purposes.
2	Taxpayers and county assessments staff rely on the appraisal information DOR develops. Customer service allows stakeholders to access their information in a timely and useful menner.
3	Electronic communication is a requirement in today's environment. The ability to file forms and other documents with the DOR and access account information is necessary.
4	For appraisal purposes, data analytics is the ability to analyze information about property being assessed to demine the reasonablaness of real market value (RMV) being generated. Any system will have the capability to permit this functionality.
5	Appraisal equity and uniformity is an essential aspect to the DOR meeting is overall statutory requirement of developing 100% RMV for it accounts. Any solution will have to best meet this end requirement.

Alternatives Identification

Alternative 1: Status quo or current

The DOR currently relies on three internally developed applications (IPR, MEDS & VATS), miscellaneous Excel spreadsheets and a hosted database and appraisal report writer (Narrative 1). Below is a detailed discussion of each:

1. IPR is an internally developed application partially implemented in 2000. It was written in Visual Basic 6 with data stored in DB2. Its function is to identify property tax accounts; maintain values; develop value transmittal sheets; and other miscellaneous information necessary to annually develop values for the assessment roll. As previously indentified, the DOR develops industrial property values on behalf of Oregon counties. These values are then delivered via a transmittal form (paper) to counties and taxpayers for their inclusion in the tax roll. The IPR system contains the necessary information to accomplish this function. The system is partially completed, never fully realizing the business objectives originally envisioned. There is one IT analyst knowledgeable about its form and function. Any major changes to the system will require outside vendor help. Only minor adjustments to the application are made internally.
2. VATS is an internally developed database. Its function is to track all appeals, status updates and assignments. The application stands alone and does not interface with IPR, although would be very beneficial if it did so. Integration was a requirement that was never realized.
3. MEDS is an internally developed database. Its function is to store information useful to appraise machinery and equipment. The application stands alone and does not interface with IPR, again, a requirement that was never realized.

4. Narrative 1 is a web-hosted database and narrative report writer template. The DOR has license agreements with Narrative 1 to provide service necessary to develop appraisal reports and store that information in a useable format.
5. Excel spreadsheets and miscellaneous applications are developed by appraisal staff for use in day-to-day appraisal activities.

Pros –

- Maintaining the current systems could be done for relatively low cost
- Current system is familiar to staff and currently meets the minimum requirements to complete work.

Cons -

- Our ability to maintain the existing technology falls significantly short of creating a stable, long-term solution.
- We would limit our ability to access even a portion of the tools available to appraisers in other jurisdictions, including our county partners.
- We would only be able to make minimal improvements due to the unsupported system architecture, leaving us limited in our capabilities and continuing to rely on paper files and manual processes that introduce error to the process.
- Over time, it is anticipated the current system will continue to fall further behind industry standards and could increase implementation costs when a new system is ultimately required.
- Staff that is capable of supporting the current system will potentially retire prior to deployment of a new system if not approved this biennium, further increasing risks to the system.
- Current inefficiencies will be difficult or impossible to overcome.

Alternative 2: Customize or build a new system in-house

Custom development involves the execution of a modernization effort from the ground up with little or no use of existing software assets. Typically, the agency and/or the vendor will start with collaboration on definition of requirements and then execute a system development lifecycle approach to building a custom application from the requirements.

A custom solution can be appropriate when a state has very specific business rules, highly specialized business processes, or legislative restrictions that force a custom solution. There also can be a preference for custom work when an agency has both strong business and technical staff who can be assigned to the project.

Pros –

- More customizable solution
- Business processes will likely stay the same (assuming limited statutory changes)
- DOR owns application
- Potentially lower upfront costs and license fees

Cons -

- DOR lacks the IT staff to take on a this type of development project
- Maintenance on DOR's current system is an issue and will continue

- Would likely involve "reinventing the wheel" since work done by DOR is not particularly unique
- Updates will likely not keep pace with industry standards
- Higher risk of completion, integration and functionality issues
- Greater permanent funding required for long-term technical staff to develop and maintain

Alternative 3: Install industry standard Commercial-off-the-shelf (COTS) CAMA system

A COTS product is one that is used essentially 'as-is' or with minimal configuration and plug-in customization. COTS products are designed to be easily installed and to interoperate with existing system components. The use of a COTS solution has been successful in many government and business programs because they can offer significant savings in time to implement and total cost of ownership.

CAMA systems are designed to provide equity and uniformity for property valuation and to develop RMV timely and accurately. CAMA systems identify, map, retain inventory and assist in the appraisal of real and personal property. CAMA systems integrate technology to allow for greater ability of identifying property and value large groups of similar property at a time (mass appraisal). Accepted mass appraisal techniques are used in every jurisdiction in the Oregon; it allows for static staffing levels to appraise increasing numbers of property tax accounts within statutory requirements (timeline, techniques, etc).

Pros –

- Will improve equity and uniformity for property valuation and ability to develop RMV timely and accurately.
- Will allow staff to identify, map, retain inventory and assist in the appraisal of real and personal property.
- Will allow DOR to integrate technology to allow for greater ability of identifying property and value large groups of similar property at a time (mass appraisal).
- Will better align our tools and processes with our county partners
- Will potentially decrease errors by improving automation of currently manual tasks.
- Will allow for static staffing levels to appraise increasing numbers of property tax accounts within statutory requirements (timeline, techniques, etc).
- Will ensure ongoing maintenance and upgrades
- Given available tools, will allow improved customer service with taxpayers and county partners
- Based on proven methodology
- Vendor has knowledge and skill to help with implementation and integration

Cons –

- Will likely create a short-term decrease in productivity during implementation and training
- Limited number of COTS vendors
- Reliance on vendor to implement and execute agreements
- Internal IT staff do not maintain systems, so potential decrease in customization
- Additional functionality requirements are difficult to foresee and implement, unless the vendor has already begun or allows for development process

- Risk that vendors may not survive

Alternatives Analysis

The following cost, benefit and risk analysis sections, information estimates are derived from RFI responses, internal experience and information obtained as a result of what's been learned from the department's Core System Replacement (CSR) project. If the PVS project is supported and moves beyond this initial stage, it is anticipated that additional costs and benefits will be analyzed to further refine and appropriately complete this section.

In the following section, the DOR analyzes three alternative cash flows in summary format. Greater detail for each alternative and its assumptions is located in the appendix.

Alternative: Current State

	Current State
Net Cash Flow	$2,106,982.0
NPV at 3.0%	$1,956,259.6
Total Benefits	$2,120,347.0
Total Costs	($13,365.0)

$ in $1,000s
Numbers in parenthesis are negative numbers

Technical Risk

- Lack of future trained IT staff to provide ongoing maintenance for an application developed in an antiquated programming language
- Lack of IT staff to enhance application to work with DOR's network
- Visual Basic in no longer supported by Microsoft

Business Risk

- **Failure in system limits our ability to deliver values timely**
- **Any ORS changes that require us to change the system**

Alternative: COTS CAMA Solution

	Proposal
Net Cash Flow	$2,107,056.0
NPV at 3.0%	$1,942,148.7
Total Benefits	$2,122,147.0
Total Costs	($15,091.0)

$ in $1,000s
Numbers in parenthesis are negative numbers

Non-financial Benefits

Process Improvement

- Improved processing: we anticipate improved IPR processing time due to better tools and integration
- Improved performance management: data analytics will allow for testing the reasonableness of DOR outputs to determine where resources could be better allocated
- Stable IT environment: DOR applications will be already developed and maintained by outside vendors. Updating will occur along with regular troubleshooting.

Compliance

- Data analytics and mass appraisal: the combination of appropriate appraisal methodology and improved audit capabilities will permit greater uniformity and equity in property tax administration.

New Services

- Improved customer service: new ability for electronic communication including e-file and access to tax account information.

Strategic Alignment

- Improved alignment with Agency Mission, Values and Goals (see appendix for complete list).

Agency Mission:	"We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens"
Agency Values:	"Service and operational excellence" "Accountability" "Continuous improvement"
Agency Goals:	"Deliver high quality business results" "Create a culture of constant improvement" "Preserve and enhance public confidence"

Risks

Business Risks

- New processes and tools will likely result in a short-term decrease in productivity during implementation
- Timelines for completing values are fixed, and any significant delay could cause problems for county partners
- Managing software implementation while completing regular workload. Will need to employ robust change leadership.

Technical Risks

- Successful integration with existing IT infrastructure
- Company fails to deliver on contractual obligations

Alternative: Customized or in-house build

	Alt Proposal
Net Cash Flow	$2,103,772.0
NPV at 3.0%	$1,953,131.0
Total Benefits	$2,122,147.0
Total Costs	($18,375.0)

$ in $1,000s
Numbers in parenthesis are negative numbers

Non-financial Benefits

Process Improvement

- Improved processing: We anticipate improved IPR processing time due to better tools and integration
- Improved performance management: data analytics will allow for testing the reasonableness of DOR outputs to determine where resources could be better allocated
- Stable IT environment: DOR applications will be already developed and maintained by outside vendors. Updating will occur along with regular troubleshooting.

Compliance

- Data analytics and mass appraisal: the combination of appropriate appraisal methodology and improved audit capabilities will permit greater uniformity and equity in property tax administration.

New Services

- Improved customer service: new ability for electronic communication including e-file and access to tax account information.

Strategic Alignment

- Improved alignment with agency mission, values and goals (see appendix for complete list).

Agency Mission:	"We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens"
Agency Values:	"Service and operational excellence" "Accountability" "Continuous improvement"
Agency Goals:	"Deliver high quality business results" "Create a culture of constant improvement" "Preserve and enhance public confidence"

Risks

Business Risks

- Longer period for project development and implementation, due to the nearly 4 years necessary to develop

Technical Risks

- Not able to complete development
- Lack of knowledgeable IT staff through project completion
- IT staff coming and going and not finalizing objectives
- Lack of IT staff to maintain application long-term

Conclusions and Recommendations

Conclusions

Each year the DOR is responsible for generating approximately $480 million in property tax revenue that funds services for Oregonians. At the beginning of this business case, the problem statement

section presented six main issues with existing technology. These issues indicate risks to DOR's current IT applications used to generate property tax revenue and, at some point in the future, pose a significant barrier to the DOR's ability to deliver high quality business results to its stakeholders increasing the likelihood of putting tax revenue in jeopardy.

The following are the identified problems:

1. Fragmented and unsupportable technology
2. Non-industry standards for mass appraisal
3. Increasing numbers of properties to appraise and decreasing staffing levels
4. Lack of a CAMA system
5. Inability to communicate electronically with taxpayers, such as efile or permit account access
6. Lack of data analytics

Each problem identified above negatively affects the DOR's ability to deliver credible RMV in a timely manner. Taken as a whole, the issues require action to ensure a stable IT environment exists, that will allow staff to focus on their core appraisal work.

The following subsections present analysis of the following: financial, non-financial, risks and selection criteria. Analysis from each will develop into a final recommendation.

Financial Analysis

To begin the analysis portion of the business case, a summary of the financial metrics is presented (detail located in addenda).

Financial Metrics Summary

	Proposal	Alt Proposal	Current State
Net Cash Flow	$2,107,056.0	$2,103,772.0	$2,106,982.0
NPV at 3.0%	$1,942,148.7	$1,953,131.0	$1,956,259.6
Total Benefits	$2,122,147.0	$2,122,147.0	$2,120,347.0
Total Costs	($15,091.0)	($18,375.0)	($13,365.0)

$ in $1,000s
Numbers in parenthesis are negative numbers

The DOR currently relies on three internally developed applications (IPR, MEDS & VATS), miscellaneous Excel spreadsheets and a hosted database and appraisal report writer (Narrative 1). These systems aid the DOR in developing $40 billion worth of RMV generating approximately $480 million in tax revenue. The cost to maintain the infrastructure necessary to complete this work is approximately $13.4 million, including appraisal staff, IT technical staff and other miscellaneous expenses (see appendix). By analyzing the costs and benefits (revenues) over a four year TCO, results in a NPV of $1.956 billion.

As compared to the "status quo" alternative, the COTS solution has greater capital outflow. Based on information obtained through RFI responses, the upfront cost is between $1 and $2 million over a four year period. However, there is a slight offset, or cash inflow expected during this time period which anticipates an additional $1.8 million in new property tax revenue over the same timeframe. Overall, there is a greater total benefit to this alternative or $2.107 billion but considering an appropriate discount rate factoring in the cost of capital and the net result or benefit is $1.942 billion over four years.

The in-house build alternative considers building a customized IT solution, essentially creating a CAMA system from scratch. As should be expected, this scenario is anticipated to be the most costly: both in terms of time and cash flow. The total cost for this project is forecast to be $18.375 million over a four year period. After subtracting common costs for the "current" scenario, the cost just associated with the system is approximately $5 million. In contrast, a significant benefit of $1.8 million of additional tax revenue is expected—similar to the "COTS" solution. Overall, the net present value of the cash flows over a four year period is $1.953 billion.

Based upon financial analysis alone, the most viable solution is to continue with the current system into perpetuity; however, additional considerations are equally, if not more, important to consider.

Nonfinancial Analysis

Non-financial benefits are those benefits that have not been quantified in the cash flow analysis; however, they are significant and will likely lead to improvements and should be included in this analysis. In the previous alternative analysis section, four categories of non-financial benefits were introduced. These are the following categories:

1. Process Improvement
2. Compliance
3. New Services
4. Strategic Alignment

Below is s summary grid of the information presented in prior sections.

Non-Financial Analysis Grid

		Current Alt	COTS Alt	Custom Alt
Process Improvement				
	Reduced Processing Time		XX	XX
	Improved Performance Management		XX	XX
	Stable IT Environment		XX	XX
Compliance				
	Data Analytics		XX	XX
New Services				
	E-file		XX	XX
	Taxpayer Access to Account Info		XX	XX
Strategic Alignment				
	Increased quality of deliverables to align with Agency Mission, Values & Goals		XX	XX

Although not quantified in the prior cash flow analysis, these benefits are nonetheless tangible. An improved valuation application presents opportunity to improve the quality of DOR's work product; to enhance customer experience through offering new electronic communication tools; and to better align program performance with DOR's mission, values and goals. Additionally, the value of creating a stable IT environment by investing in an industry-standard technology is important to long-term program success. These reasons add incentive to the COTS or Custom CAMA alternatives and are weighed in the "Selection Analysis" section.

Risks

The following is a summary of the previous risk analysis:

Risk Summary Grid

Risks		Status Quo	COTS	Custom
Business				
	New Processes		XX	XX
	Learning Curve		XX	XX
	Change Management		XX	XX
	Long-term Project			XX
Technical				
	Lack of IT Support	XX		
	Application Failure	XX	XX	XX
	Vendor Fails to Deliver		XX	XX
	IT Stability during Implementation			XX
	IT Stability for Maintenance			XX

Some level of risk is present for each alternative; however, not all risk is equivalent. From the summary chart above, the least risky alternative appears to be "status quo". However, the risk associated with "status quo" is considerable, and its affect is measured by long-term application operabilityand, by extension, appraisal risk. This is attributable to both a potential for a lack of knowledgeable IT support and a corresponding potential for application failure. The "status quo" risks are also difficult to mitigate. The CAMA alternative decreases long-term operational risks and uncertainty, but presents risks surrounding project implementation. These risks can be mitigated with appropriate oversight and application of change management techniques.

Similar to the prior "nonfinancial" analysis section, this section offers support for DOR's movement away from its current IT environment towards a CAMA solution. The challenge thus far is in distinguishing between a COTS or Custom solution.

In the following sections, the distinction between a COTS and a Custom solution is quantified, resulting in a recommendation for addressing DOR's technology-related problems.

Selection Criteria

The following selection criteria were presented above:

1) Integrated application
2) Electronic communication
3) Data Analytics
4) Appraisal equity & uniformity
5) It Stability

6) Cost/Benefit
7) Risk

These criteria are analyzed by assigning a numeric score to how well each selection criteria is accomplished within the alternative. Numeric scores of 0, 3 and 5 are selected, with 0 being not present in the alternative and 5 being the most present in the alternative.

Integrated application

Current/status quo:	**Score 0;** the current applications used to develop RMV are not able to communicate with each other. Appraisers have to navigate several applications, databases and Excel spreadsheets and paper files to develop RMV.
COTS CAMA:	**Score 5;** this solution has the ability to centralize the storage and retrieval of appraisal data into a single access point, with a further ability to recall this data into appraisal software to aid appraisers in developing RMV.
Custom CAMA:	**Score 5;** similar to COTS, this solution has the ability to centralize the storage and retrieval of appraisal data into a single access point, with a further ability to recall this data into appraisal software to aid appraisers in developing RMV.

Electronic communication

Current/status quo:	**Score 0;** the current application does not permit e-filing, stakeholder account access or any electronic means of communication. These applications are more equivalent to databases where limited amounts of information are retained, and only employees with access rights are allowed access.
COTS CAMA:	**Score 5;** COTS CAMA solutions allow for a full range of electronic communication options. Counties throughout Oregon currently grant property taxpayers access to view property tax account information. Additionally, a COTS CAMA system will allow for e-file of property tax returns into the system and save this information into a useable format for appraisal purposes.
Custom CAMA:	**Score 5;** A custom CAMA solution could be programmed with electronic sharing capability.

Data Analytics

Current/status quo:	**Score 3;** the current application allows for individual account access, where information is available for import into Excel for analysis. A couple of issues are present, which include only a limited amount of information can be stored in the current system, and accessing each property account is time consuming—making it prone to error and inefficiency. The current application only really lends itself to identifying the "squeaky wheel", or an after-the-fact approach to performance management.
COTS CAMA:	**Score 5;** the ability to store and access property information in a single application supports this type of analysis. In addition, COTS CAMA solutions have a significant number of built in analytical tools to assist appraisers in developing and verifying value. This alternative provides a significant advantage in determining if values are appropriate and reasonable; it also ensures consistency. This application is geared to identifying issues before they are realized in the form of errant tax payments.
Custom CAMA:	**Score 3;** A custom CAMA solution could be programmed to provide some level of data analytical capability, but it is anticipated that the level complexity needed to match a COTS CAMA solution would require significant time and programming expertise.

Appraisal Equity & Uniformity

Current/status quo:	**Score 3;** the ability to classify and identify common property types to assign value-related considerations is not present in this alternative. This option only allows for individual account access. Anything done in a mass-appraisal environment requires exporting of data to another application such as Excel to complete the appraisal.
COTS CAMA:	**Score 5;** the advantage to this alternative is its ability to co-locate data for the benefit of treating similar properties uniformly throughout the appraisal process.
Custom CAMA:	**Score 3;** A custom CAMA solution could be programmed to ensure a level of appraisal equity and uniformity, but it is anticipated that the level of complexity needed to match a

	COTS CAMA solution would require significant time and programming expertise.

IT Stability

Current/status quo:	**Score 3;** the current application is built in Visual Basic 6, and unsupported program platform. In addition, internal IT staff available to provide support is limited. Assuming no changes to staffing or programming environment, the application is stable. Any change to staffing or the IT infrastructure would add significant risk and create a long-term concern for the viability of this application.
COTS CAMA:	**Score 5;** this alternative relies on established applications and vendors who maintain upgrades and address any possible program defects. An ongoing maintenance contract is included in the proposal.
Custom CAMA:	**Score 3;** this solution is comparable to the current application over the longer term. It will be built using modern programming tools and designed to fit current IT architecture and standards;

Cost/Benefit

Current/status quo:	**Score 5;** the option presents the best ROI in the near term. Since very little additional costs are incurred, there is more value to the option; however, this option doesn't consider the potential expenses associated with failure of existing systems or long-term system stability.
COTS CAMA:	**Score 0;** this solution has the highest upfront cost, but also results in a product that meets all identified business requirements and significantly reduces long-term risk.
Custom CAMA:	**Score 3;** this alternative is more costly towards the end of the four years TCO analyzed for this business case.

Risk

Each alternative contains element of risk and does not fit into the previous scoring criteria. A score of 0 is applied to each; however, the impact of each alternative's risk is analyzed below.

Current/status quo:	The risks associated with this alternative are to the programs ability to depend on existing applications to deliver appropriate values in a timely manner. The existing applications are currently limited to few knowledgeable IT staff. In the not too distant future, the likelihood of application failure rises as does the risk of having no IT staff available to address issues.
COTS CAMA:	The risks associated with a COTS solution are manageable through project management best practices. Since COTS solutions are already established, very little risks are present in relationship to the two alternatives.
Custom CAMA:	Development of IT projects from the ground up, especially with limited internal resources, present considerable risk.

Summary Grid

Selection Analysis Summary Grid

Selection Criteria	Status Quo	COTS	Custom
1 Integrated Application	0	5	5
2 Electronic Communication	0	5	5
3 Data Analytics	3	5	3
4 Appraisal Equity & Uniformity	3	5	3
5 IT Stability	3	5	3
6 Cost/Benefit	5	0	3
7 Risk	0	0	0
Total Score	14	25	22

Recommendations

The business case supports replacing DOR's current valuation application with a COTS CAMA application. COTS CAMA solutions have been actively used in Oregon for many years and there is a

high degree of confidence that a COTS CAMA can be purchased and installed with manageable risks. A COTS CAMA solution will provide the following benefits to DOR's valuation program:

- Integrate appraisal technology
- More broadly and equally employ appraisal industry-standards
- Improve customer service
- Promote higher degrees of confidence in RMV outputs
- Provide a stable, long-term IT platform

Project Timeline

Project implementation is planned to occur over a 3 year period. Once project funding is approved, temporary project staff will be hired to oversee vendor selection, IT implementation, IT conversion, and training. Project completion is expected in early 2018. The following chart is based on funding approval for 2015-17 bienniums:

2013-15 Biennium			2015-17 Biennium			2017-19 Biennium
prior to 1/1/2014	1/1/2014	7/1/2014	7/1/2015	12/31/2015	7/1/2016	7/1/2017	12/31/2017
Complete: System Evaluation Business Process CAMA Review	Develop: Business Case POP	Develop: Business Case POP	Develop: RFP Vendor Selection	Implement: Roll out Conversion Testing	Implement: Data Entry Conversion Testing	Finalize: Go Live Conversion Finalize

Next Steps

Business Case Review: This business case moves into the Governor's budget process to determine its alignment with statewide policy and resource priorities. At the conclusion of this process, this policy option will require legislative approval to fund this project.

Request for Proposal (RFP): Once the policy request is approved, DOR will begin process to recruit the necessary staff to develop an RFP and work with vendors and DOR leadership to ensure an effective process for completing the necessary procurement steps.

Costs

The RFP process will more clearly define cost estimates, timeline and implementation. However, the information provided by potential vendors during a request for information (RFI) process in 2014 provides the following cost estimates and timelines for implementing a COTS solution:

	2015	2016	2017	2018	Total Cost
Software	$1,000,000	$500,000	$150,000	$150,000	$1,800,000
Staff	$312,000	$326,000	$340,000	$354,000	$1,332,000
Hardware	$50,000				$50,000
Quality Assuarance	$75,000	$75,000			$150,000
Total	**$1,437,000**	**$901,000**	**$490,000**	**$504,000**	**$3,332,000**

2015-17 biennium	**$2,338,000**	
2017-19 biennium	----------	**$994,000**

Consequences of Failure to Act

The current system was developed over 15 years ago and the ability to ensure ongoing operability is uncertain at best. The system lacks integration of any kind, both internally and with stakeholders, and also lacks many features necessary to maintain an effective appraisal program. If the DOR does not receive approval to implement a new COTS CAMA system in the coming biennium, there is a significant risk to our ability to continue to provide accurate property valuations and ensure timely information to the counties and taxpayers necessary for the annual tax roll. In addition, due to the manual nature of current processes, and the continuing and increasing pressures on staff resources to do more with less due to budgetary constraints, errors are more likely. To eliminate program errors, more staff resources would be needed. Alternatively, the risk (and potential consequences) of more errors would need to be accepted.

Appendixes and References

Cash Flow Projections

Inflow

There are two projected cash inflows analyzed in the following section. As previously discussed, the DOR is statutorily responsible for appraising certain properties on behalf of Oregon counties. Property taxes generated from these properties totaled approximately $480 million in 2013. This is the baseline or current state cash inflow. The second cash inflow is a projection of potential increases in tax revenue as a result of software modernization.

1. Current tax revenue. The DOR appraises certain Oregon property for property tax purposes. In 2013, RMV on these DOR responsible accounts totaled approximately $40 billion with estimated tax revenue of $480 million. Since Oregon counties are responsible for collecting property taxes, and the revenue funds local districts rather than the state general fund, this benefit is identified as an indirect benefit. However, local support from property taxes generally diminishes the required level of basic school support from the state General Fund.

		2016	2017	2018	2019
Tax Revenue*					
	Current	$509,232	$524,508	$540,244	$546,363
	COTS	$509,232	$524,508	$540,244	$546,363
	Custom	$509,232	$524,508	$540,244	$546,363

* In thousands, increasing at 3%

2. Estimated additional tax revenue attributed to new system. A CAMA system provides a stable platform for developing credible and defensible RMVs. Our current computer system has few tools to assist in ensuring values are accurate, forcing us to rely on appraisers using manual processes and on the legal system to address possible value issues. The problem is, the legal system only provides a remedy if properties are valued too high. If values are too high, they can be challenged through the appeal process. An appeal allows taxpayers to challenge values that are perceived to be too high or unreasonable; however, a reliable process for testing and protecting values when they are too low does not currently exist. A CAMA system can provide analytics to correct this deficiency by applying market characteristics to a group of properties to ensure values fall within a credible range. If properties are valued too low, the CAMA system will generate a red flag identifying a need for further analysis and possible adjustment.

   The assumption underlying this analysis is that we are missing out on legitimate tax revenue. While the appeals process provides a buffer to protect against values that are too high, we currently have no corresponding buffer to address property values that may be too low.

   To quantify this analysis, we know that annual appeals have an effect on lowering RMV (industrial property only). In most years, the percentage is approximately 0.30%[8]. If we apply the reasoning that appeals represent one end of the bell curve or spectrum (addressing values that may be too high), we

[8] This is based upon 2012 final appeal data because appeals can take multiple years to resolve.

can assume that some values are also too low and these values could be corrected with a new CAMA system. We're making the assumption that values that are too high are approximately the same as those that are too low. Do so results in approximately .30% or $100 million of value potentially missing at the lower end. The return is $100 million of RMV or approximately $1,200,000 ($100m * $12/$1,000 effective tax rate) in taxes collected.

		2016	2017	2018	2019	
Permanent Staff*						
	Current	($2,818)	($2,903)	($2,990)	($3,080)	
	COTS	($2,818)	($2,903)	($2,990)	($3,080)	
	Custom	($2,818)	($2,903)	($2,990)	($3,080)	
						* In thousands, increasing at 3%

Total gain of $2,700,000[9] (over a 5 year period; however, only 2 years are analyzed here because the system will not be implemented until 2017.

Cash Inflow Summary

	Current	COTS	Custom
Current Tax Revenue	XX	XX	XX
Additional Tax Revenue		XX	XX

Outflow

There are two main categories of cash outflows analyzed in the following section; current environment and modified environment outflows. For the current state, cash outflows include the cost of permanent valuation and IT staff necessary to generate the base tax revenue. In a modified software environment, such as developing a customized solution or investing in a COTS alternative, cash outflows include costs associated with purchase, development and implementation of a new system.

As indicated previously, this project is in its very early stages and most cash outflows associated with system acquisition are anecdotal at best. More precise quantification of cash flows will become more realistic once concrete proposals are received and approved. At the end of this section, a summary grid is presented to identify which alternatives are affected.

1. Permanent appraisal staff is the largest ongoing cost to maintain DOR's valuation program. There are 42 FTE appraisers and managers at the following cost:

[9] This is an estimate of tax revenue, based upon the following assumptions: 1) $1,200,000 year 1 (equal to appeal reduction); 2) 50% of yr 1 or $600,000; 3) year 3 is 50% of year 2 or $300,000; and 4) years 4 &5 are stable at $300,000 each. The assumption is once low values are increased to RMV, fewer properties exist that need correcting—so a decreasing return as time passes.

		2016	2017	2018	2019	
Permanent Staff*						
	Current	($2,818)	($2,903)	($2,990)	($3,080)	
	COTS	($2,818)	($2,903)	($2,990)	($3,080)	
	Custom	($2,818)	($2,903)	($2,990)	($3,080)	
						* In thousands, increasing at 3%

2. Permanent IT staff. The DOR has .75 FTE devoted to maintaining the existing appraisal application. Regardless of the option, it is anticipated that IT staffing requirement will remain relatively constant.

		2016	2017	2018	2019	
Perm IT Staff*						
	Current	($100)	($103)	($106)	($109)	
	COTS	($100)	($103)	($106)	($109)	
	Custom	($100)	($103)	($106)	($109)	
						* In thousands, increasing at 3%

3. New hardware to purchase includes two servers and ancillary peripherals estimated at the following cost:

		2016	2017	2018	2019	
Hardware*						
	Current	$0	$0	$0	$0	
	COTS	($50)	$0	$0	$0	
	Custom	($50)	$0	$0	$0	
						* In thousands

4. IT consultant.
   DOR's current maintenance strategy for its valuation application is equivalent to .75 FTE. As discussed previously, the current application was written in Visual Basic, a non-current programming language. Current IT staff resources will not allow for significant changes to the existing infrastructure. The DOR anticipates relying on IT consultants in the future to modify, enhance or simply make the current application functional. The following chart assumes hiring a consultant full-time for a 2 year period (2080 hrs * $200/hr).

   For a custom built IT solution, costs are more problematic to assume until further verification with vendors is conducted. However, the following analysis assumes hiring a minimum of 4FTE programmers for 3 years to develop a new application or (2080 * 4 * $200/hr).

		2016	2017	2018	2019	
IT Consultant*						
	Current	$0	$0	($416)	($416)	
	COTS	$0	$0	$0	$0	
	Custom	($1,664)	($1,664)	($1,664)	$0	
						* In thousands, based upon $200/per hour

5. Storage at the State Data Center.

   The current storage cost is approximately $2,000 per year. This cost only represents a portion of our data, because much of storage is in paper files and other applications. If the DOR proceeds with creating a single storage location for new applications and corresponding data, the cost will increase significantly.

		2016	2017	2018	2019	
SDC Storage*						
	Current	($2)	($2)	($2)	($2)	
	COTS	($8)	($8)	($8)	($8)	
	Custom	($8)	($8)	($8)	($8)	
						* In thousands

6. Temporary IT staff.

   The "status quo" alternative anticipates a temporary staffing need in 2018 to add changes or implement fixes to the existing application. For the COTS or Custom CAMA solutions, the temporary staffing needs are immediate.

		2016	2017	2018	2019	
Temp IT Staff*						
	Current	$0	$0	($85)	($89)	
	COTS	($147)	($155)	($163)	($170)	
	Custom	($147)	($155)	($163)	($170)	
						* In thousands

7. Temporary Business Analyst Staff.

		2016	2017	2018	2019	
Temp Business Staff*						
	Current	$0	$0	($71)	($75)	
	COTS	($65)	($68)	($71)	($75)	
	Custom	($65)	($68)	($71)	($75)	
						* In thousands

8. Quality Assurance. Any IT

   This is estimate is based on a single QA contract. After this process progresses, specific information will contain an educated cost for this function.

		2016	2017	2018	2019
Quality Assurance*					
	Current	$0	$0	$0	$0
	COTS	($75)	($75)	$0	$0
	Custom	($75)	($75)	($75)	($75)

* In thousands

Cash Outflow Summary

	Current	COTS	Custom
Permanent Appraisal Staff	XX	XX	XX
Permanent IT Staff	XX	XX	XX
New Hardware		XX	XX
IT Consultant	XX		
SDC Data Storage	XX	XX	XX
Temp IT Staff		XX	XX
Temp Business Staff		XX	XX
Quality Assurance		XX	XX

COTS CASH FLOW

$ in 1000s

Discount rate 3.0%

$ in 1000s	*Year ending…* Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019	TOTAL
BENEFITS / GAINS					
Property Tax Revenue	509232.0	524508.0	540244.0	546363.0	2120347.0
Additional Tax Increase	0.0	0.0	1200.0	600.0	1800.0
	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0
Total Benefits/Gains	509232.0	524508.0	541444.0	546963.0	2122147.0
COST ITEMS inflows (outflows)					
Personal Services Costs (Salaries & Benefits)					
Valuation Staff	(2818.0)	(2903.0)	(2990.0)	(3080.0)	(11791.0)
Temp Business Analyst	(65.0)	(68.0)	(71.0)	(75.0)	(279.0)
					0.0
Services & Supplies/Capital Outlay Costs					
State Data Center Costs					
Quality Assurance	(75.0)	(75.0)	0.0	0.0	(150.0)
Hosting	0.0	0.0	0.0	0.0	0.0
Storage	8.0	8.0	8.0	8.0	32.0
Network	0.0	0.0	0.0	0.0	0.0
Software Costs					
SW Purchase/Upgrade	(1000.0)	(500.0)	0.0	0.0	(1500.0)
SW License Maintenance	0.0	0.0	(150.0)	(150.0)	(300.0)
Hardware Costs					
Hardware Purchase/Upgrade	(50.0)	0.0	0.0	0.0	(50.0)
Hardware Ongoing Maint	0.0	0.0	0.0	0.0	0.0
IT Professional Services					
Project Dev/Implementation	(147.0)	(155.0)	(163.0)	(170.0)	(635.0)
Perm Operational Staff	(100.0)	(103.0)	(106.0)	(109.0)	(418.0)
Temp Operational Augmentation	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0
Total Costs	(4247.0)	(3796.0)	(3472.0)	(3576.0)	(15091.0)
CASH FLOW SUMMARY inflows (outflows)					
Cash inflows (outflows)					
Benefits and Gains	509232.0	524508.0	541444.0	546963.0	2122147.0
Costs	(4247.0)	(3796.0)	(3472.0)	(3576.0)	(15091.0)
NET CASH FLOW	**504985.0**	**520712.0**	**537972.0**	**543387.0**	**2107056.0**
Cumulative Net CF	504985.0	1025697.0	1563669.0	2107056.0	2107056.0
Discounted Cash Flow					**NPV**
At 3.0%	490276.7	490821.0	492320.6	468730.4	1942148.7

Customized Application Cash Flow

$ in 1000s

Discount rate 3.0%

$ in 1000s	*Year ending...* Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019	TOTAL
BENEFITS / GAINS					
Property Tax Revenue	509232.0	524508.0	540244.0	546363.0	2120347.0
Additional Tax Revenue	0.0	0.0	1200.0	600.0	1800.0
					0.0
					0.0
Total Benefits/Gains	509232.0	524508.0	541444.0	546963.0	2122147.0
COST ITEMS inflows (outflows)					
Personal Services Costs (Salaries & Benefits)					
Valuation Staff	(2818.0)	(2903.0)	(2990.0)	(3080.0)	(11791.0)
Temp Project Staff	(65.0)	(68.0)	(71.0)	(75.0)	(279.0)
					0.0
Services & Supplies/Capital Outlay Costs					
State Data Center Costs					
IT Consultant	(1664.0)	(1664.0)	(1664.0)	0.0	(4992.0)
Quality Assurance	(75.0)	(75.0)	(75.0)	0.0	(225.0)
Storage.....	(8.0)	(8.0)	(8.0)	(8.0)	(32.0)
Network.....	0.0	0.0	0.0	0.0	0.0
Software Costs					
SW Purchase/Upgrade.....	0.0	0.0	0.0	0.0	0.0
SW License Maintenance.....	0.0	0.0	0.0	0.0	0.0
Hardware Costs					
Hardware Purchase/Upgrade..	(50.0)	0.0	0.0	0.0	(50.0)
Hardware Ongoing Maint.....	0.0	0.0	0.0	0.0	0.0
IT Professional Services					
Project Dev/Implementation....	(147.0)	(147.0)	(147.0)	(147.0)	(588.0)
Operational Staff.....	(100.0)	(103.0)	(106.0)	(109.0)	(418.0)
Operational Augmentation.....	0.0	0.0	0.0	0.0	0.0
Other.....	0.0	0.0	0.0	0.0	0.0
Total Costs	(4927.0)	(4968.0)	(5061.0)	(3419.0)	(18375.0)
CASH FLOW SUMMARY inflows (outflows)					
Cash inflows (outflows)					
Benefits and Gains.....	509232.0	524508.0	541444.0	546963.0	2122147.0
Costs.....	(4927.0)	(4968.0)	(5061.0)	(3419.0)	(18375.0)
NET CASH FLOW	**504305.0**	**519540.0**	**536383.0**	**543544.0**	**2103772.0**
Cumulative Net CF.....	504305.0	1023845.0	1560228.0	2103772.0	2103772.0
Discounted Cash Flow					**NPV**
At 3.0%.....	489616.5	489716.3	490866.4	482931.8	1953131.0

CURRENT STATE (BASELINE) CASH FLOW

$ in 1000s

Discount rate 3.0%

$ in 1000s	*Year ending...* Jun 30 2016	Jun 30 2017	Jun 30 2018	Jun 30 2019	TOTAL
BENEFITS / GAINS					
Property Tax Revenue	509232.0	524508.0	540244.0	546363.0	2120347.0
Benefit item 2	0.0	0.0	0.0	0.0	0.0
Benefit item 3	0.0	0.0	0.0	0.0	0.0
Benefit item 4	0.0	0.0	0.0	0.0	0.0
Total Benefits/Gains	509232.0	524508.0	540244.0	546363.0	2120347.0
COST ITEMS inflows (outflows)					
Personal Services Costs (Salaries & Benefits)					
Valuation Staff	(2818.0)	(2903.0)	(2990.0)	(3080.0)	(11791.0)
Temp Business Analyst	0.0	0.0	(71.0)	(75.0)	(146.0)
State LD Staff	0.0	0.0	0.0	0.0	0.0
Services & Supplies/Capital Outlay Costs					
State Data Center Costs					
IT Consulting Services	0.0	0.0	(416.0)	(416.0)	(832.0)
Hosting	0.0	0.0	0.0	0.0	0.0
Storage	(2.0)	(2.0)	(2.0)	(2.0)	(8.0)
Network	0.0	0.0	0.0	0.0	0.0
Software Costs					
SW Purchase/Upgrade	0.0	0.0	0.0	0.0	0.0
SW License Maintenance	0.0	0.0	0.0	0.0	0.0
Hardware Costs					
Hardware Purchase/Upgrade	0.0	0.0	0.0	0.0	0.0
Hardware Ongoing Maint	0.0	0.0	0.0	0.0	0.0
IT Professional Services					
Project Dev/Implementation	0.0	0.0	0.0	0.0	0.0
Perm Operational Staff	(100.0)	(103.0)	(106.0)	(109.0)	(418.0)
Temp Operational Augmentation	0.0	0.0	(85.0)	(85.0)	(170.0)
Other	0.0	0.0	0.0	0.0	0.0
Total Costs	(2920.0)	(3008.0)	(3670.0)	(3767.0)	(13365.0)
CASH FLOW SUMMARY inflows (outflows)					
Cash inflows (outflows)					
Benefits and Gains	509232.0	524508.0	540244.0	546363.0	2120347.0
Costs	(2920.0)	(3008.0)	(3670.0)	(3767.0)	(13365.0)
NET CASH FLOW	**506312.0**	**521500.0**	**536574.0**	**542596.0**	**2106982.0**
Cumulative Net CF	506312.0	1027812.0	1564386.0	2106982.0	2106982.0
Discounted Cash Flow					**NPV**
At 3.0%	491565.0	491563.8	491041.2	482089.5	1956259.6

INCREMENTAL CASH FLOW 2

All figures represent (Proposal Value) - (Current State Value) $ in 1000s

Discount rate 3.0%

$ in 1000s	*Year ending...* Jun 30 2009	Jun 30 2010	Jun 30 2011	Jun 30 2012	TOTAL
BENEFITS / GAINS					
Benefit item 1	0.0	0.0	0.0	0.0	0.0
Benefit item 2	0.0	0.0	1200.0	600.0	1800.0
Benefit item 3	0.0	0.0	0.0	0.0	0.0
Benefit item 4	0.0	0.0	0.0	0.0	0.0
Total Benefits/Gains	0.0	0.0	1200.0	600.0	1800.0
COST ITEMS inflows (outflows)					
Personal Services Costs (Salaries & Benefits)					
State Perm Staff	0.0	0.0	0.0	0.0	0.0
State Temp Staff	(65.0)	(68.0)	0.0	0.0	(133.0)
State LD Staff	0.0	0.0	0.0	0.0	0.0
Services & Supplies/Capital Outlay Costs					
State Data Center Costs					
Consulting Services	(75.0)	(75.0)	416.0	416.0	682.0
Hosting	0.0	0.0	0.0	0.0	0.0
Storage	10.0	10.0	10.0	10.0	40.0
Network	0.0	0.0	0.0	0.0	0.0
Software Costs					
SW Purchase/Upgrade	(1000.0)	(500.0)	0.0	0.0	(1500.0)
SW License Maintenance	0.0	0.0	(150.0)	(150.0)	(300.0)
Hardware Costs					
Hardware Purchase/Upgrade	(50.0)	0.0	0.0	0.0	(50.0)
Hardware Ongoing Maint	0.0	0.0	0.0	0.0	0.0
IT Professional Services					
Project Dev/Implementation	(147.0)	(155.0)	(163.0)	(170.0)	(635.0)
Operational Staff	0.0	0.0	0.0	0.0	0.0
Operational Augmentation	0.0	0.0	85.0	85.0	170.0
Other	0.0	0.0	0.0	0.0	0.0
Total Costs	(1327.0)	(788.0)	198.0	191.0	(1726.0)
CASH FLOW SUMMARY inflows (outflows)					
Cash inflows (outflows)					
Benefits and Gains	0.0	0.0	1200.0	600.0	1800.0
Costs	(1327.0)	(788.0)	198.0	191.0	(1726.0)
NET CASH FLOW	**(1327.0)**	**(788.0)**	**1398.0**	**791.0**	**74.0**
Cumulative Net CF	(1327.0)	(2115.0)	(717.0)	74.0	74.0
Discounted Cash Flow					**NPV**
At 3.0%	(1288.3)	(742.8)	1279.4	702.8	(49.0)

PROPOSED ALTERNATIVE INCREMENTAL CASH FLOW

All figures represent (AltProposal Value) - (Current State Value) $ in 1000s

Discount rate 3.0%

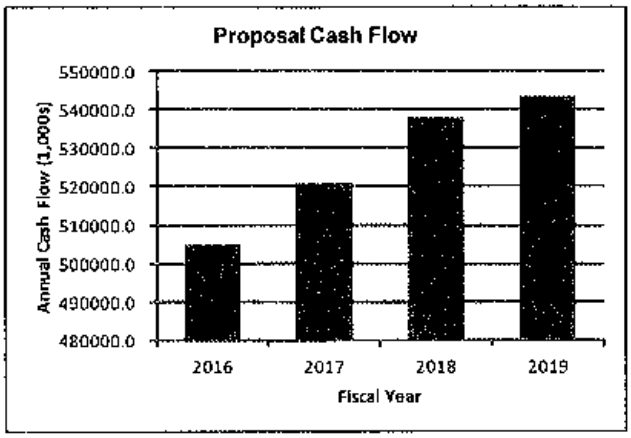
$ in 1000s	*Year ending...* Jun 30 2009	Jun 30 2010	Jun 30 2011	Jun 30 2012	TOTAL
BENEFITS / GAINS					
Benefit item 1.....	0.0	0.0	0.0	0.0	0.0
Benefit item 2.....	0.0	0.0	1200.0	600.0	1800.0
Benefit item 3.....	0.0	0.0	0.0	0.0	0.0
Benefit item 4.....	0.0	0.0	0.0	0.0	0.0
Total Benefits/Gains	0.0	0.0	1200.0	600.0	1800.0
COST ITEMS inflows (outflows)					
Personal Services Costs (Salaries & Benefits)					
State Perm Staff.....	0.0	0.0	0.0	0.0	0.0
State Temp Staff.....	(65.0)	(68.0)	0.0	0.0	(133.0)
State LD Staff.....	0.0	0.0	0.0	0.0	0.0
Services & Supplies/Capital Outlay Costs					
State Data Center Costs					
Consulting Services.....	(1664.0)	(1664.0)	(1248.0)	416.0	(4160.0)
Hosting.....	(75.0)	(75.0)	(75.0)	0.0	(225.0)
Storage.....	(6.0)	(6.0)	(6.0)	(6.0)	(24.0)
Network.....	0.0	0.0	0.0	0.0	0.0
Software Costs					
SW Purchase/Upgrade.....	0.0	0.0	0.0	0.0	0.0
SW License Maintenance.....	0.0	0.0	0.0	0.0	0.0
Hardware Costs					
Hardware Purchase/Upgrade..	(50.0)	0.0	0.0	0.0	(50.0)
Hardware Ongoing Maint.....	0.0	0.0	0.0	0.0	0.0
IT Professional Services					
Project Dev/Implementation....	(147.0)	(147.0)	(147.0)	(147.0)	(588.0)
Operational Staff.....	0.0	0.0	0.0	0.0	0.0
Operational Augmentation.....	0.0	0.0	85.0	85.0	170.0
Other.....	0.0	0.0	0.0	0.0	0.0
Total Costs	(2007.0)	(1960.0)	(1391.0)	348.0	(5010.0)
CASH FLOW SUMMARY inflows (outflows)					
Cash inflows (outflows)					
Benefits and Gains.....	0.0	0.0	1200.0	600.0	1800.0
Costs.....	(2007.0)	(1960.0)	(1391.0)	348.0	(5010.0)
NET CASH FLOW	**(2007.0)**	**(1960.0)**	**(191.0)**	**948.0**	**(3210.0)**
Cumulative Net CF.....	(2007.0)	(3967.0)	(4158.0)	(3210.0)	(3210.0)
Discounted Cash Flow					**NPV**
At 3.0%.....	(1948.5)	(1847.5)	(174.8)	842.3	(3128.5)

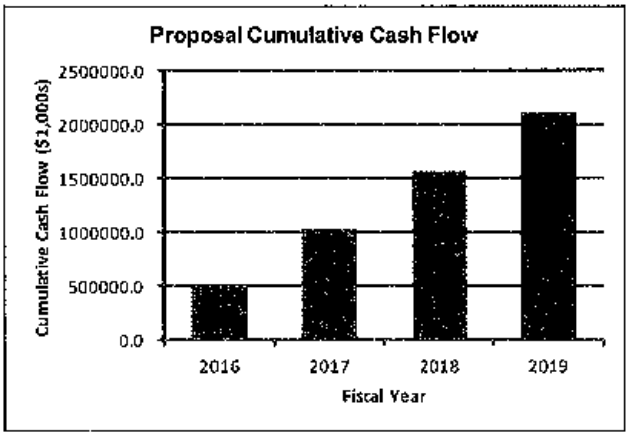
Financial Metrics Summary

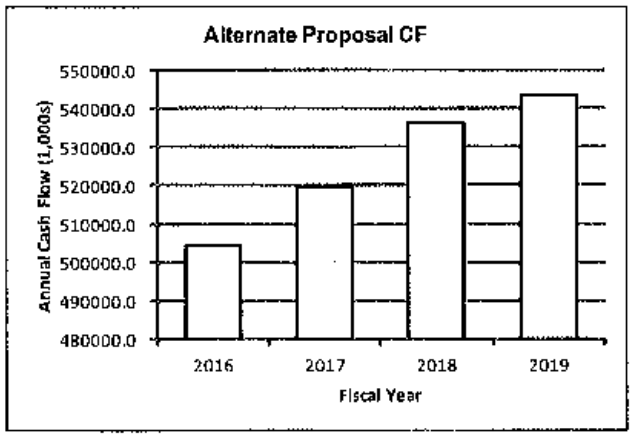
	Proposal	Alt Proposal	Current State	Incr Proposal	Incr Alt Prop
Net Cash Flow	$2,107,056.0	$2,103,772.0	$2,106,982.0	$74.0	($3,210.0)
NPV at 3.0%	$1,942,148.7	$1,953,131.0	$1,956,259.6	($49.0)	($3,128.5)
Total Benefits	$2,122,147.0	$2,122,147.0	$2,120,347.0	$1,800.0	$1,800.0
Total Costs	($15,091.0)	($18,375.0)	($13,365.0)	($1,726.0)	($5,010.0)

