



2017-19 AGENCY REQUEST BUDGET

2017-19 BUDGET NARRATIVE

DEPARTMENT OF ADMINISTRATIVE SERVICES
 AGENCY NUMBER: 10700

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No.

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CERTIFICATION

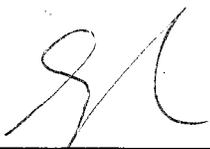
I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

Department of Administrative Services

155 Cottage Street NE, Salem, Oregon 97301

AGENCY NAME

AGENCY ADDRESS



SIGNATURE

Acting Chief Operating Officer and DAS Director

TITLE

Notice: Requests of agencies headed by a board or commission must be approved by official action of those bodies 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

Governor's Budget

Legislatively Adopted

Budget Page _____

2017-19 BUDGET NARRATIVE

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Joint Committee On Ways and Means

Action: Do Pass.

Action Date: 06/16/15

Vote:

House

Yeas: 12 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Read, Smith, Whisnant, Whitsett, Williamson

Senate

Yeas: 11 - Burdick, Devlin, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett, Winters

Exc: 1 - Girod

Prepared By: Janet Savarro, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Agency: Department of Administrative Services

Biennium: 2015-17

Budget Summary*

	2013-15 Legislatively Approved Budget ⁽¹⁾	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 6,445,703	\$ 1,529,942	\$ 3,170,241	\$ (3,275,462)	-50.8%
General Fund Debt Service	\$ 6,815,736	\$ 6,804,217	\$ 6,804,217	\$ (11,519)	-0.2%
Lottery Funds	\$ 3,669,380	\$ 3,648,000	\$ 3,864,000	\$ 194,620	5.3%
Lottery Funds Debt Service	\$ 8,892,390	\$ 16,682,821	\$ 12,777,096	\$ 3,884,706	43.7%
Other Funds Limited	\$ 529,339,098	\$ 457,157,790	\$ 465,594,828	\$ (63,744,270)	-12.0%
Other Funds Capital Improvements	\$ 5,992,008	\$ 4,403,176	\$ 4,403,176	\$ (1,588,832)	-26.5%
Other Funds Debt Service	\$ 393,925,441	\$ 379,307,447	\$ 379,307,447	\$ (14,617,994)	-3.7%
Other Funds Nonlimited	\$ 122,552,277	\$ 126,229,653	\$ 126,229,653	\$ 3,677,376	3.0%
Total	\$ 1,077,632,033	\$ 995,763,046	\$ 1,002,150,658	\$ (75,481,375)	-7.0%

Position Summary

Authorized Positions	810	785	815	5
Full-time Equivalent (FTE) positions	793.90	783.71	805.70	11.80

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Department of Administrative Services' (DAS) Other Funds operating revenue comes primarily through two sources: fees billed to state agencies for direct services (90.0 percent) and assessments to state agencies for indirect services (10.0 percent). Fees for services are billed to agencies based on usage. Assessments are generally calculated based on budgeted full-time equivalent (FTE) positions and recovered through the State Government Service Charges line item in agency budgets. Examples of services covered by assessments include those provided by the Chief Operating Office, Chief Financial Office, and Chief Human Resources Office. In addition, agencies benefiting from appropriation and pension obligation bonds are assessed their share of debt service and debt management costs.

DAS will need to update its beginning balances based on the department's monthly budget status report as of March 2015 month-end close and reconcile assessments and charges for services revenue accounts to align with expenditure changes in the DAS budget. These changes are expected to reduce state agency costs through lowering assessments and service charges paid by state agencies.

Summary of General Government Subcommittee Action

DAS provides management oversight and technical and administrative support to state government. As the central administrative arm of state government, DAS has three primary roles: to help the Governor and Legislature make and implement policy and financial decisions; to make state government accountable by creating and maintaining a consistent management framework; and to provide a strong, stable infrastructure by delivering to state agencies those support services that can most effectively and efficiently be provided centrally.

The General Government Subcommittee approved a budget of \$1,002,150,658 total funds including 815 positions (805.70 FTE). The total funds budget includes \$9,974,458 General Fund, \$16,641,096 Lottery Funds, \$849,305,451 Other Funds, and \$126,229,653 Other Funds Nonlimited. The 2015-17 total funds budget is a 7.0 percent decrease from the agency's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended the following budget note.

Budget Note:

Use of accounting mechanisms to circumvent the limiting of Other Funds expenditures:

The Subcommittee was concerned over the use of accounting mechanisms by the Department of Administrative Services and other state agencies which have the effect of undermining legislatively established Other Funds expenditure limitations. The Department of Administrative Services (DAS) shall limit the use of reduction of expenses or reduction of revenues accounting mechanisms and entries during the 2015-17 biennium and report any use of either mechanism to the Legislative Fiscal Office in a timely manner. If DAS determines that Other Funds expenditure limitation is insufficient during 2015-17 budget execution, the Department shall request from the Legislative Assembly an Other Funds expenditure limitation adjustment, rather than use reduction of expenditures or reduction of revenues accounting entries. DAS shall report to the appropriate subcommittee of the Joint Ways and Means Committee during the 2016 session on the general usage of Other Funds reduction of expenses or reduction of revenues accounting mechanisms by executive branch agencies, including DAS but excluding the Secretary of State and the State Treasurer, during the 2013-15 biennium. DAS shall report by agency, what the mechanisms were used for, how much money was involved in each use or group of similar uses, and the reason reduction of expenses or reduction of revenues accounting mechanisms and entries were used.

Chief Operating Office

The Chief Operating Office (COO) leads the Department of Administrative Services and provides statewide operations and policy leadership. COO coordinates work teams and initiatives that cross jurisdictional and agency boundaries with a goal of achieving transformative, long-term change and developing an agile organization that is able to meet current and future challenges. The Subcommittee recommended a total funds budget of \$8,225,663 (\$279,942 General Fund and \$7,945,721 Other Funds), including 22 positions (22.00 FTE). This is a 2.9 percent decrease from the division's 2013-15 LAB.

The Subcommittee recommended approval of Package 101: Support Enterprise Initiatives Projects. This package continues two full-time limited duration Project Manager 1 positions (2.00 FTE), originally established in the 2013-15 biennium, to work on statewide initiatives. This package provides \$331,385 Other Funds.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package makes a revenue only change to subsidize revenue from assessments and rates charged to state agencies and other customers by \$400,000 with direction to use beginning fund balances instead. This will provide only a temporary reduction to assessments and rates since revenues will need to increase in 2017-19 once fund balances are exhausted.

The Subcommittee recommended approval of Package 802: Vacant Positions. This package reclassifies a long-term vacant Economist 4 position downward to an Economist 2. The position had not been filled due to a mismatch in program needs with the original position classification. This package reduces Other Funds by \$114,233.

Chief Financial Office

The Chief Financial Office (CFO) establishes and enforces statewide budget standards and monitors agencies to ensure that funds are spent within legal and budgetary constraints. The CFO instructs agencies on how to prepare budget requests and works directly with the Governor and agencies to produce the Governor's Budget for submission to the Legislature. The office also helps to coordinate statewide bonded debt programs, is responsible for reporting actual state expenditures in the Comprehensive Annual Financial Report, and has primary responsibility for maintaining the state's procurement policies. The Subcommittee recommended an Other Funds budget of \$15,101,719 and 41 positions (40.76 FTE). This is a 4.6 percent increase from the division's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended approval of Package 102: Support Statewide Audit and Budget Reporting. This package restores one of two permanent positions that were eliminated from the Statewide Audit and Budget Reporting Section (SABRS) in the 2011-13 biennium. CFO has found that reduced staffing levels are insufficient to ensure adequate audits of agency budget information and processes. This package adds \$220,533 Other Funds and establishes one permanent full-time Policy and Budget Analyst position (0.88 FTE) with an effective start date of October 1, 2015.

The Subcommittee recommended approval of Package 103: Strengthen Capital Investment Section. This package establishes a permanent full-time Policy and Budget Analyst position (0.88 FTE), effective start date of October 1, 2015, to the Capital Finance and Planning Section to assist with management of growing outstanding debt and responsibility of managing sales of bonds. The package provides \$219,051 Other Funds.

The Subcommittee recommended approval of Package 104: Capital Facility Planning. This package adds one-time \$2,000,000 Other Funds in Professional Services account to conduct condition assessments of state-owned facilities. The funds will be used in 2015-17 biennium to complete reviews of capital facilities operated by the Department of Corrections, Forestry Department, and the Department of Fish and Wildlife.

The Subcommittee recommended approval of Package 140: Recombine Procurement Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components

of the procurement program into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$1,595,563 Other Funds and four permanent full-time positions (4.00 FTE) from CFO to Enterprise Goods and Services.

The Subcommittee recommended approval of Package 142: Recombine ORBITS Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of SABRS into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$612,269 Other Funds and two permanent full-time positions (2.00 FTE) from Enterprise Technology Services to CFO.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package makes a revenue only change to subsidize revenue from assessments and rates charged to state agencies and other customers by \$600,000 with direction to use beginning fund balances instead. This will provide only a temporary reduction to assessments and rates since revenues will need to increase in 2017-19 once fund balances are exhausted.

The Subcommittee recommended approval of Package 802: Vacant Positions. This package eliminates a vacant permanent full-time Administrative Specialist 2 position (1.00 FTE) and reduces Other Funds by \$144,088.

Chief Information Office

The Chief Information Office (CIO) provides enterprise policy leadership, planning and oversight to state government in enterprise information resource management. The Subcommittee recommended an Other Funds budget of \$20,725,732 and 34 positions (34.00 FTE). This is a 95.0 percent increase from the division's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended approval of Package 105: Develop New Governance Structure for IT. This package adds \$3,423,178 and 12 permanent full-time positions (12.00 FTE) to supplement current staffing in the office of the State CIO to facilitate the strategic, coordinated investment, acquisition and deployment of information technology resources to meet the business needs of state agencies. Five Information Technology (IT) Analyst 2 positions (5.00 FTE) will act as Strategic Technology Officers (STOs) and will be assigned a portfolio of agencies, one Information Systems Specialist 8 position will serve as an Enterprise Project Manager (1.00 FTE), and an Executive Support Specialist 2 position (1.00 FTE) to provide administrative support to the STOs was added. The package also adds two Information Systems Specialist 7 positions (2.00 FTE) to the current Enterprise Architecture and Design Team and three Information Technology (IT) Analyst 1 positions (3.00 FTE) to staff the new Stagegate Review Process for IT projects.

The Subcommittee recommended approval of Package 106: Statewide Interoperability Program. This package adds \$708,531 Other Funds and continues a full-time limited duration Principal Exec Manager F position (1.00 FTE) to support the Statewide Interoperability Executive Council (SWIC) and implement FirstNet, which is a broadband network designed to improve public safety data communications. The position is funded 60.0 percent by the FirstNet grant and 40.0 percent through CIO assessments through July 2016. DAS is directed to work with ODOT on a FirstNet grant extension that would continue to fund 60.0 percent of the SWIC position through June 2017 by switching some of the \$327,989 remaining grant amount from Services and Supplies to Personal Services. Approval of this package increases assessments only for the 40.0 percent portion of the SWIC position funded by DAS.

The Subcommittee recommended approval of Package 141: Recombine Geospatial Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of the program into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$530,907 Other Funds and two permanent full-time positions (2.00 FTE) from Enterprise Technology Services to CIO.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package provides \$4,650,000 Other Funds for pass-through payments for contracts for the following items:

- \$2,400,000 for the Geospatial contract with the service provider.
- \$2,000,000 for Quality Assurance (QA) contracts that under state policy will be held by CIO. Funds for the QA contracts will come from the project agency.
- \$250,000 on a one-time basis to complete the purchase of the new Project Portfolio Management (PPM) software. The initial costs for this software were approved at the December 2014 meeting of the Emergency Board but delays in finalizing the purchase of the PPM software will shift some of the purchase costs into 2015-17 biennium but will use revenues collected for the purchase in the 2013-15 biennium.

Approval of this package does not increase CIO assessments as the expenditure limitation is considered pass-through and one-time only.

The Subcommittee recommended approval of Package 803: LFO Technical Adjustments. This package adds \$1,003,803 Other Funds for the following items:

- \$372,203 to pay for the maintenance costs of the new Project Portfolio Management (PPM) software.
- \$131,600 for on-going costs of the Tenable Security Solutions software purchased in 13-15 biennium.
- \$500,000 for the CIO's use of the Geospatial software costs that will be paid through assessments.

Chief Human Resource Office

The Chief Human Resources Office provides enterprise-wide policy leadership necessary to maintain a reliable and qualified workforce for the state of Oregon. The Office's centralized policy functions enable executive branch agencies to share resources and expertise with which to manage their human resource assets and capital in a cost-effective way. The Subcommittee recommended an Other Funds budget of \$9,423,301 and 30 positions (28.76 FTE). This is a 7.9 percent decrease from the division's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended approval of Package 110: Develop Workforce Planning Strategies. This package provides \$197,058 Other Funds and establishes a permanent full-time Operations and Policy Analyst 4 position (0.88 FTE), effective start date of October 1, 2015, to develop workforce strategies that include establishing career development programs, improve recruitment and retention, and expand internship opportunities.

The Subcommittee recommended approval of Package 111: Develop Information Management Capacity. This package adds \$197,058 Other Funds and establishes one permanent full-time Operations and Policy Analyst 4 position (0.88 FTE), effective start date of October 1, 2015, to improve the management of human resource (HR) information to better identify current and future HR trends and needs in state government.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package continues two full-time limited duration Human Resource Consultant 2 positions for 12 months (1.00 FTE) to continue to work on The Oregon Management Project. The purpose of this project is to redesign/reconfigure the state's workforce systems (compensation, classification, performance management); the project will initially focus on management positions. The Personal Services costs of \$231,064 will be funded through a Services and Supplies reduction of the same amount as a temporary shift for the 2015-17 biennium.

Enterprise Technology Services

Enterprise Technology Services (ETS) focuses on maximizing the value of the state's information technology (IT) investments so the business of government runs efficiently, securely, and reliably. ETS is the leading supplier and expert in managed computing technology for Oregon state government. The State Data Center (SDC) was the original service operation that the new ETS has been built upon. The Subcommittee recommended an Other Funds budget of \$198,918,461 and 225 positions (219.00 FTE). This is a 5.9 percent increase from the division's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended approval of Package 112. Security and I.T. Operations Audit Support. This package adds \$12,286,008 Other Funds and 12 full-time limited duration positions (6.00 FTE) to implement recent Secretary of State and independent auditor findings, as well as accommodate growth in agency usage of IT services. Based on the uncertainty about which services ETS will offer in the future given the "I.T. Common Service Delivery" review currently underway and concerns over management of ETS, which have led to numerous reviews and audits, the positions are approved as limited duration for 12 months only. DAS will return during the 2016 legislative session with recommendations on service lines provided, operational changes, and a revised funding methodology for ETS for the second year of the biennium as detailed in the budget note for ETS.

Budget Note:

Enterprise Technology Services:

“Given the uncertainty involving which services Enterprise Technology Services will offer in the future due to the ongoing IT Common Service Delivery review currently underway and concerns over management of ETS which have led to numerous outside reviews and audits, the Subcommittee agreed to only partially fund the Enterprise Technology Services budget requests for 2015-17. The State Chief Information Officer (SCIO), through the Department of Administrative Services (DAS), shall return during the 2016 legislative session to the appropriate subcommittee of the Joint Ways and Means Committee with recommendations on changes to ETS information technology services provided, which services it will no longer offer and state agencies will then be responsible, the budgetary impact of these decisions on state agencies, as well as DAS, changes in ETS operations implemented or considered as a result of outside reviews and audits completed by the time of the report, and timelines for additional changes to ETS services or operations being contemplated and how those could affect budgets. In addition, SCIO shall recommend a new funding formula for ETS that refocuses charges to state agencies on

SB 5502 A

fees for service and deemphasizes the use of assessments which fund all positions regardless of reductions in services delivered, show how reductions in services purchased by state agencies would be reflected in reductions in operating expenses, and include price list adjustments needed for implementation of a new revenue formula at the start of second year of the biennium.”

The Subcommittee recommended approval of Package 141: Recombine Geospatial Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of the program into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$530,907 Other Funds and two permanent full-time positions (2.00 FTE) from Enterprise Technology Services to CIO.

The Subcommittee recommended approval of Package 142: Recombine ORBITS Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of SABRS into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$612,269 Other Funds and two permanent full-time positions (2.00 FTE) from Enterprise Technology Services to CFO.

The Subcommittee recommended approval of Package 144: Recombine P&D Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of the program into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$468,450 Other Funds and two permanent full-time positions (2.00 FTE) from Enterprise Technology Services to Enterprise Goods and Services.

The Subcommittee recommended approval of Package 801: Legislative Fiscal Office Analyst Adjustments. This package adds nine full-time limited duration positions (9.00 FTE) at the request of the State CIO to assist in that office’s review of ETS operations, management, and funding structures. The requested position classification are one Information Systems Specialist 8 (1.00 FTE), one Information Systems Specialist 6 (1.00 FTE), one Information Systems Specialist 5 (1.00 FTE), two Information Systems Specialist 3 (2.00 FTE), one Information Systems Specialist 1 (1.00 FTE), one Operations and Policy Analyst 4 (1.00 FTE), one Fiscal Analyst 1 (1.00 FTE), and one Office Specialist 2 (1.00 FTE). The positions are funded through an equal reduction in Services and Supplies; there is no overall increase in expenditure limitation.

This package also reduces ETS assessments by \$10,146,095 Other Funds through elimination of the depreciation costs component included in the assessment funding model. Inclusion of this assessment, when added on top of 2013-15 actions to increase ETS funding for equipment replacement by \$18.7 million for 2015-17 biennium, effectively required agencies to be billed by DAS for replacement costs twice. There is also a budget note related to ETS and its rates and assessments for the second year of the 2015-17 biennium.

The Subcommittee recommended approval of Package 802: Vacant Positions. This package reduces Other Funds by \$4,320,355 and eliminates 19 permanent full-time positions (19.00 FTE) as follows:

- One Principal Executive Manager E
- One Information Systems Specialist 2
- Two Information Systems Specialist 6

- Three Information Systems Specialist 7
- 12 Information Systems Specialist 8

The Subcommittee recommended approval of Package 803: LFO Technical Adjustments. This package reduces \$13,329,013 Other Funds related to services previously provided to the Oregon Lottery. During the 2013-15 biennium Lottery stopped using almost all ETS services. Only \$393,864 Other Funds related to service for some remote locations remains in the ETS budget after this adjustment.

Enterprise Asset Management

Enterprise Asset Management (EAM) is comprised of Facilities Services, the Statewide Fleet Administration and Parking Services Program, and the Oregon Surplus Property Program. The core focus of these programs is property management, both real and personal, for the benefit and optimal use of state government enterprise-wide to support agencies' space, travel, and operational needs. The Subcommittee recommended an Other Funds budget of \$100,973,430 and 193 positions (192.50 FTE). This is a 0.3 percent increase from the division's 2013-15 Legislative Approved Budget.

The Subcommittee recommended approval of Package 120: Purchase of Fleet Vehicles. This package authorizes \$2,039,152 Other Funds to purchase about 75 new vehicles along with maintenance and fuel costs. This package is funded with ending balance from vehicle sales, so there is no increase in the 2015-17 rates. The Customer Utility Board recommended using funds to replace about 150 vehicles rather than issue refunds in 2013-15 biennium or lower 2015-17 rates. Instead EAM is directed to use the \$2,039,152 reduced from this package to lower rates for the 2015-17 biennium.

The Subcommittee recommended approval of Package 123: Transfer Custodial Position to PERS. Changes in DAS custodial services from past practices led Public Employee Retirement System (PERS) to determine their custodial needs could best be met through direct provision of service through PERS employees and contract. This package reduces Other Funds by \$121,804 and transfers one permanent full-time position (1.00 FTE) to PERS.

The Subcommittee recommended approval of Package 124: Governor's Office Regional Solution Centers. This package adds \$432,900 Other Funds to pay the cost of the Governor's Office decision to have DAS rent space for the regional Solution Centers around the state. Participating agencies are then billed for the rent costs. No Other Funds expenditure limitation was initially provided to accommodate this expense in the DAS budget, which has reduced limitation for Real Estate Services' other programs. This is pass-through limitation only and approval of this package will not increase DAS rates or assessments.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package adds \$48,764 Other Funds for the reclassification of three Procurement and Contract Specialist positions to Operations and Policy Analyst 4, due to the increased responsibilities these positions are taking on in the Real Estate program's efforts to save the state money on property leases. This change increases Personal Services by \$48,764.

The Subcommittee recommended approval of Package 802: Vacant Positions. This package reduces Other Funds by \$186,001 and eliminates one vacant Program Analyst 1 position (1.00 FTE).

Enterprise Goods & Services

Enterprise Goods & Services (EGS) provides cost-effective services to state agencies and, in some cases, to local government. Specifically, EGS supports its customers by providing services in publishing and distribution, risk management, procurement services, share financial services, and financial business systems. The Subcommittee recommended an Other Funds budget of \$93,116,209 Other Funds, \$101,513,146 Other Funds Nonlimited and 230 positions (229.28 FTE). This is a combined 4.6 percent increase from the division's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended approval of Package 126: Support Shared Payroll Services and OSPS. This package adds \$130,277 Other Funds and establishes one permanent full-time Operations and Policy Analyst 1 position (0.88 FTE), effective start date of October 1, 2015, because staffing has not kept pace with growth in the number of agencies using Shared Payroll Services.

The Subcommittee recommended approval of Package 127: Support Workload–Centralized PERS Service. This package adds \$130,277 Other Funds and establishes one permanent full-time Operations and Policy Analyst 1 position (0.88 FTE), effective start date of October 1, 2015, that will serve as a contact between state agencies, PERS, and employees to resolve account discrepancies. The position will also reconcile retirement contributions to employee earnings, which has not happened since 2004. This reconciliation is required by PERS.

The Subcommittee recommended approval of Package 129: Strengthen Shuttle Delivery Service. This package adds \$198,647 Other Funds and establishes two permanent full-time Mail Delivery Driver positions (1.76 FTE), effective start date of October 1, 2015, to add shuttle stops as requested by customers. This package would also allow expansion of DAS's secure package tracking service, PacTrac, which is cheaper than third party shippers. One limited duration position was approved in the 2013-15 biennium to help with increased workload.

The Subcommittee recommended approval of Package 130: Strengthen Risk Management. This package adds \$153,389 Other Funds and establishes one permanent full-time Operations and Policy Analyst 2 position (0.88 FTE), effective start date of October 1, 2015, to provide additional training, claims management, and analytical work for Risk Management. Agency outreach on means to reduce risk would be the main focus of this position.

The Subcommittee recommended approval of Package 132: Support Additional Client Agencies. This package adds \$155,294 Other Funds and continues a current limited duration full-time Accountant 3 (0.88 FTE) as a permanent position, effective start date of October 1, 2015. The position will support the additional workload of Treasury as a shared fiscal services client.

The Subcommittee recommended approval of Package 140: Recombine Procurement Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of the procurement program into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$1,595,563 Other Funds and four permanent full-time positions (4.00 FTE) from CFO to Enterprise Goods and Services.

The Subcommittee recommended approval of Package 144: Recombine P&D Staff. This package reverses some of the decisions on agency reorganization which split program staff based on policy or service functions. This reversal will recombine the two components of the program into a single comprehensive unit as they operated before the agency reorganization. This package transfers \$468,450 Other Funds and two permanent full-time positions (2.00 FTE) from Enterprise Technology Services to Enterprise Goods and Services.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package makes a revenue only change to subsidize revenue from assessments and rates charged to state agencies and other customers by \$9,000,000 with direction to use beginning fund balances instead. This will provide only a temporary reduction to assessments and rates since revenues will need to increase in 2017-19 once fund balances are exhausted. The package also rebalances Services and Supplies expenditures in the Risk Management base budget to reflect actual spending including increasing the Attorney General account while reducing other Services and Supplies accounts. These actions will result in no overall increase to Services and Supplies expenditures in Risk Management.

The Subcommittee recommended approval of Package 802: Vacant Positions. This package reduces Other Funds by \$139,324 and eliminates one vacant Information Systems Specialist 1 position (1.00 FTE).

Enterprise Human Resource Services

Enterprise Human Resource Services (EHRS) consists of the HR Client Agency Program and Statewide HR Systems and Operations. The purpose of the Client Agency Program is to provide HR management services to agencies that do not have staff to perform HR functions. Systems and Operations administers and maintains three statewide HR systems: Position and Personnel Database, iLearnOregon, and eRecruit. The Subcommittee recommended an Other Funds budget of \$7,195,842 and 25 positions (24.64 FTE). This is a 13.1 percent increase from the division's 2013-15 Legislatively Approved Budget.

The Subcommittee recommended approval of Package 133: Strengthen Human Resource Client Services. This package adds \$602,249 Other Funds to meet service level agreements reached with the Customer Utility Board for shared client services. The increased workload has been addressed in the 2013-15 biennium through the use of limited duration positions and temporary employees. This package also establishes three permanent full-time positions (Human Resource Assistant, Human Resource Analyst 2, and Human Resource Consultant 1) with an effective start date of October 1, 2015 and adds months to an existing Human Resource Analyst 2 position (0.50 FTE) and Human Resource Consultant 1 position (0.29 FTE). Even with the increase in staffing, DAS would still be below human resource-to-employee ratio benchmarks.

Budget Note:

Agencies other than DAS providing administrative services to state agencies:

“The Department of Administrative Services shall compile a list of all state agencies receiving administrative support services from an agency other than itself, or the Department of Administrative Services. DAS shall collect information on what services are being provided, how much agencies getting services have agreed to pay and how much the providing agencies expect provision of these services will cost them to provide for provision of each service identified, how long the agency has been using that particular agency for services, and how

long those services have been outsourced to any state agency including DAS. The Department shall report on information collected during the 2016 legislative session to the appropriate subcommittee of the Joint Ways and Means Committee.”

DAS Business Services

DAS Business Services provides budget, business continuity, performance management and data analysis services to the divisions and programs of the Department of Administrative Services. This division is responsible for managing all internal aspects of the agency’s operations. The Subcommittee recommended an Other Funds budget of \$6,633,952 and 15 positions (14.76 FTE). This is a 3.4 percent increase from the division’s 2013-15 Legislative Approve Budget.

The Subcommittee recommended approval of Package 134: Strengthen DBS Business Support. This package adds \$155,198 Other Funds and establishes one permanent full-time Operations and Policy Analyst 2 position (0.88 FTE), effective start date of October 1, 2015, to assist with workload increases associated with assistance to Customer Utility Boards. This additional workload was performed in the 2013-15 biennium by limited duration staff.

The Subcommittee recommended approval of Package 135: Support Increased Budget Workload. This package adds \$155,198 Other Funds and establishes one permanent full-time Fiscal Analyst 2 position (0.88 FTE), effective start date of October 1, 2015, to assist with workload increases associated with DAS policy office budgets, as well as, processing and tracking numerous special governmental payment distributions.

The Subcommittee recommended approval of Package 143: Mass Ingenuity Master Contract. This package would continue \$2.0 million Other Funds expenditure limitation for the Mass Ingenuity Master Contract approved at the December 2014 meeting of the Emergency Board. Mass Ingenuity provides process improvement software including the NOW Management System being offered to state agencies. The expenditure increase is considered pass-through limitation, since state agencies will pay DAS for use of the contracted services; therefore this addition has no impact on internal overhead rates DBS receives from other DAS programs.

Capital Improvements

The Capital Improvements Program, administered by the Facilities Division, includes remodeling and renovation projects costing less than \$1.0 million. The funding for the program comes from the Capital Projects Fund, which is primarily sourced by Uniform Rent depreciation. The Subcommittee recommended an Other Funds current service level budget of \$4,403,176 and no position authority. This is a 26.5 percent decrease from the division’s 2013-15 Legislatively Approved Budget.

Capital Construction

The Facilities Division also administers the Capital Construction program, which includes major remodeling, renovation, and new construction or acquisition projects costing more than \$1.0 million in the aggregate. Funding for DAS Capital Construction projects typically comes from either bond proceeds or the Capital Projects Fund. The Capital Projects Fund receives revenues from various sources, primarily the depreciation component of the Uniform Rent charge, service agreements, and parking facilities income.

Capital construction expenditure limitation is approved on a project by project basis and is authorized for six years. Because this limitation spans six years it is established in a separate bill.

Miscellaneous Distributions

In accordance with legislative directives, this program unit receives and distributes certain federal, lottery and state moneys to state agencies and local governments. Distributions include quarterly OLCC earnings distributions to Oregon cities, cigarette tax proceeds sharing to cities and counties, and Mass Transit assessment and distribution. The Subcommittee recommended an Other Funds Nonlimited current service level budget of \$24,716,507 and no position authority. This is a 3.0 percent increase from the division's 2013-15 Legislatively Approved Budget.

Shared Services Fund

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 (SIP). Local taxing districts are now eligible to receive payments from the state that are calculated to equal 50.0 percent of the personal income tax revenue attributable to the earnings of persons hired or retained as result of a SIP property tax exemption. These payments would otherwise have gone to the state General Fund. The Subcommittee recommended a \$1 Other Funds placeholder budget.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package adds \$1 Other Funds, one-time, for Gain Share payments only if needed. Current law requires DAS to make Gain Share payments. However, proposed changes to the program would make these direct revenue transfers in which in case this expenditure limitation placeholder could not be needed. If for some reason the envisioned changes do not happen and current law remains unchanged, this placeholder could be adjusted to allow payments to be made.

Debt Service

This program unit includes debt service payments that are specific to DAS. Debt service payments are made on Certificates of Participation (COPs), Article XI-Q Bonds, and State Energy Loan Program funds. The Subcommittee recommended an Other Funds current service level budget of \$20,399,207 and no position authority. This is a 41.4 percent decrease from the division's 2013-15 Legislatively Approved Budget.

Bonds

This program unit includes debt service payments of specific amounts as directed by law. Debt service payments are made on Article XI-O Bonds, also known as Pension Obligation Bonds. The Subcommittee recommended an Other Funds current service level budget of \$358,968,700 and no position authority. This is a 0.3 percent decrease from the division's 2013-15 Legislatively Approved Budget.

Special Government Payments

This program unit includes payments of specific amounts from the General Fund and Lottery Funds as well as transfers of Other Funds revenues as directed by law. Payments include debt service for both General Fund and Lottery Funds backed bonds. The Subcommittee recommended a total funds budget of \$31,835,612 which includes \$9,694,516 General Fund, \$16,641,096 Lottery Funds, \$5,500,000 Other Funds and no position authority. This is a 46.6 percent decrease from the division's 2013-15 Legislatively Approved Budget total funds.

The Subcommittee recommended approval of Package 138: State Fairgrounds. This package represents \$1,015,299 General Fund support for the State Fair that is transferred from the Parks and Recreation Department's base budget, which had previously operated the State Fair. This funding will be transferred to the State Fair Council, a non-state agency, which now operates the State Fairgrounds.

The Subcommittee recommended approval of Package 801: LFO Analyst Adjustments. This package provides one-time increases for the Oregon Historical Society of \$375,000 General Fund, Oregon Public Broadcasting of \$250,000 General Fund, and County Fairs of \$216,000 Lottery Funds or \$6,000 per county.

The Subcommittee recommended approval of Package 803: LFO Technical Adjustments. This package adds one-time Other Funds expenditure limitation of \$5.5 million for disbursements of lottery bond proceeds for projects approved during 2013-15 that cannot be completely disbursed in the current biennium. The projects are Beaverton Healthcare Collaborative (\$1.0 million), The Umatilla Tribe (\$3.0 million), and the City of Stayton (\$1.5 million).

The Subcommittee recommended approval of Package 811: Updated Base Debt Service Adjustment. This package reduces Lottery Funds debt service by \$3,905,725 to reflect savings from revised debt service calculations.

Summary of Performance Measure Action

See attached Legislatively Adopted 2015-17 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5502-A

Department of Administrative Services
Janet Savarro -- 503-373-7607

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2013-15 Legislatively Approved Budget at Dec 2014 *	\$ 13,261,439	\$ 12,561,770	\$ 929,256,547	\$ 122,552,277	\$ -	\$ -	\$ 1,077,632,033	810	793.90
2015-17 Current Service Level (CSL)*	\$ 8,334,159	\$ 20,330,821	\$ 840,868,413	\$ 126,229,653	\$ -	\$ -	\$ 995,763,046	785	783.71
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 030 - Chief Operating Office									
Package 101: Support Enterprise Initiatives Projects									
Personal Services	\$ -	\$ -	\$ 280,670	\$ -	\$ -	\$ -	\$ 280,670	2	2.00
Services and Supplies	\$ -	\$ -	\$ 50,715	\$ -	\$ -	\$ -	\$ 50,715		
Package 802: Vacant Positions									
Personal Services	\$ -	\$ -	\$ (94,233)	\$ -	\$ -	\$ -	\$ (94,233)	0	0.00
Services and Supplies	\$ -	\$ -	\$ (20,000)	\$ -	\$ -	\$ -	\$ (20,000)		
SCR 035 - Chief Financial Office									
Package 102: Support Statewide Audit and Budget Reporting									
Personal Services	\$ -	\$ -	\$ 200,477	\$ -	\$ -	\$ -	\$ 200,477	1	0.88
Services and Supplies	\$ -	\$ -	\$ 20,056	\$ -	\$ -	\$ -	\$ 20,056		
Package 103: Strengthen Capital Investment Section									
Personal Services	\$ -	\$ -	\$ 199,532	\$ -	\$ -	\$ -	\$ 199,532	1	0.88
Services and Supplies	\$ -	\$ -	\$ 19,519	\$ -	\$ -	\$ -	\$ 19,519		
Package 104: Capital Facility Planning									
Services and Supplies	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000		
Package 140: Recombine Procurement Staff									
Personal Services	\$ -	\$ -	\$ (1,030,922)	\$ -	\$ -	\$ -	\$ (1,030,922)	-4	-4.00
Services and Supplies	\$ -	\$ -	\$ (564,641)	\$ -	\$ -	\$ -	\$ (564,641)		
Package 142: Recombine ORBITS Staff									
Personal Services	\$ -	\$ -	\$ 558,711	\$ -	\$ -	\$ -	\$ 558,711	2	2.00
Services and Supplies	\$ -	\$ -	\$ 53,558	\$ -	\$ -	\$ -	\$ 53,558		
Package 802: Vacant Positions									
Personal Services	\$ -	\$ -	\$ (124,088)	\$ -	\$ -	\$ -	\$ (124,088)	-1	-1.00
Services and Supplies	\$ -	\$ -	\$ (20,000)	\$ -	\$ -	\$ -	\$ (20,000)		
SCR 040 - Chief Information Office									
Package 105: Develop New Governance Structure for IT									
Personal Services	\$ -	\$ -	\$ 2,523,597	\$ -	\$ -	\$ -	\$ 2,523,597	12	12.00
Services and Supplies	\$ -	\$ -	\$ 899,581	\$ -	\$ -	\$ -	\$ 899,581		

SB 5502 A

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 106: Statewide Interoperability Program									
Personal Services	\$ -	\$ -	\$ 249,239	\$ -	\$ -	\$ -	249,239	1	1.00
Services and Supplies	\$ -	\$ -	\$ 459,292	\$ -	\$ -	\$ -	459,292		
Package 141: Recombine Geospatial Staff									
Personal Services	\$ -	\$ -	\$ 477,349	\$ -	\$ -	\$ -	477,349	2	2.00
Services and Supplies	\$ -	\$ -	\$ 53,558	\$ -	\$ -	\$ -	53,558		
Package 801: LFO Analyst Adjustments									
Services and Supplies	\$ -	\$ -	\$ 4,650,000	\$ -	\$ -	\$ -	4,650,000		
Package 803: LFO Technical Adjustments									
Services and Supplies	\$ -	\$ -	\$ 1,003,803	\$ -	\$ -	\$ -	1,003,803		
SCR 045 - Chief Human Resource Office									
Package 110: Develop Workforce Planning Strategies									
Personal Services	\$ -	\$ -	\$ 177,058	\$ -	\$ -	\$ -	177,058	1	0.88
Services and Supplies	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	20,000		
Package 111: Develop Information Management Capacity									
Personal Services	\$ -	\$ -	\$ 177,058	\$ -	\$ -	\$ -	177,058	1	0.88
Services and Supplies	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	20,000		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 231,064	\$ -	\$ -	\$ -	231,064	2	1.00
Services and Supplies	\$ -	\$ -	\$ (231,064)	\$ -	\$ -	\$ -	(231,064)		
SCR 055 - Enterprise Technology Services									
Package 112: Security and IT Operations Audit Support									
Personal Services	\$ -	\$ -	\$ 1,199,109	\$ -	\$ -	\$ -	1,199,109	12	6.00
Services and Supplies	\$ -	\$ -	\$ 11,086,899	\$ -	\$ -	\$ -	11,086,899		
Package 141: Recombine Geospatial Staff									
Personal Services	\$ -	\$ -	\$ (477,349)	\$ -	\$ -	\$ -	(477,349)	-2	-2.00
Services and Supplies	\$ -	\$ -	\$ (53,558)	\$ -	\$ -	\$ -	(53,558)		
Package 142: Recombine ORBITS Staff									
Personal Services	\$ -	\$ -	\$ (558,711)	\$ -	\$ -	\$ -	(558,711)	-2	-2.00
Services and Supplies	\$ -	\$ -	\$ (53,558)	\$ -	\$ -	\$ -	(53,558)		
Package 144: Recombine P&D Staff									
Personal Services	\$ -	\$ -	\$ (414,892)	\$ -	\$ -	\$ -	(414,892)	-2	-2.00
Services and Supplies	\$ -	\$ -	\$ (53,558)	\$ -	\$ -	\$ -	(53,558)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 801: LFO Analyst Adjustments										
Personal Services	\$ -	\$ -	\$ 1,351,308	\$ -	\$ -	\$ -	\$ 1,351,308	9	9.00	
Services and Supplies	\$ -	\$ -	\$ (1,351,308)	\$ -	\$ -	\$ -	\$ (1,351,308)			
Capital Outlay	\$ -	\$ -	\$ (10,146,095)	\$ -	\$ -	\$ -	\$ (10,146,095)			
Package 802: Vacant Positions										
Personal Services	\$ -	\$ -	\$ (3,813,325)	\$ -	\$ -	\$ -	\$ (3,813,325)	-19	-19.00	
Services and Supplies	\$ -	\$ -	\$ (507,030)	\$ -	\$ -	\$ -	\$ (507,030)			
Package 803: LFO Technical Adjustments										
Services and Supplies	\$ -	\$ -	\$ (13,329,013)	\$ -	\$ -	\$ -	\$ (13,329,013)			
SCR 060 - Enterprise Asset Management										
Package 120: Purchase of Fleet Vehicles										
Services and Supplies	\$ -	\$ -	\$ 139,152	\$ -	\$ -	\$ -	\$ 139,152			
Capital Outlay	\$ -	\$ -	\$ 1,900,000	\$ -	\$ -	\$ -	\$ 1,900,000			
Package 123: Transfer Custodial Position to PERS										
Personal Services	\$ -	\$ -	\$ (109,114)	\$ -	\$ -	\$ -	\$ (109,114)	-1	-1.00	
Services and Supplies	\$ -	\$ -	\$ (12,690)	\$ -	\$ -	\$ -	\$ (12,690)			
Package 124: Governor's Office Regional Solutions Center										
Services and Supplies	\$ -	\$ -	\$ 432,900	\$ -	\$ -	\$ -	\$ 432,900			
Package 801: LFO Analyst Adjustments										
Personal Services	\$ -	\$ -	\$ 48,764	\$ -	\$ -	\$ -	\$ 48,764	0	0.00	
Package 802: Vacant Positions										
Personal Services	\$ -	\$ -	\$ (166,001)	\$ -	\$ -	\$ -	\$ (166,001)	-1	-1.00	
Services and Supplies	\$ -	\$ -	\$ (20,000)	\$ -	\$ -	\$ -	\$ (20,000)			
SCR 065 - Enterprise Goods & Services										
Package 126: Support Shared Payroll Services and OSPS										
Personal Services	\$ -	\$ -	\$ 116,736	\$ -	\$ -	\$ -	\$ 116,736	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 13,541	\$ -	\$ -	\$ -	\$ 13,541			
Package 127: Support Workload Centralized PERS Service										
Personal Services	\$ -	\$ -	\$ 116,736	\$ -	\$ -	\$ -	\$ 116,736	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 13,541	\$ -	\$ -	\$ -	\$ 13,541			
Package 129: Strengthen Shuttle Delivery Service										
Personal Services	\$ -	\$ -	\$ 176,650	\$ -	\$ -	\$ -	\$ 176,650	2	1.76	
Services and Supplies	\$ -	\$ -	\$ 21,997	\$ -	\$ -	\$ -	\$ 21,997			

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 130: Strengthen Risk Management										
Personal Services	\$ -	\$ -	\$ 135,276	\$ -	\$ -	\$ -	\$ 135,276	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 18,113	\$ -	\$ -	\$ -	\$ 18,113			
Package 132: Support Additional Client Agencies										
Personal Services	\$ -	\$ -	\$ 131,310	\$ -	\$ -	\$ -	\$ 131,310	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 23,984	\$ -	\$ -	\$ -	\$ 23,984			
Package 140: Recombine Procurement Staff										
Personal Services	\$ -	\$ -	\$ 1,030,922	\$ -	\$ -	\$ -	\$ 1,030,922	4	4.00	
Services and Supplies	\$ -	\$ -	\$ 564,641	\$ -	\$ -	\$ -	\$ 564,641			
Package 144: Recombine P&D Staff										
Personal Services	\$ -	\$ -	\$ 414,892	\$ -	\$ -	\$ -	\$ 414,892	2	2.00	
Services and Supplies	\$ -	\$ -	\$ 53,558	\$ -	\$ -	\$ -	\$ 53,558			
Package 802: Vacant Positions										
Personal Services	\$ -	\$ -	\$ (119,324)	\$ -	\$ -	\$ -	\$ (119,324)	-1	-1.00	
Services and Supplies	\$ -	\$ -	\$ (20,000)	\$ -	\$ -	\$ -	\$ (20,000)			
SCR 070- Enterprise Human Resource Services										
Package 133: Strengthen Human Resource Client Services										
Personal Services	\$ -	\$ -	\$ 531,947	\$ -	\$ -	\$ -	\$ 531,947	3	3.43	
Services and Supplies	\$ -	\$ -	\$ 70,302	\$ -	\$ -	\$ -	\$ 70,302			
SCR 075 - DAS Business Services										
Package 134: Strengthen DBS Business Support										
Personal Services	\$ -	\$ -	\$ 135,198	\$ -	\$ -	\$ -	\$ 135,198	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000			
Package 135: Support Increased Budget Workload										
Personal Services	\$ -	\$ -	\$ 135,198	\$ -	\$ -	\$ -	\$ 135,198	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000			
Package 143: Mass Ingenuity Master Contract										
Services and Supplies	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000			
SCR 091 - Shared Services Fund										
Package 801: LFO Analyst Adjustments										
Special Payments - account 6085	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ 1			
SCR 099 - Special Governmental Payments										
Package 138: State Fairgrounds										
Special Payments - account 6085	\$ 1,015,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,015,299			

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 801: LFO Analyst Adjustments Special Payments - account 6085	\$ 625,000	\$ 216,000	\$ -	\$ -	\$ -	\$ -	841,000		
Package 803: LFO Technical Adjustments Special Payments - account 6085	\$ -	\$ -	\$ 5,500,000	\$ -	\$ -	\$ -	5,500,000		
Package 811: Updated Base Debt Service Adjustment Debt Service	\$ -	\$ (3,905,725)	\$ -	\$ -	\$ -	\$ -	(3,905,725)		
TOTAL ADJUSTMENTS	\$ 1,640,299	\$ (3,689,725)	\$ 8,437,038	\$ -	\$ -	\$ -	6,387,612	30	21.99
SUBCOMMITTEE RECOMMENDATION *	\$ 9,974,458	\$ 16,641,096	\$ 849,305,451	\$ 126,229,653	\$ -	\$ -	1,002,150,658	815	805.70
% Change from 2013-15 Leg Approved Budget	-24.8%	32.5%	-8.6%	3.0%	0.0%	0.0%	-7.0%		
% Change from 2015-17 Current Service Level	19.7%	-18.2%	1.0%	0.0%	0.0%	0.0%	0.6%		

*Excludes Capital Construction Expenditures

Legislatively Approved 2015-2017 Key Performance Measures

Agency: ADMINISTRATIVE SERVICES, DEPARTMENT of

Mission: Lead the pursuit of excellence in state government.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	72.00	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	64.00	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	74.00	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	74.00	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	70.00	90.00	90.00
1 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	71.00	90.00	90.00
2 - FORECAST RELIABILITY - General Fund Forecast Tracking Metric		Approved KPM			
3 - FINANCIAL REPORTING - Percent of Agencies receiving Gold Star Award (The Gold Star Award is the state agency equivalent of the GFOA Certificate of Achievement for Excellence in Financial Reporting)		Approved KPM			

Agency: ADMINISTRATIVE SERVICES, DEPARTMENT of

Mission: Lead the pursuit of excellence in state government.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
4 - STATE WORKFORCE TURNOVER - Annual turnover rate for the state workforce.		Approved KPM	4.70	5.60	5.60
5 a - STATE WORKFORCE DIVERSITY - Racial/ethnic diversity in the state workforce as a percentage of the total civilian labor force.		Approved KPM	69.90	100.00	100.00
5 b - DAS WORKFORCE DIVERSITY- Racial/ethnic diversity in the DAS workforce as a percentage of the total civilian labor force		Approved KPM			
6 - FLEET ADMINISTRATION - Average Miles Per Gallon for DAS Permanently Assigned Fleet Vehicles.		Approved KPM			
7 - RENT COSTS - DAS negotiated lease rates in private sector vs. average market rates.		Approved KPM			
8 - INFORMATION SECURITY - Overall information security maturity rating based on a sample of state agencies. Rating achieved using a compilation and aggregate score based on the ISO 27002 standard and assigning a rating using the Carnegie-Mellon Capability Maturity Model. (3rd party conducting information security business risk assessments)		Approved KPM	2.73	3.00	3.00
9 - PROCUREMENT EFFECTIVENESS - Estimated savings resulting from price agreement pricing compared to prices that would be paid without the benefit of a price agreement.		Approved KPM	3.10	8.50	8.50
10 - RISK MANAGEMENT - Annual number of Severe Worker's Compensation claims per 100 FTE		Approved KPM			
11 - SUSTAINABILITY - Percentage reduction in greenhouse gas emissions.		Approved KPM			
12 - DAS WORKFORCE TURNOVER- Annual turnover rate for the DAS workforce		Approved KPM			
13 - DATA CENTER - Percentage of time systems are available.		Approved KPM	99.90	99.99	99.99
2 - FORECAST RELIABILITY - Percent of Advisory Committee and Council Members who rank the reliability of the Office of Economic Analysis' forecasts as good to excellent.		Legislative Delete	94.00		

Agency: ADMINISTRATIVE SERVICES, DEPARTMENT of

Mission: Lead the pursuit of excellence in state government.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
3 - FINANCIAL REPORTING - Number of years out of the last five that State Controller's Division wins GFOA Certificate of Achievement for Excellence in Financial Reporting.		Legislative Delete	5.00		
6 - FLEET ADMINISTRATION - Statewide Fleet Administration evaluated as effective by independent party.		Legislative Delete	1.00		
7 - RENT COSTS - Uniform rent costs per square foot as a percent of private market rates.		Legislative Delete	81.00		
8 - IT GOVERNANCE - Percent of the state's major IT projects with a budget or schedule variance of plus 5% as reported in the quarterly major IT project portfolio report for which a mitigation plan is submitted in response to a DAS requirement.		Legislative Delete	100.00		
13 - RISK MANAGEMENT - Annual number of: a) worker's compensation; b) liability; c) property; and, d) total claims per 100 FTE.		Legislative Delete	5.68		
14 - SUSTAINABILITY - Percentage reduction in greenhouse gas emissions.		Legislative Delete	12.60		

LFO Recommendation:

LFO recommends approval of 8 new Key Performance Measures and deletion of seven previous Key Performance Measures, with direction the Department develops targets for the new measures as part of the 2017-19 budget request. DAS is also directed to develop a new Key Performance Measure for the State Data Center to replace KPM #16, as part of 2017-19 agency budget request.

Sub-Committee Action:

The Subcommittee approved the LFO recommendations.

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Sen. Girod

Joint Committee On Ways and Means

Action: Do Pass The A-Eng Bill.

Action Date: 07/03/15

Vote:

Senate

Yeas: 12 - Burdick, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett, Winters

House

Yeas: 11 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Read, Smith, Whitsett, Williamson

Exc: 1 - Whisnant

Prepared By: Jean Gabriel and Bill McGee, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Agencies: Various

Biennium: 2015-17

Agency: Military Department

Biennium: 2013-15

Budget Summary

	2013-15 Legislatively Approved Budget ⁽¹⁾	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds Capital Construction	\$ 266,869,299	\$ -	\$ 511,316,680	\$ 244,447,381	91.6%
Federal Funds Capital Construction	\$ 9,401,412	\$ -	\$ 31,446,471	\$ 22,045,059	234.5%
Total	\$ 276,270,711	\$ -	\$ 542,763,151	\$ 266,492,440	96.5%

2013-15 Expenditure Limitation Adjustments

Oregon Military Department

Federal Funds Capital Construction		\$ 2,082,893	\$ 2,082,893
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⁽¹⁾ Includes adjustments through December 2014

Summary of Revenue Changes

Other Funds revenues include proceeds from the issuance of general obligation bonds authorized under Article XI-Q, XI-G, XI-F (1), and Article XI, Section 7 of Oregon's Constitution, the depreciation component of the Uniform Rent program and other deposits in the Department of Administrative Services Capital Projects Fund established by ORS 276.005, reserves of the Veterans' Home Program, Oregon Military Department Capital Construction Account (surplus property sale proceeds), aircraft registration fees assessed in accordance with ORS 837.040 and 837.045, and state gasoline tax and driver and vehicle related fees. Federal Funds revenues are from the National Guard Bureau, the Federal Aviation Administration's General Aviation Entitlement Program, the Federal Airport Improvement Program, the U.S. Department of Veterans' Affairs construction grant program, and the U.S. Fish and Wildlife Service.

Summary of Capital Construction Subcommittee Action

House Bill 5006 provides six-year expenditure limitation for new capital construction projects. Projects in excess of \$1.0 million that build, acquire, adapt, replace, or change the use or function of a facility are categorized as capital construction projects. All capital projects in excess of \$1.0 million require a separate Capital Construction expenditure limitation established by the Legislature or the Emergency Board. House Bill 5006 also extends the six-year expiration dates and expenditure limitations for specified projects.

Oregon Housing and Community Services

Family Affordable Housing: \$40,000,000 Other Funds (Article XI-Q bonds) is approved to fund the state's equity (ownership) interest in a variety of projects to provide affordable housing to low-income Oregonians. The form of projects may include small scale and mid-size new construction, land or building acquisition, or modular construction. Debt service will be paid with General Fund.

Oregon Military Department

Military Headquarters Facility: \$6,700,000 Other Funds (Article XI-Q bonds) and \$18,463,000 Federal Funds (National Guard Bureau) is approved to fund the planning, design, and construction of a new Joint Force Headquarters building to be located in Salem.

Youth Challenge Armory: \$4,977,000 Other Funds (Article XI-Q bonds) is approved for the expansion and renovation of the current facility located in Bend to increase capacity for at-risk youths participating in the Youth Challenge Program.

Planning and Pre-Design: \$136,281 Other Funds (Capital Construction Account) and \$140,770 Federal Funds (National Guard Bureau) is approved for planning and preliminary design work at various sites throughout the state where the agency is planning future capital construction projects.

Medford Armory: \$1,943,648 Federal Funds (National Guard Bureau) is approved for the service life extension project to renovate the facility. The project includes upgrades to the building envelope, HVAC system, seismic resilience, utility system, lighting, restrooms, and finishes throughout the building.

Baker City Readiness Center: \$750,000 Federal Funds (National Guard Bureau) is approved to construct a new military vehicle compound, expand the parking lot, and move an HF antenna from the old armory to the new readiness center.

Military Museum: \$2,082,893 Federal Funds (National Guard Bureau) is approved to update the primary building at the Military Museum located at Camp Withycombe. The project includes expansion of the building entrance and lobby, installation of a fire protection system, upgrades of facility utilities, modifications to classrooms, additional restrooms, and a weapons storage vault. The expenditure limitation will expire June 30, 2019.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Roseburg Armory Service Life Extension project (Federal Funds) to June 30, 2016.

Department of Corrections

Deferred Maintenance: \$14,220,432 Other Funds (Article XI-Q bonds) is approved to address highest priority deferred maintenance projects. Projects are located at facilities throughout the state and address a range of needs including HVAC repairs, security and electrical systems changes, and some structural improvements.

The Subcommittee approved the extension of the project expiration dates and expenditure limitations for the following projects: Well Replacement on Mill Creek Property (Other Funds), extended to December 31, 2017; and Junction City Prison (Other Funds), extended to June 30, 2018.

Oregon Youth Authority

MacLaren Facility Improvements: \$30,934,000 Other Funds (Article XI-Q bonds) is approved to fund deferred maintenance, additions, site improvements, and renovations to address safety needs at MacLaren. This project will facilitate the eventual planned closure of Hillcrest and consolidation of youth populations into MacLaren.

Rogue Valley Facility Improvements: \$9,880,000 Other Funds (Article XI-Q bonds) is approved to fund deferred maintenance, additions, site improvements, and renovations to address safety needs at the facility in Rogue Valley.

Deferred Maintenance: \$7,058,000 Other Funds (Article XI-Q bonds) is approved to address high priority deferred maintenance projects to provide a safe and secure environment for the public and residents. Projects are located at facilities throughout the state including Oak Creek, North Coast, Eastern Oregon, Tillamook, Camp River Bend, Camp Florence, and Hillcrest and address a range of needs including fire alarms, water and electrical systems, and structural repairs.

CCTV Cameras: \$1,147,435 Other Funds (Article XI-Q bonds) is approved to acquire and install security systems including improved and expanded camera surveillance, electronic key monitoring systems, and door access controls.

Department of Transportation

Highway Improvements: \$35,000,000 Other Funds (Article XI, Section 7 bonds) is approved to fund the following highway improvement projects:

US 26, 116th – 136th Safety Improvements \$17,000,000. The intersection of 122nd and Powell had the highest number and severity of crashes of any intersection in the state in 2012. This corridor had eight sites in the top 10 percent of high crash locations in the state. The project will make safety improvements on Powell Boulevard including sidewalks, buffered bike lanes, and a center turn lane. Planning level cost estimates are \$22.0 to \$25.0 million for this entire segment. These funds would be concentrated on the highest crash segment (122nd - 136th).

State Highway 34 Safety Improvements \$3,000,000. Highway 34 has a long history of crashes. Several intersections are in the top 10 percent of statewide high crash locations. This segment also experiences a high number of lane departure crashes which result in high speed head-on crashes or vehicles running off the road. The project will add rumble strips and center median barrier along State Highway 34 between Peoria Road and the Corvallis Bypass, where feasible, to reduce the number and severity of crashes.

OR 126 Eugene to Florence Safety Improvements \$7,000,000. Segments of OR 126 have very high concentrations of fatal and serious crashes (232 percent above the statewide average for similar roadways). The project would make safety improvements including: widening shoulders to six feet and installing shoulder rumble strips from Mile Post 27.27 to Mile Post 51.7 and adding a passing lane between Walker and Chickahominy Creek westbound.

Interstate-5/Interstate-205 Cable Barrier \$2,500,000. Lane departure and crossover crashes have been increasing. On high-speed, high-volume interstates, cable barrier has proven to be a very effective counter-measure. Senate Bill 921 gave ODOT direction to move forward with closing medians on the interstates. These funds would help complete cable barrier installation on I-5 in Southern Oregon and I-205.

US 26 Warm Springs Downtown to Museum / Casino Plaza Connectivity \$1,500,000. Pedestrian facilities are needed along and across US 26, for access/connectivity and improved safety for those walking and biking (including commuters) along and across a busy highway. These funds would construct a 10-foot-wide multiuse path running parallel to and across US 26 between the Warm Springs downtown commercial area to the Museum/Plaza commercial area.

Interstate-84 (Pendleton – La Grande) Blue Mountains Snow Zone Safety Improvements \$4,000,000. This section of I-84 experiences a two- to three-times greater number of crashes than the statewide average for interstates, likely due to inclement winter weather conditions. The project will reduce accidents throughout the snow zone by having variable speed limits between Pendleton and La Grande in snow zone areas, thus allowing a reduction of speeds for all traffic in a consistent way.

South Coast Maintenance Station: \$4,500,000 Other Funds (fee revenue) is approved to fund the purchase of land, site development, and design for a new maintenance station to relocate the South Coast Maintenance Station and consolidate from three sites to one centralized location.

Meacham Maintenance Station: \$7,500,000 Other Funds (fee revenue) is approved to design and construct a new Meacham Maintenance Station to replace the existing outdated station. The project includes redevelopment of the current site to provide adequate sewage management and additional space for new buildings of sufficient size to handle the fleet needed to maintain mountain passes.

Maintenance Facilities Co-location: \$1 Other Funds (fee revenue) is approved as a placeholder for projects to consolidate a number of facilities as opportunities emerge. Currently, there are no specific co-location projects ready to move forward.

The Subcommittee approved the extension of the project expiration dates and expenditure limitations for the following projects: Transportation Building Renovations (Other Funds), extended to June 30, 2017; Oregon Wireless Interoperability Network Phase 2 (Other Funds), extended to June 30, 2017; Salem Baggage Depot Renovations (Other Funds), extended to June 30, 2017; and Salem Baggage Depot Renovations (Federal Funds), extended to June 30, 2017.

Department of Aviation

Condon State Airport Renovations: \$2,035,000 Federal Funds (Federal Aviation Administration) and \$226,111 Other Funds (aircraft registration fees) is approved to conduct renovations at the Condon State Airport. This project includes widening the taxiway to meet current

federal design standards, grading the runway safety area, improving the airport drainage system, replacing the airport beacon tower and windsock, and replacing the runway end identifier lights.

McDermitt State Airport Rehabilitation: \$1,815,000 Federal Funds (Federal Aviation Administration) and \$201,667 Other Funds (aircraft registration fees) is approved to conduct rehabilitation at the McDermitt State Airport. This project includes rehabilitating the runway and replacing lighting and the beacon tower, which are needed to meet federal standards for safe operating conditions.

Aurora State Airport Apron/Taxiway and Taxilane: \$1,170,000 Federal Funds (Federal Aviation Administration) and \$130,000 Other Funds (aircraft registration fees) is approved to conduct reconstruction and rehabilitation at the Aurora State Airport. This project includes reconstruction and relocation of the main apron connector, relocation of parking, required environmental work, an Airport GIS survey, and rehabilitation of the taxilanes, which are needed to meet federal design requirements and compliance standards.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Aurora State Airport Air Traffic Control Tower (Other Funds) to January 31, 2016.

Department of Administrative Services

North Campus Demolition and Site Improvement: \$8,300,000 Other Funds (Capital Projects Fund) is approved for demolition of the structures and hazardous material abatement on the North Campus of the Oregon State Hospital including Santiam Hall, Breitenbush Hall, McKenzie Hall, Eola Hall, and the Fitness Center. In addition, utility drops will be installed for the Dome Building as part of this project.

Employment Building Upgrades: \$2,217,398 Other Funds (Capital Projects Fund) is approved to upgrade restrooms and replace the cooling tower, chillers, AC units, and chilled water lines in the Employment Building.

Electrical Upgrades and Replacements: \$2,089,795 Other Funds (Capital Projects Fund) is approved to upgrade switch keepers and electrical panels, increase electrical capacity, and replace lighting systems in several state buildings.

Public Health Lab Emergency Generator Upgrade: \$2,926,140 Other Funds (Capital Projects Fund) is approved to add an emergency generator for the Department of Environmental Quality Public Health Lab to provide backup for the entire building in the event of a power failure.

Planning: \$350,000 Other Funds (Capital Projects Fund) is approved to contract with various architects, engineers, and other specialists to develop feasibility analyses and reliable cost information; to prepare preliminary design for small to medium-sized projects; and to evaluate options to address maintenance problems.

Human Services Building Cooling Tower Replacement: \$1,701,702 Other Funds (Capital Projects Fund) is approved to replace the cooling towers in the Human Services Building.

Executive Building Central Stairway Upgrade: \$377,443 Other Funds (Capital Projects Fund) is approved to upgrade the central stairway in the Executive Building including the construction of a code compliant egress stair enclosure.

Executive Building Elevator Upgrades: \$875,461 Other Funds (Capital Projects Fund) is approved for upgrades to elevators in the Executive Building to address safety issues.

Executive Building Fire Sprinkler: \$89,322 Other Funds (Capital Projects Fund) is approved to upgrade the fire sprinkler system in the Executive Building.

Capital Investments/Acquisitions: \$17,000,000 Other Funds (Article XI-Q bonds) is approved for acquisition of an office building that is currently being offered for sale.

Department of Veterans' Affairs

The Dalles Veterans' Home Renovation: \$1,510,547 Other Funds (reserves of the Veterans' Home Program) and \$2,805,303 Federal Funds (U.S. Department of Veterans' Affairs construction grant) is approved for major renovations to the state veterans' home located in The Dalles. The project includes: new flooring, paint, wallpaper, and ceiling tile throughout the facility; furniture replacement; remodel of the nurse stations; upgrades of all resident rooms; remodel of the production kitchen and nutrition centers; and remodel of the rehabilitation and therapy area including replacement of equipment. In addition, a storage building will be added to the facility.

Department of Fish and Wildlife

Willamette Falls Fishway Repair: \$1,000,000 Federal Funds (U.S. Fish and Wildlife Service) is approved to repair two portions of the Willamette Falls Fishway to restore structural integrity and stability of the fish ladder.