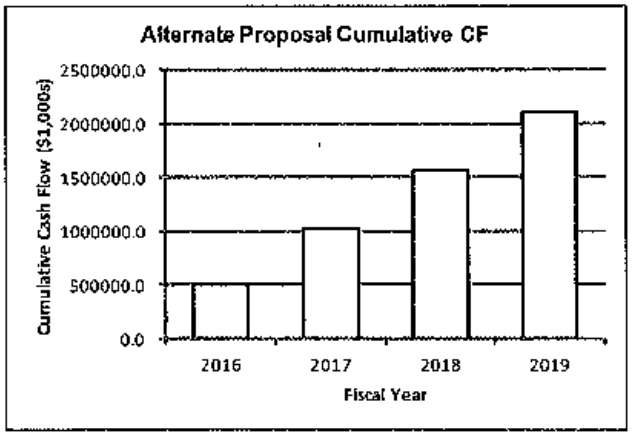
$ in $1,000s
Numbers in parenthesis are negative numbers

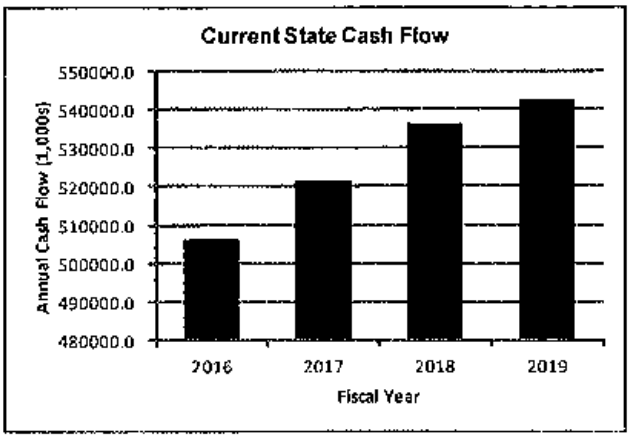
Cash Flow Graphs -- Net Cash Flow

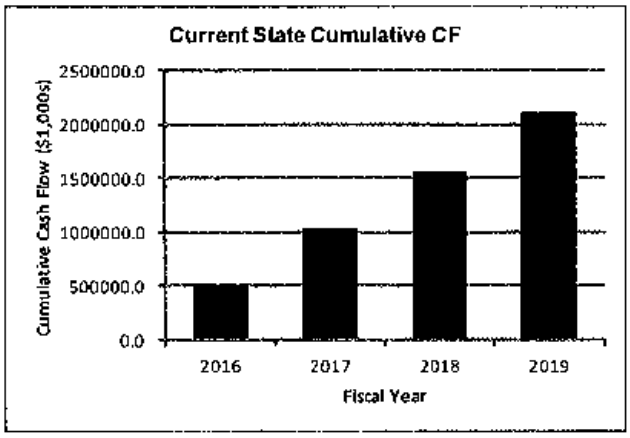


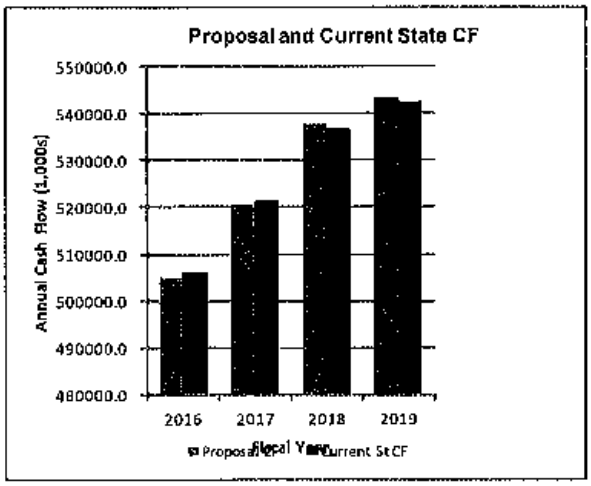


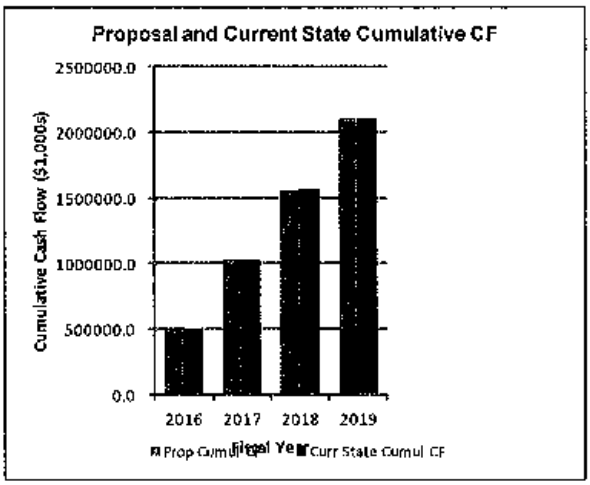


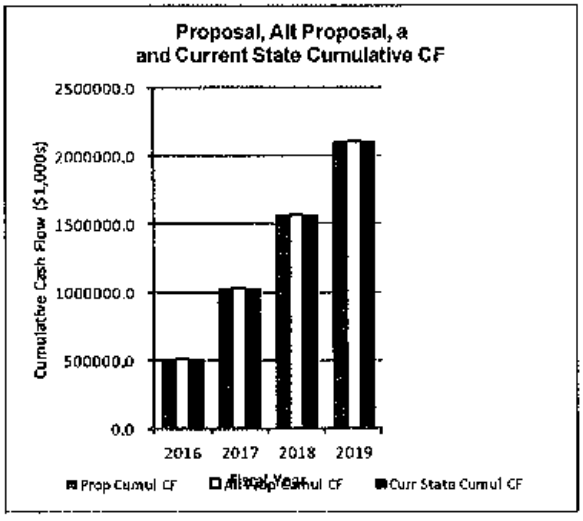


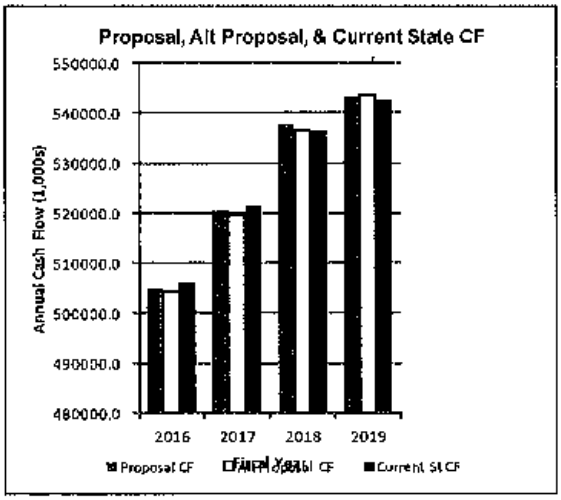

Current State Cash Flow
Annual Cash Flow (1,000s)
550000.0
540000.0
530000.0
520000.0
510000.0
500000.0
490000.0
480000.0
2016
2017
2018
2019
Fiscal Year


Current State Cumulative CF
Cumulative Cash Flow ($1,000s)
2500000.0
2000000.0
1500000.0
1000000.0
500000.0
0.0
2016
2017
2018
2019
Fiscal Year


Proposal and Current State CF
Annual Cash Flow (1,000s)
550000.0
540000.0
530000.0
520000.0
510000.0
500000.0
490000.0
480000.0
2016
2017
2018
2019
Fiscal Year
Proposal CF
Current St CF


Proposal and Current State Cumulative CF
Cumulative Cash Flow ($1,000s)
2500000.0
2000000.0
1500000.0
1000000.0
500000.0
0.0
2016
2017
2018
2019
Fiscal Year
Prop Cumul CF
Curr State Cumul CF


Proposal, Alt Proposal, a
and Current State Cumulative CF
Cumulative Cash Flow ($1,000s)
2500000.0
2000000.0
1500000.0
1000000.0
500000.0
0.0
2016
2017
2018
2019
Fiscal Year
Prop Cumul CF
Curr State Cumul CF


Proposal, Alt Proposal, & Current State CF
Annual Cash Flow (1,000s)
550000.0
540000.0
530000.0
520000.0
510000.0
500000.0
490000.0
480000.0
2016
2017
2018
2019
Fiscal Year
Proposal CF
Current St CF

Cost Model Analysis (Total Cost of Ownership)

CURRENT STATE (BASELINE) SCENARIO COSTS Positive numbers are **savings**
Totals include FY 2016 through FY 2019 Negative numbers in () are **net costs**
$ in 1,000s

		Project and Implementation	Operations, Maintenance,	Total	%
Personal Services	Salaries & Benefits		($11,937.0)	($11,937.0)	0.9
Services & Supplies & Capital Outlay	State Data Center		($840.0)	($840.0)	0.1
	Software	$0.0	$0.0	$0.0	0.0
	Hardware	$0.0	$0.0	$0.0	0.0
	IT Professional Services	$0.0	($588.0)	($588.0)	0.0
	Total	$0.0	($13,365.0)	($13,365.0)	
	%	0.0	1.0		100.0%

PROPOSAL SCENARIO COSTS
Totals include FY 2016 through FY 2019
$ in 1,000s

Positive numbers are **savings**
Negative numbers in () are **net costs**

		Project and Implementation	Operations, Maintenance	Total	%
Personal Services	Salaries & Benefits	:	($12,070.0)	($12,070.0)	80.0%
Services & Supplies & Capital Outlay	State Data Center	:	($118.0)	($118.0)	0.8%
	Software	($1,500.0)	($300.0)	($1,800.0)	11.9%
	Hardware	($50.0)	$0.0	($50.0)	0.3%
	IT Professional Services	($635.0)	($418.0)	($1,053.0)	7.0%
	Total	($2,185.0)	($12,906.0)	($15,091.0)	
	%	14.5%	85.5%		100.0%

ALTERNATE PROPOSAL SCENARIO COSTS
Totals include FY 2016 through FY 2019
$ in 1,000s

Positive numbers are **savings**
Negative numbers in () are **net costs**

		Project and Implementation	Operations, Maintenance	Total	%
Personal Services	Salaries & Benefits		($12,070.0)	($12,070.0)	65.7%
Services & Supplies & Capital Outlay	State Data Center		($5,249.0)	($5,249.0)	28.6%
	Software	$0.0	$0.0	$0.0	0.0%
	Hardware	($50.0)	$0.0	($50.0)	0.3%
	IT Professional Services	($588.0)	($418.0)	($1,006.0)	5.5%
	Total	($638.0)	($17,737.0)	($18,375.0)	
	%	3.5%	96.5%		100.0%

INCREMENTAL PROPOSAL COSTS
Totals include FY 2016 through FY 2019
$ in 1,000s

Positive numbers are **savings**
Negative numbers in () are **net costs**

		Project and Implementation	Operations, Maintenance, Ongoing Support	Total
Personal Services	Salaries & Benefits		($133.0)	($133.0)
Services & Supplies & Capital Outlay	State Data Center		$722.0	$722.0
	Software	($1,500.0)	($300.0)	($1,800.0)
	Hardware	($50.0)	$0.0	($50.0)
	IT Professional Services	($635.0)	$170.0	($465.0)
	Total	($2,185.0)	$459.0	($1,726.0)

INCREMENTAL ALTERNATE PROPOSAL COSTS
Totals include FY 2016 through FY 2019
$ in 1,000s

Positive numbers are savings
Negative numbers () are net costs

		Project and Implementation	Operations, Maintenance,	Total
Personal Services	Salaries & Benefits		($133.0)	($133.0)
Services & Supplies & Capital Outlay	State Data Center		($4,409.0)	($4,409.0)
	Software	$0.0	$0.0	$0.0
	Hardware	($50.0)	$0.0	($50.0)
	IT Professional Services	($588.0)	$170.0	($418.0)
	Total	($638.0)	($4,372.0)	($5,010.0)

Non-Financial Business Results

This section identifies non-financial benefits associated with implementing a COTS or customized system alternative. These benefits fit into four main categories:

1. Process Improvement
2. Compliance
3. New services
4. Strategic alignment

Process Improvement

Stable IT Environment:	Concern for DOR's current valuation IPR application has been expressed by business and IT staff and management. The programming language used to develop this application is no longer supported and finding programmers trained to maintain this application is difficult. At some point in the future, the DOR anticipates increased difficulty maintaining this application that will ultimately force us to replace the system. A new system (either COTS or Custom built), would provide a more stable, longer-term IT solution built within industry-standards. For the COTS solution, and possibly the Custom solution, a maintenance agreement is anticipated that will ensure regular ongoing maintenance and upgrades to the software.
Reduced Processing Time:	Over the last 5 years, the average time to process a single return is in the range of 40-50 days. This is calculated from the time a return is received to the moment values are transmitted to a county. Due to existing system fragmentation and many manual processes, a COTS or Customer solution is anticipated to significantly reduce this time to process a return.
Performance Management:	The ability to identify issues in real time as opposed to after- the-fact, such as when an appeal or error is found, is important to managing resources more effectively. Under the existing environment, applications do not permit performance management. There is only an ability to analyze individual industrial sites or CA companies. With industry standard technology, the DOR could process and analyze data much more effectively.

Compliance

Data Analytics:	Data analytics tools will give us the ability to collect and analyze large amounts of data in real time for the purpose of exposing problems or weakness that ultimately affect conclusion credibility. Under the existing applications, the DOR lacks the ability to analyze groups of data; it only allows for individual analysis. This limitation poses a risk. As we have previously mentioned, the property tax system has a process to challenge (appeals) when values are above RMV; however, there isn't an ability to efficiently identify issues where property values are lower than RMV.

New Services

Electronic Communication:	E-file provides taxpayers with the ability to electronically submit required tax returns to the DOR. For property taxes, taxpayers do not currently have this option. Industry standard software solutions permit not just e-filing, but also allows for increased taxpayer self-sufficiency --- access to property tax account information 24 hours a day, meaning less staff time to respond to routine questions.

Strategic Alignment

A new, industry standard CAMA system will dramatically improve our alignment with the agency mission, values and goals.

Agency Mission:	"We make revenue systems work to fund the public services that preserve and enhance the quality of life for all citizens"
Agency Values:	"Service and operational excellence" "Accountability" Continuous improvement"
Agency Goals:	"Deliver high quality business results" "Create a culture of constant improvement" "Preserve and enhance public confidence"

Risk and Mitigations

The basis for this business case is an underlying premise that DOR's existing property tax administration applications present significant risk to the program's long-term stability and viability. Failure to implement an industry standard CAMA system would mean that DOR will continue expending resources to maintain ineffective and obsolete applications and forego significant functionality improvements that are currently in use by virtually all county partners. Ultimately, a failure to act puts DOR at risk of being unable to complete statutorily required valuation work. Our reliance on the current system is such that any failure of the system during processing season would render us unable to produce values for the counties in a timely manner.

Status Quo

Technical Risk

- Lack of future trained IT staff to provide ongoing maintenance for an application developed in an antiquated programming language
- Lack of IT staff to enhance application to work with DOR's network
- Visual Basic in no longer supported by Microsoft. Any changes to the IT infrastructure that would require changes to the current IPR system may not be supported and could result in significant challenges.

Business Risk

- Failure of our current valuation applications would significantly limit our ability to deliver values to the counties within statutory timeframes.
- Any future ORS changes would likely be extremely difficult to implement in the current application, requiring staff time to complete manually

Mitigation Strategy

- Continue to seek work around solutions to application deficiencies
- Partner with IT to ensure successor planning occurs
- Identify weaknesses and plan for manual process in case of application failure

Valuation application modernization is a significant undertaking. Any movement requires careful planning. DOR understands that projects of this type pose risks related to both the new technology and new business processes. DOR strongly believes effective risk management increases the probability of success, by identifying challenges and developing solutions before they cause delays or cost overruns. Similar to DOR's risk management plan for CSR, the PVS project plan for new system implementation will include a detailed risk management plan

COTS or Custom CAMA

Business Risks

- New processes and tools will likely result in a short-term decrease in productivity during implementation
- Timelines for completing values are fixed, and any significant delay due to implementation could cause problems for county partners
- Managing software implementation while completing regular workload. Will need to employ robust change leadership.

Technical Risks

- Successful integration with existing IT infrastructure
- Company failing to deliver on contractual obligations

Mitigation Strategy

- **Risk Identification** – Complete comprehensive risk assessment that includes both internal and external reviews
- **Risk Analysis** – ensure risks are adequately examined in a structured and systematic method.
- **Risk Response Planning** – comprised of three general strategies: risk reduction (threats), risk enhancement (opportunities) and risk acceptance/risk contingency planning (either).

- **Risk Status Reporting** – status of program risks will be reported monthly as part of a risk dashboard established for the program that includes both internal and external reviews.
- **Risk Escalation** – a comprehensive risk mitigation plan with be developed and executed. An executive steering committee will provide guidance and decision making

Budget Structure

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
001-00-00-00000	Executive Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
001-00-00-00000	Executive Division	021	0	Phase-in	Essential Packages
001-00-00-00000	Executive Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
001-00-00-00000	Executive Division	031	0	Standard Inflation	Essential Packages
001-00-00-00000	Executive Division	032	0	Above Standard Inflation	Essential Packages
001-00-00-00000	Executive Division	033	0	Exceptional Inflation	Essential Packages
001-00-00-00000	Executive Division	081	0	September 2014 E-Board	Policy Packages
001-00-00-00000	Executive Division	090	0	Analyst Adjustments	Policy Packages
002-00-00-00000	General Services Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
002-00-00-00000	General Services Division	021	0	Phase-in	Essential Packages
002-00-00-00000	General Services Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
002-00-00-00000	General Services Division	031	0	Standard Inflation	Essential Packages
002-00-00-00000	General Services Division	032	0	Above Standard Inflation	Essential Packages
002-00-00-00000	General Services Division	033	0	Exceptional Inflation	Essential Packages
002-00-00-00000	General Services Division	081	0	September 2014 E-Board	Policy Packages
002-00-00-00000	General Services Division	090	0	Analyst Adjustments	Policy Packages
002-00-00-00000	General Services Division	151	0	Fraud Analytics and Detection	Policy Packages
002-00-00-00000	General Services Division	161	0	HB4055-911 Tax	Policy Packages
003-00-00-00000	Administrative Services Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
003-00-00-00000	Administrative Services Division	021	0	Phase-in	Essential Packages
003-00-00-00000	Administrative Services Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
003-00-00-00000	Administrative Services Division	031	0	Standard Inflation	Essential Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
003-00-00-00000	Administrative Services Division	032	0	Above Standard Inflation	Essential Packages
003-00-00-00000	Administrative Services Division	033	0	Exceptional Inflation	Essential Packages
003-00-00-00000	Administrative Services Division	060	0	Technical Adjustments	Essential Packages
003-00-00-00000	Administrative Services Division	081	0	September 2014 E-Board	Policy Packages
003-00-00-00000	Administrative Services Division	090	0	Analyst Adjustments	Policy Packages
003-00-00-00000	Administrative Services Division	141	0	Property Valuation System	Policy Packages
003-00-00-00000	Administrative Services Division	142	0	CAFFA Funding Shortfall	Policy Packages
003-00-00-00000	Administrative Services Division	143	0	SeniorDisabled Citizens Property Tax Deferral	Policy Packages
003-00-00-00000	Administrative Services Division	144	0	PTD GF/OF Rebalance	Policy Packages
003-00-00-00000	Administrative Services Division	151	0	Fraud Analytics and Detection	Policy Packages
003-00-00-00000	Administrative Services Division	161	0	HB4055-911 Tax	Policy Packages
003-00-00-00000	Administrative Services Division	181	0	Core Systems Replacement	Policy Packages
004-00-00-00000	Property Tax Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
004-00-00-00000	Property Tax Division	021	0	Phase-in	Essential Packages
004-00-00-00000	Property Tax Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
004-00-00-00000	Property Tax Division	031	0	Standard Inflation	Essential Packages
004-00-00-00000	Property Tax Division	032	0	Above Standard Inflation	Essential Packages
004-00-00-00000	Property Tax Division	033	0	Exceptional Inflation	Essential Packages
004-00-00-00000	Property Tax Division	081	0	September 2014 E-Board	Policy Packages
004-00-00-00000	Property Tax Division	090	0	Analyst Adjustments	Policy Packages
004-00-00-00000	Property Tax Division	141	0	Property Valuation System	Policy Packages
004-00-00-00000	Property Tax Division	142	0	CAFFA Funding Shortfall	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
004-00-00-00000	Property Tax Division	143	0	SeniorDisabled Citizens Property Tax Deferral	Policy Packages
004-00-00-00000	Property Tax Division	144	0	PTD GF/OF Rebalance	Policy Packages
005-00-00-00000	Personal Tax and Compliance Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
005-00-00-00000	Personal Tax and Compliance Division	021	0	Phase-in	Essential Packages
005-00-00-00000	Personal Tax and Compliance Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
005-00-00-00000	Personal Tax and Compliance Division	031	0	Standard Inflation	Essential Packages
005-00-00-00000	Personal Tax and Compliance Division	032	0	Above Standard Inflation	Essential Packages
005-00-00-00000	Personal Tax and Compliance Division	033	0	Exceptional Inflation	Essential Packages
005-00-00-00000	Personal Tax and Compliance Division	081	0	September 2014 E-Board	Policy Packages
005-00-00-00000	Personal Tax and Compliance Division	090	0	Analyst Adjustments	Policy Packages
005-00-00-00000	Personal Tax and Compliance Division	151	0	Fraud Analytics and Detection	Policy Packages
006-00-00-00000	Business Division	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
006-00-00-00000	Business Division	021	0	Phase-in	Essential Packages
006-00-00-00000	Business Division	022	0	Phase-out Pgm & One-time Costs	Essential Packages
006-00-00-00000	Business Division	031	0	Standard Inflation	Essential Packages
006-00-00-00000	Business Division	032	0	Above Standard Inflation	Essential Packages
006-00-00-00000	Business Division	033	0	Exceptional Inflation	Essential Packages
006-00-00-00000	Business Division	081	0	September 2014 E-Board	Policy Packages
006-00-00-00000	Business Division	090	0	Analyst Adjustments	Policy Packages
006-00-00-00000	Business Division	161	0	HB4055-911 Tax	Policy Packages
015-00-00-00000	Multistate Tax Commission	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
015-00-00-00000	Multistate Tax Commission	021	0	Phase-in	Essential Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
015-00-00-00000	Multistate Tax Commission	022	0	Phase-out Pgm & One-time Costs	Essential Packages
015-00-00-00000	Multistate Tax Commission	031	0	Standard Inflation	Essential Packages
015-00-00-00000	Multistate Tax Commission	032	0	Above Standard Inflation	Essential Packages
015-00-00-00000	Multistate Tax Commission	033	0	Exceptional Inflation	Essential Packages
015-00-00-00000	Multistate Tax Commission	081	0	September 2014 E-Board	Policy Packages
015-00-00-00000	Multistate Tax Commission	090	0	Analyst Adjustments	Policy Packages
019-00-00-00000	Elderly Rental Assistance	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
019-00-00-00000	Elderly Rental Assistance	021	0	Phase-in	Essential Packages
019-00-00-00000	Elderly Rental Assistance	022	0	Phase-out Pgm & One-time Costs	Essential Packages
019-00-00-00000	Elderly Rental Assistance	031	0	Standard Inflation	Essential Packages
019-00-00-00000	Elderly Rental Assistance	032	0	Above Standard Inflation	Essential Packages
019-00-00-00000	Elderly Rental Assistance	033	0	Exceptional Inflation	Essential Packages
019-00-00-00000	Elderly Rental Assistance	081	0	September 2014 E-Board	Policy Packages
019-00-00-00000	Elderly Rental Assistance	090	0	Analyst Adjustments	Policy Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	021	0	Phase-in	Essential Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	022	0	Phase-out Pgm & One-time Costs	Essential Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	031	0	Standard Inflation	Essential Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	032	0	Above Standard Inflation	Essential Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	033	0	Exceptional Inflation	Essential Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	081	0	September 2014 E-Board	Policy Packages
025-00-00-00000	Sr Citizens Prop Tax Deferral	090	0	Analyst Adjustments	Policy Packages

Cross Reference Number	Cross Reference Description	Package Number	Priority	Package Description	Package Group
030-00-00-00000	Core System Replacement	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
030-00-00-00000	Core System Replacement	021	0	Phase-in	Essential Packages
030-00-00-00000	Core System Replacement	022	0	Phase-out Pgm & One-time Costs	Essential Packages
030-00-00-00000	Core System Replacement	031	0	Standard Inflation	Essential Packages
030-00-00-00000	Core System Replacement	032	0	Above Standard Inflation	Essential Packages
030-00-00-00000	Core System Replacement	033	0	Exceptional Inflation	Essential Packages
030-00-00-00000	Core System Replacement	070	0	Revenue Shortfalls	Policy Packages
030-00-00-00000	Core System Replacement	081	0	September 2014 E-Board	Policy Packages
030-00-00-00000	Core System Replacement	090	0	Analyst Adjustments	Policy Packages
030-00-00-00000	Core System Replacement	181	0	Core Systems Replacement	Policy Packages
087-00-00-00000	Capital Debt Service and Related Costs	010	0	Non-PICS Psnl Svc / Vacancy Factor	Essential Packages
087-00-00-00000	Capital Debt Service and Related Costs	021	0	Phase-in	Essential Packages
087-00-00-00000	Capital Debt Service and Related Costs	022	0	Phase-out Pgm & One-time Costs	Essential Packages
087-00-00-00000	Capital Debt Service and Related Costs	031	0	Standard Inflation	Essential Packages
087-00-00-00000	Capital Debt Service and Related Costs	032	0	Above Standard Inflation	Essential Packages
087-00-00-00000	Capital Debt Service and Related Costs	033	0	Exceptional Inflation	Essential Packages
087-00-00-00000	Capital Debt Service and Related Costs	081	0	September 2014 E-Board	Policy Packages
087-00-00-00000	Capital Debt Service and Related Costs	090	0	Analyst Adjustments	Policy Packages
087-00-00-00000	Capital Debt Service and Related Costs	141	0	Property Valuation System	Policy Packages
087-00-00-00000	Capital Debt Service and Related Costs	181	0	Core Systems Replacement	Policy Packages

Policy Package List by Priority
2015-17 Biennium

Agency Number: 15000
BAM Analyst: Carbone, James
Budget Coordinator: Hunt, Jan - (503)945-8466

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	070	Revenue Shortfalls	030-00-00-00000	Core System Replacement
	081	September 2014 E-Board	001-00-00-00000	Executive Division
			002-00-00-00000	General Services Division
			003-00-00-00000	Administrative Services Division
			004-00-00-00000	Property Tax Division
			005-00-00-00000	Personal Tax and Compliance Division
			006-00-00-00000	Business Division
			015-00-00-00000	Multistate Tax Commission
			019-00-00-00000	Elderly Rental Assistance
			025-00-00-00000	Sr Citizens Prop Tax Deferral
			030-00-00-00000	Core System Replacement
			087-00-00-00000	Capital Debt Service and Related Costs
	090	Analyst Adjustments	001-00-00-00000	Executive Division
			002-00-00-00000	General Services Division
			003-00-00-00000	Administrative Services Division
			004-00-00-00000	Property Tax Division
			005-00-00-00000	Personal Tax and Compliance Division
			006-00-00-00000	Business Division
			015-00-00-00000	Multistate Tax Commission
			019-00-00-00000	Elderly Rental Assistance
			025-00-00-00000	Sr Citizens Prop Tax Deferral
			030-00-00-00000	Core System Replacement
			087-00-00-00000	Capital Debt Service and Related Costs

Policy Package List by Priority
2015-17 Biennium

Agency Number: 15000
BAM Analyst: Carbone, James
Budget Coordinator: Hunt, Jan - (503)945-8466

Priority	*Policy Pkg Number*	*Policy Pkg Description*	*Summary Cross Reference Number*	*Cross Reference Description*
0	141	Property Valuation System	003-00-00-00000	Administrative Services Division
			004-00-00-00000	Property Tax Division
			087-00-00-00000	Capital Debt Service and Related Costs
	142	CAFFA Funding Shortfall	003-00-00-00000	Administrative Services Division
			004-00-00-00000	Property Tax Division
	143	SeniorDisabled Citizens Property Tax Deferral	003-00-00-00000	Administrative Services Division
			004-00-00-00000	Property Tax Division
	144	PTD GF/OF Rebalance	003-00-00-00000	Administrative Services Division
			004-00-00-00000	Property Tax Division
	151	Fraud Analytics and Detection	002-00-00-00000	General Services Division
			003-00-00-00000	Administrative Services Division
			005-00-00-00000	Personal Tax and Compliance Division
	161	HB4055-911 Tax	002-00-00-00000	General Services Division
			003-00-00-00000	Administrative Services Division
			006-00-00-00000	Business Division
	181	Core Systems Replacement	003-00-00-00000	Administrative Services Division
			030-00-00-00000	Core System Replacement
			087-00-00-00000	Capital Debt Service and Related Costs

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	4,701,477	13,938,929	13,938,929	18,629,256	18,629,256	-
3400 Other Funds Ltd	40,886,915	18,177,965	18,177,965	15,971,967	15,971,967	-
All Funds	45,588,392	32,116,894	32,116,894	34,601,223	34,601,223	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	(2,411,332)	-	-	-	-	-
3400 Other Funds Ltd	(3,000,000)	-	-	-	-	-
8800 General Fund Revenue	5,411,332	-	-	-	-	-
All Funds	-	-	-	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	2,290,145	13,938,929	13,938,929	18,629,256	18,629,256	-
3400 Other Funds Ltd	37,886,915	18,177,965	18,177,965	15,971,967	15,971,967	-
8800 General Fund Revenue	5,411,332	-	-	-	-	-
TOTAL BEGINNING BALANCE	**$45,588,392**	**$32,116,894**	**$32,116,894**	**$34,601,223**	**$34,601,223**	-
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	147,798,243	163,636,414	165,087,043	180,402,092	176,967,602	-
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
All Funds	147,798,243	165,191,130	166,641,759	193,794,141	190,359,651	-
TAXES						
0105 Personal Income Taxes						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	4,624,389	-	-	-	-	-
8800 General Fund Revenue	12,284,119,265	13,636,603,386	13,636,603,386	15,541,205,376	15,541,205,376	-
All Funds	12,288,743,654	13,636,603,386	13,636,603,386	15,541,205,376	15,541,205,376	-
0110 Corp Excise and Income Taxes						
3400 Other Funds Ltd	21,423,831	-	-	-	-	-
8800 General Fund Revenue	883,912,099	1,012,036,621	1,012,036,621	1,036,848,445	1,036,848,445	-
All Funds	905,335,930	1,012,036,621	1,012,036,621	1,036,848,445	1,036,848,445	-
0130 Other Employer -Employee Taxes						
3400 Other Funds Ltd	-	477,493,000	477,493,000	689,025,092	689,025,092	-
0135 Cigarette Taxes						
3400 Other Funds Ltd	336,400,117	301,306,908	301,306,908	305,518,692	305,518,692	-
8800 General Fund Revenue	74,614,759	69,049,500	69,049,500	62,442,086	62,442,086	-
All Funds	411,014,876	370,356,408	370,356,408	367,960,778	367,960,778	-
0140 Other Tobacco Products Taxes						
3400 Other Funds Ltd	50,257,407	50,897,983	50,897,983	53,788,174	53,788,174	-
8800 General Fund Revenue	58,255,417	59,366,278	59,366,278	62,737,333	62,737,333	-
All Funds	108,512,824	110,264,261	110,264,261	116,525,507	116,525,507	-
0145 Amusement Taxes						
3400 Other Funds Ltd	-	3,280,000	3,280,000	3,280,000	3,280,000	-
8800 General Fund Revenue	2,225,552	1,200,000	1,200,000	1,200,000	1,200,000	-
All Funds	2,225,552	4,480,000	4,480,000	4,480,000	4,480,000	-
0155 Inheritance Taxes						
3400 Other Funds Ltd	1,568,579	-	-	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8800 General Fund Revenue	203,628,972	212,961,590	212,961,590	202,126,255	202,126,255	-
All Funds	205,197,551	212,961,590	212,961,590	202,126,255	202,126,255	-
0160 Eastern Oregon Severance Taxes						
8800 General Fund Revenue	6,298	6,000	6,000	6,000	6,000	-
0162 Western Oregon Severance Taxes						
3400 Other Funds Ltd	-	562,400	562,400	1,018,000	1,018,000	-
8800 General Fund Revenue	174,540	50,000	50,000	25,000	25,000	-
All Funds	174,540	612,400	612,400	1,043,000	1,043,000	-
0165 Other Severance Taxes						
3400 Other Funds Ltd	-	237,000	237,000	237,000	237,000	-
0195 Other Taxes						
3400 Other Funds Ltd	-	164,282,508	164,282,508	164,550,530	164,550,530	-
8800 General Fund Revenue	-	6,502,218	6,502,218	26,466	26,466	-
All Funds	-	170,784,726	170,784,726	164,576,996	164,576,996	-
TAXES						
3400 Other Funds Ltd	414,274,323	998,059,799	998,059,799	1,217,417,488	1,217,417,488	-
8800 General Fund Revenue	13,506,936,902	14,997,775,593	14,997,775,593	16,906,616,961	16,906,616,961	-
TOTAL TAXES	**$13,921,211,225**	**$15,995,835,392**	**$15,995,835,392**	**$18,124,034,449**	**$18,124,034,449**	-
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	-	8,766,267	8,766,267	9,869,503	9,869,503	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	33,998,921	65,256,876	65,878,031	68,057,904	67,882,961	-
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	35,919,952	12,685,549	12,685,549	16,978,187	16,978,187	-
8800 General Fund Revenue	-	8,589,700	8,589,700	10,907,377	10,907,377	-
All Funds	35,919,952	21,275,249	21,275,249	27,885,564	27,885,564	-
INTEREST EARNINGS						
0605 Interest Income						
3400 Other Funds Ltd	118,776	-	-	-	-	-
DONATIONS AND CONTRIBUTIONS						
0905 Donations						
3400 Other Funds Ltd	-	1,292,000	1,292,000	1,334,000	1,334,000	-
LOAN REPAYMENT						
0950 Sr Citizen Prop Tax Repayments						
3200 Other Funds Non-Ltd	-	38,497,653	38,497,653	38,497,653	38,497,653	-
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	1,041,708	27,732,110	27,732,110	28,776,603	28,776,603	-
8800 General Fund Revenue	5,832,337	-	-	-	-	-
All Funds	6,874,045	27,732,110	27,732,110	28,776,603	28,776,603	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	29,723,978	-	-	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
1060 Transfer from General Fund						
3400 Other Funds Ltd	5,399,284	5,672,000	5,672,000	5,672,000	5,672,000	-
1123 Tsfr From OR Business Development						
3400 Other Funds Ltd	5,000	-	-	-	-	-
1198 Tsfr From Judicial Dept						
3400 Other Funds Ltd	99,195,667	54,511,407	54,511,407	52,178,305	52,178,305	-
8800 General Fund Revenue	-	36,911,030	36,911,030	33,521,152	33,521,152	-
All Funds	99,195,667	91,422,437	91,422,437	85,699,457	85,699,457	-
TRANSFERS IN						
3400 Other Funds Ltd	134,323,929	60,183,407	60,183,407	57,850,305	57,850,305	-
8800 General Fund Revenue	-	36,911,030	36,911,030	33,521,152	33,521,152	-
TOTAL TRANSFERS IN	**$134,323,929**	**$97,094,437**	**$97,094,437**	**$91,371,457**	**$91,371,457**	**-**
REVENUE CATEGORIES						
8000 General Fund	147,798,243	163,636,414	165,087,043	180,402,092	176,967,602	-
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
3200 Other Funds Non-Ltd	-	38,497,653	38,497,653	38,497,653	38,497,653	-
3400 Other Funds Ltd	619,677,609	1,173,976,008	1,174,597,163	1,400,283,990	1,400,109,047	-
8800 General Fund Revenue	13,512,769,239	15,043,276,323	15,043,276,323	16,951,045,490	16,951,045,490	-
TOTAL REVENUE CATEGORIES	**$14,280,245,091**	**$16,420,941,114**	**$16,423,012,898**	**$18,583,621,274**	**$18,580,011,841**	**-**
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3400 Other Funds Ltd	(29,723,978)	-	-	-	-	-
2050 Transfer to Other						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	-	(16,461,538)	(16,461,538)	(9,365,757)	(9,365,757)	-
2060 Transfer to General Fund						
8800 General Fund Revenue	(13,518,180,571)	(15,043,276,323)	(15,043,276,323)	(16,951,045,490)	(16,951,045,490)	-
2080 Transfer to Counties						
3200 Other Funds Non-Ltd	-	(33,807,326)	(33,807,326)	(33,807,326)	(33,807,326)	-
3400 Other Funds Ltd	-	(533,352,348)	(533,352,348)	(741,563,922)	(741,563,922)	-
All Funds	-	(567,159,674)	(567,159,674)	(775,371,248)	(775,371,248)	-
2100 Tsfr To Human Svcs, Dept of						
3400 Other Funds Ltd	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	-
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	(18,373,975)	(15,892,078)	(15,892,078)	(14,319,663)	(14,319,663)	-
2121 Tsfr To Governor, Office of the						
3400 Other Funds Ltd	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	-
2137 Tsfr To Justice, Dept of						
3400 Other Funds Ltd	(16,290,775)	(19,913,740)	(19,913,740)	(20,541,179)	(20,541,179)	-
2141 Tsfr To Lands, Dept of State						
3400 Other Funds Ltd	(263,406)	(237,000)	(237,000)	(237,000)	(237,000)	-
2198 Tsfr To Judicial Dept						
3400 Other Funds Ltd	(9,921,074)	(9,374,580)	(9,415,927)	(6,471,244)	(6,471,244)	-
2248 Tsfr To Military Dept, Or						
3400 Other Funds Ltd	(78,548,657)	(81,970,000)	(81,970,000)	(81,392,000)	(81,392,000)	-
2257 Tsfr To Police, Dept of State						
3400 Other Funds Ltd	(5,061,747)	(4,390,890)	(4,390,890)	(7,993,959)	(7,993,959)	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
2259 Tsfr To Pub Safety Std/Trng						
3400 Other Funds Ltd	(20,550,970)	(24,520,000)	(24,520,000)	(25,720,000)	(27,820,235)	-
2291 Tsfr To Corrections, Dept of						
3400 Other Funds Ltd	(6,276,355)	-	-	-	-	-
2340 Tsfr To Environmental Quality						
3400 Other Funds Ltd	(2,114,874)	(2,128,544)	(2,128,544)	(2,128,544)	(2,128,544)	-
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	(360,272,153)	(336,734,482)	(346,734,482)	(346,192,079)	(346,192,079)	-
2525 Tsfr To HECC						
3400 Other Funds Ltd	-	-	-	(1,745,810)	(1,745,810)	-
2580 Tsfr To OR University System						
3400 Other Funds Ltd	-	(7,344,134)	(7,344,134)	(8,520,296)	(8,520,296)	-
2581 Tsfr To Education, Dept of						
3400 Other Funds Ltd	(365,768)	(340,252)	(340,252)	(615,890)	(615,890)	-
2586 Tsfr To Comm Coll/Wkfrc Dev						
3400 Other Funds Ltd	(2,794,057)	(1,725,308)	(1,725,308)	-	-	-
2629 Tsfr To Forestry, Dept of						
3400 Other Funds Ltd	(13,835,300)	(12,431,108)	(12,431,108)	(14,421,948)	(14,421,948)	-
2635 Tsfr To Fish/Wildlife, Dept of						
3400 Other Funds Ltd	(87,408)	(10,000)	(10,000)	(10,000)	(10,000)	-
2730 Tsfr To Transportation, Dept						
3400 Other Funds Ltd	(7,973,936)	(7,123,192)	(7,123,192)	(6,369,832)	(6,369,832)	-
2914 Tsfr To Housing and Com Svcs						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	(22,211,836)	(25,830,000)	(25,830,000)	(28,589,533)	(28,589,533)	-
TRANSFERS OUT						
3200 Other Funds Non-Ltd	-	(33,807,326)	(33,807,326)	(33,807,326)	(33,807,326)	-
3400 Other Funds Ltd	(597,446,776)	(1,102,559,701)	(1,112,601,048)	(1,318,979,163)	(1,321,079,398)	-
8800 General Fund Revenue	(13,518,180,571)	(15,043,276,323)	(15,043,276,323)	(16,951,045,490)	(16,951,045,490)	-
TOTAL TRANSFERS OUT	**($14,115,627,347)**	**($16,179,643,350)**	**($16,189,684,697)**	**($18,303,831,979)**	**($18,305,932,214)**	-
AVAILABLE REVENUES						
8000 General Fund	147,798,243	163,636,414	165,087,043	180,402,092	176,967,602	-
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
3200 Other Funds Non-Ltd	2,290,145	18,629,256	18,629,256	23,319,583	23,319,583	-
3400 Other Funds Ltd	60,117,748	89,594,272	80,174,080	97,276,794	95,001,616	-
TOTAL AVAILABLE REVENUES	**$210,206,136**	**$273,414,658**	**$265,445,095**	**$314,390,518**	**$308,680,850**	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
8000 General Fund	65,501,813	77,875,446	78,826,853	83,004,583	82,779,975	-
3400 Other Funds Ltd	12,841,455	19,086,671	19,563,708	19,772,337	20,011,417	-
All Funds	78,343,268	96,962,117	98,390,561	102,776,920	102,791,392	-
3160 Temporary Appointments						
8000 General Fund	127,719	57,017	57,017	58,727	58,727	-
3400 Other Funds Ltd	-	176,979	176,979	182,288	182,288	-
All Funds	127,719	233,996	233,996	241,015	241,015	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3170 Overtime Payments						
8000 General Fund	82,716	93,441	93,441	96,245	96,245	-
3400 Other Funds Ltd	-	59,722	59,722	297,117	297,117	-
All Funds	82,716	153,163	153,163	393,362	393,362	-
3180 Shift Differential						
8000 General Fund	1,253	29,646	29,646	30,535	30,535	-
3190 All Other Differential						
8000 General Fund	922,959	238,143	238,143	245,288	245,288	-
3400 Other Funds Ltd	-	19,176	19,176	80,263	80,263	-
All Funds	922,959	257,319	257,319	325,551	325,551	-
SALARIES & WAGES						
8000 General Fund	66,636,460	78,293,693	79,245,100	83,435,378	83,210,770	-
3400 Other Funds Ltd	12,841,455	19,342,548	19,819,585	20,332,005	20,571,085	-
TOTAL SALARIES & WAGES	**$79,477,915**	**$97,636,241**	**$99,064,685**	**$103,767,383**	**$103,781,855**	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
8000 General Fund	30,311	33,893	33,621	37,110	37,036	-
3400 Other Funds Ltd	6,034	8,076	8,032	8,845	8,919	-
All Funds	36,345	41,969	41,653	45,955	45,955	-
3220 Public Employees' Retire Cont						
8000 General Fund	9,539,844	11,477,354	11,590,965	13,165,203	13,129,737	-
3400 Other Funds Ltd	1,984,649	2,811,553	2,881,533	3,181,634	3,219,386	-
All Funds	11,524,493	14,288,907	14,472,498	16,346,837	16,349,123	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
3221 Pension Obligation Bond							
8000 General Fund	3,979,678	4,859,683	5,022,585	5,069,512	5,069,512	-	
3400 Other Funds Ltd	828,608	941,759	980,810	987,955	987,955	-	
All Funds	4,808,286	5,801,442	6,003,395	6,057,467	6,057,467	-	
3230 Social Security Taxes							
8000 General Fund	4,913,911	5,985,701	6,057,865	6,376,470	6,359,288	-	
3400 Other Funds Ltd	1,018,936	1,479,323	1,515,804	1,554,810	1,573,102	-	
All Funds	5,932,847	7,465,024	7,573,669	7,931,280	7,932,390	-	
3240 Unemployment Assessments							
8000 General Fund	211,928	242,207	247,200	254,616	254,616	-	
3400 Other Funds Ltd	40,668	14,002	14,104	24,527	24,527	-	
All Funds	252,596	256,209	261,304	279,143	279,143	-	
3250 Worker's Comp. Assess. (WCD)							
8000 General Fund	35,492	50,043	49,639	58,394	58,280	-	
3400 Other Funds Ltd	7,100	11,865	11,799	13,653	13,767	-	
All Funds	42,592	61,908	61,438	72,047	72,047	-	
3260 Mass Transit Tax							
8000 General Fund	378,798	472,375	479,538	491,826	491,826	-	
3400 Other Funds Ltd	79,425	92,537	95,905	128,633	128,633	-	
All Funds	458,223	564,912	575,443	620,459	620,459	-	
3270 Flexible Benefits							
8000 General Fund	21,060,931	25,714,306	25,342,559	25,605,839	25,554,978	-	
3400 Other Funds Ltd	4,255,377	6,140,390	6,294,518	6,065,689	6,116,550	-	

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	25,316,308	31,854,696	31,637,077	31,671,528	31,671,528	-
3280 Other OPE						
8000 General Fund	-	15,850	15,850	15,850	15,850	-
3400 Other Funds Ltd	-	45,616	45,616	45,616	45,616	-
All Funds	-	61,466	61,466	61,466	61,466	-
OTHER PAYROLL EXPENSES						
8000 General Fund	40,150,893	48,851,412	48,839,822	51,074,820	50,971,123	-
3400 Other Funds Ltd	8,220,797	11,545,121	11,848,121	12,011,362	12,118,455	-
TOTAL OTHER PAYROLL EXPENSES	**$48,371,690**	**$60,396,533**	**$60,687,943**	**$63,086,182**	**$63,089,578**	**-**
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
8000 General Fund	-	(879,702)	(879,702)	(1,375,711)	(2,825,711)	-
3400 Other Funds Ltd	-	(168,898)	(168,898)	(343,927)	(343,927)	-
All Funds	-	(1,048,600)	(1,048,600)	(1,719,638)	(3,169,638)	-
3465 Reconciliation Adjustment						
8000 General Fund	-	2,795,916	2,795,916	-	-	-
3400 Other Funds Ltd	-	646,718	646,718	-	83	-
All Funds	-	3,442,634	3,442,634	-	83	-
3470 Undistributed (P.S.)						
8000 General Fund	-	(3,091,333)	(3,091,333)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(2,347,452)	(2,347,452)	-	-	-
3400 Other Funds Ltd	-	(507,555)	(507,555)	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	-	(2,855,007)	(2,855,007)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	(3,522,571)	(3,522,571)	(1,375,711)	(2,825,711)	-
3400 Other Funds Ltd	-	(29,735)	(29,735)	(343,927)	(343,844)	-
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($3,552,306)**	**($3,552,306)**	**($1,719,638)**	**($3,169,555)**	-
PERSONAL SERVICES						
8000 General Fund	106,787,353	123,622,534	124,562,351	133,134,487	131,356,182	-
3400 Other Funds Ltd	21,062,252	30,857,934	31,637,971	31,999,440	32,345,696	-
TOTAL PERSONAL SERVICES	**$127,849,605**	**$154,480,468**	**$156,200,322**	**$165,133,927**	**$163,701,878**	-
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	493,103	717,467	717,467	779,342	779,342	-
3400 Other Funds Ltd	76,341	91,496	91,496	94,943	94,943	-
All Funds	569,444	808,963	808,963	874,285	874,285	-
4125 Out of State Travel						
8000 General Fund	354,731	493,262	493,262	508,060	508,060	-
3400 Other Funds Ltd	14,290	10,934	10,934	30,702	30,702	-
All Funds	369,021	504,196	504,196	538,762	538,762	-
4150 Employee Training						
8000 General Fund	496,608	1,090,975	1,090,975	1,232,102	1,232,102	-
3400 Other Funds Ltd	122,826	175,874	175,874	196,057	196,057	-
All Funds	619,434	1,266,849	1,266,849	1,428,159	1,428,159	-
4175 Office Expenses						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	6,251,770	5,302,499	5,302,499	5,569,165	5,569,165	-
3400 Other Funds Ltd	1,528,097	2,311,025	2,311,025	2,323,377	2,323,377	-
All Funds	7,779,867	7,613,524	7,613,524	7,892,542	7,892,542	-
4200 Telecommunications						
8000 General Fund	1,183,789	1,579,220	1,579,220	2,079,002	1,929,002	-
3400 Other Funds Ltd	193,849	421,285	421,285	499,814	499,814	-
All Funds	1,377,638	2,000,505	2,000,505	2,578,816	2,428,816	-
4225 State Gov. Service Charges						
8000 General Fund	5,259,471	6,031,538	6,031,538	8,039,630	7,793,647	-
3400 Other Funds Ltd	1,064,217	1,280,187	1,280,187	1,704,289	1,652,544	-
All Funds	6,323,688	7,311,725	7,311,725	9,743,919	9,446,191	-
4250 Data Processing						
8000 General Fund	450,135	2,674,306	2,674,306	3,331,698	3,331,698	-
3400 Other Funds Ltd	62,113	316,350	316,350	707,522	707,522	-
All Funds	512,248	2,990,656	2,990,656	4,039,220	4,039,220	-
4275 Publicity and Publications						
8000 General Fund	129,061	142,186	142,186	146,452	146,452	-
3400 Other Funds Ltd	5,053	713	713	734	734	-
All Funds	134,114	142,899	142,899	147,186	147,186	-
4300 Professional Services						
8000 General Fund	3,696,606	1,660,412	1,660,412	1,715,204	1,715,204	-
3400 Other Funds Ltd	2,119,199	4,986,787	2,914,883	4,023,842	4,023,842	-
All Funds	5,815,805	6,647,199	4,575,295	5,739,046	5,739,046	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4315 IT Professional Services						
8000 General Fund	584,151	85,963	85,963	3,575,004	3,575,004	-
3400 Other Funds Ltd	79,111	13,738	13,738	12,786,691	12,786,691	-
All Funds	663,262	99,701	99,701	16,361,695	16,361,695	-
4325 Attorney General						
8000 General Fund	4,018,431	4,656,861	4,656,861	5,550,978	5,290,776	-
3400 Other Funds Ltd	174,492	431,596	431,596	529,846	505,730	-
All Funds	4,192,923	5,088,457	5,088,457	6,080,824	5,796,506	-
4375 Employee Recruitment and Develop						
8000 General Fund	28,826	137,917	137,917	151,246	151,246	-
3400 Other Funds Ltd	4,304	4,223	4,223	6,300	6,300	-
All Funds	33,130	142,140	142,140	157,546	157,546	-
4400 Dues and Subscriptions						
8000 General Fund	127,954	152,231	152,231	156,797	156,797	-
3400 Other Funds Ltd	72,853	5,709	5,709	5,881	5,881	-
All Funds	200,807	157,940	157,940	162,678	162,678	-
4425 Facilities Rental and Taxes						
8000 General Fund	5,770,687	5,771,545	5,771,545	5,944,691	5,444,691	-
3400 Other Funds Ltd	966,686	2,499,696	2,499,696	2,386,529	2,386,529	-
All Funds	6,737,373	8,271,241	8,271,241	8,331,220	7,831,220	-
4450 Fuels and Utilities						
8000 General Fund	13	5,890	5,890	6,067	6,067	-
3400 Other Funds Ltd	2	22,243	22,243	22,911	22,911	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	15	28,133	28,133	28,978	28,978	-
4475 Facilities Maintenance						
8000 General Fund	173,070	146,054	146,054	150,435	150,435	-
3400 Other Funds Ltd	23,480	42,622	42,622	43,900	43,900	-
All Funds	196,550	188,676	188,676	194,335	194,335	-
4575 Agency Program Related S and S						
8000 General Fund	595,055	121,601	121,601	125,249	125,249	-
3400 Other Funds Ltd	34,452	35,782	35,782	36,855	36,855	-
All Funds	629,507	157,383	157,383	162,104	162,104	-
4650 Other Services and Supplies						
8000 General Fund	1,016,026	2,813,991	2,313,991	485,134	485,134	-
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	-	-
3400 Other Funds Ltd	727,755	19,463,061	19,463,061	6,712,764	6,191,582	-
All Funds	1,743,781	23,831,768	23,331,768	20,589,947	6,676,716	-
4675 Undistributed (S.S.)						
8000 General Fund	-	(1,106,481)	(95,669)	-	-	-
3400 Other Funds Ltd	-	(237,104)	-	-	-	-
All Funds	-	(1,343,585)	(95,669)	-	-	-
4700 Expendable Prop 250 - 5000						
8000 General Fund	153,927	331,782	331,782	343,317	343,317	-
3400 Other Funds Ltd	16,049	50,046	50,046	53,656	53,656	-
All Funds	169,976	381,828	381,828	396,973	396,973	-
4715 IT Expendable Property						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
8000 General Fund	2,691,632	1,033,712	1,033,712	1,075,271	975,271		-
3400 Other Funds Ltd	403,569	266,113	266,113	286,752	286,752		-
All Funds	3,095,201	1,299,825	1,299,825	1,362,023	1,262,023		-
SERVICES & SUPPLIES							
8000 General Fund	33,475,046	33,842,931	34,353,743	40,964,844	39,708,659		-
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	-		-
3400 Other Funds Ltd	7,688,738	32,192,376	30,357,576	32,453,365	31,856,322		-
TOTAL SERVICES & SUPPLIES	**$41,163,784**	**$67,590,023**	**$66,266,035**	**$86,810,258**	**$71,564,981**		**-**
CAPITAL OUTLAY							
5100 Office Furniture and Fixtures							
8000 General Fund	217,455	280,592	280,592	289,010	64,010		-
3400 Other Funds Ltd	11,178	128,992	128,992	173,086	173,086		-
All Funds	228,633	409,584	409,584	462,096	237,096		-
5150 Telecommunications Equipment							
8000 General Fund	-	216,092	216,092	222,575	47,575		-
3400 Other Funds Ltd	-	8,379	8,379	8,630	8,630		-
All Funds	-	224,471	224,471	231,205	56,205		-
5550 Data Processing Software							
8000 General Fund	-	86,142	86,142	88,726	88,726		-
3400 Other Funds Ltd	-	857,427	857,427	1,505,075	1,505,075		-
All Funds	-	943,569	943,569	1,593,801	1,593,801		-
5600 Data Processing Hardware							
8000 General Fund	27,991	29,563	29,563	30,450	30,450		-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	7,549	935,122	935,122	135,101	135,101	-
All Funds	35,540	964,685	964,685	165,551	165,551	-
5900 Other Capital Outlay						
8000 General Fund	405,220	-	-	-	-	-
3400 Other Funds Ltd	1,567	-	-	-	-	-
All Funds	406,787	-	-	-	-	-
CAPITAL OUTLAY						
8000 General Fund	650,666	612,389	612,389	630,761	230,761	-
3400 Other Funds Ltd	20,294	1,929,920	1,929,920	1,821,892	1,821,892	-
TOTAL CAPITAL OUTLAY	**$670,960**	**$2,542,309**	**$2,542,309**	**$2,452,653**	**$2,052,653**	**-**
SPECIAL PAYMENTS						
6030 Dist to Non-Gov Units						
3200 Other Funds Non-Ltd	261,337	-	-	-	-	-
3400 Other Funds Ltd	-	276,646	276,646	284,945	284,945	-
All Funds	261,337	276,646	276,646	284,945	284,945	-
6060 Intra-Agency Gen Fund Transfer						
8000 General Fund	5,399,284	5,672,000	5,672,000	5,672,000	5,672,000	-
6090 Undistributed (S.P.)						
8000 General Fund	-	(113,440)	(113,440)	-	-	-
SPECIAL PAYMENTS						
8000 General Fund	5,399,284	5,558,560	5,558,560	5,672,000	5,672,000	-
3200 Other Funds Non-Ltd	261,337	-	-	-	-	-
3400 Other Funds Ltd	-	276,646	276,646	284,945	284,945	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
TOTAL SPECIAL PAYMENTS	**$5,660,621**	**$5,835,206**	**$5,835,206**	**$5,956,945**	**$5,956,945**	-
DEBT SERVICE						
7100 Principal - Bonds						
8030 General Fund Debt Svc	-	-	-	-	10,370,000	-
7150 Interest - Bonds						
8030 General Fund Debt Svc	-	-	-	-	3,022,049	-
DEBT SERVICE						
8030 General Fund Debt Svc	-	-	-	-	13,392,049	-
TOTAL DEBT SERVICE	-	-	-	-	**$13,392,049**	-
EXPENDITURES						
8000 General Fund	146,312,349	163,636,414	165,087,043	180,402,092	176,967,602	-
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
3200 Other Funds Non-Ltd	261,337	-	-	-	-	-
3400 Other Funds Ltd	28,771,284	65,256,876	64,202,113	66,559,642	66,308,855	-
TOTAL EXPENDITURES	**$175,344,970**	**$230,448,006**	**$230,843,872**	**$260,353,783**	**$256,668,506**	-
REVERSIONS						
9900 Reversions						
8000 General Fund	(1,485,894)	-	-	-	-	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	2,028,808	18,629,256	18,629,256	23,319,583	23,319,583	-
3400 Other Funds Ltd	31,346,464	24,337,396	15,971,967	30,717,152	28,692,761	-
TOTAL ENDING BALANCE	**$33,375,272**	**$42,966,652**	**$34,601,223**	**$54,036,735**	**$52,012,344**	-
AUTHORIZED POSITIONS						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8150 Class/Unclass Positions	1,050	1,080	1,073	1,078	1,078	-
8180 Position Reconciliation	-	1	1	-	-	-
TOTAL AUTHORIZED POSITIONS	**1,050**	**1,081**	**1,074**	**1,078**	**1,078**	**-**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	990.52	1,023.08	1,015.25	1,021.34	1,021.34	-
8280 FTE Reconciliation	-	1.41	1.41	-	-	-
TOTAL AUTHORIZED FTE	**990.52**	**1,024.49**	**1,016.66**	**1,021.34**	**1,021.34**	**-**

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	-	-	-	2,573	2,573	-
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	3,303,766	6,004,517	6,796,889	7,332,696	7,332,696	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	1,054,249	757,645	923,307	974,534	974,534	-
REVENUE CATEGORIES						
8000 General Fund	3,303,766	6,004,517	6,796,889	7,332,696	7,332,696	-
3400 Other Funds Ltd	1,054,249	757,645	923,307	974,534	974,534	-
TOTAL REVENUE CATEGORIES	**$4,358,015**	**$6,762,162**	**$7,720,196**	**$8,307,230**	**$8,307,230**	**-**
AVAILABLE REVENUES						
8000 General Fund	3,303,766	6,004,517	6,796,889	7,332,696	7,332,696	-
3400 Other Funds Ltd	1,054,249	757,645	923,307	977,107	977,107	-
TOTAL AVAILABLE REVENUES	**$4,358,015**	**$6,762,162**	**$7,720,196**	**$8,309,803**	**$8,309,803**	**-**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
8000 General Fund	2,724,566	3,175,967	3,561,579	3,964,749	3,964,749	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	542,513	358,753	448,017	492,209	492,209	-
All Funds	3,267,079	3,534,720	4,009,596	4,456,958	4,456,958	-
3160 Temporary Appointments						
8000 General Fund	14,280	-	-	-	-	-
3170 Overtime Payments						
8000 General Fund	1,767	2,351	2,351	2,422	2,422	-
3190 All Other Differential						
8000 General Fund	68,566	-	-	-	-	-
SALARIES & WAGES						
8000 General Fund	2,809,179	3,178,318	3,563,930	3,967,171	3,967,171	-
3400 Other Funds Ltd	542,513	358,753	448,017	492,209	492,209	-
TOTAL SALARIES & WAGES	**$3,351,692**	**$3,537,071**	**$4,011,947**	**$4,459,380**	**$4,459,380**	**-**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
8000 General Fund	956	1,155	1,119	1,488	1,488	-
3400 Other Funds Ltd	193	125	121	184	184	-
All Funds	1,149	1,280	1,240	1,672	1,672	-
3220 Public Employees' Retire Cont						
8000 General Fund	397,622	466,261	522,830	626,412	626,412	-
3400 Other Funds Ltd	80,122	52,630	65,725	77,722	77,722	-
All Funds	477,744	518,891	588,555	704,134	704,134	-
3221 Pension Obligation Bond						
8000 General Fund	166,889	208,116	241,496	245,526	245,526	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	33,629	24,081	30,420	30,462	30,462	-
All Funds	200,518	232,197	271,916	275,988	275,988	-
3230 Social Security Taxes						
8000 General Fund	205,254	240,940	270,439	297,097	297,097	-
3400 Other Funds Ltd	41,359	27,201	34,030	37,048	37,048	-
All Funds	246,613	268,141	304,469	334,145	334,145	-
3240 Unemployment Assessments						
8000 General Fund	6,820	-	-	-	-	-
3400 Other Funds Ltd	1,374	-	-	-	-	-
All Funds	8,194	-	-	-	-	-
3250 Worker's Comp. Assess. (WCD)						
8000 General Fund	1,299	1,695	1,642	2,334	2,334	-
3400 Other Funds Ltd	262	193	187	288	288	-
All Funds	1,561	1,888	1,829	2,622	2,622	-
3260 Mass Transit Tax						
8000 General Fund	16,826	20,215	22,817	23,803	23,803	-
3400 Other Funds Ltd	3,390	2,339	2,907	2,953	2,953	-
All Funds	20,216	22,554	25,724	26,756	26,756	-
3270 Flexible Benefits						
8000 General Fund	736,854	879,799	1,055,289	1,008,475	1,008,475	-
3400 Other Funds Ltd	144,050	97,097	125,978	121,061	121,061	-
All Funds	880,904	976,896	1,181,267	1,129,536	1,129,536	-
3280 Other OPE						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	-	56	56	56	56	-
OTHER PAYROLL EXPENSES						
8000 General Fund	1,532,520	1,818,237	2,115,688	2,205,191	2,205,191	-
3400 Other Funds Ltd	304,379	203,666	259,368	269,718	269,718	-
TOTAL OTHER PAYROLL EXPENSES	**$1,836,899**	**$2,021,903**	**$2,375,056**	**$2,474,909**	**$2,474,909**	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
8000 General Fund	-	(45,502)	(45,502)	(45,857)	(45,857)	-
3400 Other Funds Ltd	-	(8,736)	(8,736)	(11,464)	(11,464)	-
All Funds	-	(54,238)	(54,238)	(57,321)	(57,321)	-
3465 Reconciliation Adjustment						
8000 General Fund	-	303,022	303,022	-	-	-
3400 Other Funds Ltd	-	31,083	31,083	-	-	-
All Funds	-	334,105	334,105	-	-	-
3470 Undistributed (P.S.)						
8000 General Fund	-	(121,776)	(121,776)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(122,292)	(122,292)	-	-	-
3400 Other Funds Ltd	-	(13,741)	(13,741)	-	-	-
All Funds	-	(136,033)	(136,033)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	13,452	13,452	(45,857)	(45,857)	-
3400 Other Funds Ltd	-	8,606	8,606	(11,464)	(11,464)	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL P.S. BUDGET ADJUSTMENTS	-	**$22,058**	**$22,058**	**($57,321)**	**($57,321)**	-
PERSONAL SERVICES						
8000 General Fund	4,341,699	5,010,007	5,693,070	6,126,505	6,126,505	-
3400 Other Funds Ltd	846,892	571,025	715,991	750,463	750,463	-
TOTAL PERSONAL SERVICES	**$5,188,591**	**$5,581,032**	**$6,409,061**	**$6,876,968**	**$6,876,968**	-
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	7,442	3,068	16,636	17,135	17,135	-
3400 Other Funds Ltd	1,806	552	3,185	3,281	3,281	-
All Funds	9,248	3,620	19,821	20,416	20,416	-
4125 Out of State Travel						
8000 General Fund	47	2,189	2,189	2,255	2,255	-
3400 Other Funds Ltd	10	-	-	-	-	-
All Funds	57	2,189	2,189	2,255	2,255	-
4150 Employee Training						
8000 General Fund	18,283	57,837	58,675	60,435	60,435	-
3400 Other Funds Ltd	3,515	10,527	10,690	11,011	11,011	-
All Funds	21,798	68,364	69,365	71,446	71,446	-
4175 Office Expenses						
8000 General Fund	150,282	1,670	123,922	127,640	127,640	-
3400 Other Funds Ltd	31,756	634	24,355	25,086	25,086	-
All Funds	182,038	2,304	148,277	152,726	152,726	-
4200 Telecommunications						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	38,725	18,830	25,262	26,020	26,020	-
3400 Other Funds Ltd	6,289	-	1,248	1,285	1,285	-
All Funds	45,014	18,830	26,510	27,305	27,305	-
4225 State Gov. Service Charges						
8000 General Fund	487,763	613,735	613,735	700,993	700,993	-
3400 Other Funds Ltd	100,331	140,332	140,332	160,271	160,271	-
All Funds	588,094	754,067	754,067	861,264	861,264	-
4250 Data Processing						
8000 General Fund	1,800	486	486	501	501	-
3400 Other Funds Ltd	548	-	-	-	-	-
All Funds	2,348	486	486	501	501	-
4275 Publicity and Publications						
8000 General Fund	371	-	-	-	-	-
3400 Other Funds Ltd	72	-	-	-	-	-
All Funds	443	-	-	-	-	-
4300 Professional Services						
8000 General Fund	66,220	88,806	137,046	141,568	141,568	-
3400 Other Funds Ltd	19,232	-	9,360	9,669	9,669	-
All Funds	85,452	88,806	146,406	151,237	151,237	-
4315 IT Professional Services						
8000 General Fund	1,778	-	-	-	-	-
3400 Other Funds Ltd	377	-	-	-	-	-
All Funds	2,155	-	-	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4325 Attorney General						
8000 General Fund	-	8,197	-	-	-	-
4375 Employee Recruitment and Develop						
8000 General Fund	13,606	4,730	4,730	4,872	4,872	-
3400 Other Funds Ltd	2,723	-	-	-	-	-
All Funds	16,329	4,730	4,730	4,872	4,872	-
4400 Dues and Subscriptions						
8000 General Fund	29,810	19,567	19,567	20,154	20,154	-
3400 Other Funds Ltd	6,155	-	-	-	-	-
All Funds	35,965	19,567	19,567	20,154	20,154	-
4425 Facilities Rental and Taxes						
8000 General Fund	1,071	-	1,307	1,346	1,346	-
3400 Other Funds Ltd	199	-	254	262	262	-
All Funds	1,270	-	1,561	1,608	1,608	-
4475 Facilities Maintenance						
8000 General Fund	67,191	-	-	-	-	-
3400 Other Funds Ltd	12,623	-	-	-	-	-
All Funds	79,814	-	-	-	-	-
4650 Other Services and Supplies						
8000 General Fund	36,693	51,799	51,799	53,353	53,353	-
3400 Other Funds Ltd	6,793	9,220	9,220	9,497	9,497	-
All Funds	43,486	61,019	61,019	62,850	62,850	-
4700 Expendable Prop 250 - 5000						

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
8000 General Fund	44,316	48,465	48,465	49,919	49,919	-
3400 Other Funds Ltd	6,630	6,099	6,099	6,282	6,282	-
All Funds	50,946	54,564	54,564	56,201	56,201	-
4715 IT Expendable Property						
8000 General Fund	21,237	75,131	-	-	-	-
3400 Other Funds Ltd	3,974	16,683	-	-	-	-
All Funds	25,211	91,814	-	-	-	-
SERVICES & SUPPLIES						
8000 General Fund	986,635	994,510	1,103,819	1,206,191	1,206,191	-
3400 Other Funds Ltd	203,033	184,047	204,743	226,644	226,644	-
TOTAL SERVICES & SUPPLIES	**$1,189,668**	**$1,178,557**	**$1,308,562**	**$1,432,835**	**$1,432,835**	**-**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
8000 General Fund	150,569	-	-	-	-	-
3400 Other Funds Ltd	2,756	-	-	-	-	-
All Funds	153,325	-	-	-	-	-
5900 Other Capital Outlay						
8000 General Fund	7,340	-	-	-	-	-
3400 Other Funds Ltd	1,567	-	-	-	-	-
All Funds	8,907	-	-	-	-	-
CAPITAL OUTLAY						
8000 General Fund	157,909	-	-	-	-	-
3400 Other Funds Ltd	4,323	-	-	-	-	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
TOTAL CAPITAL OUTLAY	**$162,232**	-	-	-	-	-
EXPENDITURES						
8000 General Fund	5,486,243	6,004,517	6,796,889	7,332,696	7,332,696	-
3400 Other Funds Ltd	1,054,248	755,072	920,734	977,107	977,107	-
TOTAL EXPENDITURES	**$6,540,491**	**$6,759,589**	**$7,717,623**	**$8,309,803**	**$8,309,803**	-
REVERSIONS						
9900 Reversions						
8000 General Fund	2,182,477	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	1	2,573	2,573	-	-	-
TOTAL ENDING BALANCE	**$1**	**$2,573**	**$2,573**	-	-	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	17	32	31	38	38	-
8180 Position Reconciliation	-	1	1	-	-	-
TOTAL AUTHORIZED POSITIONS	**17**	**33**	**32**	**38**	**38**	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	17.00	32.00	31.00	37.20	37.20	-
8280 FTE Reconciliation	-	1.00	1.00	-	-	-
TOTAL AUTHORIZED FTE	**17.00**	**33.00**	**32.00**	**37.20**	**37.20**	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	40,886,915	18,125,983	18,125,983	13,407,824	13,407,824	-
0030 Beginning Balance Adjustment						
3400 Other Funds Ltd	(3,000,000)	-	-	-	-	-
8800 General Fund Revenue	3,000,000	-	-	-	-	-
All Funds	-	-	-	-	-	-
BEGINNING BALANCE						
3400 Other Funds Ltd	37,886,915	18,125,983	18,125,983	13,407,824	13,407,824	-
8800 General Fund Revenue	3,000,000	-	-	-	-	-
TOTAL BEGINNING BALANCE	**$40,886,915**	**$18,125,983**	**$18,125,983**	**$13,407,824**	**$13,407,824**	**-**
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	6,343,690	4,167,835	10,767,958	12,339,730	12,079,528	-
TAXES						
0105 Personal Income Taxes						
3400 Other Funds Ltd	4,624,389	-	-	-	-	-
8800 General Fund Revenue	12,284,119,265	13,603,503,386	13,603,503,386	15,541,205,376	15,541,205,376	-
All Funds	12,288,743,654	13,603,503,386	13,603,503,386	15,541,205,376	15,541,205,376	-
0110 Corp Excise and Income Taxes						
3400 Other Funds Ltd	21,423,831	-	-	-	-	-
8800 General Fund Revenue	883,912,099	1,012,036,621	1,012,036,621	1,036,848,445	1,036,848,445	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	905,333,930	1,012,036,621	1,012,036,621	1,036,848,445	1,036,848,445	-
0130 Other Employer -Employee Taxes						
3400 Other Funds Ltd	-	477,493,000	477,493,000	689,025,092	689,025,092	-
0135 Cigarette Taxes						
3400 Other Funds Ltd	336,400,117	301,306,908	301,306,908	305,518,692	305,518,692	-
8800 General Fund Revenue	74,614,759	69,049,500	69,049,500	62,442,086	62,442,086	-
All Funds	411,014,876	370,356,408	370,356,408	367,960,778	367,960,778	-
0140 Other Tobacco Products Taxes						
3400 Other Funds Ltd	50,257,407	50,897,983	50,897,983	53,788,174	53,788,174	-
8800 General Fund Revenue	58,255,417	59,366,278	59,366,278	62,737,333	62,737,333	-
All Funds	108,512,824	110,264,261	110,264,261	116,525,507	116,525,507	-
0145 Amusement Taxes						
3400 Other Funds Ltd	-	3,280,000	3,280,000	3,280,000	3,280,000	-
8800 General Fund Revenue	2,225,552	1,200,000	1,200,000	1,200,000	1,200,000	-
All Funds	2,225,552	4,480,000	4,480,000	4,480,000	4,480,000	-
0155 Inheritance Taxes						
3400 Other Funds Ltd	1,568,579	-	-	-	-	-
8800 General Fund Revenue	203,628,972	212,961,590	212,961,590	202,126,255	202,126,255	-
All Funds	205,197,551	212,961,590	212,961,590	202,126,255	202,126,255	-
0160 Eastern Oregon Severance Taxes						
8800 General Fund Revenue	6,298	6,000	6,000	6,000	6,000	-
0162 Western Oregon Severance Taxes						
3400 Other Funds Ltd	-	562,400	562,400	1,018,000	1,018,000	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8800 General Fund Revenue	174,640	50,000	50,000	25,000	25,000	-
All Funds	174,640	612,400	612,400	1,043,000	1,043,000	-
0165 Other Severance Taxes						
3400 Other Funds Ltd	-	237,000	237,000	237,000	237,000	-
0195 Other Taxes						
3400 Other Funds Ltd	-	164,282,508	164,282,508	164,550,530	164,550,530	-
8800 General Fund Revenue	-	6,502,218	6,502,218	26,466	26,466	-
All Funds	-	170,784,726	170,784,726	164,576,996	164,576,996	-
TAXES						
3400 Other Funds Ltd	414,274,323	998,059,799	998,059,799	1,217,417,488	1,217,417,488	-
8800 General Fund Revenue	13,506,936,902	14,964,675,593	14,964,675,593	16,906,616,961	16,906,616,961	-
TOTAL TAXES	**$13,921,211,225**	**$15,962,735,392**	**$15,962,735,392**	**$18,124,034,449**	**$18,124,034,449**	-
LICENSES AND FEES						
0205 Business Lic and Fees						
3400 Other Funds Ltd	-	8,766,267	8,766,267	9,869,503	9,869,503	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	7,785,580	2,785,139	2,785,139	2,800,544	2,800,544	-
FINES, RENTS AND ROYALTIES						
0505 Fines and Forfeitures						
3400 Other Funds Ltd	35,919,952	12,685,549	12,685,549	16,978,187	16,978,187	-
8800 General Fund Revenue	-	8,589,700	8,589,700	10,907,377	10,907,377	-
All Funds	35,919,952	21,275,249	21,275,249	27,885,564	27,885,564	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
INTEREST EARNINGS						
0605 Interest Income						
3400 Other Funds Ltd	118,776	-	-	-	-	-
DONATIONS AND CONTRIBUTIONS						
0905 Donations						
3400 Other Funds Ltd	-	1,292,000	1,292,000	1,334,000	1,334,000	-
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	1,041,708	27,545,040	27,545,040	28,589,533	28,589,533	-
8800 General Fund Revenue	5,832,337	-	-	-	-	-
All Funds	6,874,045	27,545,040	27,545,040	28,589,533	28,589,533	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	29,401,311	-	-	-	-	-
1060 Transfer from General Fund						
3400 Other Funds Ltd	-	5,672,000	5,672,000	5,672,000	5,672,000	-
1123 Tsfr From OR Business Development						
3400 Other Funds Ltd	5,000	-	-	-	-	-
1198 Tsfr From Judicial Dept						
3400 Other Funds Ltd	99,195,667	54,511,407	54,511,407	52,178,305	52,178,305	-
8800 General Fund Revenue	-	36,911,030	36,911,030	33,521,152	33,521,152	-
All Funds	99,195,667	91,422,437	91,422,437	85,699,457	85,699,457	-
TRANSFERS IN						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	128,601,978	60,183,407	60,183,407	57,850,305	57,850,305	-
8800 General Fund Revenue	-	36,911,030	36,911,030	33,521,152	33,521,152	-
TOTAL TRANSFERS IN	**$128,601,978**	**$97,094,437**	**$97,094,437**	**$91,371,457**	**$91,371,457**	-
REVENUE CATEGORIES						
8000 General Fund	6,343,690	4,167,835	10,767,958	12,339,730	12,079,528	-
3400 Other Funds Ltd	587,742,317	1,111,317,201	1,111,317,201	1,334,839,560	1,334,839,560	-
8800 General Fund Revenue	13,512,769,239	15,010,176,323	15,010,176,323	16,951,045,490	16,951,045,490	-
TOTAL REVENUE CATEGORIES	**$14,106,855,246**	**$16,125,661,359**	**$16,132,261,482**	**$18,298,224,780**	**$18,297,964,578**	-
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3400 Other Funds Ltd	(29,401,311)	-	-	-	-	-
2050 Transfer to Other						
3400 Other Funds Ltd	-	(16,461,538)	(16,461,538)	(9,365,757)	(9,365,757)	-
2060 Transfer to General Fund						
8800 General Fund Revenue	(13,515,769,239)	(15,010,176,323)	(15,010,176,323)	(16,951,045,490)	(16,951,045,490)	-
2080 Transfer to Counties						
3400 Other Funds Ltd	-	(533,352,348)	(533,352,348)	(741,563,922)	(741,563,922)	-
2100 Tsfr To Human Svcs, Dept of						
3400 Other Funds Ltd	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	(2,758,007)	-
2107 Tsfr To Administrative Svcs						
3400 Other Funds Ltd	(18,373,975)	(15,892,078)	(15,892,078)	(14,319,663)	(14,319,663)	-
2121 Tsfr To Governor, Office of the						
3400 Other Funds Ltd	(22,500)	(22,500)	(22,500)	(22,500)	(22,500)	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
2137 Tsfr To Justice, Dept of						
3400 Other Funds Ltd	(16,290,775)	(19,913,740)	(19,913,740)	(20,541,179)	(20,541,179)	-
2141 Tsfr To Lands, Dept of State						
3400 Other Funds Ltd	(263,406)	(237,000)	(237,000)	(237,000)	(237,000)	-
2198 Tsfr To Judicial Dept						
3400 Other Funds Ltd	(9,921,074)	(9,374,580)	(9,415,927)	(6,471,244)	(6,471,244)	-
2248 Tsfr To Military Dept, Or						
3400 Other Funds Ltd	(78,548,657)	(81,970,000)	(81,970,000)	(81,392,000)	(81,392,000)	-
2257 Tsfr To Police, Dept of State						
3400 Other Funds Ltd	(5,061,747)	(4,390,890)	(4,390,890)	(7,993,959)	(7,993,959)	-
2259 Tsfr To Pub Safety Std/Trng						
3400 Other Funds Ltd	(20,550,970)	(24,520,000)	(24,520,000)	(25,720,000)	(27,820,235)	-
2291 Tsfr To Corrections, Dept of						
3400 Other Funds Ltd	(6,276,355)	-	-	-	-	-
2340 Tsfr To Environmental Quality						
3400 Other Funds Ltd	(2,114,874)	(2,128,544)	(2,128,544)	(2,128,544)	(2,128,544)	-
2443 Tsfr To Oregon Health Authority						
3400 Other Funds Ltd	(360,272,153)	(336,734,482)	(346,734,482)	(346,192,079)	(346,192,079)	-
2525 Tsfr To HECC						
3400 Other Funds Ltd	-	-	-	(1,745,810)	(1,745,810)	-
2580 Tsfr To OR University System						
3400 Other Funds Ltd	-	(7,344,134)	(7,344,134)	(8,520,296)	(8,520,296)	-
2581 Tsfr To Education, Dept of						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
3400 Other Funds Ltd	(365,768)	(340,252)	(340,252)	(615,890)	(615,890)		-
2586 Tsfr To Comm Coll/Wkfrc Dev							
3400 Other Funds Ltd	(2,794,057)	(1,725,308)	(1,725,308)	-	-		-
2629 Tsfr To Forestry, Dept of							
3400 Other Funds Ltd	(13,835,300)	(12,431,108)	(12,431,108)	(14,421,948)	(14,421,948)		-
2635 Tsfr To Fish/Wildlife, Dept of							
3400 Other Funds Ltd	(87,408)	(10,000)	(10,000)	(10,000)	(10,000)		-
2730 Tsfr To Transportation, Dept							
3400 Other Funds Ltd	(7,973,936)	(7,123,192)	(7,123,192)	(6,369,832)	(6,369,832)		-
2914 Tsfr To Housing and Com Svcs							
3400 Other Funds Ltd	(22,211,836)	(25,830,000)	(25,830,000)	(28,589,533)	(28,589,533)		-
TRANSFERS OUT							
3400 Other Funds Ltd	(597,124,109)	(1,102,559,701)	(1,112,601,048)	(1,318,979,163)	(1,321,079,398)		-
8800 General Fund Revenue	(13,515,769,239)	(15,010,176,323)	(15,010,176,323)	(16,951,045,490)	(16,951,045,490)		-
TOTAL TRANSFERS OUT	**($14,112,893,348)**	**($16,112,736,024)**	**($16,122,777,371)**	**($18,270,024,653)**	**($18,272,124,888)**		**-**
AVAILABLE REVENUES							
8000 General Fund	6,343,690	4,167,835	10,767,958	12,339,730	12,079,528		-
3400 Other Funds Ltd	28,505,123	26,883,483	16,842,136	29,268,221	27,167,986		-
TOTAL AVAILABLE REVENUES	**$34,848,813**	**$31,051,318**	**$27,610,094**	**$41,607,951**	**$39,247,514**		**-**
EXPENDITURES							
PERSONAL SERVICES							
SALARIES & WAGES							
3110 Class/Unclass Sal. and Per Diem							

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	1,358,748	423,764	1,622,574	1,827,495	1,827,495	-
3400 Other Funds Ltd	284,418	27,940	144,401	163,785	163,785	-
All Funds	1,643,166	451,704	1,766,975	1,991,280	1,991,280	-
3160 Temporary Appointments						
8000 General Fund	36,642	-	-	-	-	-
3170 Overtime Payments						
8000 General Fund	109	-	-	-	-	-
3190 All Other Differential						
8000 General Fund	44,700	-	-	-	-	-
SALARIES & WAGES						
8000 General Fund	1,440,199	423,764	1,622,574	1,827,495	1,827,495	-
3400 Other Funds Ltd	284,418	27,940	144,401	163,785	163,785	-
TOTAL SALARIES & WAGES	**$1,724,617**	**$451,704**	**$1,766,975**	**$1,991,280**	**$1,991,280**	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
8000 General Fund	408	112	112	527	527	-
3400 Other Funds Ltd	76	8	8	45	45	-
All Funds	484	120	120	572	572	-
3220 Public Employees' Retire Cont						
8000 General Fund	213,552	62,167	238,032	288,564	288,564	-
3400 Other Funds Ltd	39,930	4,098	21,183	25,860	25,860	-
All Funds	253,482	66,265	259,215	314,424	314,424	-
3221 Pension Obligation Bond						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	89,821	36,891	117,211	113,103	113,103	-
3400 Other Funds Ltd	16,795	3,706	11,508	10,137	10,137	-
All Funds	106,616	40,597	128,719	123,240	123,240	-
3230 Social Security Taxes						
8000 General Fund	109,441	32,418	124,127	139,804	139,804	-
3400 Other Funds Ltd	20,464	2,137	11,046	12,530	12,530	-
All Funds	129,905	34,555	135,173	152,334	152,334	-
3240 Unemployment Assessments						
8000 General Fund	11,496	-	-	-	-	-
3400 Other Funds Ltd	2,149	-	-	-	-	-
All Funds	13,645	-	-	-	-	-
3250 Worker's Comp. Assess. (WCD)						
8000 General Fund	528	166	166	822	822	-
3400 Other Funds Ltd	99	11	11	75	75	-
All Funds	627	177	177	897	897	-
3260 Mass Transit Tax						
8000 General Fund	7,622	3,583	10,776	10,965	10,965	-
3400 Other Funds Ltd	1,425	360	1,059	983	983	-
All Funds	9,047	3,943	11,835	11,948	11,948	-
3270 Flexible Benefits						
8000 General Fund	316,356	85,783	324,280	364,197	364,197	-
3400 Other Funds Ltd	59,153	5,801	32,050	32,667	32,667	-
All Funds	375,509	91,584	356,330	396,864	396,864	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
OTHER PAYROLL EXPENSES						
8000 General Fund	749,224	221,120	814,704	917,982	917,982	-
3400 Other Funds Ltd	140,091	16,121	76,865	82,297	82,297	-
TOTAL OTHER PAYROLL EXPENSES	**$889,315**	**$237,241**	**$891,569**	**$1,000,279**	**$1,000,279**	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
8000 General Fund	-	(15,167)	(15,167)	-	-	-
3400 Other Funds Ltd	-	(2,912)	(2,912)	-	-	-
All Funds	-	(18,079)	(18,079)	-	-	-
3465 Reconciliation Adjustment						
8000 General Fund	-	(128,457)	(128,457)	-	-	-
3400 Other Funds Ltd	-	(14,013)	(14,013)	-	-	-
All Funds	-	(142,470)	(142,470)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(12,281)	(12,281)	-	-	-
3400 Other Funds Ltd	-	(674)	(674)	-	-	-
All Funds	-	(12,955)	(12,955)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	(155,905)	(155,905)	-	-	-
3400 Other Funds Ltd	-	(17,599)	(17,599)	-	-	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	**($173,504)**	**($173,504)**	-	-	-
PERSONAL SERVICES						
8000 General Fund	2,189,423	488,979	2,281,373	2,745,477	2,745,477	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	424,509	26,462	203,667	246,082	246,082	-
TOTAL PERSONAL SERVICES	**$2,613,932**	**$515,441**	**$2,485,040**	**$2,991,559**	**$2,991,559**	-
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	121,869	34,299	39,389	40,571	40,571	-
3400 Other Funds Ltd	23,713	2,956	3,926	4,044	4,044	-
All Funds	145,582	37,255	43,315	44,615	44,615	-
4125 Out of State Travel						
8000 General Fund	6,413	456	32,022	32,983	32,983	-
3400 Other Funds Ltd	845	-	4,475	4,609	4,609	-
All Funds	7,258	456	36,497	37,592	37,592	-
4150 Employee Training						
8000 General Fund	-	33,161	66,468	68,462	68,462	-
3400 Other Funds Ltd	45,232	3,417	9,237	9,515	9,515	-
All Funds	45,232	36,578	75,705	77,977	77,977	-
4175 Office Expenses						
8000 General Fund	4,275,489	3,474,413	3,499,257	3,604,234	3,604,234	-
3400 Other Funds Ltd	1,096,483	926,217	929,849	957,745	957,745	-
All Funds	5,371,972	4,400,630	4,429,106	4,561,979	4,561,979	-
4200 Telecommunications						
8000 General Fund	21,036	39,042	51,386	52,927	52,927	-
3400 Other Funds Ltd	4,211	5,628	7,658	7,888	7,888	-
All Funds	25,247	44,670	59,044	60,815	60,815	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4225 State Gov. Service Charges						
8000 General Fund	3,291	-	1,305	-	-	-
3400 Other Funds Ltd	717	-	248	-	-	-
All Funds	4,008	-	1,553	-	-	-
4250 Data Processing						
8000 General Fund	83	31,587	74,641	76,881	76,881	-
3400 Other Funds Ltd	16	951	6,822	7,027	7,027	-
All Funds	99	32,538	81,463	83,908	83,908	-
4275 Publicity and Publications						
8000 General Fund	1,566	-	18,128	18,672	18,672	-
3400 Other Funds Ltd	286	-	-	-	-	-
All Funds	1,852	-	18,128	18,672	18,672	-
4300 Professional Services						
8000 General Fund	2,127,449	35,825	40,283	41,612	41,612	-
3400 Other Funds Ltd	444,029	6,277	7,126	7,361	7,361	-
All Funds	2,571,478	42,102	47,409	48,973	48,973	-
4325 Attorney General						
8000 General Fund	4,018,431	34,850	4,656,861	5,550,978	5,290,776	-
3400 Other Funds Ltd	174,492	1,879	431,596	529,846	505,730	-
All Funds	4,192,923	36,729	5,088,457	6,080,824	5,796,506	-
4375 Employee Recruitment and Develop						
8000 General Fund	3,527	5,546	5,546	5,712	5,712	-
3400 Other Funds Ltd	723	156	156	161	161	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	4,250	5,702	5,702	5,873	5,873	-
4400 Dues and Subscriptions						
8000 General Fund	8,426	45,286	47,332	48,752	48,752	-
3400 Other Funds Ltd	1,675	2,123	2,513	2,589	2,589	-
All Funds	10,101	47,409	49,845	51,341	51,341	-
4425 Facilities Rental and Taxes						
8000 General Fund	17,932	17,090	19,610	20,198	20,198	-
3400 Other Funds Ltd	3,637	2,733	3,213	3,309	3,309	-
All Funds	21,569	19,823	22,823	23,507	23,507	-
4475 Facilities Maintenance						
8000 General Fund	422	-	-	-	-	-
3400 Other Funds Ltd	91	-	-	-	-	-
All Funds	513	-	-	-	-	-
4650 Other Services and Supplies						
8000 General Fund	817,583	14,475	21,531	23,521	23,521	-
3400 Other Funds Ltd	333,442	1,822,482	1,823,826	1,878,796	1,878,796	-
All Funds	1,151,025	1,836,957	1,845,357	1,902,317	1,902,317	-
4675 Undistributed (S.S.)						
8000 General Fund	-	(95,669)	(95,669)	-	-	-
4700 Expendable Prop 250 - 5000						
8000 General Fund	702	8,495	8,495	8,750	8,750	-
3400 Other Funds Ltd	125	-	-	-	-	-
All Funds	827	8,495	8,495	8,750	8,750	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
4715 IT Expendable Property						
8000 General Fund	28,036	-	-	-	-	-
3400 Other Funds Ltd	3,721	-	-	-	-	-
All Funds	31,757	-	-	-	-	-
SERVICES & SUPPLIES						
8000 General Fund	11,452,255	3,678,856	8,486,585	9,594,253	9,334,051	-
3400 Other Funds Ltd	2,133,438	2,774,819	3,230,645	3,412,890	3,388,774	-
TOTAL SERVICES & SUPPLIES	**$13,585,693**	**$6,453,675**	**$11,717,230**	**$13,007,143**	**$12,722,825**	-
EXPENDITURES						
8000 General Fund	13,641,678	4,167,835	10,767,958	12,339,730	12,079,528	-
3400 Other Funds Ltd	2,557,947	2,801,281	3,434,312	3,658,972	3,634,856	-
TOTAL EXPENDITURES	**$16,199,625**	**$6,969,116**	**$14,202,270**	**$15,998,702**	**$15,714,384**	-
REVERSIONS						
9900 Reversions						
8000 General Fund	7,297,988	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	25,947,176	24,082,202	13,407,824	25,609,249	23,533,130	-
TOTAL ENDING BALANCE	**$25,947,176**	**$24,082,202**	**$13,407,824**	**$25,609,249**	**$23,533,130**	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	11	3	3	13	13	-
8180 Position Reconciliation	-	(1)	(1)	-	-	-
TOTAL AUTHORIZED POSITIONS	11	2	2	13	13	-
AUTHORIZED FTE						

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
8250 Class/Unclass FTE Positions	11.00	3.00	3.00	13.00	13.00	-
8280 FTE Reconciliation	-	(1.00)	(1.00)	-	-	-
TOTAL AUTHORIZED FTE	**11.00**	**2.00**	**2.00**	**13.00**	**13.00**	**-**

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	-	-	-	66,394	66,394	-
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	45,333,736	43,588,234	43,484,635	47,227,985	46,232,002	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	7,144,440	6,924,563	7,340,244	7,885,506	7,885,489	-
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	-	52,825	52,825	52,825	52,825	-
REVENUE CATEGORIES						
8000 General Fund	45,333,736	43,588,234	43,484,635	47,227,985	46,232,002	-
3400 Other Funds Ltd	7,144,440	6,977,388	7,393,069	7,938,331	7,938,314	-
TOTAL REVENUE CATEGORIES	**$52,478,176**	**$50,565,622**	**$50,877,704**	**$55,166,316**	**$54,170,316**	-
AVAILABLE REVENUES						
8000 General Fund	45,333,736	43,588,234	43,484,635	47,227,985	46,232,002	-
3400 Other Funds Ltd	7,144,440	6,977,388	7,393,069	8,004,725	8,004,708	-
TOTAL AVAILABLE REVENUES	**$52,478,176**	**$50,565,622**	**$50,877,704**	**$55,232,710**	**$54,236,710**	-
EXPENDITURES						
PERSONAL SERVICES						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
8000 General Fund	14,775,485	18,705,084	18,106,780	18,388,072	18,388,072	-
3400 Other Funds Ltd	2,607,086	2,005,045	1,999,551	2,005,545	2,005,545	-
All Funds	17,382,571	20,710,129	20,106,331	20,393,617	20,393,617	-
3160 Temporary Appointments						
8000 General Fund	41,093	25,082	25,082	25,834	25,834	-
3400 Other Funds Ltd	-	70,532	70,532	72,648	72,648	-
All Funds	41,093	95,614	95,614	98,482	98,482	-
3170 Overtime Payments						
8000 General Fund	44,505	35,129	35,129	36,183	36,183	-
3180 Shift Differential						
8000 General Fund	1,053	25,594	25,594	26,362	26,362	-
3190 All Other Differential						
8000 General Fund	235,031	185,961	185,961	191,540	191,540	-
3400 Other Funds Ltd	-	19,176	19,176	19,751	19,751	-
All Funds	235,031	205,137	205,137	211,291	211,291	-
SALARIES & WAGES						
8000 General Fund	15,097,167	18,976,850	18,378,546	18,667,991	18,667,991	-
3400 Other Funds Ltd	2,607,086	2,094,753	2,089,259	2,097,944	2,097,944	-
TOTAL SALARIES & WAGES	**$17,704,253**	**$21,071,603**	**$20,467,805**	**$20,765,935**	**$20,765,935**	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	6,868	8,619	8,511	8,698	8,698	-
3400 Other Funds Ltd	1,187	796	787	919	919	-
All Funds	8,055	9,415	9,298	9,617	9,617	-
3220 Public Employees' Retire Cont						
8000 General Fund	2,218,364	2,780,238	2,686,008	2,943,603	2,943,603	-
3400 Other Funds Ltd	383,430	296,944	296,138	319,805	319,805	-
All Funds	2,601,794	3,077,182	2,982,146	3,263,408	3,263,408	-
3221 Pension Obligation Bond						
8000 General Fund	913,724	1,206,198	1,199,045	1,153,755	1,153,755	-
3400 Other Funds Ltd	157,931	128,184	129,514	125,345	125,345	-
All Funds	1,071,655	1,334,382	1,328,559	1,279,100	1,279,100	-
3230 Social Security Taxes						
8000 General Fund	1,128,479	1,451,215	1,405,445	1,428,101	1,428,101	-
3400 Other Funds Ltd	195,051	160,194	159,774	160,506	160,506	-
All Funds	1,323,530	1,611,409	1,565,219	1,588,607	1,588,607	-
3240 Unemployment Assessments						
8000 General Fund	112,743	164,739	164,739	169,681	169,681	-
3400 Other Funds Ltd	19,487	2,812	2,812	2,896	2,896	-
All Funds	132,230	167,551	167,551	172,577	172,577	-
3250 Worker's Comp. Assess. (WCD)						
8000 General Fund	7,813	12,590	12,428	13,606	13,606	-
3400 Other Funds Ltd	1,350	1,300	1,285	1,460	1,460	-
All Funds	9,163	13,890	13,713	15,066	15,066	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3260 Mass Transit Tax						
8000 General Fund	90,359	117,312	114,124	112,008	112,008	-
3400 Other Funds Ltd	15,618	12,874	12,876	12,588	12,588	-
All Funds	105,977	130,186	127,000	124,596	124,596	-
3270 Flexible Benefits						
8000 General Fund	4,354,966	6,494,031	5,817,206	6,011,866	6,011,866	-
3400 Other Funds Ltd	752,729	643,161	657,915	606,350	606,350	-
All Funds	5,107,695	7,137,192	6,475,121	6,618,216	6,618,216	-
3280 Other OPE						
8000 General Fund	-	10,476	10,476	10,476	10,476	-
3400 Other Funds Ltd	-	42,793	42,793	42,793	42,793	-
All Funds	-	53,269	53,269	53,269	53,269	-
OTHER PAYROLL EXPENSES						
8000 General Fund	8,833,316	12,245,418	11,417,982	11,851,794	11,851,794	-
3400 Other Funds Ltd	1,526,783	1,289,058	1,303,894	1,272,662	1,272,662	-
TOTAL OTHER PAYROLL EXPENSES	**$10,360,099**	**$13,534,476**	**$12,721,876**	**$13,124,456**	**$13,124,456**	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
8000 General Fund	-	(273,011)	(273,011)	(336,285)	(836,285)	-
3400 Other Funds Ltd	-	(52,417)	(52,417)	(84,071)	(84,071)	-
All Funds	-	(325,428)	(325,428)	(420,356)	(920,356)	-
3465 Reconciliation Adjustment						
8000 General Fund	-	805,263	805,263	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	-	82,450	82,450	-	-	-
All Funds	-	887,713	887,713	-	-	-
3470 Undistributed (P.S.)						
8000 General Fund	-	(903,765)	(903,765)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(227,730)	(227,730)	-	-	-
3400 Other Funds Ltd	-	(24,201)	(24,201)	-	-	-
All Funds	-	(251,931)	(251,931)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	(599,243)	(599,243)	(336,285)	(836,285)	-
3400 Other Funds Ltd	-	5,832	5,832	(84,071)	(84,071)	-
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($593,411)**	**($593,411)**	**($420,356)**	**($920,356)**	**-**
PERSONAL SERVICES						
8000 General Fund	23,930,483	30,623,025	29,197,285	30,183,500	29,683,500	-
3400 Other Funds Ltd	4,133,869	3,389,643	3,398,985	3,286,535	3,286,535	-
TOTAL PERSONAL SERVICES	**$28,064,352**	**$34,012,668**	**$32,596,270**	**$33,470,035**	**$32,970,035**	**-**
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	9,699	58,805	40,147	41,351	41,351	-
3400 Other Funds Ltd	2,405	10,991	7,388	7,610	7,610	-
All Funds	12,104	69,796	47,535	48,961	48,961	-
4125 Out of State Travel						
8000 General Fund	8,423	8,014	4,872	5,018	5,018	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	1,345	1,757	1,158	1,193	1,193	-
All Funds	9,768	9,771	6,030	6,211	6,211	-
4150 Employee Training						
8000 General Fund	236,942	264,046	239,581	273,957	273,957	-
3400 Other Funds Ltd	34,499	27,356	22,693	29,141	29,141	-
All Funds	271,441	291,402	262,274	303,098	303,098	-
4175 Office Expenses						
8000 General Fund	1,106,715	1,031,017	904,268	970,469	970,469	-
3400 Other Funds Ltd	211,726	323,322	298,744	315,995	315,995	-
All Funds	1,318,441	1,354,339	1,203,012	1,286,464	1,286,464	-
4200 Telecommunications						
8000 General Fund	217,672	233,592	220,756	633,912	483,912	-
3400 Other Funds Ltd	33,379	51,357	48,889	135,888	135,888	-
All Funds	251,051	284,949	269,645	769,800	619,800	-
4225 State Gov. Service Charges						
8000 General Fund	4,762,403	5,417,803	5,416,498	7,338,637	7,092,654	-
3400 Other Funds Ltd	963,153	1,139,855	1,139,607	1,544,018	1,492,273	-
All Funds	5,725,556	6,557,658	6,556,105	8,882,655	8,584,927	-
4250 Data Processing						
8000 General Fund	409,262	1,125,943	1,125,943	1,095,633	1,095,633	-
3400 Other Funds Ltd	60,840	233,667	233,667	343,357	343,357	-
All Funds	470,102	1,359,610	1,359,610	1,438,990	1,438,990	-
4275 Publicity and Publications						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	1,343	771	771	794	794	-
3400 Other Funds Ltd	237	133	133	137	137	-
All Funds	1,580	904	904	931	931	-
4300 Professional Services						
8000 General Fund	1,042,095	563,340	510,642	527,493	527,493	-
3400 Other Funds Ltd	253,327	80,000	69,791	72,094	72,094	-
All Funds	1,295,422	643,340	580,433	599,587	599,587	-
4315 IT Professional Services						
8000 General Fund	577,126	85,963	85,963	88,800	88,800	-
3400 Other Funds Ltd	74,731	13,738	13,738	14,191	14,191	-
All Funds	651,857	99,701	99,701	102,991	102,991	-
4325 Attorney General						
8000 General Fund	-	98,374	-	-	-	-
4375 Employee Recruitment and Develop						
8000 General Fund	3,413	14,212	14,212	23,830	23,830	-
3400 Other Funds Ltd	549	1,528	1,528	3,524	3,524	-
All Funds	3,962	15,740	15,740	27,354	27,354	-
4400 Dues and Subscriptions						
8000 General Fund	14,643	9,852	7,806	8,040	8,040	-
3400 Other Funds Ltd	1,470	2,229	1,839	1,894	1,894	-
All Funds	16,113	12,081	9,645	9,934	9,934	-
4425 Facilities Rental and Taxes						
8000 General Fund	4,496,525	4,126,145	4,122,318	4,245,988	4,245,988	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	936,269	1,649,064	1,648,330	1,697,780	1,697,780	-
All Funds	5,432,794	5,775,209	5,770,648	5,943,768	5,943,768	-
4450 Fuels and Utilities						
8000 General Fund	13	1,360	1,360	1,401	1,401	-
3400 Other Funds Ltd	2	186	186	192	192	-
All Funds	15	1,546	1,546	1,593	1,593	-
4475 Facilities Maintenance						
8000 General Fund	50,973	103,314	103,314	106,413	106,413	-
3400 Other Funds Ltd	10,389	33,539	33,539	34,545	34,545	-
All Funds	61,362	136,853	136,853	140,958	140,958	-
4575 Agency Program Related S and S						
8000 General Fund	4	-	-	-	-	-
4650 Other Services and Supplies						
8000 General Fund	36,671	177,335	170,279	324,571	324,571	-
3400 Other Funds Ltd	24,867	37,188	35,844	68,564	68,564	-
All Funds	61,538	214,523	206,123	393,135	393,135	-
4675 Undistributed (S.S.)						
8000 General Fund	-	(1,010,812)	-	-	-	-
3400 Other Funds Ltd	-	(237,104)	-	-	-	-
All Funds	-	(1,247,916)	-	-	-	-
4700 Expendable Prop 250 - 5000						
8000 General Fund	56,844	113,930	113,930	117,348	117,348	-
3400 Other Funds Ltd	5,467	8,927	8,927	9,195	9,195	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
All Funds	62,311	122,857	122,857	126,543	126,543	-	
4715 IT Expendable Property							
8000 General Fund	2,504,735	371,227	1,033,712	1,064,723	964,723	-	
3400 Other Funds Ltd	387,565	48,042	266,113	274,096	274,096	-	
All Funds	2,892,300	419,269	1,299,825	1,338,819	1,238,819	-	
SERVICES & SUPPLIES							
8000 General Fund	15,535,501	12,794,231	14,116,372	16,868,378	16,372,395	-	
3400 Other Funds Ltd	3,002,220	3,425,775	3,832,114	4,553,414	4,501,669	-	
TOTAL SERVICES & SUPPLIES	**$18,537,721**	**$16,220,006**	**$17,948,486**	**$21,421,792**	**$20,874,064**	**-**	
CAPITAL OUTLAY							
5100 Office Furniture and Fixtures							
8000 General Fund	41,554	34,068	34,068	35,090	35,090	-	
3400 Other Funds Ltd	6,016	5,691	5,691	5,862	5,862	-	
All Funds	47,570	39,759	39,759	40,952	40,952	-	
5150 Telecommunications Equipment							
8000 General Fund	-	26,762	26,762	27,565	27,565	-	
3400 Other Funds Ltd	-	2,336	2,336	2,406	2,406	-	
All Funds	-	29,098	29,098	29,971	29,971	-	
5550 Data Processing Software							
8000 General Fund	-	86,142	86,142	88,726	88,726	-	
3400 Other Funds Ltd	-	4,927	4,927	5,075	5,075	-	
All Funds	-	91,069	91,069	93,801	93,801	-	
5600 Data Processing Hardware							