Lower Deschutes River Ranch Acquisition: \$1,323,750 Federal Funds (U.S. Fish and Wildlife Service) is approved for a cooperative acquisition project with the Trust for Public Lands to acquire over 10,000 acres of property that will be incorporated into the current Lower Deschutes Wildlife Area.

Department of Forestry

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Land Acquisition (Other Funds) to December 31, 2015.

Higher Education Coordinating Commission (HECC)

HECC - Public Universities:

The Subcommittee approved a \$311,267,945 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of general obligation bond proceeds to public universities. This amount corresponds to the total project

amounts for the 14 university projects authorized in House Bill 5005. Projects are funded with proceeds from the issuance of Article XI-G bonds, Article XI-Q bonds, and Article XI-F (1) bonds and will be disbursed as grants or loans, as applicable, pursuant to grant contracts and loan agreements between HECC and each university. Project descriptions are included in House Bill 5005. The expenditure limitation expires June 30, 2021.

HECC - Community Colleges:

The Subcommittee approved the extension of the project expiration dates and existing Other Funds Capital Construction expenditure limitations for the following community college projects. All projects are funded with proceeds from the issuance of Article XI-G bonds:

- Clackamas Community College Harmony Phase II through June 30, 2019
- Central Oregon Community College Technology Education Center through June 30, 2016
- Portland Community College Cascade Campus Education Center through June 30, 2016

Expenditure limitations for nine previously approved community college projects funded with Article XI-G bond proceeds were transferred from the Department of Community Colleges and Workforce Development, where they were originally established, to the Higher Education Coordinating Commission in House Bill 2408 (2015). Bonds for these projects were reauthorized in House Bill 5005 and are discussed in that bill. In addition, the Subcommittee approved a change in the project for Mt. Hood Community College from the Student Services Enhancement to the Technology Innovation Center project.

The Subcommittee modified the purposes for which Article XI-G bonds approved in 2013 can be expended for the following two projects, allowing the use of bond proceeds to purchase land: Rogue Community College Health and Science Center; and Tillamook Bay Community College Career and Technical Workforce Facility.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5006-A

Various Agencies

Jean Gabriel 503-378-3107; Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<u>COMMITTEE AUTHORIZATIONS</u>							
<u>EDUCATION PROGRAM AREA</u>							
<u>Higher Education Coordinating Commission</u>							
OSU - Modular Data Center Project 13-15 reauthorize	\$ -	\$ -	\$ 7,000,000	\$ -	\$ 7,000,000	0	0.00
PSU - University Ctr Bldg Land Purchase 13-15 reauthorize	\$ -	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	0	0.00
PSU - Broadway Housing Purchase	\$ -	\$ -	\$ 53,000,000	\$ -	\$ 53,000,000	0	0.00
OSU - Forest Science Complex	\$ -	\$ -	\$ 29,702,970	\$ -	\$ 29,702,970	0	0.00
OSU - Marine Studies Campus Phase I	\$ -	\$ -	\$ 24,752,475	\$ -	\$ 24,752,475	0	0.00
PSU - Neuberger Hall DM & Renovation	\$ -	\$ -	\$ 60,000,000	\$ -	\$ 60,000,000	0	0.00
UO - College and Careers Building	\$ -	\$ -	\$ 17,000,000	\$ -	\$ 17,000,000	0	0.00
UO - Chapman Hall Renovation	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
All - Capital Repair, Renewal & Accessibility	\$ -	\$ -	\$ 65,000,000	\$ -	\$ 65,000,000	0	0.00
EOU - Hunt Hall Demolition & Site Restoration	\$ -	\$ -	\$ 2,985,000	\$ -	\$ 2,985,000	0	0.00
OIT - Center for Excellence in Engineering & Tech	\$ -	\$ -	\$ 10,920,000	\$ -	\$ 10,920,000	0	0.00
SOU - Britt Hall Renovation	\$ -	\$ -	\$ 4,717,500	\$ -	\$ 4,717,500	0	0.00
UO - Klamath Hall Renovation	\$ -	\$ -	\$ 12,250,000	\$ -	\$ 12,250,000	0	0.00
WOU - Natural Sciences Building Renovation	\$ -	\$ -	\$ 5,940,000	\$ -	\$ 5,940,000	0	0.00
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>							
<u>Oregon Housing and Community Services Department</u>							
Family Affordable Housing	\$ -	\$ -	\$ 40,000,000	\$ -	\$ 40,000,000	0	0.00
<u>Department of Veterans' Affairs</u>							
The Dalles Veterans' Home Renovation	\$ -	\$ -	\$ 1,510,547	\$ 2,805,303	\$ 4,315,850	0	0.00
<u>PUBLIC SAFETY PROGRAM AREA</u>							
<u>Oregon Military Department</u>							
Military Headquarters Facility	\$ -	\$ -	\$ 6,700,000	\$ 18,463,000	\$ 25,163,000	0	0.00
Youth Challenge Armory	\$ -	\$ -	\$ 4,977,000	\$ -	\$ 4,977,000	0	0.00
Medford Armory	\$ -	\$ -	\$ -	\$ 1,943,648	\$ 1,943,648	0	0.00
Baker City Readiness Center	\$ -	\$ -	\$ -	\$ 750,000	\$ 750,000	0	0.00
Planning and Pre-design	\$ -	\$ -	\$ 136,281	\$ 140,770	\$ 277,051	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<u>Department of Corrections</u>							
Deferred Maintenance	\$ -	\$ -	14,220,432	\$ -	\$ 14,220,432	0	0.00
<u>Oregon Youth Authority</u>							
MacLaren Facility Improvements	\$ -	\$ -	30,934,000	\$ -	\$ 30,934,000	0	0.00
Rogue Valley Facility Improvements	\$ -	\$ -	9,880,000	\$ -	\$ 9,880,000	0	0.00
Deferred Maintenance	\$ -	\$ -	7,058,000	\$ -	\$ 7,058,000	0	0.00
CCTV Cameras	\$ -	\$ -	1,147,435	\$ -	\$ 1,147,435	0	0.00
<u>TRANSPORTATION PROGRAM AREA</u>							
<u>Department of Transportation</u>							
US 26, 116th - 136th, Safety Improvements	\$ -	\$ -	17,000,000	\$ -	\$ 17,000,000	0	0.00
State Highway 34 Safety Improvements	\$ -	\$ -	3,000,000	\$ -	\$ 3,000,000	0	0.00
OR 126 Safety Improvements	\$ -	\$ -	7,000,000	\$ -	\$ 7,000,000	0	0.00
Interstate-5/Interstate-205 Cable Barrier	\$ -	\$ -	2,500,000	\$ -	\$ 2,500,000	0	0.00
US 26 Warm Springs Downtown Connectivity	\$ -	\$ -	1,500,000	\$ -	\$ 1,500,000	0	0.00
I-84 Blue Mtns Snow Zone Safety Improvements	\$ -	\$ -	4,000,000	\$ -	\$ 4,000,000	0	0.00
South Coast Maintenance Station	\$ -	\$ -	4,500,000	\$ -	\$ 4,500,000	0	0.00
Meacham Maintenance Station	\$ -	\$ -	7,500,000	\$ -	\$ 7,500,000	0	0.00
Maintenance Facilities Co-location	\$ -	\$ -	1	\$ -	\$ 1	0	0.00
<u>Department of Aviation</u>							
Condon State Airport Renovations	\$ -	\$ -	226,111	\$ 2,035,000	\$ 2,261,111	0	0.00
McDermitt State Airport Rehabilitation	\$ -	\$ -	201,667	\$ 1,815,000	\$ 2,016,667	0	0.00
Aurora State Airport Apron/Taxiway and Taxilane	\$ -	\$ -	130,000	\$ 1,170,000	\$ 1,300,000	0	0.00
<u>ADMINISTRATION PROGRAM AREA</u>							
<u>Department of Administrative Services</u>							
North Campus Demolition and Site Improvement	\$ -	\$ -	8,300,000	\$ -	\$ 8,300,000	0	0.00
Employment Building Upgrades	\$ -	\$ -	2,217,398	\$ -	\$ 2,217,398	0	0.00
Electrical Upgrades and Replacements	\$ -	\$ -	2,089,795	\$ -	\$ 2,089,795	0	0.00
Public Health Lab Emergency Generator Upgrade	\$ -	\$ -	2,926,140	\$ -	\$ 2,926,140	0	0.00
Planning	\$ -	\$ -	350,000	\$ -	\$ 350,000	0	0.00
Human Services Building Cooling Tower Replacement	\$ -	\$ -	1,701,702	\$ -	\$ 1,701,702	0	0.00
Executive Building Central Stairway Upgrade	\$ -	\$ -	377,443	\$ -	\$ 377,443	0	0.00
Executive Building Elevator Upgrades	\$ -	\$ -	875,461	\$ -	\$ 875,461	0	0.00
Executive Building Fire Sprinkler	\$ -	\$ -	89,322	\$ -	\$ 89,322	0	0.00
Capital Investments/Acquisitions	\$ -	\$ -	17,000,000	\$ -	\$ 17,000,000	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<u>NATURAL RESOURCES PROGRAM AREA</u>							
<u>State Department of Fish and Wildlife</u>							
Willamette Falls Fishway Repair	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	0	0.00
Lower Deschutes River Ranch Acquisition	\$ -	\$ -	\$ -	\$ 1,323,750	\$ 1,323,750	0	0.00
TOTAL	\$ -	\$ -	\$ 511,316,680	\$ 31,446,471	\$ 542,763,151	0	0.00

2013-15 Supplemental Expenditure Limitation Adjustments

<u>Oregon Military Department</u>							
Military Museum	\$ -	\$ -	\$ -	\$ 2,082,893	\$ 2,082,893	0	0.00

2017-19 BUDGET NARRATIVE

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BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Rep. Buckley

Joint Committee On Ways and Means

Action: Do Pass.

Action Date: 07/03/15

Vote:

House

Yeas: 11 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Read, Smith, Whitsett, Williamson

Exc: 1 - Whisnant

Senate

Yeas: 12 - Burdick, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett, Winters

Prepared By: Linda Ames and Linda Gilbert, Legislative Fiscal Office

Reviewed By: Ken Rocco, Legislative Fiscal Office

Agency: Emergency Board

Biennium: 2015-17

Agencies: Various

Biennium: 2013-15

Budget Summary***Emergency Board**

	2013-15 Legislatively Approved Budget	2015-17 Legislatively Adopted Budget	2015-17 Committee Recommendation	Committee Change
General Fund - General Purpose	-	-	\$ 30,000,000	\$ 30,000,000
General Fund - Special Purpose Appropriations				
State employee compensation changes	-	-	\$ 120,000,000	\$ 120,000,000
Compensation changes for non-state employees	-	-	\$ 10,700,000	\$ 10,700,000
Oregon Health Authority/Department of Human Services caseload or other costs	-	-	\$ 40,000,000	\$ 40,000,000
Education - early learning through post-secondary	-	-	\$ 3,000,000	\$ 3,000,000
Department of Administrative Enterprise Technology				
Services rate adjustment costs	-	-	\$ 6,500,000	\$ 6,500,000
Department of Justice - Defense of Criminal Convictions	-	-	\$ 2,000,000	\$ 2,000,000
Department of Human Services for provider audits	-	-	\$ 100,000	\$ 100,000

Various Agencies - Omnibus Adjustments

General Fund	-	-	\$ (28,060,645)	\$ (28,060,645)
General Fund Debt Service	-	-	\$ (2,018,162)	\$ (2,018,162)
Lottery Funds	-	-	\$ (725,589)	\$ (725,589)
Other Funds	-	-	\$ (28,527,657)	\$ (28,527,657)
Federal Funds	-	-	\$ (11,062,641)	\$ (11,062,641)

ADMINISTRATION PROGRAM AREA**Department of Administrative Services**

General Fund	-	-	\$ 2,540,000	\$ 2,540,000
Other Funds	-	-	\$ 16,800,847	\$ 16,800,847
Other Funds Nonlimited	-	-	\$ 145,875,000	\$ 145,875,000

Budget Summary*

	<u>2013-15 Legislatively Approved Budget</u>	<u>2015-17 Legislatively Adopted Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
<u>Office of the Governor</u>				
General Fund	-	-	\$ 500,000	\$ 500,000
Lottery Funds	-	-	\$ 1,332,517	\$ 1,332,517
<u>Public Employees Retirement System</u>				
Other Funds	-	-	\$ 509,960	\$ 509,960
<u>Department of Revenue</u>				
General Fund	-	-	\$ 3,935,414	\$ 3,935,414
General Fund Debt Service			\$ 3,756,256	\$ 3,756,256
Other Funds	-	-	\$ 28,264,440	\$ 28,264,440
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>				
<u>Oregon Business Development Department</u>				
General Fund Debt Service	-	-	\$ 4,089,357	\$ 4,089,357
Lottery Funds	-	-	\$ 1,500,000	\$ 1,500,000
Other Funds	-	-	\$ 227,178,216	\$ 227,178,216
Other Funds Nonlimited	-	-	\$ 25,000,000	\$ 25,000,000
<u>Housing and Community Services Department</u>				
Other Funds	-	-	\$ 33,444,789	\$ 33,444,789
<u>Department of Veterans' Affairs</u>				
General Fund	-	-	\$ 500,000	\$ 500,000
<u>EDUCATION PROGRAM AREA</u>				
<u>Department of Education</u>				
General Fund	-	-	\$ 56,490,543	\$ 56,490,543
Lottery Funds	-	-	\$ 66,009,457	\$ 66,009,457
Other Funds	-	-	\$ 126,210,000	\$ 126,210,000

Budget Summary***Higher Education Coordinating Commission**

	<u>2013-15 Legislatively Approved Budget</u>	<u>2015-17 Legislatively Adopted Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
General Fund	-	-	\$ 5,062,300	\$ 5,062,300
Other Funds	-	-	\$ 6,019,882	\$ 6,019,882
Other Funds Nonlimited	-	-	\$ 50,648,642	\$ 50,648,642

Oregon Health & Science University

General Fund Debt Service	-	-	\$ 8,522,485	\$ 8,522,485
Other Funds Debt Service	-	-	\$ 38,689,306	\$ 38,689,306
Other Funds	-	-	\$ 200,035,000	\$ 200,035,000

HUMAN SERVICES PROGRAM AREA**Department of Human Services**

General Fund	-	-	\$ 5,437,494	\$ 5,437,494
General Fund Debt Service	-	-	\$ 839,543	\$ 839,543
Other Funds	-	-	\$ 3,355,000	\$ 3,355,000
Federal Funds	-	-	\$ 160,000	\$ 160,000

Oregon Health Authority

General Fund	-	-	\$ 11,060,000	\$ 11,060,000
Other Funds	-	-	\$ 137,152	\$ 137,152

Long Term Care Ombudsman

General Fund	-	-	\$ 100,000	\$ 100,000
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JUDICIAL BRANCH**Judicial Department**

General Fund	-	-	\$ 700,000	\$ 700,000
Other Funds	-	-	\$ 40,255,000	\$ 40,255,000

Budget Summary*

	<u>2013-15 Legislatively Approved Budget</u>	<u>2015-17 Legislatively Adopted Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
<u>NATURAL RESOURCES PROGRAM AREA</u>				
<u>Department of Agriculture</u>				
General Fund	-	-	\$ 55,000	\$ 55,000
Other Funds	-	-	\$ 1,992,496	\$ 1,992,496
<u>Department of Environmental Quality</u>				
General Fund	-	-	\$ 280,000	\$ 280,000
Other Funds	-	-	\$ 110,092	\$ 110,092
<u>Department of Fish and Wildlife</u>				
General Fund	-	-	\$ 525,000	\$ 525,000
<u>Oregon Department of Forestry</u>				
General Fund	-	-	\$ 809,377	\$ 809,377
<u>Department of Land Conservation and Development</u>				
General Fund	-	-	\$ 494,000	\$ 494,000
<u>Department of State Lands</u>				
Federal Funds	-	-	\$ 161,488	\$ 161,488
<u>Parks and Recreation Department</u>				
Lottery Funds	-	-	\$ 2,190,640	\$ 2,190,640
Lottery Funds Debt Service	-	-	\$ (912,494)	\$ (912,494)
Other Funds	-	-	\$ 11,815,544	\$ 11,815,544
Federal Funds	-	-	\$ (899,575)	\$ (899,575)
<u>Water Resources Department</u>				
Other Funds	-	-	\$ 51,960,889	\$ 51,960,889
Other Funds Debt Service	-	-	\$ 1,201,865	\$ 1,201,865

Budget Summary***Oregon Watershed Enhancement Board**

	<u>2013-15 Legislatively Approved Budget</u>	<u>2015-17 Legislatively Adopted Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
Federal Funds	-	-	\$ 200,000	\$ 200,000

PUBLIC SAFETY PROGRAM AREA**Department of Corrections**

Other Funds	-	-	\$ 254,568	\$ 254,568
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Criminal Justice Commission

General Fund	-	-	\$ 5,000,000	\$ 5,000,000
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Department of Justice

General Fund	-	-	\$ 240,550	\$ 240,550
General Fund Debt Service			\$ 2,407,587	\$ 2,407,587
Other Funds	-	-	\$ 15,415,000	\$ 15,415,000
Federal Funds	-	-	\$ 29,997,991	\$ 29,997,991

Military Department

General Fund	-	-	\$ 339,563	\$ 339,563
General Fund Debt Service	-	-	\$ 434,833	\$ 434,833
Other Funds	-	-	\$ 153,000	\$ 153,000
Federal Funds	-	-	\$ 358,253	\$ 358,253

Department of State Police

Lottery Funds	-	-	\$ 278,788	\$ 278,788
Other Funds	-	-	\$ 1,072,470	\$ 1,072,470
Federal Funds	-	-	\$ 1,163	\$ 1,163

Budget Summary*

	<u>2013-15 Legislatively Approved Budget</u>	<u>2015-17 Legislatively Adopted Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
<u>Oregon Youth Authority</u>				
General Fund Debt Service	-	-	\$ 3,115,428	\$ 3,115,428
Other Funds	-	-	\$ 1,055,565	\$ 1,055,565
Federal Funds Debt Service Nonlimited	-	-	\$ 1	\$ 1
 <u>TRANSPORTATION PROGRAM AREA</u>				
<u>Department of Transportation</u>				
General Fund	-	-	\$ 130,000	\$ 130,000
Other Funds	-	-	\$ 56,354,734	\$ 56,354,734

2015-17 Budget Summary

General Fund Total			\$ 299,585,923	\$ 299,585,923
Lottery Funds Total			\$ 69,673,319	\$ 69,673,319
Other Funds Limited Total			\$ 833,758,158	\$ 833,758,158
Other Funds Nonlimited Total			\$ 221,523,642	\$ 221,523,642
Federal Funds Limited Total			\$ 18,916,679	\$ 18,916,679
Federal Funds Nonlimited Total			\$ 1	\$ 1

* Excludes Capital Construction

2013-15 Supplemental Appropriations

Oregon Health Authority

Other Funds

Department of Land Conservation and Development

General Fund

	2013-15 Legislatively Approved Budget	2013-15 Committee Recommendation	Committee Change
	-	\$ 45,000,000	\$ 45,000,000
	-	\$ (194,000)	\$ (194,000)

2015-17 Position Summary

	2013-15 Legislatively Approved Budget	2015-17 Legislatively Adopted Budget	2015-17 Committee Recommendation	Committee Change
<u>Department of Administrative Services</u>				
Authorized Positions	-	-	8	8
Full-Time Equivalent (FTE) positions	-	-	3.47	3.47
<u>Office of the Governor</u>				
Authorized Positions	-	-	6	6
Full-Time Equivalent (FTE) positions	-	-	5.92	5.92
<u>Department of Revenue</u>				
Authorized Positions	-	-	34	34
Full-Time Equivalent (FTE) positions	-	-	33.92	33.92
<u>Oregon Health Authority</u>				
Authorized Positions	-	-	3	3
Full-Time Equivalent (FTE) positions	-	-	2.50	2.50
<u>Department of Agriculture</u>				
Authorized Positions	-	-	6	6
Full-Time Equivalent (FTE) positions	-	-	5.76	5.76
<u>Department of Environmental Quality</u>				
Authorized Positions	-	-	2	2
Full-Time Equivalent (FTE) positions	-	-	1.25	1.25
<u>Oregon Department of Forestry</u>				
Authorized Positions	-	-	1	1
Full-Time Equivalent (FTE) positions	-	-	0.50	0.50

2015-17 Position Summary

	<u>2013-15 Legislatively Approved Budget</u>	<u>2015-17 Legislatively Adopted Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
<u>Department of Land Conservation and Development</u>				
Authorized Positions	-	-	1	1
Full-Time Equivalent (FTE) positions	-	-	1.00	1.00
<u>Department of Justice</u>				
Authorized Positions	-	-	22	22
Full-Time Equivalent (FTE) positions	-	-	21.13	21.13
<u>Oregon Military Department</u>				
Authorized Positions	-	-	3	3
Full-Time Equivalent (FTE) positions	-	-	3.00	3.00
<u>Oregon State Police</u>				
Authorized Positions	-	-	-	-
Full-Time Equivalent (FTE) positions	-	-	(0.50)	(0.50)

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the May 2015 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 Senate Bill 501, plus other actions to reduce state agency expenditures.

Summary of Capital Construction Subcommittee Action

Senate Bill 5507 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations, and makes other adjustments to individual agency budgets 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.

Senate Bill 5507 makes seven special purpose appropriations to the Emergency Board, totaling \$182.3 million General Fund:

- \$120 million General Fund for state employee compensation changes.
- \$40 million General Fund for the Oregon Health Authority or the Department of Human Services for caseload costs or other budget challenges that the agencies are unable to mitigate. Known potential challenges include costs associated with federal fair labor standards act rule changes affecting home care and personal support workers; these are estimated to be around \$17 million but will depend in part on pending litigation and programmatic changes. Another unknown element is the full impact of second fiscal year costs for nursing facility rates that may fluctuate based on bed reduction targets; \$4.9 million of rate inflation was originally set aside as part of the Governor's budget to stimulate a discussion on aligning nursing facility cost increases with Oregon Health Plan inflation rates.
- \$10.7 million General Fund for allocation to state agencies for compensation changes driven by collective bargaining for workers who are not state employees. Allocations related to child care, adult foster care, homecare, and personal support workers are anticipated.
- \$6.5 million General Fund for Department of Administrative Services to be allocated, if necessary, to fund changes in Department of Administrative Services Enterprise Technology Services (ETS) rates and assessments. A budget note in SB 5502, the budget bill for the Department of Administrative Services, required the State Chief Information Officer to recommend during the 2016 Regular Session a new funding formula for ETS that refocuses charges to state agencies on fees for service and deemphasizes the use of assessments, which fund all positions regardless of reductions in services delivered, demonstrate how reductions in services purchased by state agencies would be reflected in reductions in operating expenses, and include price list adjustments needed for implementation of a new revenue formula at the start of second year of the biennium.
- \$3 million General Fund for Education, early learning through post-secondary.
- \$2 million General Fund for Department of Justice, Defense of Criminal Convictions caseload costs.
- \$100,000 General Fund for Department of Human Services (DHS), to be used – if warranted – for completing provider audits, compliance work, or reporting activities. These potential actions are specifically tied to a budget note providing direction regarding wage increases for direct care workers serving people with intellectual and developmental disabilities. The budget note is included in the DHS section of this budget report.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2016, any remaining funds become available to the Emergency Board for general purposes.

Adjustments to Approved 2015-17 Budgets

OMNIBUS ADJUSTMENTS

Omnibus adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services, Audits Division assessments, Attorney General rates, and debt service. Total savings are \$30.1 million General Fund, \$0.7 million Lottery Funds, \$28.5 million Other Funds, and \$11.1 million Federal Funds.

ADMINISTRATION

Department of Administrative Services

The Subcommittee approved a one-time \$951,393 Other Funds expenditure limitation increase and establishment of six limited-duration positions (1.71 FTE) for the Chief Human Resources Office to review the Human Resource Information System project (HRIS). The positions will review and update the preparations in the current project for business processes realignment that will be necessary with the adoption and deployment of any new HR IT system, review and update existing IT modernization plans, and study and improve conversion planning for implementation of HRIS. The Department will report initial findings of this review to the appropriate subcommittees of the Joint Committee on Ways and Means during the 2016 legislative session.

The Subcommittee also approved a \$293,314 Other Funds expenditure limitation increase and the addition of two positions for Shared Financial Services to accommodate service provision for the Department of Geology and Mineral Industries, which will now have financial functions carried out by DAS.

The Subcommittee also approved continuing to give nonlimited authority to DAS to make Other Funds expenditures necessary to disburse general obligation bonds sold during the 2013-15 biennium for the benefit of public universities. Disbursement of future bond sales will be done by the Higher Education Coordinating Commission (HECC), but during the 2013-15 biennium, the Department of Administrative Services (DAS) was given initial authority to disburse these proceeds. As the bond project duties related to issuance of Article XI-F and XI-G general obligation bonds transition from DAS to HECC per House Bill 3199, both agencies were given nonlimited authority to disburse proceeds of bonds issued during 2013-15. The total amount of undisbursed proceeds as of June 30, 2015 from 2013-15 bond sales is \$196,523,642. The initial estimate of the amount of 2013-15 proceeds DAS will disburse in 2015-17 per agreements with public universities is \$145,875,000, with HECC assumed to disburse \$50,648,642. These amounts will likely change once the timing of final transition from DAS to HECC is known.

Senate Bill 5507 includes one-time General Fund appropriations to the Department of Administrative Services for the following purposes:

- \$1,100,000 for disbursement to the National Urban Housing and Economic Community Development Corporation (NUHECDC) for implementation of an affordable homes, skills training, and jobs for unemployed prior-offenders, at-risk youth, and veterans. NUHECDC is directed to provide written status reports to the Department of Administrative Services and the Legislative Fiscal Officer each quarter during the 2015-17 biennium to document progress in meeting the program's objectives of providing affordable housing for low to

moderate income Oregonians; skill training for prior-offenders, at-risk youth, and veterans; and job placement for those with barriers to quality employment.

- \$850,000 for disbursement to the Pine Valley Fire District for a new location and facility to house the Fire Department in the City of Halfway, Oregon.
- \$100,000 for disbursement to the City of Medford to pay for the completion of a feasibility study on development of a conference center in the Medford area. This project could grow beyond a simple conference center and, if feasible, could include sports and recreation components.
- \$90,000 for disbursement to the City of Gold Hill for engineering work needed to construct the Gold Hill Whitewater Park at Ti'lomikh Falls on the Rogue River. The Whitewater Park is being built into the new Gold Hills Parks Master Plan. The goal of the project is to turn Gold Hill into a whitewater destination. The engineering of the whitewater project will be completed in 2015. Permitting and fundraising for construction is expected to take two years. Construction of the whitewater features is expected to take two months. The goal is to finish the park before the 2016 Olympics and to have a local paddler trained at the site competing in the 2020 Olympics.

The Subcommittee added \$15,556,140 Other Funds expenditure limitation for one-time cost of issuance and special payments associated with the disbursement of proceeds from Lottery Bond sales; projects are detailed below and approved in House Bill 5030. Cost of issuance for these projects totals \$456,140. There is no debt service allocated in the 2015-17 biennium, as the bonds will not be sold until the Spring of 2017. Total debt service on all the projects described below is estimated at a total of \$2,919,215 Lottery Funds for the 2017-19 biennium.

- \$750,000 Other Funds for disbursement to Concordia University for the construction of the Faubion prekindergarten through grade eight school.
- \$1,250,000 Other Funds for disbursement to the Elgin Health District for a rural health care clinic.
- \$1,000,000 Other Funds for disbursement to Open Meadow for the construction of a new facility for the Open School in Portland.
- \$1,000,000 Other Funds for disbursement to the Boys and Girls Clubs of Portland Metropolitan Area for a new Boys and Girls Club in Rockwood.
- \$500,000 Other Funds for disbursement to the City of Grants Pass for the Riverside Park renovation project.
- \$1,000,000 Other Funds for disbursement to the Mountain West Career Technical Institute for the Career Technical Education Center in Salem.
- \$2,000,000 Other Funds for disbursement to Wheeler County for the construction of an underground fiber optic telecommunication line from Condon to Fossil.
- \$1,500,000 Other Funds for disbursement to the Port of Umatilla for facilities development at the Eastern Oregon Trade and Event Center in Hermiston.
- \$3,000,000 Other Funds for disbursement to Trillium Family Services for improving and expanding the Children's Farm Home near Corvallis which houses the Secure Adolescent Inpatient Program.
- \$1,600,000 Other Funds for disbursement to the Port of Morrow for development of an Early Childhood Development Center at the workforce training center at the Port of Morrow.

- \$1,500,000 Other Funds for disbursement to the City of Tigard for the Hunziker Development Project.

Senate Bill 5507 includes a one-time \$400,000 General Fund appropriation to the Department of Administrative Services for a community-based organization, the YWCA of Greater Portland, to administer the Family Preservation Program (FPP) at Coffee Creek Correctional Facility. The FPP works with the Department of Corrections (DOC) to serve the best interests of the children of incarcerated parents by increasing therapeutic visitation between children and parents. The YWCA of Greater Portland is expected to provide facilitated case management including:

- Participation of a qualified mental health professional with training and experience with persons who have experienced trauma,
- Parenting skills training, including information on child development and attachment,
- Intensive communication between parents and the guardian or caregiver of the child,
- Facilitation of transportation of program participants to and from the prison,
- Facilitation of lodging to program participants when determined to be appropriate,
- Referrals to home visiting services and attorney services,
- Assistance in navigating state agency processes and nonprofit resources, and
- Reporting to the Legislature on measurable outcomes related to the welfare of the participating children and recidivism of participating incarcerated parents.

While the YWCA of Greater Portland will implement the program, DOC also has a role in the program's success. A budget note is included in the DOC section of this report to clarify the DOC role in administering the Family Preservation Program.

Office of the Governor

The Office of the Governor is increased by \$1,332,517 Lottery Funds for the establishment of five regional solutions coordinator (PEM/F) positions (4.92 FTE). Three of these positions were in the Office of the Governor on a limited-duration basis during the 2013-15 biennium. The other two positions were in the Oregon Business Development Department on a limited-duration basis during the 2013-15 biennium.

The Office of the Governor is increased by \$500,000 General Fund for federal programs coordination. The increase includes one PEM/G position (1.00 FTE) for the program, as well as any needed services and supplies. This function had previously been housed in the Oregon Business Development Department.

Public Employees Retirement System

The Subcommittee increased the Other Funds expenditure limitation by \$509,960 for the estimated fiscal impacts of House Bill 3495 (\$284,960) and Senate Bill 370 (\$225,000).

The Department of Administrative Services is expected to unschedule \$509,960 of expenditure limitation that may only be scheduled based upon the joint approval of the Office of the State Chief Information Officer and the Legislative Fiscal Office and after a more detailed evaluation of the information technology implementation plans for these two measures.

Department of Revenue

The Subcommittee approved funding for the second of a four phase project to replace most of the agency's core information technology systems (Core Systems Replacement project). The second phase includes: personal income, transit, self-employment, Senior Property Deferral, and estate and trust tax programs. The scheduled implementation date for this phase is December 1, 2015.

The Subcommittee approved \$25,929,440 of Other Funds expenditure limitation and the establishment of 33 permanent full-time positions (33.00 FTE), which is to be mostly financed with Article XI-Q bonds approved in House Bill 5005 (\$19 million). Project revenues also include an estimated \$6.9 million in bond proceeds that were authorized and issued during the 2013-15 biennium, but remained unexpended.

The Other Funds budget includes: personal services of \$7 million; \$532,500 for facility costs; \$12.6 million for vendor contract payments; \$1.3 million for an independent quality assurance; \$592,900 for project management costs; \$532,500 for change leadership; \$279,000 for hardware and software; and \$3 million for a contingency reserve.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the Core Systems Replacement (CSR) 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 be included in any permanent finance plan action.

The Subcommittee approved \$3,935,414 General Fund for the agency's payments to the Department of Administrative Services for State Data Center charges related to phase-I of the project (\$1.3 million), vendor contract maintenance costs to support the ongoing maintenance of the vendor product after installation (\$2.4 million), and non-bondable expenditures related to phase-II of the project (\$240,000).

The Subcommittee approved \$3,684,413 in additional General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in House Bill 5005.

Other Funds expenditure limitation of \$375,000 is included for the cost of issuance of the bonds.

The Subcommittee adopted the Joint Committee on Ways and Means – Information Technology Subcommittee recommendations for the Core Systems Replacement project:

- Continue to work closely with and regularly report project status to the Office of the State Chief Information Officer and the Legislative Fiscal Office throughout the project's lifecycle.
- Continue to follow the Joint State CIO/LFO Stage Gate Review Process.
- Report back to the Joint Interim Committee on Ways and Means on project status in the Fall of 2015 (on readiness to proceed with the CSR Project's Rollout 2 in December 2015), and to the Joint Committee on Ways and Means during the 2016 legislative session.

- Utilize the Office of the State CIO's Enterprise Project and Portfolio Management system as it is deployed for all project review, approval, project status, and QA reporting activities throughout the life of the Core Systems Replacement Project, to include information on the new Fraud Analytics and Detection project planning and execution activities funded by package 151.

The Subcommittee also approved funding for the implementation of the Property Valuation System project, which is a commercial-off-the-shelf solution for an integrated appraisal application.

The Subcommittee approved \$1,880,000 of Other Funds expenditure limitation for project costs and the establishment of one permanent full-time position (0.92 FTE), which is to be financed with Article XI-Q bonds approved in House Bill 5005. This includes personal services of \$175,260; \$56,704 for capital outlay; \$1.5 million for vendor contract payments; and \$150,000 for an independent quality assurance.

Other Funds expenditure limitation of \$80,000 is included for the cost of issuance of the bonds.

The Subcommittee approved \$71,843 in General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in House Bill 5005.

The Department of Administrative Services is expected to unschedule \$1.5 million of Other Funds expenditure limitation that may only be scheduled based upon the joint approval of the Office of the State Chief Information Officer, Department of Administrative Services – Chief Financial Office, and the Legislative Fiscal Office.

The Subcommittee adopted the Joint Committee on Ways and Means – Information Technology Subcommittee recommendations for the Property Valuation project:

- Continue to work closely with and regularly report project status to the OSCIO and LFO throughout the lifecycle of the proposed DOR Property Valuation System (PVS) project.
- Follow the Joint State CIO/LFO Stage Gate Review Process.
- Hire/retain or contract for qualified project management services with experience in planning and managing projects of this type, scope, and magnitude.
- Update the Business Case and foundational project management documents as required.
- Work with OSCIO to acquire Independent Quality Management Services as required to conduct an initial risk assessment, perform quality control reviews on the Business Case and foundational project management documents as appropriate, and perform ongoing, independent quality management services as directed by the OSCIO.
- Submit the updated Business Case, project management documents, initial risk assessment, and QC reviews to the OSCIO and LFO for Stage Gate Review.
- Report back to the Legislature on project status during the 2016 legislative session and/or to interim legislative committees as required.
- Utilize the Office of the State CIO's Enterprise Project and Portfolio Management system as it is deployed for all project review, approval, project status, and closeout reporting activities throughout the life of the DOR PVS project.

Secretary of State

The Subcommittee approved omnibus budget adjustments that include a \$1,149,279 total reduction in state agency assessments and billings for the Audits Division. Secretary of State revenues after this reduction remain sufficient to fully support the legislatively adopted budget for the Division and the Secretary of State.

Treasurer of State

The Subcommittee adopted the following budget note related to the intermediate term pool investment program, with the expectation that the State Treasurer also report on what education and training can be provided local governments on the benefits and risks associated with investing in the intermediate term pool. The Subcommittee also expressed an interest in being provided a comprehensive list of state agencies that should be considered candidates for making investments in the existing state intermediate term investment pool:

Budget Note:

The State Treasurer is requested to report to the interim Joint Committee on Ways and Means during Legislative Days in November 2015 on local and tribal government investment opportunities in the intermediate term pool or other intermediate term pooled investment options offered by the State Treasurer.

The report is to define how, and when, the program will be implemented; how investments will be made, overseen, and administered; the status of development of administrative rules; and how the program compares to the existing state intermediate term investment pool.

The cost of administering the program is to be detailed, including both State Treasury and third party costs, and the basis on which local and tribal governments will be charged.

The agency is to identify the potential level of participation, both immediate and over the long-term, as well as the level of potential investment. The agency is to report on the number of pending and signed investment agreements. The agency is to identify how it will accommodate future demand for program growth as well as any short-term program capacity or resource constraints issues.

CONSUMER AND BUSINESS SERVICES

Public Utility Commission

House Bill 2599 (2015) relates to termination of electric or natural gas service. It requires utilities that provide electricity or natural gas service to prepare reports on processes the utilities use to not terminate for non-payment utility service to homes during very hot or very cold weather. To ensure legislative review of these reports, the Subcommittee approved the following budget note:

Budget Note:

The Public Utility Commission is directed to collect reports from the governing boards of all independent utilities in the state on each utility's program to ensure health and safety of vulnerable Oregonians during possible utility shutoffs that might take place during extreme weather situations. The Public Utility Commission will present a summary of the reports to the appropriate committees during the 2016 legislative session.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

The Subcommittee increased Oregon Business Development Department expenditures by \$257,767,573, including \$4,089,357 General Fund, \$1,500,000 Lottery Funds, \$227,178,216 Other Funds, and \$25,000,000 Nonlimited Other Funds.

Lottery Funds increases include \$1 million to supplement funding for the Regional Accelerator Innovation Network, and \$500,000 for transfer to the Oregon Growth Fund managed by the Oregon Growth Board. The additional funds for the Regional Accelerator Innovation Network bring total Lottery Funds support for the Network to \$2 million. Lottery Funds expenditures approved in this bill for the two programs are approved on a one-biennium basis and will be phased out in the development of the agency's 2017-19 biennium current service level budget.

Other Funds budget adjustments were approved for bond-funded programs approved in Senate Bill 5005 and House Bill 5030. The Other Funds expenditure limitation increases approved include:

- \$175 million of net Article XI-M general obligation bond Other Funds proceeds for seismic rehabilitation grants for schools. The proceeds are projected to finance approximately 115 school seismic rehabilitation projects during the 2015-17 biennium, and represent a more than eleven-fold increase over the \$15 million level of school seismic rehabilitation grant funding provided in the 2013-15 biennium. The Subcommittee also added \$4,089,357 General Fund to pay debt service on the bonds. The debt service funds are projected to allow the State Treasurer to issue \$50 million of net bond proceeds in the Spring of 2016, and the remaining \$125 million of bond proceeds in Spring of 2017. Debt service costs for the school seismic bonds are expected to total \$28.7 million General Fund, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$1,870,000 Other Funds for the costs of issuing the Article XI-M bonds. These costs are paid from the gross proceeds of the bond sale. The agency may need to add staff to manage grant award activity associated with the Spring 2017 bond sale.
- \$30 million of net Article XI-N general obligation bond Other Funds proceeds for seismic rehabilitation grants for emergency services facilities. The proceeds are projected to finance approximately 50 emergency services facility seismic rehabilitation projects during the 2015-17 biennium, and represent a doubling of the \$15 million level of emergency services facility seismic rehabilitation grant funding provided in the 2013-15 biennium. The bonds will be issued in the Spring of 2017. Debt service costs for the emergency services facility seismic bonds are expected to total \$4.9 million General Fund, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$440,000 Other Funds for the costs of issuing the Article XI-N bonds. These costs are paid from the gross proceeds of the bond sale.
- \$18 million of net Lottery bond Other Funds proceeds for deposit to the Special Public Works Fund, a revolving loan fund. The \$18 million total includes \$5 million specifically dedicated to finance levee inspection and repair projects as authorized by Senate Bill 306. The remaining \$13 million of bond proceeds may be applied to any eligible Special Public Works Fund projects. The funding designated for levees is projected to support approximately 17 levee projects, and the undesignated funding is projected to support an additional 11 projects. Because the bonds will be issued in the Spring of 2017, most project activity will occur after the end of the current biennium. Debt service costs for the Lottery bonds are expected to total \$3.8 million Lottery Funds, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$323,147 Other Funds for the costs of issuing the Lottery bonds. These

costs are paid from the gross proceeds of the bond sale. The \$18 million of bond proceed expenditures were added to the agency budget as Nonlimited Other Funds, and as such, are not included in the expenditure limitation increases included in the bill.

- \$7 million of net Lottery bond Other Funds proceeds for deposit to the Brownfields Redevelopment Fund, a revolving loan fund. The funding is projected to support approximately 27 brownfields redevelopment projects. Because the bonds will be issued in the Spring of 2017, most project activity will occur after the end of the current biennium. Debt service costs for the Lottery bonds are expected to total \$1.5 million Lottery Funds, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$129,239 Other Funds for the costs of issuing the Lottery bonds. These costs are paid from the gross proceeds of the bond sale. The \$7 million of bond proceed expenditures were added to the agency budget as Nonlimited Other Funds, and as such, are not included in the expenditure limitation increases included in the bill.
- \$13 million of net Lottery bond Other Funds proceeds for Regional Solutions capital construction priority projects identified by Regional Solutions Advisory Committees. The funding is projected to support approximately 28 capital construction projects in ten of the state's eleven Regional Solutions regions. The projects are funded with a combination of \$995,000 of Lottery bond proceeds remaining from the Spring 2015 bond sale and \$12,005,000 of new bond proceeds from Lottery bonds that will be issued in the Spring of 2017. Because most of the funding will become available late in the biennium, most project activity will occur after the end of the current biennium. Debt service costs for the Lottery bonds are expected to total \$2.6 million Lottery Funds, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$243,677 Other Funds for the costs of issuing the Lottery bonds. These costs are paid from the gross proceeds of the bond sale. The Subcommittee approved \$13 million of support to fund projects on the identified Regional Solutions project list that total more than \$14 million in costs. The project list is posted on the Oregon Legislative Information System website with the Capital Construction Subcommittee July 3, 2015 meeting materials. The agency is directed to best apply the available funding toward the project list identified costs, taking into consideration other possible funding sources available for individual projects. If the agency determines that funds would be better utilized to support other projects not on the identified project list, it must obtain legislative approval to do so before the lottery bonds are issued. The agency is also expected to work with the Governor's Office to allow the agency to review proposed Regional Solutions projects to ensure they meet certain criteria, including: supporting job growth and retention, obtaining leverage from other sources, possessing a clear business plan for sustainability without additional state funding, meeting regional priorities recommended by a Regional Solutions Advisory Committee, and, if bond proceeds are requested as the funding source, qualifying as a capital construction project.
- \$4.5 million of net Lottery bond Other Funds proceeds for cultural capital construction projects. The funding is specifically dedicated as follows: \$2 million for the Oregon Shakespeare Festival, \$1.5 million for the Portland Japanese Garden, \$600,000 for Oregon Public Broadcasting, and \$400,000 for the Aurora Colony Museum. The bonds will be issued the Spring of 2017. Debt service costs for the Lottery bonds are expected to total approximately \$956,000 Lottery Funds, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$68,184 Other Funds for the costs of issuing the Lottery bonds. These costs are paid from the gross proceeds of the bond sale. The \$4,568,184 of bond proceeds and costs of issuance expenditures were added to the agency's Arts and Cultural Trust Other Funds expenditure limitation.

- \$1,562,157 of net Lottery bond Other Funds proceeds for repairs and upgrades to the Port of Brookings Harbor dock. The bonds will be issued in the Spring of 2017. Debt service costs for the Lottery bonds are expected to total approximately \$300,000 Lottery Funds, per biennium, when the costs fully phase in beginning in the 2017-19 biennium. The Subcommittee added \$41,812 Other Funds for the costs of issuing the Lottery bonds. These costs are paid from the gross proceeds of the bond sale. The \$1,603,969 of bond proceeds and costs of issuance expenditures were added to the agency's Infrastructure Finance Authority Other Funds expenditure limitation.

Housing and Community Services Department

Other Funds expenditure limitation is increased by \$10 million for additional payments anticipated due to the passage of House Bill 3257, which extended until 2018 the period under which an additional \$5 million annually could be collected from residential electricity consumers for low income bill payment assistance. The funds are collected from utilities, transferred to the Housing and Community Services Department, and distributed to eligible Oregonians by local Community Action agencies under contract.

Other Funds expenditure limitation for the Housing and Community Services Department is increased by \$585,000, attributable to cost of issuance for \$40 million in Article XI-Q bonds issued for affordable housing development. The housing to be developed with the bonds will be targeted to low income individuals and families, pursuant to the provisions of House Bill 2198. That bill directs the Department to distribute the resources available based on criteria including geography, market data, need, and other factors, and directs the Department to develop the housing with the advice of the State Housing Council and to work with stakeholders to achieve objectives that include reducing project costs and reaching underserved communities. It is assumed that the investment will result in an estimated 1,600 units of new affordable housing developed. Expenditure limitation for a period of six years for the project amount (\$40 million) is located in House Bill 5006.

Other Funds expenditure limitation in the amount of \$2,551,972 is included to enable the Housing and Community Services Department to expend proceeds from Lottery bonds for preservation of affordable housing with expiring federal subsidies. Of this amount, \$2.5 million is attributable to project costs, and \$51,972 is related to cost of issuance.

Eligible projects for which these funds can be expended are defined as the following:

- Privately owned multi-family rental properties where at least 25% of the units are subsidized by a project-based rental assistance contract through the USDA Rural Development or the US Department of Housing and Urban Development;
- Existing manufactured housing communities to be acquired by a mission-based non-profit organization, resident cooperative, tenants' association, housing authority, or local government; or
- Public housing projects undergoing a preservation transaction which involves a comprehensive recapitalization, and which will secure ongoing rental subsidies.

Other Funds expenditure limitation in the amount of \$20,307,817 is included to enable the Housing and Community Services Department to expend proceeds from Lottery bonds for the purpose of financing construction of housing for individuals with mental illness or addiction disorders. Of this amount, \$20 million is attributable to project costs, and \$307,817 is related to cost of issuance. This limitation applies to the 2015-17 biennium only, as the project is not anticipated to be recurring. To the extent that proceeds are not fully expended for mental health

housing in 2015-17, the 2017-19 agency request budget should include a request that limitation for remaining proceeds be carried forward into the 2017-19 biennium. The Housing and Community Services Department will develop a process similar to but separate from its existing “Notice of Funds Availability” that is currently used to identify partners and financing for affordable housing projects. The Oregon Health Authority will work with the Housing and Community Services Department (HCSD) throughout the process of utilizing the \$20 million of bonding proceeds for the development of housing for individuals with mental illness or addictions disorders. The Oregon Health Authority will continue to work with their partners, including the National Alliance on Mental Illness (NAMI) and the Oregon Residential Provider Association (ORPA), as well as other stakeholders, to set up a workgroup that will be responsible for providing recommendations on project priorities to HCSD.

Department of Veterans’ Affairs

Additional one-time General Fund in the amount of \$500,000 is appropriated to the Oregon Department of Veterans’ Affairs for support for County Veterans’ Service Officers. This is in addition to the \$246,046 General Fund investment above the 2015-17 current service level that was included in the Department’s budget bill, Senate Bill 5539. With this increase, the amount of General Fund directed to County Veterans’ Service Officers for the 2015-17 biennium will total \$4.7 million, \$4.2 million of which is intended to be ongoing in future biennia.

EDUCATION

Department of Education

The Subcommittee approved a net increase of \$51,990,543 General Fund and \$66,009,457 million Lottery Funds for the State School Fund. The increase reflects three separate actions:

- An increase of \$105,782,400 General Fund represents the increase due to the “trigger” included in the State School Fund bill (House Bill 5017) which directed to the State School Fund 40 percent of any General Fund increase in the 2015-17 revenue estimates between the March 2015 and the May 2015 forecasts;
- An additional \$12,217,600 General Fund is made available for the State School Fund beyond the amount resulting from the “trigger”; and
- A decrease of \$66,009,457 General Fund and a corresponding \$66,009,457 Lottery Funds increase is recommended to balance the use of available Lottery Funds across the entire state budget.

The Legislature assumes the State Land Board will increase the distribution from the Common School Fund from the current four percent to a five percent distribution which results in an estimated increase of \$27,544,741 of revenue available to districts through the school funding formula. If the State Land Board takes this action, there will be an equivalent of just over \$7.4 billion in combined General Fund, Lottery Funds, and these additional Common School Funds resources for the 2015-17 biennium.

House Bill 5017, the State School Fund bill, split the amount available to be distributed from the State School Fund between the two school years on an even basis or \$3,629,130,346 in each school year. The Subcommittee approved placing all of the additional State School Fund resources made available in this bill to be distributed in 2016-17, the second school year of the biennium. This results in a split between the two school years of 49.2 percent for 2015-16 and 50.8 percent for 2016-17.

The Subcommittee approved a one-time \$3,300,000 General Fund increase in the appropriation for the Department of Education’s nutrition programs relating to the Farm to School program under ORS 336.431. This increase is over and above the current \$1,219,189 General Fund appropriation included in the Department of Education’s budget bill (House Bill 5016) for this program. It is anticipated that grants under this program will be changed by language in Senate Bill 501 that is intended to increase participation in the program by school districts. The Department of Education may use up to two percent of the total funding for the Farm to School program under ORS 336.431 for the administration of the program. Of the remaining amount, the Department is instructed to allocate approximately 80% of the remaining funding for the noncompetitive grants and approximately 20% of the remaining funding for competitive grants.

The Subcommittee increased the funding for Relief Nurseries in the Early Learning Division by a one-time \$700,000 General Fund appropriation. This brings the total amount of state funding for Relief Nurseries to \$8,300,000 General Fund.

The Subcommittee approved a one-time increase of \$500,000 General Fund for the new leadership program designed to recruit and train “district turnaround leaders” to assist schools and districts to increase their overall achievement measures. This increase and the amount included in the budget bill for the Oregon Department of Education (House Bill 5016) brings the total amount of funding for this program to \$2,000,000 General Fund.

The Subcommittee approved the establishment of an Other Funds expenditure limitation of \$126,210,000 for the proceeds of Title XI-P general obligation bonds, which are for grants to assist school districts with their capital costs of facilities. The grant, funded with bond proceeds, provided to each district must be matched by the district to finance capital costs for projects that have received voter approval for locally issued bonds. State bond proceeds may not be used for operating costs of the district. The bonding bill (House Bill 5005) includes the authorization for issuing \$125,000,000 of Title XI-P bonds. Costs of issuance are estimated at \$1,210,000 Other Funds.

Budget Note:

The Department of Education is instructed to use \$500,000 General Fund from the Early Intervention/Early Childhood Special Education (EI/ECSE) budget to support two to four communities in developing pathways from screening to services to make it easier for families to receive services that screening identifies. Use of this funding is aligned with best practices for how EI/ECSE programs should address the needs of children and their families who do not meet the legal requirements for eligibility and connect them to other services and supports. The Early Learning Council shall report on the progress and outcomes of this work to the appropriate legislative committee and include any recommendations for the 2017 legislative session.

Budget Note:

Given the expanded Healthy Families Oregon home visiting funding added to the Early Learning Division’s budget, the Early Learning Division and the Oregon Health Authority are instructed to:

- Develop a set of outcome metrics connected to evidence of impact for consideration by the Early Learning Council and the Oregon Health Policy Board that any home based service that receives state dollars must meet in order to continue to receive state funds, effective July 1, 2016;
- Develop a plan and timeline for integrating the state’s professional development system for early learning providers with the emerging professional development system for home visitors; and
- Develop a common program agnostic screening tool to identify potential parent/child risk factors and intake form for families who are eligible for home visiting services and require implementation by state funded home visiting programs by July 1, 2016.

The Early Learning Division and the Oregon Health Authority shall report on progress to the appropriate legislative committee.

Budget Note:

The Department of Education is instructed to survey school districts on the financial effects of the: (1) adaptation of new instructional hour minimums, (2) mandated full scheduling of 92 percent of students, and (3) projections for programs and personnel possibly eliminated in order to comply with these mandates at current budget levels. The Department is to report back to the Joint Committee on Ways and Means by February 1, 2016.

Higher Education Coordinating Commission

The Subcommittee approved a one-time \$1,500,000 General Fund appropriation to fund academic counselors at community colleges during the second academic year of the biennium. Community Colleges currently have limited academic counseling services in place. With the potential of more students as a result of the tuition waiver grant program established in Senate Bill 81, there is concern that those limited resources will be stretched even further. Prior to the distribution of these funds, the Higher Education Coordinating Commission is to report to the Joint Committee on Ways and Means during the 2016 legislative session or to the Emergency Board what factors or variables will determine the distribution of these funds.

The Subcommittee approved the establishment of a \$1,542,827 Other Fund expenditure limitation for a grant to the Linn Benton Community College for the construction and capital expenditures for the Advanced Transportation Technology Center. This Center is established to advance statewide transportation energy policy as well as to provide education and training of students at the Community College. The project is to include an automotive technician training center with an alternative fuel area, a heavy transportation/diesel training center, an innovation center, and an anaerobic digester for renewable gas production. The Other Funds expenditure limitation increase represents the \$1,500,000 state share of the project cost and \$42,827 for the cost of issuing the bonds. Both of these items are funded through the sale of Lottery bonds.

The Subcommittee approved \$2,500,000 General Fund for the College of Forestry at Oregon State University to operate a center for the manufacturing and design of advanced wood products in cooperation with the University of Oregon. The \$2.5 million represents a partial biennium of expenses, and as such, state support for the center rolls up to \$3,400,000 in the 2017-19 biennium. The Subcommittee also approved \$300,000 General Fund on a one-time basis for use by Eastern Oregon University for costs associated with starting a collegiate wrestling program.

The Subcommittee approved a one-time \$350,000 General Fund appropriation to the Higher Education Coordinating Commission (HECC) for a grant to the College Inside program. This is a program designed to allow incarcerated students obtain a two-year college degree that is transferable to a four-year university.

The Subcommittee approved a one-time \$350,000 General Fund appropriation to Higher Education Coordinating Commission (HECC) for a grant to the College Possible organization. This program provides mentoring, coaching, and other assistance to low income students to encourage them to go to college and help them apply for college and financial aid.

The Subcommittee approved a \$62,300 General Fund appropriation for use by Oregon Solutions at Portland State University to pay the expenses of the Task Force on the Willamette Falls Navigation Canal and Locks as they conduct the work directed in SB 131.

The Subcommittee clarified that of the \$151,390,838 General Fund increase approved for the Public University Support Fund program area in House Bill 5024, \$41,095,238 was for continuation of the tuition buy down funding provided to public universities in House Bill 5101 (2013 Special Session).

The Subcommittee approved a \$4,477,055 increase in the Other Funds expenditure limitation for payment of the costs of issuing Article XI-F general obligation bonds, Article XI-G general obligation bonds, and Article XI-Q general obligation bonds on the behalf of community colleges and public universities.

The Subcommittee also approved giving the Higher Education Coordinating Commission (HECC) nonlimited authority to make Other Funds expenditures necessary to disburse general obligation bonds sold during the 2013-15 biennium for the benefit of public universities. Disbursement of future bond sales will be done by HECC, but during the 2013-15 biennium the Department of Administrative Services (DAS) was given initial authority to disburse these proceeds. As the bond project duties related to issuance of Article XI-F and XI-G general obligation bonds transition from DAS to HECC per House Bill 3199, both agencies were given nonlimited authority to disburse proceeds of bonds issued during 2013-15. The total amount of undisbursed proceeds as of June 30, 2015 from 2013-15 bond sales is \$196,523,642. The initial estimate of the amount of 2013-15 proceeds HECC will disburse per agreements with public universities in 2015-17 is \$50,648,642, with DAS disbursing \$145,875,000. These amounts will likely change once the timing of final transition from DAS to HECC is known.

Oregon Health & Science University

The Subcommittee approved the establishment of a \$200,035,000 Other Funds expenditure limitation for DAS to disburse Article XI-G bond proceeds to the Oregon Health and Science University (OHSU) to fund Knight Cancer Institute capital construction costs. In addition, the Subcommittee approved an \$8,522,485 General Fund appropriation to pay debt service on XI-G bonds issued during the 2015-17 biennium for the Knight Cancer Institute project.

House Bill 3199 (2015) provided that the Department of Administrative Services (DAS) would continue to make debt service payments on behalf of OHSU on legacy debt issuance, including \$30,909,888 debt service paid with Tobacco Master Settlement Agreement (TMSA) funds. To accommodate this requirement, the Subcommittee approved providing DAS with \$38,689,306 Other Funds expenditure limitation to make debt

service payments. Revenue for making \$7,779,418 debt service payments on non-TMSA supported Article XI-F bond debt will be provided by OHSU.

HUMAN SERVICES

Department of Human Services

To support two pilot projects in the Child Welfare program, the Subcommittee approved \$800,000 General Fund and increased Federal Funds expenditure limitation by \$160,000; funding is approved on a one-time basis with future program support or integration dependent on resources and pilot outcomes. The following budget note, which lays out the goals and expectations for the pilot projects, was also approved:

Budget Note:

The Department of Human Services is directed to work with community-based organizations to develop and implement two pilot programs, one serving a rural part of the state and the other one serving an urban area, to improve the quality and effectiveness of foster care for children and wards who have been placed in the Department's legal custody for care, placement, and supervision. The programs shall target youth who have experienced multiple foster care placements and who are at significant risk of suffering lifelong emotional, behavior, developmental, and physical consequences due to disrupted and unsuccessful placements in the foster care system. The following services for foster parents shall be included in the programs: trauma-informed, culturally appropriate care training; behavioral supports; ongoing child development and parent training; 24-hour, daily on-call caregiver support; respite care; tutoring; and assistance with locating immediate and extended healthy, biological family members.

Each pilot program will have an advisory group that includes at least one individual who has experienced multiple placements in the foster care system and at least one foster parent. The legislative expectation is that at least \$800,000 of the total funding for the pilots will be provided directly to community-based organizations to deliver program services. On or before May 1, 2017, the Department shall report to the legislative committees having authority over the subject areas of child welfare and juvenile dependency regarding the status of the pilot programs and, to the extent possible, placement outcomes for children and wards who participated in the pilot program and children and wards not receiving pilot program supports. The Department will also provide an update on the pilot projects as part of its budget presentation during the 2017 legislative session.

To provide and test targeted community college career pathway training opportunities for Temporary Assistance for Needy Families and Employment Related Day Care clients, the Subcommittee approved \$500,000 General Fund for a one-time pilot project in Jackson and Josephine counties. Eligible clients will be in enrolled training programs that match up with in-demand, high wage job openings, such as in the healthcare or information technology areas. Clients will receive a scholarship/stipend to help augment Pell grants, with average awards expected to be about \$2,000 per client; about 150 clients are estimated to participate in the program over the biennium. The pilot project is a joint effort between the Rogue Workforce Partnership, the Oregon Employment Department, and the Department of Human Services.

The Subcommittee approved \$350,000 General Fund to provide transitional (one-time) funding for the Home Care Commission's private pay registry. This program, which enables private payers to buy home care services through the home care registry, was authorized by House Bill 1542 (2014) and is expected to be fee supported once fully up and running in January 2016.

The Subcommittee approved \$1,800,000 General Fund to restore a reduction made in the primary budget bill for the Department (House Bill 5026). The funding will provide ongoing support for options counseling provided through the Aging and Disability Resource Connection (ADRC). The program helps people identify their long term care needs and preferences, understand the service options available to them, and make decisions about their care.

The Subcommittee approved \$400,000 General Fund, on a one-time basis, to increase support funding for the Oregon Hunger Response Fund (Oregon Food Bank); between funding in both the DHS and the Housing and Community Services Department budgets, a total of \$3.2 million General Fund is now appropriated in the 2015-17 biennium to help the fund fight hunger.

The Subcommittee approved \$150,000 General Fund to provide ongoing support for the Hunger Task Force, which is charged with advocating for hungry persons, and contributing to the implementation and operation of activities and programs designed to alleviate or eradicate hunger in Oregon. House Bill 2442 (2015) designates the Department of Human Services as the entity in administering the state policy on hunger and also requires the agency to support and staff the task force, based upon the availability of legislatively approved funding for such purposes.

To cover Phase II development and implementation of a streamlined and integrated Statewide Adult Abuse and Report Writing System, the Subcommittee approved \$2,277,037 General Fund and \$3,355,000 Other Funds expenditure limitation (\$5.6 million total funds). Phase I planning funding was approved by the Emergency Board in May 2014, based upon demonstrated need for a stable, integrated adult abuse data and report writing system to deal with Oregon's growth in an aging population, an annual increase of 5-8% in abuse referrals, and an increased need for services across all demographics. The Other Funds portion of the project will be financed with Article XI-Q bonds; the General Fund amount includes \$839,543 to cover debt service payments in the second year of the biennium.

The Department will continue its work on the project according to direction from the Joint Ways and Means Subcommittee on Information Technology, which recommended incremental and conditional project approval. Required actions under that guidance include, but are not limited to, working closely with and regularly reporting project status to the Office of the State Chief Information Officer (OSCIO) and Legislative Fiscal Office (LFO), while following the joint OSCIO/LFO Stage Gate Review Process. A detailed list of next steps and requirements was transmitted to the agency. The Department of Administrative Services is expected to unschedule the General Fund and Other Funds expenditure limitation for the project pending finalization of a controlled funding release plan that is tied to planning needs and the completion of certain stage gate requirements. Funding may be rescheduled with the joint approval of the OSCIO, the Chief Financial Office, and LFO.

House Bill 5026 included a rate increase for providers serving people with Intellectual and Developmental Disabilities (IDD). To ensure clarity of legislative direction regarding implementation of the rate increase, the Subcommittee adopted the following budget note:

Budget Note:

It is the intent of the Legislature that \$26.7 million total funds in provider rate increases approved in House Bill 5026 (budget bill for the Department of Human Services) result in wage increases for direct care staff serving people with intellectual and developmental disabilities (IDD). The legislative expectation is that compensation (wages and/or benefits) for direct care staff in programs serving people with IDD should be increased by at least 4% during the 2015-17 biennium.