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	3,206	24,006	24,006	24,726	24,726	-
3400 Other Funds Ltd	2,334	82,622	82,622	85,101	85,101	-
All Funds	5,540	106,628	106,628	109,827	109,827	-
5900 Other Capital Outlay						
8000 General Fund	397,880	-	-	-	-	-
CAPITAL OUTLAY						
8000 General Fund	442,640	170,978	170,978	176,107	176,107	-
3400 Other Funds Ltd	8,350	95,576	95,576	98,444	98,444	-
TOTAL CAPITAL OUTLAY	**$450,990**	**$266,554**	**$266,554**	**$274,551**	**$274,551**	**-**
EXPENDITURES						
8000 General Fund	39,908,624	43,588,234	43,484,635	47,227,985	46,232,002	-
3400 Other Funds Ltd	7,144,439	6,910,994	7,326,675	7,938,393	7,886,648	-
TOTAL EXPENDITURES	**$47,053,063**	**$50,499,228**	**$50,811,310**	**$55,166,378**	**$54,118,650**	**-**
REVERSIONS						
9900 Reversions						
8000 General Fund	(5,425,112)	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	1	66,394	66,394	66,332	118,060	-
TOTAL ENDING BALANCE	**$1**	**$66,394**	**$66,394**	**$66,332**	**$118,060**	**-**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	297	262	260	245	245	-
8180 Position Reconciliation	-	1	1	-	-	-
TOTAL AUTHORIZED POSITIONS	**297**	**263**	**261**	**245**	**245**	**-**

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	253.56	219.59	216.76	205.66	205.66	-
8280 FTE Reconciliation	-	0.41	0.41	-	-	-
TOTAL AUTHORIZED FTE	**253.56**	**220.00**	**217.17**	**205.66**	**205.66**	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	-	51,982	51,982	2,275,461	2,275,461	-
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	13,775,754	14,027,407	12,195,227	14,817,052	14,488,747	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	5,647,006	11,288,530	11,288,530	11,879,482	12,225,738	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
3400 Other Funds Ltd	322,667	-	-	-	-	-
REVENUE CATEGORIES						
8000 General Fund	13,775,754	14,027,407	12,195,227	14,817,052	14,488,747	-
3400 Other Funds Ltd	5,969,673	11,288,530	11,288,530	11,879,482	12,225,738	-
TOTAL REVENUE CATEGORIES	**$19,745,427**	**$25,315,937**	**$23,483,757**	**$26,696,534**	**$26,714,485**	**-**
TRANSFERS OUT						
2010 Transfer Out - Intrafund						
3400 Other Funds Ltd	(322,667)	-	-	-	-	-
AVAILABLE REVENUES						
8000 General Fund	13,775,754	14,027,407	12,195,227	14,817,052	14,488,747	-
3400 Other Funds Ltd	5,647,006	11,340,512	11,340,512	14,154,943	14,501,199	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL AVAILABLE REVENUES	**$19,422,760**	**$25,367,919**	**$23,535,739**	**$28,971,995**	**$28,989,946**	-
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
8000 General Fund	7,966,870	7,514,343	7,375,174	8,986,912	8,762,304	-
3400 Other Funds Ltd	2,551,408	4,352,067	4,376,193	3,683,851	3,922,931	-
All Funds	10,518,278	11,866,410	11,751,367	12,670,763	12,685,235	-
3160 Temporary Appointments						
8000 General Fund	20,372	18,740	18,740	19,302	19,302	-
3170 Overtime Payments						
8000 General Fund	-	10,324	10,324	10,634	10,634	-
3180 Shift Differential						
8000 General Fund	2	1,412	1,412	1,454	1,454	-
3190 All Other Differential						
8000 General Fund	23,162	30,731	30,731	31,653	31,653	-
SALARIES & WAGES						
8000 General Fund	8,010,406	7,575,550	7,436,381	9,049,956	8,825,347	-
3400 Other Funds Ltd	2,551,408	4,352,067	4,376,193	3,683,851	3,922,931	-
TOTAL SALARIES & WAGES	**$10,561,814**	**$11,927,617**	**$11,812,574**	**$12,733,806**	**$12,748,278**	-
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
8000 General Fund	2,785	2,373	2,323	3,020	2,946	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
3400 Other Funds Ltd	932	1,518	1,489	1,393	1,467	-	
All Funds	3,717	3,891	3,812	4,413	4,413	-	
3220 Public Employees' Retire Cont							
8000 General Fund	1,177,418	1,108,586	1,079,648	1,425,942	1,390,476	-	
3400 Other Funds Ltd	393,950	638,450	641,990	581,680	619,432	-	
All Funds	1,571,368	1,747,036	1,721,638	2,007,622	2,009,908	-	
3221 Pension Obligation Bond							
8000 General Fund	487,784	505,334	511,232	468,271	468,271	-	
3400 Other Funds Ltd	163,207	271,108	277,623	280,197	280,197	-	
All Funds	650,991	776,442	788,855	748,468	748,468	-	
3230 Social Security Taxes							
8000 General Fund	598,876	579,532	568,886	692,316	675,134	-	
3400 Other Funds Ltd	200,376	332,940	334,786	281,814	300,106	-	
All Funds	799,252	912,472	903,672	974,130	975,240	-	
3240 Unemployment Assessments							
8000 General Fund	4,595	17,052	17,052	17,564	17,564	-	
3400 Other Funds Ltd	1,537	1,232	1,232	11,269	11,269	-	
All Funds	6,132	18,284	18,284	28,833	28,833	-	
3250 Worker's Comp. Assess. (WCD)							
8000 General Fund	3,334	3,499	3,425	4,732	4,618	-	
3400 Other Funds Ltd	1,116	2,241	2,198	2,185	2,299	-	
All Funds	4,450	5,740	5,623	6,917	6,917	-	
3260 Mass Transit Tax							

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
8000 General Fund	44,453	49,197	49,126	45,513	45,513	-	
3400 Other Funds Ltd	14,874	26,333	26,916	30,890	30,890	-	
All Funds	59,327	75,530	76,042	76,403	76,403	-	
3270 Flexible Benefits							
8000 General Fund	2,034,612	1,815,138	1,778,990	2,093,739	2,042,878	-	
3400 Other Funds Ltd	663,844	1,154,982	1,153,880	967,965	1,018,826	-	
All Funds	2,698,456	2,970,120	2,932,870	3,061,704	3,061,704	-	
3280 Other OPE							
8000 General Fund	-	1,878	1,878	1,878	1,878	-	
3400 Other Funds Ltd	-	30	30	30	30	-	
All Funds	-	1,908	1,908	1,908	1,908	-	
OTHER PAYROLL EXPENSES							
8000 General Fund	4,353,857	4,082,589	4,012,560	4,752,975	4,649,278	-	
3400 Other Funds Ltd	1,439,836	2,428,834	2,440,144	2,157,423	2,264,516	-	
TOTAL OTHER PAYROLL EXPENSES	**$5,793,693**	**$6,511,423**	**$6,452,704**	**$6,910,398**	**$6,913,794**	-	
P.S. BUDGET ADJUSTMENTS							
3455 Vacancy Savings							
8000 General Fund	-	(75,836)	(75,836)	(122,285)	(122,285)	-	
3400 Other Funds Ltd	-	(14,560)	(14,560)	(30,571)	(30,571)	-	
All Funds	-	(90,396)	(90,396)	(152,856)	(152,856)	-	
3465 Reconciliation Adjustment							
8000 General Fund	-	319,713	319,713	-	-	-	
3400 Other Funds Ltd	-	191,490	191,490	-	83	-	

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	-	511,203	511,203	-	83	-
3470 Undistributed (P.S.)						
8000 General Fund	-	(289,008)	(289,008)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(279,910)	(279,910)	-	-	-
3400 Other Funds Ltd	-	(162,116)	(162,116)	-	-	-
All Funds	-	(442,026)	(442,026)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	(325,041)	(325,041)	(122,285)	(122,285)	-
3400 Other Funds Ltd	-	14,814	14,814	(30,571)	(30,488)	-
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($310,227)**	**($310,227)**	**($152,856)**	**($152,773)**	**-**
PERSONAL SERVICES						
8000 General Fund	12,364,263	11,333,098	11,123,900	13,680,645	13,352,340	-
3400 Other Funds Ltd	3,991,244	6,795,715	6,831,151	5,810,703	6,156,959	-
TOTAL PERSONAL SERVICES	**$16,355,507**	**$18,128,813**	**$17,955,051**	**$19,491,348**	**$19,509,299**	**-**
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	63,347	148,858	148,858	153,675	153,675	-
3400 Other Funds Ltd	15,299	19,646	19,646	20,703	20,703	-
All Funds	78,646	168,504	168,504	174,378	174,378	-
4125 Out of State Travel						
8000 General Fund	4,632	13,559	13,559	13,966	13,966	-
3400 Other Funds Ltd	1,118	2,821	2,821	2,906	2,906	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	5,750	16,380	16,380	16,872	16,872	-
4150 Employee Training						
8000 General Fund	68,787	158,347	158,347	169,306	169,306	-
3400 Other Funds Ltd	20,411	79,319	79,319	87,791	87,791	-
All Funds	89,198	237,666	237,666	257,097	257,097	-
4175 Office Expenses						
8000 General Fund	72,413	88,636	88,636	94,814	94,814	-
3400 Other Funds Ltd	114,167	419,111	419,111	436,376	436,376	-
All Funds	186,580	507,747	507,747	531,190	531,190	-
4200 Telecommunications						
8000 General Fund	92,276	109,969	109,969	123,141	123,141	-
3400 Other Funds Ltd	26,105	9,965	9,965	18,872	18,872	-
All Funds	118,381	119,934	119,934	142,013	142,013	-
4225 State Gov. Service Charges						
8000 General Fund	30	-	-	-	-	-
4250 Data Processing						
8000 General Fund	-	120,326	120,326	123,936	123,936	-
3400 Other Funds Ltd	-	21,817	21,817	22,472	22,472	-
All Funds	-	142,143	142,143	146,408	146,408	-
4275 Publicity and Publications						
8000 General Fund	2,070	35,889	35,889	36,966	36,966	-
3400 Other Funds Ltd	3,527	572	572	589	589	-
All Funds	5,597	36,461	36,461	37,555	37,555	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4300 Professional Services						
8000 General Fund	238,677	286,314	286,314	295,762	295,762	-
3400 Other Funds Ltd	1,392,837	3,671,978	1,600,074	1,652,876	1,652,876	-
All Funds	1,631,514	3,958,292	1,886,388	1,948,638	1,948,638	-
4315 IT Professional Services						
8000 General Fund	5,247	-	-	-	-	-
3400 Other Funds Ltd	4,003	-	-	150,000	150,000	-
All Funds	9,250	-	-	150,000	150,000	-
4325 Attorney General						
8000 General Fund	-	1,583,228	-	-	-	-
3400 Other Funds Ltd	-	129,822	-	-	-	-
All Funds	-	1,713,050	-	-	-	-
4375 Employee Recruitment and Develop						
8000 General Fund	1,852	22,715	22,715	23,396	23,396	-
3400 Other Funds Ltd	286	911	911	938	938	-
All Funds	2,138	23,626	23,626	24,334	24,334	-
4400 Dues and Subscriptions						
8000 General Fund	53,946	36,382	36,382	37,473	37,473	-
3400 Other Funds Ltd	62,650	417	417	430	430	-
All Funds	116,596	36,799	36,799	37,903	37,903	-
4425 Facilities Rental and Taxes						
8000 General Fund	25,169	3,651	3,651	3,761	3,761	-
3400 Other Funds Ltd	12,360	44,058	44,058	45,380	45,380	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	37,529	47,709	47,709	49,141	49,141	-
4475 Facilities Maintenance						
8000 General Fund	-	9,305	9,305	9,584	9,584	-
4650 Other Services and Supplies						
8000 General Fund	2,182	5,060	5,060	5,212	5,212	-
3400 Other Funds Ltd	-	2,362	2,362	2,433	2,433	-
All Funds	2,182	7,422	7,422	7,645	7,645	-
4700 Expendable Prop 250 - 5000						
8000 General Fund	8,306	28,654	28,654	31,095	31,095	-
3400 Other Funds Ltd	1,668	18,417	18,417	21,078	21,078	-
All Funds	9,974	47,071	47,071	52,173	52,173	-
4715 IT Expendable Property						
8000 General Fund	40,403	39,754	-	10,548	10,548	-
3400 Other Funds Ltd	1,331	57,189	-	12,656	12,656	-
All Funds	41,734	96,943	-	23,204	23,204	-
SERVICES & SUPPLIES						
8000 General Fund	679,337	2,690,647	1,067,665	1,132,635	1,132,635	-
3400 Other Funds Ltd	1,655,762	4,478,405	2,219,490	2,475,500	2,475,500	-
TOTAL SERVICES & SUPPLIES	**$2,335,099**	**$7,169,052**	**$3,287,155**	**$3,608,135**	**$3,608,135**	**-**
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
3400 Other Funds Ltd	-	11,113	11,113	38,262	38,262	-
5150 Telecommunications Equipment						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	-	3,662	3,662	3,772	3,772	-
3400 Other Funds Ltd	-	3,297	3,297	3,396	3,396	-
All Funds	-	6,959	6,959	7,168	7,168	-
5550 Data Processing Software						
3400 Other Funds Ltd	-	-	-	1,500,000	1,500,000	-
5600 Data Processing Hardware						
3400 Other Funds Ltd	-	-	-	50,000	50,000	-
CAPITAL OUTLAY						
8000 General Fund	-	3,662	3,662	3,772	3,772	-
3400 Other Funds Ltd	-	14,410	14,410	1,591,658	1,591,658	-
TOTAL CAPITAL OUTLAY	-	**$18,072**	**$18,072**	**$1,595,430**	**$1,595,430**	-
EXPENDITURES						
8000 General Fund	13,043,600	14,027,407	12,195,227	14,817,052	14,488,747	-
3400 Other Funds Ltd	5,647,006	11,288,530	9,065,051	9,877,861	10,224,117	-
TOTAL EXPENDITURES	**$18,690,606**	**$25,315,937**	**$21,260,278**	**$24,694,913**	**$24,712,864**	-
REVERSIONS						
9900 Reversions						
8000 General Fund	(732,154)	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	-	51,982	2,275,461	4,277,082	4,277,082	-
TOTAL ENDING BALANCE	-	**$51,982**	**$2,275,461**	**$4,277,082**	**$4,277,082**	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	105	99	97	105	105	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
TOTAL AUTHORIZED POSITIONS	**105**	**99**	**97**	**105**	**105**	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	102.33	97.26	95.26	100.26	100.26	-
TOTAL AUTHORIZED FTE	**102.33**	**97.26**	**95.26**	**100.26**	**100.26**	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	55,776,543	64,895,666	63,917,584	68,483,250	67,083,250	-
TAXES						
0105 Personal Income Taxes						
8800 General Fund Revenue	-	33,100,000	33,100,000	-	-	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	830,405	1,451,521	1,491,333	1,518,379	1,518,379	-
REVENUE CATEGORIES						
8000 General Fund	55,776,543	64,895,666	63,917,584	68,483,250	67,083,250	-
3400 Other Funds Ltd	830,405	1,451,521	1,491,333	1,518,379	1,518,379	-
8800 General Fund Revenue	-	33,100,000	33,100,000	-	-	-
TOTAL REVENUE CATEGORIES	**$56,606,948**	**$99,447,187**	**$98,508,917**	**$70,001,629**	**$68,601,629**	-
TRANSFERS OUT						
2060 Transfer to General Fund						
8800 General Fund Revenue	-	(33,100,000)	(33,100,000)	-	-	-
AVAILABLE REVENUES						
8000 General Fund	55,776,543	64,895,666	63,917,584	68,483,250	67,083,250	-
3400 Other Funds Ltd	830,405	1,451,521	1,491,333	1,518,379	1,518,379	-
TOTAL AVAILABLE REVENUES	**$56,606,948**	**$66,347,187**	**$65,408,917**	**$70,001,629**	**$68,601,629**	-
EXPENDITURES						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget	
PERSONAL SERVICES							
SALARIES & WAGES							
3110 Class/Unclass Sal. and Per Diem							
8000 General Fund	28,740,835	35,994,502	36,799,743	37,940,435	37,940,435		-
3400 Other Funds Ltd	465,804	688,100	723,082	735,278	735,278		-
All Funds	29,206,639	36,682,602	37,522,825	38,675,713	38,675,713		-
3160 Temporary Appointments							
8000 General Fund	13,523	13,195	13,195	13,591	13,591		-
3400 Other Funds Ltd	-	75,345	75,345	77,605	77,605		-
All Funds	13,523	88,540	88,540	91,196	91,196		-
3170 Overtime Payments							
8000 General Fund	12,290	3,445	3,445	3,548	3,548		-
3180 Shift Differential							
8000 General Fund	173	-	-	-	-		-
3190 All Other Differential							
8000 General Fund	363,688	3,495	3,495	3,600	3,600		-
SALARIES & WAGES							
8000 General Fund	29,130,509	36,014,637	36,819,878	37,961,174	37,961,174		-
3400 Other Funds Ltd	465,804	763,445	798,427	812,883	812,883		-
TOTAL SALARIES & WAGES	**$29,596,313**	**$36,778,082**	**$37,618,305**	**$38,774,057**	**$38,774,057**		-
OTHER PAYROLL EXPENSES							
3210 Empl. Rel. Bd. Assessments							
8000 General Fund	14,742	16,825	16,747	18,411	18,411		-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	238	398	396	402	402	-
All Funds	14,980	17,223	17,143	18,813	18,813	-
3220 Public Employees' Retire Cont						
8000 General Fund	4,170,907	5,281,427	5,388,576	5,991,935	5,991,935	-
3400 Other Funds Ltd	67,351	100,918	106,049	116,075	116,075	-
All Funds	4,238,258	5,382,345	5,494,625	6,108,010	6,108,010	-
3221 Pension Obligation Bond						
8000 General Fund	1,748,809	2,129,475	2,221,207	2,348,559	2,348,559	-
3400 Other Funds Ltd	28,239	40,502	43,070	45,506	45,506	-
All Funds	1,777,048	2,169,977	2,264,277	2,394,065	2,394,065	-
3230 Social Security Taxes						
8000 General Fund	2,168,520	2,754,578	2,816,180	2,904,083	2,904,083	-
3400 Other Funds Ltd	35,017	58,384	61,060	62,182	62,182	-
All Funds	2,203,537	2,812,962	2,877,240	2,966,265	2,966,265	-
3240 Unemployment Assessments						
8000 General Fund	55,950	42,782	42,782	44,065	44,065	-
3400 Other Funds Ltd	903	-	-	-	-	-
All Funds	56,853	42,782	42,782	44,065	44,065	-
3250 Worker's Comp. Assess. (WCD)						
8000 General Fund	17,182	24,994	24,879	29,087	29,087	-
3400 Other Funds Ltd	277	410	408	415	415	-
All Funds	17,459	25,404	25,287	29,502	29,502	-
3260 Mass Transit Tax						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8000 General Fund	164,161	206,920	211,752	227,767	227,767	-
3400 Other Funds Ltd	2,651	4,386	4,596	4,877	4,877	-
All Funds	166,812	211,306	216,348	232,644	232,644	-
3270 Flexible Benefits						
8000 General Fund	10,320,994	12,801,524	12,885,503	12,709,942	12,709,942	-
3400 Other Funds Ltd	166,661	245,380	253,139	245,378	245,378	-
All Funds	10,487,655	13,046,904	13,138,642	12,955,320	12,955,320	-
3280 Other OPE						
8000 General Fund	-	1,510	1,510	1,510	1,510	-
3400 Other Funds Ltd	-	1,808	1,808	1,808	1,808	-
All Funds	-	3,318	3,318	3,318	3,318	-
OTHER PAYROLL EXPENSES						
8000 General Fund	18,661,265	23,260,035	23,609,136	24,275,359	24,275,359	-
3400 Other Funds Ltd	301,337	452,186	470,526	476,643	476,643	-
TOTAL OTHER PAYROLL EXPENSES	**$18,962,602**	**$23,712,221**	**$24,079,662**	**$24,752,002**	**$24,752,002**	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
8000 General Fund	-	(394,350)	(394,350)	(519,713)	(1,019,713)	-
3400 Other Funds Ltd	-	(75,713)	(75,713)	(129,928)	(129,928)	-
All Funds	-	(470,063)	(470,063)	(649,641)	(1,149,641)	-
3465 Reconciliation Adjustment						
8000 General Fund	-	979,682	979,682	-	-	-
3400 Other Funds Ltd	-	12,282	12,282	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	-	991,964	991,964	-	-	-
3470 Undistributed (P.S.)						
8000 General Fund	-	(1,329,932)	(1,329,932)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(1,255,937)	(1,255,937)	-	-	-
3400 Other Funds Ltd	-	(23,905)	(23,905)	-	-	-
All Funds	-	(1,279,842)	(1,279,842)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	(2,000,537)	(2,000,537)	(519,713)	(1,019,713)	-
3400 Other Funds Ltd	-	(87,336)	(87,336)	(129,928)	(129,928)	-
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**($2,087,873)**	**($2,087,873)**	**($649,641)**	**($1,149,641)**	**-**
PERSONAL SERVICES						
8000 General Fund	47,791,774	57,274,135	58,428,477	61,716,820	61,216,820	-
3400 Other Funds Ltd	767,141	1,128,295	1,181,617	1,159,598	1,159,598	-
TOTAL PERSONAL SERVICES	**$48,558,915**	**$58,402,430**	**$59,610,094**	**$62,876,418**	**$62,376,418**	**-**
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	244,542	292,682	292,682	301,462	301,462	-
3400 Other Funds Ltd	747	3,939	3,939	4,057	4,057	-
All Funds	245,289	296,621	296,621	305,519	305,519	-
4125 Out of State Travel						
8000 General Fund	2,757	58,210	58,210	59,956	59,956	-
3400 Other Funds Ltd	26	-	-	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	2,783	58,210	58,210	59,956	59,956	-
4150 Employee Training						
8000 General Fund	113,766	460,018	460,018	473,819	473,819	-
3400 Other Funds Ltd	793	3,688	3,688	3,799	3,799	-
All Funds	114,559	463,706	463,706	477,618	477,618	-
4175 Office Expenses						
8000 General Fund	470,770	535,567	535,567	551,634	551,634	-
3400 Other Funds Ltd	3,083	84,047	84,047	86,568	86,568	-
All Funds	473,853	619,614	619,614	638,202	638,202	-
4200 Telecommunications						
8000 General Fund	679,911	945,873	945,873	974,249	974,249	-
3400 Other Funds Ltd	10,064	44,577	44,577	45,914	45,914	-
All Funds	689,975	990,450	990,450	1,020,163	1,020,163	-
4225 State Gov. Service Charges						
8000 General Fund	5,984	-	-	-	-	-
3400 Other Funds Ltd	16	-	-	-	-	-
All Funds	6,000	-	-	-	-	-
4250 Data Processing						
8000 General Fund	22,512	214,028	214,028	220,449	220,449	-
3400 Other Funds Ltd	19	4,160	4,160	4,285	4,285	-
All Funds	22,531	218,188	218,188	224,734	224,734	-
4275 Publicity and Publications						
8000 General Fund	66,035	74,352	74,352	76,583	76,583	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	-	8	8	8	8	-
All Funds	66,035	74,360	74,360	76,591	76,591	-
4300 Professional Services						
8000 General Fund	159,456	481,820	481,820	497,720	497,720	-
3400 Other Funds Ltd	1,123	8,265	8,265	8,538	8,538	-
All Funds	160,579	490,085	490,085	506,258	506,258	-
4315 IT Professional Services						
8000 General Fund	-	-	-	1,111,204	1,111,204	-
4325 Attorney General						
8000 General Fund	-	1,759,920	-	-	-	-
3400 Other Funds Ltd	-	2,598	-	-	-	-
All Funds	-	1,762,518	-	-	-	-
4375 Employee Recruitment and Develop						
8000 General Fund	6,279	80,656	80,656	83,076	83,076	-
3400 Other Funds Ltd	-	302	302	311	311	-
All Funds	6,279	80,958	80,958	83,387	83,387	-
4400 Dues and Subscriptions						
8000 General Fund	12,628	33,871	33,871	34,887	34,887	-
3400 Other Funds Ltd	18	-	-	-	-	-
All Funds	12,646	33,871	33,871	34,887	34,887	-
4425 Facilities Rental and Taxes						
8000 General Fund	1,226,551	1,618,044	1,618,044	1,666,585	1,166,585	-
3400 Other Funds Ltd	10,991	115,619	115,619	119,088	119,088	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	1,237,542	1,733,663	1,733,663	1,785,673	1,285,673	-
4450 Fuels and Utilities						
8000 General Fund	-	4,530	4,530	4,666	4,666	-
4475 Facilities Maintenance						
8000 General Fund	54,484	28,165	28,165	29,010	29,010	-
3400 Other Funds Ltd	226	-	-	-	-	-
All Funds	54,710	28,165	28,165	29,010	29,010	-
4575 Agency Program Related S and S						
8000 General Fund	594,610	121,601	121,601	125,249	125,249	-
3400 Other Funds Ltd	34,277	35,782	35,782	36,855	36,855	-
All Funds	628,887	157,383	157,383	162,104	162,104	-
4650 Other Services and Supplies						
8000 General Fund	121,086	52,890	52,890	54,477	54,477	-
3400 Other Funds Ltd	1,102	139	139	143	143	-
All Funds	122,188	53,029	53,029	54,620	54,620	-
4700 Expendable Prop 250 - 5000						
8000 General Fund	34,578	85,216	85,216	87,772	87,772	-
3400 Other Funds Ltd	46	2,489	2,489	2,564	2,564	-
All Funds	34,624	87,705	87,705	90,336	90,336	-
4715 IT Expendable Property						
8000 General Fund	30,952	372,504	-	-	-	-
3400 Other Funds Ltd	597	10,912	-	-	-	-
All Funds	31,549	383,416	-	-	-	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
SERVICES & SUPPLIES						
8000 General Fund	3,846,901	7,219,947	5,087,523	6,352,798	5,852,798	-
3400 Other Funds Ltd	63,128	316,525	303,015	312,130	312,130	-
TOTAL SERVICES & SUPPLIES	**$3,910,029**	**$7,536,472**	**$5,390,538**	**$6,664,928**	**$6,164,928**	-
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
8000 General Fund	23,409	223,519	223,519	230,225	5,225	-
3400 Other Funds Ltd	135	5,838	5,838	6,013	6,013	-
All Funds	23,544	229,357	229,357	236,238	11,238	-
5150 Telecommunications Equipment						
8000 General Fund	-	172,508	172,508	177,683	2,683	-
3400 Other Funds Ltd	-	863	863	889	889	-
All Funds	-	173,371	173,371	178,572	3,572	-
5600 Data Processing Hardware						
8000 General Fund	-	5,557	5,557	5,724	5,724	-
CAPITAL OUTLAY						
8000 General Fund	23,409	401,584	401,584	413,632	13,632	-
3400 Other Funds Ltd	135	6,701	6,701	6,902	6,902	-
TOTAL CAPITAL OUTLAY	**$23,544**	**$408,285**	**$408,285**	**$420,534**	**$20,534**	-
EXPENDITURES						
8000 General Fund	51,662,084	64,895,666	63,917,584	68,483,250	67,083,250	-
3400 Other Funds Ltd	830,404	1,451,521	1,491,333	1,478,630	1,478,630	-
TOTAL EXPENDITURES	**$52,492,488**	**$66,347,187**	**$65,408,917**	**$69,961,880**	**$68,561,880**	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
REVERSIONS						
9900 Reversions						
8000 General Fund	(4,114,459)	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	1	-	-	39,749	39,749	-
TOTAL ENDING BALANCE	**$1**	-	-	**$39,749**	**$39,749**	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	393	433	431	430	430	-
TOTAL AUTHORIZED POSITIONS	**393**	**433**	**431**	**430**	**430**	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	384.82	424.82	422.82	422.81	422.81	-
8280 FTE Reconciliation	-	0.50	0.50	-	-	-
TOTAL AUTHORIZED FTE	**384.82**	**425.32**	**423.32**	**422.81**	**422.81**	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
BEGINNING BALANCE						
0025 Beginning Balance						
3400 Other Funds Ltd	-	-	-	219,715	219,715	-
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	20,264,754	21,756,763	19,228,758	20,114,379	19,664,379	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	11,537,241	14,722,832	14,722,832	15,051,697	15,051,697	-
OTHER						
0975 Other Revenues						
3400 Other Funds Ltd	-	134,245	134,245	134,245	134,245	-
REVENUE CATEGORIES						
8000 General Fund	20,264,754	21,756,763	19,228,758	20,114,379	19,664,379	-
3400 Other Funds Ltd	11,537,241	14,857,077	14,857,077	15,185,942	15,185,942	-
TOTAL REVENUE CATEGORIES	**$31,801,995**	**$36,613,840**	**$34,085,835**	**$35,300,321**	**$34,850,321**	**-**
AVAILABLE REVENUES						
8000 General Fund	20,264,754	21,756,763	19,228,758	20,114,379	19,664,379	-
3400 Other Funds Ltd	11,537,241	14,857,077	14,857,077	15,405,657	15,405,657	-
TOTAL AVAILABLE REVENUES	**$31,801,995**	**$36,613,840**	**$34,085,835**	**$35,520,036**	**$35,070,036**	**-**
EXPENDITURES						
PERSONAL SERVICES						

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
8000 General Fund	9,935,309	12,061,786	11,361,003	11,896,920	11,896,920	-
3400 Other Funds Ltd	6,390,226	7,585,518	7,803,216	8,192,797	8,192,797	-
All Funds	16,325,535	19,647,304	19,164,219	20,089,717	20,089,717	-
3160 Temporary Appointments						
8000 General Fund	1,809	-	-	-	-	-
3400 Other Funds Ltd	-	31,102	31,102	32,035	32,035	-
All Funds	1,809	31,102	31,102	32,035	32,035	-
3170 Overtime Payments						
8000 General Fund	24,045	42,192	42,192	43,458	43,458	-
3180 Shift Differential						
8000 General Fund	25	2,640	2,640	2,719	2,719	-
3190 All Other Differential						
8000 General Fund	187,812	17,956	17,956	18,495	18,495	-
SALARIES & WAGES						
8000 General Fund	10,149,000	12,124,574	11,423,791	11,961,592	11,961,592	-
3400 Other Funds Ltd	6,390,226	7,616,620	7,834,318	8,224,832	8,224,832	-
TOTAL SALARIES & WAGES	**$16,539,226**	**$19,741,194**	**$19,258,109**	**$20,186,424**	**$20,186,424**	**-**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
8000 General Fund	4,552	4,809	4,809	4,966	4,966	-
3400 Other Funds Ltd	3,408	3,991	3,991	4,450	4,450	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	7,960	8,800	8,800	9,416	9,416	-
3220 Public Employees' Retire Cont						
8000 General Fund	1,361,981	1,778,675	1,675,871	1,888,747	1,888,747	-
3400 Other Funds Ltd	1,019,866	1,112,789	1,144,724	1,293,650	1,293,650	-
All Funds	2,381,847	2,891,464	2,820,595	3,182,397	3,182,397	-
3221 Pension Obligation Bond						
8000 General Fund	572,651	773,669	732,394	740,298	740,298	-
3400 Other Funds Ltd	428,807	474,178	488,675	496,308	496,308	-
All Funds	1,001,458	1,247,847	1,221,069	1,236,606	1,236,606	-
3230 Social Security Taxes						
8000 General Fund	703,341	927,018	872,788	915,069	915,069	-
3400 Other Funds Ltd	526,669	582,598	599,239	629,209	629,209	-
All Funds	1,230,010	1,509,616	1,472,027	1,544,278	1,544,278	-
3240 Unemployment Assessments						
8000 General Fund	20,324	17,634	22,627	23,306	23,306	-
3400 Other Funds Ltd	15,218	9,958	10,060	10,362	10,362	-
All Funds	35,542	27,592	32,687	33,668	33,668	-
3250 Worker's Comp. Assess. (WCD)						
8000 General Fund	5,336	7,099	7,099	7,813	7,813	-
3400 Other Funds Ltd	3,996	5,881	5,881	6,953	6,953	-
All Funds	9,332	12,980	12,980	14,766	14,766	-
3260 Mass Transit Tax						
8000 General Fund	55,377	75,148	70,943	71,770	71,770	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	41,467	46,245	47,551	49,349	49,349	-
All Funds	96,844	121,393	118,494	121,119	121,119	-
3270 Flexible Benefits						
8000 General Fund	3,297,149	3,638,031	3,481,291	3,417,620	3,417,620	-
3400 Other Funds Ltd	2,468,940	3,047,601	3,125,188	3,084,844	3,084,844	-
All Funds	5,766,089	6,685,632	6,606,479	6,502,464	6,502,464	-
3280 Other OPE						
8000 General Fund	-	1,930	1,930	1,930	1,930	-
3400 Other Funds Ltd	-	985	985	985	985	-
All Funds	-	2,915	2,915	2,915	2,915	-
OTHER PAYROLL EXPENSES						
8000 General Fund	6,020,711	7,224,013	6,869,752	7,071,519	7,071,519	-
3400 Other Funds Ltd	4,508,371	5,284,226	5,426,294	5,576,110	5,576,110	-
TOTAL OTHER PAYROLL EXPENSES	**$10,529,082**	**$12,508,239**	**$12,296,046**	**$12,647,629**	**$12,647,629**	-
P.S. BUDGET ADJUSTMENTS						
3455 Vacancy Savings						
8000 General Fund	-	(75,836)	(75,836)	(351,571)	(801,571)	-
3400 Other Funds Ltd	-	(14,560)	(14,560)	(87,893)	(87,893)	-
All Funds	-	(90,396)	(90,396)	(439,464)	(889,464)	-
3465 Reconciliation Adjustment						
8000 General Fund	-	516,693	516,693	-	-	-
3400 Other Funds Ltd	-	343,426	343,426	-	-	-
All Funds	-	860,119	860,119	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3470 Undistributed (P.S.)						
8000 General Fund	-	(446,852)	(446,852)	-	-	-
3991 PERS Policy Adjustment						
8000 General Fund	-	(449,302)	(449,302)	-	-	-
3400 Other Funds Ltd	-	(282,918)	(282,918)	-	-	-
All Funds	-	(732,220)	(732,220)	-	-	-
P.S. BUDGET ADJUSTMENTS						
8000 General Fund	-	(455,297)	(455,297)	(351,571)	(801,571)	-
3400 Other Funds Ltd	-	45,948	45,948	(87,893)	(87,893)	-
TOTAL P.S. BUDGET ADJUSTMENTS	-	**($409,349)**	**($409,349)**	**($439,464)**	**($889,464)**	-
PERSONAL SERVICES						
8000 General Fund	16,169,711	18,893,290	17,838,246	18,681,540	18,231,540	-
3400 Other Funds Ltd	10,898,597	12,946,794	13,306,560	13,713,049	13,713,049	-
TOTAL PERSONAL SERVICES	**$27,068,308**	**$31,840,084**	**$31,144,806**	**$32,394,589**	**$31,944,589**	-
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	46,204	179,755	179,755	185,148	185,148	-
3400 Other Funds Ltd	32,371	53,412	53,412	55,248	55,248	-
All Funds	78,575	233,167	233,167	240,396	240,396	-
4125 Out of State Travel						
8000 General Fund	332,459	410,834	382,410	393,882	393,882	-
3400 Other Funds Ltd	10,946	6,356	2,480	21,994	21,994	-
All Funds	343,405	417,190	384,890	415,876	415,876	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4150 Employee Training						
8000 General Fund	58,830	117,566	107,886	111,123	111,123	-
3400 Other Funds Ltd	18,376	51,567	50,247	54,800	54,800	-
All Funds	77,206	169,133	158,133	165,923	165,923	-
4175 Office Expenses						
8000 General Fund	176,101	171,196	150,849	155,374	155,374	-
3400 Other Funds Ltd	70,882	487,494	484,719	501,607	501,607	-
All Funds	246,983	658,690	635,568	656,981	656,981	-
4200 Telecommunications						
8000 General Fund	134,169	231,914	225,974	232,753	232,753	-
3400 Other Funds Ltd	113,801	274,658	273,848	289,967	289,967	-
All Funds	247,970	506,572	499,822	522,720	522,720	-
4250 Data Processing						
8000 General Fund	16,478	56,936	13,882	14,298	14,298	-
3400 Other Funds Ltd	690	55,755	49,884	51,381	51,381	-
All Funds	17,168	112,691	63,766	65,679	65,679	-
4275 Publicity and Publications						
8000 General Fund	57,676	31,174	13,046	13,437	13,437	-
3400 Other Funds Ltd	931	-	-	-	-	-
All Funds	58,607	31,174	13,046	13,437	13,437	-
4300 Professional Services						
8000 General Fund	62,709	204,307	204,307	211,049	211,049	-
3400 Other Funds Ltd	8,651	-	-	-	-	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
All Funds	71,360	204,307	204,307	211,049	211,049	-
4325 Attorney General						
8000 General Fund	-	1,172,292	-	-	-	-
3400 Other Funds Ltd	-	297,297	-	-	-	-
All Funds	-	1,469,589	-	-	-	-
4375 Employee Recruitment and Develop						
8000 General Fund	149	10,058	10,058	10,360	10,360	-
3400 Other Funds Ltd	23	1,326	1,326	1,366	1,366	-
All Funds	172	11,384	11,384	11,726	11,726	-
4400 Dues and Subscriptions						
8000 General Fund	8,501	7,273	7,273	7,491	7,491	-
3400 Other Funds Ltd	885	940	940	968	968	-
All Funds	9,386	8,213	8,213	8,459	8,459	-
4425 Facilities Rental and Taxes						
8000 General Fund	3,439	6,615	6,615	6,813	6,813	-
3400 Other Funds Ltd	3,230	1,753	1,753	1,806	1,806	-
All Funds	6,669	8,368	8,368	8,619	8,619	-
4450 Fuels and Utilities						
3400 Other Funds Ltd	-	22,057	22,057	22,719	22,719	-
4475 Facilities Maintenance						
8000 General Fund	-	5,270	5,270	5,428	5,428	-
3400 Other Funds Ltd	151	9,083	9,083	9,355	9,355	-
All Funds	151	14,353	14,353	14,783	14,783	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4575 Agency Program Related S and S						
8000 General Fund	441	-	-	-	-	-
3400 Other Funds Ltd	175	-	-	-	-	-
All Funds	616	-	-	-	-	-
4650 Other Services and Supplies						
8000 General Fund	1,811	-	-	-	-	-
3400 Other Funds Ltd	361,551	258,706	258,706	266,467	266,467	-
All Funds	363,362	258,706	258,706	266,467	266,467	-
4700 Expendable Prop 250 - 5000						
8000 General Fund	9,181	47,022	47,022	48,433	48,433	-
3400 Other Funds Ltd	2,113	14,114	14,114	14,537	14,537	-
All Funds	11,294	61,136	61,136	62,970	62,970	-
4715 IT Expendable Property						
8000 General Fund	66,269	175,096	-	-	-	-
3400 Other Funds Ltd	6,381	133,287	-	-	-	-
All Funds	72,650	308,383	-	-	-	-
SERVICES & SUPPLIES						
8000 General Fund	974,417	2,827,308	1,354,347	1,395,589	1,395,589	-
3400 Other Funds Ltd	631,157	1,667,805	1,222,569	1,292,215	1,292,215	-
TOTAL SERVICES & SUPPLIES	**$1,605,574**	**$4,495,113**	**$2,576,916**	**$2,687,804**	**$2,687,804**	-
CAPITAL OUTLAY						
5100 Office Furniture and Fixtures						
8000 General Fund	1,923	23,005	23,005	23,695	23,695	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	2,271	106,350	106,350	122,949	122,949	-
All Funds	4,194	129,355	129,355	146,644	146,644	-
5150 Telecommunications Equipment						
8000 General Fund	-	13,160	13,160	13,555	13,555	-
3400 Other Funds Ltd	-	1,883	1,883	1,939	1,939	-
All Funds	-	15,043	15,043	15,494	15,494	-
5600 Data Processing Hardware						
8000 General Fund	24,785	-	-	-	-	-
3400 Other Funds Ltd	5,215	-	-	-	-	-
All Funds	30,000	-	-	-	-	-
CAPITAL OUTLAY						
8000 General Fund	26,708	36,165	36,165	37,250	37,250	-
3400 Other Funds Ltd	7,486	108,233	108,233	124,888	124,888	-
TOTAL CAPITAL OUTLAY	**$34,194**	**$144,398**	**$144,398**	**$162,138**	**$162,138**	-
EXPENDITURES						
8000 General Fund	17,170,836	21,756,763	19,228,758	20,114,379	19,664,379	-
3400 Other Funds Ltd	11,537,240	14,722,832	14,637,362	15,130,152	15,130,152	-
TOTAL EXPENDITURES	**$28,708,076**	**$36,479,595**	**$33,866,120**	**$35,244,531**	**$34,794,531**	-
REVERSIONS						
9900 Reversions						
8000 General Fund	(3,093,918)	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	1	134,245	219,715	275,505	275,505	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
TOTAL ENDING BALANCE	**$1**	**$134,245**	**$219,715**	**$275,505**	**$275,505**	**-**
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	227	220	220	214	214	-
TOTAL AUTHORIZED POSITIONS	**227**	**220**	**220**	**214**	**214**	**-**
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	221.81	215.41	215.41	209.41	209.41	-
8280 FTE Reconciliation	-	0.50	0.50	-	-	-
TOTAL AUTHORIZED FTE	**221.81**	**215.91**	**215.91**	**209.41**	**209.41**	**-**

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	2,672,669	-	-	-	-	-
0030 Beginning Balance Adjustment						
3200 Other Funds Non-Ltd	(2,411,332)	-	-	-	-	-
8800 General Fund Revenue	2,411,332	-	-	-	-	-
All Funds	-	-	-	-	-	-
BEGINNING BALANCE						
3200 Other Funds Non-Ltd	261,337	-	-	-	-	-
8800 General Fund Revenue	2,411,332	-	-	-	-	-
TOTAL BEGINNING BALANCE	**$2,672,669**	-	-	-	-	-
REVENUE CATEGORIES						
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	-	276,646	276,646	284,945	284,945	-
TRANSFERS OUT						
2060 Transfer to General Fund						
8800 General Fund Revenue	(2,411,332)	-	-	-	-	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	261,337	-	-	-	-	-
3400 Other Funds Ltd	-	276,646	276,646	284,945	284,945	-
TOTAL AVAILABLE REVENUES	**$261,337**	**$276,646**	**$276,646**	**$284,945**	**$284,945**	-
EXPENDITURES						

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
SPECIAL PAYMENTS						
6030 Dist to Non-Gov Units						
3200 Other Funds Non-Ltd	261,337	-	-	-	-	-
3400 Other Funds Ltd	-	276,646	276,646	284,945	284,945	-
All Funds	261,337	276,646	276,646	284,945	284,945	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	3,000,000	5,558,560	5,558,560	5,672,000	5,672,000	-
TRANSFERS IN						
1060 Transfer from General Fund						
3400 Other Funds Ltd	5,399,284	-	-	-	-	-
REVENUE CATEGORIES						
8000 General Fund	3,000,000	5,558,560	5,558,560	5,672,000	5,672,000	-
3400 Other Funds Ltd	5,399,284	-	-	-	-	-
TOTAL REVENUE CATEGORIES	**$8,399,284**	**$5,558,560**	**$5,558,560**	**$5,672,000**	**$5,672,000**	-
AVAILABLE REVENUES						
8000 General Fund	3,000,000	5,558,560	5,558,560	5,672,000	5,672,000	-
3400 Other Funds Ltd	5,399,284	-	-	-	-	-
TOTAL AVAILABLE REVENUES	**$8,399,284**	**$5,558,560**	**$5,558,560**	**$5,672,000**	**$5,672,000**	-
EXPENDITURES						
SPECIAL PAYMENTS						
6060 Intra-Agency Gen Fund Transfer						
8000 General Fund	5,399,284	5,672,000	5,672,000	5,672,000	5,672,000	-
6090 Undistributed (S.P.)						
8000 General Fund	-	(113,440)	(113,440)	-	-	-
SPECIAL PAYMENTS						
8000 General Fund	5,399,284	5,558,560	5,558,560	5,672,000	5,672,000	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
TOTAL SPECIAL PAYMENTS	**$5,399,284**	**$5,558,560**	**$5,558,560**	**$5,672,000**	**$5,672,000**	**-**
REVERSIONS						
9900 Reversions						
8000 General Fund	2,399,284	-	-	-	-	-
ENDING BALANCE						
3400 Other Funds Ltd	5,399,284	-	-	-	-	-
TOTAL ENDING BALANCE	**$5,399,284**	-	-	-	-	-

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
BEGINNING BALANCE						
0025 Beginning Balance						
3200 Other Funds Non-Ltd	2,028,808	13,938,929	13,938,929	18,629,256	18,629,256	-
REVENUE CATEGORIES						
LOAN REPAYMENT						
0950 Sr Citizen Prop Tax Repayments						
3200 Other Funds Non-Ltd	-	38,497,653	38,497,653	38,497,653	38,497,653	-
TRANSFERS OUT						
2080 Transfer to Counties						
3200 Other Funds Non-Ltd	-	(33,807,326)	(33,807,326)	(33,807,326)	(33,807,326)	-
AVAILABLE REVENUES						
3200 Other Funds Non-Ltd	2,028,808	18,629,256	18,629,256	23,319,583	23,319,583	-
TOTAL AVAILABLE REVENUES	**$2,028,808**	**$18,629,256**	**$18,629,256**	**$23,319,583**	**$23,319,583**	-
ENDING BALANCE						
3200 Other Funds Non-Ltd	2,028,808	18,629,256	18,629,256	23,319,583	23,319,583	-
TOTAL ENDING BALANCE	**$2,028,808**	**$18,629,256**	**$18,629,256**	**$23,319,583**	**$23,319,583**	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8000 General Fund	-	3,637,432	3,137,432	4,415,000	4,415,000	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	-	26,528,818	26,528,818	26,699,953	26,699,953	-
REVENUE CATEGORIES						
8000 General Fund	-	3,637,432	3,137,432	4,415,000	4,415,000	-
3400 Other Funds Ltd	-	26,528,818	26,528,818	26,699,953	26,699,953	-
TOTAL REVENUE CATEGORIES	**-**	**$30,166,250**	**$29,666,250**	**$31,114,953**	**$31,114,953**	**-**
AVAILABLE REVENUES						
8000 General Fund	-	3,637,432	3,137,432	4,415,000	4,415,000	-
3400 Other Funds Ltd	-	26,528,818	26,528,818	26,699,953	26,699,953	-
TOTAL AVAILABLE REVENUES	**-**	**$30,166,250**	**$29,666,250**	**$31,114,953**	**$31,114,953**	**-**
EXPENDITURES						
PERSONAL SERVICES						
SALARIES & WAGES						
3110 Class/Unclass Sal. and Per Diem						
3400 Other Funds Ltd	-	4,069,248	4,069,248	4,498,872	4,498,872	-
3170 Overtime Payments						
3400 Other Funds Ltd	-	59,722	59,722	297,117	297,117	-
3190 All Other Differential						

Description	*2011-13 Actuals*	*2013-15 Leg Adopted Budget*	*2013-15 Leg Approved Budget*	*2015-17 Agency Request Budget*	*2015-17 Governor's Budget*	*2015-17 Leg Adopted Budget*
3400 Other Funds Ltd	-	-	-	60,512	60,512	-
SALARIES & WAGES						
3400 Other Funds Ltd	-	4,128,970	4,128,970	4,856,501	4,856,501	-
TOTAL SALARIES & WAGES	**-**	**$4,128,970**	**$4,128,970**	**$4,856,501**	**$4,856,501**	**-**
OTHER PAYROLL EXPENSES						
3210 Empl. Rel. Bd. Assessments						
3400 Other Funds Ltd	-	1,240	1,240	1,452	1,452	-
3220 Public Employees' Retire Cont						
3400 Other Funds Ltd	-	605,724	605,724	766,842	766,842	-
3230 Social Security Taxes						
3400 Other Funds Ltd	-	315,869	315,869	371,521	371,521	-
3250 Worker's Comp. Assess. (WCD)						
3400 Other Funds Ltd	-	1,829	1,829	2,277	2,277	-
3260 Mass Transit Tax						
3400 Other Funds Ltd	-	-	-	26,993	26,993	-
3270 Flexible Benefits						
3400 Other Funds Ltd	-	946,368	946,368	1,007,424	1,007,424	-
OTHER PAYROLL EXPENSES						
3400 Other Funds Ltd	-	1,871,030	1,871,030	2,176,509	2,176,509	-
TOTAL OTHER PAYROLL EXPENSES	**-**	**$1,871,030**	**$1,871,030**	**$2,176,509**	**$2,176,509**	**-**
PERSONAL SERVICES						
3400 Other Funds Ltd	-	6,000,000	6,000,000	7,033,010	7,033,010	-
TOTAL PERSONAL SERVICES	**-**	**$6,000,000**	**$6,000,000**	**$7,033,010**	**$7,033,010**	**-**

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
SERVICES & SUPPLIES						
4100 Instate Travel						
8000 General Fund	-	-	-	40,000	40,000	-
4150 Employee Training						
8000 General Fund	-	-	-	75,000	75,000	-
4175 Office Expenses						
8000 General Fund	-	-	-	65,000	65,000	-
3400 Other Funds Ltd	-	70,200	70,200	-	-	-
All Funds	-	70,200	70,200	65,000	65,000	-
4200 Telecommunications						
8000 General Fund	-	-	-	36,000	36,000	-
3400 Other Funds Ltd	-	35,100	35,100	-	-	-
All Funds	-	35,100	35,100	36,000	36,000	-
4250 Data Processing						
8000 General Fund	-	1,125,000	1,125,000	1,800,000	1,800,000	-
3400 Other Funds Ltd	-	-	-	279,000	279,000	-
All Funds	-	1,125,000	1,125,000	2,079,000	2,079,000	-
4300 Professional Services						
3400 Other Funds Ltd	-	1,220,267	1,220,267	2,273,304	2,273,304	-
4315 IT Professional Services						
8000 General Fund	-	-	-	2,375,000	2,375,000	-
3400 Other Funds Ltd	-	-	-	12,622,500	12,622,500	-
All Funds	-	-	-	14,997,500	14,997,500	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
4425 Facilities Rental and Taxes						
3400 Other Funds Ltd	-	686,469	686,469	518,904	518,904	-
4650 Other Services and Supplies						
8000 General Fund	-	2,512,432	2,012,432	24,000	24,000	-
3400 Other Funds Ltd	-	16,811,782	16,811,782	3,524,000	3,524,000	-
All Funds	-	19,324,214	18,824,214	3,548,000	3,548,000	-
SERVICES & SUPPLIES						
8000 General Fund	-	3,637,432	3,137,432	4,415,000	4,415,000	-
3400 Other Funds Ltd	-	18,823,818	18,823,818	19,217,708	19,217,708	-
TOTAL SERVICES & SUPPLIES	-	**$22,461,250**	**$21,961,250**	**$23,632,708**	**$23,632,708**	-
CAPITAL OUTLAY						
5550 Data Processing Software						
3400 Other Funds Ltd	-	852,500	852,500	-	-	-
5600 Data Processing Hardware						
3400 Other Funds Ltd	-	852,500	852,500	-	-	-
CAPITAL OUTLAY						
3400 Other Funds Ltd	-	1,705,000	1,705,000	-	-	-
TOTAL CAPITAL OUTLAY	-	**$1,705,000**	**$1,705,000**	-	-	-
EXPENDITURES						
8000 General Fund	-	3,637,432	3,137,432	4,415,000	4,415,000	-
3400 Other Funds Ltd	-	26,528,818	26,528,818	26,250,718	26,250,718	-
TOTAL EXPENDITURES	-	**$30,166,250**	**$29,666,250**	**$30,665,718**	**$30,665,718**	-
ENDING BALANCE						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
3400 Other Funds Ltd	-	-	-	449,235	449,235	-
TOTAL ENDING BALANCE	-	-	-	**$449,235**	**$449,235**	-
AUTHORIZED POSITIONS						
8150 Class/Unclass Positions	-	31	31	33	33	-
TOTAL AUTHORIZED POSITIONS	-	**31**	**31**	**33**	**33**	-
AUTHORIZED FTE						
8250 Class/Unclass FTE Positions	-	31.00	31.00	33.00	33.00	-
TOTAL AUTHORIZED FTE	-	**31.00**	**31.00**	**33.00**	**33.00**	-

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
CHARGES FOR SERVICES						
0415 Admin and Service Charges						
3400 Other Funds Ltd	-	521,182	521,182	962,864	441,682	-
REVENUE CATEGORIES						
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
3400 Other Funds Ltd	-	521,182	521,182	962,864	441,682	-
TOTAL REVENUE CATEGORIES	-	**$2,075,898**	**$2,075,898**	**$14,354,913**	**$13,833,731**	-
AVAILABLE REVENUES						
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
3400 Other Funds Ltd	-	521,182	521,182	962,864	441,682	-
TOTAL AVAILABLE REVENUES	-	**$2,075,898**	**$2,075,898**	**$14,354,913**	**$13,833,731**	-
EXPENDITURES						
SERVICES & SUPPLIES						
4650 Other Services and Supplies						
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	-	-
3400 Other Funds Ltd	-	521,182	521,182	962,864	441,682	-
All Funds	-	2,075,898	2,075,898	14,354,913	441,682	-
DEBT SERVICE						
7100 Principal - Bonds						

Description	2011-13 Actuals	2013-15 Leg Adopted Budget	2013-15 Leg Approved Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget	2015-17 Leg Adopted Budget
8030 General Fund Debt Svc	-	-	-	-	10,370,000	-
7150 Interest - Bonds						
8030 General Fund Debt Svc	-	-	-	-	3,022,049	-
DEBT SERVICE						
8030 General Fund Debt Svc	-	-	-	-	13,392,049	-
TOTAL DEBT SERVICE	-	-	-	-	**$13,392,049**	-
EXPENDITURES						
8030 General Fund Debt Svc	-	1,554,716	1,554,716	13,392,049	13,392,049	-
3400 Other Funds Ltd	-	521,182	521,182	962,864	441,682	-
TOTAL EXPENDITURES	-	**$2,075,898**	**$2,075,898**	**$14,354,913**	**$13,833,731**	-

Version / Column Comparison Report - Detail
2015-17 Biennium
Executive Division

Cross Reference Number:15000-001-00-00-00000

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	2,573	2,573	0	-
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	7,225,576	7,225,576	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	955,273	955,273	0	-
TOTAL REVENUES				
8000 General Fund	7,225,576	7,225,576	0	-
3400 Other Funds Ltd	955,273	955,273	0	-
TOTAL REVENUES	**$8,180,849**	**$8,180,849**	**0**	-
AVAILABLE REVENUES				
8000 General Fund	7,225,576	7,225,576	0	-
3400 Other Funds Ltd	957,846	957,846	0	-
TOTAL AVAILABLE REVENUES	**$8,183,422**	**$8,183,422**	**0**	-
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
8000 General Fund	3,964,749	3,964,749	0	-
3400 Other Funds Ltd	492,209	492,209	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	4,456,958	4,456,958	0	-
3170 Overtime Payments				
8000 General Fund	2,351	2,351	0	-
TOTAL SALARIES & WAGES				
8000 General Fund	3,967,100	3,967,100	0	-
3400 Other Funds Ltd	492,209	492,209	0	-
TOTAL SALARIES & WAGES	**$4,459,309**	**$4,459,309**	**0**	**-**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	1,488	1,488	0	-
3400 Other Funds Ltd	184	184	0	-
All Funds	1,672	1,672	0	-
3220 Public Employees' Retire Cont				
8000 General Fund	626,401	626,401	0	-
3400 Other Funds Ltd	77,722	77,722	0	-
All Funds	704,123	704,123	0	-
3221 Pension Obligation Bond				
8000 General Fund	241,496	241,496	0	-
3400 Other Funds Ltd	30,420	30,420	0	-
All Funds	271,916	271,916	0	-
3230 Social Security Taxes				
8000 General Fund	297,092	297,092	0	-
3400 Other Funds Ltd	37,048	37,048	0	-
All Funds	334,140	334,140	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3250 Worker's Comp. Assess. (WCD)				
8000 General Fund	2,334	2,334	0	-
3400 Other Funds Ltd	288	288	0	-
All Funds	2,622	2,622	0	-
3260 Mass Transit Tax				
8000 General Fund	22,817	22,817	0	-
3400 Other Funds Ltd	2,907	2,907	0	-
All Funds	25,724	25,724	0	-
3270 Flexible Benefits				
8000 General Fund	1,008,475	1,008,475	0	-
3400 Other Funds Ltd	121,061	121,061	0	-
All Funds	1,129,536	1,129,536	0	-
3280 Other OPE				
8000 General Fund	56	56	0	-
TOTAL OTHER PAYROLL EXPENSES				
8000 General Fund	2,200,159	2,200,159	0	-
3400 Other Funds Ltd	269,630	269,630	0	-
TOTAL OTHER PAYROLL EXPENSES	**$2,469,789**	**$2,469,789**	**0**	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(45,502)	(45,502)	0	-
3400 Other Funds Ltd	(8,736)	(8,736)	0	-
All Funds	(54,238)	(54,238)	0	-
TOTAL PERSONAL SERVICES				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	6,121,757	6,121,757	0	-
3400 Other Funds Ltd	753,103	753,103	0	-
TOTAL PERSONAL SERVICES	**$6,874,860**	**$6,874,860**	**0**	**-**
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	16,636	16,636	0	-
3400 Other Funds Ltd	3,185	3,185	0	-
All Funds	19,821	19,821	0	-
4125 Out of State Travel				
8000 General Fund	2,189	2,189	0	-
4150 Employee Training				
8000 General Fund	58,675	58,675	0	-
3400 Other Funds Ltd	10,690	10,690	0	-
All Funds	69,365	69,365	0	-
4175 Office Expenses				
8000 General Fund	123,922	123,922	0	-
3400 Other Funds Ltd	24,355	24,355	0	-
All Funds	148,277	148,277	0	-
4200 Telecommunications				
8000 General Fund	25,262	25,262	0	-
3400 Other Funds Ltd	1,248	1,248	0	-
All Funds	26,510	26,510	0	-
4225 State Gov. Service Charges				
8000 General Fund	613,735	613,735	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	140,332	140,332	0	-
All Funds	754,067	754,067	0	-
4250 Data Processing				
8000 General Fund	486	486	0	-
4300 Professional Services				
8000 General Fund	137,046	137,046	0	-
3400 Other Funds Ltd	9,360	9,360	0	-
All Funds	146,406	146,406	0	-
4375 Employee Recruitment and Develop				
8000 General Fund	4,730	4,730	0	-
4400 Dues and Subscriptions				
8000 General Fund	19,567	19,567	0	-
4425 Facilities Rental and Taxes				
8000 General Fund	1,307	1,307	0	-
3400 Other Funds Ltd	254	254	0	-
All Funds	1,561	1,561	0	-
4650 Other Services and Supplies				
8000 General Fund	51,799	51,799	0	-
3400 Other Funds Ltd	9,220	9,220	0	-
All Funds	61,019	61,019	0	-
4700 Expendable Prop 250 - 5000				
8000 General Fund	48,465	48,465	0	-
3400 Other Funds Ltd	6,099	6,099	0	-
All Funds	54,564	54,564	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL SERVICES & SUPPLIES				
8000 General Fund	1,103,819	1,103,819	0	-
3400 Other Funds Ltd	204,743	204,743	0	-
TOTAL SERVICES & SUPPLIES	**$1,308,562**	**$1,308,562**	**0**	-
TOTAL EXPENDITURES				
8000 General Fund	7,225,576	7,225,576	0	-
3400 Other Funds Ltd	957,846	957,846	0	-
TOTAL EXPENDITURES	**$8,183,422**	**$8,183,422**	**0**	-
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	38	38	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	37.20	37.20	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	13,407,824	13,407,824	0	-
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	11,316,483	11,316,483	0	-
TAXES				
0105 Personal Income Taxes				
8800 General Fund Revenue	15,541,205,376	15,541,205,376	0	-
0110 Corp Excise and Income Taxes				
8800 General Fund Revenue	1,036,848,445	1,036,848,445	0	-
0130 Other Employer -Employee Taxes				
3400 Other Funds Ltd	689,025,092	689,025,092	0	-
0135 Cigarette Taxes				
3400 Other Funds Ltd	305,518,692	305,518,692	0	-
8800 General Fund Revenue	62,442,086	62,442,086	0	-
All Funds	367,960,778	367,960,778	0	-
0140 Other Tobacco Products Taxes				
3400 Other Funds Ltd	53,788,174	53,788,174	0	-
8800 General Fund Revenue	62,737,333	62,737,333	0	-
All Funds	116,525,507	116,525,507	0	-
0145 Amusement Taxes				
3400 Other Funds Ltd	3,280,000	3,280,000	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8800 General Fund Revenue	1,200,000	1,200,000	0	-
All Funds	4,480,000	4,480,000	0	-
0155 Inheritance Taxes				
8800 General Fund Revenue	202,126,255	202,126,255	0	-
0160 Eastern Oregon Severance Taxes				
8800 General Fund Revenue	6,000	6,000	0	-
0162 Western Oregon Severance Taxes				
3400 Other Funds Ltd	1,018,000	1,018,000	0	-
8800 General Fund Revenue	25,000	25,000	0	-
All Funds	1,043,000	1,043,000	0	-
0165 Other Severance Taxes				
3400 Other Funds Ltd	237,000	237,000	0	-
0195 Other Taxes				
3400 Other Funds Ltd	164,550,530	164,550,530	0	-
8800 General Fund Revenue	26,466	26,466	0	-
All Funds	164,576,996	164,576,996	0	-
TOTAL TAXES				
3400 Other Funds Ltd	1,217,417,488	1,217,417,488	0	-
8800 General Fund Revenue	16,906,616,961	16,906,616,961	0	-
TOTAL TAXES	**$18,124,034,449**	**$18,124,034,449**	**0**	**-**
LICENSES AND FEES				
0205 Business Lic and Fees				
3400 Other Funds Ltd	9,869,503	9,869,503	0	-
CHARGES FOR SERVICES				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
0415 Admin and Service Charges				
3400 Other Funds Ltd	2,785,139	2,785,139	0	-
FINES, RENTS AND ROYALTIES				
0505 Fines and Forfeitures				
3400 Other Funds Ltd	16,978,187	16,978,187	0	-
8800 General Fund Revenue	10,907,377	10,907,377	0	-
All Funds	27,885,564	27,885,564	0	-
DONATIONS AND CONTRIBUTIONS				
0905 Donations				
3400 Other Funds Ltd	1,334,000	1,334,000	0	-
OTHER				
0975 Other Revenues				
3400 Other Funds Ltd	28,589,533	28,589,533	0	-
TRANSFERS IN				
1060 Transfer from General Fund				
3400 Other Funds Ltd	5,672,000	5,672,000	0	-
1198 Tsfr From Judicial Dept				
3400 Other Funds Ltd	52,178,305	52,178,305	0	-
8800 General Fund Revenue	33,521,152	33,521,152	0	-
All Funds	85,699,457	85,699,457	0	-
TOTAL TRANSFERS IN				
3400 Other Funds Ltd	57,850,305	57,850,305	0	-
8800 General Fund Revenue	33,521,152	33,521,152	0	-
TOTAL TRANSFERS IN	**$91,371,457**	**$91,371,457**	**0**	**-**

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL REVENUES				
8000 General Fund	11,316,483	11,316,483	0	-
3400 Other Funds Ltd	1,334,824,155	1,334,824,155	0	-
8800 General Fund Revenue	16,951,045,490	16,951,045,490	0	-
TOTAL REVENUES	**$18,297,186,128**	**$18,297,186,128**	0	-
TRANSFERS OUT				
2050 Transfer to Other				
3400 Other Funds Ltd	(9,365,757)	(9,365,757)	0	-
2060 Transfer to General Fund				
8800 General Fund Revenue	(16,951,045,490)	(16,951,045,490)	0	-
2080 Transfer to Counties				
3400 Other Funds Ltd	(741,563,922)	(741,563,922)	0	-
2100 Tsfr To Human Svcs, Dept of				
3400 Other Funds Ltd	(2,758,007)	(2,758,007)	0	-
2107 Tsfr To Administrative Svcs				
3400 Other Funds Ltd	(14,319,663)	(14,319,663)	0	-
2121 Tsfr To Governor, Office of the				
3400 Other Funds Ltd	(22,500)	(22,500)	0	-
2137 Tsfr To Justice, Dept of				
3400 Other Funds Ltd	(20,541,179)	(20,541,179)	0	-
2141 Tsfr To Lands, Dept of State				
3400 Other Funds Ltd	(237,000)	(237,000)	0	-
2198 Tsfr To Judicial Dept				
3400 Other Funds Ltd	(6,471,244)	(6,471,244)	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
2248 Tsfr To Military Dept, Or				
3400 Other Funds Ltd	(81,392,000)	(81,392,000)	0	-
2257 Tsfr To Police, Dept of State				
3400 Other Funds Ltd	(7,993,959)	(7,993,959)	0	-
2259 Tsfr To Pub Safety Std/Trng				
3400 Other Funds Ltd	(25,720,000)	(27,820,235)	(2,100,235)	-8.17%
2340 Tsfr To Environmental Quality				
3400 Other Funds Ltd	(2,128,544)	(2,128,544)	0	-
2443 Tsfr To Oregon Health Authority				
3400 Other Funds Ltd	(346,192,079)	(346,192,079)	0	-
2525 Tsfr To HECC				
3400 Other Funds Ltd	(1,745,810)	(1,745,810)	0	-
2580 Tsfr To OR University System				
3400 Other Funds Ltd	(8,520,296)	(8,520,296)	0	-
2581 Tsfr To Education, Dept of				
3400 Other Funds Ltd	(615,890)	(615,890)	0	-
2629 Tsfr To Forestry, Dept of				
3400 Other Funds Ltd	(14,421,948)	(14,421,948)	0	-
2635 Tsfr To Fish/Wildlife, Dept of				
3400 Other Funds Ltd	(10,000)	(10,000)	0	-
2730 Tsfr To Transportation, Dept				
3400 Other Funds Ltd	(6,369,832)	(6,369,832)	0	-
2914 Tsfr To Housing and Com Svcs				
3400 Other Funds Ltd	(28,589,533)	(28,589,533)	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL TRANSFERS OUT				
3400 Other Funds Ltd	(1,318,979,163)	(1,321,079,398)	(2,100,235)	-0.16%
8800 General Fund Revenue	(16,951,045,490)	(16,951,045,490)	0	-
TOTAL TRANSFERS OUT	**($18,270,024,653)**	**($18,272,124,888)**	**($2,100,235)**	**-0.01%**
AVAILABLE REVENUES				
8000 General Fund	11,316,483	11,316,483	0	-
3400 Other Funds Ltd	29,252,816	27,152,581	(2,100,235)	-7.18%
TOTAL AVAILABLE REVENUES	**$40,569,299**	**$38,469,064**	**($2,100,235)**	**-5.18%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
8000 General Fund	1,827,495	1,827,495	0	-
3400 Other Funds Ltd	163,785	163,785	0	-
All Funds	1,991,280	1,991,280	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	527	527	0	-
3400 Other Funds Ltd	45	45	0	-
All Funds	572	572	0	-
3220 Public Employees' Retire Cont				
8000 General Fund	288,564	288,564	0	-
3400 Other Funds Ltd	25,860	25,860	0	-
All Funds	314,424	314,424	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3221 Pension Obligation Bond				
8000 General Fund	117,211	117,211	0	-
3400 Other Funds Ltd	11,508	11,508	0	-
All Funds	128,719	128,719	0	-
3230 Social Security Taxes				
8000 General Fund	139,804	139,804	0	-
3400 Other Funds Ltd	12,530	12,530	0	-
All Funds	152,334	152,334	0	-
3250 Worker's Comp. Assess. (WCD)				
8000 General Fund	822	822	0	-
3400 Other Funds Ltd	75	75	0	-
All Funds	897	897	0	-
3260 Mass Transit Tax				
8000 General Fund	10,776	10,776	0	-
3400 Other Funds Ltd	1,059	1,059	0	-
All Funds	11,835	11,835	0	-
3270 Flexible Benefits				
8000 General Fund	364,197	364,197	0	-
3400 Other Funds Ltd	32,667	32,667	0	-
All Funds	396,864	396,864	0	-
TOTAL OTHER PAYROLL EXPENSES				
8000 General Fund	921,901	921,901	0	-
3400 Other Funds Ltd	83,744	83,744	0	-
TOTAL OTHER PAYROLL EXPENSES	**$1,005,645**	**$1,005,645**	**0**	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(15,167)	(15,167)	0	-
3400 Other Funds Ltd	(2,912)	(2,912)	0	-
All Funds	(18,079)	(18,079)	0	-
TOTAL PERSONAL SERVICES				
8000 General Fund	2,734,229	2,734,229	0	-
3400 Other Funds Ltd	244,617	244,617	0	-
TOTAL PERSONAL SERVICES	**$2,978,846**	**$2,978,846**	**0**	-
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	39,389	39,389	0	-
3400 Other Funds Ltd	3,926	3,926	0	-
All Funds	43,315	43,315	0	-
4125 Out of State Travel				
8000 General Fund	32,022	32,022	0	-
3400 Other Funds Ltd	4,475	4,475	0	-
All Funds	36,497	36,497	0	-
4150 Employee Training				
8000 General Fund	66,468	66,468	0	-
3400 Other Funds Ltd	9,237	9,237	0	-
All Funds	75,705	75,705	0	-
4175 Office Expenses				
8000 General Fund	3,499,257	3,499,257	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	929,849	929,849	0	-
All Funds	4,429,106	4,429,106	0	-
4200 Telecommunications				
8000 General Fund	51,386	51,386	0	-
3400 Other Funds Ltd	7,658	7,658	0	-
All Funds	59,044	59,044	0	-
4250 Data Processing				
8000 General Fund	74,641	74,641	0	-
3400 Other Funds Ltd	6,822	6,822	0	-
All Funds	81,463	81,463	0	-
4275 Publicity and Publications				
8000 General Fund	18,128	18,128	0	-
4300 Professional Services				
8000 General Fund	40,283	40,283	0	-
3400 Other Funds Ltd	7,126	7,126	0	-
All Funds	47,409	47,409	0	-
4325 Attorney General				
8000 General Fund	4,656,861	4,656,861	0	-
3400 Other Funds Ltd	431,596	431,596	0	-
All Funds	5,088,457	5,088,457	0	-
4375 Employee Recruitment and Develop				
8000 General Fund	5,546	5,546	0	-
3400 Other Funds Ltd	156	156	0	-
All Funds	5,702	5,702	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4400 Dues and Subscriptions				
8000 General Fund	47,332	47,332	0	-
3400 Other Funds Ltd	2,513	2,513	0	-
All Funds	49,845	49,845	0	-
4425 Facilities Rental and Taxes				
8000 General Fund	19,610	19,610	0	-
3400 Other Funds Ltd	3,213	3,213	0	-
All Funds	22,823	22,823	0	-
4650 Other Services and Supplies				
8000 General Fund	22,836	22,836	0	-
3400 Other Funds Ltd	1,824,074	1,824,074	0	-
All Funds	1,846,910	1,846,910	0	-
4700 Expendable Prop 250 - 5000				
8000 General Fund	8,495	8,495	0	-
TOTAL SERVICES & SUPPLIES				
8000 General Fund	8,582,254	8,582,254	0	-
3400 Other Funds Ltd	3,230,645	3,230,645	0	-
TOTAL SERVICES & SUPPLIES	**$11,812,899**	**$11,812,899**	**0**	-
TOTAL EXPENDITURES				
8000 General Fund	11,316,483	11,316,483	0	-
3400 Other Funds Ltd	3,475,262	3,475,262	0	-
TOTAL EXPENDITURES	**$14,791,745**	**$14,791,745**	**0**	-
ENDING BALANCE				
3400 Other Funds Ltd	25,777,554	23,677,319	(2,100,235)	-8.15%

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	13	13	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	13.00	13.00	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	66,394	66,394	0	-
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	44,566,642	44,566,642	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	7,340,244	7,340,244	0	-
OTHER				
0975 Other Revenues				
3400 Other Funds Ltd	52,825	52,825	0	-
TOTAL REVENUES				
8000 General Fund	44,566,642	44,566,642	0	-
3400 Other Funds Ltd	7,393,069	7,393,069	0	-
TOTAL REVENUES	**$51,959,711**	**$51,959,711**	**0**	**-**
AVAILABLE REVENUES				
8000 General Fund	44,566,642	44,566,642	0	-
3400 Other Funds Ltd	7,459,463	7,459,463	0	-
TOTAL AVAILABLE REVENUES	**$52,026,105**	**$52,026,105**	**0**	**-**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3110 Class/Unclass Sal. and Per Diem				
8000 General Fund	18,388,072	18,388,072	0	-
3400 Other Funds Ltd	2,005,545	2,005,545	0	-
All Funds	20,393,617	20,393,617	0	-
3160 Temporary Appointments				
8000 General Fund	25,082	25,082	0	-
3400 Other Funds Ltd	70,532	70,532	0	-
All Funds	95,614	95,614	0	-
3170 Overtime Payments				
8000 General Fund	35,129	35,129	0	-
3180 Shift Differential				
8000 General Fund	25,594	25,594	0	-
3190 All Other Differential				
8000 General Fund	185,961	185,961	0	-
3400 Other Funds Ltd	19,176	19,176	0	-
All Funds	205,137	205,137	0	-
TOTAL SALARIES & WAGES				
8000 General Fund	18,659,838	18,659,838	0	-
3400 Other Funds Ltd	2,095,253	2,095,253	0	-
TOTAL SALARIES & WAGES	**$20,755,091**	**$20,755,091**	**0**	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	8,698	8,698	0	-
3400 Other Funds Ltd	919	919	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	9,617	9,617	0	-
3220 Public Employees' Retire Cont				
8000 General Fund	2,942,435	2,942,435	0	-
3400 Other Funds Ltd	319,714	319,714	0	-
All Funds	3,262,149	3,262,149	0	-
3221 Pension Obligation Bond				
8000 General Fund	1,199,045	1,199,045	0	-
3400 Other Funds Ltd	129,514	129,514	0	-
All Funds	1,328,559	1,328,559	0	-
3230 Social Security Taxes				
8000 General Fund	1,427,476	1,427,476	0	-
3400 Other Funds Ltd	160,300	160,300	0	-
All Funds	1,587,776	1,587,776	0	-
3240 Unemployment Assessments				
8000 General Fund	164,739	164,739	0	-
3400 Other Funds Ltd	2,812	2,812	0	-
All Funds	167,551	167,551	0	-
3250 Worker's Comp. Assess. (WCD)				
8000 General Fund	13,606	13,606	0	-
3400 Other Funds Ltd	1,460	1,460	0	-
All Funds	15,066	15,066	0	-
3260 Mass Transit Tax				
8000 General Fund	114,124	114,124	0	-
3400 Other Funds Ltd	12,876	12,876	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	127,000	127,000	0	-
3270 Flexible Benefits				
8000 General Fund	6,011,866	6,011,866	0	-
3400 Other Funds Ltd	606,350	606,350	0	-
All Funds	6,618,216	6,618,216	0	-
3280 Other OPE				
8000 General Fund	10,476	10,476	0	-
3400 Other Funds Ltd	42,793	42,793	0	-
All Funds	53,269	53,269	0	-
TOTAL OTHER PAYROLL EXPENSES				
8000 General Fund	11,892,465	11,892,465	0	-
3400 Other Funds Ltd	1,276,738	1,276,738	0	-
TOTAL OTHER PAYROLL EXPENSES	**$13,169,203**	**$13,169,203**	**0**	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(273,011)	(273,011)	0	-
3400 Other Funds Ltd	(52,417)	(52,417)	0	-
All Funds	(325,428)	(325,428)	0	-
TOTAL PERSONAL SERVICES				
8000 General Fund	30,279,292	30,279,292	0	-
3400 Other Funds Ltd	3,319,574	3,319,574	0	-
TOTAL PERSONAL SERVICES	**$33,598,866**	**$33,598,866**	**0**	-
SERVICES & SUPPLIES				
4100 Instate Travel				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	40,147	40,147	0	-
3400 Other Funds Ltd	7,388	7,388	0	-
All Funds	47,535	47,535	0	-
4125 Out of State Travel				
8000 General Fund	4,872	4,872	0	-
3400 Other Funds Ltd	1,158	1,158	0	-
All Funds	6,030	6,030	0	-
4150 Employee Training				
8000 General Fund	265,978	265,978	0	-
3400 Other Funds Ltd	28,292	28,292	0	-
All Funds	294,270	294,270	0	-
4175 Office Expenses				
8000 General Fund	942,203	942,203	0	-
3400 Other Funds Ltd	306,791	306,791	0	-
All Funds	1,248,994	1,248,994	0	-
4200 Telecommunications				
8000 General Fund	220,756	220,756	0	-
3400 Other Funds Ltd	48,889	48,889	0	-
All Funds	269,645	269,645	0	-
4225 State Gov. Service Charges				
8000 General Fund	5,198,404	5,198,404	0	-
3400 Other Funds Ltd	1,093,345	1,093,345	0	-
All Funds	6,291,749	6,291,749	0	-
4250 Data Processing				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	1,125,943	1,125,943	0	-
3400 Other Funds Ltd	233,667	233,667	0	-
All Funds	1,359,610	1,359,610	0	-
4275 Publicity and Publications				
8000 General Fund	771	771	0	-
3400 Other Funds Ltd	133	133	0	-
All Funds	904	904	0	-
4300 Professional Services				
8000 General Fund	510,642	510,642	0	-
3400 Other Funds Ltd	69,791	69,791	0	-
All Funds	580,433	580,433	0	-
4315 IT Professional Services				
8000 General Fund	85,963	85,963	0	-
3400 Other Funds Ltd	13,738	13,738	0	-
All Funds	99,701	99,701	0	-
4375 Employee Recruitment and Develop				
8000 General Fund	23,136	23,136	0	-
3400 Other Funds Ltd	3,421	3,421	0	-
All Funds	26,557	26,557	0	-
4400 Dues and Subscriptions				
8000 General Fund	7,806	7,806	0	-
3400 Other Funds Ltd	1,839	1,839	0	-
All Funds	9,645	9,645	0	-
4425 Facilities Rental and Taxes				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	4,122,318	4,122,318	0	-
3400 Other Funds Ltd	1,648,330	1,648,330	0	-
All Funds	5,770,648	5,770,648	0	-
4450 Fuels and Utilities				
8000 General Fund	1,360	1,360	0	-
3400 Other Funds Ltd	186	186	0	-
All Funds	1,546	1,546	0	-
4475 Facilities Maintenance				
8000 General Fund	103,314	103,314	0	-
3400 Other Funds Ltd	33,539	33,539	0	-
All Funds	136,853	136,853	0	-
4650 Other Services and Supplies				
8000 General Fund	315,117	315,117	0	-
3400 Other Funds Ltd	66,567	66,567	0	-
All Funds	381,684	381,684	0	-
4700 Expendable Prop 250 - 5000				
8000 General Fund	113,930	113,930	0	-
3400 Other Funds Ltd	8,927	8,927	0	-
All Funds	122,857	122,857	0	-
4715 IT Expendable Property				
8000 General Fund	1,033,712	1,033,712	0	-
3400 Other Funds Ltd	266,113	266,113	0	-
All Funds	1,299,825	1,299,825	0	-
TOTAL SERVICES & SUPPLIES				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	14,116,372	14,116,372	0	-
3400 Other Funds Ltd	3,832,114	3,832,114	0	-
TOTAL SERVICES & SUPPLIES	**$17,948,486**	**$17,948,486**	**0**	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
8000 General Fund	34,068	34,068	0	-
3400 Other Funds Ltd	5,691	5,691	0	-
All Funds	39,759	39,759	0	-
5150 Telecommunications Equipment				
8000 General Fund	26,762	26,762	0	-
3400 Other Funds Ltd	2,336	2,336	0	-
All Funds	29,098	29,098	0	-
5550 Data Processing Software				
8000 General Fund	86,142	86,142	0	-
3400 Other Funds Ltd	4,927	4,927	0	-
All Funds	91,069	91,069	0	-
5600 Data Processing Hardware				
8000 General Fund	24,006	24,006	0	-
3400 Other Funds Ltd	82,622	82,622	0	-
All Funds	106,628	106,628	0	-
TOTAL CAPITAL OUTLAY				
8000 General Fund	170,978	170,978	0	-
3400 Other Funds Ltd	95,576	95,576	0	-
TOTAL CAPITAL OUTLAY	**$266,554**	**$266,554**	**0**	-

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2015-17 Biennium
Administrative Services Division