During the 2016 legislative session, an informational hearing will be scheduled for IDD community providers to present the actions they have taken or plan to take to meet budget note requirements. On a parallel track and prior to seeking an allocation from the special purpose appropriation, the Department of Human Services will compile information on any complaints received regarding wage increases and consult with legal counsel and contract staff to determine the best, yet most cost-effective, approach to address potential provider non-compliance. The Department will also report to the Joint Committee on Ways and Means during the 2017 legislative session on activity related to and progress made under this budget note.

For the same program, the Subcommittee approved the budget note set out below on exploring a provider assessment component to help fund IDD programs. Along with the required reporting, and depending on assessment's content or results, the Department may also work with the appropriate interim policy committee on potential statutory changes.

Budget Note:

The Department of Human Services shall work with the intellectual and developmental disabilities (IDD) provider community and appropriate state and federal agencies to assess the feasibility, potential benefits, and potential drawbacks of a provider assessment, or transient lodging tax, on the provider organizations serving adults with IDD, with the goal of maximizing federal matching funds for IDD services and addressing the direct care workforce shortage. The Department shall report the results of its assessment to the Legislature by December 1, 2015.

Oregon Health Authority

Senate Bill 5507 approves \$10,000,000 one-time General Fund resources to provide grants to safety net providers, through the Safety Net Capacity Grant Program. This program will provide grants to community health centers, including Federally Qualified Health Centers and Rural Health Centers, as well as School-Based Health Centers, with the goal of providing services for children not eligible for any current state program. The agency will need to develop an application process for these competitive grants; develop a process to award the grants, including amounts to fund education and outreach to the target population; develop a process for clinics to report services rendered; provide reporting to the Legislature and stakeholders; and include a stakeholder engagement process to advise the program development and implementation. The agency expects to fund two full-time positions out of this total funding, in order to implement the program as described.

Because of the continuing transition of the Oregon Health Plan caseload, the Subcommittee recognized the increased risk of caseload forecast changes. A special purpose appropriation of \$40 million is made to the Emergency Board for caseload costs or other budget challenges in either the Oregon Health Authority (OHA) or Department of Human Services. The Subcommittee included two budget notes related to the Oregon Health Plan:

Budget Note:

The Oregon Health Authority shall engage in a rural hospital stakeholder process to gather input on potential transformation strategies to ensure that Oregon's small and rural hospitals continue to be sustainable in the future. Potential transformation strategies could include grant or bridge funding, transformation pilot programs, or incentive programs to assure funding stability for hospitals and access to health care services for rural Oregonians. Based on the work with stakeholders, OHA will develop a set of recommendations.

OHA shall report to the Joint Committee on Ways and Means Committee during the 2016 legislative session on any hospital assessment revenues received for the 2013-15 biennium and available for use in 2015-17. The revenue may include assumed hospital assessment revenue in the OHA 2015-17 budget or any additional hospital assessment revenue not included in the OHA budget, that could potentially be used to fund one or more of the strategies recommended, but not to exceed \$10 million. The agency should include in that report any information on federal matching resources that may be available for those strategies.

Budget Note:

The Oregon Health Authority is directed to prepare a report in collaboration with the Employment Department stating the number of Oregonians enrolled in the Oregon Health Plan while employed at least 260 hours in any calendar quarter by a company with 25 or more employees. This report should be presented to the interim Joint Committee on Ways and Means, Subcommittee on Human Services no later than January 2016.

The Subcommittee approved a one-time appropriation of \$160,000 General Fund for OHA to contract with the Dental Lifeline Network, or other qualified organization, for development and operation of a Donated Dental Services program to benefit needy, disabled, aged, and medically compromised individuals. The program will establish a network of volunteer dentists, including dental specialists, to donate dental services to eligible individuals, establish a system to refer eligible individuals to appropriate volunteers, and develop and implement a public awareness campaign to educate individuals about the availability of the program. The program will report to OHA at least annually the number of people served, procedures during the year, procedures completed, and the financial value of the services completed. The funding is part of a commitment to spending on senior programs that originated in the 2013 special session.

The Subcommittee approved \$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. Both these program enhancements are one-time.

General Fund was increased by \$600,000 for school-based health centers. This funding will provide state grants of \$300,000 to three new school-based health centers that recently completed their planning processes. It will also allow the agency to provide \$300,000 of funding to existing school-based health centers to bring all centers closer to parity in state funding.

Other Funds expenditure limitation is increased by \$137,152 to increase the staffing level for the Pesticide Analytical Response Center by one half-time position (0.50 FTE). Funding for the position will come as a special payment from the Department of Agriculture supported by an increase in pesticide product registration fees.

The Subcommittee directed the Oregon Health Authority to collaborate with the Department of Consumer and Business Services and the University of Oregon, in the following budget note:

Budget Note:

The Oregon Health Authority, in collaboration with the Department of Consumer and Business Services, shall work with the University of Oregon on the vaccination program for meningitis. The Department of Consumer and Business Services shall ensure timely insurance coverage is covering appropriate costs for those with insurance. The Oregon Health Authority shall, within existing emergency preparedness funds, work with the University of Oregon on funding appropriate costs. The Oregon Health Authority and the University of Oregon shall report to the appropriate legislative committee the final cost of the program including any additional funding needs by December 2015 and any recommendations to ensure effective and efficient response to any future events.

Lottery bond proceeds of \$20 million were approved for the development of housing for individuals with mental illness or addiction disorders, through the Housing and Community Services Department (HCSD). OHA will work with HCSD throughout the process used to identify partners and financing for projects. OHA will continue to work with their partners, including the National Alliance on Mental Illness and the Oregon Residential Provider Association, as well as other stakeholders, to set up a workgroup that will be responsible for providing recommendations on project priorities to HCSD.

Lottery bond proceeds of \$3 million were approved to fund a portion of the costs to build a new sixteen-bed facility for the Secure Adolescent Inpatient Program, run by Trillium Family Services. These funds will be distributed through the Department of Administrative Services. This project will replace old, obsolete facilities at the Children's Farm Home campus near Corvallis. This program serves adolescents at the highest level of mental health acuity in the state, including children on the Oregon Health Plan, and those referred through the Oregon Youth Authority and the Juvenile Psychiatric Security Review Board.

The following budget note was included related to the Addictions and Mental Health programs:

Budget Note:

The Oregon Health Authority shall conduct a minimum of five community meetings in a variety of geographic locations across the state. The goal of the community meetings is to capture, understand, and report to the Legislature on the experience of children, adolescents, and adults experiencing mental illness and their ability to access timely and appropriate medical, mental health and human services to support their success in the community. The meetings shall not be restricted to publicly financed services or individuals eligible for public benefits. The focus will be on the entirety of the Oregon mental health system, both public and private. Issues to be considered should include but not be limited to:

- Access to child and adolescent services
- Boarding in hospital emergency rooms
- Access to housing, addiction, and recovery services
- Family support services
- Waiting periods for services

- Workforce capacity
- Affordability for non-covered individuals to access mental health services
- Coordination between behavioral health and physical health services

The Oregon Health Authority shall consult and coordinate with stakeholders to plan and conduct the community meetings. The Oregon Health Authority is expected to report progress and findings to the appropriate legislative committees and the 2016 Legislature.

The Subcommittee included the following direction in regards to fee-for-service (both Medicaid and non-Medicaid) rate increases to addiction treatment providers:

Budget Note:

The Oregon Health Authority will use \$3.5 million of the \$6 million included in the new investments for A&D services included in the OHA 2015-17 budget to increase rates to addiction treatment providers. OHA will report the final rate increases to the interim Joint Committee on Ways and Means by November 2015.

Long Term Care Ombudsman

The Subcommittee added \$100,000 General Fund on a one-time basis to provide interim support for the agency as it continues to ramp up new programs, including advocacy for residents of independent living sections of Continuing Care Retirement Communities as required under Senate Bill 307 (2015). The agency has also been undergoing a leadership transition and is facing challenges in volunteer recruitment; the additional funding will allow the Long Term Care Ombudsman to contract or to make a short-term hire for program development expertise to focus on these needs over the first year of the biennium.

JUDICIAL BRANCH

Oregon Judicial Department

The Subcommittee increased Judicial Department expenditures by \$40,955,000, including \$700,000 General Fund, and \$40,255,000 Other Funds.

The Subcommittee appropriated \$100,000 General Fund to increase funding for the Oregon Law Commission. This action raises total General Fund support for the Oregon Law Commission in the 2015-17 biennium budget to \$331,319, a 45.3 percent increase over the 2013-15 biennium funding level. The Subcommittee also added a one-time General Fund appropriation of \$600,000, for support of the Oregon State Bar Legal Services Program (a.k.a., Legal Aid). The General Fund appropriation will supplement the \$11,900,000 of Other Funds support for Legal Aid provided in Senate Bill 5514, and is approximately a 5 percent increase over the base funding level.

The Subcommittee approved Other Funds expenditure limitation increases for county courthouse capital construction projects funded through the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF). The legislatively adopted budget includes \$27,775,000 of Article XI-Q bond proceeds authorized in House Bill 5005 for the courthouse capital construction projections funded through the OCCCIF. The approved

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bond proceeds include \$17.4 million for the Multnomah County Central Courthouse project, \$2.5 million for the Jefferson County Courthouse project, and \$7,875,000 for the Tillamook County Courthouse project.

The Legislature previously authorized Article XI-Q bonds for the Multnomah County and Jefferson County projects in the 2013-15 biennium budget. The Subcommittee increased the OCCCIF Other Funds expenditure limitation by \$39.8 million to allow expenditures of up to \$19.9 million of bond proceeds and of up to \$19.9 million of required county matching funds for these two projects. The Subcommittee did not approve Other Funds expenditure limitation for the Tillamook County Courthouse project. The Judicial Department will report to the Joint Committee on Ways and Means or to the Emergency Board on the Tillamook County Courthouse project, and request Other Funds expenditure limitation for the project, prior to distributing any money from the OCCCIF for the Tillamook County Courthouse project.

The Subcommittee also increased the Judicial Department operations Other Funds expenditure limitation for operations by \$455,000, for the cost of issuance of Article XI-Q bonds for OCCCIF projects.

NATURAL RESOURCES

Department of Agriculture

The Subcommittee approved a \$25,000 General Fund increase to the Predator Control program, bringing the program total to \$447,718 General Fund, as well as, a \$30,000 General Fund increase to the Wolf Compensation and Grant Assistance program, bringing the program total to \$233,000 General Fund.

The Subcommittee also approved a \$1,747,018 Other Funds expenditure limitation increase to support enhancements to the Pesticides program. The enhancements include the addition of 6 positions (5.26 FTE) to the program. The positions will be made up of four pesticide investigators (NRS 3), one customer service representative (NRS 3), and one case reviewer (NRS 4). The additional investigative staff is needed to manage existing caseload requirements. Other enhancements include laboratory testing and sampling of pesticides, as well as, modification of the existing investigation and case management database. An additional \$108,326 Other Funds was approved to increase the ODA staffing level for the Pesticide Analytical Response Center (PARC) by 0.50 FTE. ODA also increased the existing transfer made to the Oregon Health Authority (OHA) by \$137,152 Other Funds to increase the ODA paid OHA staffing level for the Pesticide Analytical Response Center by 0.50 FTE. Revenue to support these various Other Funds increases will come from increases in pesticide product registration fees approved in House Bill 3459.

Department of Environmental Quality

The Subcommittee approved \$280,000 General Fund for a Portland Harbor Statewide Coordination policy position. According to the Governor's requested budget, this is a senior-level policy position that will be housed in DEQ, but will report to the Governor's natural resources policy advisor. This Operations and Policy Analyst 4 position will be phased in on January 1, 2016 (0.75 FTE). In addition, \$110,092 Other Funds expenditure limitation and one half-time NRS 3 position (0.50 FTE) was approved for implementation of the residential asbestos inspection program established by Senate Bill 705, which passed earlier this session.

Department of Fish and Wildlife

The Subcommittee approved allowing the Oregon Department of Fish and Wildlife to retain \$5,000 General Fund savings from Department of Administrative Services' assessment reductions that will be used to pay for the study in Senate Bill 779. This study is to determine whether ORS 497.006 should be amended to allow additional members of the uniformed services to be considered resident persons for the purpose of purchasing licenses, tags, and permits issued by the State Fish and Wildlife Commission.

The Subcommittee approved a one-time General Fund appropriation of \$500,000 to improve and protect sage grouse habitat through actions, such as juniper removal, that improve the resilience of sagebrush habitat to wildfire.

The Subcommittee also approved a \$25,000 General Fund increase in state support for the Predator Control program, bringing the state support total to \$453,365 General Fund.

Department of Forestry

The Subcommittee approved a one-time appropriation of \$809,377 General Fund to the Fire Protection Division of the Oregon Department of Forestry (ODF) for sage grouse habitat protection and improvement. This amount is in addition to amounts contained in the agency's budget bill for the same purposes. The appropriation includes \$109,377 for a limited-duration, half-time (0.50 FTE) Natural Resource Specialist 1 position and associated services and supplies to provide administrative support and technical training to rangeland protection associations. The appropriation also includes \$700,000 for grants to support rangeland wildfire threat reductions. The grant funding is for eligible services, supplies, and equipment expenditures of rangeland fire protection associations and counties in addressing rangeland wildfire management and suppression on unprotected or under-protected lands. The funding is to be implemented consistent with wildfire-related provisions of Oregon's plan for addressing the conservation of the greater sage grouse and rural community vitality. Oregon will provide the funding to the Oregon Watershed Enhancement Board, which will oversee the grant program in conjunction with other ODF grant programs.

Department of Land Conservation and Development

The Subcommittee approved the reduction of the General Fund appropriation made to the Department of Land Conservation and Development for the Southern Oregon Regional Pilot Program (SORPP) in the agency's 2013-15 budget (SB 5530, 2013) in the amount of \$194,000 and the re-establishment of that amount as a one-time General Fund appropriation in the 2015-17 biennium. The funding is a portion of the amount established by policy option package 107 in the agency's 2013-15 budget for the purpose of carrying out Executive Order 12-07 that the agency will not expend during the 2013-2015 biennium and that the grant recipient counties have requested to be moved forward to the 2015-17 biennium to allow additional time for the grant-funded work to be completed.

The Subcommittee approved the appropriation of \$300,000 General Fund to establish a SageCon Coordinator, a limited duration Natural Resource Specialist 5 position, to lead staff participating in the SageCon Governance and Implementation Teams. The position will work closely with and take direction primarily from the Governor's Office to provide overall leadership and direction for state agencies working with public and private stakeholder interests in the energy, agricultural, and conservation sectors.

Department of State Lands

Senate Bill 5507 increases the Federal Funds expenditure limitation in anticipation of an Environmental Protection Agency (EPA) wetlands grant in an amount up to \$133,000. The Department expects notification on the grant in October 2015. The Department of Administrative Services (DAS) is expected to unschedule the limitation until such time as State Lands notifies DAS and the Legislative Fiscal Office that the funds are awarded. There is an additional federal limitation increase for EPA grant carryforward in the amount of \$28,488.

Parks and Recreation Department

Several adjustments are made in the Parks and Recreation Department (OPRD) budget to reflect the June 2015 Parks and Natural Resources (Measure 76) Lottery Funds forecast, an increase of \$3 million over the March 2015 forecast. The distribution is \$300,000 for property acquisition, \$500,000 for facilities maintenance, \$58,314 for direct services, and \$362,326 to satisfy the constitutionally directed 12% to local governments. The remainder of the increase is applied to the ending balance. There is also an increase in Other Funds of \$98,740 in direct services to keep funding and ending balances in proportion with approximate percentages of lottery and other funds expenditures.

A \$970,000 fund shift from Federal Funds to Lottery Funds reimburses OPRD for using M76 Lottery Funds to secure acquisition of the Beltz Farm in 2014-15. A subsequent federal grant frees up the lottery dollars for carry-forward expenditure limitation in park development. The State Historic Preservation Office is provided an increase in Federal Funds expenditure limitation of \$70,425. The limitation will be used to pass through two federal Maritime Heritage grants that local entities have been awarded.

The 2015-17 OPRD budget included \$912,494 non-Measure 76 lottery funds to provide debt service on the Willamette Falls bonding in the 2013-15 budget. The debt service is eliminated as it is not needed; the \$5 million bond request has been satisfied with cash instead.

Other Funds expenditure limitation is increased by \$11,716,805 for three lottery bond-funded purposes. There is no debt service in the 2015-17 biennium as the bonds will not be sold until the Spring of 2017. Debt service in 2017-19 is \$2.2 million non-Measure 76 Lottery Funds.

The Portland Parks and Recreation Department is to receive \$1,500,000 lottery bond proceeds passed through the Parks and Recreation Department for the Renew Forest Park project. The cost of issuance for this project is \$42,071 Other Funds.

The Main Street Revitalization Grant program is funded with \$2,500,000 lottery bond proceeds. OPRD will design, develop, administer, account for, and monitor the new grant program, beginning late in the 2015-17 biennium. Because new positions will be needed to manage the grants, OPRD will need to request funding for them during the 2016 legislative session. The cost of issuance for this bond sale is \$51,972 Other Funds.

Lottery bond proceeds in the amount of \$7,500,000 will be applied to the Willamette Falls Riverwalk project in Oregon City. The cost of issuance is \$122,761 Other Funds.

Water Resources Department

The Subcommittee approved the establishment of Other Funds expenditure limitation for the Water Resources Department for the expenditure of lottery bond proceeds as follows:

- \$2,000,000 one-time Other Funds expenditure limitation for the purpose of making grants and paying the cost of direct services for the qualifying costs of planning studies performed to evaluate the feasibility of developing a water conservation, reuse, or storage project, as described in ORS 541.566, and \$47,477 one-time Other Funds expenditure limitation for the payment of bond issuance costs from Lottery bond proceeds from the Water Conservation, Reuse, and Storage Investment Fund established under ORS 541.576. The bonds are anticipated to be issued at the end of the 2015-17 biennium and, therefore, no debt service expenditures are anticipated in the 2015-17 biennium. The cost of debt service for the 2017-19 biennium is estimated to be \$418,891.
- \$750,000 one-time Other Funds expenditure limitation for the expenditure of Lottery bond proceeds for facilitation of the preparation of place-based integrated water resources strategies as described by Section 2(2) of Senate Bill 266 (2015) from the Water Supply Fund established by Chapter 906, Section 10(1), Oregon Laws 2009. The bonds are anticipated to be issued at the end of the 2015-17 biennium and, therefore, no debt service expenditures are anticipated in the 2015-17 biennium. The cost of debt service for the 2017-19 biennium is estimated to be \$156,831
- \$11,000,000 one-time Other Funds expenditure limitation for the purpose of making grants or entering into contracts to facilitate water supply projects in the Umatilla Basin and for the payment of professional services such as third-party contract administration and quality control contracts related to the projects from the Water Supply Fund established by Chapter 906, Section 10(1), Oregon Laws 2009. The bonds are anticipated to be issued at the end of the 2015-17 biennium and, therefore, no debt service expenditures are anticipated in the 2015-17 biennium. The cost of debt service for the 2017-19 biennium is estimated to be \$2.3 million.
- \$1,000,000 one-time Other Funds expenditure limitation for the purpose of making one or more grants to individuals or entities to repair, replace, or remediate water wells in the Mosier Creek area from the from the Water Supply Fund established by Chapter 906, Section 10(1), Oregon Laws 2009. The bonds are anticipated to be issued at the end of the 2015-17 biennium and, therefore, no debt service expenditures are anticipated in the 2015-17 biennium. The cost of debt service for the 2017-19 biennium is estimated to be \$190,071.
- \$280,433 one-time Other Funds expenditure limitation for the payment of bond issuance costs for the three items above from the Water Supply Fund established by Chapter 906, Section 10(1), Oregon Laws 2009. The cost of debt service for the 2017-19 biennium is estimated to be \$2.3 million.
- \$6,362,979 one-time Other Funds expenditure limitation for the purpose of carrying out sections 1 to 15 of Chapter 784, Oregon Laws 2013 and the payment of bond issuance costs from the Water Supply Development Fund established under ORS 541.656. Of the total, \$112,979 is for bond issuance costs.

The Subcommittee approved the establishment of \$30,000,000 one-time Other Funds expenditure limitation for the expenditure of general obligation bond proceeds from bonds issued under of Article XI-I (1) for the purposes provided in ORS 541.700 to 541.855 and for the payment of bond issuance costs from the Water Development Loan Fund.

The Subcommittee approved the establishment of Other Funds expenditure limitation in the amount of \$520,000 for bond issuance costs and \$1,201,865 for debt service payments associated with the issuance of bonds issued under of Article XI-I (1) for the purposes provided in ORS 541.700 to 541.855 from the Water Development Loan Administration and Bond Sinking Fund established under ORS 541.830.

Oregon Watershed Enhancement Board

The Subcommittee approved a \$200,000 Federal Funds expenditure limitation increase to the Grants program from Pacific Coastal Salmon Recovery Fund (PCSRF) monies to increase the amount of PCSRF funding transferred to the Oregon Department of Fish and Wildlife (ODFW) to a total of \$9,511,859, which is the amount anticipated to be transferred by the Oregon Watershed Enhancement Board to ODFW in Senate Bill 5511, the budget bill for the Oregon Department of Fish and Wildlife. Miscommunication during development of the two agencies' request budgets prevented confirmation of matching amounts.

The Subcommittee also directed the Oregon Watershed Enhancement Board to increase the total amount of Lottery Funds from the Watershed Conservation Grant Fund made for weed grants by \$500,000, on a one-time basis. These additional Grant funds are to be used to improve sage grouse habitat through landowner actions to inventory, treat, and reduce plant invasive species threats to sage grouse habitat and rural economic values and restore native plant habitat. OWEB is directed to work with the Department of Agriculture, local weed boards, and other local delivery mechanisms in getting this additional \$500,000 on the ground improving sage grouse habitat in the shortest time possible.

PUBLIC SAFETY

Department of Corrections

Article XI-Q bonding in the amount of \$14.2 million is included in House Bill 5005 and capital construction expenditure limitation is approved in House Bill 5006. The bonding covers continued work at the Department's backlog of deferred maintenance. Specifically the funding addresses 25 priority 1, statewide projects. The bonds will be issued in 2017, with debt service beginning in the 2017-19 biennium at \$3.7 million General Fund. This bill includes Other Funds expenditure limitation for cost of issuance in the amount of \$254,568.

Senate Bill 5507 includes a one-time \$400,000 General Fund appropriation to the Department of Administrative Services for a community-based organization, the YWCA of Greater Portland, to administer the Family Preservation Program (FPP) at Coffee Creek Correctional Facility. The program description is in the Department of Administrative Services section of this report.

While the YWCA of Greater Portland will implement the program, the DOC also has a role in the program's success. The following budget note is intended to clarify the DOC role in administering the FPP:

Budget Note:

The Department of Corrections is directed to work with the YWCA to serve the best interests of the children of incarcerated parents by facilitating enriched visitation, parenting education, and family support. Cooperation will include:

- DOC staff assisting in the referral of high-risk offenders to the program and conferring with the Department of Human Services about referral of possible high-risk children,
- Providing adequate program space for twice-monthly therapeutic, face-to-face parent and child visiting sessions for a minimum of three hours per session,
- Facilitating parent-teacher conferences and parent-caregiver communication and visitation, and
- Providing appropriate outcome data to the YWCA.

Criminal Justice Commission

The 2015-17 budget for the Criminal Justice Commission is increased by \$5,000,000 General Fund to enhance the \$35 million General Fund provided for Justice Reinvestment Initiative grants in the agency's budget bill, Senate Bill 5506. This appropriation brings the total available for the program in 2015-17 to \$40 million.

Department of Justice

The Department of Justice generates the majority of its Other Funds revenue from charges to state agencies for legal services. The 2013-15 biennium Attorney General rate was \$159 per hour and generated an estimated \$139.1 million. The 2015-17 Attorney General rate for the legislatively adopted budget is \$175 and is estimated to generate \$153.3 million. This is a \$14.2 million increase (10.2 percent). The change to the Legal Services rate in agency budgets is addressed as part of this measure.

The Subcommittee approved funding for the second "execution phase" (design, construction, testing, and implementation) of the agency's child support information technology replacement project (Child Support Enforcement Automated System, or CSEAS). While the project is still in the latter stages of the initial planning phase, the agency plans to move into the execution phase of the project during the 2015-17 biennium. Application system source code, database design documentation, system documentation, and other necessary artifacts from California, Michigan, and New Jersey will be acquired to facilitate the development of the new system. The project will also begin requirements validation and conduct Joint Application and Joint Technical Design sessions prior to the designing of the new system. The project will then work on the system design and construction of the new system, including data conversion and migration planning, and eventually application testing and implementation.

However, because the agency has not completed all required planning phase activities and documentation, and because it has not received Stage Gate #3 Office of the State Chief Information Officer endorsement of its foundational project management documentation (including a readiness and ability assessment), the execution phase of the project cannot actually begin until the agency first satisfactorily completes all remaining planning phase activities, including the completion of all the Joint Committee on Ways and Means – Information Technology Subcommittee recommendations for the CSEAS project (see below). Until these funding conditions are met, almost all "execution phase" funding will remain unscheduled (see below direction that funds be unscheduled).

The Subcommittee approved \$15,209,670 of Other Funds expenditure limitation for project costs, which is to be financed with Article XI-Q bonds approved in House Bill 5005. The Subcommittee also approved \$29,997,991 Federal Funds expenditure limitation and the establishment of 22 permanent full-time positions (21.13 FTE). This includes personal services of \$3.6 million and services and supplies of \$41.8 million. The amount for services and supplies includes \$35.3 million total funds of contractor payments for: project management, including organization change management services; implementation; independent quality assurance; and independent verification and validation.

Project revenues also include an estimated \$2.9 million in bond proceeds that were authorized and issued during the 2013-15 biennium but remained unexpended. Associated Other Funds expenditure limitation, which was not part of the agency's request, may be requested at a future date.

The Department of Administrative Services is expected to unschedule \$10.7 million of Other Funds expenditure limitation and \$20.8 million Federal Funds expenditure limitation that may be scheduled based upon the joint approval of the Office of the State Chief Information Officer and

SB 5507 A

the Legislative Fiscal Office. The agency is to submit a report on its compliance, as part of a request to schedule funds, with the Joint Committee on Ways and Means – Information Technology Subcommittee recommendations for the CSEAS project (see below) as well as submit a rebaselined budget for the project.

The Department of Administrative Services is requested to establish a new Summary Cross Reference in the Oregon Budget Information Tracking System for the Child Support Enforcement Automated System program in order to segregate all project costs from the Child Support Division and other Division's operating costs.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the 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 CSEAS program (i.e., CSEAS summary cross reference) and may not be transferred to any other program or used for any other purpose other than the development to the CSEAS project; and (c) the positions may not be included in any permanent finance plan action.

Other Funds expenditure limitation of \$205,330 is included for the cost of issuance of the bonds.

The Subcommittee appropriated \$2,407,587 in additional General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in House Bill 5005.

The Subcommittee adopted the Joint Committee on Ways and Means – Information Technology Subcommittee recommendation for the CSEAS project:

- Work with the Office of the State Chief Information Officer (OSCIO) and LFO to finalize a corresponding incremental funding release plan that is based upon completing all remaining foundational documentation deficiencies and stage gate 2 and 3 requirements.
- Regularly report project status to the OSCIO and LFO throughout the project's lifecycle.
- Continue to follow the Joint State CIO/LFO Stage Gate Review Process.
- Utilize a qualified project manager with experience in planning and managing programs and projects of this type, scope, and magnitude.
- Work with the OSCIO to obtain independent quality management services. The contractor shall conduct an initial risk assessment and respond to DOJ feedback, perform quality control reviews on the key CSEAS Project deliverables including the business case, individual cost benefit/alternatives analysis documents, and foundational project management documents as appropriate, and perform ongoing, independent quality management services as directed by the OSCIO.
- Provide both OSCIO and LFO with copies of all QA vendor deliverables.
- Submit the updated detailed business case, all project management documents, initial risk assessment, and quality control reviews to the OSCIO and LFO for stage gate review.
- Work with OSCIO and LFO to conduct a formal readiness/ability assessment at stage gate 3 to validate readiness and ability to proceed to the execution phase of the project.
- Utilize the Office of the State CIO's Enterprise Project and Portfolio Management (PPM) System as it is deployed for all project review, approval, and project status and QA reporting activities throughout the life of the CSEAS Project. Legislative approval to proceed with the

CSEAS Project will be dependent upon OSCIO and LFO concurrence that DOJ is both ready and able to initiate project execution activities.

The Subcommittee established a \$2 million General Fund special purpose appropriation to the Emergency Board for the Defense of Criminal Convictions as a contingency for potential caseload increases.

The Subcommittee also appropriated \$240,550 General Fund to support the Oregon Crime Victims Law Center. This will bring total funding for the program to \$367,800 for the biennium, including \$77,250 General Fund of existing General Fund and \$50,000 Other Funds from the renewal of a state grant.

Oregon Military Department

Senate Bill 5507 includes \$89,563 General Fund and \$358,253 Federal Funds expenditure limitation for three permanent full-time federal operations and maintenance (FOMA) positions (3.00 FTE). These are 3 of 8 positions eliminated from the Portland Air National Guard (PANG) base in 2009 budget cuts, which brought the FOMA workforce to 18, of 26 National Guard authorized positions. In 2013 the Legislature restored the 8 positions as Limited Duration (LD). This funding restores 3 of the LD positions as permanent. The National Guard pays 80% of the cost, General Fund covers the rest. The restored positions will maintain liquid jet fuel receiving, storage, and distribution for all 21 F-15's at PANG; maintain pesticide and herbicide certifications to keep grassy areas in compliance with Port of Portland mandated wildlife standards, which are meant to deter birds from the airfield; and maintain HVAC systems for climate control of critical communications equipment, as well as base fire alarm systems.

Also included is \$250,000 one-time General Fund for the Oregon Military Museum for creation of exhibits and other capital expenditures directly related to the establishment and maintenance of the museum.

Two projects are approved for Article XI-Q bonding (House Bill 5005) and capital construction expenditure limitation (House Bill 5006). The first project is a new Joint Forces Headquarters facility to be located in Salem. Two-thirds of the total bonds will be sold in 2016 and the remainder in 2017. Debt Service in 2015-17 is approved in this bill at \$434,833 General Fund. Second is expansion of the Oregon Youth Challenge Armory in Bend. Those bonds will be issued in 2017, with debt service beginning in the 2017-19 biennium. Cost of issuance is \$153,000 for the two projects; expenditure limitation is included in this bill. Debt service for the two projects in 2017-19 is \$2.3 million General Fund.

Department of State Police

The Subcommittee increased the Other Funds expenditure limitation in the Fish and Wildlife Enforcement Division by \$993,640 for capital equipment replacements costs. Expenditure limitation is increased by \$78,830 Other Funds in the Administrative, Agency Support, Criminal Justice Information systems, and Office of the State Fire Marshal Other Funds limitation to pay for costs associated with reclassifying fourteen positions in the Firearms Background Check program to better address complexity and volume of firearm background checks.

Measure 76 Lottery Funds for Fish and Wildlife Enforcement are increased by \$278,788 for fish and wildlife enforcement. Fish and Wildlife troopers are reduced by (0.50) FTE due to the phase-in of one position approved for patrolling the Columbia River late in the 2015-17 biennium.

The Subcommittee approved nine position reclassifications in the Forensic Services division and one position reclassification in the Administrative Services division. These position reclassifications will better address workload issues associated with evidence handling and chain of custody in the laboratories, will properly align workload and responsibilities in the Administrative Services division, and do not require additional expenditure limitation to accomplish.

Federal Funds expenditure limitation is increased by \$1,163 in the administrative services, agency support, criminal justice information services, and the office of the State Fire Marshal to balance expenditures to federal grant revenues.

Oregon Youth Authority

Article XI-Q bond issuance totaling \$49 million for the 10-Year Strategic Facilities Plan is approved in House Bill 5005. House Bill 5006 authorizes Other Funds capital construction expenditure limitation in the same amount. \$33 million of the bonds will be sold in 2016 and the rest in 2017. General Fund Debt Service in 2015-17 is \$3,115,428, approved in this bill. Other Funds expenditure limitation in the amount of \$1,055,565 for cost of issuance expense is also included in this bill. Debt Service in 2017-19 will be \$8.6 million.

A \$1 placeholder for Federal Funds Debt Service Nonlimited is added; it was not included in the agency's budget report. The dollar acts as a base in the event the state needed to issue taxable bonds. If such bonds were issued, the federal Build America Bonds program could offset part of the additional associated interest costs.

TRANSPORTATION

Department of Aviation

The Subcommittee approved the move of 0.20 FTE from the Operations program to the Search and Rescue program in the Department of Aviation. This shift aligns staff and resources in the Search and Rescue program. Other Funds expenditure limitation is reduced by \$22,537 in the Operations Division and is increased in the Search and Rescue Division in the same amount.

Department of Transportation

The Subcommittee approved the increase of \$130,000 General Fund for the Oregon Department of Transportation's Seniors and People with Disabilities Transportation Program; the funding is part of a commitment to spending on senior programs that originated in the 2013 special session. This program distributes funds to counties, transit districts, and tribes that provide transportation services for older adults and people with disabilities.

The Subcommittee approved an increase in Other Funds expenditure limitation in ODOT's Transportation Program Development section of \$45,000,000 in lottery bond proceeds for ConnectOregon VI. In addition, the limitation is increased by \$653,540 for cost of issuance expenses. There is no debt service in the 2015-17 biennium as the bonds will not be sold until the Spring of 2017. Debt service in 2015-17 is \$8,317,100 Lottery Funds.

Other Funds expenditure limitation is increased in the Rail Division by \$10,000,000 for lottery bond proceeds for the Coos Bay Rail line. In addition, the limitation is increased by \$226,194 for cost of issuance expenses. There is no debt service in the 2015-17 biennium as the bonds will not be sold until the Spring of 2017. Debt service in 2017-19 is \$1,865,288 Lottery Funds.

The Subcommittee approved an Other Funds expenditure limitation of \$475,000 for cost of issuance of \$35,000,000 in General Obligation bonds for seven highway safety improvement projects. There is no debt service in the 2015-17 biennium as the bonds will not be sold until the Spring of 2017. Debt service in 2017-19 is \$5,135,799 General Fund.

The measure gives approval to the agency to move four positions (4.00 FTE) from the Information Services Branch to the Procurement Branch within ODOT's Central Services Division to align purchasing functions agency-wide.

Adjustments to 2013-15 Budgets

Oregon Health Authority

Other Funds expenditure limitation for the Public Employees' Benefit Board for the 2013-15 biennium was increased by \$45 million. This will allow the agency to pay premiums and claims costs for the rest of the biennium.

Department of Land Conservation and Development

The Subcommittee approved the reduction of the General Fund appropriation made to the Department of Land Conservation and Development for the Southern Oregon Regional Pilot Program (SORPP) in the agency's 2013-15 budget (Senate Bill 5530, 2013) in the amount of \$194,000 and the re-establishment of that amount as a one-time General Fund appropriation in the 2015-17 budget. The funding is a portion of the amount established by policy option package 107 in the agency's 2013-15 budget for the purpose of carrying out Executive Order 12-07 that the agency will not expend during the 2013-15 biennium and that the grant recipient counties have requested to be moved forward to the 2015-17 biennium to allow additional time for the grant-funded work to be completed.

Commission on Judicial Fitness and Disability

The Subcommittee transferred \$5,000 of General Fund from administration to extraordinary expenses in the 2013-15 biennium budget, to fund costs directly associated with the investigation of complaints and the prosecution of cases.

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Sen. Monroe

Joint Committee On Ways and Means

Action: Do Pass With Amendments To The B-Eng Bill To Resolve Conflicts. (Printed C-Eng)

Action Date: 07/03/15

Vote:

Senate

Yeas: 12 - Burdick, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett, Winters

House

Yeas: 12 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Read, Smith, Whisnant, Whitsett, Williamson

Prepared By: Bill McGee, Department of Administrative Services

Reviewed By: Paul Seibert, Legislative Fiscal Office

Agency: Department of Administrative Services

Biennium: 2015-17

Budget Summary

	2013-15 Legislatively Approved Budget	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 637,294	\$ 637,294	100.0%

Position Summary

Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	1.00	1.00

Revenue Summary

The Other Funds expenditure limitation established in House Bill 3199 for the Department of Administrative Services (DAS), will be funded with State Government Service Charge assessments supporting the Capital Finance section of the DAS Chief Financial Office and direct charges to universities.

Summary of Education Subcommittee Action

House Bill 3199 establishes in statute the process for issuing State of Oregon general obligation bonds authorized under Article XI-F(1) and Article XI-G of the Oregon constitution for public university capital projects. Under the provisions of Senate Bill 270 (2013) that shifted the state’s seven public universities from the Oregon University System to control by their own independent boards, the universities may continue to request the Legislative Assembly to authorize the issuance of bonds to finance capital projects. However, as the universities no longer constitute a state agency, a new statutory framework is required to verify compliance with the requirements of the constitution before the State Treasurer can issue bonds that have been approved by the legislature. The bill establishes a process to ensure compliance with the requirements of the constitution as well as federal tax law.

Under Article XI-G, bonds issued by the state must be matched on a one-to-one basis, generally with funds provided by the universities. Article XI-F(1) requires the universities to conservatively estimate that they will have sufficient revenues to pay debt service on the bonds and operate the projects financed with the proceeds of the bonds. House Bill 3199 includes provisions that require the state and the universities to enter into grant (Article XI-G bonds) and loan (Article XI-F (1) bonds) agreements to verify that the universities have the Article XI-G matching funds and are able to pay the Article XI-F (1) debt service. The agreements will also include provisions to ensure that the universities comply with federal tax requirements relating to the investment of borrowed funds before expenditure and the use, over time, of projects financed by the bonds.

The framework established by House Bill 3199 divides administrative responsibilities for the public university bond program between DAS and the Higher Education Coordinating Commission (HECC). DAS will manage the administration of the bond programs, including preparation of

sale documents, consultation with bond counsel and the Treasurer's Office, and oversight of federal tax compliance. HECC will distribute bond proceeds to the institutions, make debt service payments with funds appropriated by the legislature and provided by the universities, and evaluate revenue sufficiency of Article XI-F (1) bonds and availability and sufficiency of matching amounts for Article XI-G bonds. DAS is given authority to adopt rules, in consultation with HECC, to establish fees to be charged to the universities to offset costs incurred by DAS and HECC, specify information to be provided by the universities for revenue sufficiency reviews, and proscribe practices to ensure federal tax compliance. DAS and HECC are authorized to bill the universities for costs related to the bond programs.

The bill also authorizes DAS to enter into agreements with the Oregon Health and Science University (OHSU) to receive debt service payments and administer tax compliance obligations relative to bonds issued to joint finance projects of OHSU and one or more public universities.

House Bill 3199 increases the Other Funds expenditure limitation for the DAS Chief Financial Office by \$637,294 and establishes one permanent full-time Operations and Policy Analyst 4 (1.00 FTE) to carry out DAS' responsibilities under the bill. House Bill 5024, the HECC appropriation bill, includes resources to allow HECC to perform its duties under the bill.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 3199-C

Department of Administrative Services
 Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
<u>SUBCOMMITTEE RECOMMENDATION</u>										
SCR 035 Chief Financial Office										
Personal Services	\$	- \$	202,233 \$	- \$	- \$	- \$	- \$	-	1	1.00
Services and Supplies	\$	- \$	435,061 \$	- \$	- \$	- \$	- \$	-		
TOTAL SUBCOMMITTEE RECOMMENDATION	\$	- \$	637,294 \$	- \$	- \$	- \$	- \$	-	1	1.00

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Rep. Taylor

Joint Committee On Ways and Means

Action: Do Pass.

Action Date: 06/29/15

Vote:

House

Yeas: 11 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Smith, Whisnant, Whitsett, Williamson

Exc: 1 - Read

Senate

Yeas: 12 - Burdick, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett,
Winters

Prepared By: Janet Savarro, Department of Administrative Services

Reviewed By: Matt Stayner, Legislative Fiscal Office

Agency: Department of Administrative Services

Biennium: 2015-17

Budget Summary

	2013-15 Legislatively Approved Budget	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds	\$ -	\$ -	\$ 660,474	\$ 660,474	100.0%
Total	\$ -	\$ -	\$ 660,474	\$ 660,474	100.0%

Position Summary

Authorized Positions	0	0	3	3
Full-time Equivalent (FTE) positions	0.00	0.00	3.00	3.00

Revenue Summary

Senate Bill 55 requires the Oregon Department of Administrative Services (DAS) to charge each state agency for the agency’s share of the department’s expenses to provide the services required of DAS in the bill. These costs will be recovered through a statewide assessment to state agencies and the aggregate revenue is anticipated to be equal to the estimated expenditures.

Summary of General Government Subcommittee Action

Senate Bill 55 authorizes state agencies that request persons to voluntarily supply Social Security numbers on documents relating to any monetary obligation or transaction, to include a notice on the documents that Social Security numbers may be used for state agency debt collection activities, in accordance with rules to be adopted by DAS. This bill provides \$660,474 Others Funds expenditure limitation to DAS and establishes two permanent full-time Operations and Policy 4 positions (2.00 FTE) and one limited duration Operations and Policy Analyst 3 position (1.00 FTE) to provide training and technical assistance to state agencies on managing accounts receivables and collecting liquidated and delinquent accounts.

Senate Bill 55 also includes the following:

- Allows state agencies, Department of Revenue, and private collection agencies to use Social Security numbers to collect debt owed to a state agency or local government;
- Requires state agencies to report annually to the Legislative Fiscal Office on liquidated and delinquent accounts;
- Allows state agencies that assign liquidated and delinquent accounts to Department of Revenue, to add fees to be paid by the debtor and requires notice to the debtor;
- Allows state agencies, Department of Revenue or private collection agencies to propose and accept offers of compromise for settlement of debt owed to a state agency; and
- Directs state agencies to make all reasonable efforts to collect delinquent accounts, including use of Social Security numbers and setoff of amounts due debtor from state agencies.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 55-B

Oregon Department of Administrative Services
Janet Savarro - 503-373-7607

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE RECOMMENDATION</u>									
SCR 035 Chief Financial Office									
Personal Services	\$ -	\$ -	\$ 590,091	\$ -	\$ -	\$ -	\$ 590,091	3	3.00
Services & Supplies	\$ -	\$ -	\$ 70,383	\$ -	\$ -	\$ -	\$ 70,383		
TOTAL SUBCOMMITTEE RECOMMENDATION	\$ -	\$ -	\$ 660,474	\$ -	\$ -	\$ -	\$ 660,474	3	3.00

2017-19 BUDGET NARRATIVE

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BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Rep. Buckley

Joint Committee On Ways and Means

Action: Do Pass The A-Eng Bill.

Action Date: 02/25/16

Vote:

House

Yeas: 11 - Buckley, Gomberg, Huffman, Komp, Nathanson, Rayfield, Read, Smith, Whisnant, Whitsett, Williamson

Exc: 1 - McLane

Senate

Yeas: 7 - Bates, Devlin, Johnson, Monroe, Roblan, Shields, Steiner Hayward

Nays: 4 - Girod, Hansell, Thomsen, Whitsett

Exc: 1 - Winters

Prepared By: Linda Ames and Theresa McHugh, Legislative Fiscal Office

Reviewed By: Daron Hill, Legislative Fiscal Office

Emergency Board; Various Agencies

Biennium: 2015-17

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Emergency Board</u>				
General Fund - General Purpose	\$ 30,000,000	\$ 32,000,000	\$ 2,000,000	6.7%
General Fund - Special Purpose Appropriations				
State Agencies for state employee compensation	\$ 120,000,000	\$ -	\$ (120,000,000)	-100.0%
State Agencies for non-state worker compensation	\$ 10,700,000	\$ 700,147	\$ (9,999,853)	-93.5%
State Agencies for education issues	\$ 3,000,000	\$ 1,626,121	\$ (1,373,879)	-45.8%
Dept. of Education - mixed delivery preschool program	\$ 17,540,357	\$ -	\$ (17,540,357)	-100.0%
HECC - college readiness program implementation	\$ 6,865,921	\$ -	\$ (6,865,921)	-100.0%
Dept. of Forestry - fire protection expenses	\$ 6,000,000	\$ 3,945,177	\$ (2,054,823)	-34.2%
Dept. of Revenue - Property Tax Division	\$ 1,836,836	\$ -	\$ (1,836,836)	-100.0%
Dept. of Corrections - Deer Ridge operations expenses	\$ -	\$ 3,000,000	\$ 3,000,000	100.0%
Dept. of Corrections - expenses related to mentally ill	\$ -	\$ 2,000,000	\$ 2,000,000	100.0%
Malheur Nat'l Wildlife Refuge expense reimbursement	\$ -	\$ 2,000,000	\$ 2,000,000	100.0%
<u>ADMINISTRATION PROGRAM AREA</u>				
<u>Department of Administrative Services</u>				
General Fund	\$ 12,468,238	\$ 16,073,778	\$ 3,605,540	28.9%
Other Funds	\$ 898,482,207	\$ 911,637,817	\$ 13,155,610	1.5%
<u>Advocacy Commissions Office</u>				
General Fund	\$ 602,262	\$ 626,557	\$ 24,295	4.0%
<u>Employment Relations Board</u>				
General Fund	\$ 2,393,033	\$ 2,460,956	\$ 67,923	2.8%
Other Funds	\$ 2,014,991	\$ 2,066,561	\$ 51,570	2.6%
<u>Oregon Government Ethics Commission</u>				
Other Funds	\$ 2,720,429	\$ 2,789,379	\$ 68,950	2.5%
<u>Office of the Governor</u>				
General Fund	\$ 12,448,211	\$ 12,773,672	\$ 325,461	2.6%
Lottery Funds	\$ 4,058,418	\$ 4,209,051	\$ 150,633	3.7%
Other Funds	\$ 3,152,058	\$ 3,249,297	\$ 97,239	3.1%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Oregon Liquor Control Commission</u>				
Other Funds	\$ 178,713,603	\$ 181,706,250	\$ 2,992,647	1.7%
<u>Public Employees Retirement System,</u>				
Other Funds	\$ 95,161,904	\$ 107,769,491	\$ 12,607,587	13.2%
		\$ -		
<u>Racing Commission</u>				
Other Funds	\$ 6,193,966	\$ 6,276,229	\$ 82,263	1.3%
<u>Department of Revenue</u>				
General Fund	\$ 186,702,371	\$ 193,187,720	\$ 6,485,349	3.5%
Other Funds	\$ 130,931,438	\$ 134,486,949	\$ 3,555,511	2.7%
<u>Secretary of State</u>				
General Fund	\$ 9,422,659	\$ 9,949,390	\$ 526,731	5.6%
Other Funds	\$ 54,607,321	\$ 56,279,809	\$ 1,672,488	3.1%
Federal Funds	\$ 6,242,689	\$ 6,277,676	\$ 34,987	0.6%
<u>State Library</u>				
General Fund	\$ 3,536,497	\$ 3,626,974	\$ 90,477	2.6%
Other Funds	\$ 6,227,861	\$ 6,440,443	\$ 212,582	3.4%
Federal Funds	\$ 5,061,853	\$ 5,121,642	\$ 59,789	1.2%
<u>State Treasurer</u>				
General Fund	\$ 1,658,284	\$ 1,687,988	\$ 29,704	1.8%
Other Funds	\$ 61,114,368	\$ 62,170,171	\$ 1,055,803	1.7%
<u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u>				
<u>State Board of Accountancy</u>				
Other Funds	\$ 2,454,268	\$ 2,506,638	\$ 52,370	2.1%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Chiropractic Examiners Board</u>				
Other Funds	\$ 1,889,260	\$ 1,931,737	\$ 42,477	2.2%
<u>Consumer and Business Services</u>				
Other Funds	\$ 243,170,782	\$ 246,301,771	\$ 3,130,989	1.3%
Federal Funds	\$ 16,431,616	\$ 17,320,682	\$ 889,066	5.4%
<u>Construction Contractors Board</u>				
Other Funds	\$ 14,659,027	\$ 15,051,664	\$ 392,637	2.7%
<u>Board of Dentistry</u>				
Other Funds	\$ 2,985,971	\$ 3,043,804	\$ 57,833	1.9%
<u>Health Related Licensing Boards</u>				
Other Funds	\$ 5,707,058	\$ 5,876,450	\$ 169,392	3.0%
<u>Bureau of Labor and Industries</u>				
General Fund	\$ 12,563,620	\$ 12,892,771	\$ 329,151	2.6%
Other Funds	\$ 10,831,529	\$ 11,296,258	\$ 464,729	4.3%
Federal Funds	\$ 1,476,462	\$ 1,539,652	\$ 63,190	4.3%
<u>Licensed Professional Counselors and Therapists. Board of</u>				
Other Funds	\$ 1,505,938	\$ 1,540,904	\$ 34,966	2.3%
<u>Licensed Social Workers, Board of</u>				
Other Funds	\$ 1,471,646	\$ 1,500,640	\$ 28,994	2.0%
<u>Board of Medical Examiners</u>				
Other Funds	\$ 11,269,353	\$ 11,605,454	\$ 336,101	3.0%
<u>Board of Nursing</u>				
Other Funds	\$ 15,265,753	\$ 15,573,363	\$ 307,610	2.0%

Budget Summary*

	2015-17 Legislatively Approved Budget		2016 Committee Recommendation		Committee Change from 2015-17 Leg. Approved		
					\$ Change	% Change	
<u>Board of Pharmacy</u>							
Other Funds	\$	6,856,245	\$	7,057,070	\$	200,825	2.9%
<u>Psychologist Examiners Board</u>							
Other Funds	\$	1,284,790	\$	1,323,155	\$	38,365	3.0%
<u>Public Utility Commission</u>							
Other Funds	\$	44,128,339	\$	45,429,873	\$	1,301,534	2.9%
Federal Funds	\$	698,049	\$	726,238	\$	28,189	4.0%
<u>Real Estate Agency</u>							
Other Funds	\$	6,897,314	\$	7,159,101	\$	261,787	3.8%
<u>Tax Practitioners Board</u>							
Other Funds	\$	1,235,571	\$	1,260,908	\$	25,337	2.1%
<u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u>							
<u>Oregon Business Development Department</u>							
General Fund	\$	16,845,486	\$	15,565,790	\$	(1,279,696)	-7.6%
Lottery Funds	\$	111,789,423	\$	113,289,994	\$	1,500,571	1.3%
Other Funds	\$	293,644,535	\$	295,973,576	\$	2,329,041	0.8%
Other Funds Nonlimited	\$	225,972,465	\$	231,792,465	\$	5,820,000	2.6%
Federal Funds	\$	39,967,883	\$	40,101,139	\$	133,256	0.3%
<u>Employment Department</u>							
General Fund	\$	6,112,818	\$	6,133,655	\$	20,837	0.3%
Other Funds	\$	141,800,701	\$	146,138,599	\$	4,337,898	3.1%
Federal Funds	\$	157,985,169	\$	162,716,380	\$	4,731,211	3.0%
<u>Housing and Community Services Department</u>							
General Fund	\$	15,679,188	\$	28,421,768	\$	12,742,580	81.3%
Other Funds	\$	212,088,734	\$	223,456,192	\$	11,367,458	5.4%
Federal Funds	\$	119,926,854	\$	120,114,238	\$	187,384	0.2%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Department of Veterans' Affairs</u>				
General Fund	\$ 12,748,351	\$ 13,002,777	\$ 254,426	2.0%
Other Funds	\$ 83,768,166	\$ 84,275,562	\$ 507,396	0.6%
Federal Funds	\$ 2,805,304	\$ 3,305,303	\$ 499,999	17.8%
<u>EDUCATION PROGRAM AREA</u>				
<u>Department of Education</u>				
General Fund	\$ 544,682,780	\$ 577,542,813	\$ 32,860,033	6.0%
Other Funds	\$ 273,993,743	\$ 277,228,514	\$ 3,234,771	1.2%
Federal Funds	\$ 1,026,393,576	\$ 1,038,273,634	\$ 11,880,058	1.2%
<u>State School Fund</u>				
General Fund	\$ 6,964,849,484	\$ 6,925,296,093	\$ (39,553,391)	-0.6%
Lottery Funds	\$ 408,150,516	\$ 447,703,907	\$ 39,553,391	9.7%
<u>Higher Education Coordinating Commission</u>				
General Fund	\$ 32,035,777	\$ 34,981,675	\$ 2,945,898	9.2%
Other Funds	\$ 30,509,613	\$ 31,541,490	\$ 1,031,877	3.4%
Federal Funds	\$ 111,680,983	\$ 111,923,269	\$ 242,286	0.2%
<u>State Support for Community Colleges</u>				
General Fund	\$ 589,305,847	\$ 596,555,847	\$ 7,250,000	1.2%
<u>State Support for Public Universities</u>				
General Fund	\$ 941,746,515	\$ 944,646,515	\$ 2,900,000	0.3%
<u>Chief Education Office</u>				
General Fund	\$ 6,239,594	\$ 12,857,142	\$ 6,617,548	106.1%
<u>Teacher Standards and Practices</u>				
Other Funds	\$ 6,155,894	\$ 6,511,902	\$ 356,008	5.8%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>HUMAN SERVICES PROGRAM AREA</u>				
<u>Commission for the Blind</u>				
General Fund	\$ 2,892,992	\$ 3,691,540	\$ 798,548	27.6%
Other Funds	\$ 992,094	\$ 1,183,539	\$ 191,445	19.3%
Federal Funds	\$ 12,319,703	\$ 15,827,037	\$ 3,507,334	28.5%
<u>Oregon Health Authority</u>				
General Fund	\$ 2,120,607,875	\$ 2,139,964,413	\$ 19,356,538	0.9%
Lottery Funds	\$ 11,292,544	\$ 11,348,753	\$ 56,209	0.5%
Other Funds	\$ 5,683,377,776	\$ 5,782,295,632	\$ 98,917,856	1.7%
Federal Funds	\$ 11,400,938,911	\$ 12,389,291,524	\$ 988,352,613	8.7%
<u>Department of Human Services</u>				
General Fund	\$ 2,700,922,689	\$ 2,765,044,703	\$ 64,122,014	2.4%
Other Funds	\$ 500,033,526	\$ 532,329,349	\$ 32,295,823	6.5%
Federal Funds	\$ 4,488,244,260	\$ 4,802,435,818	\$ 314,191,558	7.0%
<u>Long Term Care Ombudsman</u>				
General Fund	\$ 6,172,203	\$ 6,303,638	\$ 131,435	2.1%
Other Funds	\$ 719,522	\$ 737,480	\$ 17,958	2.5%
<u>Psychiatric Security Review Board</u>				
General Fund	\$ 2,604,005	\$ 2,688,017	\$ 84,012	3.2%
<u>JUDICIAL BRANCH</u>				
<u>Judicial Department</u>				
General Fund	\$ 424,653,443	\$ 433,042,702	\$ 8,389,259	2.0%
Other Funds	\$ 138,932,144	\$ 147,988,947	\$ 9,056,803	6.5%
Federal Funds	\$ 1,598,284	\$ 1,606,769	\$ 8,485	0.5%
<u>Commission on Judicial Fitness and Disability</u>				
General Fund	\$ 230,040	\$ 405,777	\$ 175,737	76.4%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Public Defense Services Commission</u>				
General Fund	\$ 275,010,417	\$ 275,454,479	\$ 444,062	0.2%
Other Funds	\$ 3,833,764	\$ 3,846,904	\$ 13,140	0.3%
<u>LEGISLATIVE BRANCH</u>				
<u>Legislative Administration Committee</u>				
General Fund	\$ 34,865,791	\$ 37,515,179	\$ 2,649,388	7.6%
Other Funds	\$ 2,225,416	\$ 5,435,025	\$ 3,209,609	144.2%
<u>Legislative Assembly</u>				
General Fund	\$ 39,090,875	\$ 38,146,349	\$ (944,526)	-2.4%
Other Funds	\$ 225,352	\$ 223,530	\$ (1,822)	-0.8%
<u>Legislative Commission on Indian Services</u>				
General Fund	\$ 401,349	\$ 410,168	\$ 8,819	2.2%
<u>Legislative Counsel</u>				
General Fund	\$ 10,841,717	\$ 10,646,638	\$ (195,079)	-1.8%
Other Funds	\$ 1,515,091	\$ 1,552,105	\$ 37,014	2.4%
<u>Legislative Fiscal Office</u>				
General Fund	\$ 4,324,440	\$ 4,315,993	\$ (8,447)	-0.2%
Other Funds	\$ 3,443,858	\$ 3,530,895	\$ 87,037	2.5%
<u>Legislative Revenue Office</u>				
General Fund	\$ 2,414,923	\$ 2,496,087	\$ 81,164	3.4%
<u>NATURAL RESOURCES PROGRAM AREA</u>				
<u>State Department of Agriculture</u>				
General Fund	\$ 23,396,301	\$ 24,613,559	\$ 1,217,258	5.2%
Lottery Funds	\$ 6,289,958	\$ 6,491,591	\$ 201,633	3.2%
Other Funds	\$ 60,578,804	\$ 62,478,730	\$ 1,899,926	3.1%
Federal Funds	\$ 15,563,845	\$ 17,630,167	\$ 2,066,322	13.3%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Columbia River Gorge Commission</u>				
General Fund	\$ 903,983	\$ 915,291	\$ 11,308	1.3%
Other Funds	\$ 5,000	\$ -	\$ (5,000)	-100.0%
<u>State Department of Energy</u>				
Other Funds	\$ 34,288,279	\$ 35,076,986	\$ 788,707	2.3%
Federal Funds	\$ 3,128,423	\$ 3,187,299	\$ 58,876	1.9%
<u>Department of Environmental Quality</u>				
General Fund	\$ 33,948,448	\$ 37,732,047	\$ 3,783,599	11.1%
Lottery Funds	\$ 3,945,160	\$ 4,084,177	\$ 139,017	3.5%
Other Funds	\$ 149,103,999	\$ 152,995,169	\$ 3,891,170	2.6%
Federal Funds	\$ 28,970,775	\$ 29,567,515	\$ 596,740	2.1%
<u>State Department of Fish and Wildlife</u>				
General Fund	\$ 30,081,289	\$ 31,046,604	\$ 965,315	3.2%
Lottery Funds	\$ 4,752,746	\$ 4,917,581	\$ 164,835	3.5%
Other Funds	\$ 174,604,641	\$ 178,016,434	\$ 3,411,793	2.0%
Federal Funds	\$ 138,976,588	\$ 142,316,627	\$ 3,340,039	2.4%
<u>Department of Forestry</u>				
General Fund	\$ 63,414,691	\$ 88,388,302	\$ 24,973,611	39.4%
Lottery Funds	\$ 7,481,960	\$ 7,554,096	\$ 72,136	1.0%
Other Funds	\$ 224,734,577	\$ 286,598,792	\$ 61,864,215	27.5%
Federal Funds	\$ 34,758,694	\$ 35,063,741	\$ 305,047	0.9%
<u>Department of Geology and Mineral Industries</u>				
General Fund	\$ 4,138,836	\$ 4,246,695	\$ 107,859	2.6%
Other Funds	\$ 6,092,210	\$ 6,207,283	\$ 115,073	1.9%
Federal Funds	\$ 5,356,535	\$ 5,465,149	\$ 108,614	2.0%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Department of Land Conservation and Development</u>				
General Fund	\$ 13,152,774	\$ 13,483,719	\$ 330,945	2.5%
Other Funds	\$ 484,999	\$ 725,419	\$ 240,420	49.6%
Federal Funds	\$ 6,254,991	\$ 6,392,432	\$ 137,441	2.2%
<u>Land Use Board of Appeals</u>				
General Fund	\$ 1,772,887	\$ 1,817,836	\$ 44,949	2.5%
<u>Oregon Marine Board</u>				
Other Funds	\$ 26,181,068	\$ 26,498,709	\$ 317,641	1.2%
Federal Funds	\$ 7,464,524	\$ 7,467,774	\$ 3,250	0.0%
<u>Department of Parks and Recreation</u>				
Lottery Funds	\$ 81,406,896	\$ 82,917,301	\$ 1,510,405	1.9%
Other Funds	\$ 108,236,201	\$ 110,367,264	\$ 2,131,063	2.0%
Federal Funds	\$ 12,306,810	\$ 12,345,047	\$ 38,237	0.3%
<u>Department of State Lands</u>				
General Fund	\$ 328,228	\$ 346,082	\$ 17,854	5.4%
Other Funds	\$ 35,792,955	\$ 36,617,973	\$ 825,018	2.3%
Federal Funds	\$ 1,795,917	\$ 2,067,484	\$ 271,567	15.1%
<u>Water Resources Department</u>				
General Fund	\$ 29,622,753	\$ 31,160,564	\$ 1,537,811	5.2%
Other Funds	\$ 73,945,808	\$ 74,253,832	\$ 308,024	0.4%
Federal Funds	\$ 1,302,403	\$ 1,312,338	\$ 9,935	0.8%
<u>Watershed Enhancement Board</u>				
Lottery Funds	\$ 62,250,303	\$ 62,482,687	\$ 232,384	0.4%
Other Funds	\$ 3,545,968	\$ 3,553,093	\$ 7,125	0.2%
Federal Funds	\$ 37,179,454	\$ 37,274,113	\$ 94,659	0.3%

Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>PUBLIC SAFETY PROGRAM AREA</u>				
<u>Department of Corrections</u>				
General Fund	\$ 1,555,904,536	\$ 1,593,133,894	\$ 37,229,358	2.4%
Other Funds	\$ 53,232,352	\$ 55,776,993	\$ 2,544,641	4.8%
<u>Oregon Criminal Justice Commission</u>				
General Fund	\$ 55,035,612	\$ 55,130,454	\$ 94,842	0.2%
Other Funds	\$ 494,015	\$ 864,015	\$ 370,000	74.9%
Federal Funds	\$ 7,304,929	\$ 6,937,604	\$ (367,325)	-5.0%
<u>District Attorneys and their Deputies</u>				
General Fund	\$ 11,610,450	\$ 11,868,624	\$ 258,174	2.2%
<u>Department of Justice</u>				
General Fund	\$ 76,083,264	\$ 78,841,305	\$ 2,758,041	3.6%
Other Funds	\$ 284,955,845	\$ 295,519,057	\$ 10,563,212	3.7%
Federal Funds	\$ 142,401,423	\$ 157,871,008	\$ 15,469,585	10.9%
<u>Oregon Military Department</u>				
General Fund	\$ 25,019,969	\$ 25,350,514	\$ 330,545	1.3%
Other Funds	\$ 110,312,549	\$ 113,312,859	\$ 3,000,310	2.7%
Federal Funds	\$ 278,357,971	\$ 280,784,232	\$ 2,426,261	0.9%
<u>Oregon Board of Parole</u>				
General Fund	\$ 7,807,978	\$ 8,040,916	\$ 232,938	3.0%
<u>Oregon State Police</u>				
General Fund	\$ 271,442,947	\$ 279,647,826	\$ 8,204,879	3.0%
Lottery Funds	\$ 7,841,010	\$ 8,010,065	\$ 169,055	2.2%
Other Funds	\$ 100,483,764	\$ 109,285,417	\$ 8,801,653	8.8%
Federal Funds	\$ 9,760,242	\$ 9,780,941	\$ 20,699	0.2%
<u>Department of Public Safety Standards and Training</u>				
Other Funds	\$ 37,238,170	\$ 42,092,883	\$ 4,854,713	13.0%
Federal Funds	\$ 4,148,299	\$ 6,666,167	\$ 2,517,868	60.7%

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Budget Summary*

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			\$ Change	% Change
<u>Oregon Youth Authority</u>				
General Fund	\$ 291,989,720	\$ 298,387,030	\$ 6,397,310	2.2%
Other Funds	\$ 63,325,954	\$ 63,399,605	\$ 73,651	0.1%
Federal Funds	\$ 36,097,766	\$ 36,316,493	\$ 218,727	0.6%
 <u>TRANSPORTATION PROGRAM AREA</u>				
<u>Department of Aviation</u>				
Other Funds	\$ 11,979,625	\$ 12,370,913	\$ 391,288	3.3%
Federal Funds	\$ 8,504,014	\$ 8,514,798	\$ 10,784	0.1%
<u>Department of Transportation</u>				
General Fund	\$ 27,827,995	\$ 22,585,257	\$ (5,242,738)	-18.8%
Other Funds	\$ 3,275,943,658	\$ 3,313,477,220	\$ 37,533,562	1.1%
Federal Funds	\$ 110,110,886	\$ 110,175,491	\$ 64,605	0.1%
<hr/>				
2015-17 Budget Summary				
General Fund Total	\$ 17,716,499,549	\$ 17,780,417,528	\$ 63,917,979	0.4%
Lottery Funds Total	\$ 709,258,934	\$ 753,009,203	\$ 43,750,269	6.2%
Other Funds Total	\$ 14,023,753,360	\$ 14,377,069,073	\$ 353,315,713	2.5%
Other Funds Nonlimited Total	\$ 225,972,465	\$ 231,792,465	\$ 5,820,000	2.6%
Federal Funds Total	\$ 18,281,516,085	\$ 19,633,717,421	\$ 1,352,201,336	7.4%

* Excludes Capital Construction

Position Summary	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			Change	% Change
ADMINISTRATION PROGRAM AREA				
<u>Department of Administrative Services</u>				
Authorized Positions	827	841	14	1.7%
Full-time Equivalent (FTE) positions	813.17	826.40	13.23	1.6%
<u>Oregon Liquor Control Commission</u>				
Authorized Positions	261	268	7	2.7%
Full-time Equivalent (FTE) positions	251.16	255.33	4.17	1.7%
<u>Department of Revenue</u>				
Authorized Positions	1,082	1,087	5	0.5%
Full-time Equivalent (FTE) positions	1,012.41	1,020.68	8.27	0.8%
<u>Secretary of State</u>				
Authorized Positions	212	213	1	0.5%
Full-time Equivalent (FTE) positions	210.71	210.96	0.25	0.1%
CONSUMER AND BUSINESS SERVICES PROGRAM AREA				
<u>Consumer and Business Services</u>				
Authorized Positions	962	960	(2)	-0.2%
Full-time Equivalent (FTE) positions	952.57	952.76	0.19	0.0%
<u>Public Utility Commission</u>				
Authorized Positions	128	129	1	0.8%
Full-time Equivalent (FTE) positions	125.97	126.60	0.63	0.5%
ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA				
<u>Oregon Business Development Department</u>				
Authorized Positions	137	139	2	1.5%
Full-time Equivalent (FTE) positions	134.74	135.74	1.00	0.7%

Position Summary	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			Change	% Change
EDUCATION PROGRAM AREA				
<u>Chief Education Office</u>				
Authorized Positions	17	20	3	17.6%
Full-time Equivalent (FTE) positions	14.64	18.25	3.61	24.7%
<u>Department of Education</u>				
Authorized Positions	552	555	3	0.5%
Full-time Equivalent (FTE) positions	519.01	520.90	1.89	0.4%
HUMAN SERVICES PROGRAM AREA				
<u>Oregon Health Authority</u>				
Authorized Positions	4,428	4,449	21	0.5%
Full-time Equivalent (FTE) positions	4,361.01	4,383.89	22.88	0.5%
<u>Department of Human Services</u>				
Authorized Positions	8,038	8,054	16	0.2%
Full-time Equivalent (FTE) positions	7,897.81	7,905.04	7.23	0.1%
NATURAL RESOURCES PROGRAM AREA				
<u>Department of Environmental Quality</u>				
Authorized Positions	739	752	13	1.8%
Full-time Equivalent (FTE) positions	722.57	730.15	7.58	1.0%
<u>Department of Fish and Wildlife</u>				
Authorized Positions	1,474	1,474	-	0.0%
Full-time Equivalent (FTE) positions	1,198.26	1,199.26	1.00	0.1%
<u>Department of Forestry</u>				
Authorized Positions	1,197	1,201	4	0.3%
Full-time Equivalent (FTE) positions	875.54	878.04	2.50	0.3%

Position Summary

	2015-17 Legislatively Approved Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
			Change	% Change
<u>Department of Land Conservation and Development</u>				
Authorized Positions	57	58	1	1.8%
Full-time Equivalent (FTE) positions	55.90	56.57	0.67	1.2%
<u>Water Resources Department</u>				
Authorized Positions	164	165	1	0.6%
Full-time Equivalent (FTE) positions	162.58	163.25	0.67	0.4%
PUBLIC SAFETY PROGRAM AREA				
<u>Department of Corrections</u>				
Authorized Positions	4,523	4,534	11	0.2%
Full-time Equivalent (FTE) positions	4,479.62	4,487.41	7.79	0.2%
<u>Department of Justice</u>				
Authorized Positions	1,305	1,324	19	1.5%
Full-time Equivalent (FTE) positions	1,291.70	1,298.27	6.57	0.5%
<u>Oregon State Police</u>				
Authorized Positions	1,287	1,299	12	0.9%
Full-time Equivalent (FTE) positions	1,255.24	1,261.87	6.63	0.5%
<u>Department of Public Safety Standards and Training</u>				
Authorized Positions	28	43	15	53.6%
Full-time Equivalent (FTE) positions	26.00	35.74	9.74	37.5%

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the February 2016 economic and revenue forecast by the Department of administrative Services Office of Economic Analysis.