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES				
8000 General Fund	44,566,642	44,566,642	0	-
3400 Other Funds Ltd	7,247,264	7,247,264	0	-
TOTAL EXPENDITURES	**$51,813,906**	**$51,813,906**	**0**	-
ENDING BALANCE				
3400 Other Funds Ltd	212,199	212,199	0	-
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	245	245	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	205.66	205.66	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	2,275,461	2,275,461	0	-
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	12,677,163	12,677,163	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	11,288,530	11,288,530	0	-
TOTAL REVENUES				
8000 General Fund	12,677,163	12,677,163	0	-
3400 Other Funds Ltd	11,288,530	11,288,530	0	-
TOTAL REVENUES	**$23,965,693**	**$23,965,693**	**0**	**-**
AVAILABLE REVENUES				
8000 General Fund	12,677,163	12,677,163	0	-
3400 Other Funds Ltd	13,563,991	13,563,991	0	-
TOTAL AVAILABLE REVENUES	**$26,241,154**	**$26,241,154**	**0**	**-**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
8000 General Fund	7,522,488	7,522,488	0	-
3400 Other Funds Ltd	4,527,371	4,527,371	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	12,049,859	12,049,859	0	-
3160 Temporary Appointments				
8000 General Fund	18,740	18,740	0	-
3170 Overtime Payments				
8000 General Fund	10,324	10,324	0	-
3180 Shift Differential				
8000 General Fund	1,412	1,412	0	-
3190 All Other Differential				
8000 General Fund	30,731	30,731	0	-
TOTAL SALARIES & WAGES				
8000 General Fund	7,583,695	7,583,695	0	-
3400 Other Funds Ltd	4,527,371	4,527,371	0	-
TOTAL SALARIES & WAGES	**$12,111,066**	**$12,111,066**	**0**	**-**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	2,506	2,506	0	-
3400 Other Funds Ltd	1,599	1,599	0	-
All Funds	4,105	4,105	0	-
3220 Public Employees' Retire Cont				
8000 General Fund	1,194,508	1,194,508	0	-
3400 Other Funds Ltd	714,870	714,870	0	-
All Funds	1,909,378	1,909,378	0	-
3221 Pension Obligation Bond				
8000 General Fund	511,232	511,232	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	277,623	277,623	0	-
All Funds	788,855	788,855	0	-
3230 Social Security Taxes				
8000 General Fund	580,149	580,149	0	-
3400 Other Funds Ltd	346,343	346,343	0	-
All Funds	926,492	926,492	0	-
3240 Unemployment Assessments				
8000 General Fund	17,052	17,052	0	-
3400 Other Funds Ltd	1,232	1,232	0	-
All Funds	18,284	18,284	0	-
3250 Worker's Comp. Assess. (WCD)				
8000 General Fund	3,928	3,928	0	-
3400 Other Funds Ltd	2,509	2,509	0	-
All Funds	6,437	6,437	0	-
3260 Mass Transit Tax				
8000 General Fund	49,126	49,126	0	-
3400 Other Funds Ltd	26,916	26,916	0	-
All Funds	76,042	76,042	0	-
3270 Flexible Benefits				
8000 General Fund	1,737,598	1,737,598	0	-
3400 Other Funds Ltd	1,110,410	1,110,410	0	-
All Funds	2,848,008	2,848,008	0	-
3280 Other OPE				
8000 General Fund	1,878	1,878	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	30	30	0	-
All Funds	1,908	1,908	0	-
TOTAL OTHER PAYROLL EXPENSES				
8000 General Fund	4,097,977	4,097,977	0	-
3400 Other Funds Ltd	2,481,532	2,481,532	0	-
TOTAL OTHER PAYROLL EXPENSES	**$6,579,509**	**$6,579,509**	**0**	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(75,836)	(75,836)	0	-
3400 Other Funds Ltd	(14,560)	(14,560)	0	-
All Funds	(90,396)	(90,396)	0	-
TOTAL PERSONAL SERVICES				
8000 General Fund	11,605,836	11,605,836	0	-
3400 Other Funds Ltd	6,994,343	6,994,343	0	-
TOTAL PERSONAL SERVICES	**$18,600,179**	**$18,600,179**	**0**	-
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	148,858	148,858	0	-
3400 Other Funds Ltd	19,646	19,646	0	-
All Funds	168,504	168,504	0	-
4125 Out of State Travel				
8000 General Fund	13,559	13,559	0	-
3400 Other Funds Ltd	2,821	2,821	0	-
All Funds	16,380	16,380	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4150 Employee Training				
8000 General Fund	158,347	158,347	0	-
3400 Other Funds Ltd	79,319	79,319	0	-
All Funds	237,666	237,666	0	-
4175 Office Expenses				
8000 General Fund	88,636	88,636	0	-
3400 Other Funds Ltd	419,111	419,111	0	-
All Funds	507,747	507,747	0	-
4200 Telecommunications				
8000 General Fund	109,969	109,969	0	-
3400 Other Funds Ltd	9,965	9,965	0	-
All Funds	119,934	119,934	0	-
4250 Data Processing				
8000 General Fund	120,326	120,326	0	-
3400 Other Funds Ltd	21,817	21,817	0	-
All Funds	142,143	142,143	0	-
4275 Publicity and Publications				
8000 General Fund	35,889	35,889	0	-
3400 Other Funds Ltd	572	572	0	-
All Funds	36,461	36,461	0	-
4300 Professional Services				
8000 General Fund	286,314	286,314	0	-
3400 Other Funds Ltd	1,600,074	1,600,074	0	-
All Funds	1,886,388	1,886,388	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4375 Employee Recruitment and Develop				
8000 General Fund	22,715	22,715	0	-
3400 Other Funds Ltd	911	911	0	-
All Funds	23,626	23,626	0	-
4400 Dues and Subscriptions				
8000 General Fund	36,382	36,382	0	-
3400 Other Funds Ltd	417	417	0	-
All Funds	36,799	36,799	0	-
4425 Facilities Rental and Taxes				
8000 General Fund	3,651	3,651	0	-
3400 Other Funds Ltd	44,058	44,058	0	-
All Funds	47,709	47,709	0	-
4475 Facilities Maintenance				
8000 General Fund	9,305	9,305	0	-
4650 Other Services and Supplies				
8000 General Fund	5,060	5,060	0	-
3400 Other Funds Ltd	2,362	2,362	0	-
All Funds	7,422	7,422	0	-
4700 Expendable Prop 250 - 5000				
8000 General Fund	28,654	28,654	0	-
3400 Other Funds Ltd	18,417	18,417	0	-
All Funds	47,071	47,071	0	-
TOTAL SERVICES & SUPPLIES				
8000 General Fund	1,067,665	1,067,665	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	2,219,490	2,219,490	0	-
TOTAL SERVICES & SUPPLIES	**$3,287,155**	**$3,287,155**	**0**	**-**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	11,113	11,113	0	-
5150 Telecommunications Equipment				
8000 General Fund	3,662	3,662	0	-
3400 Other Funds Ltd	3,297	3,297	0	-
All Funds	6,959	6,959	0	-
TOTAL CAPITAL OUTLAY				
8000 General Fund	3,662	3,662	0	-
3400 Other Funds Ltd	14,410	14,410	0	-
TOTAL CAPITAL OUTLAY	**$18,072**	**$18,072**	**0**	**-**
TOTAL EXPENDITURES				
8000 General Fund	12,677,163	12,677,163	0	-
3400 Other Funds Ltd	9,228,243	9,228,243	0	-
TOTAL EXPENDITURES	**$21,905,406**	**$21,905,406**	**0**	**-**
ENDING BALANCE				
3400 Other Funds Ltd	4,335,748	4,335,748	0	-
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	95	95	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	93.26	93.26	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	67,185,957	67,185,957	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	1,518,379	1,518,379	0	-
TOTAL REVENUES				
8000 General Fund	67,185,957	67,185,957	0	-
3400 Other Funds Ltd	1,518,379	1,518,379	0	-
TOTAL REVENUES	**$68,704,336**	**$68,704,336**	**0**	-
AVAILABLE REVENUES				
8000 General Fund	67,185,957	67,185,957	0	-
3400 Other Funds Ltd	1,518,379	1,518,379	0	-
TOTAL AVAILABLE REVENUES	**$68,704,336**	**$68,704,336**	**0**	-
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
8000 General Fund	37,940,435	37,940,435	0	-
3400 Other Funds Ltd	735,278	735,278	0	-
All Funds	38,675,713	38,675,713	0	-
3160 Temporary Appointments				
8000 General Fund	13,195	13,195	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	75,345	75,345	0	-
All Funds	88,540	88,540	0	-
3170 Overtime Payments				
8000 General Fund	3,445	3,445	0	-
3190 All Other Differential				
8000 General Fund	3,495	3,495	0	-
TOTAL SALARIES & WAGES				
8000 General Fund	37,960,570	37,960,570	0	-
3400 Other Funds Ltd	810,623	810,623	0	-
TOTAL SALARIES & WAGES	**$38,771,193**	**$38,771,193**	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	18,411	18,411	0	-
3400 Other Funds Ltd	402	402	0	-
All Funds	18,813	18,813	0	-
3220 Public Employees' Retire Cont				
8000 General Fund	5,991,902	5,991,902	0	-
3400 Other Funds Ltd	116,075	116,075	0	-
All Funds	6,107,977	6,107,977	0	-
3221 Pension Obligation Bond				
8000 General Fund	2,221,207	2,221,207	0	-
3400 Other Funds Ltd	43,070	43,070	0	-
All Funds	2,264,277	2,264,277	0	-
3230 Social Security Taxes				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	2,904,037	2,904,037	0	-
3400 Other Funds Ltd	62,009	62,009	0	-
All Funds	2,966,046	2,966,046	0	-
3240 Unemployment Assessments				
8000 General Fund	42,782	42,782	0	-
3250 Worker's Comp. Assess. (WCD)				
8000 General Fund	29,087	29,087	0	-
3400 Other Funds Ltd	415	415	0	-
All Funds	29,502	29,502	0	-
3260 Mass Transit Tax				
8000 General Fund	211,752	211,752	0	-
3400 Other Funds Ltd	4,596	4,596	0	-
All Funds	216,348	216,348	0	-
3270 Flexible Benefits				
8000 General Fund	12,709,942	12,709,942	0	-
3400 Other Funds Ltd	245,378	245,378	0	-
All Funds	12,955,320	12,955,320	0	-
3280 Other OPE				
8000 General Fund	1,510	1,510	0	-
3400 Other Funds Ltd	1,808	1,808	0	-
All Funds	3,318	3,318	0	-
TOTAL OTHER PAYROLL EXPENSES				
8000 General Fund	24,130,630	24,130,630	0	-
3400 Other Funds Ltd	473,753	473,753	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL OTHER PAYROLL EXPENSES	**$24,604,383**	**$24,604,383**	**0**	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(394,350)	(394,350)	0	-
3400 Other Funds Ltd	(75,713)	(75,713)	0	-
All Funds	(470,063)	(470,063)	0	-
TOTAL PERSONAL SERVICES				
8000 General Fund	61,696,850	61,696,850	0	-
3400 Other Funds Ltd	1,208,663	1,208,663	0	-
TOTAL PERSONAL SERVICES	**$62,905,513**	**$62,905,513**	**0**	-
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	292,682	292,682	0	-
3400 Other Funds Ltd	3,939	3,939	0	-
All Funds	296,621	296,621	0	-
4125 Out of State Travel				
8000 General Fund	58,210	58,210	0	-
4150 Employee Training				
8000 General Fund	460,018	460,018	0	-
3400 Other Funds Ltd	3,688	3,688	0	-
All Funds	463,706	463,706	0	-
4175 Office Expenses				
8000 General Fund	535,567	535,567	0	-
3400 Other Funds Ltd	84,047	84,047	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	619,614	619,614	0	-
4200 Telecommunications				
8000 General Fund	945,873	945,873	0	-
3400 Other Funds Ltd	44,577	44,577	0	-
All Funds	990,450	990,450	0	-
4250 Data Processing				
8000 General Fund	214,028	214,028	0	-
3400 Other Funds Ltd	4,160	4,160	0	-
All Funds	218,188	218,188	0	-
4275 Publicity and Publications				
8000 General Fund	74,352	74,352	0	-
3400 Other Funds Ltd	8	8	0	-
All Funds	74,360	74,360	0	-
4300 Professional Services				
8000 General Fund	481,820	481,820	0	-
3400 Other Funds Ltd	8,265	8,265	0	-
All Funds	490,085	490,085	0	-
4375 Employee Recruitment and Develop				
8000 General Fund	80,656	80,656	0	-
3400 Other Funds Ltd	302	302	0	-
All Funds	80,958	80,958	0	-
4400 Dues and Subscriptions				
8000 General Fund	33,871	33,871	0	-
4425 Facilities Rental and Taxes				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	1,618,044	1,618,044	0	-
3400 Other Funds Ltd	115,619	115,619	0	-
All Funds	1,733,663	1,733,663	0	-
4450 Fuels and Utilities				
8000 General Fund	4,530	4,530	0	-
4475 Facilities Maintenance				
8000 General Fund	28,165	28,165	0	-
4575 Agency Program Related S and S				
8000 General Fund	121,601	121,601	0	-
3400 Other Funds Ltd	35,782	35,782	0	-
All Funds	157,383	157,383	0	-
4650 Other Services and Supplies				
8000 General Fund	52,890	52,890	0	-
3400 Other Funds Ltd	139	139	0	-
All Funds	53,029	53,029	0	-
4700 Expendable Prop 250 - 5000				
8000 General Fund	85,216	85,216	0	-
3400 Other Funds Ltd	2,489	2,489	0	-
All Funds	87,705	87,705	0	-
TOTAL SERVICES & SUPPLIES				
8000 General Fund	5,087,523	5,087,523	0	-
3400 Other Funds Ltd	303,015	303,015	0	-
TOTAL SERVICES & SUPPLIES	**$5,390,538**	**$5,390,538**	**0**	**-**
CAPITAL OUTLAY				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
5100 Office Furniture and Fixtures				
8000 General Fund	223,519	223,519	0	-
3400 Other Funds Ltd	5,838	5,838	0	-
All Funds	229,357	229,357	0	-
5150 Telecommunications Equipment				
8000 General Fund	172,508	172,508	0	-
3400 Other Funds Ltd	863	863	0	-
All Funds	173,371	173,371	0	-
5600 Data Processing Hardware				
8000 General Fund	5,557	5,557	0	-
TOTAL CAPITAL OUTLAY				
8000 General Fund	401,584	401,584	0	-
3400 Other Funds Ltd	6,701	6,701	0	-
TOTAL CAPITAL OUTLAY	**$408,285**	**$408,285**	**0**	**-**
TOTAL EXPENDITURES				
8000 General Fund	67,185,957	67,185,957	0	-
3400 Other Funds Ltd	1,518,379	1,518,379	0	-
TOTAL EXPENDITURES	**$68,704,336**	**$68,704,336**	**0**	**-**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	430	430	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	422.81	422.81	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3400 Other Funds Ltd	219,715	219,715	0	-
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	20,336,052	20,336,052	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	14,722,832	14,722,832	0	-
OTHER				
0975 Other Revenues				
3400 Other Funds Ltd	134,245	134,245	0	-
TOTAL REVENUES				
8000 General Fund	20,336,052	20,336,052	0	-
3400 Other Funds Ltd	14,857,077	14,857,077	0	-
TOTAL REVENUES	**$35,193,129**	**$35,193,129**	**0**	-
AVAILABLE REVENUES				
8000 General Fund	20,336,052	20,336,052	0	-
3400 Other Funds Ltd	15,076,792	15,076,792	0	-
TOTAL AVAILABLE REVENUES	**$35,412,844**	**$35,412,844**	**0**	-
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3110 Class/Unclass Sal. and Per Diem				
8000 General Fund	11,896,920	11,896,920	0	-
3400 Other Funds Ltd	8,019,253	8,019,253	0	-
All Funds	19,916,173	19,916,173	0	-
3160 Temporary Appointments				
3400 Other Funds Ltd	31,102	31,102	0	-
3170 Overtime Payments				
8000 General Fund	42,192	42,192	0	-
3180 Shift Differential				
8000 General Fund	2,640	2,640	0	-
3190 All Other Differential				
8000 General Fund	17,956	17,956	0	-
TOTAL SALARIES & WAGES				
8000 General Fund	11,959,708	11,959,708	0	-
3400 Other Funds Ltd	8,050,355	8,050,355	0	-
TOTAL SALARIES & WAGES	**$20,010,063**	**$20,010,063**	0	-
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	4,966	4,966	0	-
3400 Other Funds Ltd	4,362	4,362	0	-
All Funds	9,328	9,328	0	-
3220 Public Employees' Retire Cont				
8000 General Fund	1,888,450	1,888,450	0	-
3400 Other Funds Ltd	1,266,247	1,266,247	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	3,154,697	3,154,697	0	-
3221 Pension Obligation Bond				
8000 General Fund	732,394	732,394	0	-
3400 Other Funds Ltd	488,675	488,675	0	-
All Funds	1,221,069	1,221,069	0	-
3230 Social Security Taxes				
8000 General Fund	914,925	914,925	0	-
3400 Other Funds Ltd	615,862	615,862	0	-
All Funds	1,530,787	1,530,787	0	-
3240 Unemployment Assessments				
8000 General Fund	22,627	22,627	0	-
3400 Other Funds Ltd	10,060	10,060	0	-
All Funds	32,687	32,687	0	-
3250 Worker's Comp. Assess. (WCD)				
8000 General Fund	7,813	7,813	0	-
3400 Other Funds Ltd	6,815	6,815	0	-
All Funds	14,628	14,628	0	-
3260 Mass Transit Tax				
8000 General Fund	70,943	70,943	0	-
3400 Other Funds Ltd	47,551	47,551	0	-
All Funds	118,494	118,494	0	-
3270 Flexible Benefits				
8000 General Fund	3,417,620	3,417,620	0	-
3400 Other Funds Ltd	3,023,788	3,023,788	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	6,441,408	6,441,408	0	-
3280 Other OPE				
8000 General Fund	1,930	1,930	0	-
3400 Other Funds Ltd	985	985	0	-
All Funds	2,915	2,915	0	-
TOTAL OTHER PAYROLL EXPENSES				
8000 General Fund	7,061,668	7,061,668	0	-
3400 Other Funds Ltd	5,464,345	5,464,345	0	-
TOTAL OTHER PAYROLL EXPENSES	**$12,526,013**	**$12,526,013**	0	-
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(75,836)	(75,836)	0	-
3400 Other Funds Ltd	(14,560)	(14,560)	0	-
All Funds	(90,396)	(90,396)	0	-
TOTAL PERSONAL SERVICES				
8000 General Fund	18,945,540	18,945,540	0	-
3400 Other Funds Ltd	13,500,140	13,500,140	0	-
TOTAL PERSONAL SERVICES	**$32,445,680**	**$32,445,680**	0	-
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	179,755	179,755	0	-
3400 Other Funds Ltd	53,412	53,412	0	-
All Funds	233,167	233,167	0	-
4125 Out of State Travel				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	382,410	382,410	0	-
3400 Other Funds Ltd	2,480	2,480	0	-
All Funds	384,890	384,890	0	-
4150 Employee Training				
8000 General Fund	107,886	107,886	0	-
3400 Other Funds Ltd	50,247	50,247	0	-
All Funds	158,133	158,133	0	-
4175 Office Expenses				
8000 General Fund	150,849	150,849	0	-
3400 Other Funds Ltd	484,719	484,719	0	-
All Funds	635,568	635,568	0	-
4200 Telecommunications				
8000 General Fund	225,974	225,974	0	-
3400 Other Funds Ltd	273,848	273,848	0	-
All Funds	499,822	499,822	0	-
4250 Data Processing				
8000 General Fund	13,882	13,882	0	-
3400 Other Funds Ltd	49,884	49,884	0	-
All Funds	63,766	63,766	0	-
4275 Publicity and Publications				
8000 General Fund	13,046	13,046	0	-
4300 Professional Services				
8000 General Fund	204,307	204,307	0	-
4375 Employee Recruitment and Develop				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	10,058	10,058	0	-
3400 Other Funds Ltd	1,326	1,326	0	-
All Funds	11,384	11,384	0	-
4400 Dues and Subscriptions				
8000 General Fund	7,273	7,273	0	-
3400 Other Funds Ltd	940	940	0	-
All Funds	8,213	8,213	0	-
4425 Facilities Rental and Taxes				
8000 General Fund	6,615	6,615	0	-
3400 Other Funds Ltd	1,753	1,753	0	-
All Funds	8,368	8,368	0	-
4450 Fuels and Utilities				
3400 Other Funds Ltd	22,057	22,057	0	-
4475 Facilities Maintenance				
8000 General Fund	5,270	5,270	0	-
3400 Other Funds Ltd	9,083	9,083	0	-
All Funds	14,353	14,353	0	-
4650 Other Services and Supplies				
3400 Other Funds Ltd	258,706	258,706	0	-
4700 Expendable Prop 250 - 5000				
8000 General Fund	47,022	47,022	0	-
3400 Other Funds Ltd	14,114	14,114	0	-
All Funds	61,136	61,136	0	-
TOTAL SERVICES & SUPPLIES				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	1,354,347	1,354,347	0	-
3400 Other Funds Ltd	1,222,569	1,222,569	0	-
TOTAL SERVICES & SUPPLIES	**$2,576,916**	**$2,576,916**	**0**	-
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
8000 General Fund	23,005	23,005	0	-
3400 Other Funds Ltd	106,350	106,350	0	-
All Funds	129,355	129,355	0	-
5150 Telecommunications Equipment				
8000 General Fund	13,160	13,160	0	-
3400 Other Funds Ltd	1,883	1,883	0	-
All Funds	15,043	15,043	0	-
TOTAL CAPITAL OUTLAY				
8000 General Fund	36,165	36,165	0	-
3400 Other Funds Ltd	108,233	108,233	0	-
TOTAL CAPITAL OUTLAY	**$144,398**	**$144,398**	**0**	-
TOTAL EXPENDITURES				
8000 General Fund	20,336,052	20,336,052	0	-
3400 Other Funds Ltd	14,830,942	14,830,942	0	-
TOTAL EXPENDITURES	**$35,166,994**	**$35,166,994**	**0**	-
ENDING BALANCE				
3400 Other Funds Ltd	245,850	245,850	0	-
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	212	212	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	207.41	207.41	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	276,646	276,646	0	-
AVAILABLE REVENUES				
3400 Other Funds Ltd	276,646	276,646	0	-
EXPENDITURES				
SPECIAL PAYMENTS				
6030 Dist to Non-Gov Units				
3400 Other Funds Ltd	276,646	276,646	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	5,672,000	5,672,000	0	-
AVAILABLE REVENUES				
8000 General Fund	5,672,000	5,672,000	0	-
EXPENDITURES				
SPECIAL PAYMENTS				
6060 Intra-Agency Gen Fund Transfer				
8000 General Fund	5,672,000	5,672,000	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
BEGINNING BALANCE				
0025 Beginning Balance				
3200 Other Funds Non-Ltd	18,629,256	18,629,256	0	-
REVENUE CATEGORIES				
LOAN REPAYMENT				
0950 Sr Citizen Prop Tax Repayments				
3200 Other Funds Non-Ltd	38,497,653	38,497,653	0	-
TRANSFERS OUT				
2080 Transfer to Counties				
3200 Other Funds Non-Ltd	(33,807,326)	(33,807,326)	0	-
AVAILABLE REVENUES				
3200 Other Funds Non-Ltd	23,319,583	23,319,583	0	-
ENDING BALANCE				
3200 Other Funds Non-Ltd	23,319,583	23,319,583	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	3,137,432	3,137,432	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	26,528,818	26,528,818	0	-
TOTAL REVENUES				
8000 General Fund	3,137,432	3,137,432	0	-
3400 Other Funds Ltd	26,528,818	26,528,818	0	-
TOTAL REVENUES	**$29,666,250**	**$29,666,250**	**0**	-
AVAILABLE REVENUES				
8000 General Fund	3,137,432	3,137,432	0	-
3400 Other Funds Ltd	26,528,818	26,528,818	0	-
TOTAL AVAILABLE REVENUES	**$29,666,250**	**$29,666,250**	**0**	-
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	3,667,512	3,667,512	0	-
3170 Overtime Payments				
3400 Other Funds Ltd	59,722	59,722	0	-
TOTAL SALARIES & WAGES				
3400 Other Funds Ltd	3,727,234	3,727,234	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	1,364	1,364	0	-
3220 Public Employees' Retire Cont				
3400 Other Funds Ltd	588,531	588,531	0	-
3230 Social Security Taxes				
3400 Other Funds Ltd	285,129	285,129	0	-
3250 Worker's Comp. Assess. (WCD)				
3400 Other Funds Ltd	2,139	2,139	0	-
3270 Flexible Benefits				
3400 Other Funds Ltd	946,368	946,368	0	-
TOTAL OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	1,823,531	1,823,531	0	-
TOTAL PERSONAL SERVICES				
3400 Other Funds Ltd	5,550,765	5,550,765	0	-
SERVICES & SUPPLIES				
4175 Office Expenses				
3400 Other Funds Ltd	70,200	70,200	0	-
4200 Telecommunications				
3400 Other Funds Ltd	35,100	35,100	0	-
4250 Data Processing				
8000 General Fund	1,125,000	1,125,000	0	-
4300 Professional Services				
3400 Other Funds Ltd	1,220,267	1,220,267	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	686,469	686,469	0	-
4650 Other Services and Supplies				
8000 General Fund	2,012,432	2,012,432	0	-
3400 Other Funds Ltd	16,811,782	16,811,782	0	-
All Funds	18,824,214	18,824,214	0	-
TOTAL SERVICES & SUPPLIES				
8000 General Fund	3,137,432	3,137,432	0	-
3400 Other Funds Ltd	18,823,818	18,823,818	0	-
TOTAL SERVICES & SUPPLIES	**$21,961,250**	**$21,961,250**	**0**	-
CAPITAL OUTLAY				
5550 Data Processing Software				
3400 Other Funds Ltd	852,500	852,500	0	-
5600 Data Processing Hardware				
3400 Other Funds Ltd	852,500	852,500	0	-
TOTAL CAPITAL OUTLAY				
3400 Other Funds Ltd	1,705,000	1,705,000	0	-
TOTAL EXPENDITURES				
8000 General Fund	3,137,432	3,137,432	0	-
3400 Other Funds Ltd	26,079,583	26,079,583	0	-
TOTAL EXPENDITURES	**$29,217,015**	**$29,217,015**	**0**	-
ENDING BALANCE				
3400 Other Funds Ltd	449,235	449,235	0	-
AUTHORIZED POSITIONS				

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8150 Class/Unclass Positions	32	32	0	-
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	32.00	32.00	0	-

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8030 General Fund Debt Svc	9,071,030	9,071,030	0	-
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	521,182	521,182	0	-
TOTAL REVENUES				
8030 General Fund Debt Svc	9,071,030	9,071,030	0	-
3400 Other Funds Ltd	521,182	521,182	0	-
TOTAL REVENUES	**$9,592,212**	**$9,592,212**	**0**	-
AVAILABLE REVENUES				
8030 General Fund Debt Svc	9,071,030	9,071,030	0	-
3400 Other Funds Ltd	521,182	521,182	0	-
TOTAL AVAILABLE REVENUES	**$9,592,212**	**$9,592,212**	**0**	-
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
8030 General Fund Debt Svc	9,071,030	-	(9,071,030)	-100.00%
3400 Other Funds Ltd	521,182	521,182	0	-
All Funds	9,592,212	521,182	(9,071,030)	-94.57%
DEBT SERVICE				
7100 Principal - Bonds				
8030 General Fund Debt Svc	-	7,335,000	7,335,000	100.00%

Description	Agency Request Budget (V-01) 2015-17 Base Budget	Governor's Budget (Y-01) 2015-17 Base Budget	Column 2 minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
7150 Interest - Bonds				
8030 General Fund Debt Svc	-	1,736,030	1,736,030	100.00%
TOTAL DEBT SERVICE				
8030 General Fund Debt Svc	-	9,071,030	9,071,030	100.00%
TOTAL EXPENDITURES				
8030 General Fund Debt Svc	9,071,030	9,071,030	0	-
3400 Other Funds Ltd	521,182	521,182	0	-
TOTAL EXPENDITURES	**$9,592,212**	**$9,592,212**	**0**	**-**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	4,748	4,748	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	4,748	4,748	0	0.00%
TOTAL REVENUE CATEGORIES	**$4,748**	**$4,748**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	4,748	4,748	0	0.00%
TOTAL AVAILABLE REVENUES	**$4,748**	**$4,748**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3170 Overtime Payments				
8000 General Fund	71	71	0	0.00%
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
8000 General Fund	11	11	0	0.00%
3221 Pension Obligation Bond				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	4,030	4,030	0	0.00%
3400 Other Funds Ltd	42	42	0	0.00%
All Funds	4,072	4,072	0	0.00%
3230 Social Security Taxes				
8000 General Fund	5	5	0	0.00%
3260 Mass Transit Tax				
8000 General Fund	986	986	0	0.00%
3400 Other Funds Ltd	46	46	0	0.00%
All Funds	1,032	1,032	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	5,032	5,032	0	0.00%
3400 Other Funds Ltd	88	88	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$5,120**	**$5,120**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(355)	(355)	0	0.00%
3400 Other Funds Ltd	(2,728)	(2,728)	0	0.00%
All Funds	(3,083)	(3,083)	0	0.00%
PERSONAL SERVICES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	4,748	4,748	0	0.00%
3400 Other Funds Ltd	(2,640)	(2,640)	0	0.00%
TOTAL PERSONAL SERVICES	**$2,108**	**$2,108**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	4,748	4,748	0	0.00%
3400 Other Funds Ltd	(2,640)	(2,640)	0	0.00%
TOTAL EXPENDITURES	**$2,108**	**$2,108**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	2,640	2,640	0	0.00%
TOTAL ENDING BALANCE	**$2,640**	**$2,640**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	101,961	101,961	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	19,233	19,233	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	101,961	101,961	0	0.00%
3400 Other Funds Ltd	19,233	19,233	0	0.00%
TOTAL REVENUE CATEGORIES	**$121,194**	**$121,194**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	101,961	101,961	0	0.00%
3400 Other Funds Ltd	19,233	19,233	0	0.00%
TOTAL AVAILABLE REVENUES	**$121,194**	**$121,194**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	499	499	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	96	96	0	0.00%
All Funds	595	595	0	0.00%
4125 Out of State Travel				
8000 General Fund	66	66	0	0.00%
4150 Employee Training				
8000 General Fund	1,760	1,760	0	0.00%
3400 Other Funds Ltd	321	321	0	0.00%
All Funds	2,081	2,081	0	0.00%
4175 Office Expenses				
8000 General Fund	3,718	3,718	0	0.00%
3400 Other Funds Ltd	731	731	0	0.00%
All Funds	4,449	4,449	0	0.00%
4200 Telecommunications				
8000 General Fund	758	758	0	0.00%
3400 Other Funds Ltd	37	37	0	0.00%
All Funds	795	795	0	0.00%
4225 State Gov. Service Charges				
8000 General Fund	87,258	87,258	0	0.00%
3400 Other Funds Ltd	19,939	19,939	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	107,197	107,197	0	0.00%
4250 Data Processing				
8000 General Fund	15	15	0	0.00%
4300 Professional Services				
8000 General Fund	4,111	4,111	0	0.00%
3400 Other Funds Ltd	281	281	0	0.00%
All Funds	4,392	4,392	0	0.00%
4375 Employee Recruitment and Develop				
8000 General Fund	142	142	0	0.00%
4400 Dues and Subscriptions				
8000 General Fund	587	587	0	0.00%
4425 Facilities Rental and Taxes				
8000 General Fund	39	39	0	0.00%
3400 Other Funds Ltd	8	8	0	0.00%
All Funds	47	47	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	1,554	1,554	0	0.00%
3400 Other Funds Ltd	277	277	0	0.00%
All Funds	1,831	1,831	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4700 Expendable Prop 250 - 5000				
8000 General Fund	1,454	1,454	0	0.00%
3400 Other Funds Ltd	183	183	0	0.00%
All Funds	1,637	1,637	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	101,961	101,961	0	0.00%
3400 Other Funds Ltd	21,873	21,873	0	0.00%
TOTAL SERVICES & SUPPLIES	**$123,834**	**$123,834**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	101,961	101,961	0	0.00%
3400 Other Funds Ltd	21,873	21,873	0	0.00%
TOTAL EXPENDITURES	**$123,834**	**$123,834**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(2,640)	(2,640)	0	0.00%
TOTAL ENDING BALANCE	**($2,640)**	**($2,640)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	411	411	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	28	28	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	411	411	0	0.00%
3400 Other Funds Ltd	28	28	0	0.00%
TOTAL REVENUE CATEGORIES	**$439**	**$439**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	411	411	0	0.00%
3400 Other Funds Ltd	28	28	0	0.00%
TOTAL AVAILABLE REVENUES	**$439**	**$439**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
8000 General Fund	411	411	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	28	28	0	0.00%
All Funds	439	439	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	411	411	0	0.00%
3400 Other Funds Ltd	28	28	0	0.00%
TOTAL SERVICES & SUPPLIES	**$439**	**$439**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	411	411	0	0.00%
3400 Other Funds Ltd	28	28	0	0.00%
TOTAL EXPENDITURES	**$439**	**$439**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	11,248	11,248	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	11,248	11,248	0	0.00%
TOTAL REVENUE CATEGORIES	**$11,248**	**$11,248**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	11,248	11,248	0	0.00%
TOTAL AVAILABLE REVENUES	**$11,248**	**$11,248**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
OTHER PAYROLL EXPENSES				
3221 Pension Obligation Bond				
8000 General Fund	(4,108)	(4,108)	0	0.00%
3400 Other Funds Ltd	(1,371)	(1,371)	0	0.00%
All Funds	(5,479)	(5,479)	0	0.00%
3260 Mass Transit Tax				
8000 General Fund	189	189	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(76)	(76)	0	0.00%
All Funds	113	113	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	(3,919)	(3,919)	0	0.00%
3400 Other Funds Ltd	(1,447)	(1,447)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($5,366)**	**($5,366)**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	15,167	15,167	0	0.00%
3400 Other Funds Ltd	2,912	2,912	0	0.00%
All Funds	18,079	18,079	0	0.00%
PERSONAL SERVICES				
8000 General Fund	11,248	11,248	0	0.00%
3400 Other Funds Ltd	1,465	1,465	0	0.00%
TOTAL PERSONAL SERVICES	**$12,713**	**$12,713**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	11,248	11,248	0	0.00%
3400 Other Funds Ltd	1,465	1,465	0	0.00%
TOTAL EXPENDITURES	**$12,713**	**$12,713**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(1,465)	(1,465)	0	0.00%
TOTAL ENDING BALANCE	**($1,465)**	**($1,465)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	1,011,878	751,676	(260,202)	(25.71%)
REVENUE CATEGORIES				
8000 General Fund	1,011,878	751,676	(260,202)	(25.71%)
TOTAL REVENUE CATEGORIES	**$1,011,878**	**$751,676**	**($260,202)**	**(25.71%)**
AVAILABLE REVENUES				
8000 General Fund	1,011,878	751,676	(260,202)	(25.71%)
TOTAL AVAILABLE REVENUES	**$1,011,878**	**$751,676**	**($260,202)**	**(25.71%)**
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	1,182	1,182	0	0.00%
3400 Other Funds Ltd	118	118	0	0.00%
All Funds	1,300	1,300	0	0.00%
4125 Out of State Travel				
8000 General Fund	961	961	0	0.00%
3400 Other Funds Ltd	134	134	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	1,095	1,095	0	0.00%
4150 Employee Training				
8000 General Fund	1,994	1,994	0	0.00%
3400 Other Funds Ltd	278	278	0	0.00%
All Funds	2,272	2,272	0	0.00%
4175 Office Expenses				
8000 General Fund	104,977	104,977	0	0.00%
3400 Other Funds Ltd	27,896	27,896	0	0.00%
All Funds	132,873	132,873	0	0.00%
4200 Telecommunications				
8000 General Fund	1,541	1,541	0	0.00%
3400 Other Funds Ltd	230	230	0	0.00%
All Funds	1,771	1,771	0	0.00%
4250 Data Processing				
8000 General Fund	2,240	2,240	0	0.00%
3400 Other Funds Ltd	205	205	0	0.00%
All Funds	2,445	2,445	0	0.00%
4275 Publicity and Publications				
8000 General Fund	544	544	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4300 Professional Services				
8000 General Fund	1,208	1,208	0	0.00%
3400 Other Funds Ltd	214	214	0	0.00%
All Funds	1,422	1,422	0	0.00%
4325 Attorney General				
8000 General Fund	894,117	633,915	(260,202)	(29.10%)
3400 Other Funds Ltd	82,866	58,750	(24,116)	(29.10%)
All Funds	976,983	692,665	(284,318)	(29.10%)
4375 Employee Recruitment and Develop				
8000 General Fund	166	166	0	0.00%
3400 Other Funds Ltd	5	5	0	0.00%
All Funds	171	171	0	0.00%
4400 Dues and Subscriptions				
8000 General Fund	1,420	1,420	0	0.00%
3400 Other Funds Ltd	76	76	0	0.00%
All Funds	1,496	1,496	0	0.00%
4425 Facilities Rental and Taxes				
8000 General Fund	588	588	0	0.00%
3400 Other Funds Ltd	96	96	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	684	684	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	685	685	0	0.00%
3400 Other Funds Ltd	54,722	54,722	0	0.00%
All Funds	55,407	55,407	0	0.00%
4700 Expendable Prop 250 - 5000				
8000 General Fund	255	255	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	1,011,878	751,676	(260,202)	(25.71%)
3400 Other Funds Ltd	166,840	142,724	(24,116)	(14.45%)
TOTAL SERVICES & SUPPLIES	**$1,178,718**	**$894,400**	**($284,318)**	**(24.12%)**
EXPENDITURES				
8000 General Fund	1,011,878	751,676	(260,202)	(25.71%)
3400 Other Funds Ltd	166,840	142,724	(24,116)	(14.45%)
TOTAL EXPENDITURES	**$1,178,718**	**$894,400**	**($284,318)**	**(24.12%)**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(166,840)	(142,724)	24,116	14.45%
TOTAL ENDING BALANCE	**($166,840)**	**($142,724)**	**$24,116**	**14.45%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	121	121	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	21	21	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	121	121	0	0.00%
3400 Other Funds Ltd	21	21	0	0.00%
TOTAL REVENUE CATEGORIES	**$142**	**$142**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	121	121	0	0.00%
3400 Other Funds Ltd	21	21	0	0.00%
TOTAL AVAILABLE REVENUES	**$142**	**$142**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
8000 General Fund	121	121	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	21	21	0	0.00%
All Funds	142	142	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	121	121	0	0.00%
3400 Other Funds Ltd	21	21	0	0.00%
TOTAL SERVICES & SUPPLIES	**$142**	**$142**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	121	121	0	0.00%
3400 Other Funds Ltd	21	21	0	0.00%
TOTAL EXPENDITURES	**$142**	**$142**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	15,384	15,384	0	0.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	15,384	15,384	0	0.00%
TOTAL REVENUE CATEGORIES	**$15,384**	**$15,384**	**$0**	**0.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	15,384	15,384	0	0.00%
TOTAL AVAILABLE REVENUES	**$15,384**	**$15,384**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4325 Attorney General				
3400 Other Funds Ltd	15,384	15,384	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	15,384	15,384	0	0.00%
TOTAL SERVICES & SUPPLIES	**$15,384**	**$15,384**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	15,384	15,384	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$15,384**	**$15,384**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	(95,792)	(95,792)	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	(95,792)	(95,792)	0	0.00%
TOTAL REVENUE CATEGORIES	**($95,792)**	**($95,792)**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	(95,792)	(95,792)	0	0.00%
TOTAL AVAILABLE REVENUES	**($95,792)**	**($95,792)**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
8000 General Fund	752	752	0	0.00%
3400 Other Funds Ltd	2,116	2,116	0	0.00%
All Funds	2,868	2,868	0	0.00%
3170 Overtime Payments				
8000 General Fund	1,054	1,054	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3180 Shift Differential				
8000 General Fund	768	768	0	0.00%
3190 All Other Differential				
8000 General Fund	5,579	5,579	0	0.00%
3400 Other Funds Ltd	575	575	0	0.00%
All Funds	6,154	6,154	0	0.00%
SALARIES & WAGES				
8000 General Fund	8,153	8,153	0	0.00%
3400 Other Funds Ltd	2,691	2,691	0	0.00%
TOTAL SALARIES & WAGES	**$10,844**	**$10,844**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
8000 General Fund	1,168	1,168	0	0.00%
3400 Other Funds Ltd	91	91	0	0.00%
All Funds	1,259	1,259	0	0.00%
3221 Pension Obligation Bond				
8000 General Fund	(45,290)	(45,290)	0	0.00%
3400 Other Funds Ltd	(4,169)	(4,169)	0	0.00%
All Funds	(49,459)	(49,459)	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3230 Social Security Taxes				
8000 General Fund	625	625	0	0.00%
3400 Other Funds Ltd	206	206	0	0.00%
All Funds	831	831	0	0.00%
3240 Unemployment Assessments				
8000 General Fund	4,942	4,942	0	0.00%
3400 Other Funds Ltd	84	84	0	0.00%
All Funds	5,026	5,026	0	0.00%
3260 Mass Transit Tax				
8000 General Fund	(2,116)	(2,116)	0	0.00%
3400 Other Funds Ltd	(288)	(288)	0	0.00%
All Funds	(2,404)	(2,404)	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	(40,671)	(40,671)	0	0.00%
3400 Other Funds Ltd	(4,076)	(4,076)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($44,747)**	**($44,747)**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(63,274)	(63,274)	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(31,654)	(31,654)	0	0.00%
All Funds	(94,928)	(94,928)	0	0.00%
PERSONAL SERVICES				
8000 General Fund	(95,792)	(95,792)	0	0.00%
3400 Other Funds Ltd	(33,039)	(33,039)	0	0.00%
TOTAL PERSONAL SERVICES	**($128,831)**	**($128,831)**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	(95,792)	(95,792)	0	0.00%
3400 Other Funds Ltd	(33,039)	(33,039)	0	0.00%
TOTAL EXPENDITURES	**($128,831)**	**($128,831)**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	33,039	33,039	0	0.00%
TOTAL ENDING BALANCE	**$33,039**	**$33,039**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	3,290,757	3,044,774	(245,983)	(7.47%)
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	541,496	541,479	(17)	(0.00%)
REVENUE CATEGORIES				
8000 General Fund	3,290,757	3,044,774	(245,983)	(7.47%)
3400 Other Funds Ltd	541,496	541,479	(17)	(0.00%)
TOTAL REVENUE CATEGORIES	**$3,832,253**	**$3,586,253**	**($246,000)**	**(6.42%)**
AVAILABLE REVENUES				
8000 General Fund	3,290,757	3,044,774	(245,983)	(7.47%)
3400 Other Funds Ltd	541,496	541,479	(17)	(0.00%)
TOTAL AVAILABLE REVENUES	**$3,832,253**	**$3,586,253**	**($246,000)**	**(6.42%)**
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	1,204	1,204	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	222	222	0	0.00%
All Funds	1,426	1,426	0	0.00%
4125 Out of State Travel				
8000 General Fund	146	146	0	0.00%
3400 Other Funds Ltd	35	35	0	0.00%
All Funds	181	181	0	0.00%
4150 Employee Training				
8000 General Fund	7,979	7,979	0	0.00%
3400 Other Funds Ltd	849	849	0	0.00%
All Funds	8,828	8,828	0	0.00%
4175 Office Expenses				
8000 General Fund	28,266	28,266	0	0.00%
3400 Other Funds Ltd	9,204	9,204	0	0.00%
All Funds	37,470	37,470	0	0.00%
4200 Telecommunications				
8000 General Fund	6,623	6,623	0	0.00%
3400 Other Funds Ltd	1,467	1,467	0	0.00%
All Funds	8,090	8,090	0	0.00%
4225 State Gov. Service Charges				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	3,018,090	2,772,107	(245,983)	(8.15%)
3400 Other Funds Ltd	635,369	583,624	(51,745)	(8.14%)
All Funds	3,653,459	3,355,731	(297,728)	(8.15%)
4250 Data Processing				
8000 General Fund	33,778	33,778	0	0.00%
3400 Other Funds Ltd	7,010	7,010	0	0.00%
All Funds	40,788	40,788	0	0.00%
4275 Publicity and Publications				
8000 General Fund	23	23	0	0.00%
3400 Other Funds Ltd	4	4	0	0.00%
All Funds	27	27	0	0.00%
4300 Professional Services				
8000 General Fund	15,319	15,319	0	0.00%
3400 Other Funds Ltd	2,094	2,094	0	0.00%
All Funds	17,413	17,413	0	0.00%
4315 IT Professional Services				
8000 General Fund	2,579	2,579	0	0.00%
3400 Other Funds Ltd	412	412	0	0.00%
All Funds	2,991	2,991	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4375 Employee Recruitment and Develop				
8000 General Fund	694	694	0	0.00%
3400 Other Funds Ltd	103	103	0	0.00%
All Funds	797	797	0	0.00%
4400 Dues and Subscriptions				
8000 General Fund	234	234	0	0.00%
3400 Other Funds Ltd	55	55	0	0.00%
All Funds	289	289	0	0.00%
4425 Facilities Rental and Taxes				
8000 General Fund	123,670	123,670	0	0.00%
3400 Other Funds Ltd	49,450	49,450	0	0.00%
All Funds	173,120	173,120	0	0.00%
4450 Fuels and Utilities				
8000 General Fund	41	41	0	0.00%
3400 Other Funds Ltd	6	6	0	0.00%
All Funds	47	47	0	0.00%
4475 Facilities Maintenance				
8000 General Fund	3,099	3,099	0	0.00%
3400 Other Funds Ltd	1,006	1,006	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	4,105	4,105	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	9,454	9,454	0	0.00%
3400 Other Funds Ltd	1,997	1,997	0	0.00%
All Funds	11,451	11,451	0	0.00%
4700 Expendable Prop 250 - 5000				
8000 General Fund	3,418	3,418	0	0.00%
3400 Other Funds Ltd	268	268	0	0.00%
All Funds	3,686	3,686	0	0.00%
4715 IT Expendable Property				
8000 General Fund	31,011	31,011	0	0.00%
3400 Other Funds Ltd	7,983	7,983	0	0.00%
All Funds	38,994	38,994	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	3,285,628	3,039,645	(245,983)	(7.49%)
3400 Other Funds Ltd	717,534	665,789	(51,745)	(7.21%)
TOTAL SERVICES & SUPPLIES	**$4,003,162**	**$3,705,434**	**($297,728)**	**(7.44%)**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	1,022	1,022	0	0.00%
3400 Other Funds Ltd	171	171	0	0.00%
All Funds	1,193	1,193	0	0.00%
5150 Telecommunications Equipment				
8000 General Fund	803	803	0	0.00%
3400 Other Funds Ltd	70	70	0	0.00%
All Funds	873	873	0	0.00%
5550 Data Processing Software				
8000 General Fund	2,584	2,584	0	0.00%
3400 Other Funds Ltd	148	148	0	0.00%
All Funds	2,732	2,732	0	0.00%
5600 Data Processing Hardware				
8000 General Fund	720	720	0	0.00%
3400 Other Funds Ltd	2,479	2,479	0	0.00%
All Funds	3,199	3,199	0	0.00%
CAPITAL OUTLAY				
8000 General Fund	5,129	5,129	0	0.00%
3400 Other Funds Ltd	2,868	2,868	0	0.00%
TOTAL CAPITAL OUTLAY	**$7,997**	**$7,997**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
8000 General Fund	3,290,757	3,044,774	(245,983)	(7.47%)
3400 Other Funds Ltd	720,402	668,657	(51,745)	(7.18%)
TOTAL EXPENDITURES	**$4,011,159**	**$3,713,431**	**($297,728)**	**(7.42%)**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(178,906)	(127,178)	51,728	28.91%
TOTAL ENDING BALANCE	**($178,906)**	**($127,178)**	**$51,728**	**28.91%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	1,790	1,790	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	250	250	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	1,790	1,790	0	0.00%
3400 Other Funds Ltd	250	250	0	0.00%
TOTAL REVENUE CATEGORIES	**$2,040**	**$2,040**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	1,790	1,790	0	0.00%
3400 Other Funds Ltd	250	250	0	0.00%
TOTAL AVAILABLE REVENUES	**$2,040**	**$2,040**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
8000 General Fund	1,532	1,532	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	209	209	0	0.00%
All Funds	1,741	1,741	0	0.00%
4315 IT Professional Services				
8000 General Fund	258	258	0	0.00%
3400 Other Funds Ltd	41	41	0	0.00%
All Funds	299	299	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	1,790	1,790	0	0.00%
3400 Other Funds Ltd	250	250	0	0.00%
TOTAL SERVICES & SUPPLIES	**$2,040**	**$2,040**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	1,790	1,790	0	0.00%
3400 Other Funds Ltd	250	250	0	0.00%
TOTAL EXPENDITURES	**$2,040**	**$2,040**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
SERVICES & SUPPLIES				
4200 Telecommunications				
8000 General Fund	406,533	406,533	0	0.00%
3400 Other Funds Ltd	85,532	85,532	0	0.00%
All Funds	492,065	492,065	0	0.00%
4225 State Gov. Service Charges				
8000 General Fund	(877,857)	(877,857)	0	0.00%
3400 Other Funds Ltd	(184,696)	(184,696)	0	0.00%
All Funds	(1,062,553)	(1,062,553)	0	0.00%
4250 Data Processing				
8000 General Fund	471,324	471,324	0	0.00%
3400 Other Funds Ltd	99,164	99,164	0	0.00%
All Funds	570,488	570,488	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL SERVICES & SUPPLIES	-	-	$0	0.00%

EXPENDITURES

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL EXPENDITURES	-	-	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	-	(750,000)	(750,000)	100.00%
REVENUE CATEGORIES				
8000 General Fund	-	(750,000)	(750,000)	100.00%
TOTAL REVENUE CATEGORIES	**-**	**($750,000)**	**($750,000)**	**100.00%**
AVAILABLE REVENUES				
8000 General Fund	-	(750,000)	(750,000)	100.00%
TOTAL AVAILABLE REVENUES	**-**	**($750,000)**	**($750,000)**	**100.00%**
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	-	(500,000)	(500,000)	100.00%
PERSONAL SERVICES				
8000 General Fund	-	(500,000)	(500,000)	100.00%
TOTAL PERSONAL SERVICES	**-**	**($500,000)**	**($500,000)**	**100.00%**
SERVICES & SUPPLIES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4200 Telecommunications				
8000 General Fund	-	(150,000)	(150,000)	100.00%
4715 IT Expendable Property				
8000 General Fund	-	(100,000)	(100,000)	100.00%
SERVICES & SUPPLIES				
8000 General Fund	-	(250,000)	(250,000)	100.00%
TOTAL SERVICES & SUPPLIES	-	**($250,000)**	**($250,000)**	**100.00%**
EXPENDITURES				
8000 General Fund	-	(750,000)	(750,000)	100.00%
TOTAL EXPENDITURES	-	**($750,000)**	**($750,000)**	**100.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	1,758	1,758	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	1,758	1,758	0	0.00%
TOTAL REVENUE CATEGORIES	$1,758	$1,758	$0	0.00%
AVAILABLE REVENUES				
8000 General Fund	1,758	1,758	0	0.00%
TOTAL AVAILABLE REVENUES	$1,758	$1,758	$0	0.00%
EXPENDITURES				
SERVICES & SUPPLIES				
4250 Data Processing				
8000 General Fund	1,758	1,758	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	1,758	1,758	0	0.00%
TOTAL SERVICES & SUPPLIES	$1,758	$1,758	$0	0.00%
EXPENDITURES				
8000 General Fund	1,758	1,758	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$1,758**	**$1,758**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	2,344	2,344	0	0.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	2,344	2,344	0	0.00%
TOTAL REVENUE CATEGORIES	**$2,344**	**$2,344**	**$0**	**0.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	2,344	2,344	0	0.00%
TOTAL AVAILABLE REVENUES	**$2,344**	**$2,344**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	2,344	2,344	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	2,344	2,344	0	0.00%
TOTAL SERVICES & SUPPLIES	**$2,344**	**$2,344**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	2,344	2,344	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$2,344**	**$2,344**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	1,172	1,172	0	0.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	1,172	1,172	0	0.00%
TOTAL REVENUE CATEGORIES	**$1,172**	**$1,172**	**$0**	**0.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	1,172	1,172	0	0.00%
TOTAL AVAILABLE REVENUES	**$1,172**	**$1,172**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4250 Data Processing				
3400 Other Funds Ltd	1,172	1,172	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	1,172	1,172	0	0.00%
TOTAL SERVICES & SUPPLIES	**$1,172**	**$1,172**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	1,172	1,172	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$1,172**	**$1,172**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	(537,170)	(537,170)	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	(537,170)	(537,170)	0	0.00%
TOTAL REVENUE CATEGORIES	**($537,170)**	**($537,170)**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	(537,170)	(537,170)	0	0.00%
TOTAL AVAILABLE REVENUES	**($537,170)**	**($537,170)**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4250 Data Processing				
8000 General Fund	(537,170)	(537,170)	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	(537,170)	(537,170)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($537,170)**	**($537,170)**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	(537,170)	(537,170)	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**($537,170)**	**($537,170)**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	(90,332)	(90,332)	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	(90,332)	(90,332)	0	0.00%
TOTAL REVENUE CATEGORIES	**($90,332)**	**($90,332)**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	(90,332)	(90,332)	0	0.00%
TOTAL AVAILABLE REVENUES	**($90,332)**	**($90,332)**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
8000 General Fund	562	562	0	0.00%
3170 Overtime Payments				
8000 General Fund	310	310	0	0.00%
3180 Shift Differential				
8000 General Fund	42	42	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3190 All Other Differential				
8000 General Fund	922	922	0	0.00%
SALARIES & WAGES				
8000 General Fund	1,836	1,836	0	0.00%
TOTAL SALARIES & WAGES	**$1,836**	**$1,836**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
8000 General Fund	202	202	0	0.00%
3221 Pension Obligation Bond				
8000 General Fund	(42,961)	(42,961)	0	0.00%
3400 Other Funds Ltd	2,574	2,574	0	0.00%
All Funds	(40,387)	(40,387)	0	0.00%
3230 Social Security Taxes				
8000 General Fund	141	141	0	0.00%
3240 Unemployment Assessments				
8000 General Fund	512	512	0	0.00%
3400 Other Funds Ltd	37	37	0	0.00%
All Funds	549	549	0	0.00%
3260 Mass Transit Tax				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	(3,613)	(3,613)	0	0.00%
3400 Other Funds Ltd	248	248	0	0.00%
All Funds	(3,365)	(3,365)	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	(45,719)	(45,719)	0	0.00%
3400 Other Funds Ltd	2,859	2,859	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($42,860)**	**($42,860)**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(46,449)	(46,449)	0	0.00%
3400 Other Funds Ltd	(16,011)	(16,011)	0	0.00%
All Funds	(62,460)	(62,460)	0	0.00%
P.S. BUDGET ADJUSTMENTS				
8000 General Fund	(46,449)	(46,449)	0	0.00%
3400 Other Funds Ltd	(16,011)	(16,011)	0	0.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**($62,460)**	**($62,460)**	**$0**	**0.00%**
PERSONAL SERVICES				
8000 General Fund	(90,332)	(90,332)	0	0.00%
3400 Other Funds Ltd	(13,152)	(13,152)	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL PERSONAL SERVICES	**($103,484)**	**($103,484)**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	(90,332)	(90,332)	0	0.00%
3400 Other Funds Ltd	(13,152)	(13,152)	0	0.00%
TOTAL EXPENDITURES	**($103,484)**	**($103,484)**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	13,152	13,152	0	0.00%
TOTAL ENDING BALANCE	**$13,152**	**$13,152**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	32,140	32,140	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	32,140	32,140	0	0.00%
TOTAL REVENUE CATEGORIES	**$32,140**	**$32,140**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	32,140	32,140	0	0.00%
TOTAL AVAILABLE REVENUES	**$32,140**	**$32,140**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	4,466	4,466	0	0.00%
3400 Other Funds Ltd	589	589	0	0.00%
All Funds	5,055	5,055	0	0.00%
4125 Out of State Travel				
8000 General Fund	407	407	0	0.00%
3400 Other Funds Ltd	85	85	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	492	492	0	0.00%
4150 Employee Training				
8000 General Fund	4,750	4,750	0	0.00%
3400 Other Funds Ltd	2,380	2,380	0	0.00%
All Funds	7,130	7,130	0	0.00%
4175 Office Expenses				
8000 General Fund	2,659	2,659	0	0.00%
3400 Other Funds Ltd	12,573	12,573	0	0.00%
All Funds	15,232	15,232	0	0.00%
4200 Telecommunications				
8000 General Fund	3,299	3,299	0	0.00%
3400 Other Funds Ltd	299	299	0	0.00%
All Funds	3,598	3,598	0	0.00%
4250 Data Processing				
8000 General Fund	3,610	3,610	0	0.00%
3400 Other Funds Ltd	655	655	0	0.00%
All Funds	4,265	4,265	0	0.00%
4275 Publicity and Publications				
8000 General Fund	1,077	1,077	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	17	17	0	0.00%
All Funds	1,094	1,094	0	0.00%
4300 Professional Services				
8000 General Fund	8,589	8,589	0	0.00%
3400 Other Funds Ltd	48,002	48,002	0	0.00%
All Funds	56,591	56,591	0	0.00%
4375 Employee Recruitment and Develop				
8000 General Fund	681	681	0	0.00%
3400 Other Funds Ltd	27	27	0	0.00%
All Funds	708	708	0	0.00%
4400 Dues and Subscriptions				
8000 General Fund	1,091	1,091	0	0.00%
3400 Other Funds Ltd	13	13	0	0.00%
All Funds	1,104	1,104	0	0.00%
4425 Facilities Rental and Taxes				
8000 General Fund	110	110	0	0.00%
3400 Other Funds Ltd	1,322	1,322	0	0.00%
All Funds	1,432	1,432	0	0.00%
4475 Facilities Maintenance				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	279	279	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	152	152	0	0.00%
3400 Other Funds Ltd	71	71	0	0.00%
All Funds	223	223	0	0.00%
4700 Expendable Prop 250 - 5000				
8000 General Fund	860	860	0	0.00%
3400 Other Funds Ltd	553	553	0	0.00%
All Funds	1,413	1,413	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	32,030	32,030	0	0.00%
3400 Other Funds Ltd	66,586	66,586	0	0.00%
TOTAL SERVICES & SUPPLIES	**$98,616**	**$98,616**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	333	333	0	0.00%
5150 Telecommunications Equipment				
8000 General Fund	110	110	0	0.00%
3400 Other Funds Ltd	99	99	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	209	209	0	0.00%
CAPITAL OUTLAY				
8000 General Fund	110	110	0	0.00%
3400 Other Funds Ltd	432	432	0	0.00%
TOTAL CAPITAL OUTLAY	**$542**	**$542**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	32,140	32,140	0	0.00%
3400 Other Funds Ltd	67,018	67,018	0	0.00%
TOTAL EXPENDITURES	**$99,158**	**$99,158**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(67,018)	(67,018)	0	0.00%
TOTAL ENDING BALANCE	**($67,018)**	**($67,018)**	**$0**	**0.00%**