Summary of Capital Construction Subcommittee Action

Senate Bill 5701 is the omnibus budget reconciliation bill for the 2016 legislative session, implementing the statewide rebalance plan that addresses changes in projected revenues and expenditures since the close of the 2015 session. The Subcommittee approved Senate Bill 5701 with amendments to reflect budget adjustments as described below.

Statewide Adjustments

EMPLOYEE COMPENSATION DISTRIBUTION

The Subcommittee approved allocation of \$120 million General Fund to state agencies for employee compensation. The General Fund appropriation is expected to cover about 93% of the statewide estimate of costs for compensation and benefit changes agreed to through collective bargaining or other salary agreements. Total compensation adjustments include \$120 million General Fund, \$3.2 million Lottery Funds, \$111.7 Other Funds, and \$55.9 million Federal Funds. Lottery Funds, Other Funds, and Federal Funds expenditure limitations are calculated at fully-funded amounts.

OTHER STATEWIDE ADJUSTMENTS

Other statewide adjustments include adjustments for Pension Obligation Bond (POB) payments and fully funding the General Fund need of employee compensation for small agencies. POB adjustments generated a net savings of \$4.3 million Total Funds, including General Fund savings of \$487,281. A portion of the savings was used to fully fund the General Fund collective bargaining agreement costs (\$243,932) of small agencies.

Section 116 of the budget bill reflects the changes, as described above, for each agency. These adjustments are not addressed in the agency narratives, although they are included in the table at the beginning of the budget report.

Emergency Board

As part of the 2015-17 biennium statewide rebalance plan, Senate Bill 5701 adjusts the Emergency Board's general purpose and special purpose appropriations as described as follows:

- Increases the General Purpose Emergency Fund by \$2,000,000 for general governmental purposes, increasing the total amount available to the Emergency Board for the remainder of the 2015-17 interim to \$32,000,000.
- Eliminates a special purpose appropriation for state agencies of \$120 million, and makes corresponding General Fund appropriations to various state agencies for state employee compensation changes.
- Reduces the special purpose appropriation for state agencies of \$10.7 million, with General Fund appropriations of \$10.0 million to the Department of Human Services (\$9,502,291) and the Oregon Health Authority (\$497,562) for compensation changes driven by collective bargaining for workers who are not state employees.
- Reduces the \$3,000,000 special purpose appropriation for education by \$1,373,879 and uses these funds as part of the \$1,900,000 General Fund appropriation to the Higher Education Coordinating Commission to help fund 2015-17 compensation agreements for classified staff at Portland State University, Eastern Oregon University, Southern Oregon University, Western Oregon University, and the Oregon Institute of Technology. Details on how much each university receives is found under the Higher Education Coordinating Commission section of this budget report.
- Eliminates the \$17,540,357 General Fund special purpose appropriation to the Emergency Board for the mixed delivery preschool program established in House Bill 3380 (2015), with a corresponding appropriation to the Oregon Department of Education for the same purpose.
- Eliminates a \$6,865,921 special purpose appropriation for college readiness and appropriates most of these resources to the Oregon Department of Education, Chief Education Office, and the Higher Education Coordinating Commission for transitional services and supports, between secondary and post-secondary education.
- Reduces the special purpose appropriation of \$6 million for fire costs, and appropriates \$2,054,823 to the Department of Forestry for that purpose.
- Eliminates the \$1.8 million special purpose appropriation for the Department of Revenue and appropriates \$1,360,125 to the Property Tax Division of the Department of Revenue, primarily due to cover a revenue shortfall in the County Assessment Function Funding Assistance Account.
- Establishes a \$3,000,000 special purpose appropriation to be allocated to the Department of Corrections for operations support. The Department may request funds to finance continued activation of minimum security beds at the Deer Ridge Correctional Institution.
- Establishes a \$2,000,000 special purpose appropriation to be allocated to the Department of Corrections. The Department may request funds to finance continued activities and positions associated with improvements to housing and treatment for the seriously mentally ill.
- Establishes a special purpose appropriation for the Emergency Board of \$2,000,000 to be allocated to state and local governments that incurred costs not reimbursed by the federal government related to the armed occupation of the Malheur National Wildlife Refuge. The Department of Administrative Services and the Legislative Fiscal Office are directed to work with state and local government units to identify and validate reimbursable costs related to the incident.

Adjustments to 2015-17 Agency Budgets

ADMINISTRATION

Department of Administrative Services

The Subcommittee approved a technical adjustment to move Other Funds expenditure limitation, intended to pay for treasury fees that had been spread to programs in the 2015-17 legislatively adopted budget, back into the Other Funds expenditure limitation established in Senate Bill 5502 for Treasury Fees. These adjustments net to a zero overall change in the total Other Funds budget approved for the Department of Administrative Services (DAS).

The Subcommittee approved a number of budget adjustments related to a multi-part reorganization of DAS and the Oregon State Chief Information Officer (OSCIO) information technology (IT) related functions. A budget note required DAS to report on proposed changes to operations and rates for Enterprise Technology Services (ETS), which includes the state data center. During the 2015 session, the Legislature also passed House Bill 3099, which transferred substantial authority and responsibility surrounding statewide IT operations and policies from the DAS Director to the OSCIO. To implement House Bill 3099, the OSCIO has proposed significant changes in organizational structures. Under this reorganization there will be five sections: ETS; Enterprise Security Office; Office of Strategic IT Governance; Enterprise Shared Services; and the DAS Chief Information Office (CIO), which will be responsible for meeting DAS's IT needs, such as help desk support. While the DAS CIO will remain under the authority of the OSCIO, it will report to the DAS Deputy Chief Operating Officer. In addition, three administrative positions that did budget work in ETS were transferred to DAS Business Services and seven other ETS administrative positions were moved to the CIO.

The budget adjustments required to implement the IT reorganization and new OSCIO responsibilities, as well as to address the ETS budget note, affected a number of DAS program areas. These net adjustments by program area include: ETS decreased Other Funds by \$39,863,385 and 70 positions (64.00 FTE); CIO increased Other Funds by \$29,841,240 and 37 positions (34.06 FTE); Chief Operating Office increased Other Funds by \$12,171,544 and 38 positions (37.58 FTE); DAS Business Services increased Other Funds by \$644,351 and 3 positions (3.00 FTE); and Enterprise Goods and Services increased Other Funds by \$474,682 and 4 positions (2.32 FTE).

As part of the IT reorganization, a new structure was proposed for IT procurement and vendor management with dual responsibility between Enterprise Goods and Services and OSCIO. This new structure was reviewed by the Joint Committee on Ways and Means as well as the Joint Legislative Committee on Information Management and Technology (JLCIMT). The JLCIMT recommended conditional, temporary approval of the request for the remainder of the biennium. Specifically, the JLCIMT recommended that DAS and OSCIO:

1. Conduct an assessment to identify and evaluate the alternative State IT procurement-related organizational/operating models in use by other states across the nation. The assessment report should provide the raw findings and include, but not be limited to, the roles, responsibilities, accountability, staffing levels, and costs associated with:
 - (a) The most predominant organizational/operating models in use across the nation as compared to the shared IT vendor management program proposed within this request, and

- (b) A full transfer of state IT procurement duties, functions, and powers from DAS and the DAS Director to the State Chief Information Officer.
2. Submit the assessment report and a status report on IT vendor management program progress to date to the Legislative Fiscal Office in November 2016.
3. Jointly present the assessment report and status report on IT vendor management program progress to the JLCIMT and the Emergency Board during the December 2016 Legislative Days.

The Subcommittee approved six new positions associated with the new IT vendor management arrangement as limited duration to ensure the new arrangement was temporary and that DAS/OSCIO would need to return to the Legislature for funding for the 2017-19 biennium.

Other Funds expenditure limitation established in Senate Bill 55 (2015) was reduced by \$196,206 and the three positions established by the bill were reduced by a combined 0.99 FTE due to delays in implementing the legislation. None of the three positions will be hired until after the 2016 legislative session.

The Subcommittee also added two limited duration positions to implement House Bill 4135 to accomplish the coordination requirements and manage the production of electronic records as directed by the bill. An Information Systems Specialist 8 position (0.63 FTE) was added to provide the initial outreach, education, and coordination of the new policies with state agencies. An Operations and Policy Analyst 2 (0.63 FTE) was added to handle the query writing and production of records for DAS and to assist agencies in the querying and production of their records. The positions are added as limited duration to allow DAS to assess appropriate work load and classification. Positions needed to manage ongoing work will be proposed as part of the Governor's Budget for 2017-19. The Subcommittee determined that DAS can pay for the two positions in 2015-17 with existing Other Funds expenditure limitation and revenue.

The Subcommittee also approved one-time General Fund appropriations to DAS for the following purposes:

- \$1,000,000 for disbursement to the Holly Theater in Medford for the Holly Theater Restoration Project.
- \$650,000 for disbursement to the Salem Area Mass Transit District to provide free bus passes to state employees working in the Capitol Mall area and to operate an Airport Road Express Shuttle between the State Motor Pool and the Capitol Mall.
- \$500,000 for disbursement to Clackamas County for repairs at the Willamette Falls Locks and Canal.
- \$500,000 for disbursement to the City of Cornelius to help build the multi-use Cornelius Place project which includes a library, low income senior housing, and a YMCA.
- \$300,000 for disbursement to Verde for the Cully Park project in Northeast Portland's Cully neighborhood.
- \$250,000 for disbursement to Worksystems Inc. to recapitalize a tuition loan program first funded in 2011 for loans to students participating in commercial driver license training. These loans are not part of a state program and funding is provided only to establish the private program. This is the second one-time General Fund appropriation made for this purpose; the same entity received a one-time grant of \$400,000 for this purpose in 2011.
- \$200,000 for disbursement to Douglas County to partially reimburse public safety costs associated with the October 1, 2015 incident at Umpqua Community College.

- \$200,000 for disbursement to Portland Playhouse for renovation and restoration of Portland Playhouse's theater in Portland's King neighborhood.

The Subcommittee added \$3,059,680 Other Funds expenditure limitation for one-time costs of issuance and special payments associated with the disbursement of proceeds from the sale of \$3,000,000 in lottery bonds for the City of Warrenton to rebuild a dock used by Pacific Seafood at the site of a seafood processing facility that burned down in June 2013. The processing facility was built in 1941 and acquired, along with the dock, by Pacific Seafood in 1983. The lottery bonds are approved in House Bill 5201. There is no debt service allocated in the 2015-17 biennium, as the bonds will not be sold until the spring of 2017. Debt service for 2017-19 is estimated at \$675,152 Lottery Funds. The Subcommittee also increased Other Funds expenditure limitation by \$55,000 to pay the cost of issuing \$2,500,000 Article XI-Q bonds for repairs and improvements at the Oregon State Fair.

Other Funds limitation was increased by \$453,681 to allow planning for the Human Resources Information System (HRIS) replacement project to continue through May 2016. DAS is to bring any request for additional funding needed to complete stage gate 3 planning through the end of the current biennium to the May 2016 meeting of the Emergency Board. In addition, DAS shall bring a plan to adjust rates and assessment charges for the second year of the biennium to fund both the HRIS planning project and new positions established as a part of the IT reorganization operationalized in Senate Bill 5701. A \$6,500,000 General Fund special purpose appropriation to the Emergency Board for this purpose may be allocated to pay General Fund increases associated with assessment and rate increases.

Oregon Liquor Control Commission

The Subcommittee approved an Other Funds expenditure limitation in the amount of \$1,117,762 for the Oregon Liquor Control Commission to implement the provisions of House Bill 4014, Senate Bill 1511, and Senate Bill 1598. Three permanent regulatory specialist positions and four permanent administrative specialist positions are anticipated to be needed due to an increase in the assumed number of licensees as medical marijuana producers are authorized to transfer excess marijuana to recreational retail outlets, and to cover costs associated with the additional number of people working in the marijuana industry that will be required to have work permits and training. Services and supplies expenditures include \$350,000 for updates to the agency's "What's Legal" public information platform and associated outreach. Of the total amount, \$350,665 Other Funds expenditure limitation is for costs associated with Senate Bill 1598; if that bill is not enacted, this expenditure limitation is to be unscheduled by the Department of Administrative Services Chief Financial Office.

A technical adjustment was approved to convert four limited duration liquor regulatory specialists approved as part of House Bill 5047 to permanent status. This adjustment will have no effect on expenditure limitation in the 2015-17 biennium.

Public Employees Retirement System

The Subcommittee increased expenditure limitation for the Financial and Administrative Services Division by \$100,000 Other Funds for a shortfall in the Secretary of State audit charges assessment budget. In addition, increased expenditure limitation in the amount of \$6,601,170 Other Funds was approved for the Financial and Administrative Services Division for the Office of the State Chief Information Officer Enterprise Technology Services assessment.

The Subcommittee approved a one-time increase in Other Funds expenditure limitation of \$1,255,601 for the Public Employees Retirement System (PERS) Individual Account Program (IAP) information technology project. In addition, the Department of Administrative Services is to schedule all currently unscheduled Other Funds expenditure limitation for the project. The project is to move the administration of the IAP from a third-party administrator to the agency. A re-baselining of the project shows that initial project development costs have increased from \$2.9 million to \$6.1 million. The agency anticipates requesting an estimated \$1.9 million during the 2017-19 biennium to complete project development. The Joint Legislative Committee on Information Management and Technology (JLCIMT) recommendations were also approved.

A one-time increase in Other Funds expenditure limitation of \$1,659,976 was approved for information technology enhancements to the jClarety retirement system. JLCIMT recommendations were also approved. The Subcommittee directed the Department of Administrative Services to unschedule the entire \$1.7 million until the conditions set forth by JLCIMT are satisfied.

Department of Revenue

The Subcommittee reduced the expenditure limitation for the Core Systems Replacement project by \$500,000 Other Funds (recreational marijuana tax proceeds) to account for contract savings for the recreational marijuana module. The original development cost was estimated at \$1 million in House Bill 5047 (2015).

Other Funds expenditure limitation for the Property Tax Division was reduced by \$500,000 because the limitation is in excess of the operational needs of the program and is without an underlying revenue source.

The Subcommittee approved a \$373,841 General Fund reduction and a reduction of 2.60 FTE for the Senior Citizens' and Disabled Citizens' Property Tax Deferral program. This technical adjustment will have no impact on the program, which is statutorily funded with Other Funds (Senior and Disabled Property Tax Deferral account). This is part of an effort to better align the agency's budget with actual program funding.

The General Fund appropriation for the Property Tax Division was increased by \$1.4 million in personal services and FTE on existing positions was increased by 7.20. This appropriation is to backfill Other Funds revenue shortfalls in the County Assessment Function Funding Assistance Account, but only for Department of Revenue Valuation Section (\$1.1 million), and for a reduction in county contract mapping services (\$240,986). A \$1.8 million reduction in Other Funds expenditure limitation was previously included in the agency's legislatively adopted budget. The 2017-19 biennial cost is estimated to be \$1.9 million General Fund.

The Subcommittee approved an increase of \$2,052,807 in Other Funds expenditure limitation (recreational marijuana tax) and the establishment of four permanent full-time Accounting Technician 2 positions (2.92 FTE) and one limited duration Principal Executive Manager B position (0.75 FTE) for the recreational marijuana program. In addition, an Economist 3 position, approved as part of House Bill 5047 (2015), is moved from permanent full-time to limited duration. Personal services costs total \$481,063, with \$653,792 in services and supplies and \$917,952 in capital outlay. Of the \$2.1 million expenditure limitation, \$633,920 is one-time limitation for program start-up and facility construction costs. The 2017-19 biennial cost is estimated to be \$1.4 million Other Funds. This request is for the processing of cash payments related to the recreational marijuana program; however, the Subcommittee's expectation is that this is to be done in an integrated fashion with the agency's current banking, Electronic Funds Transfer, and miscellaneous cash receipting of non-recreational marijuana taxes.

The Subcommittee approved an increase in Other Funds expenditure limitation of \$874,747 for the Core Systems Replacement project. It was estimated that there were \$6.9 million in bond proceeds for the project carried forward from the 2013-15 biennium; however, that figure was only recently revised to \$7,804,187. The Department of Administrative Services is directed to unschedule the entire \$874,747 pending the review and approval of the need for the expenditure limitation by the Legislative Fiscal Office.

Secretary of State

The Subcommittee established a \$347,900 General Fund appropriation and one limited-duration position (0.25 FTE) to replace the Oregon Elections System for Tracking and Reporting (ORESTAR) Election Night Reporting module. The agency will use the funds to acquire a commercially-available off-the-shelf (COTS) product to replace an existing ORESTAR Election Night Reporting module that was developed in-house. The replacement system will offer expanded capabilities, including tabulation of local election vote counts and graphical and map-based display capabilities. A temporary project manager position was approved. The new system is expected to be fully operational in time for the 2016 General Election. The appropriation is approved on a one-time basis and will be phased out in the agency's 2017-19 biennium budget.

State Treasurer

The Subcommittee reduced Other Funds expenditure limitation for the Debt Management Division by \$500,000 for a Rockefeller Foundation grant that the agency no longer receives.

CONSUMER AND BUSINESS SERVICES

Department of Consumer and Business Services

The Subcommittee approved an increase in the Other Funds limitation for the reclassification of positions in three divisions. The individual changes impacted ten positions. The adjustments included increased Other Funds expenditure limitation of \$32,660 in the Building Codes Division, \$30,878 in the Workers' Compensation Division, and \$108,488 in the Insurance Division, for a total of \$172,026. The additional expenditure limitation allows the agency to make position adjustments as approved by the Office of the Chief Human Resources Officer at the Department of Administrative Services without compromising the maintenance of the agency's ratio of supervisory to non-supervisory positions, as required under House Bill 4131 (2012).

The Subcommittee approved an increase in the Other Funds expenditure limitation of \$379,219 for the establishment of four new positions (2.52 FTE) in the Building Codes Division. These positions include a Plans Examiner 2 position to be housed in Salem and three Inspector positions (Mechanical, Plumbing, and Electrical) to be housed at the Eastern Region Office located in Pendleton. The positions will address ongoing workload increases of the Building Codes Division as the economy continues to recover.

A net decrease in Other Funds expenditure limitation of \$321,655 was made as a result of position adjustments in the Marketplace and Shared Services Divisions related to the operation of the Health Insurance Marketplace. Thirteen limited duration Program Analyst 2 positions were eliminated (-7.52 FTE) and six permanent, full-time positions (4.02 FTE) were established (one Outreach and Education Manager and five Program Analyst 2 positions). These changes result in a reduction of seven positions and \$558,617 Other Funds expenditure limitation in the

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Marketplace Division. This reduction was partially offset by an increase in Other Funds expenditure limitation of \$236,962 in the Shared Services Division to cover the costs of converting one part-time, limited duration Operations and Policy Analyst 4 position to a full-time, permanent position (0.50 FTE) and to add an additional Procurement and Contract Specialist 3 position (0.67 FTE).

The Subcommittee approved a \$6.4 million reduction in Other Funds expenditure limitation in order to reconcile the budget of the Health Insurance Marketplace with actual and anticipated expenditures of the program, which have been significantly different than what was anticipated in the legislatively adopted budget. The changes include reductions in anticipated expenditures due to pre-payment of contracts prior to the transfer of the insurance marketplace from Cover Oregon to the Department of Consumer and Business Services (DCBS), changes in information technology contracts, lower than anticipated personal services costs, and a reduction in anticipated payments for tax reporting errors. These reductions are partially offset by increases in legal fees and new information technology contracts.

A \$1,732,528 Other Funds expenditure limitation increase was approved for additional marketing and outreach activities of the Oregon Health Insurance Marketplace. This additional expenditure limitation will be uncheduled until DCBS completes its review and analysis of the 2016 open enrollment year campaign and its plan for the 2017 open enrollment year campaign. The legislatively adopted budget included a budget note instructing the agency to complete a plan and report on each of the publicity and publication campaigns either upcoming or implemented for the Health Insurance Marketplace Program. DCBS submitted a publicity and publication plan and report to the Interim Joint Committee on Ways and Means in January 2015; however, that plan and report did not contain detailed information for the 2017 open enrollment year campaign since the agency had not yet completed its review of the 2016 plan. The additional funding, once rescheduled, will allow the agency to maintain the same level of expenditures during the 2017 open enrollment year as in 2016.

Discussions also took place regarding pharmacy benefit managers. The Subcommittee approved the following budget note.

Budget Note:

The purpose of this budget note is to clarify the Department of Consumer and Business Services' (DCBS) authority to regulate pharmacy benefit managers (PBMs). DCBS is directed to convene a workgroup to develop recommendations for rulemaking regarding PBM compliance. Based on those recommendations, the agency will draft rules regarding PBM compliance and report to the appropriate legislative policy committees by November 1, 2016. The report should include the draft rules, as well as any statutory changes or clarifications necessary to fully implement the draft rules, including fee recommendations for administration of the program.

Draft rules must include, but are not limited to:

- Notification system that includes a method for informing PBMs of new regulations, and for informing PBMs of complaints, investigations, and possible sanctions
- Investigation procedures
- Fees, fines, and resolution process that includes:
 - Overall schedule of fees and fines
 - Provisions for warnings before fines, based on circumstances

- Possible escalation of fine for multiple occurrences including combining multiple occurrences into a single complaint or enforcement action, or multiple claims related to a single reason or cause
- Setting a maximum annual per PBM fine
- Exceptions based on type of violation or other criteria
- A reasonable time to re-enter compliance
- Other provisions consistent with DCBS' existing enforcement authority and procedures

Bureau of Labor and Industries

Technical adjustments are included to reflect the budget recommended to the Joint Committee on Ways and Means by the Transportation and Economic Development Subcommittee during the 2015 regular session. Multiple amendments to Senate Bill 5517 were considered during the legislative review process, and the amendment that was submitted to and adopted by the Joint Committee on Ways and Means did not properly reflect the budget recommended by the Subcommittee. The adjustments reduce the General Fund appropriation to the agency by \$113,604, increase Other Funds expenditure limitation by \$206,871, and increase Federal Funds expenditure limitation by \$2,696, for a total funds adjustment of \$95,963.

Oregon Public Utility Commission

The Subcommittee increased the agency's Other Funds expenditure limitation by \$170,226 and authorized one permanent position (0.63 FTE) to increase analytic capacity to address additional agency responsibilities resulting from legislative changes to the Renewable Portfolio Standard made during the 2016 Legislative session.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

The Subcommittee reduced the General Fund appropriation for debt service by \$1,328,407, and established a \$1,330,500 Other Funds expenditure limitation for general obligation bond debt service. Debt service for general obligation bonds is paid by the General Fund; however, the agency will substitute \$1,330,500 of Article XI-M and Article XI-N bond proceeds, and interest earned on those proceeds, to pay debt service, in lieu of General Fund. The proceeds are from bonds originally issued for the Seismic Rehabilitation Grant program in 2010, 2011, and 2012. These proceeds were not used for seismic projects and will instead be used to offset debt service costs in the current biennium.

The Subcommittee increased Lottery Funds support by \$1.5 million. This includes an increase for employee compensation changes and \$960,514 Lottery Funds, approved on a one-time basis, for new or expanded programs. The Subcommittee increased Lottery Funds support for the Oregon Wave Energy Trust by \$200,000, bringing current-biennium support to \$450,000 Lottery Funds. Lottery Funds were increased by \$400,000 to reapprove funding for replacement of the Port of Port Orford Cannery Building for one more biennium. Funding for this project was initially approved in the 2013-15 biennium. The Subcommittee also approved \$100,000 of Lottery Funds to conduct a Willamette Valley Intermodal Hub Feasibility Study, to evaluate the viability of a strategic intermodal hub to optimize container shipment of Oregon agricultural products.

Lottery Funds totaling \$260,514 and two positions (1.00 FTE) were approved to address administrative costs associated with the expansion of grant activity in the Seismic Rehabilitation Grant Program. The Department will need to fill the newly-established positions for three years beginning July 1, 2016, and will include a policy option package in its 2017-19 biennium budget request to convert the two approved positions from permanent to limited-duration status. The Department is also instructed to report to the Legislative Fiscal Office, following each sale of Article XI-M or Article XI-N general obligation bonds, on the projects and dollar amounts of project grants financed by the bond sale, as well as on the amount of bond proceeds budgeted for agency administrative costs.

The Subcommittee established a \$1 Other Funds expenditure limitation for the American Manufacturing Innovation District, and increased Other Funds by \$54,868 for cost of issuance of lottery revenue bonds for this project. The American Manufacturing Innovation District is a collaborative effort between government, industry, and academic institutions to invest in manufacturing infrastructure to promote advanced manufacturing. A total of \$2.5 million of lottery revenue bond proceeds are authorized for this project in House Bill 5202, which also authorizes \$5 million of Article XI-G bond proceeds for distribution to Portland Community College (PCC) in support of this project. The Subcommittee limited expenditure of bond proceeds to \$1, pending a joint presentation with PCC of a business plan for developing the District. Debt service costs for the lottery revenue bonds authorized for this project are projected to total approximately \$535,000 Lottery Funds per biennium, beginning in the 2017-19 biennium. Because the bonds will not be issued until spring 2017, there will be no debt service payments due in the current biennium.

The Subcommittee also approved a technical correction to the budget for the State Small Business Credit Initiative (SSBCI) program. This correction increases Other Funds expenditure limitations in the Business, Innovation and Trade Division by \$388,773, and reduces the Division's Federal Funds expenditure limitations by the same amount. The SSBCI is funded from a federal grant the agency secured in 2011 that provided Federal Funds for revolving loan programs. It was noted when the grant was received that administrative costs for the program would transition to Other Funds over time, as the grant money was loaned out and the loan repayments were re-categorized as Other Funds. The Subcommittee added this anticipated fund shift, which had not been included in the agency's budget, to the bill.

Federal Funds expenditure limitation was increased for the Business, Innovation and Trade Division by \$450,000 for expenditure of funds received under the Year 4 State Trade and Export Promotion grant program. This increase more than offsets the \$388,773 Federal Funds expenditure limitation decrease for SSBCI and results in a net increase of \$61,227 for the Business, Innovation and Trade Division Federal Funds expenditure limitation.

Finally, the Subcommittee approved a budget adjustment to increase Nonlimited Other Funds expenditures by \$5,820,000. This adjustment reflects a greater level of loan repayments than originally anticipated in the budget. Loan repayments are not limited in the agency budget. The adjusted level of Nonlimited Other Funds in the Infrastructure Finance Authority will include approximately \$24.2 million of loan repayments.

Employment Department

A technical adjustment is included for the Employment Department to more accurately reflect the amount expected to be utilized by the agency from \$85 million in modernization funds appropriated to the agency through the federal Social Security Act. Close of session budget reconciliation adjustments resulted in more dollars being available from the Supplemental Employment Department Administrative Fund for

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Department operating expenditures. This adjustment does not change the overall amount of the agency's recommended budget, merely the source from which the Department can make expenditures. As such, the appropriation of modernization funds made to the Department is decreased by \$17 million; sufficient Other Funds expenditure limitation exists to enable the Department to make equivalent expenditures from a combination of Supplemental Employment Department Administrative Funds and the Special Administrative Fund.

Housing and Community Services Department

The Subcommittee approved an increase in General Fund of \$2,727,660 for counseling services associated with the Oregon Foreclosure Avoidance Program. The 2015-17 legislatively adopted budget included \$1.4 million General Fund, which was estimated to be sufficient through February 2016. The Housing and Community Services Department was directed to report back to the Legislature on program utilization, foreclosure rates, and actual monthly expenditures to counseling agencies. The additional General Fund is included for program expenditures for the remainder of the 2015-17 biennium, as follows: \$2.36 million for counseling services provided on a fee-for-service basis as indicated via contract with the Housing and Community Services Department; \$233,333 for legal aid services for counseling clients with particularly complicated circumstances; and \$127,480 for agency program administration, with the understanding that the Department of Administrative Services will unschedule \$275,000 of the amount. Funding for the program is not anticipated to be ongoing, although the agency may request funding for consideration during the 2017-19 budget process.

Also included is a one-time General Fund appropriation in the amount of \$10 million to the Housing and Community Services Department to be utilized as follows: \$8 million is for homelessness assistance and prevention services through the Emergency Housing Assistance (EHA) program and \$2 million is to the State Housing Assistance program (SHAP) for operational support for emergency shelters and supportive services to shelter residents. Funding for the EHA program is spent as Other Funds by the Department, and is reflected in an additional \$8 million in Other Funds expenditure limitation.

Other Funds expenditure limitation in the amount of \$2,554,868 is included to enable the Housing and Community Services Department to expend proceeds from the sale of lottery bonds for preservation of affordable housing with expiring federal subsidies. Of this amount, \$2.5 million is attributable to project costs and \$54,868 is related to cost of issuance. Eligible projects for which these funds can be expended are defined as the following:

- Privately owned multi-family rental properties where at least 25% of the units are subsidized by a project-based rental assistance contract through the U.S. Department of Agriculture Rural Development or the U.S. Department of Housing and Urban Development;
- Existing manufactured housing communities to be acquired by a mission-based non-profit organization, resident cooperative, tenants' association, housing authority, or local government; or
- Public housing projects undergoing a preservation transaction which involves a comprehensive recapitalization and which will secure ongoing rental subsidies.

Oregon Department of Veterans' Affairs

The Subcommittee approved an increase in Federal Funds expenditure limitation of \$499,999. The Oregon Department of Veterans' Affairs (ODVA) received a 2015 grant from the U.S. Department of Veteran's Affairs in the amount of \$500,000 for transportation of Oregon veterans in highly rural areas to medical appointments. Awards of \$50,000 per county will be used to preserve and maintain transportation programs established with the 2014 federal grant award. The counties receiving funds are Baker, Gilliam, Grant, Harney, Lake, Malheur, Morrow, Sherman,

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Wallowa, and Wheeler. ODVA acts as the applicant and grantee on behalf of the counties, and will pass through funds and monitor compliance with grant requirements. The grant is for a period of one year and requires no matching funds or additional positions for administration. A placeholder amount of \$1 in Federal Funds expenditure limitation was included in the legislatively adopted budget for the agency.

EDUCATION

State School Fund

The Subcommittee approved a decrease of \$39,553,391 General Fund and an increase of \$39,553,391 Lottery Funds for the State School Fund. These changes reflect the balance of available General Fund and Lottery Funds for the overall state budget and maintains the amount of \$7,376 million total funds for the State School Fund for the 2015-17 biennium.

Department of Education

The Subcommittee approved changes in the Federal Funds expenditure limitations for agency operations for federal grants received by Department of Education as described below:

- An increase of \$7,130,223 for a three-year federal grant from the U.S. Department of Education's Office of Innovation and Improvement. The purpose of the grant is to increase the number of high-quality charter schools by providing assistance to potential charter schools for planning, program design, and initial operations. Funds will also be used to share best practices among all charter schools and sponsoring districts. One limited duration position (0.63 FTE) was approved relating to the grant.
- An increase of \$1,160,860 for three separate child nutrition grants from the U.S. Department of Agriculture. The three grants were the Professional Standards Training grant (\$138,915), the Team Nutrition grant (\$203,563), and the Tier 2 Direct Certification Improvement grant (\$818,382). A limited duration position (0.63 FTE) was approved for the Tier 2 Direct Certification Improvement grant.

The Subcommittee approved an increase of \$515,200 Other Funds expenditure limitation to cover costs of an increase in the number of students participating in the Hospital Program. The agency is required to provide and pay for the costs of educational services for children, through age 21, who are expected to be hospitalized for an extended period of time. This increase will be funded through an increased distribution from the State School Fund. Also approved was a transfer of \$51,458 General Fund from the breakfast and summer food programs under Grant-in-Aid to agency Operations for the administration of the Farm-to-School program. A one-time increase in the Other Funds expenditure limitation of \$2,030,515 for the Oregon School for the Deaf was approved for deferred maintenance, including replacement of the School's Heating Ventilation Air Conditioning, or HVAC, system. The source of funds for this includes moneys set aside from the sale of the School for the Blind property, income from the rental of school facilities, and the anticipated sale of a vacant parcel of school property. The Department of Administrative Services is instructed to unschedule this increase until the final cost of the project is determined and the sale of the vacant property is completed.

To ensure that debt service payments on education-related Lottery Bonds are funded from the proper sources, the Subcommittee approved changes to the amount of Lottery Fund resources allocated to the Department of Education. House Bill 5016, the 2015 appropriation bill for the agency, allocated the entire \$1,434,927 required for debt service payments from the Oregon Education Fund. The actual allocation is \$593,395 from the Oregon Education Fund and the remaining \$841,532 is from the Administrative Services Economic Development Fund.

The Subcommittee approved an increase of \$3,130,000 General Fund for the Oregon Department of Education's agency operations to fully fund the Assessment and Accountability unit. The 2015-17 budget for this unit was inadvertently underfunded by \$3,771,938 General Fund and needs these funds to meet its responsibilities and commitments. This budget gap is resolved by transferring \$930,000 General Fund from the Grant-in-Aid budget in unallocated resources and an increase of \$2,200,000 in new General Fund resources. The remaining \$641,938 is to be found by the agency in savings in its existing agency operations budget, including holding positions vacant in the unit. There is also a transfer of \$2,000,000 in excess Federal Funds expenditure limitation from the Grant-in-Aid budget to Operations, and an additional increase of \$1,971,397 in Federal Funds expenditure limitation to match the amount of federal funding available for this function.

General Fund increases for existing programs were approved as described below:

- Funding for the Oregon Pre-Kindergarten program was increased by \$5.3 million, bringing the total General Fund resources for this program to \$145.3 million.
- Funding for the Early Intervention and Early Childhood Special Education programs was increased by \$5,393,340 General Fund. This increase reflects, in part, the growth in these two programs at a rate greater than estimated at the end of the 2015 session. Total General Fund resources for these programs, including this increase, is \$155.8 million.
- The Relief Nurseries program was increased by \$300,000 General Fund, bringing the total General Fund available for the 2015-17 biennium to \$8.6 million. This additional funding and the \$700,000 General Fund appropriated by chapter 837, section 109, Oregon Laws 2015 should be considered permanent for the purposes of developing the 2017-19 budget.

One-time General Fund appropriations were approved by the Subcommittee for new programs and grants as described below:

- \$260,000 General Fund for a grant to the Burnt River School District for the Burnt River Integrated Agriculture/Science Research Ranch program. This program provides educational opportunities to students from outside the district, including from the Portland area, and provides a number of educational services outside of the core curriculum common to all high school students, including natural resource studies, agricultural experience, water quality monitoring, animal husbandry, sustainable rangeland science, forest restoration, and organic food production.
- \$400,000 General Fund for grants to organizations which provide training and assistance relating to culturally relevant educational practices authorized as eligible services under the Network for Quality Teaching and Learning under House Bill 4033. Grants of equal value are to be provided to two organizations: (1) Center for Culturally Responsive Practices and (2) Teaching with Purpose.
- \$95,000 General Fund appropriation for a grant to the World of Speed organization for the High School Automotive Career Technical Education program. The organization partners with Clackamas Community College and area high schools to provide automotive related career technical education (CTE). Other high schools have expressed interest and the \$95,000 would be used to match other contributions to the program, assisting with cost of transporting students to the facility for classes, and other program costs.

The Subcommittee eliminated the \$17,540,357 General Fund special purpose appropriation to the Emergency Board for the mixed delivery preschool program established in House Bill 3380 (2015) and directly appropriated the same amount to the Oregon Department of Education for

the same purpose. The intent is for this funding to be distributed to four to six Early Learning Hubs that demonstrate that the Hub and the providers in their service area are prepared to implement the mixed delivery preschool model beginning in September 2016. In developing the 2017-19 current service level budget for this program, only the full two-year costs of this appropriation should be factored into the calculation. Any further expansion to add new Early Learning Hubs should be a separate policy decision made by the Legislature during the 2017 session. In addition to the annual report to the Legislature required in House Bill 3380 (2015), the agency is instructed to report to the Emergency Board prior to June 1, 2016 on which Early Learning Hubs were selected, the number of preschool providers estimated to be delivering the program, the estimated number of children that will be served under the program, and an update on the various cost components of the program.

One permanent Research Analyst 3 position (0.63 FTE) was approved to manage and analyze information collected through the Class Roster data from school districts under House Bill 2644 (2013). The agency will identify the funding from existing resources for the 2015-17 biennium.

Higher Education Coordinating Commission

The Subcommittee approved a one-time \$1,800,000 General Fund appropriation to the Higher Education Coordinating Commission (HECC) for a grant to Umpqua Community College (UCC) to address the issues resulting from the shooting incident on the UCC campus on October 1, 2015. The funding may be used for: (1) staff, including security staff; (2) upgrading security communications equipment, door locks, and campus lighting; (3) upgrading the campus's network fiber system to accommodate the new communications equipment; and (4) other costs related to the October 1st incident. HECC is to report back to the Legislature as part of its budget presentation to the Joint Committee on Ways and Means in 2017 on how these resources were expended. Also approved was a one-time \$4,250,000 General Fund appropriation to HECC for a grant to UCC for the construction or renovation of a replacement for Snyder Hall where the shooting incident took place. The College is currently not using the classroom space in the building and is relying on temporary structures to replace some of the space.

The Subcommittee recognized the Community Colleges' needs regarding campus and student security and safety issues which were illustrated, in part, by the shooting incident at UCC. The Governor has appointed a workgroup to recommend actions and investments for security and safety at Community College and other Post-Secondary institutions. Based on the recommendations of the workgroup and the Community Colleges, the Legislature will address this issue during the 2017 session.

An \$804,506 increase in Other Funds expenditure limitation was approved by the Subcommittee for payment of the costs of issuing General Obligation bonds on behalf of community colleges and public universities. This increase represents the estimated amount required if all of the bonds authorized for the 2015-17 budget cycle are issued by the end of the current biennium.

The Subcommittee also approved three one-time General Fund appropriations to HECC to be allocated to Oregon State University. The first appropriation is \$800,000 for the Northwest National Marine Renewable Energy Center to serve as match for federal funds for the Pacific Marine Energy Center South Energy Test Site. The federal government has made an initial \$5 million available to fund a competitive grant to further develop a wave energy test facility, with the expectation that a 25% local match will be provided. HECC is only to release the funds if Oregon State University is awarded the grant. The second appropriation is \$100,000 for endophyte research which is to be matched by private dollars. These funds are to be used only for endophyte research in support of Oregon's fiber and straw export industry. A report to the Legislative Fiscal Office on how the funds were used in support of endophyte research and what was made possible by this additional influx of funds should be made by December 31, 2016. The third is \$100,000 for the purpose of establishing an endowed scholarship fund through the Oregon State

University Foundation. The scholarship must be used to support students engaged in research associated with Amyotrophic Lateral Sclerosis (ALS).

The Subcommittee approved a one-time General Fund appropriation of \$1,900,000 for the four technical and regional universities, along with Portland State University, to help fund new compensation agreements for classified staff. HECC is directed to distribute the following amounts to the following universities: Portland State University - \$400,000; Eastern Oregon University - \$251,559; Southern Oregon University - \$468,591; Western Oregon University - \$485,646; and Oregon Institute of Technology - \$294,204.

Budget Note:

The Subcommittee recognizes that the Current Service Level (CSL) is intended to estimate the cost of legislatively approved programs in the upcoming biennium. In 2009, the Joint Committee on Way and Means approved the adoption of a CSL model for the Community College Support Fund (CCSF) to reflect health benefit and retirement costs expected to exceed the Department of Administrative Services standard inflation rate.

To ensure consistency in post-secondary state support CSL calculations, the Department of Administrative Services (DAS) and the Legislative Fiscal Office (LFO) are directed to develop, in consultation with the Higher Education Coordinating Commission and the seven public universities, an estimated cost of applying the Community College Support Fund model to the Public University Support Fund, the Agricultural Experiment Station, the Extension Service, the Forest Research Laboratory, and Public University State Programs. The estimate will include data elements that the public universities will be required to submit to HECC in order to implement the model.

DAS and LFO will provide the estimated cost to implement the Community College Support Fund CSL model for Public University state support to the Emergency Board, through the Legislative Fiscal Office, by July 1, 2016.

Chief Education Office

The Chief Education Officer, in cooperation with other education agencies, has completed the steps necessary to receive Stage Gate 3 approval to move forward on the development of the Statewide Longitudinal Data System (SLDS). This means the project staff have completed the required project management documents with approval from the State's Chief Information Officer. As a result, the Subcommittee approved \$5,505,280 General Fund for the project development and staff for this biennium. Based on the project's schedule, this will leave one quarter's worth of development costs for 2017-19. Ongoing costs for the Data System, starting in 2017-19, are estimated to be roughly \$3.0 million per biennium, including staff for the operation, data integration, and maintenance, as well as the network-related costs due to the Department of Administrative Services (DAS). Also approved were 3 new permanent positions (1.75 FTE) and an additional 1.86 FTE to continue three existing limited duration positions for the remainder of the biennium. Two of these three limited duration positions, the Project Director and Systems Integration positions, are made permanent. DAS is instructed to unschedule \$495,000 of this appropriation, which represents the project contingency funds. The agency can make a request to DAS and the Legislative Fiscal Office to reschedule these contingency funds if need arises before the end of the biennium. The Chief Education Office is instructed to report to the Emergency Board prior to October 1, 2016 on the project's progress and expenditures.

Teacher Standards and Practices Commission

Senate Bill 78 (2015) appropriated \$200,000 General Fund to the Teacher Standards and Practices Commission to be transferred to the Teacher Education Program Accreditation Account. This funding was intended to support grants for teacher education programs that incur costs associated with national teacher accreditation. According to current accounting practices, the agency needs to expend the \$200,000 as “Other Funds,” requiring an Other Funds expenditure limitation increase of \$200,000 so these grants may be awarded.

Various Agencies

The Subcommittee approved the transfer of \$2.0 million General Fund from the Oregon Department of Education (ODE) to the Higher Education Coordinating Commission (HECC). These funds had been part of a larger investment in Career and Technical Education (CTE) and Science Technology Engineering and Mathematics (STEM) programs appropriated to ODE in House Bill 5016 (2015). One component of this CTE and STEM investment was a program related to post-secondary success to provide start-up funding and support services for the recruitment, retention, and attainment of underserved students in post-secondary programs related to high-demand fields including, but not limited to, health sciences, computer science, engineering, high tech manufacturing, precision agriculture, and advanced food processing. This program is more appropriately administered by HECC.

The Subcommittee approved one-time increases in the General Fund appropriations for the Chief Education Office, HECC, and ODE for student transitional services and supports between secondary and post-secondary education. This distribution reflects, in part, the product of a workgroup organized by HECC to recommend what services should be funded by a \$6,865,921 General Fund special purpose appropriation made in Senate Bill 418 (2015). This bill eliminates the special purpose appropriation and uses some of these resources to fund transitional services under House Bill 4076. Additionally, a total of \$4,025,000 is appropriated for transitional services and supports between secondary and post-secondary education as outlined below.

	<u>General Fund Appropriation</u>
Chief Education Office	
Summer summit for high school and post-secondary staff including counselors and financial aid staff	\$ 300,000
Local collaboration between high school counselors and post-secondary advisors	\$ 700,000
Higher Education Coordinating Commission (HECC)	
Community College support for improved Developmental Education models	\$ 600,000
Community College support for development and alignment of Career Pathways	\$ 600,000
Expansion of eMentoring for Oregon Promise students	\$ 120,000
Statewide expansion of FAFSA Plus	\$ 105,000
Subscription of Signal Vine connecting with students via two-way texting	\$ 100,000
Evaluation and tracking implementation of transitional supports and services in this bill	\$ 50,000
Oregon Department of Education	
License for College and Career Readiness counselor training modules	\$ 50,000
Expansion of AVID or similar program for high schools	\$ 1,400,000
Total	\$ 4,025,000

HUMAN SERVICES

Oregon Commission for the Blind

The Subcommittee approved one-time increases of \$680,109 General Fund, \$199,049 Other Funds, and \$3,248,343 Federal Funds to purchase vending machine equipment for the agency's Business Enterprise Program. The Department of Administrative Services is expected to unschedule these amounts, which may only be rescheduled based upon the successful request of federal allotment funds from the U.S. Department of Education.

Oregon Health Authority

Senate Bill 5701 adjusts the Oregon Health Authority (OHA) budget for updated pricing of program caseloads, costs, and revenues to "rebalance" the budget. This information was presented at the January 2016 meeting of the Interim Joint Committee on Ways and Means. The agency's rebalance plan resulted in an overall General Fund shortfall of \$37.6 million. This net position included budget problems of \$129.7 million General Fund related to increases in caseload and other program costs. Savings of \$67.1 million General Fund resulted from a change in the federal match rate, as well as from additional revenues from a number of sources. In addition, the agency is planning to implement management actions to decrease costs by \$25 million General Fund. These include an acceleration of the redetermination process next year, a delay in fee-for-service rate adjustments, and enhanced savings from program integrity efforts, including fraud detection.

The rebalance plan increases Federal Funds expenditure limitation by almost \$1 billion, mostly related to the increased caseload forecast. There are also a number of technical adjustments included in the rebalance. While these normally net to zero for the agency as a whole, in this case there is a transfer of 14 positions from the Department of Human Services to OHA.

As discussed during the 2015 legislative session, the agency has implemented an agency restructure as a part of this rebalance. The new structure is designed to promote health care transformation, including integration of physical, behavioral, and dental health. This structure better reflects the new work of coordinated care organizations, as well as public health programs aligned with system transformation. Most significantly, the old Medical Assistance Programs (MAP) and Addictions and Mental Health (AMH) are eliminated in the restructure, with MAP and community mental health and addictions programs moving to the new Health Systems Division (HSD). The Oregon State Hospital (OSH) will now be its own budget structure.

As a part of the agency restructure, a thorough review of positions was conducted. Partly historical, dating back a number of years, and partly as a result of the implementation of health care transformation and the Affordable Care Act when many staff were brought on to perform time-sensitive tasks, the agency found itself with many staff but without appropriate position authority. In addition, as health care transformation moved forward, the agency needed fewer positions in some areas but more and/or different kinds of positions in other areas. The true-up included in the rebalance resolves issues of permanent staff not having position authority, as well as limited duration staff that had been used for on-going functions and priorities now becoming permanent positions. Overall, the changes are budget neutral and result in a reduction of two positions and an increase of 9.52 FTE.

The agency continues to face a number of budget risks that were not explicitly included in the rebalance plan. These include changes to caseloads, prescription drug costs, increased Aid and Assist population in the Oregon State Hospital, and costs of pending litigation. The special purpose appropriation of \$40 million that was established during the 2015 legislative session for OHA or the Department of Human Services will remain in place to address caseload costs or other budget challenges that the agencies are unable to mitigate.

The Subcommittee approved the agency's rebalance plan, with one notable exception. Costs of \$17 million General Fund related to the Medicaid Oregon eligibility (ONE) system were not funded at this time. These are costs to maintain the old eligibility system for litigation purposes after the contract with Oracle expires in March 2016. In addition to rebalance adjustments, the Subcommittee approved \$25 million of additional hospital assessment revenue that is remaining from the program ending September 30, 2015, which will be used in the budget in place of General Fund.

Overall, the adjustments made in Senate Bill 5701 result in an increase in the agency's total funds budget of \$1.1 billion, a reduction of General Fund of \$1.5 million, and an increase of 21 positions (22.88FTE). These numbers do not include budget changes related to employee compensation cost changes, which total \$20.8 million General Fund and \$37.8 million total funds, and are also included as part of Senate Bill 5701.

A more detailed description by program area follows.

Health Systems Division

The budget adjustments in Senate Bill 5701 reflect a net \$8.3 million decrease in General Fund in the Health Systems Division (HSD), with a \$75.4 million increase in Other Funds expenditure limitation and a \$964.7 million increase in Federal Funds expenditure limitation.

The rebalance plan for HSD approved by the Subcommittee includes increased caseload costs of \$84.4 million General Fund. Caseload forecasts are up primarily because redeterminations have been delayed several times over the past year. With the recent implementation of the new ONE eligibility system, the agency anticipates catching up on redeterminations over the next year. While the caseload forecasts have attempted to build in the timing of these redeterminations, forecast risks will remain higher than usual until the data has settled down over an extended period of time and there is good historical information on which to base the forecasts. Other costs include \$10.7 million General Fund for an increase in the Medicare Part D clawback required by the Centers for Medicare and Medicaid Services (CMS). Medicare Part B premiums have also increased, resulting in a General Fund need of \$7.2 million. Oregon pays these premiums for clients that are eligible for both Medicare and Medicaid. Eight additional Federally Qualified Health Centers (FQHCs) are moving to the alternative payment methodology, resulting in a one-time cost of \$3.1 million General Fund.

The rebalance plan includes a General Fund need of \$20.9 million General Fund for the new ONE eligibility system. Additional refinement of operational and maintenance costs for the system have resulted in a need for \$3.9 million General Fund above what is currently budgeted. The remaining \$17 million represents the costs to maintain the old eligibility system for litigation purposes after the contract with Oracle expires in March 2016. The Subcommittee did not approve that \$17 million General Fund in the final budget.

The rebalance plan includes a total of \$63.4 million General Fund savings in HSD. This includes a \$10.2 million savings resulting from an increase in the federal match rate for Oregon, and \$11.8 million freed up by an increase in the tobacco tax revenue forecast for the biennium. In addition, \$25 million of Other Funds are left over from 2013-15 and can be used to replace General Fund for the current biennium. Settlements and drug rebate revenues are coming in about \$15 million above budget and will replace General Fund as well. Finally, caseloads related to forensics patients living in the community went down slightly for a savings of \$1.4 million.

The rebalance plan includes management actions to decrease costs by \$25 million General Fund, all in HSD. These include an acceleration of the redetermination process next year, a delay in fee-for-service rate adjustments, and enhanced savings from program integrity efforts, including fraud detection. Finally, the rebalance includes an additional \$964.7 million in Federal Funds expenditure limitation, primarily because of the increased caseload. An addition of \$40.4 million Other Funds expenditure limitation results from the additional revenues discussed above.

In addition to rebalance adjustments, the Subcommittee adjustments include the addition of \$35 million of additional hospital assessment revenue that remains from the assessment program that ended September 30, 2015. Of the total, \$25 million will be used to replace General Fund in the 2015-17 budget, while the remaining \$10 million Other Funds has been approved for one-time investments in rural hospital transformation and sustainability as outlined below. These recommendations were brought forward by a workgroup required by a Senate Bill 5507 (2015) budget note.

For investment in rural health provider workforce capacity, it is expected that at least \$1.5 million Other Funds will be used to support the work of Oregon's Graduate Medical Education Consortium.

Investments in small and rural hospital transformation strategies include: establish transitional post-acute care programs (cost of \$4 to \$7 million over three years), establish virtual clinics in communities with acute primary care shortages (cost of up to \$1.1 million), and provide education for rural providers on population health (cost of \$100,000). Costs associated with each option available to rural hospitals will depend on the number of hospitals that pursue each option. Rural hospitals have the flexibility to select one or more options depending on local needs. The funding for hospital programs will be distributed through OHA, to the Oregon Association of Hospitals Research and Education Foundation, which will collaborate with OHA to identify related baseline and outcome data on each project and report that data to OHA as well as provide the funding to implement each of the projects available to rural hospitals.

The following budget note was approved by the Subcommittee.

Budget Note:

The Oregon Health Authority shall identify and track related outcomes on each project that is implemented as a result of the \$10 million investment in rural hospital transformation and sustainability, shall provide regular updates to the Legislative Fiscal Office and the Department of Administrative Services Chief Financial Office, and shall report back to the Joint Committee on Ways and Means during the 2017 legislative session on the implementation and status of the projects, outcomes to date, costs to date, as well as recommended policies which will improve population health outcomes in rural Oregon.

The Subcommittee included \$2 million General Fund for the Medicaid Primary Care Loan Repayment Program. This program was funded in the 2013-15 biennium, but not in the current biennium. The budget also includes \$0.5 million General Fund for negotiated compensation cost changes for non-state employees. As discussed above, most of the special purpose appropriation of \$10.7 million, which had been set aside for this purpose, was distributed to OHA and the Department of Human Services.

The Subcommittee included \$900,000 of one-time General Fund for planning and start-up costs related to providing medical assistance for additional children in Oregon. The following budget note was approved.

Budget Note:

The Oregon Health Authority is directed to develop a plan and recommendations for extending medical assistance to children not eligible under ORS 414.231(3) including: eligibility criteria, coverage options, enrollment estimates, issues of equity and inclusion, integration with other programs, outreach, administrative and staffing changes, phasing options, and cost estimates. In developing the recommendations, the agency is expected to engage stakeholders and legislators, and utilize information on experiences in other states. The agency will report back to the appropriate committees during the 2017 legislative session on their plan and recommendations.

Oregon State Hospital

The rebalance plan approved by the Subcommittee for the Oregon State Hospital (OSH) includes \$2.7 million General Fund to finish the implementation of the Avatar system, the electronic health record system at the hospital. Much of the Avatar system has been completed and adopted into the normal workflow processes. This includes the Clinician Work state, Lab Management, and Food and Nutrition Services.

However, the Medication Management and the Billing modules have not yet been fully implemented and adopted into the workflow processes. Implementation of the medication management module will allow the use of automated dispensing of medication, as well as electronic medication administration records. A recent Secretary of State audit noted the importance of finishing this work, both from an efficiency and patient safety perspective. The Billing module will assist in more accurate and timely reimbursement requests to Medicare, Medicaid, and third party insurance providers. The agency has contracted with a company to assist with the final adoption and implementation of these parts of the system.

The rebalance plan also includes the transfer of \$10 million General Fund from OSH to Statewide Assessments and Enterprise-wide Costs (SAEC). This funding was put in the OSH budget to be used for cost allocation purposes once the agency had done a thorough review of cost allocation issues within OSH and agreed with CMS on a new cost allocation plan. Once cost allocation is actually implemented, the funding will need to be in SAEC.

Although the agency believed it was too early to bring forward as a formal request, there is risk to the Oregon State Hospital budget. The Aid and Assist population at the hospital continues to grow and may ultimately result in the need to open an additional ward. The agency is in the process of implementing several investments that are expected to ease the pressure from this population, and so at this point is not requesting any funding. OSH is also closely monitoring the use of overtime, particularly as it relates to staff use of the federal Family and Medical Leave Act, and may eventually request additional positions to deal with these issues.

Public Health

The Subcommittee approved an Other Funds expenditure limitation of \$4.0 million and two permanent positions (1.00 FTE) for a youth marijuana-use prevention pilot project as required in House Bill 4014. The one-time funding for this program will be transferred from the Oregon Liquor Control Commission Account, to be repaid out of marijuana tax revenues. This evidence-based pilot project will serve as a basis for establishing a statewide program during the 2017-19 biennium. The distribution of marijuana taxes during the 2017-19 biennium may be adequate to fund the statewide program, but if not, the agency will need to request additional funding to operate an ongoing program.