Description	Agency Request Budget (Y-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	859	859	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	859	859	0	0.00%
TOTAL REVENUE CATEGORIES	**$859**	**$859**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	859	859	0	0.00%
TOTAL AVAILABLE REVENUES	**$859**	**$859**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
8000 General Fund	859	859	0	0.00%
3400 Other Funds Ltd	4,800	4,800	0	0.00%
All Funds	5,659	5,659	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	859	859	0	0.00%
3400 Other Funds Ltd	4,800	4,800	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL SERVICES & SUPPLIES	**$5,659**	**$5,659**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	859	859	0	0.00%
3400 Other Funds Ltd	4,800	4,800	0	0.00%
TOTAL EXPENDITURES	**$5,659**	**$5,659**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(4,800)	(4,800)	0	0.00%
TOTAL ENDING BALANCE	**($4,800)**	**($4,800)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	32,081	32,081	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	2,279,209	2,279,209	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	32,081	32,081	0	0.00%
3400 Other Funds Ltd	2,279,209	2,279,209	0	0.00%
TOTAL REVENUE CATEGORIES	**$2,311,290**	**$2,311,290**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	32,081	32,081	0	0.00%
3400 Other Funds Ltd	2,279,209	2,279,209	0	0.00%
TOTAL AVAILABLE REVENUES	**$2,311,290**	**$2,311,290**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	376,632	376,632	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	376,632	376,632	0	0.00%
TOTAL SALARIES & WAGES	**$376,632**	**$376,632**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	132	132	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	59,470	59,470	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	28,812	28,812	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	207	207	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	2,260	2,260	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	91,584	91,584	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	182,465	182,465	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL OTHER PAYROLL EXPENSES	**$182,465**	**$182,465**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	559,097	559,097	0	0.00%
TOTAL PERSONAL SERVICES	**$559,097**	**$559,097**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	351	351	0	0.00%
4150 Employee Training				
8000 General Fund	6,209	6,209	0	0.00%
4175 Office Expenses				
8000 General Fund	3,519	3,519	0	0.00%
4200 Telecommunications				
8000 General Fund	9,873	9,873	0	0.00%
4315 IT Professional Services				
3400 Other Funds Ltd	150,000	150,000	0	0.00%
4700 Expendable Prop 250 - 5000				
8000 General Fund	1,581	1,581	0	0.00%
4715 IT Expendable Property				
8000 General Fund	10,548	10,548	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
SERVICES & SUPPLIES				
8000 General Fund	32,081	32,081	0	0.00%
3400 Other Funds Ltd	150,000	150,000	0	0.00%
TOTAL SERVICES & SUPPLIES	**$182,081**	**$182,081**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	20,112	20,112	0	0.00%
5550 Data Processing Software				
3400 Other Funds Ltd	1,500,000	1,500,000	0	0.00%
5600 Data Processing Hardware				
3400 Other Funds Ltd	50,000	50,000	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	1,570,112	1,570,112	0	0.00%
TOTAL CAPITAL OUTLAY	**$1,570,112**	**$1,570,112**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	32,081	32,081	0	0.00%
3400 Other Funds Ltd	2,279,209	2,279,209	0	0.00%
TOTAL EXPENDITURES	**$2,311,290**	**$2,311,290**	**$0**	**0.00%**
ENDING BALANCE				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	3	3	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	3.00	3.00	0.00	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	1,836,836	1,836,836	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	(1,836,836)	(1,836,836)	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	1,836,836	1,836,836	0	0.00%
3400 Other Funds Ltd	(1,836,836)	(1,836,836)	0	0.00%
TOTAL REVENUE CATEGORIES	-	-	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	1,836,836	1,836,836	0	0.00%
3400 Other Funds Ltd	(1,836,836)	(1,836,836)	0	0.00%
TOTAL AVAILABLE REVENUES	-	-	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	1,239,816	1,239,816	0	0.00%
3400 Other Funds Ltd	(1,239,816)	(1,239,816)	0	0.00%
All Funds	-	-	0	0.00%
SALARIES & WAGES				
8000 General Fund	1,239,816	1,239,816	0	0.00%
3400 Other Funds Ltd	(1,239,816)	(1,239,816)	0	0.00%
TOTAL SALARIES & WAGES	-	-	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	440	440	0	0.00%
3400 Other Funds Ltd	(440)	(440)	0	0.00%
All Funds	-	-	0	0.00%
3220 Public Employees Retire Cont				
8000 General Fund	195,766	195,766	0	0.00%
3400 Other Funds Ltd	(195,766)	(195,766)	0	0.00%
All Funds	-	-	0	0.00%
3230 Social Security Taxes				
8000 General Fund	94,844	94,844	0	0.00%
3400 Other Funds Ltd	(94,844)	(94,844)	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	-	-	0	0.00%
3250 Workers Comp. Assess. (WCD)				
8000 General Fund	690	690	0	0.00%
3400 Other Funds Ltd	(690)	(690)	0	0.00%
All Funds	-	-	0	0.00%
3270 Flexible Benefits				
8000 General Fund	305,280	305,280	0	0.00%
3400 Other Funds Ltd	(305,280)	(305,280)	0	0.00%
All Funds	-	-	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	597,020	597,020	0	0.00%
3400 Other Funds Ltd	(597,020)	(597,020)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	-	-	**$0**	**0.00%**
PERSONAL SERVICES				
8000 General Fund	1,836,836	1,836,836	0	0.00%
3400 Other Funds Ltd	(1,836,836)	(1,836,836)	0	0.00%
TOTAL PERSONAL SERVICES	-	-	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	1,836,836	1,836,836	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(1,836,836)	(1,836,836)	0	0.00%
TOTAL EXPENDITURES	-	-	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	476,884	494,835	17,951	3.76%
REVENUE CATEGORIES				
3400 Other Funds Ltd	476,884	494,835	17,951	3.76%
TOTAL REVENUE CATEGORIES	**$476,884**	**$494,835**	**$17,951**	**3.76%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	476,884	494,835	17,951	3.76%
TOTAL AVAILABLE REVENUES	**$476,884**	**$494,835**	**$17,951**	**3.76%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	244,272	258,744	14,472	5.92%
SALARIES & WAGES				
3400 Other Funds Ltd	244,272	258,744	14,472	5.92%
TOTAL SALARIES & WAGES	**$244,272**	**$258,744**	**$14,472**	**5.92%**
OTHER PAYROLL EXPENSES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	176	176	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	38,572	40,858	2,286	5.93%
3230 Social Security Taxes				
3400 Other Funds Ltd	18,685	19,795	1,110	5.94%
3240 Unemployment Assessments				
3400 Other Funds Ltd	10,000	10,000	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	273	273	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	1,466	1,466	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	122,112	122,112	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	191,284	194,680	3,396	1.78%
TOTAL OTHER PAYROLL EXPENSES	**$191,284**	**$194,680**	**$3,396**	**1.78%**
P.S. BUDGET ADJUSTMENTS				
3465 Reconciliation Adjustment				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	-	83	83	100.00%
P.S. BUDGET ADJUSTMENTS				
3400 Other Funds Ltd	-	83	83	100.00%
TOTAL P.S. BUDGET ADJUSTMENTS	**-**	**$83**	**$83**	**100.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	435,556	453,507	17,951	4.12%
TOTAL PERSONAL SERVICES	**$435,556**	**$453,507**	**$17,951**	**4.12%**
SERVICES & SUPPLIES				
4100 Instate Travel				
3400 Other Funds Ltd	468	468	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	6,092	6,092	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	4,692	4,692	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	8,608	8,608	0	0.00%
4700 Expendable Prop 250 - 5000				
3400 Other Funds Ltd	2,108	2,108	0	0.00%
4715 IT Expendable Property				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	12,656	12,656	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	34,624	34,624	0	0.00%
TOTAL SERVICES & SUPPLIES	**$34,624**	**$34,624**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	6,704	6,704	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	6,704	6,704	0	0.00%
TOTAL CAPITAL OUTLAY	**$6,704**	**$6,704**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	476,884	494,835	17,951	3.76%
TOTAL EXPENDITURES	**$476,884**	**$494,835**	**$17,951**	**3.76%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	7	7	0	0.00%
AUTHORIZED FTE				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8250 Class/Unclass FTE Positions	4.00	4.00	0.00	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	328,305	-	(328,305)	(100.00%)
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	(328,305)	-	328,305	100.00%
REVENUE CATEGORIES				
8000 General Fund	328,305	-	(328,305)	(100.00%)
3400 Other Funds Ltd	(328,305)	-	328,305	100.00%
TOTAL REVENUE CATEGORIES	-	-	$0	0.00%
AVAILABLE REVENUES				
8000 General Fund	328,305	-	(328,305)	(100.00%)
3400 Other Funds Ltd	(328,305)	-	328,305	100.00%
TOTAL AVAILABLE REVENUES	-	-	$0	0.00%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	224,608	-	(224,608)	(100.00%)
3400 Other Funds Ltd	(224,608)	-	224,608	100.00%
All Funds	-	-	0	0.00%
SALARIES & WAGES				
8000 General Fund	224,608	-	(224,608)	(100.00%)
3400 Other Funds Ltd	(224,608)	-	224,608	100.00%
TOTAL SALARIES & WAGES	-	-	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
8000 General Fund	74	-	(74)	(100.00%)
3400 Other Funds Ltd	(74)	-	74	100.00%
All Funds	-	-	0	0.00%
3220 Public Employees Retire Cont				
8000 General Fund	35,466	-	(35,466)	(100.00%)
3400 Other Funds Ltd	(35,466)	-	35,466	100.00%
All Funds	-	-	0	0.00%
3230 Social Security Taxes				
8000 General Fund	17,182	-	(17,182)	(100.00%)
3400 Other Funds Ltd	(17,182)	-	17,182	100.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	-	-	0	0.00%
3250 Workers Comp. Assess. (WCD)				
8000 General Fund	114	-	(114)	(100.00%)
3400 Other Funds Ltd	(114)	-	114	100.00%
All Funds	-	-	0	0.00%
3270 Flexible Benefits				
8000 General Fund	50,861	-	(50,861)	(100.00%)
3400 Other Funds Ltd	(50,861)	-	50,861	100.00%
All Funds	-	-	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	103,697	-	(103,697)	(100.00%)
3400 Other Funds Ltd	(103,697)	-	103,697	100.00%
TOTAL OTHER PAYROLL EXPENSES	-	-	**$0**	**0.00%**
PERSONAL SERVICES				
8000 General Fund	328,305	-	(328,305)	(100.00%)
3400 Other Funds Ltd	(328,305)	-	328,305	100.00%
TOTAL PERSONAL SERVICES	-	-	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	328,305	-	(328,305)	(100.00%)

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(328,305)	-	328,305	100.00%
TOTAL EXPENDITURES	-	-	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	19,970	19,970	0	0.00%
AVAILABLE REVENUES				
8000 General Fund	19,970	19,970	0	0.00%
TOTAL AVAILABLE REVENUES	$19,970	$19,970	$0	0.00%
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
8000 General Fund	396	396	0	0.00%
3400 Other Funds Ltd	2,260	2,260	0	0.00%
All Funds	2,656	2,656	0	0.00%
3170 Overtime Payments				
8000 General Fund	103	103	0	0.00%
3190 All Other Differential				
8000 General Fund	105	105	0	0.00%
SALARIES & WAGES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	604	604	0	0.00%
3400 Other Funds Ltd	2,260	2,260	0	0.00%
TOTAL SALARIES & WAGES	**$2,864**	**$2,864**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
8000 General Fund	33	33	0	0.00%
3221 Pension Obligation Bond				
8000 General Fund	127,352	127,352	0	0.00%
3400 Other Funds Ltd	2,436	2,436	0	0.00%
All Funds	129,788	129,788	0	0.00%
3230 Social Security Taxes				
8000 General Fund	46	46	0	0.00%
3400 Other Funds Ltd	173	173	0	0.00%
All Funds	219	219	0	0.00%
3240 Unemployment Assessments				
8000 General Fund	1,283	1,283	0	0.00%
3260 Mass Transit Tax				
8000 General Fund	16,015	16,015	0	0.00%
3400 Other Funds Ltd	281	281	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
All Funds	16,296	16,296	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	144,729	144,729	0	0.00%
3400 Other Funds Ltd	2,890	2,890	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$147,619**	**$147,619**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(125,363)	(125,363)	0	0.00%
3400 Other Funds Ltd	(54,215)	(54,215)	0	0.00%
All Funds	(179,578)	(179,578)	0	0.00%
PERSONAL SERVICES				
8000 General Fund	19,970	19,970	0	0.00%
3400 Other Funds Ltd	(49,065)	(49,065)	0	0.00%
TOTAL PERSONAL SERVICES	**($29,095)**	**($29,095)**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	19,970	19,970	0	0.00%
3400 Other Funds Ltd	(49,065)	(49,065)	0	0.00%
TOTAL EXPENDITURES	**($29,095)**	**($29,095)**	**$0**	**0.00%**
ENDING BALANCE				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	49,065	49,065	0	0.00%
TOTAL ENDING BALANCE	**$49,065**	**$49,065**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	164,674	164,674	0	0.00%
AVAILABLE REVENUES				
8000 General Fund	164,674	164,674	0	0.00%
TOTAL AVAILABLE REVENUES	**$164,674**	**$164,674**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	8,780	8,780	0	0.00%
3400 Other Funds Ltd	118	118	0	0.00%
All Funds	8,898	8,898	0	0.00%
4125 Out of State Travel				
8000 General Fund	1,746	1,746	0	0.00%
4150 Employee Training				
8000 General Fund	13,801	13,801	0	0.00%
3400 Other Funds Ltd	111	111	0	0.00%
All Funds	13,912	13,912	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4175 Office Expenses				
8000 General Fund	16,067	16,067	0	0.00%
3400 Other Funds Ltd	2,521	2,521	0	0.00%
All Funds	18,588	18,588	0	0.00%
4200 Telecommunications				
8000 General Fund	28,376	28,376	0	0.00%
3400 Other Funds Ltd	1,337	1,337	0	0.00%
All Funds	29,713	29,713	0	0.00%
4250 Data Processing				
8000 General Fund	6,421	6,421	0	0.00%
3400 Other Funds Ltd	125	125	0	0.00%
All Funds	6,546	6,546	0	0.00%
4275 Publicity and Publications				
8000 General Fund	2,231	2,231	0	0.00%
4300 Professional Services				
8000 General Fund	14,455	14,455	0	0.00%
3400 Other Funds Ltd	248	248	0	0.00%
All Funds	14,703	14,703	0	0.00%
4375 Employee Recruitment and Develop				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	2,420	2,420	0	0.00%
3400 Other Funds Ltd	9	9	0	0.00%
All Funds	2,429	2,429	0	0.00%
4400 Dues and Subscriptions				
8000 General Fund	1,016	1,016	0	0.00%
4425 Facilities Rental and Taxes				
8000 General Fund	48,541	48,541	0	0.00%
3400 Other Funds Ltd	3,469	3,469	0	0.00%
All Funds	52,010	52,010	0	0.00%
4450 Fuels and Utilities				
8000 General Fund	136	136	0	0.00%
4475 Facilities Maintenance				
8000 General Fund	845	845	0	0.00%
4575 Agency Program Related S and S				
8000 General Fund	3,648	3,648	0	0.00%
3400 Other Funds Ltd	1,073	1,073	0	0.00%
All Funds	4,721	4,721	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	1,587	1,587	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	4	4	0	0.00%
All Funds	1,591	1,591	0	0.00%
4700 Expendable Prop 250 - 5000				
8000 General Fund	2,556	2,556	0	0.00%
3400 Other Funds Ltd	75	75	0	0.00%
All Funds	2,631	2,631	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	152,626	152,626	0	0.00%
3400 Other Funds Ltd	9,090	9,090	0	0.00%
TOTAL SERVICES & SUPPLIES	**$161,716**	**$161,716**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
8000 General Fund	6,706	6,706	0	0.00%
3400 Other Funds Ltd	175	175	0	0.00%
All Funds	6,881	6,881	0	0.00%
5150 Telecommunications Equipment				
8000 General Fund	5,175	5,175	0	0.00%
3400 Other Funds Ltd	26	26	0	0.00%
All Funds	5,201	5,201	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
5600 Data Processing Hardware				
8000 General Fund	167	167	0	0.00%
CAPITAL OUTLAY				
8000 General Fund	12,048	12,048	0	0.00%
3400 Other Funds Ltd	201	201	0	0.00%
TOTAL CAPITAL OUTLAY	**$12,249**	**$12,249**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	164,674	164,674	0	0.00%
3400 Other Funds Ltd	9,291	9,291	0	0.00%
TOTAL EXPENDITURES	**$173,965**	**$173,965**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(9,291)	(9,291)	0	0.00%
TOTAL ENDING BALANCE	**($9,291)**	**($9,291)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	1,445	1,445	0	0.00%
AVAILABLE REVENUES				
8000 General Fund	1,445	1,445	0	0.00%
TOTAL AVAILABLE REVENUES	**$1,445**	**$1,445**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
8000 General Fund	1,445	1,445	0	0.00%
3400 Other Funds Ltd	25	25	0	0.00%
All Funds	1,470	1,470	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	1,445	1,445	0	0.00%
3400 Other Funds Ltd	25	25	0	0.00%
TOTAL SERVICES & SUPPLIES	**$1,470**	**$1,470**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	1,445	1,445	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	25	25	0	0.00%
TOTAL EXPENDITURES	**$1,470**	**$1,470**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(25)	(25)	0	0.00%
TOTAL ENDING BALANCE	**($25)**	**($25)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	-	(1,400,000)	(1,400,000)	100.00%
AVAILABLE REVENUES				
8000 General Fund	-	(1,400,000)	(1,400,000)	100.00%
TOTAL AVAILABLE REVENUES	-	**($1,400,000)**	**($1,400,000)**	**100.00%**
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	-	(500,000)	(500,000)	100.00%
PERSONAL SERVICES				
8000 General Fund	-	(500,000)	(500,000)	100.00%
TOTAL PERSONAL SERVICES	-	**($500,000)**	**($500,000)**	**100.00%**
SERVICES & SUPPLIES				
4425 Facilities Rental and Taxes				
8000 General Fund	-	(500,000)	(500,000)	100.00%
SERVICES & SUPPLIES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	-	(500,000)	(500,000)	100.00%
TOTAL SERVICES & SUPPLIES	**-**	**($500,000)**	**($500,000)**	**100.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
8000 General Fund	-	(225,000)	(225,000)	100.00%
5150 Telecommunications Equipment				
8000 General Fund	-	(175,000)	(175,000)	100.00%
CAPITAL OUTLAY				
8000 General Fund	-	(400,000)	(400,000)	100.00%
TOTAL CAPITAL OUTLAY	**-**	**($400,000)**	**($400,000)**	**100.00%**
EXPENDITURES				
8000 General Fund	-	(1,400,000)	(1,400,000)	100.00%
TOTAL EXPENDITURES	**-**	**($1,400,000)**	**($1,400,000)**	**100.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	1,111,204	1,111,204	0	0.00%
AVAILABLE REVENUES				
8000 General Fund	1,111,204	1,111,204	0	0.00%
TOTAL AVAILABLE REVENUES	**$1,111,204**	**$1,111,204**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4315 IT Professional Services				
8000 General Fund	1,111,204	1,111,204	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	1,111,204	1,111,204	0	0.00%
TOTAL SERVICES & SUPPLIES	**$1,111,204**	**$1,111,204**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	1,111,204	1,111,204	0	0.00%
TOTAL EXPENDITURES	**$1,111,204**	**$1,111,204**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL ENDING BALANCE	-	-	$0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	(264,000)	(264,000)	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	(264,000)	(264,000)	0	0.00%
TOTAL REVENUE CATEGORIES	**($264,000)**	**($264,000)**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	(264,000)	(264,000)	0	0.00%
TOTAL AVAILABLE REVENUES	**($264,000)**	**($264,000)**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3160 Temporary Appointments				
3400 Other Funds Ltd	933	933	0	0.00%
3170 Overtime Payments				
8000 General Fund	1,266	1,266	0	0.00%
3180 Shift Differential				
8000 General Fund	79	79	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3190 All Other Differential				
8000 General Fund	539	539	0	0.00%
SALARIES & WAGES				
8000 General Fund	1,884	1,884	0	0.00%
3400 Other Funds Ltd	933	933	0	0.00%
TOTAL SALARIES & WAGES	**$2,817**	**$2,817**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
8000 General Fund	297	297	0	0.00%
3221 Pension Obligation Bond				
8000 General Fund	7,904	7,904	0	0.00%
3400 Other Funds Ltd	7,633	7,633	0	0.00%
All Funds	15,537	15,537	0	0.00%
3230 Social Security Taxes				
8000 General Fund	144	144	0	0.00%
3400 Other Funds Ltd	71	71	0	0.00%
All Funds	215	215	0	0.00%
3240 Unemployment Assessments				
8000 General Fund	679	679	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	302	302	0	0.00%
All Funds	981	981	0	0.00%
3260 Mass Transit Tax				
8000 General Fund	827	827	0	0.00%
3400 Other Funds Ltd	757	757	0	0.00%
All Funds	1,584	1,584	0	0.00%
OTHER PAYROLL EXPENSES				
8000 General Fund	9,851	9,851	0	0.00%
3400 Other Funds Ltd	8,763	8,763	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$18,614**	**$18,614**	**$0**	**0.00%**
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	(275,735)	(275,735)	0	0.00%
3400 Other Funds Ltd	(73,333)	(73,333)	0	0.00%
All Funds	(349,068)	(349,068)	0	0.00%
PERSONAL SERVICES				
8000 General Fund	(264,000)	(264,000)	0	0.00%
3400 Other Funds Ltd	(63,637)	(63,637)	0	0.00%
TOTAL PERSONAL SERVICES	**($327,637)**	**($327,637)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
8000 General Fund	(264,000)	(264,000)	0	0.00%
3400 Other Funds Ltd	(63,637)	(63,637)	0	0.00%
TOTAL EXPENDITURES	**($327,637)**	**($327,637)**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	63,637	63,637	0	0.00%
TOTAL ENDING BALANCE	**$63,637**	**$63,637**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	41,714	41,714	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	5,941	5,941	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	41,714	41,714	0	0.00%
3400 Other Funds Ltd	5,941	5,941	0	0.00%
TOTAL REVENUE CATEGORIES	**$47,655**	**$47,655**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	41,714	41,714	0	0.00%
3400 Other Funds Ltd	5,941	5,941	0	0.00%
TOTAL AVAILABLE REVENUES	**$47,655**	**$47,655**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	5,393	5,393	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	1,602	1,602	0	0.00%
All Funds	6,995	6,995	0	0.00%
4125 Out of State Travel				
8000 General Fund	11,472	11,472	0	0.00%
3400 Other Funds Ltd	74	74	0	0.00%
All Funds	11,546	11,546	0	0.00%
4150 Employee Training				
8000 General Fund	3,237	3,237	0	0.00%
3400 Other Funds Ltd	1,507	1,507	0	0.00%
All Funds	4,744	4,744	0	0.00%
4175 Office Expenses				
8000 General Fund	4,525	4,525	0	0.00%
3400 Other Funds Ltd	14,542	14,542	0	0.00%
All Funds	19,067	19,067	0	0.00%
4200 Telecommunications				
8000 General Fund	6,779	6,779	0	0.00%
3400 Other Funds Ltd	8,215	8,215	0	0.00%
All Funds	14,994	14,994	0	0.00%
4250 Data Processing				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	416	416	0	0.00%
3400 Other Funds Ltd	1,497	1,497	0	0.00%
All Funds	1,913	1,913	0	0.00%
4275 Publicity and Publications				
8000 General Fund	391	391	0	0.00%
4300 Professional Services				
8000 General Fund	6,129	6,129	0	0.00%
4375 Employee Recruitment and Develop				
8000 General Fund	302	302	0	0.00%
3400 Other Funds Ltd	40	40	0	0.00%
All Funds	342	342	0	0.00%
4400 Dues and Subscriptions				
8000 General Fund	218	218	0	0.00%
3400 Other Funds Ltd	28	28	0	0.00%
All Funds	246	246	0	0.00%
4425 Facilities Rental and Taxes				
8000 General Fund	198	198	0	0.00%
3400 Other Funds Ltd	53	53	0	0.00%
All Funds	251	251	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4450 Fuels and Utilities				
3400 Other Funds Ltd	662	662	0	0.00%
4475 Facilities Maintenance				
8000 General Fund	158	158	0	0.00%
3400 Other Funds Ltd	272	272	0	0.00%
All Funds	430	430	0	0.00%
4650 Other Services and Supplies				
3400 Other Funds Ltd	7,761	7,761	0	0.00%
4700 Expendable Prop 250 - 5000				
8000 General Fund	1,411	1,411	0	0.00%
3400 Other Funds Ltd	423	423	0	0.00%
All Funds	1,834	1,834	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	40,629	40,629	0	0.00%
3400 Other Funds Ltd	36,676	36,676	0	0.00%
TOTAL SERVICES & SUPPLIES	**$77,305**	**$77,305**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
8000 General Fund	690	690	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	3,191	3,191	0	0.00%
All Funds	3,881	3,881	0	0.00%
5150 Telecommunications Equipment				
8000 General Fund	395	395	0	0.00%
3400 Other Funds Ltd	56	56	0	0.00%
All Funds	451	451	0	0.00%
CAPITAL OUTLAY				
8000 General Fund	1,085	1,085	0	0.00%
3400 Other Funds Ltd	3,247	3,247	0	0.00%
TOTAL CAPITAL OUTLAY	**$4,332**	**$4,332**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	41,714	41,714	0	0.00%
3400 Other Funds Ltd	39,923	39,923	0	0.00%
TOTAL EXPENDITURES	**$81,637**	**$81,637**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	(33,982)	(33,982)	0	0.00%
TOTAL ENDING BALANCE	**($33,982)**	**($33,982)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	613	613	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	613	613	0	0.00%
TOTAL REVENUE CATEGORIES	**$613**	**$613**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	613	613	0	0.00%
TOTAL AVAILABLE REVENUES	**$613**	**$613**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4300 Professional Services				
8000 General Fund	613	613	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	613	613	0	0.00%
TOTAL SERVICES & SUPPLIES	**$613**	**$613**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	613	613	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL EXPENDITURES	**$613**	**$613**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	-	(450,000)	(450,000)	100.00%
REVENUE CATEGORIES				
8000 General Fund	-	(450,000)	(450,000)	100.00%
TOTAL REVENUE CATEGORIES	-	**($450,000)**	**($450,000)**	**100.00%**
AVAILABLE REVENUES				
8000 General Fund	-	(450,000)	(450,000)	100.00%
TOTAL AVAILABLE REVENUES	-	**($450,000)**	**($450,000)**	**100.00%**
EXPENDITURES				
PERSONAL SERVICES				
P.S. BUDGET ADJUSTMENTS				
3455 Vacancy Savings				
8000 General Fund	-	(450,000)	(450,000)	100.00%
PERSONAL SERVICES				
8000 General Fund	-	(450,000)	(450,000)	100.00%
TOTAL PERSONAL SERVICES	-	**($450,000)**	**($450,000)**	**100.00%**
EXPENDITURES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	-	(450,000)	(450,000)	100.00%
TOTAL EXPENDITURES	**-**	**($450,000)**	**($450,000)**	**100.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	322,924	322,924	0	0.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	322,924	322,924	0	0.00%
TOTAL REVENUE CATEGORIES	**$322,924**	**$322,924**	**$0**	**0.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	322,924	322,924	0	0.00%
TOTAL AVAILABLE REVENUES	**$322,924**	**$322,924**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	173,544	173,544	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	173,544	173,544	0	0.00%
TOTAL SALARIES & WAGES	**$173,544**	**$173,544**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	88	88	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	27,403	27,403	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	13,276	13,276	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	138	138	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	1,041	1,041	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	61,056	61,056	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	103,002	103,002	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$103,002**	**$103,002**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	276,546	276,546	0	0.00%
TOTAL PERSONAL SERVICES	**$276,546**	**$276,546**	**$0**	**0.00%**
SERVICES & SUPPLIES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
4100 Instate Travel				
3400 Other Funds Ltd	234	234	0	0.00%
4125 Out of State Travel				
3400 Other Funds Ltd	19,440	19,440	0	0.00%
4150 Employee Training				
3400 Other Funds Ltd	3,046	3,046	0	0.00%
4175 Office Expenses				
3400 Other Funds Ltd	2,346	2,346	0	0.00%
4200 Telecommunications				
3400 Other Funds Ltd	7,904	7,904	0	0.00%
SERVICES & SUPPLIES				
3400 Other Funds Ltd	32,970	32,970	0	0.00%
TOTAL SERVICES & SUPPLIES	**$32,970**	**$32,970**	**$0**	**0.00%**
CAPITAL OUTLAY				
5100 Office Furniture and Fixtures				
3400 Other Funds Ltd	13,408	13,408	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	13,408	13,408	0	0.00%
TOTAL CAPITAL OUTLAY	**$13,408**	**$13,408**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
EXPENDITURES				
3400 Other Funds Ltd	322,924	322,924	0	0.00%
TOTAL EXPENDITURES	**$322,924**	**$322,924**	**$0**	**0.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	2	2	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	2.00	2.00	0.00	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	8,299	8,299	0	0.00%
AVAILABLE REVENUES				
3400 Other Funds Ltd	8,299	8,299	0	0.00%
TOTAL AVAILABLE REVENUES	**$8,299**	**$8,299**	**$0**	**0.00%**
EXPENDITURES				
SPECIAL PAYMENTS				
6030 Dist to Non-Gov Units				
3400 Other Funds Ltd	8,299	8,299	0	0.00%
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	(3,137,432)	(3,137,432)	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	(20,602,539)	(20,602,539)	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	(3,137,432)	(3,137,432)	0	0.00%
3400 Other Funds Ltd	(20,602,539)	(20,602,539)	0	0.00%
TOTAL REVENUE CATEGORIES	**($23,739,971)**	**($23,739,971)**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	(3,137,432)	(3,137,432)	0	0.00%
3400 Other Funds Ltd	(20,602,539)	(20,602,539)	0	0.00%
TOTAL AVAILABLE REVENUES	**($23,739,971)**	**($23,739,971)**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3170 Overtime Payments				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(59,722)	(59,722)	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	(59,722)	(59,722)	0	0.00%
TOTAL SALARIES & WAGES	**($59,722)**	**($59,722)**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(9,430)	(9,430)	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	(4,569)	(4,569)	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(13,999)	(13,999)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($13,999)**	**($13,999)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(73,721)	(73,721)	0	0.00%
TOTAL PERSONAL SERVICES	**($73,721)**	**($73,721)**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4175 Office Expenses				
3400 Other Funds Ltd	(70,200)	(70,200)	0	0.00%
4200 Telecommunications				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(35,100)	(35,100)	0	0.00%
4250 Data Processing				
8000 General Fund	(1,125,000)	(1,125,000)	0	0.00%
4300 Professional Services				
3400 Other Funds Ltd	(1,220,267)	(1,220,267)	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	(686,469)	(686,469)	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	(2,012,432)	(2,012,432)	0	0.00%
3400 Other Funds Ltd	(16,811,782)	(16,811,782)	0	0.00%
All Funds	(18,824,214)	(18,824,214)	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	(3,137,432)	(3,137,432)	0	0.00%
3400 Other Funds Ltd	(18,823,818)	(18,823,818)	0	0.00%
TOTAL SERVICES & SUPPLIES	**($21,961,250)**	**($21,961,250)**	**$0**	**0.00%**
CAPITAL OUTLAY				
5550 Data Processing Software				
3400 Other Funds Ltd	(852,500)	(852,500)	0	0.00%
5600 Data Processing Hardware				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	(852,500)	(852,500)	0	0.00%
CAPITAL OUTLAY				
3400 Other Funds Ltd	(1,705,000)	(1,705,000)	0	0.00%
TOTAL CAPITAL OUTLAY	**($1,705,000)**	**($1,705,000)**	**$0**	**0.00%**
EXPENDITURES				
8000 General Fund	(3,137,432)	(3,137,432)	0	0.00%
3400 Other Funds Ltd	(20,602,539)	(20,602,539)	0	0.00%
TOTAL EXPENDITURES	**($23,739,971)**	**($23,739,971)**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	(5,477,044)	(5,477,044)	0	0.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	(5,477,044)	(5,477,044)	0	0.00%
TOTAL REVENUE CATEGORIES	**($5,477,044)**	**($5,477,044)**	**$0**	**0.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	(5,477,044)	(5,477,044)	0	0.00%
TOTAL AVAILABLE REVENUES	**($5,477,044)**	**($5,477,044)**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				
3400 Other Funds Ltd	(3,667,512)	(3,667,512)	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	(3,667,512)	(3,667,512)	0	0.00%
TOTAL SALARIES & WAGES	**($3,667,512)**	**($3,667,512)**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	(1,364)	(1,364)	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	(579,101)	(579,101)	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	(280,560)	(280,560)	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	(2,139)	(2,139)	0	0.00%
3270 Flexible Benefits				
3400 Other Funds Ltd	(946,368)	(946,368)	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	(1,809,532)	(1,809,532)	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**($1,809,532)**	**($1,809,532)**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	(5,477,044)	(5,477,044)	0	0.00%
TOTAL PERSONAL SERVICES	**($5,477,044)**	**($5,477,044)**	**$0**	**0.00%**
EXPENDITURES				
3400 Other Funds Ltd	(5,477,044)	(5,477,044)	0	0.00%
TOTAL EXPENDITURES	**($5,477,044)**	**($5,477,044)**	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	(32)	(32)	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	(32.00)	(32.00)	0.00	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8000 General Fund	4,415,000	4,415,000	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	26,250,718	26,250,718	0	0.00%
REVENUE CATEGORIES				
8000 General Fund	4,415,000	4,415,000	0	0.00%
3400 Other Funds Ltd	26,250,718	26,250,718	0	0.00%
TOTAL REVENUE CATEGORIES	**$30,665,718**	**$30,665,718**	**$0**	**0.00%**
AVAILABLE REVENUES				
8000 General Fund	4,415,000	4,415,000	0	0.00%
3400 Other Funds Ltd	26,250,718	26,250,718	0	0.00%
TOTAL AVAILABLE REVENUES	**$30,665,718**	**$30,665,718**	**$0**	**0.00%**
EXPENDITURES				
PERSONAL SERVICES				
SALARIES & WAGES				
3110 Class/Unclass Sal. and Per Diem				

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	4,498,872	4,498,872	0	0.00%
3170 Overtime Payments				
3400 Other Funds Ltd	297,117	297,117	0	0.00%
3190 All Other Differential				
3400 Other Funds Ltd	60,512	60,512	0	0.00%
SALARIES & WAGES				
3400 Other Funds Ltd	4,856,501	4,856,501	0	0.00%
TOTAL SALARIES & WAGES	**$4,856,501**	**$4,856,501**	**$0**	**0.00%**
OTHER PAYROLL EXPENSES				
3210 Empl. Rel. Bd. Assessments				
3400 Other Funds Ltd	1,452	1,452	0	0.00%
3220 Public Employees Retire Cont				
3400 Other Funds Ltd	766,842	766,842	0	0.00%
3230 Social Security Taxes				
3400 Other Funds Ltd	371,521	371,521	0	0.00%
3250 Workers Comp. Assess. (WCD)				
3400 Other Funds Ltd	2,277	2,277	0	0.00%
3260 Mass Transit Tax				
3400 Other Funds Ltd	26,993	26,993	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3270 Flexible Benefits				
3400 Other Funds Ltd	1,007,424	1,007,424	0	0.00%
OTHER PAYROLL EXPENSES				
3400 Other Funds Ltd	2,176,509	2,176,509	0	0.00%
TOTAL OTHER PAYROLL EXPENSES	**$2,176,509**	**$2,176,509**	**$0**	**0.00%**
PERSONAL SERVICES				
3400 Other Funds Ltd	7,033,010	7,033,010	0	0.00%
TOTAL PERSONAL SERVICES	**$7,033,010**	**$7,033,010**	**$0**	**0.00%**
SERVICES & SUPPLIES				
4100 Instate Travel				
8000 General Fund	40,000	40,000	0	0.00%
4150 Employee Training				
8000 General Fund	75,000	75,000	0	0.00%
4175 Office Expenses				
8000 General Fund	65,000	65,000	0	0.00%
4200 Telecommunications				
8000 General Fund	36,000	36,000	0	0.00%
4250 Data Processing				
8000 General Fund	1,800,000	1,800,000	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	279,000	279,000	0	0.00%
All Funds	2,079,000	2,079,000	0	0.00%
4300 Professional Services				
3400 Other Funds Ltd	2,273,304	2,273,304	0	0.00%
4315 IT Professional Services				
8000 General Fund	2,375,000	2,375,000	0	0.00%
3400 Other Funds Ltd	12,622,500	12,622,500	0	0.00%
All Funds	14,997,500	14,997,500	0	0.00%
4425 Facilities Rental and Taxes				
3400 Other Funds Ltd	518,904	518,904	0	0.00%
4650 Other Services and Supplies				
8000 General Fund	24,000	24,000	0	0.00%
3400 Other Funds Ltd	3,524,000	3,524,000	0	0.00%
All Funds	3,548,000	3,548,000	0	0.00%
SERVICES & SUPPLIES				
8000 General Fund	4,415,000	4,415,000	0	0.00%
3400 Other Funds Ltd	19,217,708	19,217,708	0	0.00%
TOTAL SERVICES & SUPPLIES	**$23,632,708**	**$23,632,708**	**$0**	**0.00%**

EXPENDITURES

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
8000 General Fund	4,415,000	4,415,000	0	0.00%
3400 Other Funds Ltd	26,250,718	26,250,718	0	0.00%
TOTAL EXPENDITURES	**$30,665,718**	**$30,665,718**	**$0**	**0.00%**
ENDING BALANCE				
8000 General Fund	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**
AUTHORIZED POSITIONS				
8150 Class/Unclass Positions	33	33	0	0.00%
AUTHORIZED FTE				
8250 Class/Unclass FTE Positions	33.00	33.00	0.00	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	-	(521,182)	(521,182)	100.00%
REVENUE CATEGORIES				
3400 Other Funds Ltd	-	(521,182)	(521,182)	100.00%
TOTAL REVENUE CATEGORIES	-	**($521,182)**	**($521,182)**	**100.00%**
AVAILABLE REVENUES				
3400 Other Funds Ltd	-	(521,182)	(521,182)	100.00%
TOTAL AVAILABLE REVENUES	-	**($521,182)**	**($521,182)**	**100.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
3400 Other Funds Ltd	-	(521,182)	(521,182)	100.00%
EXPENDITURES				
3400 Other Funds Ltd	-	(521,182)	(521,182)	100.00%
TOTAL EXPENDITURES	-	**($521,182)**	**($521,182)**	**100.00%**
ENDING BALANCE				
3400 Other Funds Ltd	-	-	0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
TOTAL ENDING BALANCE	-	-	$0	0.00%

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8030 General Fund Debt Svc	411,180	411,180	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	51,682	51,682	0	0.00%
REVENUE CATEGORIES				
8030 General Fund Debt Svc	411,180	411,180	0	0.00%
3400 Other Funds Ltd	51,682	51,682	0	0.00%
TOTAL REVENUE CATEGORIES	**$462,862**	**$462,862**	**$0**	**0.00%**
AVAILABLE REVENUES				
8030 General Fund Debt Svc	411,180	411,180	0	0.00%
3400 Other Funds Ltd	51,682	51,682	0	0.00%
TOTAL AVAILABLE REVENUES	**$462,862**	**$462,862**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
8030 General Fund Debt Svc	411,180	-	(411,180)	(100.00%)

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	51,682	51,682	0	0.00%
All Funds	462,862	51,682	(411,180)	(88.83%)
DEBT SERVICE				
7100 Principal - Bonds				
8030 General Fund Debt Svc	-	300,000	300,000	100.00%
7150 Interest - Bonds				
8030 General Fund Debt Svc	-	111,180	111,180	100.00%
DEBT SERVICE				
8030 General Fund Debt Svc	-	411,180	411,180	100.00%
TOTAL DEBT SERVICE	-	**$411,180**	**$411,180**	**100.00%**
EXPENDITURES				
8030 General Fund Debt Svc	411,180	411,180	0	0.00%
3400 Other Funds Ltd	51,682	51,682	0	0.00%
TOTAL EXPENDITURES	**$462,862**	**$462,862**	**$0**	**0.00%**
ENDING BALANCE				
8030 General Fund Debt Svc	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	-	-	**$0**	**0.00%**

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
REVENUE CATEGORIES				
GENERAL FUND APPROPRIATION				
0050 General Fund Appropriation				
8030 General Fund Debt Svc	3,909,839	3,909,839	0	0.00%
CHARGES FOR SERVICES				
0415 Admin and Service Charges				
3400 Other Funds Ltd	390,000	390,000	0	0.00%
REVENUE CATEGORIES				
8030 General Fund Debt Svc	3,909,839	3,909,839	0	0.00%
3400 Other Funds Ltd	390,000	390,000	0	0.00%
TOTAL REVENUE CATEGORIES	**$4,299,839**	**$4,299,839**	**$0**	**0.00%**
AVAILABLE REVENUES				
8030 General Fund Debt Svc	3,909,839	3,909,839	0	0.00%
3400 Other Funds Ltd	390,000	390,000	0	0.00%
TOTAL AVAILABLE REVENUES	**$4,299,839**	**$4,299,839**	**$0**	**0.00%**
EXPENDITURES				
SERVICES & SUPPLIES				
4650 Other Services and Supplies				
8030 General Fund Debt Svc	3,909,839	-	(3,909,839)	(100.00%)

Description	Agency Request Budget (V-01)	Governor's Budget (Y-01)	Column 2 Minus Column 1	% Change from Column 1 to Column 2
	Column 1	Column 2		
3400 Other Funds Ltd	390,000	390,000	0	0.00%
All Funds	4,299,839	390,000	(3,909,839)	(90.93%)
DEBT SERVICE				
7100 Principal - Bonds				
8030 General Fund Debt Svc	-	2,735,000	2,735,000	100.00%
7150 Interest - Bonds				
8030 General Fund Debt Svc	-	1,174,839	1,174,839	100.00%
DEBT SERVICE				
8030 General Fund Debt Svc	-	3,909,839	3,909,839	100.00%
TOTAL DEBT SERVICE	**-**	**$3,909,839**	**$3,909,839**	**100.00%**
EXPENDITURES				
8030 General Fund Debt Svc	3,909,839	3,909,839	0	0.00%
3400 Other Funds Ltd	390,000	390,000	0	0.00%
TOTAL EXPENDITURES	**$4,299,839**	**$4,299,839**	**$0**	**0.00%**
ENDING BALANCE				
8030 General Fund Debt Svc	-	-	0	0.00%
3400 Other Funds Ltd	-	-	0	0.00%
TOTAL ENDING BALANCE	**-**	**-**	**$0**	**0.00%**

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MEAHZ7016	MA	PRINCIPAL EXECUTIVE/MANAGER I	1	1.00	24.00	13,348.00	293,987	26,365			320,352
000	MENNZ0118	AA	EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	3,717.00	80,287	8,921			89,208
000	MESNZ0119	AA	EXECUTIVE SUPPORT SPECIALIST 2	1	1.00	24.00	3,547.00	76,615	8,513			85,128
000	MESNZ7008	AA	PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	7,375.00	309,689	44,311			354,000
000	MESNZ7014	AA	PRINCIPAL EXECUTIVE/MANAGER H	1	1.00	24.00	11,362.00	245,419	27,269			272,688
000	MMN	X0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,222.00	71,142	6,186			77,328
000	MMN	X0855	AA PROJECT MANAGER 2	2	2.00	48.00	5,361.50	236,763	20,589			257,352
000	MMN	X0865	AA PUBLIC AFFAIRS SPECIALIST 2	1	1.00	24.00	5,492.00	113,355	18,453			131,808
000	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	6,663.00	143,921	15,991			159,912
000	MMN	X1318	AA HUMAN RESOURCE ASSISTANT	1	1.00	24.00	3,222.00	71,142	6,186			77,328
000	MMN	X1320	AA HUMAN RESOURCE ANALYST 1	2	2.00	48.00	4,208.00	185,825	16,159			201,984
000	MMN	X1321	AA HUMAN RESOURCE ANALYST 2	2	2.00	48.00	4,860.50	214,639	18,665			233,304
000	MMN	X1322	AA HUMAN RESOURCE ANALYST 3	2	2.00	48.00	5,665.00	247,776	24,144			271,920
000	MMN	X5248	AA COMPLIANCE SPECIALIST 3	2	2.00	48.00	5,497.50	233,702	30,178			263,880
000	MMN	X5618	AA INTERNAL AUDITOR 3	2	2.00	48.00	6,245.00	256,348	43,412			299,760
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	6,351.00	96,789	55,635			152,424
000	OA	C0102	AA OFFICE ASSISTANT 2	1	1.00	24.00	2,360.00	45,312	11,328			56,640
000	OA	C0103	AA OFFICE SPECIALIST 1	1	.20	4.80	2,188.00	9,662	840			10,502
000	OA	C0104	AA OFFICE SPECIALIST 2	2	2.00	48.00	2,705.50	121,302	8,562			129,864
000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	2	2.00	48.00	3,607.00	157,554	15,582			173,136
000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	3,974.00	87,746	7,630			95,376
000	OA	C0788	AA SUPPLY SPECIALIST 1	3	3.00	72.00	2,636.00	174,609	15,183			189,792
000	OA	C0871	AA OPERATIONS & POLICY ANALYST 2	2	2.00	48.00	5,160.00	223,756	23,924			247,680
000	OA	C2511	AA ELECTRONIC PUB DESIGN SPEC 2	2	2.00	48.00	3,971.00	163,923	26,685			190,608
000	OA	C2512	AA ELECTRONIC PUB DESIGN SPEC 3	1	1.00	24.00	4,791.00	103,486	11,498			114,984

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000				38	37.20	892.80	4,933.07	3,964,749	492,209			4,456,958
				38	37.20	892.80	4,933.07	3,964,749	492,209			4,456,958

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MESNZ7012	AA	PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	10,306.00	227,556	19,788			247,344
000	MMN	X1164	AA ECONOMIST 4	2	2.00	48.00	7,375.00	318,600	35,400			354,000
000	MMS	X7010	AA PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	8,917.00	192,607	21,401			214,008
000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	2,756.00	59,530	6,614			66,144
000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	2	2.00	48.00	6,691.00	303,503	17,665			321,168
000	OA	C1117	AA RESEARCH ANALYST 3	2	2.00	48.00	4,845.00	209,304	23,256			232,560
000	OA	C1118	AA RESEARCH ANALYST 4	1	1.00	24.00	5,277.00	126,648				126,648
000	OA	C1163	AA ECONOMIST 3	2	2.00	48.00	5,529.00	238,852	26,540			265,392
000	OA	C1486	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	6,834.00	150,695	13,121			164,016
000				13	13.00	312.00	6,362.30	1,827,495	163,785			1,991,280
				13	13.00	312.00	6,362.30	1,827,495	163,785			1,991,280