The agency anticipates establishing a new fee for medical marijuana processors, and increasing the fee on growers, effective April 1, 2016. These fees are necessary to pay for the increased costs to the program with the changes that resulted during the 2015 session. The increased expenditure limitation was included in the agency's 2015-17 legislatively adopted budget.

The agency anticipates a fiscal impact from House Bill 4014 and Senate Bill 1511, which make changes to both the medical marijuana and recreational marijuana systems. In addition to the pilot project discussed above, House Bill 4014 requires the agency to issue receipts to medical marijuana registry applicants on the same day that they are received. This is expected to require additional staff. Senate Bill 1511 allows producers, processors, and distributors that currently are limited to medical marijuana only to choose to operate in both the medical and recreational markets. In that case, both the licensing revenue and the regulatory functions related to those entities will move to the Oregon Liquor Control Commission (OLCC). In the short run, this will create additional workload for program staff in Public Health, as paperwork is completed to allow the entities to shift. In the long run, OHA estimates up to a \$5.6 million loss of revenue during the 2015-17 biennium, as producers, processors, and dispensaries opt to be licensed and registered by OLCC. While the agency would also experience some cost reductions as less regulatory work would be required, it is likely that the revenue reduction would occur sooner than the costs can be reduced. The overall effects cannot be estimated accurately at this time.

The agency expects to include the necessary adjustments to expenditure limitation, as well as adjustments to numbers and classifications of positions needed, in the rebalance they will submit during the fall of 2016. In their rebalance report, the agency will also report on the estimated revenue loss and its program impact. A number of on-going core public health programs are funded with fee revenue generated through the medical marijuana program. If revenues are inadequate to fund these programs, General Fund could be required to continue these programs, or the programs would need to be reduced or discontinued. These programs include state support for local public health departments, the Safe Drinking Water Program, Emergency Medical Services, and others.

One full-time position (0.38 FTE) was approved for the Prescription Drug Monitoring Program for workload associated with House Bill 4124.

Central and Shared Services/Statewide Assessments and Enterprise-Wide Costs

The rebalance plan approved by the Subcommittee for the administrative units of the agency includes \$0.6 million General Fund for mass transit costs and treasury fees that were not included in the original budget. In the future, these need to be incorporated in the budget build process.

Debt service is also included within these budget units. The Oregon State Hospital Replacement Project is expected to close out with a surplus of \$3.7 million in bond proceeds. This surplus will be used to pay down debt service and free up General Fund. Another \$0.4 million Other Funds expenditure limitation has been identified by the Department of Administrative Services as available to pay debt service on these bonds, also freeing up General Fund.

Department of Human Services

The 2015-17 budget for the Department of Human Services (DHS) is built around nine budget structures and five appropriations. The budget structures reflect five direct program areas: Self Sufficiency (SS); Child Welfare (CW); Vocational Rehabilitation (VR); Aging and People with Disabilities (APD); Intellectual and Developmental Disabilities (IDD); and four program support functions: Program Design Services (PDS), Central Services (CS), Shared Services (Shared), and State Assessments and Enterprise-wide Costs (SAEC).

The majority of the DHS budget adjustments approved by the Subcommittee are driven by actions needed to rebalance the agency's budget. At the January 2016 meeting of the Interim Joint Committee on Ways and Means, the agency presented a rebalance report indicating a significant funding need – \$71.7 million General Fund – to sustain programs for the remainder of the biennium. This projection incorporates a number of issues affecting the agency's budget, including caseload changes, increases in cost per case, and other program changes or issues arising since the 2015 legislative session.

The biggest drivers of the budget deficit are caseload costs in the APD and IDD programs, some of which are compounded by collective bargaining actions and federal regulations. While these issues were identified as budget risks during the 2015 session and handled either directly in the budget or through special purpose appropriations, some costs were not adequately estimated. In addition to costs, the DHS rebalance calculation does factor in caseload savings in Temporary Assistance for Needy Families (TANF) and from federal match rate changes. The approved rebalance plan addresses part of the budget gap by directly adding \$37.4 million General Fund to the budget; however, this leaves about \$34.9 million General Fund associated with APD and IDD caseload costs unfunded (as of the current projection; the unfunded amount may change as expenditures are recorded and projections evolve).

The special purpose appropriation of \$40 million that was established during the 2015 legislative session for DHS or OHA has been left untouched and continues to be available for the Emergency Board to allocate to help cover caseload costs or other budget challenges that the agencies are unable to mitigate. However, if demand ends up being greater than the amount of funding set aside, other legislative action may be required early in the 2017 session. DHS will continue to closely monitor caseload counts and costs in all programs, while continuing to develop long term solutions to ensure budget sustainability.

Regarding sustainability, the budget report for House Bill 5026 (2015), contained a budget note directing the agency to report, during the 2016 legislative session, on ways to ensure program sustainability specifically for the APD and IDD programs. This direction was in response to concerns about budget growth and increases in both caseload volume and costs. The agency engaged an external consultant to support the development of independent and unbiased options for program sustainability. The final report, produced by the Lewin Group, was received on February 10, 2016, and identifies potential strategies for “bending the cost curve” in these programs. Suggestions primarily revolve around changing eligibility, modifying services, and increasing participant cost-share. Input from stakeholders was included in the report; while they acknowledge that projected program costs are unsustainable, there are varying perspectives on how best to deal with costs.

Legislative members expressed frustration with the report, as it had a limited amount of modeling, was unable to capture all potential budget drivers, and did not result in a list of succinct options for potential action. Both the Lewin Group and DHS indicated this was primarily due to time and data constraints. A group of legislators, primarily from the policy and budget committees overseeing human services issues, is committed to working with the agency and stakeholders to develop policy and program change options discrete enough to be fully vetted and priced for potential budget action in the 2017 legislative session. DHS has also identified some areas where it can start to make some changes, mostly around best practices for assessing client needs and validating that the most appropriate services/service levels are being authorized. To formalize these efforts, the Subcommittee adopted the following budget note:

Budget Note:

- 1) The Department of Human Services is directed to take steps to provide policy and budget options for decision making that will be required during the 2017 legislative session to ensure future sustainability of the APD and IDD programs. Steps include further refinement, analysis, and pricing of viable options or ideas brought forth by the agency, stakeholders, and other interested parties; the focus should be on ways to control caseload growth and utilization. The agency will reach out to legislators, stakeholders, and partners to assist in this effort. In developing sustainability proposals, the Department shall prioritize options that minimize impacts on consumers and providers. The Department will also formally report, at a minimum, to the Emergency Board during Legislative Days in May and December 2016 on progress made under both parts of this budget note. The agency may also be requested to report to interim legislative policy committees on human services.
- 2) In addition to the work described above, the Department is also directed to take immediate actions that may help contain costs without changing the current service system structure and that do not require statutory changes. The agency’s action plan includes:
 - Review and correct, if needed, the relationship between assessment tools and program eligibility criteria;
 - Take action to more efficiently align service authorization with people’s needs, also consider appropriate limits;

- Work to limit use of overtime in service plans; but the agency should take into account workforce shortage areas, the needs of consumers, and changes to current consumer provider relationships;
- Continue discussions with CMS to prevent the conversion of natural support to paid support, with consideration for parental responsibility; and
- Further restrict the live-in program to prohibit live-in service plans when the individual lives in their family's home or the family lives with the individual and is served by that relative (they would still be served in the hourly program).

Overall, the adjustments made in Senate Bill 5701 increase agency's budget by just under \$350.0 million total funds; comprised of \$36,651,673 General Fund, \$27,557,059 Other Funds expenditure limitation, and \$285,760,479 Federal Funds expenditure limitation. The associated staffing changes result in a net increase of 16 positions (7.23 FTE). These numbers do not include budget changes related to statewide employee compensation, which total \$27.5 million General Fund (\$60.6 million total funds), and are also included as a part of Senate Bill 5701.

In addition to caseload cost underfunding and caseload forecast/cost volatility, there are other budget risks. These include costs associated with the approved settlement agreement for the *Lane v. Brown* lawsuit (reduce number of clients in sheltered workshops) and other legal expenses; federal changes to funding streams, program requirements, and possible sequestration; and impacts of economic changes, such as a recession.

A more detailed description of each program area's budget adjustments follows. For context regarding caseload changes, the 2015-17 legislatively adopted budget was based on the spring 2015 caseload forecast; the rebalance adjustments in Senate Bill 5701 factor in caseload and cost changes tied to the fall 2015 forecast, published in January 2016.

Self Sufficiency

The budget adjustments approved by the Subcommittee for the Self Sufficiency (SS) program reflect a decrease of \$36.7 million General Fund (and total funds) and 1 position (no FTE change).

The fall 2015 forecast projects the 2015-17 overall Supplemental Nutrition Assistance Program (SNAP) caseload to be 5.3% lower than earlier estimates. Embedded in the net decrease is a decrease in the number of SS households receiving SNAP, while the number of Aging and People with Disabilities households receiving SNAP continues to grow. Caseloads in the TANF cash assistance programs are down 11.6% from the spring numbers, at a biennial average of 24,787 families. Overall caseload savings of \$37.0 million General Fund are included in the agency's rebalance calculation and used to offset costs in other programs.

While the 2015-17 budget included significant investments in, and changes to, the Employment Related Day Care (ERDC) program, the agency estimates an additional \$709,327 General Fund is needed to fully cover costs of collective bargaining for day care providers. This amount includes \$600,000 for AFSCME child care providers that was not part of the agency's original rebalance request. The costs are covered with an allocation from the \$10.7 million General Fund special purpose appropriation for collective bargaining costs for workers who are not state employees.

Technical adjustments and transfers account for a decrease of \$0.5 million total funds for this program, most of which aligns the budget between SS and support functions. This action is consistent with past budgeting practices which have made these budget changes as part of the first rebalance after the budget was approved; similar adjustments are approved in other programs. Two part-time positions are also combined into one full-time position to better meet program needs.

The Subcommittee approved \$130,000 General Fund, on a one-time basis, for distribution to the Oregon Food Bank. Through purchase of a refrigerated truck, the funding will support expansion of the Fresh Alliance initiative. This food recovery program picks up donations of perishable food (nearing end of shelf life) from grocery stores and then makes that food available to hunger-relief agencies.

Child Welfare

For Child Welfare (CW), the Subcommittee approved a decrease of \$0.5 million General Fund, an increase of \$0.3 million Other Funds expenditure limitation, an increase of \$1.8 million Federal Funds expenditure limitation, and a decrease of 1 position (no FTE change).

Forecasts for individual caseloads within CW have fluctuated slightly between the spring and fall forecasts, with associated budget changes primarily due to an increase in cost per case. A net increase of \$1.9 million General Fund and \$4.4 million total funds is identified as being needed to fund caseloads, most of which is attributed to the Well Being program. The rebalance does include savings from a change in the Federal Medical Assistance Percentage (FMAP), decreasing the need for General Fund. Based on the latest federal estimates, the 2015-17 biennial average FMAP rate will increase from 64.21% to 64.37%, which reduces the state contribution and draws down additional federal dollars. This change will also affect other agency programs.

The agency's rebalance proposal included the establishment of a budget mechanism (\$19.5 million Other Funds expenditure limitation) to fully convert the General Fund budget for the Supporting, Preserving and Reunifying Families (SPRF) program into Other Funds. To avoid overstating the overall budget for this program, the approved rebalance plan does not include this adjustment. If, closer to the end of the 2015-17 biennium, DHS estimates it will underspend its General Fund budget for SPRF, the agency can request the legislature to approve paying those excess dollars into the SPRF fund (converted into Other Funds).

Technical adjustments and transfers are approved for this program, which generally align the budget between CW and support functions. A position action is included to combine two part-time positions into one full-time position to better meet program needs.

Vocational Rehabilitation

The budget approved by the Subcommittee for Vocational Rehabilitation (VR) reflects increases of \$3.3 million General Fund, \$8.5 million Federal Funds expenditure limitation, and 8 positions (9.89 FTE).

The fall 2015 forecast projects the 2015-17 VR caseload to be about 1% lower than the spring estimate. Any potential savings associated with fewer clients is masked by higher than projected costs per case, which have grown by 16.3% from the spring 2015 forecast. Higher costs continue to be driven by an increase in the number of clients with cognitive and psychosocial disabilities who have complex needs that are more challenging to meet.

To maintain the program and cover these costs without activating the Order of Selection (priority wait list), the program estimates needing about \$7.5 million General Fund, since base federal dollars are capped. However, the rebalance plan uses \$8.5 million in one-time federal reallocation dollars to cover these costs for the 2015-17 biennium; these resources would need to be backfilled with General Fund in the 2017-19 budget to sustain program services. Another \$1.0 million of the one-time monies would cover costs associated with implementation of the federal Workforce Innovation and Opportunities Act (WIOA).

Technical adjustments and transfers account for an increase of \$3.3 million total funds and 11 positions (9.92 FTE); the dollars and the positions are associated with moving work tied to the Governor's Executive Order 15-01 and the Employment First policy package from Intellectual and Developmental Disabilities to VR. This position increase is partially offset by other actions converting part-time positions to full-time.

Aging and People with Disabilities

For the Aging and People with Disabilities (APD) program, the Subcommittee approved budget increases of \$33.5 million General Fund, \$17.2 million Other Funds expenditure limitation, and \$119.3 million Federal Funds expenditure limitation; no position changes were needed. The increases cover all but about \$8.7 million General Fund (plus corresponding Federal Funds expenditure limitation) of the agency's current projected budget shortfall associated with caseload costs. As noted previously, it is expected that most of these costs can be addressed via an allocation from the special purpose appropriation to the Emergency Board.

Caseloads in long-term care facilities are slightly above the level funded in the legislatively adopted budget. In-home and community-based facilities' caseloads are essentially flat, while nursing facilities' caseloads are 3.2% higher. Since nursing care is more expensive, that increase is driving a need for \$7.0 million General Fund and \$23.0 million total funds. A portion of these costs are offset by net savings in nursing facility rates of \$1.8 million General Fund (\$6.0 million total funds). Rates are anticipated to be lower in the second year of the biennium based on projected bed reduction targets; rates were pegged to those targets under House Bill 2216 (2013).

A key budget driver related to APD caseloads are costs per case associated with in-home care. Labor agreements and actions required by federal regulations are increasing hourly costs, while higher acuity and need levels are influencing service levels (hours per client). For some program services, cost per case has grown by as much as 15% over the spring forecast estimate. The approved rebalance plan covers \$13.8 million General Fund for overtime pay for home care workers that is being driven by federal labor regulations. Due to wage increases for these same workers, \$3,351,396 General Fund is added and is supported by an allocation from the \$10.7 million General Fund special purpose appropriation for compensation changes driven by collective bargaining for workers who are not state employees. In the approved rebalance plan, savings in community-based care are used to offset some of the in-home need.

Collective bargaining (rate increases) for adult foster care is behind an increase of \$1,241,568 General Fund (\$4.2 million total funds); this increase is also covered by an allocation from the special purpose appropriation for non-state worker collective bargaining. After allocations made in both the DHS and OHA budgets as part of Senate Bill 5701, there is \$700,147 remaining in that special purpose appropriation. It is anticipated that DHS and OHA will request this funding once outstanding bargaining issues are resolved; actual costs may vary based on outcomes.

APD's rebalance plan also includes \$4.0 million General Fund in savings due to the FMAP change noted previously, and another \$5.0 million General Fund savings tied to accessing more federal dollars for newly eligible clients.

To meet federal program requirements, the agency needs \$16.6 million Other Funds expenditure limitation for waived case management services. The approved limitation will help separately track program expenditures and receive the allowed higher match rate.

An expenditure limitation of \$7.0 million Federal Funds is included in the plan to reflect expenditures allowed under OHA's Designated State Health Program (DSHP) waiver associated with Oregon Project Independence.

Technical adjustments and transfers account for a net decrease of \$2.3 million total funds.

Intellectual and Developmental Disabilities

The rebalance changes approved by the Subcommittee for the Intellectual and Developmental Disabilities (IDD) program are increases of \$33.2 million General Fund and \$112.3 million Federal Funds expenditure limitation; positions were reduced by 11 (9.92 FTE). The increases cover all but about \$26.2 million General Fund (plus corresponding Federal Funds expenditure limitation) of the agency's current projected budget shortfall associated with caseload costs. As noted previously, it is expected that most of these costs can be addressed via an allocation from the special purpose appropriation to the Emergency Board.

Both caseloads and cost per case in IDD programs are expected to be higher than the previous forecast, driving an overall increase of \$64.6 million General Fund (\$210.3 million total funds). Caseload counts, particularly for children, are well over the spring 2015 forecast. This continues to be directly related to the K Plan, as under that state plan option services must be provided to all eligible applicants. Costs per case also continue to grow as they are driven by assessed client needs and no longer subject to any monetary caps.

The approved rebalance plan includes \$3.0 million General Fund to restore a reduction action taken during 2015-17 budget development. This amount was offered up by the agency as a reduction during session, but was attributed to the wrong program; if left in place the cut eliminates staff supporting children's programs. Participation rate changes for brokerage case management are driving an increase of \$2.1 million General Fund; the Department has a plan to improve participation rates going forward through provider training.

Labor agreements and federal rule changes also drive costs for IDD. Collective bargaining (rate increases) for adult foster care drives an increase of \$2,066,520 General Fund (\$7.0 million total funds). This change is covered by an allocation from the special purpose appropriation for non-state worker collective bargaining. Another allocation from the same source of \$2,133,480 General Fund (\$7.0 million total funds) is also approved to pay bargained wage increases for personal support workers. To address overtime rules also affecting personal support workers, \$3.2 million General Fund is added; this is part of a \$17 million General Fund need (APD and IDD combined) for this issue identified during the 2015 legislative session.

Some savings are available to help partially offset costs. In some parts of the program, Medicaid participation rates have improved and are projected to reduce General Fund spending by \$5.6 million. The change in the FMAP rate is anticipated to save \$4.6 million General Fund.

Technical adjustments and transfers reduce the IDD budget by \$4.6 million General Fund (\$6.2 million total funds) and 11 positions (9.92 FTE), most of which is moving the VR portion of the additional Employment First resources approved for 2015-17 from IDD to VR.

Program Design Services

In Program Design Services (PDS), the Subcommittee approved a decrease of \$0.2 million General Fund, an increase of \$7.6 million Other Funds expenditure limitation, an increase of \$40.9 million Federal Funds expenditure limitation, and an increase of 32 positions (13.70 FTE). These adjustments include some small technical adjustments, but the changes mostly consist of budget increases needed to cover the next phase of the agency's Integrated Eligibility (IE) information technology project.

In House Bill 5026 (2015), DHS received \$750,000 General Fund (\$7.5 million total funds) for planning to improve eligibility determination systems for non-MAGI (Modified Adjusted Gross Income) Medicaid programs. These programs primarily serve clients in the APD and IDD programs. However, after planning work and a changing information technology landscape due to implementation of OHA's OregonONEeligibility (ONE) system, the project approved by the Subcommittee will enhance ONE to support eligibility determinations for the non-MAGI Medicaid programs, plus the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Employment Related Day Care (ERDC) programs.

The additional project funding in Senate Bill 5701 is \$47.9 million total funds. When coupled with the previously authorized planning money, the overall 2015-17 project budget represents about 43% of the overall estimated project cost of \$130 million total funds. Based on current federal match estimates, about 85% of project costs will be covered by federal dollars. In House Bill 5202, the Joint Ways and Means Subcommittee on Capital Construction approved \$7.5 million in proceeds from Article XI-Q Bonds to cover the state share of the project for the current biennium. DHS estimates that the project will take 33 months to execute, with completion targeted for the end of 2018. The 2017-19 state share of the project is estimated at about \$15 million and includes debt service on the 2015-17 bonds. The staffing component of the project is 35 limited duration positions (15.83 FTE), primarily consisting of project managers and operations/policy analysts. These resources would supplement permanent employees (information technology, fiscal, policy, management) that are located in both DHS and OHA; some of these resources had been previously approved for work on other system improvement initiatives and the ONE project.

Both the Joint Committee on Ways and Means Subcommittee on Human Services and the Joint Legislative Committee on Information Management and Technology (JLCIMT) reviewed the project. The JLCIMT recommended incremental, conditional approval of the request and set out several action items, in its recommendation to the Joint Committee on Ways and Means, which were adopted. The Subcommittee approved the project with the understanding that the funding will be unscheduled until the Legislative Fiscal Office and the Chief Financial Office of the Department of Administrative Services approve rescheduling; agency compliance with the JLCIMT recommendations will be key to making expenditure limitation available. Depending on project progress and timing, the Department may be asked to report during the interim to the Emergency Board and/or JLCIMT.

Central Services

The budget adjustments, associated with technical change and transfers, included in Senate Bill 5701 for Central Services, are net decreases of \$0.3 million total funds and one position (1.00 FTE).

Shared Services

The Subcommittee approved a net decrease of \$0.8 Other Funds expenditure limitation and 10 positions (5.44 FTE) for Shared Services. Included in this adjustment is the transfer of 11 positions (7.37 FTE) from the Provider Audit Unit within the Office of Payment Accuracy and Recovery

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into OHA Central Services. This change is consistent with guidance from the federal Centers for Medicare and Medicaid Services regarding this unit's responsibility for auditing Medicaid providers.

Statewide Assessments and Enterprise-wide Costs

The budget adjustments approved by the Subcommittee include technical adjustments and transfers accounting for an increase of \$5.6 million General Fund (\$9.1 million total funds), primarily to align the assessment budget with 2015-17 policy package changes in program budget structures. There is also an adjustment to align with positions being moved to OHA from DHS Shared Services.

The approved rebalance plan includes \$118,318 General Fund (\$277,566 total funds) to cover Treasury fees. Due to an oversight during 2015-17 budget development, this line item, which is driven by the cost of banking services, was not adequately funded in the base budget. Also accounted for is an adjustment to capture and spend lease revenue, which reduces the need for both General and Federal Funds resources. To match up with the APD budget, \$2.5 million Other Funds expenditure limitation is added to support the budget mechanism for recording waived case management expenditures.

The agency's 2015-17 budget includes \$839,543 General Fund for debt service associated with the Central Abuse Management (formerly known as the Statewide Adult Abuse Data and Report-Writing System) and assumes a bond sale early in the biennium. Current project timing indicates the sale will not need to occur until spring 2017. Based on that timeframe, the debt service is eliminated because it is not needed; this savings amount is not included as a resource within the DHS rebalance plan.

JUDICIAL BRANCH

Commission on Judicial Fitness and Disability

The Subcommittee increased the General Fund appropriation for extraordinary expenses by \$172,000, equivalent to a 74.8% increase over the level of General Fund in the Commission's 2015-17 legislatively adopted budget. The funds were appropriated to pay the Commission's costs incurred from the investigation and prosecution of two charges of judicial misconduct. The action increases the General Fund appropriation for extraordinary expenses to \$189,753. The revised funding level covers the costs-to-date identified by the Commission, and provides an additional amount of approximately \$20,000 for projected Commission costs associated with the Supreme Court review of the cases. The agency will need to request additional funding later in the biennium, if the costs of completing the two current cases exceed projection, or if the Commission approves any additional cases for formal investigation. If the full appropriation is not needed, any remaining funds will be available to cover extraordinary expenses in the 2017-19 biennium. The General Fund increase was approved on a one-time basis and will be phased out in the development of the agency's 2017-19 budget.

Judicial Department

The Subcommittee approved increases in total Judicial Department expenditures of \$17,454,547. The expenditure changes include a General Fund increase of \$8,389,259. Budget adjustments include employee compensation adjustments plus the specific items identified below.

The Subcommittee increased the General Fund appropriation for judicial compensation by \$630,000 for the 2015-17 biennium cost of providing a \$5,000 per year salary increase to all statutory judges, beginning on January 1, 2017. The salary increase is enacted by Senate Bill 1597, the 2016 session program change bill. The fiscal impact of the salary increase will increase to \$2,520,000 General Fund beginning with the 2017-19 biennium, when it will be in effect for the full biennium.

A \$200,000 General Fund increase was approved for the Oregon State Bar Legal Assistance Program (Legal Aid) for legal assistance in housing-related issues. As is the practice with unrestricted General Fund appropriations for Legal Aid, this supplemental funding is approved on a one-time basis and will be phased out in the development of the 2017-19 budget. The General Fund appropriation increases combined total 2015-17 biennium state support for Legal Aid, from both Other Funds (court filing fees) and General Fund sources, to \$12,700,000.

The Subcommittee increased the Other Funds expenditure limitation for the State Court Technology Fund (SCTF) by \$5,330,000 for costs of maintaining and supporting state court electronic systems and providing electronic service and filing services. The expenditure limitation increase largely reflects a higher rate of electronic filing of court documents than was anticipated when the Chief Justice's recommended budget was developed. The Department uses SCTF moneys to pay electronic filing charges and does not charge participating parties who file the documents. The SCTF is projected, following this authorization and the mid-biennium transfer of legacy technology fee revenues to the SCTF as required by Senate Bill 1597, to have a 2015-17 biennium ending balance exceeding \$860,000. SCTF resources are not, however, projected to cover costs in subsequent biennia without action to either increase SCTF revenues or reduce ongoing operating costs.

A \$2,800,000 Other Funds expenditure limitation increase was approved for the planning and design of a new Lane County Courthouse facility through the Oregon Courthouse Capital Construction and Improvement Fund (OCCCF). This expenditure limitation amount allows for expenditures of up to \$1.4 million of Article XI-Q bond proceeds and of up to \$1.4 million of required county matching funds for the Lane County Courthouse project. Project bonds are authorized in House Bill 5202. The approved bond authority is in addition to the bond proceeds that were previously authorized for the 2015-17 biennium: \$17.4 million for the Multnomah County Central Courthouse project, \$2.5 million for the Jefferson County Courthouse project, and \$7,875,000 for the Tillamook County Courthouse project. Debt service costs for the Article XI-Q bonds authorized for the Lane County Courthouse project are projected to total approximately \$233,000 General Fund per biennium, beginning in the 2017-19 biennium. Because the bonds will not be issued until the spring of 2017, there will not be debt service payments due in the current biennium.

The approval of Article XI-Q bonds for planning and design of the Lane County Courthouse does not create or imply any commitment to provide state funds for the construction of the facility. The Subcommittee also increased the Judicial Department operations Other Funds expenditure limitation by \$45,000 for the cost of issuance of Article XI-Q bonds for planning and design of the Lane County Courthouse facility.

The Subcommittee approved the following budget note concerning courthouse funding through the Oregon Courthouse Capital Construction and Improvement Fund:

Budget Note:

The Chief Justice or his designee is requested to present a report to the Emergency Board, no later than December 2016, with a priority ranking and the projected costs of courthouse capital construction projects for which he may, within the next twelve years, request state funding support from the Oregon Courthouse Capital Construction and Improvement Fund. The report shall include recommendations for stabilizing biennial funding request amounts over the ten-year period beginning with the 2019-21 biennium.

Public Defense Services Commission

The Subcommittee increased the General Fund appropriation for the Contract and Business Services Division by \$18,834. The appropriation funds payment of a Secretary of State service charge that was omitted from the agency budget in error.

LEGISLATIVE BRANCH

The Subcommittee approved a net-zero General Fund rebalance. The adjustments include reductions to agency budgets to account for higher than anticipated reversions from the 2013-15 biennium, a \$180,000 increase for chamber improvements, and an increase of \$6.7 million in Legislative Administration for facilities projects. Unused bond proceeds of \$2.4 million are used to pay debt service in lieu of General Fund. The facilities projects will be the beginning of a \$50 million Capitol project that will make improvements to the mechanical, electrical, and plumbing systems; address security and life safety issues; and increase accessibility for people with disabilities. It is expected to take three years for all of the improvements to be completed. House Bill 5202 includes \$30 million in Article XI-Q bonds to continue the project into the 2017-19 biennium. The expenditure limitation for those bond proceeds are included in House Bill 5203, which is the bill for all capital construction limitations. The Subcommittee approved an Other Funds expenditure limitation of \$460,000 for the cost of issuance for the bonds. There is no debt service in the current biennium.

The Subcommittee also approved two new Other Funds expenditure limitations related to the Oregon Capitol Foundation. The Foundation is now a separate entity from the Legislative Administration Committee. The limitations include \$300,000 for the History Gateway and \$25,000 for expenses related to operations for the Foundation.

NATURAL RESOURCES

Department of Agriculture

The Subcommittee established a Federal Funds expenditure limitation of \$175,000 in the Administrative and Support Services program area to accommodate the awarding of a federal grant to be used for wolf depredation compensation claims, and for nonlethal preventative techniques.

The Subcommittee also increased Federal Funds expenditure limitation by \$1,700,000 and made a one-time \$539,338 General Fund appropriation as state match to pay for eradication efforts related to the Asian Gypsy Moth, a non-native invasive species, which was found in northwest Portland. The majority of the eradication project would occur during May and June of this year. On January 14, 2016, the U.S. Department of

Agriculture (USDA) notified the Department that \$1.7 million in federal funding would be made available for the eradication project. In the past, USDA has provided only 50% of eradication funding.

The Subcommittee also acknowledged that the Department anticipates increasing the wholesale seed dealer license from \$500 to \$750 in May 2016, and increasing the veterinary product registration fee from \$75 to \$100 in June 2016. The Other Funds revenues from these increases will be used, in part, to fund program compensation increases.

Columbia River Gorge Commission

The Subcommittee increased the General Fund appropriation made to the Columbia River Gorge Commission by \$11,308 to match the amount provided to the Commission by the State of Washington for the 2015-17 biennium for operational costs. Included in the \$11,308 increase is \$6,000 for costs related to a once every five year audit; this amount is considered to be one-time and is not to be included in the base budget for 2017-19 budget development. The Subcommittee also eliminated the Commission's \$5,000 Other Funds expenditure limitation provided in the adopted Oregon budget since any non-General Fund revenues received by the Commission are expended through the Washington budget.

Department of Environmental Quality

The Subcommittee approved a one-time \$100,000 General Fund appropriation for sampling, testing, and monitoring Harmful Algae Blooms. Of the total, \$30,000 will be used to purchase testing equipment so that samples do not need to be sent out of state for processing.

The Subcommittee also approved \$230,000 General Fund, on a one-time basis, to provide information for the 2017 legislative session on how a market-based carbon reduction system would work in Oregon. The money would be used to hire a full-time limited duration Operations and Policy Analyst 4 position (0.58 FTE). In addition, \$50,000 is to cover costs for an economic consultant to assist with research data and analysis. The DEQ work is to include:

- (1) Identify the type, scope, and design of the greenhouse gas emissions cap necessary to link with other jurisdictions and meet the state's greenhouse gas emissions reduction goals.
- (2) Assess how a market-based program would interact with existing programs, such as the Renewable Portfolio Standard, the Clean Power Plan, and the Clean Fuels program, and achieve the state's greenhouse gas emissions reduction goals.
- (3) Study and evaluate how existing market-based programs in other jurisdictions control leakage and how those methods might be adapted to align with Oregon's economy and business sectors.
- (4) Study and evaluate how existing market-based programs address potential impacts and benefits to disadvantaged populations and rural communities and how those methods might be adopted to Oregon.

The Subcommittee approved a \$2,500,000 General Fund appropriation to expand the Department's current Oregon Air Toxics Program. This will allow the immediate focus of increased air toxics monitoring efforts on cadmium, arsenic, and chromium hotspots in Portland, as well as, expand air toxics monitoring across the state. In addition, the increased funding will allow DEQ to develop a risk-based approach to air permitting for industrial sources through rulemaking. Over time this will allow DEQ to modify existing air permits to be risk-based. The air toxics monitoring funded through this appropriation uses moss collection and analysis to map pollution levels in Portland communities and develop maps of hot spots. This funding will allow the Department to purchase and set up two additional full air toxics monitoring stations that can be directed at areas with high levels of air toxics that are identified. A Natural Resources Specialist 3 position, three Natural Resources Specialist 2 positions, a

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Chemist 2 position, and a Chemist 3 position are added as permanent positions for the monitoring and analysis work. DEQ will also use the funding to develop, through rulemaking, an Oregon specific air toxics program that ensures industrial hot spots are sufficiently controlled. During this process, discussions with local governments about their potential roles and involvement, either formally or informally, may occur. To work on this part of the program, six permanent positions were added (Principal Executive Manager E, Program Analyst 3, Natural Resources Specialist 4, Natural Resources Specialist 3, Operations and Policy Analyst 1, and Public Affairs Specialist 2). In all, 12 permanent positions (7.00 FTE) were added, with total Personal Services costs of \$1,266,789, Services and Supplies costs, including Professional Services, of \$883,211 and \$350,000 in Capital Outlay for monitoring equipment. This program is estimated to have a 2017-19 roll-up cost of \$3,626,239 General Fund.

Department of Fish and Wildlife

The Subcommittee approved a one-time increase of \$180,000 Other Funds expenditure limitation to continue two limited-duration Natural Resource Specialist 2 positions authorized for one year in Senate Bill 5544 (2015). These two positions work with landowners to improve and protect sage grouse habitat.

Department of Forestry

The Subcommittee approved an increase of \$23,115,122 in the General Fund appropriation made to the Department of Forestry, Fire Protection Division for the payment of emergency firefighting costs associated with the 2015 forest fire season. This amount is dedicated to the following specific uses:

- Unbudgeted emergency fire costs (\$19,558,783)
- Fire protection district deductibles (\$677,886)
- Training provided to Oregon National Guard troops (\$500,000)
- Oregon State Treasury loan interest (\$323,630)
- Severity resources (\$2,054,823)

The portion of the General Fund appropriation to the Department of Forestry included above for severity resources is offset by a reduction of the same amount in the special purpose appropriation that had been established for this purpose. In addition, Other Funds expenditure limitation is increased by \$56,334,408, which includes \$55,172,387 for unbudgeted emergency fire costs and \$1,162,021 for fire protection district deductibles.

The Subcommittee approved a decrease in the General Fund appropriation of \$238,581 and a decrease in the Other Funds expenditure limitation of \$726,392 made to the Oregon Department of Forestry for the payment of debt service. These amounts were originally included in the agency's budget for the payment of debt service obligations on bonds that were anticipated to be issued at the end of the 2013-15 biennium, but were not. This is a technical adjustment to remove the excess General Fund and Other Funds expenditure limitation from the agency's budget. An increase of \$45,000 Other Funds expenditure limitation was approved for the payment of bond issuance costs related to Article XI-Q General Obligation bonds to replace an equipment warehouse for the East Lane Fire Protection District.

The Subcommittee approved a General Fund appropriation of \$704,286 and an increase in the Other Funds limitation of \$813,594 for the implementation of a procurement and payment system replacement. The new system is intended to be an end-to-end solution for the agency, replacing its current ad-hoc system of manual and semi-automated information systems and processes. The funding includes the establishment of

four, 15-month, limited-duration positions (Project Manager 3, Information Systems Specialist 6, Accountant 1, and Procurement and Contract Specialist 3). The Subcommittee approved the project with the understanding that the funding will be unscheduled until the Legislative Fiscal Office (LFO) and the Chief Financial Office of the Department of Administrative Services approve rescheduling and that the agency comply with recommendations made by the Joint Legislative Committee on Information Management Technology (JLCIMT).

Recommendations include direction that the agency proceeds through the standard Stage Gate 3 process, including updated business case and other foundational documents. The agency will ensure that the independent quality management services contractor conducts an updated risk assessment and perform quality control reviews on the documents noted above. The agency will report back to JLCIMT or Emergency Board on project status in September 2016.

Department of Land Conservation and Development

The Subcommittee approved an increase in the Other Funds expenditure limitation of \$216,000 to allow the agency to expend sub-grant funding received from the Oregon Office of Emergency Management made available through the Federal Emergency Management Agency. These funds will be used to aid in the development of local pre-disaster mitigation plans of local governments, including the cities of Albany, Medford, and Beaverton, Tillamook County, and cities within Tillamook County. A portion of this amount will be used to establish a limited duration Planner 2 position for 16 months (0.67 FTE).

Department of State Lands

In the fall of 2015, sump pumps and the associated drainage pipe failed at the Department of State Lands' headquarters building in Salem. The Department made emergency, stop-gap repairs. The Subcommittee approved a one-time \$85,919 increase to the Capital Improvement Other Funds expenditure limitation for the repairs to date. Additional permanent repairs will be needed next summer; the Department will seek another expenditure limitation increase at an Emergency Board meeting.

The Department was awarded a U.S. Environmental Protection Agency grant for Wetland Program Development in the amount of \$347,502. During the 2015 legislative session, \$133,000 in one-time Federal Funds expenditure limitation was approved and unscheduled for this grant, pending retroactive approval to apply for the grant. This amount was intended to provide sufficient expenditure limitation for work through March, 2016. The Subcommittee approved the additional \$214,502 in one-time Federal Funds expenditure limitation to enable the Department to complete the work.

A reduction in Attorney General charges to reflect reduced rates in the legislatively adopted budget was inadvertently made to the Capital Improvement limitation and should have been made to the Common School Fund limitation. Other Funds expenditure limitation is decreased by \$176,890 for the Common School Fund and an increase of the same amount is made to Capital Improvements.

Water Resources Department

The Subcommittee approved an increase in General Fund of \$705,288 to facilitate a groundwater study for the greater Harney Valley in coordination with the U.S. Geological Survey. The funding will support the establishment of a permanent Natural Resource Specialist position (\$130,288), one-time funding of \$400,000 for the drilling and construction of ten observation wells for data collection, and one-time funding of \$175,000 for the cost-sharing provisions of the groundwater study.

Oregon Watershed Enhancement Board

The Subcommittee increased the Measure 76 Lottery Funds expenditure limitation for operations by \$40,123 to pay the costs of reclassifying the Administrative Manager position from an Administrative Specialist 2 to a Principal Executive Manager A and reclassifying the Capacity Coordinator from an Operations Policy Analyst 3 to an Operations Policy Analyst 4. The reclassifications are due to increased duties that resulted from an agency reorganization. These reclassifications were reviewed and supported by Department of Administrative Services Human Resources. In addition, Measure 76 Lottery Funds expenditure limitation was increased by \$17,329 to correct an error that omitted capital mall security assessments in the legislatively adopted budget for 2015-17.

PUBLIC SAFETY

Department of Corrections

The October, 2015 male prison population forecast was as much as 200 beds higher than the April 2015 forecast, which was the basis for the 2015-17 budget. In response to the higher forecast, the Subcommittee approved \$2,558,694 General Fund and 6 new correctional officer positions (4.46 FTE) to shift the 787 Deer Ridge Correctional Institution minimum security inmates to the medium security facility, which will be operated as minimum housing. Of this amount, \$1,821,701 is a one-time expense. As the additional recently-forecasted inmates enter the system, there will be other housing units within the facility available to accommodate them. The additional costs for 200 more beds for the rest of the biennium is about \$6.9 million.

A special purpose appropriation to the Emergency Board in the amount of \$3 million can fund part of the remaining need. There will be two more forecasts before the end of the biennium, April and October 2016. Whatever unfunded amount remains can be considered as part of the Department's agency-wide budget rebalance that typically occurs during the long legislative session as part of the current biennium final statewide budget reconciliation.

In response to an investigation of housing and treatment conditions for seriously mentally ill inmates by the federal protection and advocacy entity, Disability Rights Oregon, the Department requested \$8.2 million General Fund for architectural and staffing changes. The Subcommittee approved \$3,139,557 General Fund for construction and staffing that will provide the identified inmates more out-of-cell time and increased mental health therapy and counseling. The direct appropriation includes \$1,031,676 for permanent staff, including 4 registered nurses and a project manager (3.33 FTE); reclassification of a corporal to a sergeant; and associated services and supplies. The remaining \$2,107,881 General Fund is for one-time construction expenses for a modular building for treatment and office space on the Oregon State Penitentiary grounds and for changes inside the mental health unit of the penitentiary.

In addition, a special purpose appropriation to the Emergency Board in the amount of \$2 million will be available for the Department to request as they need additional staff. Any unfunded balance can be considered as part of the Department's agency-wide budget rebalance that typically occurs during the long legislative session as part of the current biennium final statewide budget reconciliation.

The Subcommittee approved redirecting unused Junction City Correctional Institution bond funding and unneeded cost of issuance funds for various Department of Corrections bond sales to Other Funds debt service. The total Other Funds limitation is \$2,094,636.

Pilot project General Fund that was intended to be one-time is phased out from the Offender Management and Rehabilitation unit within the Department. The reduction is \$1,009,135.

Criminal Justice Commission

The Criminal Justice Commission was awarded \$370,000 in one-time grant funding from the U.S. Department of Justice, Office of Justice Programs and Bureau of Justice Assistance for technical assistance financing in support of Oregon's Justice Reinvestment implementation. The funds were made available to Oregon by a pass-through agreement with the Vera Institute of Justice, a private nonprofit research center for justice policy and practice. The funding was included in the agency's 2015-17 Federal Funds expenditure limitation, but because the Vera Institute is not a federal agency, the funding should have been included as Other Funds expenditure limitation. This technical adjustment increases Other Funds and decreases Federal Funds expenditure limitations by \$370,000.

Oregon Department of Justice

The Subcommittee approved an increase of \$254,493 Other Funds expenditure limitation for the Department of Justice (DOJ) Criminal Justice Division and the authorization of two limited duration positions (1.08 FTE) for the Fusion Center. Funding for the positions would come from two separate federal grants received by the Oregon Military Department Office of Emergency Management (State Homeland Security Program for \$121,334 and the Urban Area Security Initiative for \$133,159). The grants are one-time in nature and require no state matching funds.

The Subcommittee approved an increase of \$129,405 Other Funds expenditure limitation for the DOJ Criminal Justice Division and the authorization of one limited duration position (0.25 FTE) for a traffic safety resource prosecutor with an emphasis on marijuana. The position is funded for six months beginning in April of 2016. The source of the grant is the U.S. Department of Transportation National Highway Traffic Safety Administration received by the Oregon Department of Transportation.

The Subcommittee approved an increase of \$184,714 Other Funds expenditure limitation for the DOJ General Counsel Division and the authorization of one permanent full-time position (0.63 FTE) for a marijuana civil legal services attorney. The revenue source to support the attorney is the legal services rate billed to state agencies. The 2017-19 biennial cost of the position is \$316,891.

An increase of \$12,613,368 Federal Funds expenditure limitation for the DOJ Crime Victims Services Division, as well as the authorization of two limited duration positions (1.42 FTE) for an increase in Victim of Crime Act (VOCA) assistance funding was approved. The grant increase will add one-time funding to existing direct service/non-profit providers, district attorney prosecutor-based victim assistance programs, child assessment centers, and other system investments. These are formula grants that require no state matching funds; however, a federal requirement does require sub-grantees to provide 20% matching funds. According to the Department, for this request, no additional state funds will be required to help sub-grantees meet their matching funds requirement.

The Subcommittee approved \$676,971 General Fund for the establishment of an elder abuse program in the Criminal Justice Division. The program will be staffed by one permanent full-time Senior Assistant Attorney General (Elder Abuse Resource Prosecutor) (0.63 FTE) and two

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Criminal Investigator positions (1.25 FTE). The positions will assist local law enforcement with elder abuse cases, as well as provide statewide outreach and training. Personal services costs for the positions total \$457,573 and services and supplies costs total \$219,398. The 2017-19 biennial cost of the program is estimated to be \$1.2 million General Fund.

A change in the preliminary schedule for the DOJ Child Support Division's Child Support Enforcement Automated System (CSEAS) information technology project, which was completed after the close of the 2015 session, has increased the total cost of ownership and impacted the project's 2015-17 legislatively adopted budget, resulting in a shortfall of bonding authority, expenditure limitation(s), and cash liquidity.

The original feasibility study for the CSEAS project estimated total development costs at \$92.7 million and recurring costs after development of \$23.6 million for a total cost of ownership (TCO) of \$116.3 million (through fiscal year 2026). The rebaselined TCO is now estimated at \$122.7 million, which includes \$12 million in ongoing operations and maintenance costs. The Subcommittee approved \$3,086,760 of Other Funds expenditure limitation for project costs, which is to be financed with Article XI-Q bonds approved in House Bill 5202, and the establishment of 10 permanent part-time positions (1.31 FTE). Four reclassifications of existing permanent full-time positions was also approved.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the project are established as permanent fulltime 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 CSEAS program (i.e., CSEAS summary cross reference) and may not be transferred to any other program or used for any other purpose than the development of the CSEAS project; and (c) the positions may not be included in any permanent finance plan action.

The Subcommittee appropriated \$1,161,194 in additional General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in House Bill 5202. Other Funds expenditure limitation of \$123,240 is included for the cost of issuance of the bonds. The Subcommittee approved \$34,683 General Fund for repayment of interest costs for a short-term Treasury loan. The Department of Administrative Services was directed to unschedule \$3,086,760 Other Funds expenditure limitation (Article XI-Q bond project proceeds) and to schedule \$3,632,932 Other Funds and \$6,864,723 Federal Funds for the second quarter of calendar year 2016.

In absence of a comprehensive, integrated, and rebaselined master schedule, which is necessary to determine the project budget, and final Stage Gate 3 approval, the Subcommittee recommended a conservative, controlled release funding approach for the project. The recommendation provides full project funding through June 30, 2016, at which point the agency will need to request additional expenditure limitation from the Emergency Board. This recommendation will allow the agency to initially proceed to Stage Gate 3; however, the project should not operate for an extended period of time until "Stage Gate 3" review is officially completed and full endorsement granted. The Subcommittee adopted the Joint Legislative Committee on Information Management and Technology recommendations for the project.

The Subcommittee also approved the following budget note:

Budget Note:

The Department of Justice is to report at each meeting of the Emergency Board and the Interim Joint Committee on Information Management and Technology at each interim meeting with detailed project status reports (performance against plan) on the Child Support Enforcement Automated System (CSEAS). As part of the agency's report for the Emergency Board meeting in May of 2016, the agency is

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to: (a) justify why an advisory steering committee is an appropriate form of governance; (b) provide a detailed cost-benefit analysis of the decision to use a private vendor vs. Department of Administrative Services State Data Center; (c) provide a justification for the indirect agency administrative charges to the CSEAS project, which may need to be repurposed and used for a general project contingency fund; and (d) report on improvements to quality assurance and agency status reporting.

Oregon Military Department

The Other Funds expenditure limitation for the Community Support program was increased, on a one-time basis, by \$2,442,000 for the reimbursement of firefighting expenditures incurred during the 2015 fire season.

The 2015-17 legislatively adopted budget inadvertently made a General Fund reduction to services and supplies that should have been applied to personal services. The reduction is \$57,929 within the Administration division. Moving it to the right budget category will enable the agency to correctly build the 2017-19 budget.

The Subcommittee approved \$80,000 Other Funds expenditure limitation for the purpose of paying cost of issuance expenses associated with Article XI-Q bond authority approved for rehabilitating facilities at the Umatilla Depot site to prepare it for use as a Regional Training Center. The Umatilla site will replace the facility currently used on the Western Oregon University campus.

Department of Public Safety Standards and Training

The Subcommittee approved an increase in Other Funds expenditure limitation of \$959,000 and the addition of three limited-duration positions (1.74 FTE) to support programs and activities in the Department of Public Safety Standards and Training's (DPSST) Center for Policing Excellence, funded by an Edward Byrne Memorial Justice Assistance Grant through the Criminal Justice Commission.

The agency's Federal Funds expenditure limitation was increased by \$2,497,563. This net-zero technical correction changes a revenue-only transfer between DPSST and the Department of Justice to a pass-through expenditure, a budgetary change required in order to ensure full reimbursement of costs related to the federal High Intensity Drug Trafficking Area program operated by the state Department of Justice.

The Subcommittee increased the agency's Other Funds expenditure limitation by \$2,790,195, and authorized twelve permanent positions (8.00 FTE) to add four basic police and two basic corrections classes to the agency's training calendar to meet demand during the 2015-17 biennium.

Oregon State Police

The Subcommittee increased the agency's General Fund appropriation by \$1,320,216 and increased its Other Funds expenditure limitation by \$6,911,613 for Federal Emergency Management Agency-reimbursable expenses incurred during numerous mobilizations coordinated by the State Fire Marshal during the 2015 fire season in Oregon.

The Subcommittee increased the agency's General Fund appropriation by \$1,000,000 and authorized 12 positions (6.63 FTE) to increase staff capacity and reduce wait times and backlogs in the Firearm Instant Check System program.

TRANSPORTATION

Department of Aviation

The Subcommittee approved an increase of \$265,000 in Other Funds expenditure limitation for the Operations Division to purchase grant management software to implement and manage the agency's grant-making program established by House Bill 2075 (2015).

Department of Transportation

The Subcommittee increased the agency's Other Funds expenditure limitation by \$6,231,467 to fund road repairs and clean-up expenses at seventeen sites across the state where wildfires damaged and forced the closure of roadways during the 2015 fire season. Other Funds expenditure limitation was increased in the Local Government program by \$2,000,000 toward reconstruction of the Juntura Cut-Off Road in Harney County, and by \$51,804 for cost of issuing the Lottery Bonds to finance the project.

A net-zero technical adjustment of \$1,354,734 was approved to move cost of issuance expenditure limitation for debt associated with highway safety improvements, the Coos Bay Rail Link, and ConnectOregon VI into the correct program budgets. A second net-zero technical adjustment of \$138,433 was approved to move legislatively-approved state government service charge reductions into the correct program budgets for the 2015-17 biennium.

The Subcommittee reduced the General Fund appropriation for debt service to the Department of Transportation by \$5,194,781. A bond sale anticipated for May, 2015 was postponed until May, 2016, reducing the debt service required in the 2015-17 biennium. General Fund was also reduced by \$47,835 to reflect the completion of the Driver and Motor Vehicles' veteran information sharing project with the Department of Veterans' Affairs.

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Sen. Girod

Joint Committee On Ways and Means

Action: Do Pass The A-Eng Bill.

Action Date: 02/25/16

Vote:

Senate

Yeas: 11 - Bates, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett

Exc: 1 - Winters

House

Yeas: 11 - Buckley, Gomberg, Huffman, Komp, Nathanson, Rayfield, Read, Smith, Whisnant, Whitsett, Williamson

Exc: 1 - McLane

Prepared By: Jean Gabriel and Bill McGee, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Capital Construction – Various Agencies

Biennium: 2015-17

Capital Construction – Military Department

Capital Construction – Department of Fish and Wildlife

Biennium: 2013-15

Budget Summary

	<u>2015-17 Legislatively Approved Budget</u>		<u>2016 Committee Recommendation</u>		<u>2016 Session Adjustments 2015-17</u>
Other Funds	\$ 511,316,680	\$	568,419,913	\$	57,103,233
Federal Funds	\$ 31,446,471	\$	34,888,304	\$	3,441,833
Total	<u>\$ 542,763,151</u>	\$	<u>603,308,217</u>	\$	<u>60,545,066</u>

	<u>2013-15 Legislatively Approved Budget</u>		<u>2016 Committee Recommendation</u>		<u>2016 Session Adjustments 2013-15</u>
Other Funds	\$ 266,869,299	\$	268,714,299	\$	1,845,000
Federal Funds	\$ 11,484,305	\$	12,107,053	\$	622,748
Total	<u>\$ 278,353,604</u>	\$	<u>280,821,352</u>	\$	<u>2,467,748</u>

Revenue Summary

Other Fund revenues are from: proceeds from the issuance of Article XI-F (1), XI-G, and XI-Q general obligation bonds; the Oregon Military Department Capital Construction Account (surplus property sale proceeds), contract payments from the Oregon Department of Transportation to the Oregon Department of Fish and Wildlife; and a grant from Oregon Parks and Recreation Department to the Oregon Department of Fish and Wildlife. Federal Funds revenues are anticipated from the National Guard Bureau and Mitchell Act revenues.

Summary of Subcommittee Action

Higher Education Coordinating Commission

Public Universities:

The Subcommittee approved a \$10,150,000 increase in the Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission (HECC) for distribution of general obligation bond proceeds to public universities. This amount corresponds to the total project amounts for five university projects authorized in House Bill 5202, net of one project that was reduced. Projects are funded with proceeds from the issuance of Article XI-Q bonds and Article XI-F (1) bonds and will be disbursed as grants or loans, as applicable, pursuant to grant contracts and loan agreements between HECC and each university. Project descriptions are included in House Bill 5202. The expenditure limitation expires June 30, 2021.

Community Colleges:

Portland Community College: The Subcommittee approved establishing a \$1 Other Funds (XI-G bond proceeds) expenditure limitation for the Higher Education Coordinating Commission for distribution to Portland Community College to finance the acquisition of and improvements to land and the acquisition, construction, or alteration of the American Manufacturing Innovation District Building, including furnishing and equipping of the building. HB 5202 authorizes \$5.0 million of Article XI-G bonds proceeds for this project while another \$2.5 million of lottery revenue bond proceeds are also authorized for the project in the same bill. The American Manufacturing Innovation District is a collaborative effort between governments, industry, and academic institutions to invest in manufacturing infrastructure to promote advanced manufacturing. Portland Community College and its partners in the project must return to the Emergency Board or the Legislature in 2017 with a presentation of a business plan for developing the District prior to receiving further expenditure limitation.

Oregon Military Department

Oregon Military Museum: The Subcommittee approved establishing an Other Funds (Capital Projects Fund) expenditure limitation of \$725,963 to enable the Military Department to spend funds raised by the Heritage Outreach Foundation in support of completing the museum's repository, vestibule, and rain skin projects for the main building.

In addition, the Subcommittee approved an increase of \$622,748 in Federal Funds capital construction expenditure limitation for 2013-15 to use recently received National Guard Bureau funding for supervision, inspection, and overhead in the architect's contract, and for the museum's rain skin project.

Sharff Hall/Maison Armory: In 2013, the Legislature authorized capital construction expenditure limitation to acquire and remodel Sharff Hall, in Portland, to convert it into an armory. The name was later changed to Maison Armory. In late September 2015, the National Guard Bureau notified the Military Department that federal funding had been approved to augment bonding proceeds already secured. The Subcommittee approved establishing a Federal Funds capital construction expenditure limitation of \$2,051,033. The funding will be used to enhance window replacements, energy and water saving measures, and kitchen and utility upgrades. With federal support, the project total is now \$4,832,033.

Medford Armory: Adding to existing resources to renovate the Medford Armory, the National Guard Bureau made additional funding available above the \$1.9 million provided earlier. The Subcommittee approved increasing the Federal Funds capital construction expenditure limitation by \$940,800. The project is now \$5,276,108 total funds to provide additions and alterations to the armory, HVAC replacement, upgrades to windows, restrooms, kitchen, administrative, and storage areas, and information technology systems, as well as implementing feasible energy and water savings measures.

Regional Training Institute: The Subcommittee approved establishing an \$11,500,000 Other Funds capital construction expenditure limitation to enable the Military Department to construct and expand a new Regional Training Institute at Camp Umatilla. The funding consists of \$5 million from the sale of the current Regional Training Institute building on the Western Oregon University campus in Monmouth and \$6.5 million in Article XI-Q bond proceeds. The bonding authority is included in HB 5202.

Department of Fish and Wildlife

Cedar Creek Hatchery and Fish Passage Improvements: The Subcommittee approved an Other Funds capital construction expenditure limitation of \$2,000,000 for the removal of a dam on the East Fork South Fork Trask River and the expansion of facilities at Cedar Creek Hatchery.

Lower Deschutes River Ranch Acquisition: The Subcommittee approved an Other Funds capital construction expenditure limitation of \$227,269 to complete acquisition of over 10,000 acres of property that will be incorporated into the current Lower Deschutes Wildlife Area.

Clackamas Hatchery Intake System: The Subcommittee approved establishing a \$450,000 Federal Funds expenditure limitation to provide additional funding for the replacement of the Clackamas Hatchery intake and pipeline.

In addition, the Subcommittee approved an increase of \$1,845,000 in Other Funds capital construction expenditure limitation for 2013-15 to complete the construction of the intake system at the Clackamas Hatchery.

Department of Administrative Services

Oregon State Fair Capital Repairs and Deferred Maintenance: The Subcommittee approved establishing a \$2,500,000 Other Funds expenditure limitation to finance needed repairs and improvements to the Oregon State Fair facilities.

Legislative Administration Committee

State Capitol Capital Repairs and Improvements: The Subcommittee approved establishing a \$30,000,000 Other Funds (Article XI-Q bond proceeds) expenditure limitation to finance needed repairs and improvements to the State Capitol building.

Oregon Youth Authority

The Subcommittee approved providing a broader description for the Oregon Youth Authority to use bond proceeds at various facilities across the state. Language in Oregon Laws 2015, Chapter 808, Section 1 (3) (d) was changed to add capital improvements to the originally authorized use of deferred maintenance.

Department of Corrections

The Subcommittee approved the release of remaining unused bond proceeds for the Junction City Correctional Institution project to allow the proceeds to be used to reduce General Fund debt service.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5203-A

Various Agencies

Jean Gabriel 503-378-3107; Bill McGee 503-378-2078

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<u>COMMITTEE AUTHORIZATIONS</u>							
<u>EDUCATION PROGRAM AREA</u>							
<u>Higher Education Coordinating Commission</u>							
PSU - Broadway Housing Purchase	0	0	(5,031,225)	0	(5,031,225)	0	0.00
PSU - Corbett Building Purchase	0	0	5,031,225	0	5,031,225	0	0.00
SOU - Science Building Deferred Maintenance	0	0	1,650,000	0	1,650,000	0	0.00
SOU - McNeal Hall	0	0	2,000,000	0	2,000,000	0	0.00
SOU - Jefferson Public Radio Addition	0	0	1,500,000	0	1,500,000	0	0.00
OIT - Utility Corridor and Storm Drainage	0	0	5,000,000	0	5,000,000	0	0.00
PCC - Manufacturing Innovation District Building	0	0	1	0	1	0	0.00
<u>PUBLIC SAFETY PROGRAM AREA</u>							
<u>Oregon Military Department</u>							
Oregon Military Museum	0	0	725,963	0	725,963	0	0.00
Sharff Hall/Maison Armory	0	0	0	2,051,033	2,051,033	0	0.00
Medford Armory	0	0	0	940,800	940,800	0	0.00
Regional Training Institute	0	0	11,500,000	0	11,500,000	0	0.00
<u>ADMINISTRATION PROGRAM AREA</u>							
<u>Department of Administrative Services</u>							
Oregon State Fair Capital Repairs & Deferred Maintenance	0	0	2,500,000	0	2,500,000	0	0.00
<u>LEGISLATIVE PROGRAM AREA</u>							
<u>Legislative Administration Committee</u>							
State Capitol Repairs and Improvements	0	0	30,000,000	0	30,000,000	0	0.00
<u>NATURAL RESOURCES PROGRAM AREA</u>							
<u>Oregon Department of Fish and Wildlife</u>							
Cedar Creek Hatchery and Fish Passage Improvements	0	0	2,000,000	0	2,000,000	0	0.00
Lower Deschutes River Ranch Acquisition	0	0	227,269	0	227,269	0	0.00
Clackamas Hatchery Intake System	0	0	0	450,000	450,000	0	0.00
TOTAL	0	0	57,103,233	3,441,833	60,545,066	0	0.00

2013-15 Supplemental Expenditure Limitation Adjustments

Oregon Military Department

Oregon Military Museum	0	0	0	622,748	622,748	0	0.00
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Oregon Department of Fish and Wildlife

Clackamas Hatchery Intake System	0	0	1,845,000	0	1,845,000	0	0.00
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2017-19 BUDGET NARRATIVE

Department of Administrative Services

Mission Statement

The mission of the Department of Administrative Services (DAS) is to serve state government to benefit the people of Oregon.

Statutory Authority

Oregon Revised Statutes (ORS) Chapter	Title Summary
Chapter 30	Tort Actions Against Public Bodies
Chapter 182	State Administrative Agencies; Information Systems Security; Relationships with Tribes
Chapter 184	Establishes Department of Administrative Services and outlines selected duties
Chapter 190	Cooperation of Governmental Units
Chapter 240	State Personnel Relations
Chapter 270	Public Lands; Disposition of property, proceeds of sale, agreements for management and inventory of state-owned property
Chapter 276	Public Facilities, Contracting and Insurance
Chapter 278	Insurance for Public Bodies
Chapter 279	Public Contracting - Qualified Rehabilitation Facilities
Chapter 279A,B, and C	Public Contracting – General Provisions, Public Procurement and Public Improvement and Related Contracts
Chapter 282	Public Printing
Chapter 283	Interagency Services
Chapter 286A	State Borrowing - Bonds
Chapter 291	State Financial Administration
Chapter 292	Salaries and Expenses of State Officers and Employees
Chapter 293	Administration of Public Funds

2017-19 BUDGET NARRATIVE

Distributions:

ORS 291.407	State Agency Mass Transit Assessments and Distributions to Transit Districts
ORS 291.276	State Central Government Service Charge
ORS 221.770	City Revenue Sharing of Oregon Liquor Control Commission (OLCC) Earnings
ORS 323.457	Department of Revenue Cigarette Tax Distribution to Cities and Counties
ORS 320.100	Department of Revenue Amusement Device Tax Distribution to Counties
ORS 293.560	25-percent U.S. Forest Service National Forest Products Sale Proceeds Distributed to Counties
ORS 293.565	Federal Mineral Leases Proceeds Distributed to Counties
ORS 272.085	5-percent Land Sales Proceeds Distributed to Counties
ORS 293.575	U.S. Taylor Grazing Fees Distributed to Counties
ORS 293.570	Federal Flood Control Proceeds Distributed to Counties
ORS 461.540	Oregon Lottery Proceeds Distributed to State Agencies, the Education Endowment Fund, and Other Entities
ORS 348.696	Education Endowment Fund Earnings Distributed to the State School Fund and the State Scholarship Commission
ORS 293.536	Tobacco Settlement Account Funds
ORS 286A.573	Lottery Bond Administrative Fund
ORS 285C.639	Shared Services Fund
ORS 291.120	Distribution of Agency Savings
ORS 292.045	Deduction for payment of United Fund
ORS 293.144	General Fund interest to the Oregon Rainy Day Fund
ORS 297.466	Withholding State Funds – Municipal Audit Law

Agency Strategic Plan

Mission:

To serve state government to benefit the people of Oregon.

- Service means implementing the decisions of the Governor and policy makers.
- Service means taking the lead on behalf of state government.
- Service means partnering with our customers to achieve desired outcomes.
- Service means delivering the best value for every dollar spent in state government.

2017-19 BUDGET NARRATIVE

Vision:

To model value-driven leadership to provide services and develop policies.

- By taking an enterprise view of government operations, DAS implements cost-effective, efficient and sustainable policies and practices.
- By listening and responding to our employees, customers, and stakeholders, DAS provides the best possible customer service and policy guidance.
- By continuously improving, DAS leads by example.

Outcome Goals:

To achieve the following goals:

- The right service, at the right time, for the right price.
- Effective, high-quality governance and oversight.
- A knowledgeable, skilled, diverse, and engaged workforce.
- Respect among agencies and with the people of Oregon.

Strategies:

- Implement a shared leadership model of governance by engaging stakeholders.
- Advocate effective policies and remove barriers to success.
- Partner on policy and service-delivery decisions.
- Continuously improve everything DAS does through engaged employees, proven business methods, data-driven decision making, and effective technologies.
- Improve our organizational performance through accountability, continual learning, and entrepreneurial management.

Over the last several years, DAS has focused on bringing agencies together to work on initiatives that affect all of state government. This work has been conducted by a number of cross agency groups and over the next two years will continue to include:

- The Enterprise Leadership Team (ELT), which is comprised of directors representing all sectors of agencies and representatives of statewide elected officials,
- The Improving Government Steering Committee, a subcommittee of the ELT, which is working to find administrative efficiencies across the executive branch, and
- Customer Utility Boards, which have been established to govern the work of the four DAS Service Enterprises.

2017-19 BUDGET NARRATIVE

Agency and Program Descriptions

DAS is organized into six divisions:

- **Chief Operating Office (COO)** manages all executive branch agencies, provides governmental and external communications, coordinates statewide internal audits, coordinates legislative activities, implements enterprise initiatives, and provides analysis of the state's economy, revenue and population.
- **Chief Financial Office (CFO)** provides enterprise-wide fiscal policy leadership, compliance and statewide reporting, guidance, training and direction to ensure fiscal integrity and consistency across state agencies. Specific policy sections within this office include Budget Policy, Capital Finance and Planning, Statewide Accounting and Reporting (SARS), and Statewide Audit and Budget Reporting (SABRS). Within CFO, DAS Business Services (DBS) provides budget analysis, rate setting, business continuity, performance management, and survey implementation to DAS. DBS is also responsible for coordinating agency-wide programs such as Oregon Administrative Rules, archiving and records management, and internal and statewide policy development. Customer Utility Boards, which govern DAS' service enterprises, are staffed by the DBS team.
- **Office of the State Chief Information Officer (OSCIO)** provides enterprise leadership to executive branch agencies for IT management. This office is responsible for enterprise information resource management policy, planning, governance, and oversight needed to achieve statewide policy directives and to help state agencies in accomplishing their information resource management needs. Within OSCIO, State Data Center (SDC) is the leading supplier in managed computing technology for Oregon state government. The SDC infrastructure is designed to offer the highest availability in Oregon for mainframe, storage, and server-based applications. SDC focuses on finding ways technology can enhance the state's business model to create opportunities for state government.
- **Chief Human Resources Office (CHRO)** provides direction and services to promote a stable and qualified workforce in Oregon state government by managing the state classification and compensation system, disseminating statewide human resources (HR) policy, providing executive recruitment services, managing statewide labor relations including leading collective bargaining, and implementing a statewide workforce development strategy. Within CHRO, Enterprise Human Resource Services (EHRS) also provides human resource management services to DAS and client agencies as well as training and development and maintains the statewide HR information systems used by most state agencies.
- **Enterprise Asset Management (EAM)** secures facilities that provide a functional work environment for state employees. To meet this goal, the division works collaboratively with customers to competitively deliver services. Key services include: building operations, building maintenance, real estate services, space planning and construction project management, fleet and parking, and surplus property services.

2017-19 BUDGET NARRATIVE

- **Enterprise Goods and Services (EGS)** consists of several key state government programs that serve/support other state and local governmental agencies. These programs include Risk Management, Procurement Services, Shared Financial Services, Financial Business Systems, and Publishing and Distribution.

2017-19 BUDGET NARRATIVE

Budget Summary Graphics

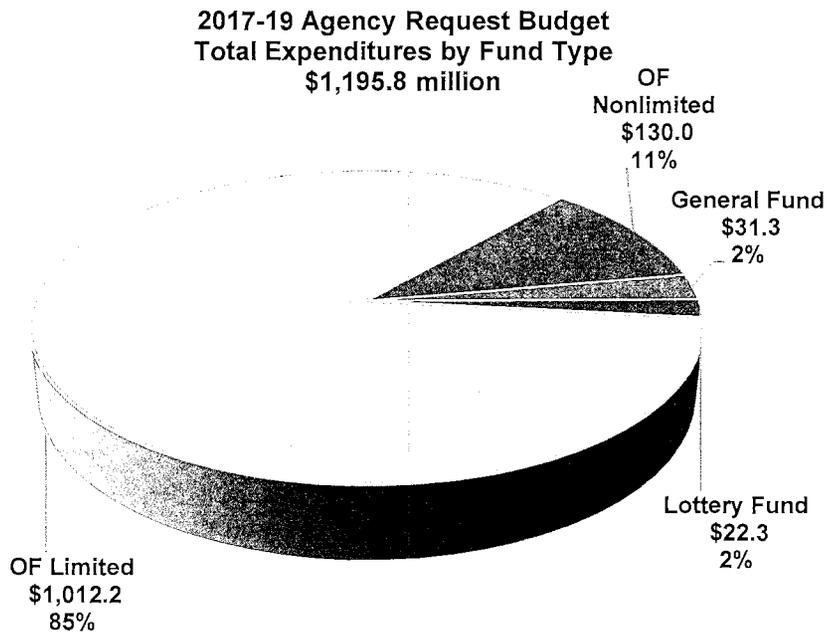
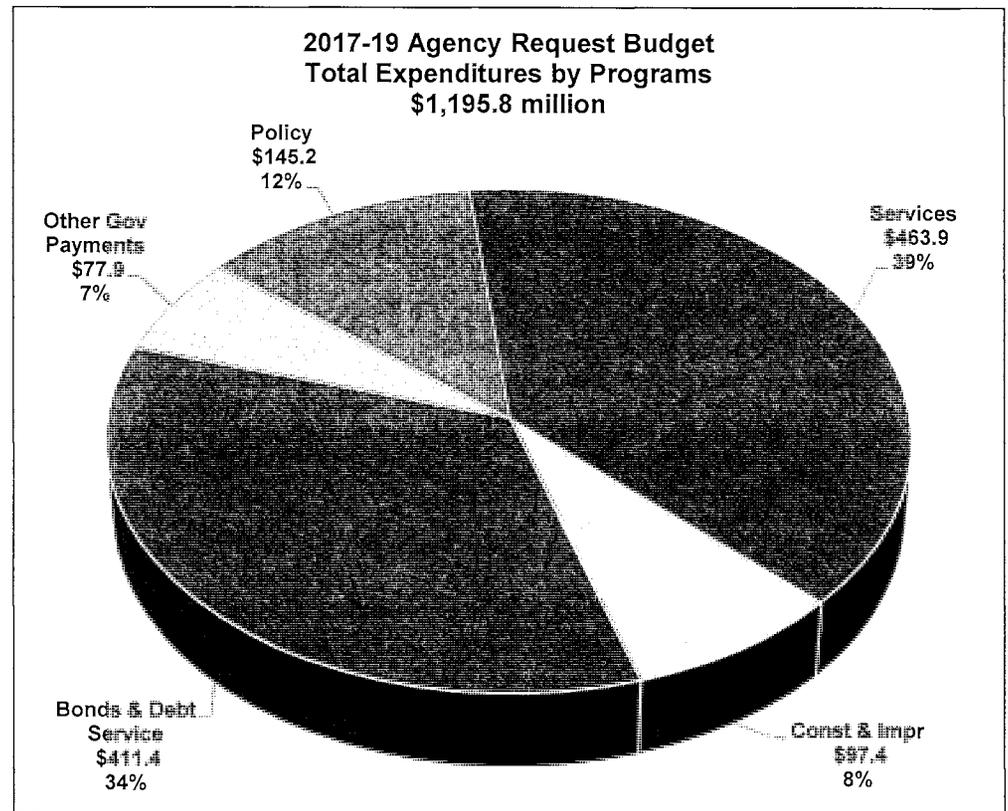
Budget Summary Graphic No. 1: Total expenditures in total funds by major Department of Administrative Services (DAS) programs.

Policy includes COO, CFO, OSCIO, and CHRO.

Services includes SDC, EAM, EGS, and EHRS.

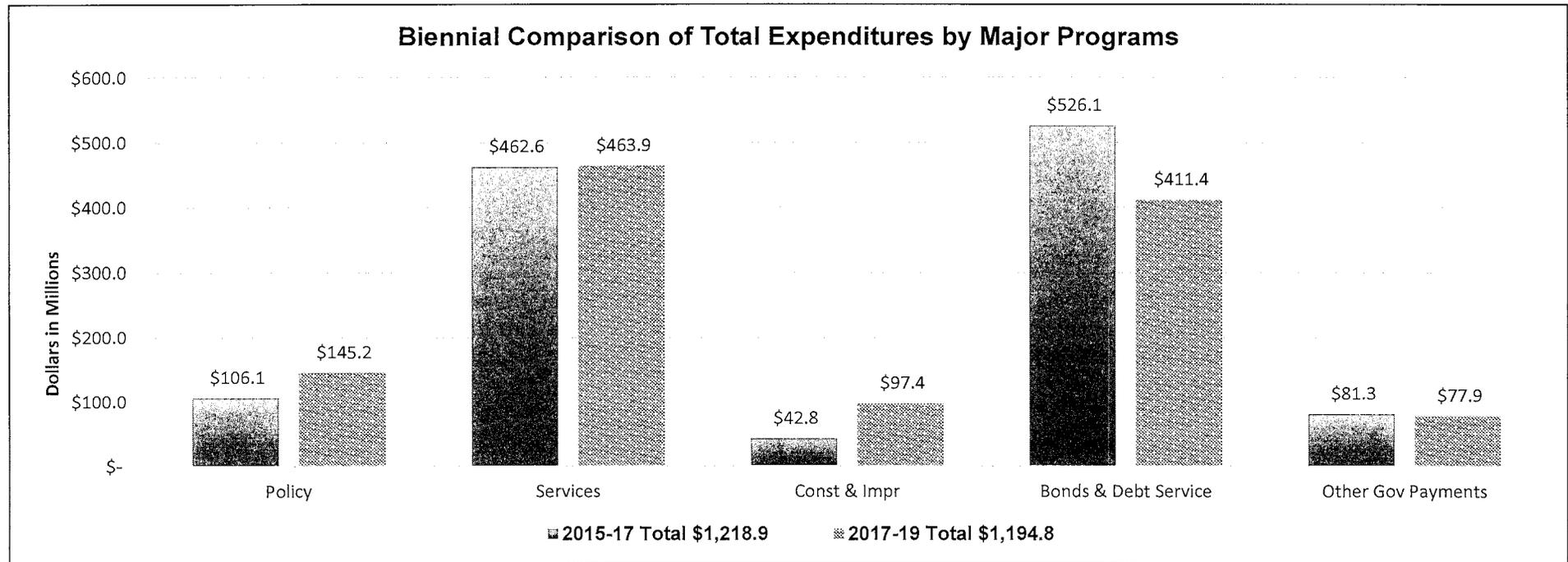
Constr & Impr includes Capital Improvements and Capital Construction.

Budget Summary Graphic No. 2: Total expenditures by fund type:



2017-19 BUDGET NARRATIVE

Budget Summary Graphic No. 3: Comparison of 2015-17 Legislatively Approved Budget (as of April 2016) with the 2017-19 Agency Request Budget.



Environmental Factors

- **Economic Climate:** As Oregon’s economic recovery enters into another year, not all parts of the state have bounced back. In particular, many of our rural areas continue to struggle with higher levels of unemployment and an inflated need for state and local government programs.
- **Information Security Environment:** Safeguarding computing systems and network infrastructure is critically important. The goal of information security is to protect the confidentiality, integrity, and availability of information assets. Information security management enables data to be shared while ensuring protection of that information and its associated technology assets. Implementing a reasonable set of controls, including policies, procedures, processes, personnel, organizational structures, and technology, helps achieve optimal security. Information security is a business responsibility. Every agency has responsibility for ensuring that appropriate safeguards are in place to protect its information assets and to ensure that it does not undermine the security of other state entities, business partners, or the public.

2017-19 BUDGET NARRATIVE

- **Business Continuity and Disaster Recovery Planning Environment:** Natural disasters, accidents, or purposeful acts of disruption can interrupt operations and impede critical public services. Mitigating the disruptions requires resources (people and dollars) to plan for the maintenance or restoration of critical state services. Business Continuity Plans require periodic review and updating to minimize any potential disruption of business processes and to ensure that alternative strategies are in place. Though the responsibility of identifying business continuity plans rests with the state agencies, much of the responsibility for enterprise functions, such as computing and network infrastructure, belongs to DAS. DAS is a key member of the Oregon Emergency Response System Council and took part in all four days of the June 2016 Cascadia Rising exercise.
- **E-government:** States use E-government to reduce costs, improve services, and connect systems across jurisdictions. States have begun moving to consolidated infrastructures, central support for common functions (e.g., content-hosting and electronic payments) and connections among agencies to let citizens and businesses interact with state government in an efficient and uniform manner. Oregon has a robust E-government program that has successfully implemented similar programs in more than half the states. DAS expects this move to allow broader use by state agencies and the public.
- **Geospatial Enterprise Office (GEO):** Serves as a central collection and dissemination point for statewide geographic information. GEO coordinates the statewide development and stewardship of this information which is shared among federal, state, academic, regional, and local groups, as well as the general public. GEO also provides statewide coordination for geographic information activities across the enterprise of state government, including state agencies, local governments, and academic institutions, as well as other communities of interest. In order for multiple organizations to access the data, a single agency needs to coordinate the development of the data, make sure it is in a standard format, document it, and make it available electronically.

Location is important to nearly every government task and every government agency relies on locational information to conduct their business in one way or another. Coordination of the development, management, and use of that locational information prevents significant duplication of effort, avoids unnecessary costs, and generates additional revenue for government. That means more money is available for social services, economic development, public safety, and natural resource management.

- **Solvency of the Insurance Fund:** Risk Management bears the statutory obligation to maintain an actuarially sound insurance fund, which includes several components. Due to the passage of Senate Bill 311 in the 2009 Legislative Session, which increased tort cap limits for state and local governments, the state is experiencing more complex claims and claims with substantial financial exposure. These claims have increased fund costs over time and are expected to continue escalating. Risk Management continues to work with agencies to review business practices to ensure the new liability limits are appropriately applied as they contract with private, public, and non-profit partners. A new tool was developed by Risk Management to make determination of appropriate insurance levels easier for agencies.

2017-19 BUDGET NARRATIVE

- **Customer Expectations:** Customers expect state government to meet their needs efficiently, quickly, and cost effectively. They expect highly trained and competent staff that communicate effectively and provide quality customer service. Because DAS' primary customers are state agencies, DAS established four Customer Utility Boards (CUBs) to govern services provided. These boards include representatives from small, medium, and large agencies. The CUBs have responsibility for setting rate methodologies, establishing service offerings, and setting service level agreements.

Agency Initiatives and Accomplishments

DAS initiatives and accomplishments include:

- Development and implementation of a new, modern, functionality-rich Human Resource Information System (HRIS).
- Development of a workplace strategies plan that provides standards and guidelines to move agencies toward greater consolidation of building space with a goal of higher utilization of owned and leased buildings.
- Development of a market-driven approach to IT supply chain management known as BaseCamp that provides a single point of coordinated and shared information technology services for the State of Oregon and other consumers.
- Implementation of a statewide public records policy and protocols as required by House Bill 4135 and Governor's Executive Order 16-06.
- Closing the Procurement Improvement project, resulting in new templates, a risk tool to help agencies determine the correct insurance levels for contracts, and the establishment of an advisory Procurement Board.
- Redesign of the DAS website to meet the strategic goals of the state's E-Governance board.
- Increased the number of agency directors who feel they are well informed.
- Sold another Mill Creek Corporate Center parcel, which will result in the building of a new cold storage facility.
- Remediation and demolition of the North Campus buildings in preparation for sale.
- Earned the CFO Gold Star for accurate and timely financial reporting for the 14th year in a row.

Criteria for 2017-19 Budget Development

DAS used the following criteria for selecting policy option packages for 2017-19 budget development:

1. Federal/State mandate
2. Life/Health/Safety
3. Customer driven/improved customer service
4. Core infrastructure - future positioning of service delivery
5. Alignment to Governor's priorities
6. Risk of service delivery failure

2017-19 BUDGET NARRATIVE

Performance Measures

The department's Annual Performance Progress Report is currently not included in the Agency Request Budget but will be available later for publication in the Special Reports Section of the Governor's Budget binder.

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Administrative Svcs, Dept of
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	827	813.17	1,199,696,194	12,468,238	16,641,096	898,482,207	-	272,104,653	-
2015-17 Emergency Boards	14	13.23	19,261,150	3,605,540	-	15,655,610	-	-	-
2015-17 Leg Approved Budget	841	826.40	1,218,957,344	16,073,778	16,641,096	914,137,817	-	272,104,653	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(31)	(16.90)	9,814,270	11,769	-	9,802,501	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			32,606,869	574,458	5,835,376	26,197,035	-	-	-
Base Nonlimited Adjustment			(142,117,902)	-	-	-	-	(142,117,902)	-
Capital Construction			(38,427,261)	-	-	(38,427,261)	-	-	-
Subtotal 2017-19 Base Budget	810	809.50	1,080,833,320	16,660,005	22,476,472	911,710,092	-	129,986,751	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(14,668)	-	-	(14,668)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	636,422	362	-	636,060	-	-	-
Subtotal	-	-	621,754	362	-	621,392	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	1,582,372	-	-	1,582,372	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(40,671,989)	(6,765,000)	(216,000)	(33,690,989)	-	-	-
Subtotal	-	-	(39,089,617)	(6,765,000)	(216,000)	(32,108,617)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	10,891,233	1,441	-	10,889,792	-	-	-
State Gov't & Services Charges Increase/(Decrease)			(7,357,589)	-	-	(7,357,589)	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Administrative Svcs, Dept of
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	3,533,644	1,441	-	3,532,203	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(3,218,304)	-	-	(3,218,304)	-	-	-
Subtotal: 2017-19 Current Service Level	810	809.50	1,042,680,797	9,896,808	22,260,472	880,536,766	-	129,986,751	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Administrative Svcs, Dept of
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-000-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	810	809.50	1,042,680,797	9,896,808	22,260,472	880,536,766	-	129,986,751	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	810	809.50	1,042,680,797	9,896,808	22,260,472	880,536,766	-	129,986,751	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	30	26.50	18,484,131	-	-	18,484,131	-	-	-
101 - IT Procurement & Vendor Management Program	6	6.00	1,318,043	-	-	1,318,043	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	17	17.00	1,542,627	-	-	1,542,627	-	-	-
103 - Growing Demand for COO Services	3	3.00	627,274	-	-	627,274	-	-	-
104 - Growing Demand for CHRO Service	5	5.00	1,181,190	-	-	1,181,190	-	-	-
105 - Growing Demand for SDC Services	3	3.00	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	3	3.00	647,080	-	-	647,080	-	-	-
107 - Growing Demand for EGS Services	2	2.00	450,053	-	-	450,053	-	-	-
108 - Windows Server Hardware/Software	3	3.00	2,000,000	-	-	2,000,000	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	1,500,000	-	-	1,500,000	-	-	-
110 - Risk Management Information System (RMIS)	-	-	1,000,000	-	-	1,000,000	-	-	-
111 - Capital Facility Planning	1	1.00	2,000,000	-	-	2,000,000	-	-	-
112 - Mass Ingenuity Master Contract	-	-	2,000,000	-	-	2,000,000	-	-	-
113 - Position Authority Only Cap Const Projects	4	4.00	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Administrative Svcs, Dept of
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-000-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	6,162,504	-	-	6,162,504	-	-	-
116 - Free Bus Pass Program	-	-	1,399,125	1,399,125	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	3,742,595	-	-	3,742,595	-	-	-
118 - Employment Building Upgrades	-	-	6,235,930	-	-	6,235,930	-	-	-
119 - Electrical Upgrades & Replacements	-	-	3,889,795	-	-	3,889,795	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	2,926,140	-	-	2,926,140	-	-	-
121 - Planning	-	-	500,000	-	-	500,000	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	1,234,350	-	-	1,234,350	-	-	-
123 - Portland Crime Lab Upgrade	-	-	1,161,909	-	-	1,161,909	-	-	-
124 - Parking Lot Upgrades	-	-	3,500,000	-	-	3,500,000	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	56,500,000	-	-	56,500,000	-	-	-
126 - Portland State Office Building Repairs	-	-	13,146,000	-	-	13,146,000	-	-	-
127 - Oregon State Fair Council	-	-	20,000,000	20,000,000	-	-	-	-	-
Subtotal Policy Packages	77	73.50	153,148,746	21,399,125	-	131,749,621	-	-	-
Total 2017-19 Agency Request Budget	887	883.00	1,195,829,543	31,295,933	22,260,472	1,012,286,387	-	129,986,751	-

Percentage Change From 2015-17 Leg Approved Budget	5.47%	6.85%	-1.90%	94.70%	33.77%	10.74%	-	-52.23%	-
Percentage Change From 2017-19 Current Service Level	9.51%	9.08%	14.69%	216.22%	-	14.96%	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Operating Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	22	22.00	8,126,695	279,942	-	7,846,753	-	-	-
2015-17 Emergency Boards	40	38.84	12,394,419	5,540	-	12,388,879	-	-	-
2015-17 Leg Approved Budget	62	60.84	20,521,114	285,482	-	20,235,632	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(5)	(3.84)	503,385	11,769	-	491,616	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	57	57.00	21,024,499	297,251	-	20,727,248	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(5,810)	-	-	(5,810)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	32,561	362	-	32,199	-	-	-
Subtotal	-	-	26,751	362	-	26,389	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(50,715)	-	-	(50,715)	-	-	-
Subtotal	-	-	(50,715)	-	-	(50,715)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	201,900	1,441	-	200,459	-	-	-
Subtotal	-	-	201,900	1,441	-	200,459	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Chief Operating Office
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(557,215)	-	-	(557,215)	-	-	-
Subtotal: 2017-19 Current Service Level	57	57.00	20,645,220	299,054	-	20,346,166	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Operating Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	57	57.00	20,645,220	299,054	-	20,346,166	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	57	57.00	20,645,220	299,054	-	20,346,166	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	3	3.00	638,448	-	-	638,448	-	-	-
103 - Growing Demand for COO Services	3	3.00	627,274	-	-	627,274	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Operating Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	6	6.00	1,265,722	-	-	1,265,722	-	-	-
Total 2017-19 Agency Request Budget	63	63.00	21,910,942	299,054	-	21,611,888	-	-	-

Percentage Change From 2015-17 Leg Approved Budget	1.61%	3.55%	6.77%	4.75%	-	6.80%	-	-	-
Percentage Change From 2017-19 Current Service Level	10.53%	10.53%	6.13%	-	-	6.22%	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Financial Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	45	44.76	16,240,520	-	-	16,240,520	-	-	-
2015-17 Emergency Boards	-	(0.99)	267,539	-	-	267,539	-	-	-
2015-17 Leg Approved Budget	45	43.77	16,508,059	-	-	16,508,059	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	0.23	850,179	-	-	850,179	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	44	44.00	17,358,238	-	-	17,358,238	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(122,931)	-	-	(122,931)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	36,270	-	-	36,270	-	-	-
Subtotal	-	-	(86,661)	-	-	(86,661)	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(2,023,461)	-	-	(2,023,461)	-	-	-
Subtotal	-	-	(2,023,461)	-	-	(2,023,461)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	101,233	-	-	101,233	-	-	-
Subtotal	-	-	101,233	-	-	101,233	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Chief Financial Office
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(810,174)	-	-	(810,174)	-	-	-
Subtotal: 2017-19 Current Service Level	44	44.00	14,539,175	-	-	14,539,175	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Financial Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	44	44.00	14,539,175	-	-	14,539,175	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	44	44.00	14,539,175	-	-	14,539,175	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	1	1.00	2,000,000	-	-	2,000,000	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Financial Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	1	1.00	2,000,000	-	-	2,000,000	-	-	-
Total 2017-19 Agency Request Budget	45	45.00	16,539,175	-	-	16,539,175	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	2.81%	0.19%	-	-	0.19%	-	-	-
Percentage Change From 2017-19 Current Service Level	2.27%	2.27%	13.76%	-	-	13.76%	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Chief Information Office
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-040-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	34	34.00	20,636,511	-	-	20,636,511	-	-	-
2015-17 Emergency Boards	(34)	(34.00)	(20,636,511)	-	-	(20,636,511)	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2017-19 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 2017-19 Base Budget	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Chief Information Office
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-040-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Chief Information Office
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-040-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Chief Information Office
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-040-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Oregon State Chief Information Office Policy
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2015-17 Emergency Boards	71	68.06	50,826,215	-	-	50,826,215	-	-	-
2015-17 Leg Approved Budget	71	68.06	50,826,215	-	-	50,826,215	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(4)	(1.06)	2,353,574	-	-	2,353,574	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	67	67.00	53,179,789	-	-	53,179,789	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	59,506	-	-	59,506	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	(33,149)	-	-	(33,149)	-	-	-
Subtotal	-	-	26,357	-	-	26,357	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(965,835)	-	-	(965,835)	-	-	-
Subtotal	-	-	(965,835)	-	-	(965,835)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	1,247,498	-	-	1,247,498	-	-	-
Subtotal	-	-	1,247,498	-	-	1,247,498	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Oregon State Chief Information Office Policy
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	2,272,509	-	-	2,272,509	-	-	-
Subtotal: 2017-19 Current Service Level	67	67.00	55,760,318	-	-	55,760,318	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Oregon State Chief Information Office Policy
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-042-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	67	67.00	55,760,318	-	-	55,760,318	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	67	67.00	55,760,318	-	-	55,760,318	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	2	2.00	449,678	-	-	449,678	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Oregon State Chief Information Office Policy
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	2	2.00	449,678	-	-	449,678	-	-	-
Total 2017-19 Agency Request Budget	69	69.00	56,209,996	-	-	56,209,996	-	-	-

Percentage Change From 2015-17 Leg Approved Budget	-2.82%	1.38%	10.59%	-	-	10.59%	-	-	-
Percentage Change From 2017-19 Current Service Level	2.99%	2.99%	0.81%	-	-	0.81%	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Chief Human Resource Office
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-045-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	36	30.47	10,261,526	-	-	10,261,526	-	-	-
2015-17 Emergency Boards	-	-	773,071	-	-	773,071	-	-	-
2015-17 Leg Approved Budget	36	30.47	11,034,597	-	-	11,034,597	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(8)	(2.47)	224,188	-	-	224,188	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	28	28.00	11,258,785	-	-	11,258,785	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	108,169	-	-	108,169	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	8,557	-	-	8,557	-	-	-
Subtotal	-	-	116,726	-	-	116,726	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	231,064	-	-	231,064	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1,106,561)	-	-	(1,106,561)	-	-	-
Subtotal	-	-	(875,497)	-	-	(875,497)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	70,987	-	-	70,987	-	-	-
Subtotal	-	-	70,987	-	-	70,987	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Chief Human Resource Office
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	18	18.00	4,655,559	-	-	4,655,559	-	-	-
Subtotal: 2017-19 Current Service Level	46	46.00	15,226,560	-	-	15,226,560	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Chief Human Resource Office
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-045-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	46	46.00	15,226,560	-	-	15,226,560	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	46	46.00	15,226,560	-	-	15,226,560	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	30	26.50	18,484,131	-	-	18,484,131	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	5	5.00	1,181,190	-	-	1,181,190	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Chief Human Resource Office
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-045-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	35	31.50	19,665,321	-	-	19,665,321	-	-	-
Total 2017-19 Agency Request Budget	81	77.50	34,891,881	-	-	34,891,881	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	125.00%	154.35%	216.20%	-	-	216.20%	-	-	-
Percentage Change From 2017-19 Current Service Level	76.09%	68.48%	129.15%	-	-	129.15%	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Oregon State Chief Information Office SDC
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-052-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	-	-	-	-	-	-	-
2015-17 Emergency Boards	155	155.00	160,393,213	-	-	160,393,213	-	-	-
2015-17 Leg Approved Budget	155	155.00	160,393,213	-	-	160,393,213	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(5)	(5.00)	991,346	-	-	991,346	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	150	150.00	161,384,559	-	-	161,384,559	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(38,633)	-	-	(38,633)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	217,075	-	-	217,075	-	-	-
Subtotal	-	-	178,442	-	-	178,442	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	1,351,308	-	-	1,351,308	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(3,318,852)	-	-	(3,318,852)	-	-	-
Subtotal	-	-	(1,967,544)	-	-	(1,967,544)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	3,943,975	-	-	3,943,975	-	-	-
Subtotal	-	-	3,943,975	-	-	3,943,975	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Oregon State Chief Information Office SDC
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(6,989,387)	-	-	(6,989,387)	-	-	-
Subtotal: 2017-19 Current Service Level	150	150.00	156,550,045	-	-	156,550,045	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Oregon State Chief Information Office SDC
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-052-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	150	150.00	156,550,045	-	-	156,550,045	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	150	150.00	156,550,045	-	-	156,550,045	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	5	5.00	904,179	-	-	904,179	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	3	3.00	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	3	3.00	2,000,000	-	-	2,000,000	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Oregon State Chief Information Office SDC
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-052-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	11	11.00	2,904,179	-	-	2,904,179	-	-	-
Total 2017-19 Agency Request Budget	161	161.00	159,454,224	-	-	159,454,224	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	3.87%	3.87%	-0.59%	-	-	-0.59%	-	-	-
Percentage Change From 2017-19 Current Service Level	7.33%	7.33%	1.86%	-	-	1.86%	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Technology Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-055-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	225	219.00	198,489,621	-	-	198,489,621	-	-	-
2015-17 Emergency Boards	(225)	(219.00)	(198,489,621)	-	-	(198,489,621)	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2017-19 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 2017-19 Base Budget	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Technology Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-055-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Technology Services
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-055-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Technology Services
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-055-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	-	-	-	-	-	-	-

Percentage Change From 2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Asset Management
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-060-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	193	192.50	99,531,186	-	-	99,531,186	-	-	-
2015-17 Emergency Boards	-	-	1,106,090	-	-	1,106,090	-	-	-
2015-17 Leg Approved Budget	193	192.50	100,637,276	-	-	100,637,276	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(1.00)	1,822,908	-	-	1,822,908	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	192	191.50	102,460,184	-	-	102,460,184	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(16,001)	-	-	(16,001)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	143,820	-	-	143,820	-	-	-
Subtotal	-	-	127,819	-	-	127,819	-	-	-
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)	-	-	2,362,262	-	-	2,362,262	-	-	-
Subtotal	-	-	2,362,262	-	-	2,362,262	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Asset Management
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(6,383,204)	-	-	(6,383,204)	-	-	-
Subtotal: 2017-19 Current Service Level	192	191.50	98,567,061	-	-	98,567,061	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Asset Management
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-060-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	192	191.50	98,567,061	-	-	98,567,061	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	192	191.50	98,567,061	-	-	98,567,061	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	5	5.00	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	3	3.00	647,080	-	-	647,080	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	1,500,000	-	-	1,500,000	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	4	4.00	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Asset Management
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-060-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	1,187,657	-	-	1,187,657	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	12	12.00	3,334,737	-	-	3,334,737	-	-	-
Total 2017-19 Agency Request Budget	204	203.50	101,901,798	-	-	101,901,798	-	-	-

Percentage Change From 2015-17 Leg Approved Budget	5.70%	5.71%	1.26%	-	-	1.26%	-	-	-
Percentage Change From 2017-19 Current Service Level	6.25%	6.27%	3.38%	-	-	3.38%	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Goods & Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	232	231.04	192,574,997	-	-	91,061,851	-	101,513,146	-
2015-17 Emergency Boards	4	2.32	1,660,453	-	-	1,660,453	-	-	-
2015-17 Leg Approved Budget	236	233.36	194,235,450	-	-	92,722,304	-	101,513,146	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(6)	(3.36)	2,443,342	-	-	2,443,342	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			3,757,098	-	-	-	-	3,757,098	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	230	230.00	200,435,890	-	-	95,165,646	-	105,270,244	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	(31,278)	-	-	(31,278)	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	205,470	-	-	205,470	-	-	-
Subtotal	-	-	174,192	-	-	174,192	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(54,744)	-	-	(54,744)	-	-	-
Subtotal	-	-	(54,744)	-	-	(54,744)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	2,680,290	-	-	2,680,290	-	-	-
Subtotal	-	-	2,680,290	-	-	2,680,290	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Goods & Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	(5,496,513)	-	-	(5,496,513)	-	-	-
Subtotal: 2017-19 Current Service Level	230	230.00	197,739,115	-	-	92,468,871	-	105,270,244	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Goods & Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	230	230.00	197,739,115	-	-	92,468,871	-	105,270,244	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	230	230.00	197,739,115	-	-	92,468,871	-	105,270,244	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	4	4.00	868,365	-	-	868,365	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	4	4.00	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	2	2.00	450,053	-	-	450,053	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	1,000,000	-	-	1,000,000	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Goods & Services
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-065-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	10	10.00	2,318,418	-	-	2,318,418	-	-	-
Total 2017-19 Agency Request Budget	240	240.00	200,057,533	-	-	94,787,289	-	105,270,244	-
Percentage Change From 2015-17 Leg Approved Budget	1.69%	2.85%	3.00%	-	-	2.23%	-	3.70%	-
Percentage Change From 2017-19 Current Service Level	4.35%	4.35%	1.17%	-	-	2.51%	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Human Resouce Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	25	24.64	7,112,418	-	-	7,112,418	-	-	-
2015-17 Emergency Boards	-	-	223,563	-	-	223,563	-	-	-
2015-17 Leg Approved Budget	25	24.64	7,335,981	-	-	7,335,981	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	0.36	410,652	-	-	410,652	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	-	-	-	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	25	25.00	7,746,633	-	-	7,746,633	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	3,509	-	-	3,509	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	18,266	-	-	18,266	-	-	-
Subtotal	-	-	21,775	-	-	21,775	-	-	-
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)	-	-	73,867	-	-	73,867	-	-	-
Subtotal	-	-	73,867	-	-	73,867	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Human Resouce Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	(17)	(17.00)	(5,394,589)	-	-	(5,394,589)	-	-	-
Subtotal: 2017-19 Current Service Level	8	8.00	2,447,686	-	-	2,447,686	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Enterprise Human Resouce Services
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-070-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	8	8.00	2,447,686	-	-	2,447,686	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	8	8.00	2,447,686	-	-	2,447,686	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Enterprise Human Resource Services
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	8	8.00	2,447,686	-	-	2,447,686	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-68.00%	-67.53%	-66.63%	-	-	-66.63%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 DAS Business Services
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	15	14.76	6,547,336	-	-	6,547,336	-	-	-
2015-17 Emergency Boards	3	3.00	773,963	-	-	773,963	-	-	-
2015-17 Leg Approved Budget	18	17.76	7,321,299	-	-	7,321,299	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	(1)	(0.76)	214,696	-	-	214,696	-	-	-
Estimated Cost of Merit Increase			-	-	-	-	-	-	-
Base Debt Service Adjustment			-	-	-	-	-	-	-
Base Nonlimited Adjustment			-	-	-	-	-	-	-
Capital Construction			-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	17	17.00	7,535,995	-	-	7,535,995	-	-	-
Essential Packages									
010 - Non-PICS Pers Svc/Vacancy Factor									
Vacancy Factor (Increase)/Decrease	-	-	28,801	-	-	28,801	-	-	-
Non-PICS Personal Service Increase/(Decrease)	-	-	7,552	-	-	7,552	-	-	-
Subtotal	-	-	36,353	-	-	36,353	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(2,000,000)	-	-	(2,000,000)	-	-	-
Subtotal	-	-	(2,000,000)	-	-	(2,000,000)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	46,303	-	-	46,303	-	-	-
State Gov't & Services Charges Increase/(Decrease)			(7,420,842)	-	-	(7,420,842)	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 DAS Business Services
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal	-	-	(7,374,539)	-	-	(7,374,539)	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									
060 - Technical Adjustments	(1)	(1.00)	15,484,710	-	-	15,484,710	-	-	-
Subtotal: 2017-19 Current Service Level	16	16.00	13,682,519	-	-	13,682,519	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
DAS Business Services
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-075-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	16	16.00	13,682,519	-	-	13,682,519	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	16	16.00	13,682,519	-	-	13,682,519	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	2,000,000	-	-	2,000,000	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 DAS Business Services
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	2,000,000	-	-	2,000,000	-	-	-
Total 2017-19 Agency Request Budget	16	16.00	15,682,519	-	-	15,682,519	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-11.11%	-9.91%	114.20%	-	-	114.20%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	14.62%	-	-	14.62%	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Capital Improvements
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	4,403,176	-	-	4,403,176	-	-	-
2015-17 Emergency Boards	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	4,403,176	-	-	4,403,176	-	-	-
2017-19 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 2017-19 Base Budget	-	-	4,403,176	-	-	4,403,176	-	-	-
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)	-	-	162,918	-	-	162,918	-	-	-
Subtotal	-	-	162,918	-	-	162,918	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Capital Improvements
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	4,566,094	-	-	4,566,094	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Capital Improvements
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	4,566,094	-	-	4,566,094	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	4,566,094	-	-	4,566,094	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Capital Improvements
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-088-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	4,566,094	-	-	4,566,094	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	3.70%	-	-	3.70%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Capital Construction
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-089-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	35,927,261	-	-	35,927,261	-	-	-
2015-17 Emergency Boards	-	-	2,500,000	-	-	2,500,000	-	-	-
2015-17 Leg Approved Budget	-	-	38,427,261	-	-	38,427,261	-	-	-
2017-19 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	-	-	(38,427,261)	-	-	(38,427,261)	-	-	-
Subtotal 2017-19 Base Budget	-	-	-	-	-	-	-	-	-
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)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Capital Construction
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Capital Construction
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-089-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Capital Construction
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	3,742,595	-	-	3,742,595	-	-	-
118 - Employment Building Upgrades	-	-	6,235,930	-	-	6,235,930	-	-	-
119 - Electrical Upgrades & Replacements	-	-	3,889,795	-	-	3,889,795	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	2,926,140	-	-	2,926,140	-	-	-
121 - Planning	-	-	500,000	-	-	500,000	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	1,234,350	-	-	1,234,350	-	-	-
123 - Portland Crime Lab Upgrade	-	-	1,161,909	-	-	1,161,909	-	-	-
124 - Parking Lot Upgrades	-	-	3,500,000	-	-	3,500,000	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	56,500,000	-	-	56,500,000	-	-	-
126 - Portland State Office Building Repairs	-	-	13,146,000	-	-	13,146,000	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	92,836,719	-	-	92,836,719	-	-	-
Total 2017-19 Agency Request Budget	-	-	92,836,719	-	-	92,836,719	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	141.59%	-	-	141.59%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Miscellaneous Distributions
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-090-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	24,716,507	-	-	-	-	24,716,507	-
2015-17 Emergency Boards	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	24,716,507	-	-	-	-	24,716,507	-
2017-19 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 2017-19 Base Budget	-	-	24,716,507	-	-	-	-	24,716,507	-
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)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Miscellaneous Distributions
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-090-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	24,716,507	-	-	-	-	24,716,507	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Miscellaneous Distributions
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-090-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	24,716,507	-	-	-	-	24,716,507	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	24,716,507	-	-	-	-	24,716,507	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Miscellaneous Distributions
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-090-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	24,716,507	-	-	-	-	24,716,507	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Shared Services Fund
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-091-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	1	-	-	1	-	-	-
2015-17 Emergency Boards	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	1	-	-	1	-	-	-
2017-19 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 2017-19 Base Budget	-	-	1	-	-	1	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(1)	-	-	(1)	-	-	-
Subtotal	-	-	(1)	-	-	(1)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Shared Services Fund
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-091-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Shared Services Fund
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-091-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Shared Services Fund
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-091-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	-	-	-	-	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	-100.00%	-	-	-100.00%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 DAS Debt Service
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-093-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	20,399,207	-	-	20,399,207	-	-	-
2015-17 Emergency Boards	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	20,399,207	-	-	20,399,207	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	(4,951,863)	-	-	(4,951,863)	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	-	-	15,447,344	-	-	15,447,344	-	-	-
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: 2017-19 Current Service Level	-	-	15,447,344	-	-	15,447,344	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 DAS Debt Service
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-093-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	15,447,344	-	-	15,447,344	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	15,447,344	-	-	15,447,344	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 DAS Debt Service
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-093-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	4,974,847	-	-	4,974,847	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	4,974,847	-	-	4,974,847	-	-	-
Total 2017-19 Agency Request Budget	-	-	20,422,191	-	-	20,422,191	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	0.11%	-	-	0.11%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	32.21%	-	-	32.21%	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Bonds
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-094-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	504,843,700	-	-	358,968,700	-	145,875,000	-
2015-17 Emergency Boards	-	-	809,076	-	-	809,076	-	-	-
2015-17 Leg Approved Budget	-	-	505,652,776	-	-	359,777,776	-	145,875,000	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	31,148,898	-	-	31,148,898	-	-	-
Base Nonlimited Adjustment	-	-	(145,875,000)	-	-	-	-	(145,875,000)	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	-	-	390,926,674	-	-	390,926,674	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(55,000)	-	-	(55,000)	-	-	-
Subtotal	-	-	(55,000)	-	-	(55,000)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	-	-	-	-	-	-	-
State Gov't & Services Charges Increase/(Decrease)	-	-	63,253	-	-	63,253	-	-	-
Subtotal	-	-	63,253	-	-	63,253	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Bonds
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-094-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments									
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	390,934,927	-	-	390,934,927	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
 Bonds
 2017-19 Biennium

Agency Request Budget
 Cross Reference Number: 10700-094-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	390,934,927	-	-	390,934,927	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	390,934,927	-	-	390,934,927	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Bonds
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-094-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	-	-	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	-	-	-	-	-	-	-
Subtotal Policy Packages	-	-	-	-	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	390,934,927	-	-	390,934,927	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	-22.69%	-	-	8.66%	-	-100.00%	-
Percentage Change From 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Special Governmental Payments
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-099-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
2015-17 Leg Adopted Budget	-	-	49,885,532	12,188,296	16,641,096	21,056,140	-	-	-
2015-17 Emergency Boards	-	-	6,659,680	3,600,000	-	3,059,680	-	-	-
2015-17 Leg Approved Budget	-	-	56,545,212	15,788,296	16,641,096	24,115,820	-	-	-
2017-19 Base Budget Adjustments									
Net Cost of Position Actions									
Administrative Biennialized E-Board, Phase-Out	-	-	-	-	-	-	-	-	-
Estimated Cost of Merit Increase	-	-	-	-	-	-	-	-	-
Base Debt Service Adjustment	-	-	6,409,834	574,458	5,835,376	-	-	-	-
Base Nonlimited Adjustment	-	-	-	-	-	-	-	-	-
Capital Construction	-	-	-	-	-	-	-	-	-
Subtotal 2017-19 Base Budget	-	-	62,955,046	16,362,754	22,476,472	24,115,820	-	-	-
020 - Phase In / Out Pgm & One-time Cost									
021 - Phase - In	-	-	-	-	-	-	-	-	-
022 - Phase-out Pgm & One-time Costs	-	-	(31,096,820)	(6,765,000)	(216,000)	(24,115,820)	-	-	-
Subtotal	-	-	(31,096,820)	(6,765,000)	(216,000)	(24,115,820)	-	-	-
030 - Inflation & Price List Adjustments									
Cost of Goods & Services Increase/(Decrease)	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-
040 - Mandated Caseload									
040 - Mandated Caseload	-	-	-	-	-	-	-	-	-
050 - Fundshifts and Revenue Reductions									
050 - Fundshifts	-	-	-	-	-	-	-	-	-
060 - Technical Adjustments									

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Special Governmental Payments
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-099-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
060 - Technical Adjustments	-	-	-	-	-	-	-	-	-
Subtotal: 2017-19 Current Service Level	-	-	31,858,226	9,597,754	22,260,472	-	-	-	-

Summary of 2017-19 Biennium Budget

**Administrative Svcs, Dept of
Special Governmental Payments
2017-19 Biennium**

**Agency Request Budget
Cross Reference Number: 10700-099-00-00-00000**

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
Subtotal: 2017-19 Current Service Level	-	-	31,858,226	9,597,754	22,260,472	-	-	-	-
070 - Revenue Reductions/Shortfall									
070 - Revenue Shortfalls	-	-	-	-	-	-	-	-	-
Modified 2017-19 Current Service Level	-	-	31,858,226	9,597,754	22,260,472	-	-	-	-
080 - E-Boards									
080 - May 2016 E-Board	-	-	-	-	-	-	-	-	-
Subtotal Emergency Board Packages	-	-	-	-	-	-	-	-	-
Policy Packages									
100 - Human Resource Information System (HRIS)	-	-	-	-	-	-	-	-	-
101 - IT Procurement & Vendor Management Program	-	-	-	-	-	-	-	-	-
102 - Convert 2015-17 LDs to Permanent Staff	-	-	-	-	-	-	-	-	-
103 - Growing Demand for COO Services	-	-	-	-	-	-	-	-	-
104 - Growing Demand for CHRO Service	-	-	-	-	-	-	-	-	-
105 - Growing Demand for SDC Services	-	-	-	-	-	-	-	-	-
106 - Growing Demand for EAM Services	-	-	-	-	-	-	-	-	-
107 - Growing Demand for EGS Services	-	-	-	-	-	-	-	-	-
108 - Windows Server Hardware/Software	-	-	-	-	-	-	-	-	-
109 - Additional Vehicles Requested by Agencies	-	-	-	-	-	-	-	-	-
110 - Risk Management Information System (RMIS)	-	-	-	-	-	-	-	-	-
111 - Capital Facility Planning	-	-	-	-	-	-	-	-	-
112 - Mass Ingenuity Master Contract	-	-	-	-	-	-	-	-	-
113 - Position Authority Only Cap Const Projects	-	-	-	-	-	-	-	-	-
114 - Capital Investment on State-Owned Facilities	-	-	-	-	-	-	-	-	-

Summary of 2017-19 Biennium Budget

Administrative Svcs, Dept of
Special Governmental Payments
2017-19 Biennium

Agency Request Budget
Cross Reference Number: 10700-099-00-00-00000

<i>Description</i>	<i>Positions</i>	<i>Full-Time Equivalent (FTE)</i>	<i>ALL FUNDS</i>	<i>General Fund</i>	<i>Lottery Funds</i>	<i>Other Funds</i>	<i>Federal Funds</i>	<i>Nonlimited Other Funds</i>	<i>Nonlimited Federal Funds</i>
115 - Debt Service - Planning & Construction	-	-	-	-	-	-	-	-	-
116 - Free Bus Pass Program	-	-	1,399,125	1,399,125	-	-	-	-	-
117 - Human Services Building Upgrades	-	-	-	-	-	-	-	-	-
118 - Employment Building Upgrades	-	-	-	-	-	-	-	-	-
119 - Electrical Upgrades & Replacements	-	-	-	-	-	-	-	-	-
120 - Capital Mall Parking Structure Study/Upgrade	-	-	-	-	-	-	-	-	-
121 - Planning	-	-	-	-	-	-	-	-	-
122 - Boiler & Heater Upgrades in Multiple Bldgs	-	-	-	-	-	-	-	-	-
123 - Portland Crime Lab Upgrade	-	-	-	-	-	-	-	-	-
124 - Parking Lot Upgrades	-	-	-	-	-	-	-	-	-
125 - Mission Critical Facility - Yellow Lot Bldg	-	-	-	-	-	-	-	-	-
126 - Portland State Office Building Repairs	-	-	-	-	-	-	-	-	-
127 - Oregon State Fair Council	-	-	20,000,000	20,000,000	-	-	-	-	-
Subtotal Policy Packages	-	-	21,399,125	21,399,125	-	-	-	-	-
Total 2017-19 Agency Request Budget	-	-	53,257,351	30,996,879	22,260,472	-	-	-	-
Percentage Change From 2015-17 Leg Approved Budget	-	-	-5.81%	96.33%	33.77%	-100.00%	-	-	-
Percentage Change From 2017-19 Current Service Level	-	-	67.17%	222.96%	-	-	-	-	-

2017-19 BUDGET NARRATIVE

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Summary Cross Reference Number	Cross Reference Description	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
030-00-00-00000	Chief Operating Office						
	General Fund	390,983	279,942	285,482	299,054	-	-
	Other Funds	6,748,165	7,846,753	20,235,632	21,611,888	-	-
	All Funds	7,139,148	8,126,695	20,521,114	21,910,942	-	-
035-00-00-00000	Chief Financial Office						
	Other Funds	13,152,616	16,240,520	16,508,059	16,539,175	-	-
040-00-00-00000	Chief Information Office						
	Other Funds	10,150,983	20,636,511	-	-	-	-
042-00-00-00000	Oregon State Chief Information Office Policy						
	Other Funds	-	-	50,826,215	56,209,996	-	-
045-00-00-00000	Chief Human Resource Office						
	Other Funds	9,723,490	10,261,526	11,034,597	34,891,881	-	-
052-00-00-00000	Oregon State Chief Information Office SDC						
	Other Funds	-	-	160,393,213	159,454,224	-	-
055-00-00-00000	Enterprise Technology Services						
	Other Funds	169,054,628	198,489,621	-	-	-	-
060-00-00-00000	Enterprise Asset Management						
	General Fund	1,297,148	-	-	-	-	-
	Other Funds	91,719,145	99,531,186	100,637,276	101,901,798	-	-

Summary Cross Reference Number	Cross Reference Description	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
060-00-00-00000	Enterprise Asset Management						
	All Funds	93,016,293	99,531,186	100,637,276	101,901,798	-	-
065-00-00-00000	Enterprise Goods & Services						
	Other Funds	154,065,682	192,574,997	194,235,450	200,057,533	-	-
070-00-00-00000	Enterprise Human Resource Services						
	Other Funds	6,039,722	7,112,418	7,335,981	2,447,686	-	-
075-00-00-00000	DAS Business Services						
	Other Funds	6,140,058	6,547,336	7,321,299	15,682,519	-	-
088-00-00-00000	Capital Improvements						
	Other Funds	3,881,908	4,403,176	4,403,176	4,566,094	-	-
089-00-00-00000	Capital Construction						
	Other Funds	17,521,286	35,927,261	38,427,261	92,836,719	-	-
090-00-00-00000	Miscellaneous Distributions						
	Other Funds	20,672,375	24,716,507	24,716,507	24,716,507	-	-
091-00-00-00000	Shared Services Fund						
	Other Funds	62,252,785	1	1	-	-	-
093-00-00-00000	DAS Debt Service						
	Other Funds	34,736,028	20,399,207	20,399,207	20,422,191	-	-

Summary Cross Reference Number	Cross Reference Description	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
094-00-00-00000	Bonds						
	Other Funds	383,172,399	504,843,700	505,652,776	390,934,927	-	-
099-00-00-00000	Special Governmental Payments						
	General Fund	10,213,027	12,188,296	15,788,296	30,996,879	-	-
	Lottery Funds	12,448,190	16,641,096	16,641,096	22,260,472	-	-
	Other Funds	63,012,444	21,056,140	24,115,820	-	-	-
	All Funds	85,673,661	49,885,532	56,545,212	53,257,351	-	-
TOTAL AGENCY							
	General Fund	11,901,158	12,468,238	16,073,778	31,295,933	-	-
	Lottery Funds	12,448,190	16,641,096	16,641,096	22,260,472	-	-
	Other Funds	1,052,043,714	1,170,586,860	1,186,242,470	1,142,273,138	-	-
	All Funds	1,076,393,062	1,199,696,194	1,218,957,344	1,195,829,543	-	-

2017-19 BUDGET NARRATIVE

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Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium											Agency Number: 10700										
Agency-wide																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Reg. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/Div																				
1	1	DAS	Debt	Bonds & Debt Service - Article XI-O Bonds, Article Q Bonds and Lottery Bonds in addition to debt service fro EAM, Gol Oregon and Mill Creek		4	6,673,186	411,357,118				\$ 418,030,304	0	0.00	Y	N	D				
2	1	DAS	CFO	Capitol Planning & Finance	1	4	-	5,486,588				\$ 5,486,588	10	10.00	Y	Y					
3	1	DAS	COO	Administration	1	4	-	5,662,876				\$ 5,662,876	16	16.00	Y	Y					
4	1	DAS	SDC	Mainframe & MF Sustainability	1,8,13	4	-	24,331,214				\$ 24,331,214	17	17.20	N	Y					
5	1	DAS	CHRO	Policy Consultation and Research	1, 4, 5a	4	-	4,154,823				\$ 4,154,823	12	12.00	N	N	S	ORS 240, 243			
6	1	DAS	EGS	Risk Management	1,10, 13	4	-	25,564,566	105,270,244			\$ 130,834,810	23	23.00	Y	Y	S	ORS 278.405, ORS 278.425, ORS 278.435			
7	1	DAS	OSCIO	OSCIO Policy - Admin	1	4	-	1,740,021				\$ 1,740,021	4	4.00	N	Y					
8	3	DAS	OSCIO	OSCIO - Enterprise Security Office	1,8	4	-	19,183,555				\$ 19,183,555	24	24.00	Y	Y					
9	4	DAS	OSCIO	IT Governance	1	4	-	4,317,885				\$ 4,317,885	12	12.00	N	Y					
10	2	DAS	EGS	Financial Business Systems	1,3	4	-	13,061,280				\$ 13,061,280	36	36.00	Y	Y					
11	2	DAS	CFO	Statewide Accounting & Reporting	1, 3	4	-	3,477,471				\$ 3,477,471	12	12.00	N	Y					
12	2	DAS	CHRO	Labor Relations	1, 4, 5a	4	-	3,224,990				\$ 3,224,990	9	9.00	N	Y	S	ORS 240, 243			
13	2	DAS	OSCIO	Strategic IT Governance Admin	1	4	-	591,000				\$ 591,000	2	2.00	N	Y					
14	1	DAS	EHRIS	Client Managers	1, 5b, 12	4	-	2,447,686				\$ 2,447,686	8	8.00	N	N					
15	1	DAS	DBS	Budget	1	4	-	2,746,626				\$ 2,746,626	9	9.00	N	N					
16	1	DAS	EAM	Maintenance	1	4	-	13,760,412				\$ 13,760,412	45	45.00	N	Y	S	ORS 270, 276			
17	3	DAS	EGS	Procurement Services	1, 9	4	-	16,129,954				\$ 16,129,954	60	60.00	Y	Y					
18	4	DAS	CHRO	HRIS Replacement	1, 4, 5a	4	-	18,484,131				\$ 18,484,131	30	26.50	Y	N	S	ORS 240, 243			
19	3	DAS	COO	Office Economic Analysis	1, 2	4	-	2,045,102	299,054			\$ 2,344,156	5	5.00	N	N					
20	3	DAS	EAM	Real Estate Services	1, 7	4	-	4,843,160				\$ 4,843,160	16	16.00	Y	N	S	ORS 270, 276			
21	5	DAS	OSCIO	Enterprise Shared Services & IT Acquisition & Vendor Management	1,9	4	-	23,958,803				\$ 23,958,803	11	11.00	Y	Y					
22	3	DAS	CHRO	Class & Compensation	1, 4, 5a	4	-	3,130,360				\$ 3,130,360	11	11.00	Y	Y	S	ORS 240, 243			
23	4	DAS	EGS	Publishing & Distribution	1	4	-	31,203,472				\$ 31,203,472	86	86.00	N	Y					
24	4	DAS	CFO	Budget Policy	1	4	-	3,845,002				\$ 3,845,002	12	12.00	N	Y					
25	4	DAS	COO	DAS IT - Technology Support Center	1	4	-	6,797,864				\$ 6,797,864	19	19.00	Y	Y					
26	2	DAS	EAM	Operations - Utilities, Purchasing	1	4	-	15,441,481				\$ 15,441,481	13	13.00	N	Y	S	ORS 270, 276			
27	8	DAS	EAM	Operations - Custodial, Landscape	1	4	-	12,749,717				\$ 12,749,717	65	65.00	Y	Y	S	ORS 270, 276			
28	6	DAS	OSCIO	Quality Assurance	1	4	-	506,687				\$ 506,687	2	2.00	N	Y					
29	7	DAS	OSCIO	Enterprise Architecture & Design	1	4	-	1,082,821				\$ 1,082,821	4	4.00	N	Y					
30	1	DAS	Cap Const	Capital Construction projects		4	-	92,836,719				\$ 92,836,719	0	0.00	Y	N					
31	8	DAS	OSCIO	State Interoperability & FirstNet	1	4	-	1,059,939				\$ 1,059,939	3	3.00	N	Y					
32	3	DAS	SDC	X86 Server, X86 Sustainability & Email	1,8,13	4	-	22,393,404				\$ 22,393,404	16	15.30	N	Y					
33	6	DAS	SDC	Midrange & MR Sustainability	1,8,13	4	-	9,927,881				\$ 9,927,881	17	17.20	Y	Y					
34	4	DAS	SDC	X86 Infrastructure, Storage & Storage Sustainability	1,8,13	4	-	19,560,979				\$ 19,560,979	20	20.30	Y	Y					
35	3	DAS	CFO	Statewide Audit & Budget Reporting	1	4	-	2,041,503				\$ 2,041,503	6	6.00	N	Y					
36	1	DAS	Cap Imp	Capital Improvements	1	4	-	4,566,094				\$ 4,566,094	0	0.00	N	Y					
37	2	DAS	COO	DAS IT - Application Service Delivery	1	4	-	6,396,191				\$ 6,396,191	21	21.00	Y	Y					
38	5	DAS	EAM	Fleet & Parking Services	1, 5	4	-	46,551,456				\$ 46,551,456	32	31.50	Y	Y	S	ORS 283			
39	5	DAS	EGS	Shared Financial Services	1	4	-	7,022,127				\$ 7,022,127	31	31.00	N	Y					
40	9	DAS	OSCIO	e Government	1	4	-	957,062				\$ 957,062	2	2.00	N	Y					
41	2	DAS	SDC	Production Control	1,8,13	4	-	4,100,455				\$ 4,100,455	18	18.20	Y	Y					
42	3	DAS	DBS	DBS Business Support	1	4	-	1,467,662				\$ 1,467,662	4	4.00	N	Y					

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																				Agency Number: 10700	
2017-19 Biennium																					
Agency-wide																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL-OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
43	5	DAS	CHRO	Workforce Management and Collaboration	1, 4, 5a	4	-	-	1,734,541	-	-	\$ 1,734,541	4	4.00	N	N	S	ORS 240, 243			
44	4	DAS	EAM	Planning and Construction Mgmt.	1	4	-	-	3,712,772	-	-	\$ 3,712,772	17	17.00	Y	N	S	ORS 270, 276			
45	6	DAS	CHRO	Strategic Planning and Innovation	1, 4, 5a	4	-	-	1,830,639	-	-	\$ 1,830,639	7	7.00	Y	Y	S	ORS 240, 243			
46	5	DAS	SDC	Service Operations, Backup & Disaster Recovery	1,8,13	4	-	-	7,423,807	-	-	\$ 7,423,807	18	18.00	Y	Y					
47	7	DAS	SDC	Voice, Network Sustainability, NW - LAN, NW - WAN, & Asset Management	1,8,13	4	-	-	23,374,963	-	-	\$ 23,374,963	20	19.80	Y	Y					
48	9	DAS	SDC	Business Relationship	1	4	-	-	4,282,654	-	-	\$ 4,282,654	14	14.45	Y	Y					
49	10	DAS	SDC	Business Services	1	4	-	-	1,646,525	-	-	\$ 1,646,525	7	7.00	Y	Y					
50	7	DAS	EAM	Surplus Property	1	4	-	-	4,329,737	-	-	\$ 4,329,737	15	15.00	N	N	S	ORS 279A			
51	10	DAS	OSCIO	Geospatial Enterprise Office (GEO)	1	4	-	-	1,540,993	-	-	\$ 1,540,993	4	4.00	N	Y					
52	11	DAS	OSCIO	Transparency	1	4	-	-	238,138	-	-	\$ 238,138	1	1.00	N	Y					
53	11	DAS	SDC	Project & Process Mgmt	1	4	-	-	3,858,734	-	-	\$ 3,858,734	12	11.55	N	Y					
54	2	DAS	DBS	DBS Administration	1	4	-	-	11,468,231	-	-	\$ 11,468,231	3	3.00	Y	Y					
55	8	DAS	SDC	Administration	1	4	-	-	1,402,205	-	-	\$ 1,402,205	2	2.00	N	Y					
56	5	DAS	CFO	Administration	1	4	-	-	1,688,611	-	-	\$ 1,688,611	5	5.00	N	N					
57	7	DAS	CHRO	Administration	1, 4, 5a	4	-	-	2,332,397	-	-	\$ 2,332,397	8	8.00	Y	Y	S	ORS 240, 243			
58	5	DAS	COO	DAS - IT Administration	1	4	-	-	509,855	-	-	\$ 509,855	2	2.00	N	Y					
59	6	DAS	EAM	Administration	1	4	-	-	503,063	-	-	\$ 503,063	1	1.00	N	N					
60	6	DAS	EGS	Administration	1	4	-	-	1,805,890	-	-	\$ 1,805,890	4	4.00	N	Y					
61	13	DAS	SDC	Network & Disaster Recovery Pass Through	4	4	-	-	13,144,413	-	-	\$ 13,144,413	0	0.00	N	Y					
62	12	DAS	OSCIO	Pass Through - Enterprise Shared Services	4	4	-	-	1,033,092	-	-	\$ 1,033,092	0	0.00	N	Y					
63	12	DAS	SDC	Computing Pass Through - Mainframe, Midrange, X86, Storage & Voice	4	4	-	-	24,006,990	-	-	\$ 24,006,990	0	0.00	N	Y					
64	3	DAS	Pass Thru	One Time GF Distributions	4	659,269	-	-	-	-	-	\$ 659,269	0	0.00	N	N	D				
65	4	DAS	Pass Thru	Lottery Revenue Bond Debt Service	4	-	-	-	15,238,900	-	-	\$ 15,238,900	0	0.00	N	N	D				
66	5	DAS	Pass Thru	County Fair Account	6	-	-	-	3,648,000	-	-	\$ 3,648,000	0	0.00	N	N	S	ORS 565.447			
67	6	DAS	Pass Thru	Oregon Public Broadcasting	4	500,000	3,005,802	-	-	-	-	\$ 3,505,802	0	0.00	N	Y	D				
68	7	DAS	Pass Thru	Oregon Historical Project	4	750,000	367,770	-	-	-	-	\$ 1,117,770	0	0.00	N	Y					
69	8	DAS	Pass Thru	Oregon State Fair Council	11	21,015,299	-	-	-	-	-	\$ 21,015,299	0	0.00	Y	N					
70	9	DAS	Pass Thru	Bus Pass Program	4	1,399,125	-	-	-	-	-	\$ 1,399,125	0	0.00	Y	N					
71	1	DAS	TDP	Transit District Payments	4	-	-	-	24,716,507	-	-	\$ 24,716,507	0	0.00	N	N					
						81,295,993	22,260,472	1,012,286,387	129,986,751	-	-	\$ 1,195,829,543	887	883.00							