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	PF SAL	LF SAL	AF SAL
000	MENNZ0118	AA	EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	3,072.00	64,881	8,847			73,728
000	MESNZ7010	AA	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	7,343.00	158,609	17,623			176,232
000	MESNZ7010	IA	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	10,306.00	227,556	19,788			247,344
000	MMS	X7001	AA PRINCIPAL EXECUTIVE/MANAGER A	4	4.00	96.00	4,622.00	423,909	19,803			443,712
000	MMS	X7002	AA PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	5,492.00	121,263	10,545			131,808
000	MMS	X7005	AA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	6,663.00	147,119	12,793			159,912
000	MMS	X7005	IA PRINCIPAL EXECUTIVE/MANAGER D	4	4.00	96.00	7,883.50	696,272	60,544			756,816
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	7,026.00	310,268	26,980			337,248
000	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,343.00	162,133	14,099			176,232
000	OA	C0101	AA OFFICE ASSISTANT 1	18	9.48	227.40	2,112.00	470,564	9,606			480,270
000	OA	C0102	AA OFFICE ASSISTANT 2	23	19.12	458.63	2,420.13	1,027,138	85,294			1,112,432
000	OA	C0103	AA OFFICE SPECIALIST 1	29	23.65	567.44	2,516.75	1,259,156	189,524			1,448,680
000	OA	C0104	AA OFFICE SPECIALIST 2	22	21.99	527.76	2,872.54	1,371,768	144,303			1,516,071
000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	5	5.00	120.00	3,512.20	366,755	54,709			421,464
000	OA	C0211	AA ACCOUNTING TECHNICIAN 2	3	3.00	72.00	3,047.00	201,633	17,551			219,384
000	OA	C0212	AA ACCOUNTING TECHNICIAN 3	1	1.00	24.00	3,974.00	87,746	7,630			95,376
000	OA	C0435	AA PROCUREMENT AND CONTRACT ASST	1	1.00	24.00	2,873.00	63,436	5,516			68,952
000	OA	C0437	AA PROCUREMENT & CONTRACT SPEC 2	1	1.00	24.00	4,161.00	91,875	7,989			99,864
000	OA	C0438	AA PROCUREMENT & CONTRACT SPEC 3	1	1.00	24.00	5,028.00	111,018	9,654			120,672
000	OA	C0501	AA DATA ENTRY OPERATOR	43	21.92	525.83	2,336.65	1,211,888	56,492			1,268,380
000	OA	C0870	AA OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	4,358.00	94,342	10,250			104,592
000	OA	C0871	AA OPERATIONS & POLICY ANALYST 2	5	5.00	120.00	5,091.00	537,005	73,915			610,920
000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	6,360.00	140,870	12,250			153,120
000	OA	C1216	AA ACCOUNTANT 2	1	1.00	24.00	3,450.00	76,176	6,624			82,800
000	OA	C1217	AA ACCOUNTANT 3	1	1.00	24.00	5,529.00	122,080	10,616			132,696

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	OA	C1218	AA ACCOUNTANT 4	2	2.00	48.00	6,110.00	269,817	23,463			293,280
000	OA	C1244	AA FISCAL ANALYST 2	3	2.50	60.00	5,255.00	302,153	26,275			328,425
000	OA	C1245	AA FISCAL ANALYST 3	1	1.00	24.00	6,691.00	147,737	12,847			160,584
000	OA	C1475	IA DATA ENTRY CONTROL TECHNICIAN	2	2.00	48.00	2,852.00	127,270	11,066			138,336
000	OA	C1481	IA INFO SYSTEMS SPECIALIST 1	1	1.00	24.00	3,729.00	82,557	7,179			89,736
000	OA	C1483	IA INFO SYSTEMS SPECIALIST 3	4	4.00	96.00	4,595.00	405,830	35,290			441,120
000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	18	18.00	432.00	4,881.77	1,891,719	217,209			2,108,928
000	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	3	3.00	72.00	5,520.66	335,538	61,950			397,488
000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	19	19.00	456.00	6,007.57	2,466,131	273,325			2,739,456
000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	16	16.00	384.00	6,790.68	2,238,506	369,118			2,607,624
000	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	4	4.00	96.00	6,767.00	575,054	74,578			649,632
000				245	205.66	4935.06	3,834.26	18,388,072	2,005,545			20,393,617
				245	205.66	4935.06	3,834.26	18,388,072	2,005,545			20,393,617

PKG	CLASS	COMP		DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MESN20118	AA		EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	3,222.00	70,577	6,751			77,328
000	MESN27012	AA		PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	9,822.00	176,796	58,932			235,728
000	MMN	X0873	AA	OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	7,701.00	174,529	10,295			184,824
000	MMS	X7006	AA	PRINCIPAL EXECUTIVE/MANAGER D	6	6.00	144.00	6,961.50	823,364	179,092			1,002,456
000	MMS	X7008	AA	PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	7,894.00	332,706	46,206			378,912
000	OA	C0100	AA	STUDENT OFFICE WORKER	2	.26	6.21	2,112.00	11,812	1,303			13,115
000	OA	C0103	AA	OFFICE SPECIALIST 1	1	1.00	24.00	2,435.00	58,440				58,440
000	OA	C0104	AA	OFFICE SPECIALIST 2	4	4.00	96.00	3,076.25	76,589	218,731			295,320
000	OA	C0107	AA	ADMINISTRATIVE SPECIALIST 1	2	2.00	48.00	2,696.00	96,336	33,072			129,408
000	OA	C0108	AA	ADMINISTRATIVE SPECIALIST 2	2	2.00	48.00	3,712.00	41,400	136,776			178,176
000	OA	C0726	AA	APPRAISER ANALYST 2	3	3.00	72.00	4,279.66	126,646	181,488			308,136
000	OA	C0727	AA	APPRAISER ANALYST 3	37	37.00	888.00	5,354.29	2,565,600	2,189,016			4,754,616
000	OA	C0728	AA	APPRAISER ANALYST 4	14	14.00	336.00	6,472.50	1,508,520	666,240			2,174,760
000	OA	C0860	AA	PROGRAM ANALYST 1	1	1.00	24.00	3,450.00		82,800			82,800
000	OA	C0861	AA	PROGRAM ANALYST 2	4	4.00	96.00	4,709.75	452,136				452,136
000	OA	C0871	AA	OPERATIONS & POLICY ANALYST 2	2	2.00	48.00	4,981.50	49,932	189,180			239,112
000	OA	C0872	AA	OPERATIONS & POLICY ANALYST 3	2	2.00	48.00	6,385.50	160,584	145,920			306,504
000	OA	C1338	AA	TRAINING & DEVELOPMENT SPEC 2	1	1.00	24.00	5,529.00	132,696				132,696
000	OA	C1483	IA	INFO SYSTEMS SPECIALIST 3	3	3.00	72.00	4,241.33	193,913	111,463			305,376
000	OA	C1484	IA	INFO SYSTEMS SPECIALIST 4	4	4.00	96.00	6,757.50	290,017	166,703			456,720
000	OA	C1485	IA	INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	5,297.00	80,726	46,402			127,128
000	OA	C1486	IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	6,507.00	99,167	57,001			156,168
000					95	93.26	2238.21	5,323.73	7,522,488	4,527,371			12,049,859

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
141	CA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	4,791.00		114,984			114,984
141	CA	C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	5,218.00		125,232			125,232
141	CA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	5,684.00		136,416			136,416
141				3	3.00	72.00	5,231.00		376,632			376,632

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
142	OA	C0726	AA APPRAISER ANALYST 2		.00	.00	3,781.00	90,744	90,744-			
142	OA	C0727	AA APPRAISER ANALYST 3		.00	.00	5,106.67	980,520	980,520-			
142	OA	C0728	AA APPRAISER ANALYST 4		.00	.00	7,023.00	168,552	168,552-			
142					.00	.00	5,165.90	1,239,816	1,239,816-			

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
143	CA	C0107	AA ADMINISTRATIVE SPECIALIST 1	6	3.00	72.00	2,636.00		189,792			189,792
143	CA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	2,873.00		68,952			68,952
143				7	4.00	96.00	2,669.85		258,744			256,744
				105	101.26	2406.21	5,147.64	8,762,304	3,922,931			12,685,235

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MESN20116	AA	EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	3,717.00	87,424	1,784			89,208
000	MESN27012	AA	PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	8,496.00	199,826	4,078			203,904
000	MMS	X7000	AA PRINCIPAL EXECUTIVE/MANAGER A	9	9.00	216.00	4,162.77	882,963	16,197			899,160
000	MMS	X7002	AA PRINCIPAL EXECUTIVE/MANAGER B	3	3.00	72.00	4,900.00	345,744	7,056			352,800
000	MMS	X7004	AA PRINCIPAL EXECUTIVE/MANAGER C	11	11.00	264.00	5,777.09	1,494,651	30,501			1,525,152
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	3	3.00	72.00	6,496.00	461,717	5,995			467,712
000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	3	3.00	72.00	6,949.56	478,723	21,653			500,376
000	OA	C0100	AA STUDENT OFFICE WORKER	5	.42	10.25	2,192.80	22,458	457			22,915
000	OA	C0103	AA OFFICE SPECIALIST 1	9	9.00	216.00	2,450.55	521,201	8,119			529,320
000	OA	C0104	AA OFFICE SPECIALIST 2	13	12.42	298.12	2,646.30	774,943	16,907			791,850
000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	51	50.50	1212.00	3,306.94	3,926,040	90,024			4,016,064
000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	21	21.00	504.00	3,669.90	1,811,336	38,296			1,849,632
000	OA	C0323	AA PUBLIC SERVICE REP 3	20	19.47	467.27	2,835.30	1,297,235	26,473			1,323,708
000	OA	C0870	AA OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	3,974.00	93,468	1,908			95,376
000	OA	C0871	AA OPERATIONS & POLICY ANALYST 2	5	5.00	120.00	5,235.50	615,707	12,565			628,272
000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	6	6.00	144.00	5,597.56	792,597	13,467			806,064
000	OA	C5110	AA REVENUE AGENT 1	103	103.00	2472.00	3,035.75	7,368,072	136,344			7,504,416
000	OA	C5111	AA REVENUE AGENT 2	8	8.00	192.00	3,236.87	610,630	10,850			621,480
000	OA	C5112	AA REVENUE AGENT 3	35	35.00	840.00	3,995.51	3,293,290	62,942			3,356,232
000	OA	C5248	AA COMPLIANCE SPECIALIST 3	1	1.00	24.00	4,569.00	107,463	2,193			109,656
000	OA	C5631	AA TAX AUDITOR 1	82	81.00	1944.00	4,154.31	7,810,244	138,804			8,049,048
000	OA	C5632	AA TAX AUDITOR 2	39	39.00	936.00	5,270.69	4,844,703	88,665			4,933,368
000				430	422.81	10147.68	3,793.14	37,940,435	735,278			38,675,713
				430	422.81	10147.68	3,793.14	37,940,435	735,278			38,675,713

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MENNZ0118	AA	EXECUCIVE SUPPORT SPECIALIST 1	1	1.00	24.00	3,547.00	76,615	8,513			85,128
000	MESN27012	AA	PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	10,306.00	222,610	24,734			247,344
000	MMN	X5648	AA GOVERNMENTAL AUDITOR 3	1	1.00	24.00	6,663.00	151,916	7,996			159,912
000	MMS	X7000	AA PRINCIPAL EXECUTIVE/MANAGER A	5	5.00	120.00	4,137.40	163,089	333,399			496,488
000	MMS	X7002	AA PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	5,492.00	104,537	27,271			131,808
000	MMS	X7004	AA PRINCIPAL EXECUTIVE/MANAGER C	3	3.00	72.00	4,900.00	210,050	142,750			352,800
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	5	5.00	120.00	6,456.60	620,786	155,206			775,992
000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	3	3.00	72.00	7,406.66	293,154	240,126			533,280
000	OA	C0100	AA STUDENT OFFICE WORKER	1	.02	.56	2,112.00	1,183				1,183
000	OA	C0102	AA OFFICE SPECIALIST 1	9	9.00	216.00	2,618.33	186,958	378,592			565,550
000	OA	C0104	AA OFFICE SPECIALIST 2	11	10.00	240.00	2,777.09	339,405	335,307			674,712
000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	9	9.00	216.00	3,185.00	666,981	20,979			687,960
000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	3,607.00	64,837	1,731			66,568
000	OA	C0212	AA ACCOUNTING TECHNICIAN 3	2	2.00	48.00	3,632.00		174,336			174,336
000	OA	C0324	AA PUBLIC SERVICE REP 4	19	17.43	418.35	3,721.31	784,579	765,036			1,549,615
000	OA	C0860	AA PROGRAM ANALYST 1	2	2.00	48.00	4,680.00		224,640			224,640
000	OA	C0861	AA PROGRAM ANALYST 2	1	1.00	24.00	5,277.00		126,648			126,648
000	OA	C0870	AA OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	3,450.00	78,660	4,140			82,800
000	OA	C0871	AA OPERATIONS & POLICY ANALYST 2	3	3.00	72.00	5,073.00	230,214	135,042			365,256
000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	6	6.00	144.00	5,847.16	630,522	211,470			841,992
000	OA	C5110	AA REVENUE AGENT 1	67	66.39	1593.12	2,920.10	884,187	3,772,118			4,656,305
000	OA	C5111	AA REVENUE AGENT 2	9	9.00	216.00	3,583.88	673,172	100,948			774,120
000	OA	C5246	AA COMPLIANCE SPECIALIST 1	3	2.57	61.67	4,187.66		250,734			250,734
000	OA	C5247	AA COMPLIANCE SPECIALIST 2	8	8.00	192.00	4,645.25	626,109	265,779			891,888
000	OA	C5248	AA COMPLIANCE SPECIALIST 3	1	1.00	24.00	6,360.00	145,464	7,656			153,120

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	OA	C5531	AA TAX AUDITOR 1	3	3.00	72.00	3,909.66	272,190	9,306			281,496
000	OA	C5532	AA TAX AUDITOR 2	36	35.00	864.00	5,491.30	4,449,692	294,796			4,744,488
000				212	207.41	4977.70	3,981.06	11,896,920	8,019,253			19,916,173

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
161	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	2,873.00		68,952			68,952
161	OA	C5532	AA TAX AUDITOR 2	1	1.00	24.00	4,358.00		104,592			104,592
161				2	2.00	48.00	3,615.50		173,544			173,544
				214	209.41	5025.70	3,977.64	11,896,920	8,192,797			20,089,717

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	8,496.00		203,904			203,904
000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	3,023.00		145,104			145,104
000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,001.00		72,024			72,024
000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	14	14.00	336.00	4,943.64		1,661,064			1,661,064
000	OA	C1245	AA FISCAL ANALYST 3	1	1.00	24.00	4,791.00		114,984			114,984
000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	5	5.00	120.00	3,946.00		473,520			473,520
000	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	4,408.00		105,792			105,792
000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	4	4.00	96.00	4,711.00		452,256			452,256
000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	2	2.00	48.00	5,218.00		250,464			250,464
000	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	7,850.00		188,400			188,400
000				32	32.00	768.00	4,775.40		3,667,512			3,667,512

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
070	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER D	1-	1.00-	24.00-	8,496.00		203,904-			203,904-
070	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	2-	2.00-	48.00-	3,023.00		145,104-			145,104-
070	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1-	1.00-	24.00-	3,001.00		72,024-			72,024-
070	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	14-	14.00-	336.00-	4,943.64		1,661,064-			1,661,064-
070	OA	C1245	AA FISCAL ANALYST 3	1-	1.00-	24.00-	4,791.00		114,984-			114,984-
070	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	5-	5.00-	120.00-	3,946.00		473,520-			473,520-
070	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	1-	1.00-	24.00-	4,408.00		105,792-			105,792-
070	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	4-	4.00-	96.00-	4,711.00		452,256-			452,256-
070	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	2-	2.00-	48.00-	5,218.00		250,464-			250,464-
070	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1-	1.00-	24.00-	7,850.00		188,400-			188,400-
070				32-	32.00-	768.00-	4,775.40		3,667,512-			3,667,512-

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
181	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	8,496.00		203,904			203,904
181	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	2	2.00	48.00	7,026.00		337,248			337,248
181	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,139.00		75,336			75,336
181	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	15	15.00	360.00	5,538.86		1,993,992			1,993,992
181	OA	C1244	AA FISCAL ANALYST 2	1	1.00	24.00	5,802.00		139,248			139,248
181	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	3	3.00	72.00	4,093.33		294,720			294,720
181	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	5,805.00		139,320			139,320
181	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	5	5.00	120.00	5,642.00		677,040			677,040
181	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	3	3.00	72.00	6,245.33		449,664			449,664
181	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	7,850.00		188,400			188,400
181				33	33.00	792.00	5,680.39		4,498,872			4,498,872
				33	33.00	792.00	5,063.28		4,498,872			4,498,872
				1078	1021.34	24511.45	4,155.44	82,779,975	20,011,417			102,791,392

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
				1078	1021.34	24511.48	4,155.44	82,779,975	20,011,417			102,791,392

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	MEAHZ7016	HA	PRINCIPAL EXECUTIVE/MANAGER I	1	1.00	24.00	13,348.00	293,967	26,365			320,332
000	MENNZ0118	AA	EXECUTIVE SUPPORT SPECIALIST 1	4	4.00	96.00	3,513.25	309,207	28,065			337,272
000	MESNZ0118	AA	EXECUTIVE SUPPORT SPECIALIST 1	1	1.00	24.00	3,222.00	70,577	6,751			77,328
000	MESNZ0119	AA	EXECUTIVE SUPPORT SPECIALIST 2	1	1.00	24.00	3,547.00	76,615	8,513			85,128
000	MESNZ7008	AA	PRINCIPAL EXECUTIVE/MANAGER B	2	2.00	48.00	7,375.00	309,683	44,311			354,000
000	MESNZ7010	AA	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	7,343.00	158,609	17,623			176,232
000	MESNZ7010	IA	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	10,306.00	227,556	19,788			247,344
000	MESNZ7012	AA	PRINCIPAL EXECUTIVE/MANAGER G	4	4.00	96.00	9,732.50	826,786	107,532			934,320
000	MESNZ7014	AA	PRINCIPAL EXECUTIVE/MANAGER H	1	1.00	24.00	11,362.00	245,419	27,269			272,688
000	MMN	X0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	3,222.00	71,142	6,186			77,328
000	MMN	X0855	AA PROJECT MANAGER 2	2	2.00	48.00	5,361.50	236,763	20,589			257,352
000	MMN	X0865	AA PUBLIC AFFAIRS SPECIALIST 2	1	1.00	24.00	5,492.00	113,355	18,453			131,808
000	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	2	2.00	48.00	7,182.00	318,450	26,286			344,736
000	MMN	X1164	AA ECONOMIST 4	2	2.00	48.00	7,375.00	318,600	35,400			354,000
000	MMN	X1319	AA HUMAN RESOURCE ASSISTANT	1	1.00	24.00	3,222.00	71,142	6,186			77,328
000	MMN	X1320	AA HUMAN RESOURCE ANALYST 1	2	2.00	48.00	4,208.00	185,825	16,159			201,984
000	MMN	X1321	AA HUMAN RESOURCE ANALYST 2	2	2.00	48.00	4,860.50	214,639	18,665			233,304
000	MMN	X1322	AA HUMAN RESOURCE ANALYST 3	2	2.00	48.00	5,665.00	247,776	24,144			271,920
000	MMN	X5248	AA COMPLIANCE SPECIALIST 3	2	2.00	48.00	5,497.50	233,702	30,178			263,880
000	MMN	X5618	AA INTERNAL AUDITOR 3	2	2.00	48.00	6,245.00	256,348	43,412			299,760
000	MMN	X5648	AA GOVERNMENTAL AUDITOR 3	1	1.00	24.00	6,663.00	151,916	7,996			159,912
000	MMS	X7000	AA PRINCIPAL EXECUTIVE/MANAGER A	18	18.00	432.00	4,257.77	1,469,961	369,399			1,839,360
000	MMS	X7002	AA PRINCIPAL EXECUTIVE/MANAGER B	5	5.00	120.00	5,136.80	571,544	44,872			616,416
000	MMS	X7004	AA PRINCIPAL EXECUTIVE/MANAGER C	14	14.00	336.00	5,589.14	1,704,701	173,251			1,877,952
000	MMS	X7006	AA PRINCIPAL EXECUTIVE/MANAGER D	16	16.00	384.00	6,662.75	2,149,775	408,721			2,558,496

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
181	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER D	5	5.00	120.00	8,146.00	696,272	264,448			960,720
181	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	12	12.00	288.00	6,190.81	1,414,851	672,213			2,087,064
000	MMS	X7008	IA PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	7,343.00	162,133	14,099			176,232
000	MMS	X7010	AA PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	8,917.00	192,607	21,401			214,008
000	OA	C0100	AA STUDENT OFFICE WORKER	8	.70	17.06	2,162.50	35,453	1,760			37,213
000	OA	C0101	AA OFFICE ASSISTANT 1	18	9.49	227.40	2,112.00	470,664	9,606			480,270
000	OA	C0102	AA OFFICE ASSISTANT 2	24	20.12	482.63	2,417.62	1,072,450	96,622			1,169,072
000	OA	C0103	AA OFFICE SPECIALIST 1	49	42.55	1028.24	2,514.87	2,035,427	577,375			2,612,802
000	OA	C0104	AA OFFICE SPECIALIST 2	62	50.41	1209.88	2,805.03	2,684,007	723,810			3,407,817
143	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	77	73.50	1764.00	3,238.36	5,273,196	486,108			5,759,304
161	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	27	27.00	648.00	3,622.92	2,025,319	322,337			2,347,656
000	OA	C0211	AA ACCOUNTING TECHNICIAN 2	3	3.00	72.00	3,047.00	201,833	17,551			219,384
000	OA	C0212	AA ACCOUNTING TECHNICIAN 3	3	3.00	72.00	3,746.00	87,746	181,966			269,712
000	OA	C0323	AA PUBLIC SERVICE REP 3	20	19.47	467.27	2,835.30	1,297,235	26,473			1,323,708
000	OA	C0324	AA PUBLIC SERVICE REP 4	19	17.43	418.35	3,721.31	784,579	765,036			1,549,615
000	OA	C0435	AA PROCUREMENT AND CONTRACT ASST	1	1.00	24.00	2,973.00	63,436	5,516			68,952
000	OA	C0437	AA PROCUREMENT & CONTRACT SPEC 2	1	1.00	24.00	4,161.00	91,875	7,989			99,864
000	OA	C0438	AA PROCUREMENT & CONTRACT SPEC 3	1	1.00	24.00	5,028.00	111,018	9,654			120,672
000	OA	C0501	AA DATA ENTRY OPERATOR	43	21.92	525.83	2,336.65	1,201,888	56,492			1,258,380
000	OA	C0726	AA APPRAISER ANALYST 2	3	3.00	72.00	4,080.20	217,392	90,744			308,136
000	OA	C0727	AA APPRAISER ANALYST 3	37	37.00	888.00	5,279.60	3,546,120	1,208,496			4,754,616
000	OA	C0728	AA APPRAISER ANALYST 4	14	14.00	336.00	6,541.31	1,677,072	497,688			2,174,760
000	OA	C0756	AA SUPPLY SPECIALIST 1	3	3.00	72.00	2,636.00	174,609	15,183			189,792
000	OA	C0860	AA PROGRAM ANALYST 1	3	3.00	72.00	4,270.00		307,440			307,440
000	OA	C0861	AA PROGRAM ANALYST 2	5	5.00	120.00	4,823.20	452,136	126,648			578,784

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	OA	C0870	AA OPERATIONS & POLICY ANALYST 1	3	3.00	72.00	3,927.33	266,470	16,298			282,768
000	OA	C0871	AA OPERATIONS & POLICY ANALYST 2	17	17.00	408.00	5,125.58	1,656,614	434,626			2,091,240
181	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	33	33.00	792.00	5,368.81	2,028,078	2,509,746			4,537,824
000	OA	C1117	AA RESEARCH ANALYST 3	2	2.00	48.00	4,845.00	209,304	23,256			232,560
000	OA	C1118	AA RESEARCH ANALYST 4	1	1.00	24.00	5,277.00	126,648				126,648
000	OA	C1163	AA ECONOMIST 3	2	2.00	48.00	5,329.00	238,852	26,540			255,392
000	OA	C1216	AA ACCOUNTANT 2	1	1.00	24.00	3,450.00	76,176	6,624			82,800
000	OA	C1217	AA ACCOUNTANT 3	1	1.00	24.00	5,529.00	122,080	10,616			132,696
000	OA	C1218	AA ACCOUNTANT 4	2	2.00	48.00	6,110.00	269,817	23,463			293,280
181	OA	C1244	AA FISCAL ANALYST 2	4	3.50	84.00	5,391.75	302,153	165,523			467,676
070	OA	C1245	AA FISCAL ANALYST 3	1	1.00	24.00	5,424.33	147,737	12,847			160,584
000	OA	C1333	AA TRAINING & DEVELOPMENT SPEC 2	1	1.00	24.00	5,529.00	132,696				132,696
000	OA	C1475	IA DATA ENTRY CONTROL TECHNICIAN	2	2.00	48.00	2,882.00	127,270	11,066			138,336
000	OA	C1481	IA INFO SYSTEMS SPECIALIST 1	1	1.00	24.00	3,739.00	82,557	7,179			89,736
000	OA	C1483	IA INFO SYSTEMS SPECIALIST 3	7	7.00	168.00	4,443.42	599,743	146,753			746,496
181	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	25	25.00	600.00	4,532.62	2,181,736	576,632			2,850,368
181	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	5	5.00	120.00	5,211.42	416,264	247,672			663,936
181	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	25	25.00	600.00	5,653.00	2,565,298	1,007,366			3,572,664
181	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	20	20.00	480.00	6,394.87	2,238,506	944,014			3,182,520
181	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	7	7.00	168.00	7,015.11	725,949	412,515			1,138,464
000	OA	C2511	AA ELECTRONIC PUB DESIGN SPEC 2	2	2.00	48.00	3,971.00	163,923	26,685			190,608
000	OA	C2512	AA ELECTRONIC PUB DESIGN SPEC 3	1	1.00	24.00	4,791.00	103,486	11,498			114,984
000	OA	C5110	AA REVENUE AGENT 1	170	169.39	4065.12	2,990.18	8,252,259	3,908,462			12,160,721
000	OA	C5111	AA REVENUE AGENT 2	17	17.00	408.00	3,420.58	1,283,802	111,798			1,395,600
000	OA	C5112	AA REVENUE AGENT 3	35	35.00	840.00	3,995.51	3,293,290	62,942			3,356,232

PKG	CLASS	COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
000	OA	C5246	AA COMPLIANCE SPECIALIST 1	3	2.57	61.67	4,107.66		250,734			250,734
000	OA	C5247	AA COMPLIANCE SPECIALIST 2	8	8.00	192.00	4,645.25	626,109	265,779			891,888
000	OA	C5248	AA COMPLIANCE SPECIALIST 3	2	2.00	48.00	5,474.50	252,927	9,849			262,776
000	OA	C5631	AA TAX AUDITOR 1	85	86.00	2016.00	4,145.68	8,182,434	148,110			8,330,544
161	OA	C5632	AA TAX AUDITOR 2	76	76.00	1824.00	5,363.18	9,296,395	486,053			9,782,448
				1078	1021.34	24511.45	4,155.44	82,779,975	20,011,417			102,791,392

PKG	CLASS COMP	DESCRIPTION	POS CNT	FTE	MOS	AVERAGE RATE	GF SAL	OF SAL	FF SAL	LF SAL	AF SAL
			1078	1021.34	24511.45	4,155.44	82,779,975	20,011,417			102,791,392

POSITION NUMBER	ACTN NO	ORG STRUC	PKG	Y	POS TYP	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4350000	001236100	004-05-00-00000	141	0	PF	OA	C1487	IA	31	02	1	1.00	5,218.00	24.00		125,232			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4351000	001236130	004-05-00-00000	141	0	PF	OA	C1488	IA	33	02	1	1.00	5,684.00	24.00		136,416			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4352000	001236160	004-05-00-00000	141	0	PF	OA	C0872	AA	30	02	1	1.00	4,791.00	24.00		114,984			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
			141								3	3.00		72.00		376,632			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F Y	PCS TYP	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4051000	000027910	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1-	1.00-	5,028.00	24.00-		120,672-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4051000	000027910	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1	1.00	5,028.00	24.00	120,672				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4128000	000028520	004-05-00-00000	142	0	PF	OA	C0728	AA	31	09	1-	1.00-	7,023.00	24.00-		168,552-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4128000	000028520	004-05-00-00000	142	0	PF	OA	C0728	AA	31	09	1	1.00	7,023.00	24.00	168,552				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4130000	000028540	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1-	1.00-	5,028.00	24.00-		120,672-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4130000	000028540	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1	1.00	5,028.00	24.00	120,672				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4196000	000029040	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1-	1.00-	5,028.00	24.00-		120,672-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4196000	000029040	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1	1.00	5,028.00	24.00	120,672				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4199000	000029050	004-05-00-00000	142	0	PF	OA	C0727	AA	28	02	1-	1.00-	4,358.00	24.00-		104,592-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4199000	000029050	004-05-00-00000	142	0	PF	OA	C0727	AA	28	02	1	1.00	4,358.00	24.00	104,592				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4201000	000029070	004-05-00-00000	142	0	PF	OA	C0727	AA	28	06	1-	1.00-	5,277.00	24.00-		126,648-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4201000	000029070	004-05-00-00000	142	0	PF	OA	C0727	AA	28	06	1	1.00	5,277.00	24.00	126,648				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4206000	000029120	004-05-00-00000	142	0	PF	OA	C0727	AA	28	09	1-	1.00-	6,080.00	24.00-		145,920-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4206000	000029120	004-05-00-00000	142	0	PF	OA	C0727	AA	28	09	1	1.00	6,080.00	24.00	145,920				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4214000	000029200	004-05-00-00000	142	0	PF	OA	C0726	AA	25	02	1-	1.00-	3,781.00	24.00-		90,744-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4214000	000029200	004-05-00-00000	142	0	PF	OA	C0726	AA	25	02	1	1.00	3,781.00	24.00	90,744				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F Y	POS TYP	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
4284000	000030560	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1-	1.00-	5,026.00	24.00-		120,672-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4284000	000030560	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1	1.00	5,026.00	24.00	120,672				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4337000	000841580	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1-	1.00-	5,026.00	24.00-		120,672-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4337000	000841580	004-05-00-00000	142	0	PF	OA	C0727	AA	28	05	1	1.00	5,026.00	24.00	120,672				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
			142								.00		.00	1,239,816	1,239,816-				

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F Y	POS TYP	CLASS	COMP	RNG	ST P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	PF SAL	LF SAL	TR K
0004344	001239520	004-03-00-00000	143	0	SF	OA	C0107	AA	17	02	1	.50	2,636.00	12.00		31,632			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
0004345	001239530	004-03-00-00000	143	0	SF	OA	C0107	AA	17	02	1	.50	2,636.00	12.00		31,632			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
0004346	001239540	004-03-00-00000	143	0	SF	OA	C0107	AA	17	02	1	.50	2,636.00	12.00		31,632			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
0004347	001239550	004-03-00-00000	143	0	SF	OA	C0107	AA	17	02	1	.50	2,636.00	12.00		31,632			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
0004348	001239560	004-03-00-00000	143	0	SF	OA	C0107	AA	17	02	1	.50	2,636.00	12.00		31,632			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
0004349	001239570	004-03-00-00000	143	0	SF	OA	C0107	AA	17	02	1	.50	2,636.00	12.00		31,632			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
4343000	001236170	004-03-00-00000	143	0	PF	OA	C0108	AA	19	02	1	1.00	2,873.00	24.00		68,952			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
			143							7	4.00		96.00			258,744			
										10	7.00		168.00	1,239,816		604,440-			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F Y	POS TYP	CLASS	COMP	RNG	S C P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
6591000	001236320	006-06-00-00000	161	0	PF	OA	C0106	AA	19	02	1	1.00	2,873.00	24.00		68,952			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
6592000	001236340	006-06-00-00000	161	0	PF	OA	C5632	AA	28	02	1	1.00	4,358.00	24.00		104,592			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
			161								2	2.00		48.00		173,544			
											2	2.00		48.00		173,544			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F POS Y CYP	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
1028000	001220300	030-02-00-00000	070	0 PF	MMS	X7006	IA	31X	09	1-	1.00-	8,496.00	24.00-		203,904-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1029000	001220320	030-02-00-00000	070	0 PF	OA	C1487	IA	31	02	1-	1.00-	5,218.00	24.00-		125,232-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1030000	001220330	030-02-00-00000	070	0 PF	OA	C1487	IA	31	02	1-	1.00-	5,218.00	24.00-		125,232-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1031000	001220340	030-02-00-00000	070	0 PF	OA	C1486	IA	29	02	1-	1.00-	4,711.00	24.00-		113,064-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1032000	001220350	030-02-00-00000	070	0 PF	OA	C1486	IA	29	02	1-	1.00-	4,711.00	24.00-		113,064-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1033000	001220360	030-02-00-00000	070	0 PF	OA	C1486	IA	29	02	1-	1.00-	4,711.00	24.00-		113,064-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1034000	001220370	030-02-00-00000	070	0 PF	OA	C1486	IA	29	02	1-	1.00-	4,711.00	24.00-		113,064-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1035000	001220380	030-02-00-00000	070	0 PF	OA	C1484	IA	25	02	1-	1.00-	3,946.00	24.00-		94,704-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1036000	001220390	030-02-00-00000	070	0 PF	OA	C1484	IA	25	02	1-	1.00-	3,946.00	24.00-		94,704-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1037000	001220400	030-02-00-00000	070	0 PF	OA	C1485	IA	28	02	1-	1.00-	4,408.00	24.00-		105,792-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1038000	001220410	030-02-00-00000	070	0 PF	OA	C1484	IA	25	02	1-	1.00-	3,946.00	24.00-		94,704-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1039000	001220420	030-02-00-00000	070	0 PF	OA	C1484	IA	25	02	1-	1.00-	3,946.00	24.00-		94,704-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1040000	001220430	030-02-00-00000	070	0 PF	OA	C1484	IA	25	02	1-	1.00-	3,946.00	24.00-		94,704-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1041000	001220480	030-02-00-00000	070	0 PF	OA	C0872	AA	30	02	1-	1.00-	4,791.00	24.00-		114,984-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1042000	001220490	030-02-00-00000	070	0 PF	OA	C0872	AA	30	02	1-	1.00-	4,791.00	24.00-		114,984-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1043000	001220500	030-02-00-00000	070	0 PF	OA	C0872	AA	30	02	1-	1.00-	4,791.00	24.00-		114,984-			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F POS Y TYP	CLASS	COMP	RNG	S T P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
1044000	001220510	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1045000	001220520	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1046000	001220530	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1047000	001220540	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1048000	001220550	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1049000	001220560	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1050000	001220570	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1051000	001220580	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,964-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1052000	001220450	030-02-00-00000	070	0 PF	MMS	X7008	AA	33X	03	1-	1.00-	6,046.00	24.00-		145,104-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1053000	001220590	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1054000	001220460	030-02-00-00000	070	0 PF	OA	C0107	AA	17	C5	1-	1.00-	3,001.00	24.00-		72,024-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1055000	001220600	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C3	1-	1.00-	5,028.00	24.00-		120,672-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1056000	001220470	030-02-00-00000	070	0 PF	OA	C1245	AA	30	C2	1-	1.00-	4,791.00	24.00-		114,984-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1057000	001220440	030-02-00-00000	070	0 PF	OA	C1488	IA	33	C9	1-	1.00-	7,850.00	24.00-		188,400-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1058000	001220610	030-02-00-00000	070	0 PF	OA	C0872	AA	30	C9	1-	1.00-	6,691.00	24.00-		160,584-				
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1059000	001220570	030-02-00-00000	070	0 PF	MMS	X7008	AA	33X	80	1-	1.00-	0.00	24.00-						
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	F POS Y CYP	CLASS	COMP	S T RNG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	I R K
			070					32-	32.00-		768.00-		3,667,512-			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	P/Y	POS TYP	CLASS	COMP	RNG	ST/P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	TR/K
1061000	001236680	030-02-00-00000	181	0	PF	MMS	X7006 IA	31X	09	1	1.00	8,496.00	24.00		203,904			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1061000	001236690	030-02-00-00000	181	0	PF	OA	C1488 IA	33	09	1	1.00	7,850.00	24.00		188,400			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1062000	001236700	030-02-00-00000	181	0	PF	OA	C1487 IA	31	08	1	1.00	6,876.00	24.00		165,024			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1063000	001236710	030-02-00-00000	181	0	PF	OA	C1487 IA	31	08	1	1.00	6,876.00	24.00		165,024			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1064000	001236720	030-02-00-00000	181	0	PF	OA	C1487 IA	31	01	1	1.00	4,984.00	24.00		119,616			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1065000	001236730	030-02-00-00000	181	0	PF	OA	C1486 IA	29	09	1	1.00	6,507.00	24.00		156,168			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1066000	001236740	030-02-00-00000	181	0	PF	OA	C1486 IA	29	06	1	1.00	5,664.00	24.00		135,936			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1067000	001236750	030-02-00-00000	181	0	PF	OA	C1486 IA	29	06	1	1.00	5,664.00	24.00		135,936			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1068000	001236760	030-02-00-00000	181	0	PF	OA	C1486 IA	29	02	1	1.00	4,711.00	24.00		113,064			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1069000	001236770	030-02-00-00000	181	0	PF	OA	C1486 IA	29	06	1	1.00	5,664.00	24.00		135,936			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1070000	001236810	030-02-00-00000	181	0	PF	OA	C1485 IA	28	08	1	1.00	5,805.00	24.00		139,320			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1071000	001236820	030-02-00-00000	181	0	PF	OA	C1484 IA	25	06	1	1.00	4,740.00	24.00		113,760			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1072000	001236830	030-02-00-00000	181	0	PF	OA	C1484 IA	25	01	1	1.00	3,770.00	24.00		90,480			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1073000	001236840	030-02-00-00000	181	0	PF	OA	C1484 IA	25	01	1	1.00	3,770.00	24.00		90,480			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1074000	001236850	030-02-00-00000	181	0	PF	MMS	X7006 AA	33X	08	1	1.00	7,701.00	24.00		184,824			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		
1075000	001236940	030-02-00-00000	181	0	PF	OA	C0872 AA	30	09	1	1.00	6,691.00	24.00		160,584			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																		

POSITION NUMBER	AUTH NO	ORG STRUC	FUND	F PKG	Y/N	POS TYP	CLASS	COMP	RNG	ST P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	TR K
1076000	001236950	030-02-00-00000	181	0	PF	OA	C0872	AA	30	07	1	1.00	6,080.00	24.00		145,920			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1077000	001236960	030-02-00-00000	181	0	PF	OA	C0872	AA	30	06	1	1.00	5,802.00	24.00		139,248			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1078000	001236970	030-02-00-00000	181	0	PF	OA	C0872	AA	30	06	1	1.00	5,802.00	24.00		139,248			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1079000	001236980	030-02-00-00000	181	0	PF	OA	C0872	AA	30	06	1	1.00	5,802.00	24.00		139,248			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1080000	001236990	030-02-00-00000	181	0	PF	OA	C0872	AA	30	06	1	1.00	5,802.00	24.00		139,248			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1081000	001237000	030-02-00-00000	181	0	PF	OA	C0872	AA	30	05	1	1.00	5,529.00	24.00		132,696			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1082000	001237010	030-02-00-00000	181	0	PF	OA	C0872	AA	30	05	1	1.00	5,529.00	24.00		132,696			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1083000	001237020	030-02-00-00000	181	0	PF	OA	C0872	AA	30	01	1	1.00	4,569.00	24.00		109,656			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1084000	001237030	030-02-00-00000	181	0	PF	OA	C0872	AA	30	01	1	1.00	4,569.00	24.00		109,656			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1085000	001237040	030-02-00-00000	181	0	PF	OA	C0872	AA	30	01	1	1.00	4,569.00	24.00		109,656			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1086000	001237050	030-02-00-00000	181	0	PF	OA	C0872	AA	30	01	1	1.00	4,569.00	24.00		109,656			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1087000	001236900	030-02-00-00000	181	0	PF	MMS	X7008	AA	33X	04	1	1.00	6,351.00	24.00		152,424			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1088000	001237060	030-02-00-00000	181	0	PF	OA	C0872	AA	30	09	1	1.00	6,691.00	24.00		160,584			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1089000	001237070	030-02-00-00000	181	0	PF	OA	C0872	AA	30	06	1	1.00	5,802.00	24.00		139,248			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1090000	001237080	030-02-00-00000	181	0	PF	OA	C0872	AA	30	04	1	1.00	5,277.00	24.00		126,648			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
1091000	001236910	030-02-00-00000	181	0	PF	OA	C0107	AA	17	06	1	1.00	3,139.00	24.00		75,336			
EST DATE: 2015/07/01 EXP DATE: 9999/01/01																			

POSITION NUMBER	AUTH NO	ORG STRUC	PKG	Y	POS TYP	CLASS	COMP	ST RNG	ST P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	TR X
1092000	001236920	030-02-00-00000	181	0	PF	OA	C1244	AA	27	09	1	1.00	5,802.00	24.00		139,246			
BST DATE: 2015/07/01 EXP DATE: 9999/01/01																			
			181							33	33.00		792.00			4,498,872			
										1	1.00		24.00			831,360			
										13	10.00		240.00	1,239,816		401,464			

POSITION NUMBER	AUTH NO	ORG STRUC	P PKG	POS Y TYP	CLASS COMP	S T REG P	POS CNT	FTE	BUDGET RATE	MOS	GF SAL	OF SAL	FF SAL	LF SAL	T R K
							13	10.00		240.00	1,239,816	400,464			

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4350000	OA C1487	IA INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	02	5,218.00		125,232			125,232
									59,995			59,995
4351000	OA C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	5,684.00		136,416			136,416
									62,617			62,617
4352000	OA C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	4,791.00		114,984			114,984
									57,593			57,593
		TOTAL PICS SALARY							376,632			376,632
		TOTAL PICS OPE							180,205			180,205
		TOTAL PICS PERSONAL SERVICES =	3	3.00	72.00				556,837			556,837

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4051000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4051000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4128000	OA C0728 AA	APPRAISER ANALYST 4	1-	1.00-	24.00-	09	7,023.00		168,552- 70,149-			168,552- 70,149-
4128000	OA C0728 AA	APPRAISER ANALYST 4	1	1.00	24.00	09	7,023.00	168,552 70,149				168,552 70,149
4130000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4130000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4198000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,028.00		120,672- 58,926-			120,672- 58,926-
4198000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,028.00	120,672 58,926				120,672 58,926
4199000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	02	4,358.00		104,592- 55,157-			104,592- 55,157-
4199000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	02	4,358.00	104,592 55,157				104,592 55,157
4201000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	06	5,277.00		126,648- 60,328-			126,648- 60,328-
4201000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	06	5,277.00	126,648 60,328				126,648 60,328
4206000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	09	6,080.00		145,920- 64,845-			145,920- 64,845-
4206000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	09	6,080.00	145,920 64,845				145,920 64,845
4214000	OA C0726 AA	APPRAISER ANALYST 2	1-	1.00-	24.00-	02	3,781.00		90,744- 51,911-			90,744- 51,911-
4214000	OA C0726 AA	APPRAISER ANALYST 2	1	1.00	24.00	02	3,781.00	90,744 51,911				90,744 51,911

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
4284000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,026.00		120,672- 58,926-			120,672- 58,926-
4284000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,026.00	120,672 58,926				120,672 58,926
4337000	OA C0727 AA	APPRAISER ANALYST 3	1-	1.00-	24.00-	05	5,026.00		120,672- 58,926-			120,672- 58,926-
4337000	OA C0727 AA	APPRAISER ANALYST 3	1	1.00	24.00	05	5,026.00	120,672 58,926				120,672 58,926
		TOTAL PICS SALARY						1,239,816	1,239,816-			
		TOTAL PICS OPE						597,020	597,020-			
		TOTAL PICS PERSONAL SERVICES =	---	.00	.00			1,836,836	1,836,836-			

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
0004344	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004345	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004346	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004347	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004348	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
0004349	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	.50	12.00	02	2,636.00		31,632			31,632
										22,735			22,735
4343000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	2,873.00		68,952			68,952
										46,804			46,804
			TOTAL PICS SALARY							258,744			258,744
			TOTAL PICS OPE							183,214			183,214
			TOTAL PICS PERSONAL SERVICES =	7	4.00	96.00				441,958			441,958

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
6591000	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	2,873.00		68,952			68,952
										46,804			46,804
6592000	OA	C5632	AA TAX AUDITOR 2	1	1.00	24.00	02	4,358.00		104,592			104,592
										55,157			55,157
			TOTAL PICS SALARY							173,544			173,544
			TOTAL PICS OPE							101,961			101,961
			TOTAL PICS PERSONAL SERVICES =	2	2.00	48.00				275,505			275,505

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1028000	MMS	X7006	IA PRINCIPAL EXECUTIVE/MANAGER D	1-	1.00-	24.00-	09	8,496.00		203,904- 78,436-			203,904- 78,436-
1029000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	1-	1.00-	24.00-	02	5,218.00		125,232- 59,995-			125,232- 59,995-
1030000	OA	C1487	IA INFO SYSTEMS SPECIALIST 7	1-	1.00-	24.00-	02	5,218.00		125,232- 59,995-			125,232- 59,995-
1031000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1032000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1033000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1034000	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1-	1.00-	24.00-	02	4,711.00		113,064- 57,143-			113,064- 57,143-
1035000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1036000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1037000	OA	C1485	IA INFO SYSTEMS SPECIALIST 5	1-	1.00-	24.00-	02	4,408.00		105,792- 55,438-			105,792- 55,438-
1038000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1039000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1040000	OA	C1484	IA INFO SYSTEMS SPECIALIST 4	1-	1.00-	24.00-	02	3,946.00		94,704- 52,840-			94,704- 52,840-
1041000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1042000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1043000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1044000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1045000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1046000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1047000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1048000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1049000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1050000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1051000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1052000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	03	6,046.00		145,104- 64,653-			145,104- 64,653-
1053000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1054000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1-	1.00-	24.00-	05	3,001.00		72,024- 47,524-			72,024- 47,524-
1055000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	03	5,028.00		120,672- 58,926-			120,672- 58,926-
1056000	OA	C1245	AA FISCAL ANALYST 3	1-	1.00-	24.00-	02	4,791.00		114,984- 57,593-			114,984- 57,593-
1057000	OA	C1486	IA INFO SYSTEMS SPECIALIST 8	1-	1.00-	24.00-	09	7,850.00		188,400- 74,802-			188,400- 74,802-
1058000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1-	1.00-	24.00-	09	6,691.00		160,584- 68,282-			160,584- 68,282-
1059000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER E	1-	1.00-	24.00-	00	0.00					
			TOTAL PICS SALARY							3,667,512-			3,667,512-
			TOTAL PICS OPE										

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1060000	MMS X7006 IA	PRINCIPAL EXECUTIVE/MANAGER D	1	1.00	24.00	C9	8,496.00		203,904 78,436			203,904 78,436
1061000	OA C1486 IA	INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	C9	7,850.00		188,400 74,802			188,400 74,802
1062000	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	C8	6,876.00		165,024 69,322			165,024 69,322
1063000	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	C8	6,876.00		165,024 69,322			165,024 69,322
1064000	OA C1487 IA	INFO SYSTEMS SPECIALIST 7	1	1.00	24.00	C1	4,984.00		119,616 58,679			119,616 58,679
1065000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	C9	6,507.00		156,168 67,247			156,168 67,247
1066000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	C5	5,664.00		135,936 62,504			135,936 62,504
1067000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	C5	5,664.00		135,936 62,504			135,936 62,504
1068000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	C2	4,711.00		113,064 57,143			113,064 57,143
1069000	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	C5	5,664.00		135,936 62,504			135,936 62,504
1070000	OA C1485 IA	INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	C6	5,805.00		139,320 63,298			139,320 63,298
1071000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	C5	4,740.00		113,760 57,307			113,760 57,307
1072000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	C1	3,770.00		90,480 51,850			90,480 51,850
1073000	OA C1484 IA	INFO SYSTEMS SPECIALIST 4	1	1.00	24.00	C1	3,770.00		90,480 51,850			90,480 51,850
1074000	MMS X7008 AA	PRINCIPAL EXECUTIVE/MANAGER E	1	1.00	24.00	C8	7,701.00		184,824 73,964			184,824 73,964
1075000	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	C9	6,691.00		160,584 68,282			160,584 68,282

POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1076000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	07	6,080.00		145,920 64,845			145,920 64,845
1077000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	05	5,802.00		139,248 63,280			139,248 63,280
1078000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	05	5,802.00		139,248 63,280			139,248 63,280
1079000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1080000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1081000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	05	5,529.00		132,696 61,745			132,696 61,745
1082000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	05	5,529.00		132,696 61,745			132,696 61,745
1083000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1084000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1085000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1086000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	01	4,569.00		109,656 56,345			109,656 56,345
1087000	MMS	X7008	AA PRINCIPAL EXECUTIVE/MANAGER B	1	1.00	24.00	04	6,351.00		152,424 66,369			152,424 66,369
1088000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	09	6,691.00		160,584 68,282			160,584 68,282
1089000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	06	5,802.00		139,248 63,280			139,248 63,280
1090000	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	04	5,277.00		126,648 60,328			126,648 60,328
1091000	OA	C0107	AA ADMINISTRATIVE SPECIALIST 1	1	1.00	24.00	06	3,139.00		75,336 48,300			75,336 48,300

POSITION NUMBER	CLASS COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1092000	CA C1244	AA FISCAL ANALYST 2	1	1.00	24.00	09	5,802.00		139,248			139,248
									63,280			63,280
		TOTAL PICS SALARY							4,498,872			4,498,872
		TOTAL PICS OPE							2,065,688			2,065,688
		TOTAL PICS PERSONAL SERVICES =	33	33.00	792.00				6,564,560			6,564,560