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

19. Legal Requirement Code

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium																			Agency Number: 10700		
Chief Operating Office (COO)																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
3	1	DAS	COO	Administration	1	4			5,662,876				\$ 5,662,876	16	16.00	Y	Y				
37	2	DAS	COO	DAS IT - Application Service Delivery	1	4			6,596,191				\$ 6,596,191	21	21.00	Y	Y				
19	3	DAS	COO	Office Economic Analysis	1, 2	4	299,054		2,045,102				\$ 2,344,156	5	5.00	N	N				
25	4	DAS	COO	DAS IT - Technology Support Center	1	4			6,797,864				\$ 6,797,864	19	19.00	Y	Y				
58	5	DAS	COO	DAS - IT Administration	1	4			509,855				\$ 509,855	2	2.00	N	Y				
							299,054	-	21,611,888	-	-	-	\$ 21,910,942	63	63.00						

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

19. Legal Requirement Code

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBHS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																											
2017-19 Biennium																			Agency Number: 10700								
Chief Financial Office (CFO)																											
Program/Division Priorities for 2017-19 Biennium																											
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22						
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request							
Agcy	Prgm/ Div																										
2	1	DAS	CFO	Capitol Planning & Finance	1	4		5,486,588				\$ 5,486,588	10	10.00	Y	Y											
11	2	DAS	CFO	SW Accounting & Reporting	1, 3	4		3,477,471				\$ 3,477,471	12	12.00	N	Y											
35	3	DAS	CFO	SW Audit & Budget Reporting	1	4		2,041,503				\$ 2,041,503	6	6.00	N	Y											
24	4	DAS	CFO	Budget Policy	1	4		3,845,002				\$ 3,845,002	12	12.00	N	Y											
56	5	DAS	CFO	Administration	1	4		1,688,611				\$ 1,688,611	5	5.00	N	N											
								16,539,175				\$ 16,539,175	45	45.00													

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
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19. Legal Requirement Code

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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium											Agency Number: 10700										
Office of State Chief Information Office (OSCIO)																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
7	1	DAS	OSCIO	OSCIO Policy - Admin	1	4		1,740,021				\$ 1,740,021	4	4.00	N	Y					
13	2	DAS	OSCIO	OSCIO - Strategic IT Governance Admin	1	4		591,000				\$ 591,000	2	2.00	N	Y					
8	3	DAS	OSCIO	OSCIO - Enterprise Security Office	1,8	4		19,183,555				\$ 19,183,555	24	24.00	Y	Y					
9	4	DAS	OSCIO	OSCIO - IT Governance	1	4		4,317,885				\$ 4,317,885	12	12.00	N	Y					
21	5	DAS	OSCIO	OSCIO - Enterprise Shared Services & IT Acquisition & Vendor Management	1,9	4		23,958,803				\$ 23,958,803	11	11.00	Y	Y					
28	6	DAS	OSCIO	OSCIO - Quality Assurance	1	4		506,687				\$ 506,687	2	2.00	N	Y					
29	7	DAS	OSCIO	OSCIO - Enterprise Architecture & Design	1	4		1,082,821				\$ 1,082,821	4	4.00	N	Y					
31	8	DAS	OSCIO	OSCIO - State Interoperability & FirstNet	1	4		1,059,939				\$ 1,059,939	3	3.00	N	Y					
40	9	DAS	OSCIO	OSCIO - e Government	1	4		957,062				\$ 957,062	2	2.00	N	Y					
51	10	DAS	OSCIO	OSCIO - Geospatial Enterprise Office (GEO)	1	4		1,540,993				\$ 1,540,993	4	4.00	N	Y					
52	11	DAS	OSCIO	OSCIO - Transparency	1	4		238,138				\$ 238,138	1	1.00	N	Y					
62	12	DAS	OSCIO	OSCIO - Pass Through, Enterprise Shared Services		4		1,033,092				\$ 1,033,092	0	0.00	N	Y					
								56,209,996				\$ 56,209,996	69	69.00							

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
- 6 Economic Development
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- 8 Emergency Services
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19. Legal Requirement Code

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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																							
2017-19 Biennium																			Agency Number: 10700				
Chief Human Resource Office (CHRO)																							
Program/Division Priorities for 2017-19 Biennium																							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22		
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request			
Agcy	Prgm/Div																						
5	1	DAS	CHRO	Policy Consultation and Research	1, 4, 5a	4		4,154,823				\$ 4,154,823	12	12.00	N	N	S	ORS 240, 243					
12	2	DAS	CHRO	Labor Relations	1, 4, 5a	4		3,224,990				\$ 3,224,990	9	9.00	N	Y	S	ORS 240, 243					
22	3	DAS	CHRO	Class & Compensation	1, 4, 5a	4		3,130,360				\$ 3,130,360	11	11.00	Y	Y	S	ORS 240, 243					
18	4	DAS	CHRO	HRIS Replacement	1, 4, 5a	4		18,484,131				\$ 18,484,131	30	26.50	Y	N	S	ORS 240, 243					
43	5	DAS	CHRO	Workforce Management and Collaboration	1, 4, 5a	4		1,734,541				\$ 1,734,541	4	4.00	N	N	S	ORS 240, 243					
45	6	DAS	CHRO	CHRO - Strategic Planning and Innovation	1, 4, 5a	4		1,830,639				\$ 1,830,639	7	7.00	Y	Y	S	ORS 240, 243					
57	7	DAS	CHRO	Administration	1, 4, 5a	4		2,332,397				\$ 2,332,397	8	8.00	Y	Y	S	ORS 240, 243					
								34,891,881				\$ 34,891,881	81	77.50									

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
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19. Legal Requirement Code

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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																											
2017-19 Biennium																			Agency Number: 10700								
State Data Center (SDC)																											
Program/Division Priorities for 2017-19 Biennium																											
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22						
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL Included in Agency Request							
Agcy	Prgm/ Div																										
4	1	DAS	SDC	SDC - Mainframe & MF Sustainability	1,8,13	4		24,331,214				\$ 24,331,214	17	17.20	N	Y											
41	2	DAS	SDC	SDC - Production Control	1,8,13	4		4,100,455				\$ 4,100,455	18	18.20	Y	Y											
32	3	DAS	SDC	SDC - X86 Server, X86 Sustainability & Email	1,8,13	4		22,393,404				\$ 22,393,404	16	15.30	N	Y											
34	4	DAS	SDC	SDC - X86 Infrastructure, Storage & Storage Sustainability	1,8,13	4		19,560,979				\$ 19,560,979	20	20.30	Y	Y											
46	5	DAS	SDC	SDC - Service Operations, Backup & Disaster Recovery	1,8,13	4		7,423,807				\$ 7,423,807	18	18.00	Y	Y											
33	6	DAS	SDC	SDC - Wireless Network	1,8,13	4		9,927,881				\$ 9,927,881	17	17.20	Y	Y											
47	7	DAS	SDC	SDC - Voice, Network Sustainability, NW - LAN, NW - WAN, & Asset Management	1,8,13	4		23,374,963				\$ 23,374,963	20	19.80	Y	Y											
55	8	DAS	SDC	SDC - Administration	1	4		1,402,205				\$ 1,402,205	2	2.00	N	Y											
48	9	DAS	SDC	SDC - Business Relationship	1	4		4,282,654				\$ 4,282,654	14	14.45	Y	Y											
49	10	DAS	SDC	SDC - Business Services	1	4		1,646,525				\$ 1,646,525	7	7.00	Y	Y											
53	11	DAS	SDC	SDC - Project & Process Mgmt	1	4		3,858,734				\$ 3,858,734	12	11.55	N	Y											
63	12	DAS	SDC	SDC - Computing Pass Through: Mainframe, Midrange, X86, Storage & Voice		4		24,006,990				\$ 24,006,990	0	0.00	N	Y											
61	13	DAS	SDC	SDC - Network & Disaster Recovery Pass Through		4		13,144,413				\$ 13,144,413	0	0.00	N	Y											
								159,454,224				\$ 159,454,224	161	161.00													

7. Primary Purpose Program/Activity Exists

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- 2 Community Development
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19. Legal Requirement Code

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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITTS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium										Agency Number: 10700											
Enterprise Asset Management (EAM)																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgn/ Div																				
16	1	DAS	EAM	Maintenance	1	4		13,760,412				\$ 13,760,412	45	45.00	N	Y	S	ORS 270, 276			
26	2	DAS	EAM	Operations: Utilities, Purchasing	1	4		15,441,481				\$ 15,441,481	13	13.00	N	Y	S	ORS 270, 276			
20	3	DAS	EAM	Real Estate Services	1, 7	4		4,843,160				\$ 4,843,160	16	16.00	Y	N	S	ORS 270, 276			
44	4	DAS	EAM	Planning and Const. Mgmt.	1	4		3,712,772				\$ 3,712,772	17	17.00	Y	N	S	ORS 270, 276			
38	5	DAS	EAM	Fleet & Parking Services	1, 6	4		46,561,456				\$ 46,561,456	32	31.50	Y	Y	S	ORS 283			
59	6	DAS	EAM	Administration	1	4		503,063				\$ 503,063	1	1.00	N	N	S				
50	7	DAS	EAM	Surplus Property	1	4		4,329,737				\$ 4,329,737	15	15.00	N	N	S	ORS 279A			
27	8	DAS	EAM	Operations: Custodial, Landscape	1	4		12,749,717				\$ 12,749,717	65	65.00	Y	Y	S	ORS 270, 276			
								101,901,798				\$ 101,901,798	204	203.50							

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
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19. Legal Requirement Code

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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium											Agency Number: 10700										
Enterprise Goods and Services (EGS)																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL-OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
6	1	DAS	EGS	Risk Management	1,10, 13	4		25,564,566	105,270,244			\$ 130,834,810	23	23.00	Y	Y	S	ORS 278.405, ORS 278.425, ORS 278.435			
10	2	DAS	EGS	Financial Business Systems	1,3	4		13,061,280				\$ 13,061,280	36	36.00	Y	Y					
17	3	DAS	EGS	Procurement Services	1, 9	4		16,129,954				\$ 16,129,954	60	60.00	Y	Y					
23	4	DAS	EGS	Publishing & Distribution	1	4		31,203,472				\$ 31,203,472	86	86.00	N	Y					
39	5	DAS	EGS	Shared Financial Services	1	4		7,022,127				\$ 7,022,127	31	31.00	N	Y					
60	6	DAS	EGS	Administration	1	4		1,805,890				\$ 1,805,890	4	4.00	N	Y					
								94,787,289	105,270,244			\$ 200,057,533	240	240.00							

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium																			Agency Number: 10700		
Enterprise Human Resource Services (EHRS)																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
14	1	DAS	EHRS	Client Managers	1, 5b, 12	4	-	-	2,447,686	-	-	-	\$ 2,447,686	8	8.00	N	N				
									2,447,686				\$ 2,447,686	8	8.00						

7. Primary Purpose Program/Activity Exists

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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITTS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																								
2017-19 Biennium																			Agency Number: 10700					
DAS Business Services (DBS)																								
Program/Division Priorities for 2017-19 Biennium																								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22			
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (X/N)	Included as Reduction Option (X/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request				
Agcy	Prgm/Div																							
15	1	DAS	DBS	DBS Budget	1	4			2,746,626				\$ 2,746,626	9	9.00	N	N							
54	2	DAS	DBS	DBS Administration	1	4			11,468,231				\$ 11,468,231	3	3.00	Y	Y							
42	3	DAS	DBS	DBS Business Support	1	4			1,467,662				\$ 1,467,662	4	4.00	N	Y							
									15,682,519				\$ 15,682,519	16	16.00									

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium														Agency Number: 10700							
Capital Improvements																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
36	1	DAS	Cap Imp	Capital Improvements	1				4,566,094				\$ 4,566,094	0	0.00	N	Y				
						-	-	4,566,094	-	-	-	\$ 4,566,094	0	0.00							

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
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Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																									
2017-19 Biennium																			Agency Number: 10700						
Capital Construction																									
Program/Division Priorities for 2017-19 Biennium																									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22				
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request					
Agcy	Prgm/ Div																								
30	1	DAS	Cap Const	Capital Construction projects		4			92,836,719				\$ 92,836,719	0	0.00	Y	N								
									92,836,719	-	-	-	\$ 92,836,719	0	0.00										

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
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- 7 Education & Skill Development
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- 11 Recreation, Heritage, or Cultural
- 12 Social Support

19. Legal Requirement Code

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

Within each Program/Division area, prioritize each Budget Program Unit (Activities) by detail budget level in ORBITTS

Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium											Agency Number: 10700										
Miscellaneous Distributions																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL-OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
71	1	DAS	TDP	Mass Transit District Payments	4				24,716,507			\$ 24,716,507	0	0.00	N	N					
						-	-	-	24,716,507	-	-	\$ 24,716,507	0	0.00							

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Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																								
2017-19 Biennium																			Agency Number: 10700					
DAS Debt Service																								
Program/Division Priorities for 2017-19 Biennium																								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22			
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request				
Agcy	Prgm/ Div																							
	1	DAS	Debt	DAS D5 - Enterprise Asset Mgmt	4			20,422,191				\$ 20,422,191	0	0.00	Y	N	D							
								20,422,191				\$ 20,422,191	0	0.00										

7. Primary Purpose Program/Activity Exists

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Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																					
2017-19 Biennium												Agency Number: 10700									
Bonds																					
Program/Division Priorities for 2017-19 Biennium																					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request	
Agcy	Prgm/ Div																				
1	1	DAS	Debt	SGP - Article XI-O Bonds, Article Q Bonds & Lottery Bonds	4			390,934,927				\$ 390,934,927	0	0.00	N	N	D				
								390,934,927				\$ 390,934,927	0	0.00							

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
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Program Prioritization for 2017-19

Agency Name: Department of Administrative Services																								
2017-19 Biennium																			Agency Number: 10700					
Special Governmental Payments																								
Program/Division Priorities for 2017-19 Biennium																								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22			
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL- OF	FF	NL- FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request				
Agcy	Prgrm/ Dtr																							
1	1	DAS	Pass Thru	Mill Creek Debt Service	4	838,337						\$ 838,337	0	0.00	N	N	D							
1	2	DAS	Pass Thru	Gov Oregon Debt Service	4	5,834,849						\$ 5,834,849	0	0.00	N	N	D							
64	3	DAS	Pass Thru	One Time GF Distributions	4	659,269						\$ 659,269	0	0.00	N	N	D							
65	4	DAS	Pass Thru	Lottery Revenue Bond Debt Service	4		15,238,900					\$ 15,238,900	0	0.00	N	N	D							
66	5	DAS	Pass Thru	County Fair Account	6		3,648,000					\$ 3,648,000	0	0.00	N	N	S	ORS 565.447						
67	6	DAS	Pass Thru	Oregon Public Broadcasting	4	500,000	3,005,802					\$ 3,505,802	0	0.00	N	Y	D							
68	7	DAS	Pass Thru	Oregon Historical Project	4	750,000	367,770					\$ 1,117,770	0	0.00	N	Y								
69	8	DAS	Pass Thru	Oregon State Fair Council	11	21,015,299						\$ 21,015,299	0	0.00	Y	N								
70	9	DAS	Pass Thru	Bus Pass Program	4	1,399,125						\$ 1,399,125	0	0.00	Y	N								
						30,996,879	22,260,472	-	-	-	-	\$ 53,257,351	0	0.00										

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Document criteria used to prioritize activities:

Prioritize each program activity for the Agency as a whole

2017-19 BUDGET NARRATIVE

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Department of Administrative Services
 10% Reduction Options (ORS 291.216)
 Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
1	Fleet & Parking Services	Reduce Fuel Limitation: Gas prices dropped significantly and the program is carrying excess S&S limitation.	-	-	OF	\$ 1,384,372	1
2	Financial Business Services	Reduce S&S in Publicity & Publications. This reduction resulted from a savings realized from lower than anticipated costs. If unexpected services from other state agencies are needed, DAS may need to come back due to a budget shortfall.	-	-	OF	\$ 425,000	1
3	Operations and Maintenance	Reduce utilities expenditure in the Uniform Rent buildings: Reduction in limitation based on historical consumption.	-	-	OF	\$ 1,973,078	2
4	SDC - Storage	Terminate maintenance on end-of-life hardware and software. No direct impact to operations or customers.	-	-	OF	\$ 148,224	1
5	DAS IT	Reduce DAS IT out-of-state-travel and training. Ever evolving technology requires continuing education to keep applications and data secure, reliable and available.	-	-	OF	\$ 40,000	2
6	Financial Business Services	Reduce S&S in Data Processing. This reduction resulted from a savings realized from lower than anticipated costs. If unexpected services from other state agencies are needed, DAS may need to come back due to a budget shortfall.	-	-	OF	\$ 750,000	2
7	CFO & DBS	Reduce Services & Supplies across all programs.	-	-	OF	\$ 176,122	1
8	COO	Reduce Services & Supplies.	-	-	OF	\$ 27,166	1
9	Publishing & Distribution Services	Reduce S&S in training and all software updates that would need to be delayed, causing potential disruption of services in the Design unit. Work would need to be shifted back to the agencies.	-	-	OF	\$ 50,000	5
10	Procurement Services	Eliminate temps/overtime and reduce office expenses, eliminate instructional services, and reduce Attorney General Legal Fees (impact is that staff would limit interactions with DOJ to only those that are required).	-	-	OF	\$ 86,276	4
11	Operations and Maintenance	Self support building tenants would contract directly with Custodial vendor: Property distribution, Salem Motor Pool, DEQ/PHL, central Point, OSP Port., Blind Comm/OROSHA.	-	-	OF	\$ 397,027	6
12	DBS - CUB	Eliminate a vacant senior performance strategist position and a filled office support position that coordinates the scheduling of the four Customer Utility Boards, recording minutes, and preparing/distributing other CUB-related materials.	2	2.00	OF	\$ 405,897	2

Department of Administrative Services
 10% Reduction Options (ORS 291.216)
 Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
13	EHRS - Employee Relations	Eliminate Safety Specialist 2 position which will require DAS and client agencies to manage their own workers' compensation and safety programs divisionally without a resident safety expert.	1	1.00	OF	\$ 228,455	2
14	CHRO - Strategic Planning & Innovation	Eliminate Executive Recruiter which will result in contracting out agency director and Board/Commissions recruitments.	1	1.00	OF	\$ 278,887	1
15	COO	Eliminate two of four COO statewide coordination positions. This reduction eliminates DAS' ability to manage statewide projects.	2	2.00	OF	\$ 475,678	5
16	OSCIO - All (except Security)	Eliminate 17-19 S&S standard inflation (excludes SGSC & rents). Inflation across all OSCIO services and supplies would need to be managed closely by our budget analyst and leadership team. Ultimately this would reduce services and supplies in multiple areas including but not limited to out of state travel, employee training, office expenses, data processing, employee recruitment & development, attorney general, etc.	-	-	OF	\$ 1,232,536	1
17	SDC - Mainframe	Reduce Mainframe Data Processing. This will cause a reduction in the computing capacity for the Mainframe. Customers will most likely be impacted during the first and last week of the month when performance demands are higher. Customers will see slower performance and in some rare cases service disruptions.	-	-	OF	\$ 2,700,000	4
18	Risk Management	Reduce Personal Services of an Administrative Specialist 1 position from 1 FTE to .5 FTE. The reduction will cause elimination of handling Citizen Reports for the state.	-	0.50	OF	\$ 64,456	8
19	DAS IT	Reduce DAS IT Professional Services S&S. This would impact ability to meet project delivery service levels with contracted resources.	-	-	OF	\$ 100,000	3
20	CFO - SARS	Eliminate a vacant Accountant position. Work will be absorbed within existing staff.	1	1.00	OF	\$ 222,922	5
21	Operations and Maintenance	Change set point temp range in Uniform Rent Buildings: The range would change from the current all round temperature range from 72 degrees +/- 2.5 degrees to a winter range of 70 degrees +/- 2.5 and a summer range of 74 degrees +/- 2.5 degrees.	-	-	OF	\$ 401,000	5
22	Capital Improvement	Defer 10% of planned capital improvement projects to future biennia. Will reduce the ability of EAM to respond to emergencies and implement energy efficiencies. Will also impede efforts to implement new space utilization standards in state offices. Potential adverse impact to program delivery for tenants in DAS owned buildings.	-	-	OF	\$ 456,609	1
23	Publishing & Distribution Services	Reduce S&S. Some software updates would need to be delayed, causing potential disruption of services of sensitive print.	-	-	OF	\$ 300,000	14

Department of Administrative Services
10% Reduction Options (ORS 291.216)
Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
24	DBS - CUB	Eliminate all remaining Customer Utility Board support and service delivery performance/survey work. Eliminates performance metric analysis on DAS services to agencies.	3	3.00	OF	\$ 549,253	3
25	Publishing & Distribution Services	Reduce S&S in Postage; the additional mail customers of Publishing & Distribution would be required to pre-pay postage. Accounting services for these accounts would require additional support.	-	-	OF	\$ 1,750,000	3
26	Publishing & Distribution Services	Eliminate one shuttle driver, which will cause the elimination or consolidation of several stops. During vacations and sick leave, one or more of the out of town routs may need to be delayed or skipped.	1	1.00	OF	\$ 118,565	6
27	CFO - SARS	Eliminate workload related to delinquent debt collection (Senate Bill 55, Chapter 766, 2015 Laws).	2	2.00	OF	\$ 537,578	4
28	Operations and Maintenance	Eliminate building maintenance for two DAS-owned OSP buildings: This would require OSP contract out for building maintenance which is currently paid within the rent structure. Both sites are crime labs.	-	-	OF	\$ 197,000	7
29	SDC - All	Eliminate S&S and Capital Outlay standard inflation factor. Will limit ETS's current service levels. Will extend ETS time to deliver standard services and response to outages.	-	-	OF	\$ 3,943,975	5
30	OSCIO - All (except Security)	Reduce S&S - Professional Services. This represents a 33% reduction in Professional Services which provides funding for consultants, legal, management fees, etc.	-	-	OF	\$ 1,555,480	2
31	CFO - Capital Finance	Eliminate one of two positions added during the 2015-17 biennium for debt management support. May increase risk related to appropriate levels of debt documentation.	1	1.00	OF	\$ 257,169	6
32	Publishing & Distribution Services	Reduce S&S in P&D Admin. This reduction would result in delayed or canceled training and software updates. Eliminating training would have a negative effect on staff readiness and engagement, and delay or cancellation of software updates will affect our ability to respond to customer needs.	-	-	OF	\$ 108,500	12
33	Fleet & Parking Services	Reduce Seasonal Vehicle Pool 75%: Reduces services and supplies expenditure of the seasonally assigned vehicle pool, primarily used by the Department of Fish and Wildlife, Oregon State Parks, and the Oregon Department of Transportation. This reduction is from the fuel and maintenance used for the seasonal vehicle pool.	-	-	OF	\$ 520,000	10
34	Publishing & Distribution Services	Eliminate a Bindery Operator. Elimination of one of three Bindery Operators would delay certain secure and production print jobs that require off-line bindery services. Hand bindery work, required by some customers would be eliminated.	1	1.00	OF	\$ 125,057	11

Department of Administrative Services
10% Reduction Options (ORS 291.216)

Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
35	DAS IT	Reduce DAS IT Other S&S.	-	-	OF	\$ 300,000	4
36	SDC - Mainframe	Eliminate Vanguard Integrity architecture design and RACF consolidation. Assumes Mainframe Security work will be completed prior to the 17-19 biennium. If not completed, security audit findings impacting the customer would need to be addressed.	-	-	OF	\$ 361,840	2
37	SDC - Admin	Eliminate IBM System Architect annual software maintenance. Evaluate current needs and alternative options.	-	-	OF	\$ 484,793	3
38	Fleet & Parking Services	Discontinue service to IGA Customers: Reduces services and supplies (fuel and maintenance) and capital outlay expenditures by discontinuing Interagency Agreements (IGAs) with local government and university customers for rental of permanently assigned vehicles. Almost all vehicles from these customers that are less than 15yrs old and under 115K miles would be repossessed and used to replace aged and high mileage vehicles for state agencies leading to a reduced need for replacement vehicle capital outlay funds. Customers would be given an option to buy the older and higher mile vehicles at current depreciation value. Customers would be required to seek vehicle rentals and/or leasing from a private vendor, which is estimated at a higher cost than DAS rates.	-	-	OF	\$ 2,710,000	9
39	Procurement Services	Eliminate Operations and Policy Analyst 4 position in the Resources Team. New procurement templates will not be developed without relying on DOJ to manage this body of work. This also eliminates the resource to maintain the Oregon Procurement Manual currently under development, and the resource to lead future statewide procurement improvement initiatives.	1	1.00	OF	\$ 257,169	16
40	Publishing & Distribution Services	Eliminate PreFlight Operator. The reduction would greatly delay complex production jobs. This would shift the work and responsibility to agencies with limited knowledge and resource.	1	1.00	OF	\$ 151,340	17
41	DAS IT	Eliminate three DAS IT web team positions. PC Lifecycle function would need to be fulfilled by existing staff which would reduce service hours from the DAS Help Desk. This would also reduce application support for payroll/datamart systems and DAS IT infrastructure.	3	3.00	OF	\$ 588,814	6
42	COO	Eliminate the remaining two COO statewide coordination positions. This reduction eliminates DAS' ability to manage statewide projects.	2	2.00	OF	\$ 502,959	5
43	SDC - Network	Eliminate vendor maintenance. Eliminate hardware and software maintenance that provide support in the event of performance issues and that provide firmware or software upgrades.	-	-	OF	4,481,427	10
44	EHRS - Employee Relations	Eliminate Human Resource Consultant 1 position which will increase turnaround times for DAS and client agencies for core HR services including consultation and investigations and result in reduced ability to participate in proactive HR initiatives.	1	1.00	OF	\$ 247,223	5

Department of Administrative Services
10% Reduction Options (ORS 291.216)
Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
45	EGS Administration	Eliminate EGS Administrator, which would elevate responsibilities to DAS CAO. Eliminate Office Specialist 2, receptionist position in DAS East, reducing security to building as well as customer service for programs in building, including receiving bid proposals from vendors.	2	2.00	OF	\$ 542,054	9
46	Operations and Maintenance	Eliminate building maintenance contracts: This would eliminate window washing, power washing, parking lot sweeping, reduce frequency for landscape contracts, compactor maintenance, and reduce carpet cleaning frequency.	-	-	OF	\$ 550,000	8
47	Shared Financial Services	Eliminate Administrative Specialist 1 , an Accounting Technician 2, and three Accounting Technician 3 positions. The impact of these positions will reduce customer service performance & possibly increases errors.	5	5.00	OF	\$ 718,710	10
48	Publishing & Distribution Services	Eliminate Secure Print Operator. This reduction will cause many "same-day" production jobs and require renegotiation of SLA with customers.	1	1.00	OF	\$ 163,018	7
49	Financial Business Services	Eliminate Accountant 3, which will reduce customer service on the accounting system, making agencies endure longer wait times to resolve challenges and possibly increase errors in the accounting data.	1	1.00	OF	\$ 231,731	13
50	OSCIO - All (except Security)	Reduce S&S - IT Professional Services. This represents a 13% reduction in IT Professional Services which provides funding for IT consultants including application modification, network consulting, IT security consulting, vendor managed services, etc.	-	-	OF	\$ 2,000,000	3
51	OSCIO - All (except Security)	Reduce S&S - Professional Services. This represents an additional 17% reduction in Professional Services which provides funding for consultants, legal, management fees, etc.	-	-	OF	\$ 788,016	4
52	CHRO - Classification & Compensation	Eliminate Human Resource Consultant 2 position which will result in statewide class review turnaround times to increase.	1	1.00	OF	\$ 257,169	3
53	SDC - Admin	Eliminate contract support for ETS Administration. May result in delayed response to customer requests as internal resources are asked to perform work previously done by contractors.	-	-	OF	\$ 635,418	6
54	SDC - X86	Reduce Microsoft Premier support. Reduction of this support will reduce vendor technical support for server/email outages. Customers will experience prolonged outages. May increase costs by purchasing ad hoc support when outages occur.	-	-	OF	\$ 200,000	7
55	SDC - Mainframe	Reduce Mainframe Software consolidation. Further effort to reduce mainframe operations costs by eliminating software packages. Customers will experience additional workload.	-	-	OF	\$ 600,000	8

Department of Administrative Services
 10% Reduction Options (ORS 291.216)
 Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
56	SDC - WAN/LAN Sust.	Reduce use of contractors to perform work on the ETS network infrastructure. Customers may experience prolonged outages. Will extend the duration of tasks to establish the Montana Data Center as a disaster recover site for all critical customer applications. May increase costs by purchasing ad hoc support for outages.	-	-	OF	\$ 1,700,000	9
57	SDC - Network	Reduce Server Professional Services. Reduce use of contractors to perform work on the ETS server infrastructure. Customers may experience prolonged outages. Will extend the duration of tasks to establish the Montana Data Center as a Disaster recover site for all critical customer applications. May increase costs by purchasing ad hoc support for outages.	-	-	OF	\$ 99,328	11
58	SDC - Midrange	Reduce Midrange Systems Consolidation. Reduce available capacity to reflect current utilization. This assumes no growth or new customer demand.	-	-	OF	\$ 300,000	12
59	Publishing & Distribution Services	Eliminate Planner/Router. Elimination of this position requires workflow functions pushed out other department, higher error rates, and will delay potentially sensitive mailings. Eliminates Variable Data Designer. Elimination would delay the design and production of secure production jobs that are being transferred form old legacy mainframe systems. Agencies involved with this transfer would need to continue to incur the cost of licensing these systems.	2	2.00	OF	\$ 351,043	20
60	Procurement Services	Eliminate the Statewide DAS Procurement Training Program and 3 of the staff supporting the program. State of Oregon would no longer offer procurement training specific to Oregon statute, State Agencies and Local Governments will need to obtain generic/best practice public procurement training on the open market. Open market training is typically at least 3x the cost of DAS offered training. Eliminate the QRF Statewide Procurement Analyst position. The impact is that DAS would have to distribute the QRF contracting work amongst remaining analysts which would increase lead times and decrease the efficiency gained by keeping this unique book of business on one desk. Eliminate a PEM/E Procurement Manager. The abolishment would increase supervisory ratio to approx. 20:1.	5	5.00	OF	\$ 1,164,576	18
61	EHRS - Employee Relations	Eliminate Human Resource Consultant 1 position which will increase turnaround times for DAS and client agencies for core HR services including consultation and investigations and result in reduced ability to participate in proactive HR initiatives.	1	1.00	OF	\$ 267,876	6
62	Risk Management	Eliminate Administrative Specialist 2 position. This cuts admin support in half. Claims and Risk Consulting will not have dedicated support staff; requiring analysts and consultants to do many tasks currently done by admins staff. This will result in less time for analysts, consultants and managers to focus on higher level work.	1	1.00	OF	\$ 168,292	15

Department of Administrative Services
 10% Reduction Options (ORS 291.216)
 Prioritized List of Program Reductions by Fund Type - 2017-19 Agency Request Budget

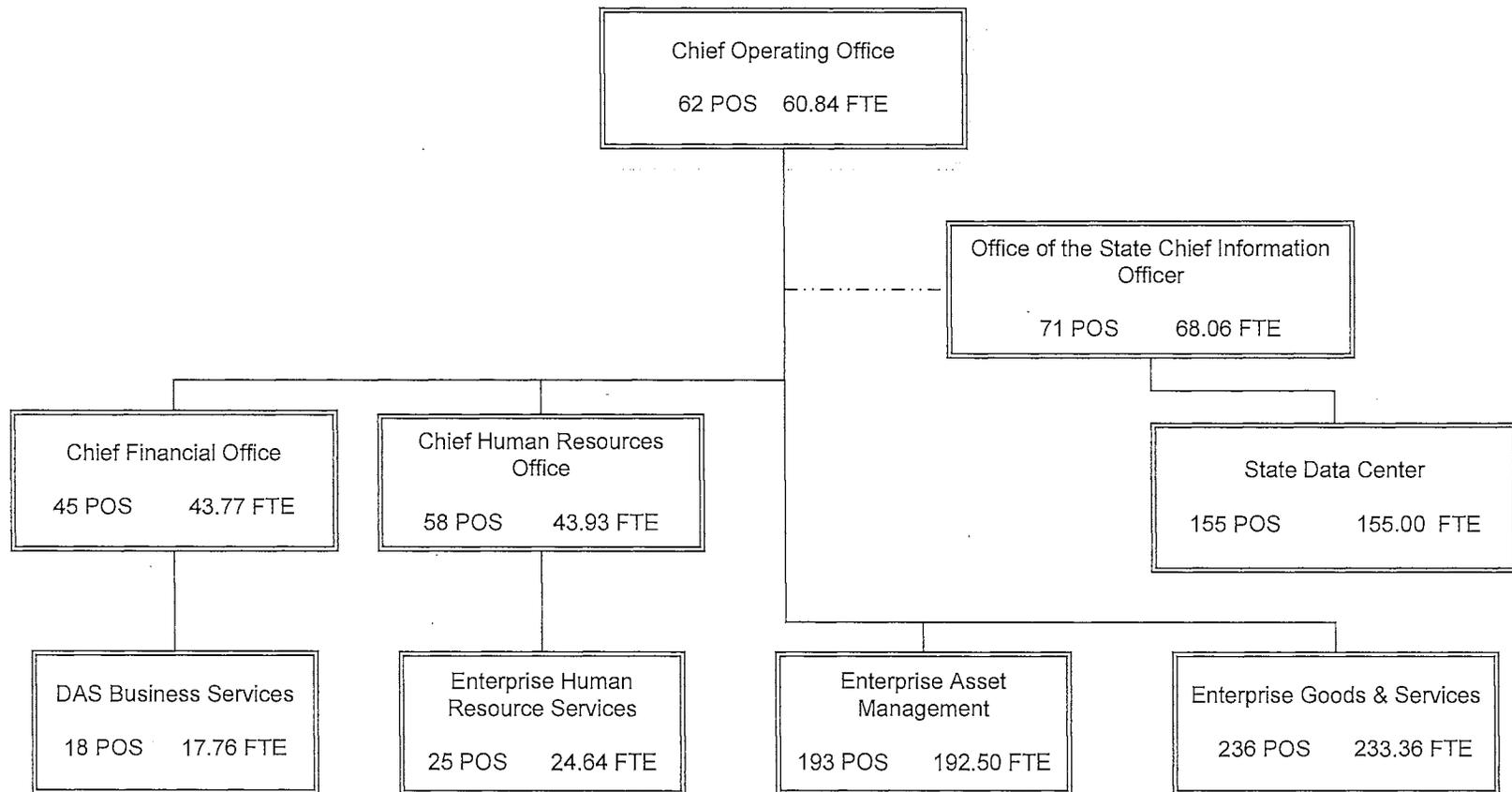
Agency Rank/Justification	Activity or Program	Describe Reduction	Pos	FTE	Fund Type	Total Funds	Division Program Priority
63	Risk Management	Eliminate Administrative Specialist 2, Claims Representative 1, Operations and Policy Analyst 2 and Operations Policy Analyst 4 positions. The elimination will reduce our ability to handle new claims and will likely affect accuracy; less contract expertise and consulting for agencies; increase in litigation and settlement fees; increase in DOJ fees; and accounting services will not be completed timely.	4	4.00	OF	\$ 827,432	19
64	CHRO - Labor Relations	Eliminate Labor Relations Manager position which will reduce the capacity to provide training, cause longer response times for grievances and less bargaining preparation.	1	1.00	OF	\$ 329,141	7
65	Operations and Maintenance	Sell Albina State Office Building in Portland: Reduce limitation for cost of custodial services, landscaping, maintenance, building security, and utilities associated with building.	-	-	OF	\$ 1,236,886	3
66	Operations and Maintenance	Sell Commission for the Blind Building in Portland: Reduce limitation for cost of custodial services, maintenance, building security, and utilities associated with building.	-	-	OF	\$ 487,343	4
67	CHRO - Administration	Eliminate Executive Support Specialist position which will reduce the ability to respond to requests for services and respond to accounting and contracting.	1	1.00	OF	\$ 158,674	4
68	Risk Management	Eliminate Operations and Policy Analyst 4 and PEM/E positions in the Claims Unit, resulting in increased claims, decreases in investigation, less proactive handling, increase DOJ costs, and increase in supervisory ratio. Reduces S&S in in-state travel; reduces travel of overnight for mediations, trials, inability to attend insurance carrier loss inspections, and fewer professional conferences such as PRIMA. Reduce various S&S items related to Lloyds Underwriters to gain renewal of Department of Forestry's Fire Fighting Expense policy or consider other options with Lloyds, and impacts state's commercial property renewal as it's the same group of underwriters.	2	2.00	OF	\$ 893,668	21
69	CFO - Budget Policy	Eliminate budget oversight and tracking for agencies that are exclusively funded by Other Funds and Federal Funds. Eliminates budget tracking for over 30 small and medium size agencies.	3	3.00	OF	\$ 673,229	7
10% Other Fund Reduction			53	53.50	OF	\$ 47,415,451	
1	COO - OEA	Reduce Professional Services S&S.	-	-	GF	\$ 29,905	1
2	Misc Pass Thru - OPB	Reduce special payment to external recipient.	-	-	GF	\$ 50,000	2
3	Misc Pass Thru - Historical	Reduce special payment to external recipient.	-	-	GF	\$ 75,000	3
10% General Fund Reduction			-	-	GF	\$ 154,905	

2017-19 BUDGET NARRATIVE

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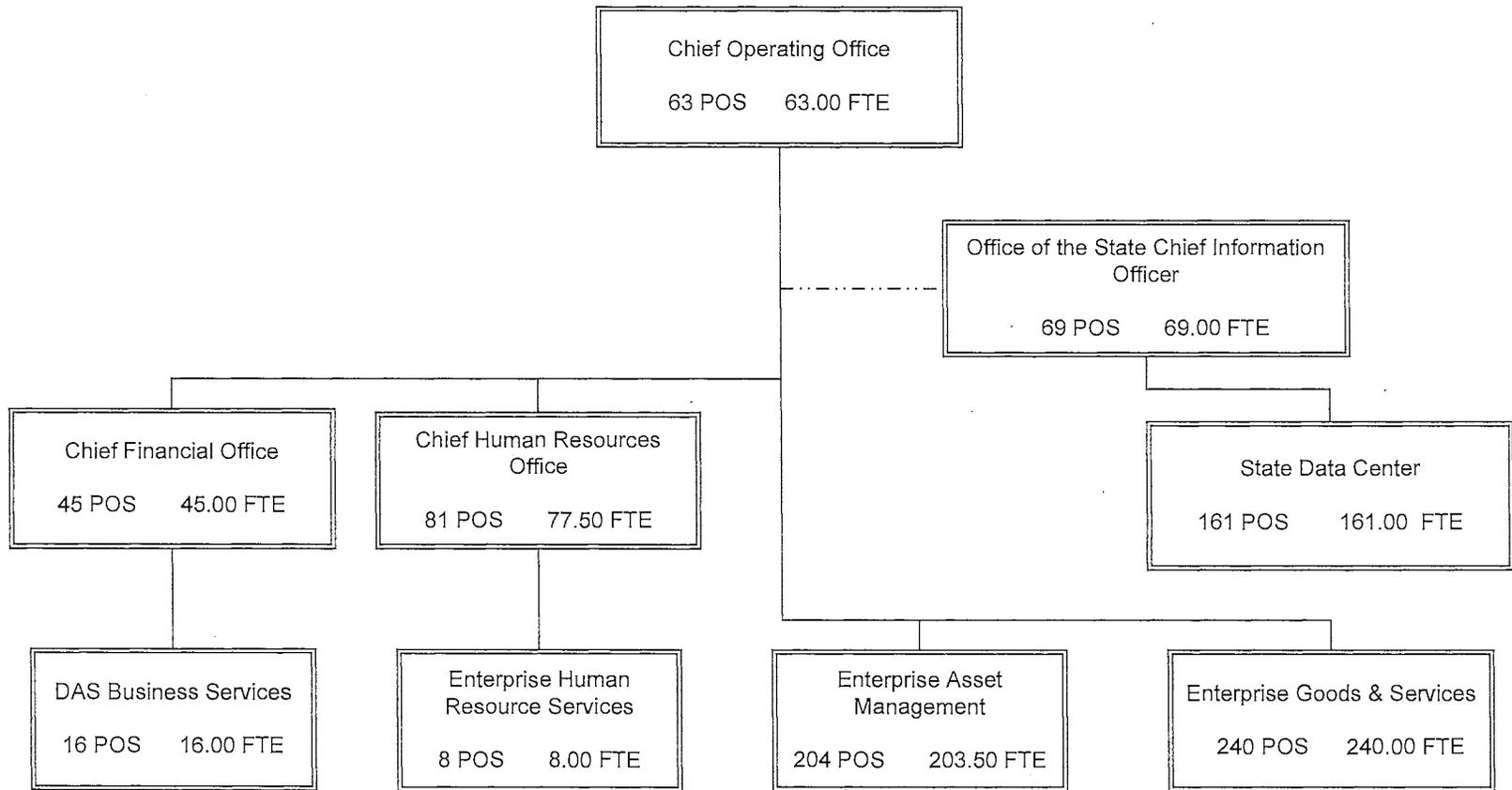
2017-19 BUDGET NARRATIVE

Department of Administrative Services
 Organization Chart
 2015-17
 863 POS 839.86 FTE



2017-19 BUDGET NARRATIVE

**Department of Administrative Services
Organization Chart
2017-19
887 POS 883.00 FTE**



2017-19 BUDGET NARRATIVE

Revenue

Oregon Department of Administrative Services (DAS) revenues come from four major fund types:

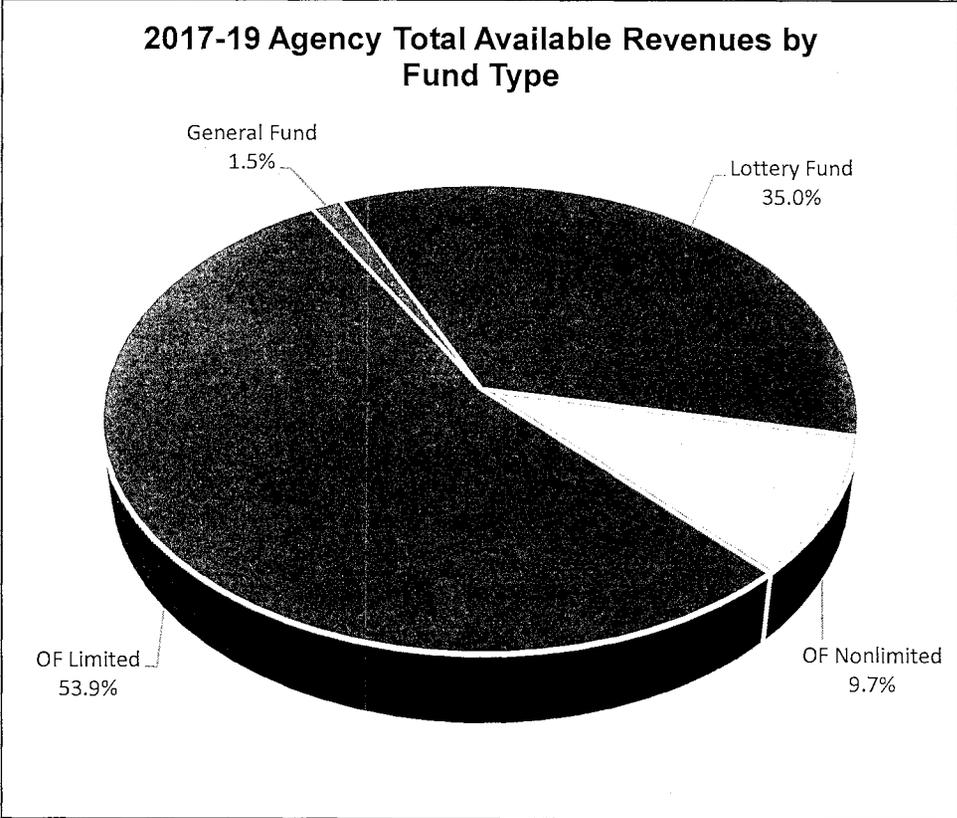
General Fund monies is directly appropriated by the Oregon Legislature from the State General Fund to help fund the prison population forecast work completed by the Office of Economic Analysis and various external programs that are pass through DAS' budget to sub-recipients.

Lottery Fund revenues is transferred on a quarterly basis from Oregon Lottery to the Economic Development Fund, which DAS then distributes these funds to Education Stability Fund, Oregon Education Fund, Parks and Natural Resources Fund, and other statutory allocations.

Other Funds Nonlimited revenues is used for buying insurance and paying for losses from the Risk Management Fund and distributing Mass Transit assessment to transit districts.

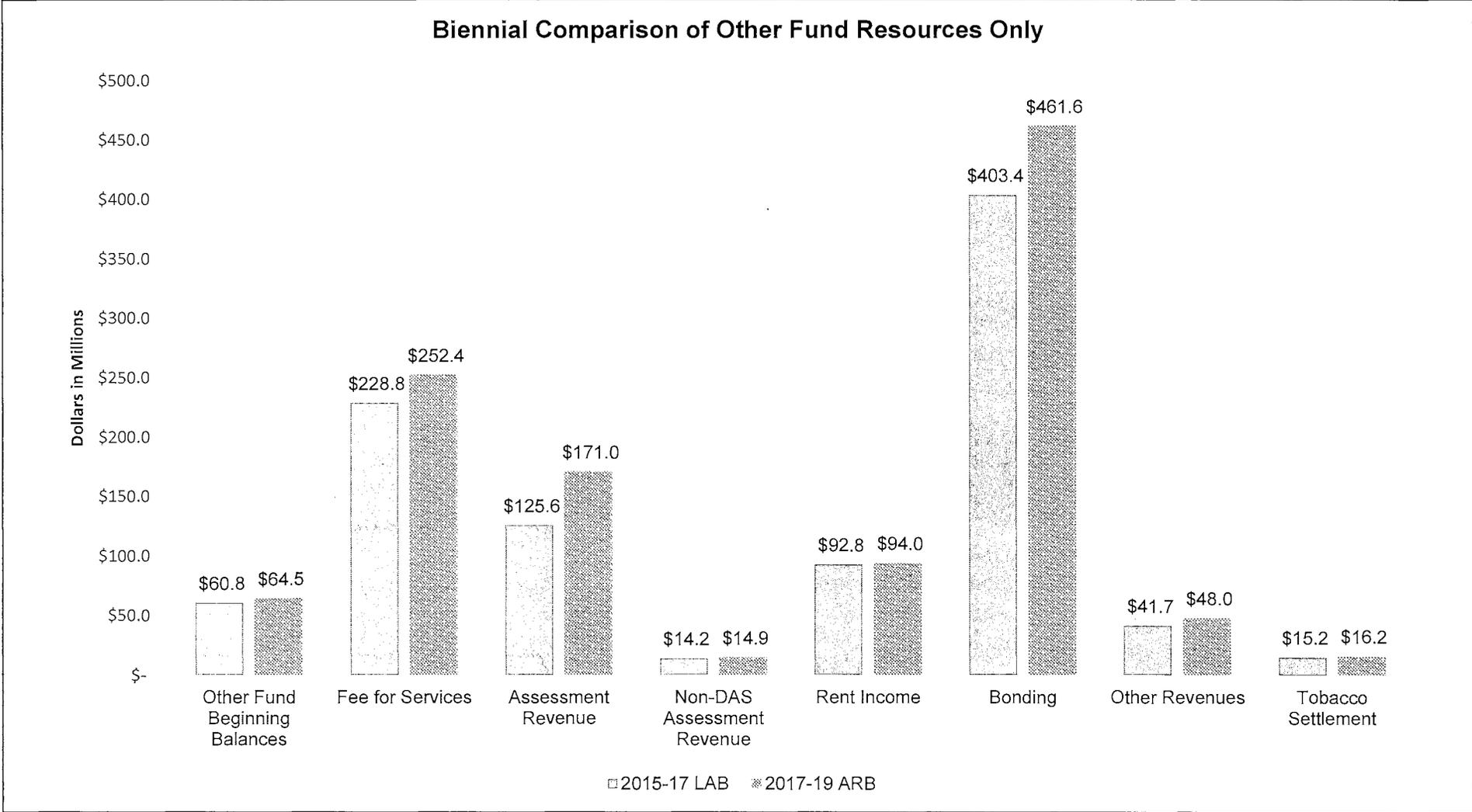
Other Funds Limited revenues is mainly derived through fee for services to customers of DAS services and assessments to all state agencies. DAS is mindful of other agency revenue concerns, therefore works to develop a budget and provide essential services that take into account the limits of General Fund and Lottery Funds as resources for agencies to purchase services from DAS.

DAS is also responsible for tracking and distributing monies received for the Tobacco Master Settlement agreement.



2017-19 BUDGET NARRATIVE

Graphical Representation of Total Available Revenues



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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-000-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Tsfr To Housing and Com Svcs	(9,376,485)	(11,659,434)	(11,659,434)	(16,232,416)	-	-
Total Lottery Funds	\$221,345,224	\$222,705,563	\$219,508,067	\$233,418,114	-	-
Other Funds						
Non-business Lic. and Fees	6,133,106	-	-	-	-	-
Central Service Charges	8,709,585	10,673,682	10,673,682	14,875,381	-	-
Charges for Services	268,268,430	228,795,503	228,795,503	252,399,994	-	-
Admin and Service Charges	71,777,371	125,598,622	125,598,622	171,024,394	-	-
Fines and Forfeitures	23,207	18,400	18,400	31,000	-	-
Rents and Royalties	84,349,457	92,808,753	92,808,753	93,988,408	-	-
General Fund Obligation Bonds	-	17,000,000	19,555,000	70,725,000	-	-
Lottery Bonds	-	21,056,140	24,115,820	-	-	-
Revenue Bonds	34,163,122	-	-	-	-	-
Interest Income	1,790,426	410,000	410,000	127,796	-	-
Sales Income	4,926,426	6,500,000	6,500,000	6,558,696	-	-
Cost of Goods Sold	1,366,823	-	-	-	-	-
Loan Repayments	77,354	-	-	-	-	-
Other Revenues	520,681,054	543,361,999	551,095,851	565,299,297	-	-
Loan Proceeds	19,490	-	-	-	-	-
Transfer In - Intrafund	250,825,770	202,157,929	242,164,781	124,272,826	-	-
Tsfr From Lands, Dept of State	1	-	-	-	-	-
Tsfr From Revenue, Dept of	62,252,785	14,850,725	14,850,725	26,663,653	-	-
Tsfr From Corrections, Dept of	50,259	-	-	-	-	-
Tsfr From Forestry, Dept of	3,289	-	-	-	-	-
Tsfr From Fish/Wildlife, Dept of	1,763	-	-	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-000-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Interest Income	1,702,261	12,289,094	7,556,265	28,637,240	-	-
Other Revenues	-	5,339,361	-	-	-	-
Transfer In - Intrafund	365,187,149	395,469,014	414,506,674	433,979,625	-	-
Tsfr From Lottery Comm	1,061,129,097	1,129,256,402	1,184,579,256	1,245,660,388	-	-
Tsfr From Agriculture, Dept of	3,027	-	-	-	-	-
Transfer Out - Intrafund	(365,187,149)	(395,469,014)	(414,506,674)	(433,979,625)	-	-
Transfer to Other	(1,350,000)	-	-	-	-	-
Transfer to Counties	(33,849,166)	(39,083,827)	(39,083,827)	(40,798,819)	-	-
Tsfr To Governor, Office of the	(3,261,204)	(4,058,418)	(4,209,051)	(4,434,432)	-	-
Tsfr To OR Business Development	(111,924,372)	(107,133,998)	(108,634,569)	(113,173,708)	-	-
Tsfr To Veterans' Affairs	-	-	-	(1,961,201)	-	-
Tsfr To Energy, Dept of	(2,158,398)	(2,977,259)	(2,977,259)	(3,023,630)	-	-
Tsfr To Oregon Health Authority	(10,592,542)	(11,292,544)	(11,348,753)	(12,456,604)	-	-
Tsfr To HECC	-	(52,574,884)	(51,391,676)	(82,097,408)	-	-
Tsfr To Student Access Comm	(243,210)	-	-	-	-	-
Tsfr To OR University System	(33,334,413)	-	-	-	-	-
Tsfr To Education, Dept of	(368,703,493)	(409,012,633)	(448,566,024)	(448,355,133)	-	-
Tsfr To Comm Coll/Wkfrc Dev	(9,288,804)	-	-	-	-	-
Tsfr To Agriculture, Dept of	(805)	-	-	-	-	-
Tsfr To Forestry, Dept of	(5,400,893)	(7,468,492)	(7,540,628)	(2,606,595)	-	-
Tsfr To Parks and Rec Dept	(79,584,683)	(84,694,230)	(88,843,444)	(95,637,973)	-	-
Tsfr To Water Resources Dept	(572,362)	(2,508,367)	(2,508,367)	(6,032,844)	-	-
Tsfr To Watershd Enhance Bd	(79,584,682)	(84,694,230)	(88,843,444)	(93,424,529)	-	-
Tsfr To Transportation, Dept	(92,263,649)	(107,020,978)	(107,020,978)	(120,644,222)	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-000-00-00-00000

Source	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Tsfr From Transportation, Dept	512,551	1,234,122	1,234,122	-	-	-
Tsfr From Or Liquor Cntrl Comm	54,145,642	41,475,244	41,475,244	68,687,299	-	-
Tsfr From Public Utility Comm	956,136	-	-	-	-	-
Transfer Out - Intrafund	(212,526,901)	(180,560,337)	(220,567,189)	(97,698,164)	-	-
Transfer to General Fund	(8,709,585)	(10,673,682)	(10,673,682)	(10,875,381)	-	-
Transfer to Cities	(54,145,642)	(48,110,607)	(48,110,607)	(81,124,226)	-	-
Transfer to Counties	-	(8,215,362)	(8,215,362)	(14,226,726)	-	-
Tsfr To Governor, Office of the	(975,000)	(975,000)	(975,000)	(1,105,000)	-	-
Tsfr To OR Business Development	(10,361,153)	(1,598,550)	(1,598,550)	(1,713,244)	-	-
Tsfr To Justice, Dept of	(1,263,249)	(1,356,365)	(1,356,365)	(1,479,113)	-	-
Tsfr To Leg Fiscal Officer	(2,999,390)	(3,500,000)	(3,500,000)	(4,000,000)	-	-
Tsfr To Judicial Dept	(2,411,215)	(2,368,040)	(2,368,040)	(2,496,745)	-	-
Tsfr To Govt Ethics Comm	(1,327,600)	-	-	-	-	-
Tsfr To Police, Dept of State	(3,341,813)	-	-	-	-	-
Tsfr To Oregon Health Authority	(120,100,000)	(121,880,000)	(121,880,000)	(100,599,400)	-	-
Tsfr To State Library	(5,397,429)	(5,213,598)	(5,213,598)	(6,079,411)	-	-
Tsfr To OR University System	(886,334)	-	-	-	-	-
Tsfr To Education, Dept of	(4,000,000)	(4,120,000)	(4,120,000)	(3,400,600)	-	-
Tsfr To Or Health & Science U	(31,157,200)	(30,909,888)	(30,909,888)	(30,906,415)	-	-
Tsfr To Parks and Rec Dept	(5,000,000)	-	-	-	-	-
Total Other Funds	\$906,431,536	\$886,459,690	\$899,808,222	\$1,038,949,319	-	-
Federal Funds						
Federal Funds	-	333,478,311	333,478,311	119,028,155	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-000-00-00-00000

Source	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Federal Funds						
Transfer to Counties	-	(333,478,311)	(333,478,311)	(119,028,155)	-	-
Total Federal Funds	-	-	-	-	-	-
Nonlimited Other Funds						
Charges for Services	110,715,653	107,487,585	107,487,585	107,487,585	-	-
Admin and Service Charges	20,388,654	24,716,507	24,716,507	24,716,507	-	-
General Fund Obligation Bonds	179,415,000	-	-	-	-	-
Revenue Bonds	299,044	-	-	-	-	-
Refunding Bonds	46,460,598	-	-	-	-	-
Interest Income	9,502,198	4,400,000	4,400,000	4,400,000	-	-
Other Revenues	396,560	145,875,000	145,875,000	-	-	-
Transfer In - Intrafund	9,929,038	-	-	-	-	-
Tsfr From OR Business Development	1,747,299	-	-	-	-	-
Tsfr From Energy, Dept of	766,779	-	-	-	-	-
Tsfr From OR University System	3,300,638	-	-	-	-	-
Tsfr From Comm Coll/Wkfrc Dev	124,985	-	-	-	-	-
Tsfr From Water Resources Dept	765,833	-	-	-	-	-
Tsfr From Transportation, Dept	4,250,373	-	-	-	-	-
Tsfr From Housing and Com Svcs	1,028,338	-	-	-	-	-
Transfer Out - Intrafund	(48,227,907)	(21,597,592)	(21,597,592)	(26,574,662)	-	-
Tsfr To OR Business Development	(5,005,505)	-	-	-	-	-
Total Nonlimited Other Funds	\$335,857,578	\$260,881,500	\$260,881,500	\$110,029,430	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-030-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	177,391	467,207	467,207	1,520,644	-	-
Admin and Service Charges	6,616,049	7,270,929	7,270,929	8,724,586	-	-
Interest Income	10,125	-	-	-	-	-
Other Revenues	456,894	-	1,920,866	467,207	-	-
Transfer In - Intrafund	569,712	-	12,180,267	14,413,336	-	-
Transfer Out - Intrafund	(292,704)	(130,209)	(218,676)	(1,345,228)	-	-
Tsfr To Governor, Office of the	(330,000)	(330,000)	(330,000)	(360,000)	-	-
Total Other Funds	\$7,207,467	\$7,277,927	\$21,290,593	\$23,420,545	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-035-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	5,868	411,600	411,600	2,000,000	-	-
Admin and Service Charges	13,978,200	13,336,736	13,336,736	15,577,088	-	-
Other Revenues	862,317	-	-	428,064	-	-
Transfer In - Intrafund	30,943	-	-	-	-	-
Transfer Out - Intrafund	(397,423)	(265,126)	(265,126)	(1,243,259)	-	-
Total Other Funds	\$14,479,905	\$13,483,210	\$13,483,210	\$16,761,893	-	-
Nonlimited Other Funds						
Interest Income	45,483	-	-	-	-	-
Total Nonlimited Other Funds	\$45,483	-	-	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-040-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	-	4,636,733	-	-	-	-
Admin and Service Charges	6,529,683	15,412,497	-	-	-	-
Interest Income	23,053	-	-	-	-	-
Other Revenues	285,385	-	-	-	-	-
Transfer In - Intrafund	1,825,674	-	-	-	-	-
Tsfr From Transportation, Dept	512,551	1,234,122	-	-	-	-
Tsfr From Public Utility Comm	956,136	-	-	-	-	-
Transfer Out - Intrafund	(1,984,410)	(210,811)	-	-	-	-
Total Other Funds	\$8,148,072	\$21,072,541	-	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-042-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	-	-	4,636,733	-	-	-
Admin and Service Charges	-	-	15,412,497	60,136,693	-	-
Other Revenues	-	-	5,058,910	1,033,092	-	-
Transfer In - Intrafund	-	-	27,127,234	1,427,591	-	-
Tsfr From Transportation, Dept	-	-	1,234,122	-	-	-
Transfer Out - Intrafund	-	-	(210,811)	(1,964,502)	-	-
Total Other Funds	-	-	\$53,258,685	\$60,632,874	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-045-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	-	-	-	642,300	-	-
Admin and Service Charges	6,453,619	11,538,340	11,538,340	37,985,303	-	-
Interest Income	43,537	-	-	-	-	-
Other Revenues	852	-	-	-	-	-
Transfer In - Intrafund	32,274	-	-	-	-	-
Transfer Out - Intrafund	(244,122)	(178,322)	(178,322)	(1,668,279)	-	-
Tsfr To Governor, Office of the	(645,000)	(645,000)	(645,000)	(745,000)	-	-
Total Other Funds	\$5,641,160	\$10,715,018	\$10,715,018	\$36,214,324	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-052-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	-	-	106,088,691	111,513,188	-	-
Admin and Service Charges	-	-	64,453,117	30,770,917	-	-
Other Revenues	-	-	28,376,653	38,459,573	-	-
Transfer In - Intrafund	-	-	120,224,319	-	-	-
Transfer Out - Intrafund	-	-	(161,404,508)	(6,343,382)	-	-
Total Other Funds	-	-	\$157,738,272	\$174,400,296	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-055-00-00-00000

Source	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	170,284,538	106,088,691	-	-	-	-
Admin and Service Charges	10,758,493	64,453,117	-	-	-	-
Rents and Royalties	39,000	-	-	-	-	-
Interest Income	7,612	-	-	-	-	-
Other Revenues	1,443,978	28,376,653	-	-	-	-
Transfer In - Intrafund	88,817,585	120,224,319	-	-	-	-
Transfer Out - Intrafund	(90,930,348)	(121,541,123)	-	-	-	-
Total Other Funds	\$180,420,858	\$197,601,657	-	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-060-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Non-business Lic. and Fees	6,133,106	-	-	-	-	-
Charges for Services	50,046,487	51,017,227	51,017,227	61,147,166	-	-
Admin and Service Charges	1,587,661	2,832,196	2,832,196	2,854,277	-	-
Fines and Forfeitures	23,207	18,400	18,400	31,000	-	-
Rents and Royalties	84,310,457	92,808,753	92,808,753	93,988,408	-	-
General Fund Obligation Bonds	-	-	-	1,079,000	-	-
Interest Income	187,329	410,000	410,000	127,796	-	-
Sales Income	17,367	-	-	1,400,000	-	-
Loan Repayments	77,354	-	-	-	-	-
Other Revenues	1,431,777	432,900	432,900	450,216	-	-
Loan Proceeds	19,490	-	-	-	-	-
Transfer In - Intrafund	9,888,328	1,198,597	1,198,597	1,434,436	-	-
Tsfr From Lands, Dept of State	1	-	-	-	-	-
Tsfr From Corrections, Dept of	50,259	-	-	-	-	-
Tsfr From Forestry, Dept of	3,289	-	-	-	-	-
Tsfr From Fish/Wildlife, Dept of	1,763	-	-	-	-	-
Transfer Out - Intrafund	(67,518,679)	(46,109,901)	(46,109,901)	(57,480,813)	-	-
Total Other Funds	\$86,259,196	\$102,608,172	\$102,608,172	\$105,031,486	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-065-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	44,368,500	56,733,606	56,733,606	70,593,471	-	-
Admin and Service Charges	4,829,642	1,795,563	1,795,563	4,686,130	-	-
Interest Income	84,199	-	-	-	-	-
Sales Income	4,909,059	6,500,000	6,500,000	5,158,696	-	-
Cost of Goods Sold	1,366,823	-	-	-	-	-
Other Revenues	1,004,348	-	-	-	-	-
Transfer In - Intrafund	32,874,231	30,851,403	30,851,403	45,087,829	-	-
Transfer Out - Intrafund	(9,839,861)	(10,679,884)	(10,679,884)	(27,311,329)	-	-
Tsfr To OR University System	(886,334)	-	-	-	-	-
Total Other Funds	\$78,710,607	\$85,200,688	\$85,200,688	\$98,214,797	-	-
Nonlimited Other Funds						
Charges for Services	110,715,653	107,487,585	107,487,585	107,487,585	-	-
Interest Income	4,557,399	4,400,000	4,400,000	4,400,000	-	-
Other Revenues	396,560	-	-	-	-	-
Transfer Out - Intrafund	(24,351,658)	(21,597,592)	(21,597,592)	(26,574,662)	-	-
Total Nonlimited Other Funds	\$91,317,954	\$90,289,993	\$90,289,993	\$85,312,923	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-070-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	2,782,492	7,440,439	7,440,439	2,983,225	-	-
Admin and Service Charges	3,483,610	179,056	179,056	-	-	-
Interest Income	3,434	-	-	-	-	-
Other Revenues	64,441	-	-	-	-	-
Transfer In - Intrafund	506,592	1,119,335	1,119,335	-	-	-
Transfer Out - Intrafund	(684,456)	(1,444,961)	(1,444,961)	(341,372)	-	-
Total Other Funds	\$6,156,113	\$7,293,869	\$7,293,869	\$2,641,853	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-075-00-00-00000

Source	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Charges for Services	603,154	2,000,000	2,000,000	2,000,000	-	-
Interest Income	43,090	-	-	-	-	-
Other Revenues	2,165	-	-	-	-	-
Transfer In - Intrafund	4,331,688	5,034,631	5,678,982	13,730,630	-	-
Transfer Out - Intrafund	(548,616)	-	-	-	-	-
Total Other Funds	\$4,431,481	\$7,034,631	\$7,678,982	\$15,730,630	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-088-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Transfer In - Intrafund	5,992,008	4,403,176	4,403,176	4,566,094	-	-
Total Other Funds	\$5,992,008	\$4,403,176	\$4,403,176	\$4,566,094	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-089-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
General Fund Obligation Bonds	-	17,000,000	19,555,000	69,646,000	-	-
Interest Income	286,941	-	-	-	-	-
Other Revenues	152,295	-	-	-	-	-
Transfer In - Intrafund	18,486,511	18,927,261	18,927,261	23,190,719	-	-
Transfer Out - Intrafund	-	-	(55,000)	-	-	-
Total Other Funds	\$18,925,747	\$35,927,261	\$38,427,261	\$92,836,719	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-090-00-00-00000

Source	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Central Service Charges	8,709,585	10,673,682	10,673,682	14,875,381	-	-
Other Revenues	-	3,500,000	3,500,000	-	-	-
Tsfr From Revenue, Dept of	-	14,850,725	14,850,725	26,663,653	-	-
Tsfr From Or Liquor Cntrl Comm	54,145,642	41,475,244	41,475,244	68,687,299	-	-
Transfer to General Fund	(8,709,585)	(10,673,682)	(10,673,682)	(10,875,381)	-	-
Transfer to Cities	(54,145,642)	(48,110,607)	(48,110,607)	(81,124,226)	-	-
Transfer to Counties	-	(8,215,362)	(8,215,362)	(14,226,726)	-	-
Tsfr To Leg Fiscal Officer	-	(3,500,000)	(3,500,000)	(4,000,000)	-	-
Total Other Funds	-	-	-	-	-	-
Federal Funds						
Federal Funds	-	333,478,311	333,478,311	119,028,155	-	-
Transfer to Counties	-	(333,478,311)	(333,478,311)	(119,028,155)	-	-
Total Federal Funds	-	-	-	-	-	-
Nonlimited Other Funds						
Admin and Service Charges	20,388,654	24,716,507	24,716,507	24,716,507	-	-
Total Nonlimited Other Funds	\$20,388,654	\$24,716,507	\$24,716,507	\$24,716,507	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-091-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Interest Income	20,256	-	-	-	-	-
Other Revenues	-	1	1	-	-	-
Tsfr From Revenue, Dept of	62,252,785	-	-	-	-	-
Total Other Funds	\$62,273,041	\$1	\$1	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-092-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Other Revenues	163,524,368	151,683,745	151,683,745	133,526,218	-	-
Transfer Out - Intrafund	(28,883,990)	-	-	-	-	-
Tsfr To Justice, Dept of	(1,263,249)	(1,356,365)	(1,356,365)	(1,479,113)	-	-
Tsfr To Oregon Health Authority	(120,100,000)	(121,880,000)	(121,880,000)	(100,599,400)	-	-
Tsfr To Education, Dept of	(4,000,000)	(4,120,000)	(4,120,000)	(3,400,600)	-	-
Tsfr To Or Health & Science U	(31,157,200)	(30,909,888)	(30,909,888)	(30,906,415)	-	-
Total Other Funds	(\$21,880,071)	(\$6,582,508)	(\$6,582,508)	(\$2,859,310)	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-093-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Interest Income	26,043	-	-	-	-	-
Transfer In - Intrafund	34,709,985	20,399,207	20,399,207	20,422,191	-	-
Total Other Funds	\$34,736,028	\$20,399,207	\$20,399,207	\$20,422,191	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-094-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Other Funds						
Interest Income	921,993	-	-	-	-	-
Other Revenues	351,452,234	358,968,700	359,722,776	390,934,927	-	-
Transfer In - Intrafund	28,883,990	-	55,000	-	-	-
Total Other Funds	\$381,258,217	\$358,968,700	\$359,777,776	\$390,934,927	-	-
Nonlimited Other Funds						
General Fund Obligation Bonds	179,415,000	-	-	-	-	-
Refunding Bonds	13,585,002	-	-	-	-	-
Interest Income	64,006	-	-	-	-	-
Other Revenues	-	145,875,000	145,875,000	-	-	-
Total Nonlimited Other Funds	\$193,064,008	\$145,875,000	\$145,875,000	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-095-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Interest Income	618,361	2,000,000	2,000,000	2,000,000	-	-
Other Revenues	-	5,339,361	-	-	-	-
Tsfr From Lottery Comm	1,061,129,097	1,129,256,402	1,184,579,256	1,245,660,388	-	-
Transfer Out - Intrafund	(364,457,519)	(387,752,193)	(406,008,735)	(433,328,400)	-	-
Transfer to Counties	(33,849,166)	(39,083,827)	(39,083,827)	(40,798,819)	-	-
Tsfr To Governor, Office of the	(3,261,204)	(4,058,418)	(4,209,051)	(4,434,432)	-	-
Tsfr To OR Business Development	(111,924,372)	(107,133,998)	(108,634,569)	(113,173,708)	-	-
Tsfr To Veterans' Affairs	-	-	-	(1,961,201)	-	-
Tsfr To Energy, Dept of	(2,158,398)	(2,977,259)	(2,977,259)	(3,023,630)	-	-
Tsfr To Oregon Health Authority	(10,592,542)	(11,292,544)	(11,348,753)	(12,456,604)	-	-
Tsfr To HECC	-	(50,002,610)	(50,002,610)	(56,111,393)	-	-
Tsfr To OR University System	(33,334,413)	-	-	-	-	-
Tsfr To Education, Dept of	(368,249,067)	(408,956,137)	(448,509,528)	(447,703,908)	-	-
Tsfr To Comm Coll/Wkfr Dev	(9,288,804)	-	-	-	-	-
Tsfr To Agriculture, Dept of	(805)	-	-	-	-	-
Tsfr To Forestry, Dept of	(5,400,893)	(7,468,492)	(7,540,628)	(2,606,595)	-	-
Tsfr To Parks and Rec Dept	-	-	-	(2,213,444)	-	-
Tsfr To Water Resources Dept	(572,362)	(2,508,367)	(2,508,367)	(6,032,844)	-	-
Tsfr To Transportation, Dept	(92,263,649)	(107,020,978)	(107,020,978)	(120,644,222)	-	-
Tsfr To Housing and Com Svcs	(9,376,485)	(11,659,434)	(11,659,434)	(16,232,416)	-	-
Total Lottery Funds	\$17,017,779	(\$3,318,494)	(\$12,924,483)	(\$13,061,228)	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-096-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Interest Income	1,020,045	10,289,094	5,556,265	26,637,240	-	-
Transfer In - Intrafund	192,903,237	203,266,152	217,555,006	224,218,870	-	-
Transfer Out - Intrafund	(729,630)	(7,716,821)	(8,497,939)	(651,225)	-	-
Transfer to Other	(1,350,000)	-	-	-	-	-
Tsfr To HECC	-	(2,572,274)	(1,389,066)	(25,986,015)	-	-
Tsfr To Student Access Comm	(243,210)	-	-	-	-	-
Total Lottery Funds	\$191,600,442	\$203,266,151	\$213,224,266	\$224,218,870	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-097-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Interest Income	1,387	-	-	-	-	-
Transfer In - Intrafund	729,630	7,716,821	4,167,199	651,225	-	-
Tsfr To Education, Dept of	(454,426)	(56,496)	(56,496)	(651,225)	-	-
Total Lottery Funds	\$276,591	\$7,660,325	\$4,110,703	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-098-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Transfer In - Intrafund	159,169,365	169,388,460	177,686,888	186,849,058	-	-
Tsfr To Parks and Rec Dept	(79,584,683)	(84,694,230)	(88,843,444)	(93,424,529)	-	-
Tsfr To Watershd Enhance Bd	(79,584,682)	(84,694,230)	(88,843,444)	(93,424,529)	-	-
Total Lottery Funds	-	-	-	-	-	-

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

Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-099-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Lottery Funds						
Interest Income	62,468	-	-	-	-	-
Transfer In - Intrafund	12,384,917	15,097,581	15,097,581	22,260,472	-	-
Tsfr From Agriculture, Dept of	3,027	-	-	-	-	-
Total Lottery Funds	\$12,450,412	\$15,097,581	\$15,097,581	\$22,260,472	-	-
Other Funds						
Admin and Service Charges	17,540,414	8,780,188	8,780,188	10,289,400	-	-
Lottery Bonds	-	21,056,140	24,115,820	-	-	-
Revenue Bonds	34,163,122	-	-	-	-	-
Interest Income	132,814	-	-	-	-	-
Other Revenues	-	400,000	400,000	-	-	-
Transfer In - Intrafund	23,876,249	-	-	-	-	-
Transfer Out - Intrafund	(11,202,292)	-	-	-	-	-
Tsfr To OR Business Development	(10,361,153)	(1,598,550)	(1,598,550)	(1,713,244)	-	-
Tsfr To Leg Fiscal Officer	(2,999,390)	-	-	-	-	-
Tsfr To Judicial Dept	(2,411,215)	(2,368,040)	(2,368,040)	(2,496,745)	-	-
Tsfr To Govt Ethics Comm	(1,327,600)	-	-	-	-	-
Tsfr To Police, Dept of State	(3,341,813)	-	-	-	-	-
Tsfr To State Library	(5,397,429)	(5,213,598)	(5,213,598)	(6,079,411)	-	-
Tsfr To Parks and Rec Dept	(5,000,000)	-	-	-	-	-
Total Other Funds	\$33,671,707	\$21,056,140	\$24,115,820	-	-	-
Nonlimited Other Funds						
Revenue Bonds	299,044	-	-	-	-	-
Refunding Bonds	32,875,596	-	-	-	-	-
Interest Income	4,835,310	-	-	-	-	-

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

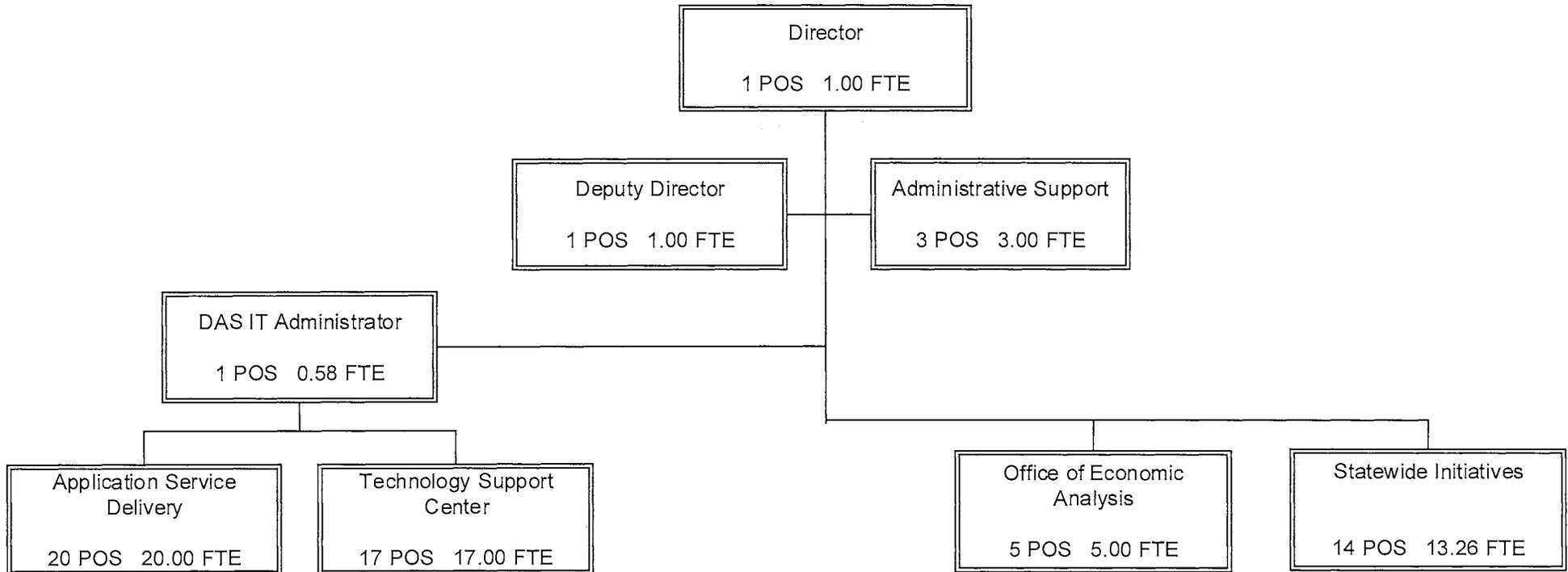
Administrative Svcs, Dept of
2017-19 Biennium

Agency Number: 10700
Cross Reference Number: 10700-099-00-00-00000

<i>Source</i>	2013-15 Actuals	2015-17 Leg Adopted Budget	2015-17 Leg Approved Budget	2017-19 Agency Request Budget	2017-19 Governor's Budget	2017-19 Leg Adopted Budget
Nonlimited Other Funds						
Transfer In - Intrafund	9,929,038	-	-	-	-	-
Tsfr From OR Business Development	1,747,299	-	-	-	-	-
Tsfr From Energy, Dept of	766,779	-	-	-	-	-
Tsfr From OR University System	3,300,638	-	-	-	-	-
Tsfr From Comm Coll/Wkfrc Dev	124,985	-	-	-	-	-
Tsfr From Water Resources Dept	765,833	-	-	-	-	-
Tsfr From Transportation, Dept	4,250,373	-	-	-	-	-
Tsfr From Housing and Com Svcs	1,028,338	-	-	-	-	-
Transfer Out - Intrafund	(23,876,249)	-	-	-	-	-
Tsfr To OR Business Development	(5,005,505)	-	-	-	-	-
Total Nonlimited Other Funds	\$31,041,479	-	-	-	-	-

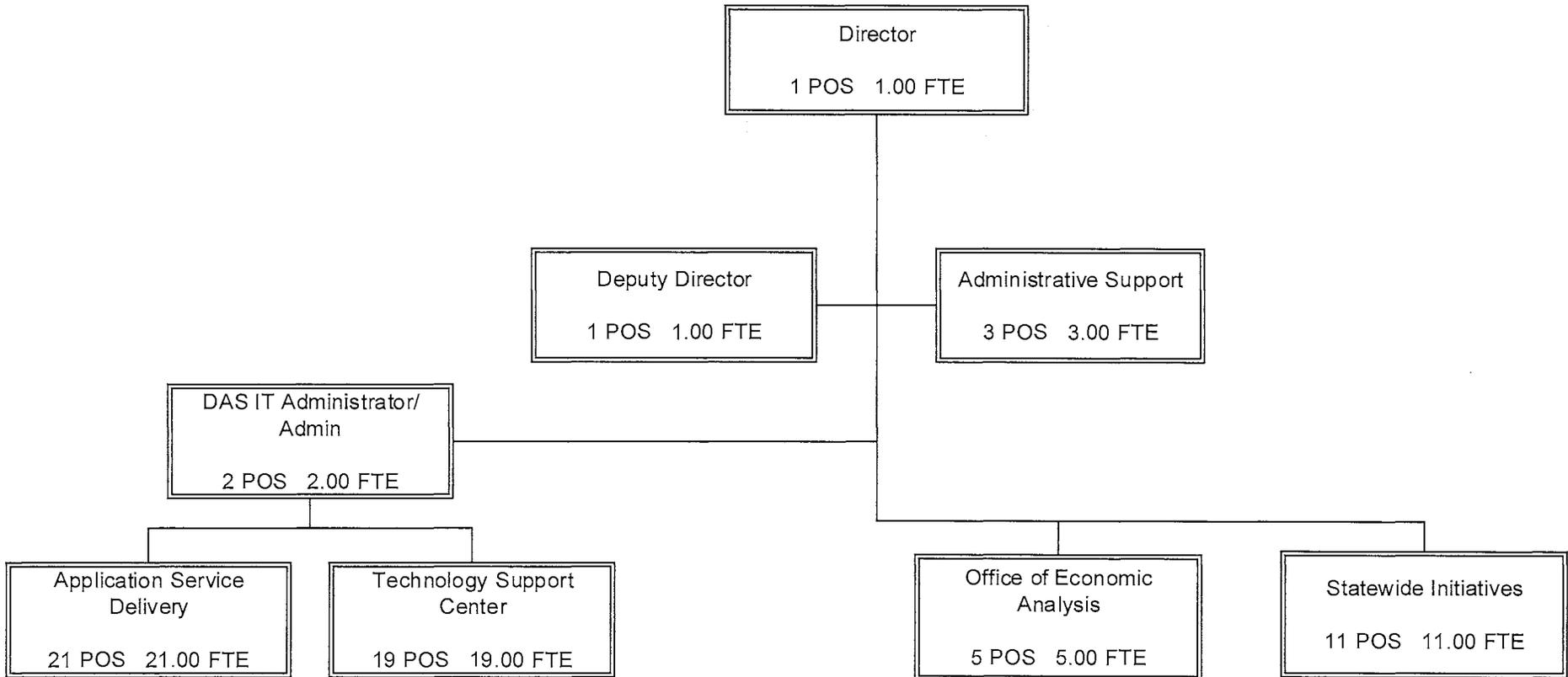
2017-19 BUDGET NARRATIVE

**Chief Operating Office
Organization Chart
2015-17
62 POS 60.84 FTE**



2017-19 BUDGET NARRATIVE

**Chief Operating Office
Organization Chart
2017-19
63 POS 63.00 FTE**



2017-19 BUDGET NARRATIVE

Chief Operating Office

Program Overview

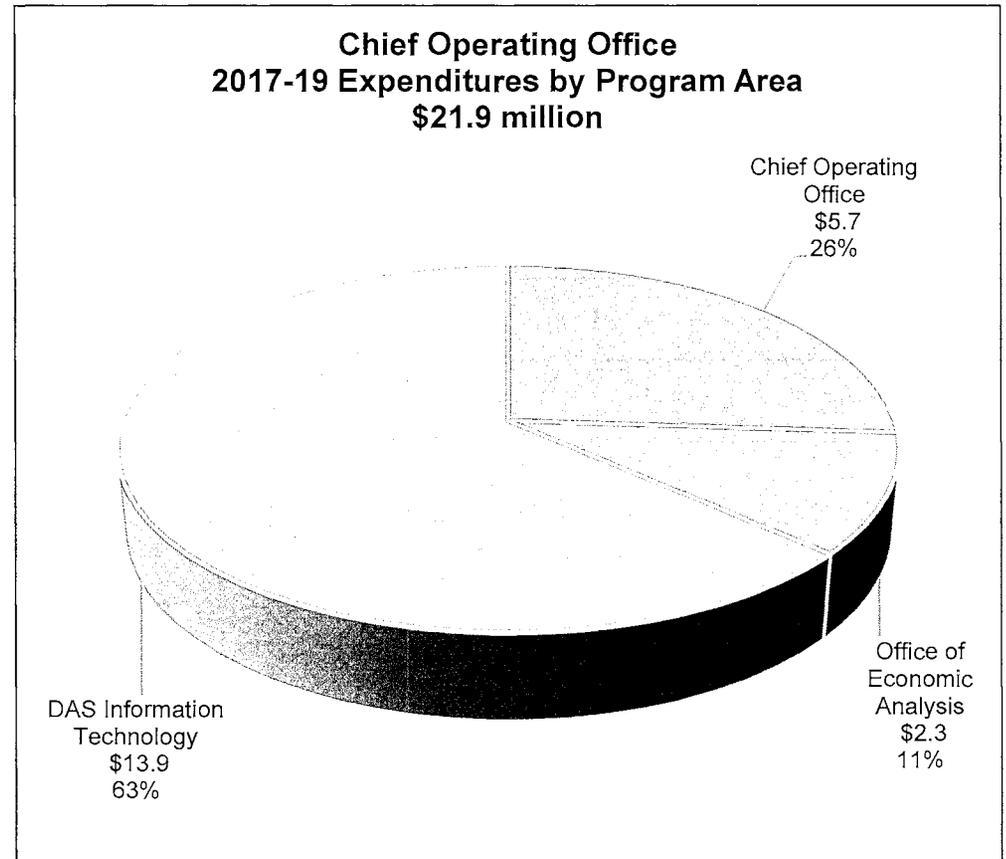
The Office of the Chief Operating Officer (also known as the DAS Director's Office) provides executive leadership for DAS, manages all executive branch agencies, provides governmental and external communications, conducts economic analysis, supports statewide efforts to improve state government; manages DAS' internal information technology program, and coordinates legislative activities.

Program Description

The Chief Operating Officer reports directly to the Governor and works closely with the Governor's Chief of Staff to implement the Governor's direction for the Executive Branch of state government. The COO's work touches all of the Governor's focus areas.

The work of the Office of the COO is accomplished through four distinct teams:

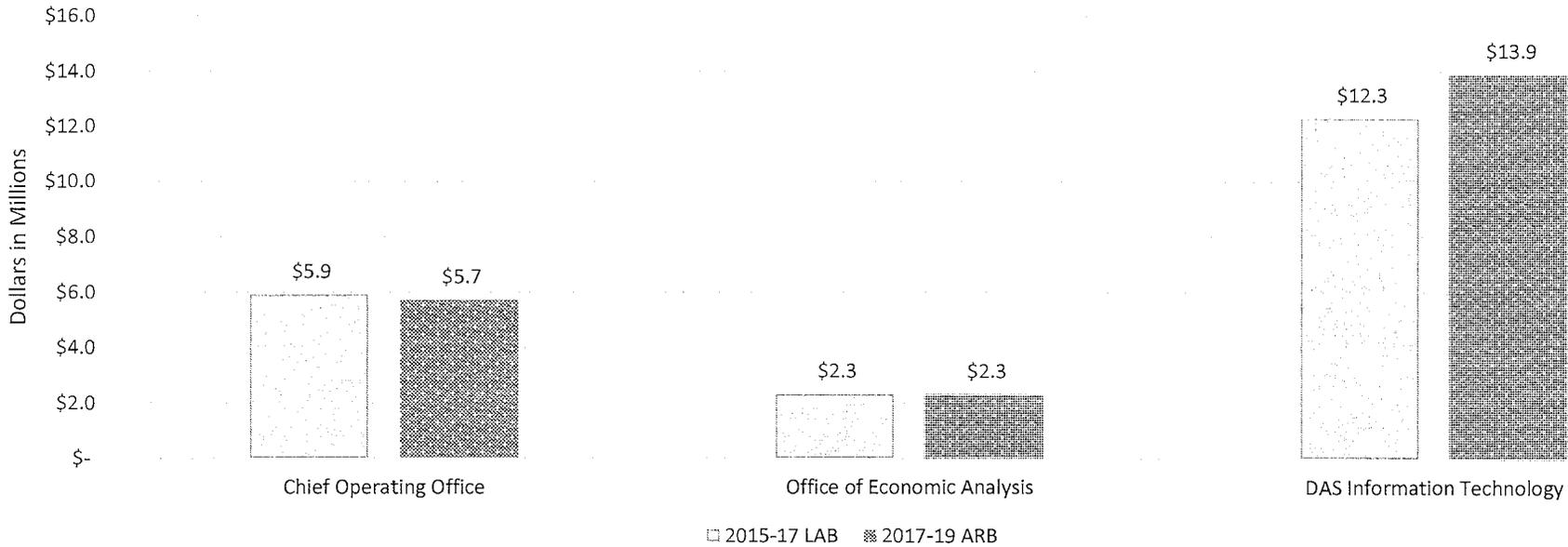
- Statewide Initiatives - Oregon's Chief Operating Officer (DAS Director) is charged with reviewing outdated systems, streamlining departments, and creating efficiencies and cost savings within state government. This change is implemented by the project managers within this unit.
- Communications and Legislative Coordination – this team supports DAS programs and leadership with a suite of strategic, creative and Web-based services.
- Office of Economic Analysis (OEA) – this office provides accurate and objective forecasts of Oregon's economy, revenue, population, corrections population, and Oregon Youth Authority population.
- DAS IT Support – this unit maintains the internal technology environment and statewide accounting, payroll, human resources and other essential systems



2017-19 BUDGET NARRATIVE

Graphical representation of Total Funds Budget (historical and future)

Biennial Comparison of COO Expenditures by Major Programs



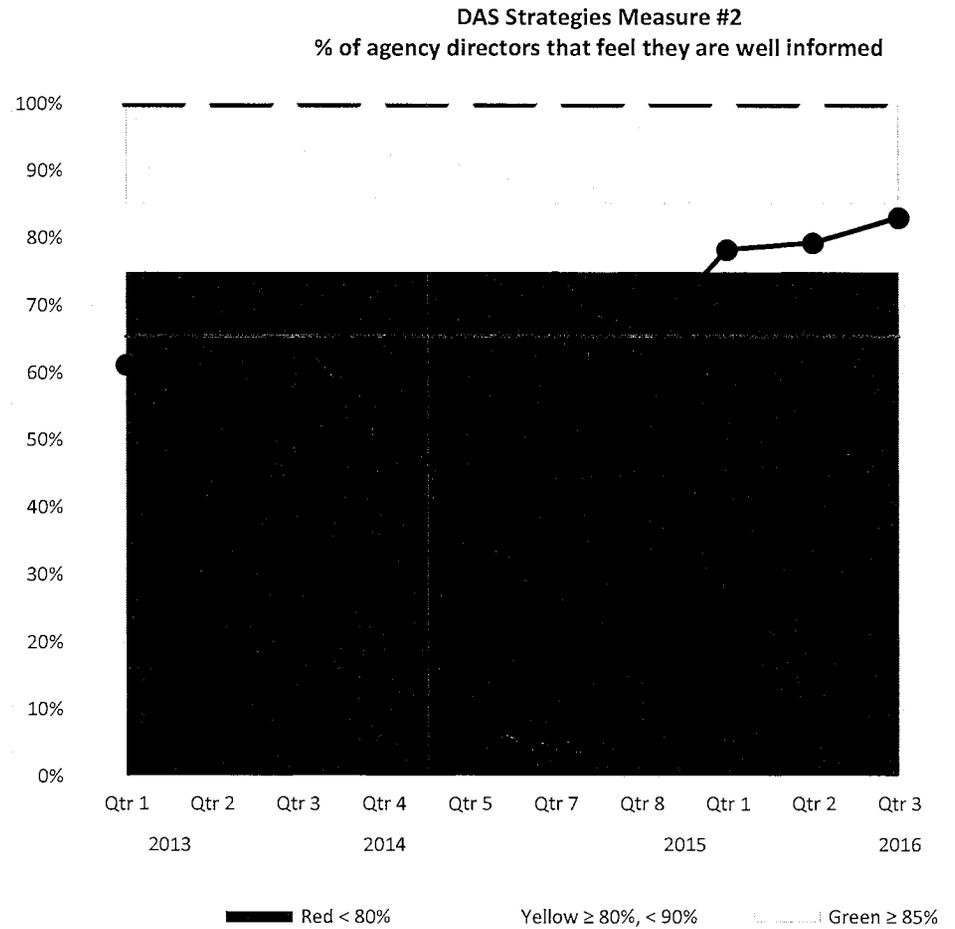
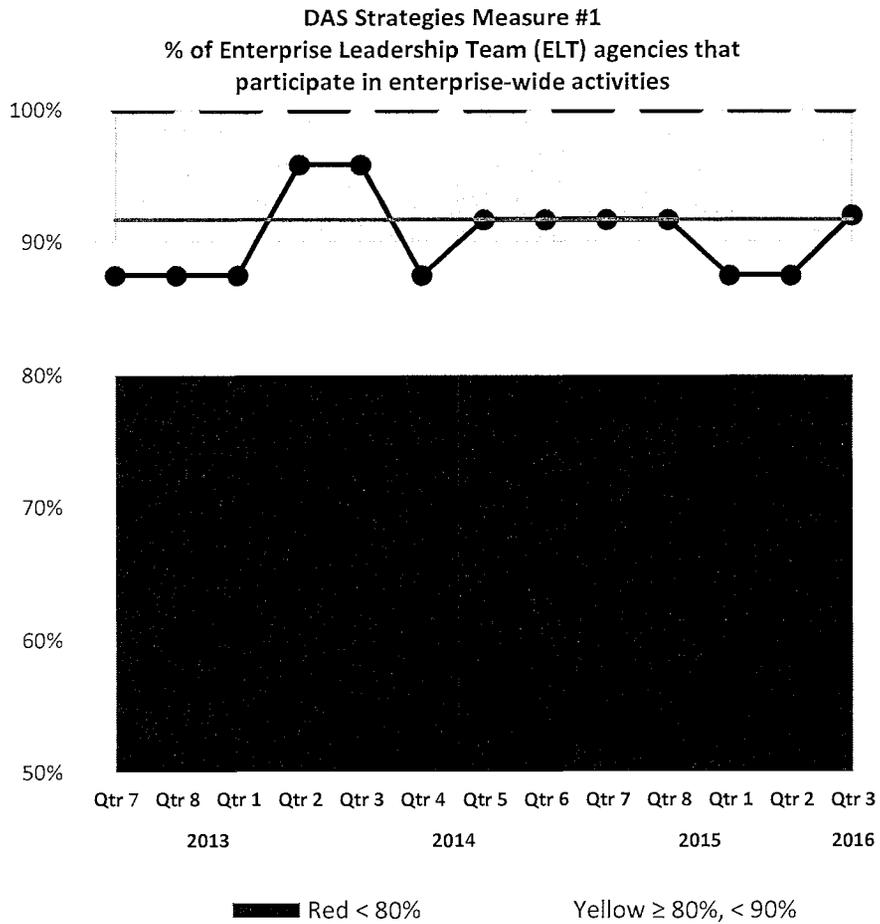
Program Justification and Link to Long Term Outcomes

The COO plays a crucial role in developing statewide solutions and providing policy leadership to move the entire state towards achievement of 10-year plan outcomes. The COO brings together state agencies to develop long-term strategic policies, statewide initiatives, performance management, communication, and budget processes through the convening of the Enterprise Leadership Team. This shared leadership model creates a mechanism for governance and management of state government as an enterprise.

The COO directly contributes to the long-term improvement of government operations and public engagement strategies specifically through internal service delivery improvements at DAS and leadership of the Improving Government Steering Team.

2017-19 BUDGET NARRATIVE

Program Performance



2017-19 BUDGET NARRATIVE

Enabling Legislation/ Program Authorization

Oregon Revised Statute (ORS) 184.305 to 184.351 and Chapters 283 and 291 establish the Department of Administrative Services and authorize its general activities.

Funding Streams that Support the Program

Programs within the COO are funded primarily through assessments which allocates costs to state agencies based on our 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority. DAS IT support receives funding from DAS divisions as an internal overhead transfer and from client agencies who receive desktop computing services as charges for services. A General Fund appropriation supports the Office of Economic Analysis' prison population forecasting.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$50,715 for one-time Services and Supplies related costs associated with limited duration positions approved in the 2015 Legislative Session.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustment

This package transfers out \$557,215 to DAS Business Services for centralization of State Government Service Charges.

2017-19 BUDGET NARRATIVE

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	362	-	-	-	-	-	362
Total Revenues	\$362	-	-	-	-	-	\$362
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	-	-	-	-	-
Temporary Appointments	-	-	9,620	-	-	-	9,620
Overtime Payments	-	-	1,480	-	-	-	1,480
All Other Differential	-	-	8,140	-	-	-	8,140
Public Employees' Retire Cont	-	-	1,837	-	-	-	1,837
Pension Obligation Bond	340	-	3,961	-	-	-	4,301
Social Security Taxes	-	-	1,472	-	-	-	1,472
Unemployment Assessments	-	-	-	-	-	-	-
Mass Transit Tax	22	-	5,689	-	-	-	5,711
Vacancy Savings	-	-	(5,810)	-	-	-	(5,810)
Total Personal Services	\$362	-	\$26,389	-	-	-	\$26,751
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
State Gov. Service Charges	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	362	-	26,389	-	-	-	26,751
Total Expenditures	\$362	-	\$26,389	-	-	-	\$26,751
Ending Balance							
Ending Balance	-	-	(26,389)	-	-	-	(26,389)
Total Ending Balance	-	-	(\$26,389)	-	-	-	(\$26,389)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	(1,243)	-	-	-	(1,243)
Employee Training	-	-	(6,348)	-	-	-	(6,348)
Office Expenses	-	-	(5,530)	-	-	-	(5,530)
Telecommunications	-	-	(4,608)	-	-	-	(4,608)
Data Processing	-	-	(11,203)	-	-	-	(11,203)
Publicity and Publications	-	-	(922)	-	-	-	(922)
Employee Recruitment and Develop	-	-	(820)	-	-	-	(820)
Dues and Subscriptions	-	-	(900)	-	-	-	(900)
Other Services and Supplies	-	-	(19,141)	-	-	-	(19,141)
Total Services & Supplies	-	-	(\$50,715)	-	-	-	(\$50,715)
Total Expenditures							
Total Expenditures	-	-	(50,715)	-	-	-	(50,715)
Total Expenditures	-	-	(\$50,715)	-	-	-	(\$50,715)
Ending Balance							
Ending Balance	-	-	50,715	-	-	-	50,715
Total Ending Balance	-	-	\$50,715	-	-	-	\$50,715

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,441	-	-	-	-	-	1,441
Total Revenues	\$1,441	-	-	-	-	-	\$1,441

Services & Supplies

Instate Travel	38	-	917	-	-	-	955
Out of State Travel	14	-	822	-	-	-	836
Employee Training	71	-	5,552	-	-	-	5,623
Office Expenses	89	-	2,769	-	-	-	2,858
Telecommunications	81	-	7,387	-	-	-	7,468
Data Processing	50	-	87,250	-	-	-	87,300
Publicity and Publications	120	-	1,028	-	-	-	1,148
Professional Services	676	-	27,139	-	-	-	27,815
IT Professional Services	-	-	5,118	-	-	-	5,118
Attorney General	-	-	28,193	-	-	-	28,193
Employee Recruitment and Develop	26	-	7	-	-	-	33
Dues and Subscriptions	55	-	792	-	-	-	847
Facilities Rental and Taxes	-	-	-	-	-	-	-
Fuels and Utilities	-	-	171	-	-	-	171
Facilities Maintenance	-	-	215	-	-	-	215
Food and Kitchen Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	452	-	-	-	452
Other Services and Supplies	65	-	17,455	-	-	-	17,520
Expendable Prop 250 - 5000	-	-	1,478	-	-	-	1,478

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	156	-	13,288	-	-	-	13,444
Total Services & Supplies	\$1,441	-	\$200,033	-	-	-	\$201,474
Capital Outlay							
Data Processing Hardware	-	-	426	-	-	-	426
Total Capital Outlay	-	-	\$426	-	-	-	\$426
Total Expenditures							
Total Expenditures	1,441	-	200,459	-	-	-	201,900
Total Expenditures	\$1,441	-	\$200,459	-	-	-	\$201,900
Ending Balance							
Ending Balance	-	-	(200,459)	-	-	-	(200,459)
Total Ending Balance	-	-	(\$200,459)	-	-	-	(\$200,459)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(557,215)	-	-	-	(557,215)
Total Services & Supplies	-	-	(\$557,215)	-	-	-	(\$557,215)
Total Expenditures							
Total Expenditures	-	-	(557,215)	-	-	-	(557,215)
Total Expenditures	-	-	(\$557,215)	-	-	-	(\$557,215)
Ending Balance							
Ending Balance	-	-	557,215	-	-	-	557,215
Total Ending Balance	-	-	\$557,215	-	-	-	\$557,215

2017-19 BUDGET NARRATIVE

Policy Option Package #102 – Convert 2015-17 Limited Duration Positions to Permanent Staff

Total Request: \$638,448 | Total Positions/FTE: 3/3.00

Purpose

Changes in business needs and customer demands led the Chief Operating Office (COO) including DAS IT to create limited duration positions in several areas. This package requests these positions be made permanent to enable COO to continue the level of service to its agency customers.

How Achieved

COO:

In collaboration with the Enterprise Leadership Team (ELT) and its Improving Government Steering Team (IGST), the Chief Operating Office assigns project managers to coordinate large scale enterprise business projects. Currently the office is staffed with a Principle Executive Manager F leading the statewide initiatives team, two Operations and Policy Analyst 4 positions, two Project Manager 1 positions, and two limited duration Project Manager 1 positions. This team currently manages large projects that support Enterprise Initiatives sponsored by the ELT. In addition it provides staffing to the IGST and any associated operational improvement projects sponsored by IGST. While other agency staff actively participate in the projects, having dedicated skilled technical staff leading and coordinating activities is critical to having a consistent, successful approach to these Enterprise Initiatives. In addition, the Statewide Initiatives team of project managers is highly valued among other agencies that frequently request short-term assistance in their own business process improvement projects.

In the 2017-19 biennium, the number and complexity of Enterprise Initiatives is expected to continue to increase in response to the demands for improvements in state government operations from the ELT, the Governor, and the Legislature. The maturing nature of the work is leading to more complicated change initiatives requiring increasingly skilled staff to meet the demands. In order to continue consistent delivery of these projects for the 2017-19 biennium, dedicated project management resources need to be aligned to the work and made permanent.

Staffing for Enterprise Initiatives requires high-level implementation experience, deep program research and analysis skills, and coordination skills. Currently, a combination of entry-level Project Manager 1 and Operations and Policy Analyst 4 positions provides the two skill-sets needed. Two of the four Project Manager 1 positions are currently established in the 2015-17 budget as limited duration. As experience has grown with statewide initiatives, a need has been identified to help bridge the gap between a Project Manager 1 and an Operations and Policy Analyst 4. Project Manager 2 positions would provide a career ladder to current staff and foster growth and training within the highly valued current team of project managers.

2017-19 BUDGET NARRATIVE

DAS IT:

Convert an existing Information Systems Specialist (ISS) 5 limited duration position to permanent status in support of on premise work station support to our customers. This will allow us to continue expected on-site response time by our 1200 users scattered throughout multiple buildings in Salem and Portland, including the Governor's office.

Staffing Impact

- Establish two permanent, full-time Project Manager 2, SR 29 (2.00 FTE)
- Establish one permanent, full-time Information Systems Specialist 5, SR 28 (1.00 FTE)

Quantifying Results

COO:

Project Status Reports are reviewed and discussed on a regular basis with the DAS Executive Team and the Improving Government Steering Committee.

DAS IT:

The TSC staff directly support DAS in the achievement of its mission, the 10 year plan and all key change initiatives by enabling employees to be productive with their technology tools.

Revenue Sources

For COO, revenues come through as an assessment which allocates costs to state agencies based on our 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority. For DAS IT, revenues are funded through an internal overhead transfer from DAS divisions or charge for services from client agencies.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	433,459	-	-	-	433,459
Transfer In - Intrafund	-	-	204,989	-	-	-	204,989
Total Revenues	-	-	\$638,448	-	-	-	\$638,448
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	348,528	-	-	-	348,528
Empl. Rel. Bd. Assessments	-	-	171	-	-	-	171
Public Employees' Retire Cont	-	-	59,454	-	-	-	59,454
Social Security Taxes	-	-	26,662	-	-	-	26,662
Worker's Comp. Assess. (WCD)	-	-	207	-	-	-	207
Flexible Benefits	-	-	100,008	-	-	-	100,008
Total Personal Services	-	-	\$535,030	-	-	-	\$535,030
Services & Supplies							
Instate Travel	-	-	2,277	-	-	-	2,277
Employee Training	-	-	12,129	-	-	-	12,129
Office Expenses	-	-	6,328	-	-	-	6,328
Telecommunications	-	-	5,273	-	-	-	5,273
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	-	-	2,849	-	-	-	2,849
Publicity and Publications	-	-	1,582	-	-	-	1,582
Employee Recruitment and Develop	-	-	1,267	-	-	-	1,267
Dues and Subscriptions	-	-	1,582	-	-	-	1,582
Facilities Rental and Taxes	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Other Services and Supplies	-	-	62,115	-	-	-	62,115
Expendable Prop 250 - 5000	-	-	8,016	-	-	-	8,016
Total Services & Supplies	-	-	\$103,418	-	-	-	\$103,418
Total Expenditures							
Total Expenditures	-	-	638,448	-	-	-	638,448
Total Expenditures	-	-	\$638,448	-	-	-	\$638,448
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:030-00-00 Chief Operating Office

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 102 - Convert 2015-17 LDs to Permane

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
1908550 UA C0855 AA PROJECT MANAGER 2	1	1.00	24.00	02	4,803.00		115,272 64,285			115,272 64,285
1908551 UA C0855 AA PROJECT MANAGER 2	1	1.00	24.00	02	4,803.00		115,272 64,285			115,272 64,285
1914850 OA C1485 IA INFO SYSTEMS SPECIALIST 5	1	1.00	24.00	02	4,916.00		117,984 57,932			117,984 57,932
TOTAL PICS SALARY							348,528			348,528
TOTAL PICS OPE							186,502			186,502
TOTAL PICS PERSONAL SERVICES =	3	3.00	72.00				535,030			535,030

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #103 – Growing Demand for COO Services

Total Request: \$627,274 | Total Positions/FTE: 3/3.00

Purpose

The Technology Support Center (TSC) provides desktop/workstation services and support to the employees of the Department of Administrative Services (DAS), the Governor's office, and approximately 12 other small agencies, boards, and commissions with a customer base of approximately 1200 users.

How Achieved

The TSC is comprised of three teams:

- Help Desk Team: Provides customer support via phone and email and are the initial contact points for customers who need assistance with their PC workstation, laptops, or desktop applications.
- Field Technician Team: Provides on premise, face-to-face support for issues that cannot be resolved remotely by the Help Desk Team.
- Infrastructure Team: Implements and maintains infrastructure necessary to provide the services offered by the TSC as well as the toolsets needed for the Help Desk and Field Tech teams to work effectively. This includes SPAM filtering, remote access, Active Directory and other back end applications to ensure a secure computing environment.

The TSC is currently understaffed to deliver on its mission. Proposed actions are to restore staffing levels closer to what was in place in 2007-09:

- Establish an Information Systems Specialist (ISS) 6 position to provide dedicated support to the Financial Datamart and the ePayroll system.
- Establish a new ISS3 position in support of workstation lifecycle replacement. The position will be dedicated to ongoing workstation lifecycle replacement. TSC staffing this need with temps, but the six month limitation on temps is problematic. Workload need looks like 300 workstations per year to order, image, coordinate with users, configure settings, install apps, manage settings and decommission old equipment accordingly.
- Establish a new Operations and Policy Analyst (OPA) 4 position to conduct operational assessments/analysis of IT at DAS in support of risk mitigation, remediation and service optimization

Staffing Impact

- Establish one permanent, full-time, Information Systems Specialist 6, OA, C1486 IA, SR 29 (1.00 FTE)
- Establish one permanent, full-time, Information Systems Specialist 3, OA, C1483 IA, SR 24 (1.00 FTE)
- Establish one permanent, full-time, Operations and Policy Analyst 4, MMN, X0873 AA, SR 32 (1.00 FTE)

2017-19 BUDGET NARRATIVE

Quantifying Results

The TSC staff directly support DAS in the achievement of its mission, the 10 year plan and all key change initiatives by enabling employees to be productive with their technology tools.

Revenue Sources

Revenues comes through as an internal overhead transfer from DAS divisions.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 103 - Growing Demand for COO Services

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	-	-	-	-	-
Transfer In - Intrafund	-	-	718,420	-	-	-	718,420
Total Revenues	-	-	\$718,420	-	-	-	\$718,420
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	368,856	-	-	-	368,856
Empl. Rel. Bd. Assessments	-	-	171	-	-	-	171
Public Employees' Retire Cont	-	-	57,004	-	-	-	57,004
Social Security Taxes	-	-	28,217	-	-	-	28,217
Worker's Comp. Assess. (WCD)	-	-	207	-	-	-	207
Flexible Benefits	-	-	100,008	-	-	-	100,008
Total Personal Services	-	-	\$554,463	-	-	-	\$554,463
Services & Supplies							
Instate Travel	-	-	2,420	-	-	-	2,420
Employee Training	-	-	13,184	-	-	-	13,184
Office Expenses	-	-	6,328	-	-	-	6,328
Telecommunications	-	-	5,801	-	-	-	5,801
State Gov. Service Charges	-	-	-	-	-	-	-
Data Processing	-	-	3,640	-	-	-	3,640
Publicity and Publications	-	-	1,582	-	-	-	1,582
Professional Services	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	1,267	-	-	-	1,267
Dues and Subscriptions	-	-	1,582	-	-	-	1,582

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 103 - Growing Demand for COO Services

Cross Reference Name: Chief Operating Office
Cross Reference Number: 10700-030-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	28,569	-	-	-	28,569
Expendable Prop 250 - 5000	-	-	8,438	-	-	-	8,438
Total Services & Supplies	-	-	\$72,811	-	-	-	\$72,811
Total Expenditures							
Total Expenditures	-	-	627,274	-	-	-	627,274
Total Expenditures	-	-	\$627,274	-	-	-	\$627,274
Ending Balance							
Ending Balance	-	-	91,146	-	-	-	91,146
Total Ending Balance	-	-	\$91,146	-	-	-	\$91,146
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

08/05/16 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:030-00-00 Chief Operating Office

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 2
 PROD FILE

PACKAGE: 103 - Growing Demand for COO Service

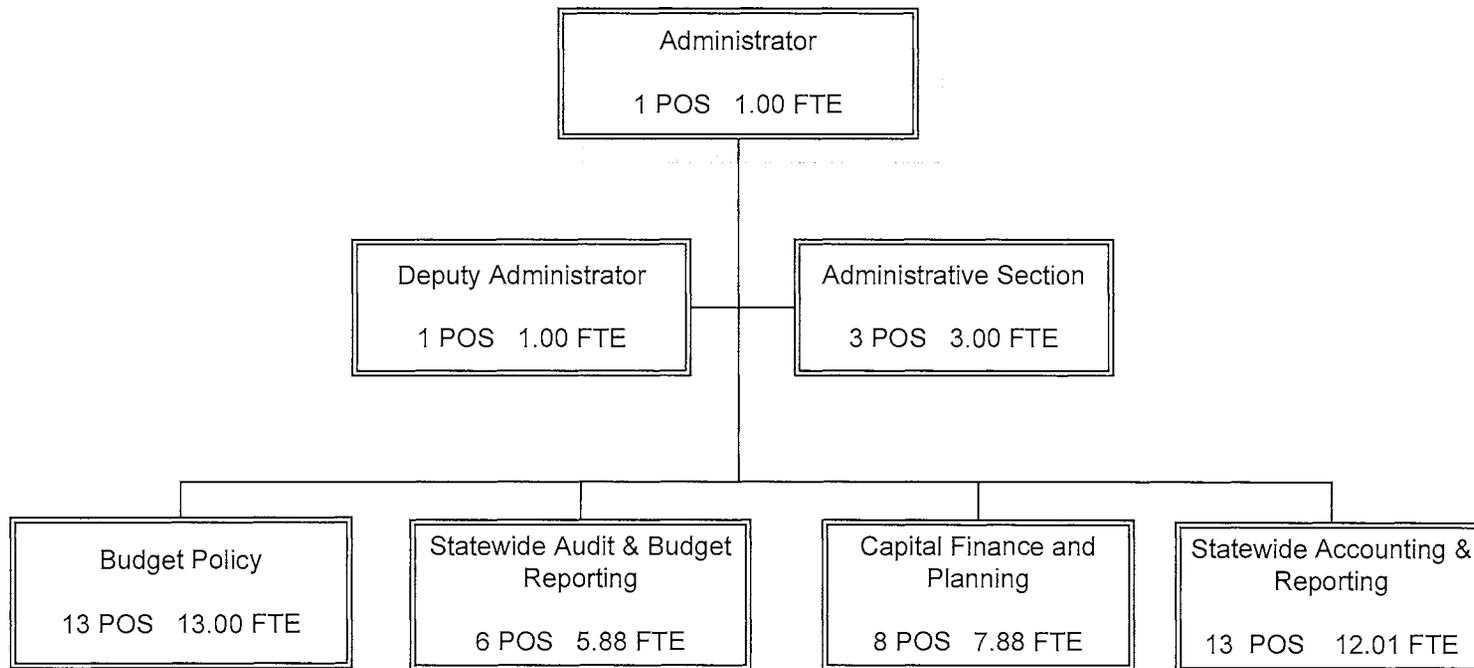
POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1908733	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1914832	OA	C1483	IA INFO SYSTEMS SPECIALIST 3	1	1.00	24.00	02	4,059.00		97,416 53,666			97,416 53,666
1914860	OA	C1486	IA INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	02	5,254.00		126,096 59,614			126,096 59,614
TOTAL PICS SALARY										368,856			368,856
TOTAL PICS OPE										185,607			185,607
TOTAL PICS PERSONAL SERVICES =				3	3.00	72.00				554,463			554,463

2017-19 BUDGET NARRATIVE

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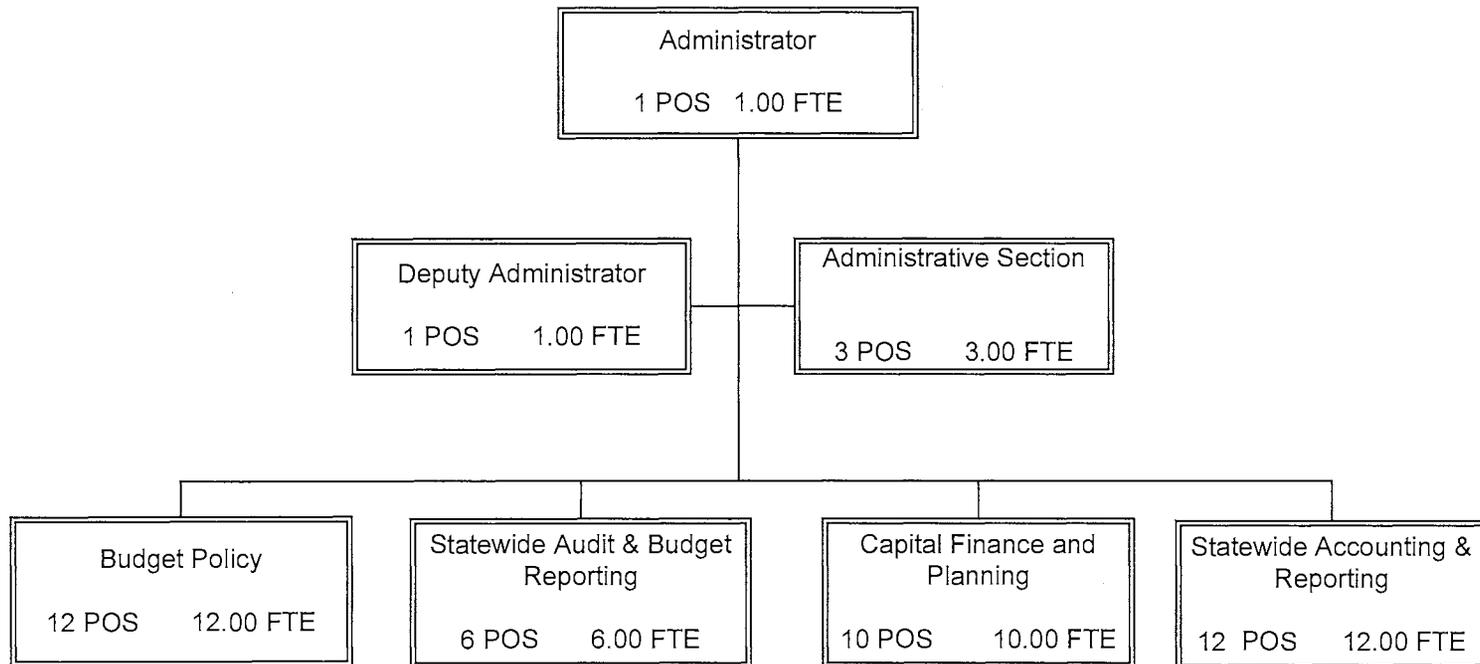
2017-19 BUDGET NARRATIVE

**Chief Financial Office
Organization Chart
2015-17
45 POS 43.77 FTE**



2017-19 BUDGET NARRATIVE

**Chief Financial Office
Organization Chart
2017-19
45 POS 45.00 FTE**



2017-19 BUDGET NARRATIVE

Chief Financial Office

Program Overview

The Chief Financial Office (CFO) is responsible for comprehensive fiscal policy, compliance, and statewide reporting.

The CFO accomplishes its mission by coordinating with agencies to develop standard reporting frameworks, identifying emerging policy trends, describing common assumptions on statewide issues, and analyzing the impacts of policy decisions.

The CFO prepares the biennial budget which the Governor gives to the Oregon Legislature every two years and also compiles the Combined Annual Financial Report (CAFR). The CFO also maintains the state's central budget system, monitors agency spending for compliance with applicable budgetary laws and legislative intent, and works with agencies to resolve issues during the interim, including, where necessary, appearances before the Emergency Board and the Joint Ways and Means Committee.

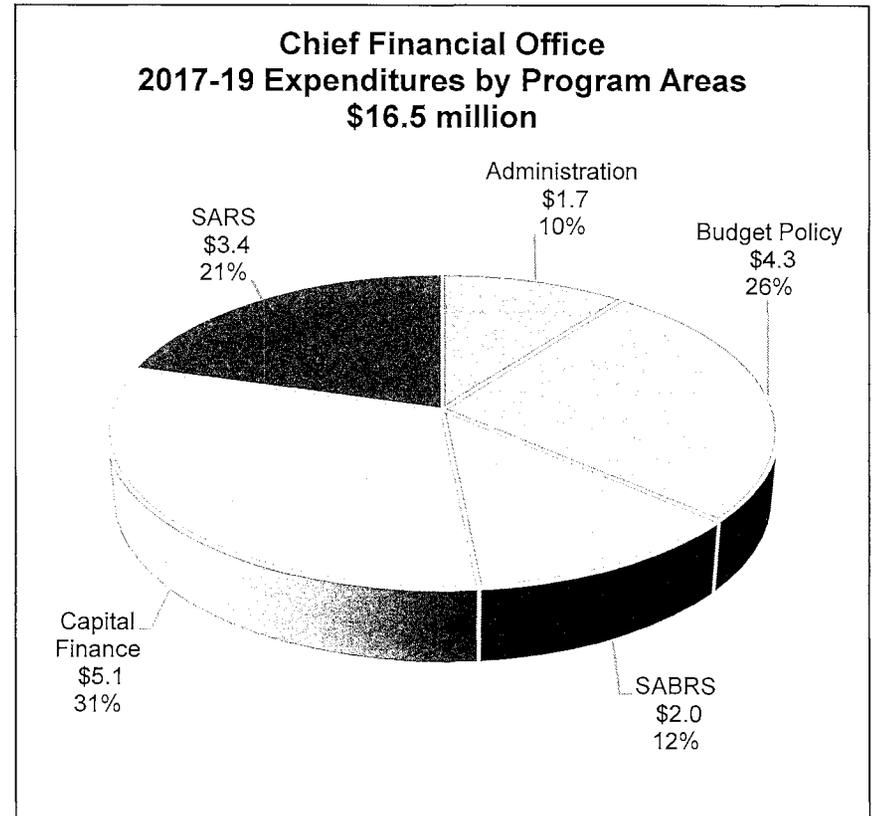
The CFO helps manage and budget for major capital construction projects, issuing Article XI-Q bonds, Tax Anticipation Notes (TANs), and Lottery Revenue Bonds to finance capital and infrastructure projects. The CFO also coordinates the statewide bonded debt process in cooperation with the Oregon State Treasury.

Program Description

The CFO serves its customers through the following centralized sections:

Budget Policy:

This section provides budget and program review and analysis for the state's multi-billion dollar budget. Analysts work with the Governor's Office to identify and conceptualize strategies for state government's fiscal policy direction. This section acts in an advisory capacity to the Governor, Legislature, Chief Operating Officer, and Enterprise Leadership Team in the development of agency budgets. They work with agencies' leadership teams and fiscal staff to ensure consistent application of budget policy and practice across state agencies.



2017-19 BUDGET NARRATIVE

The Budget and Policy Section instructs agencies on how to prepare budget requests. Analysts then make recommendations to reflect the Governor's priorities, balance the budget to tax and lottery revenues, and convey the Governor's decisions to agencies during the development of the Governor's budget. They help explain the Governor's budget proposals to the Legislature and others.

The Budget Policy Section analyzes agency requests to the Emergency Board and the Joint Ways and Means Committee on behalf of the Executive Branch. The unit also works with agencies to resolve budget and management issues in the execution of their budgets.

Statewide Audit and Budget Reporting (SABR):

This section maintains the statewide systems used to budget money and positions. This includes the system used to project the cost of future wage increases. The section also manages the allotment process used to release funds for agency spending.

Capital Finance and Planning (CFP):

This section is responsible for the administration of various statewide financing programs including Article XI-Q bonds (for state-owned real and personal property), Lottery Revenue Bonds, Tax Anticipation Notes, Seismic Rehabilitation Bonds, Pension Obligation Bonds, and others. The section also develops the state's capital construction budget request. The CFP assists agencies in preparing budgets for debt service, and, in cooperation with the Office of the State Treasurer, coordinates development of the biennial bill authorizing new debt.

The Capital Finance and Planning Section takes a leadership role in coordination and development of the Statewide Facilities Plan, including the four-year and six-year construction budgets. As a part of this effort, CFP provides administrative support to various statutory committees including the Capital Projects Advisory Board, the Capitol Planning Commission, and the Public Lands Advisory Committee. The section ensures the statewide capital planning process considers current condition of facilities, future projected needs, and funding options to meet state objectives. This involves planning and direction of a comprehensive capital utilization program that promotes and enables agencies to complete timely, cost-effective capital improvements, renovations, and new construction projects while achieving optimal utilization of owned and leased space.

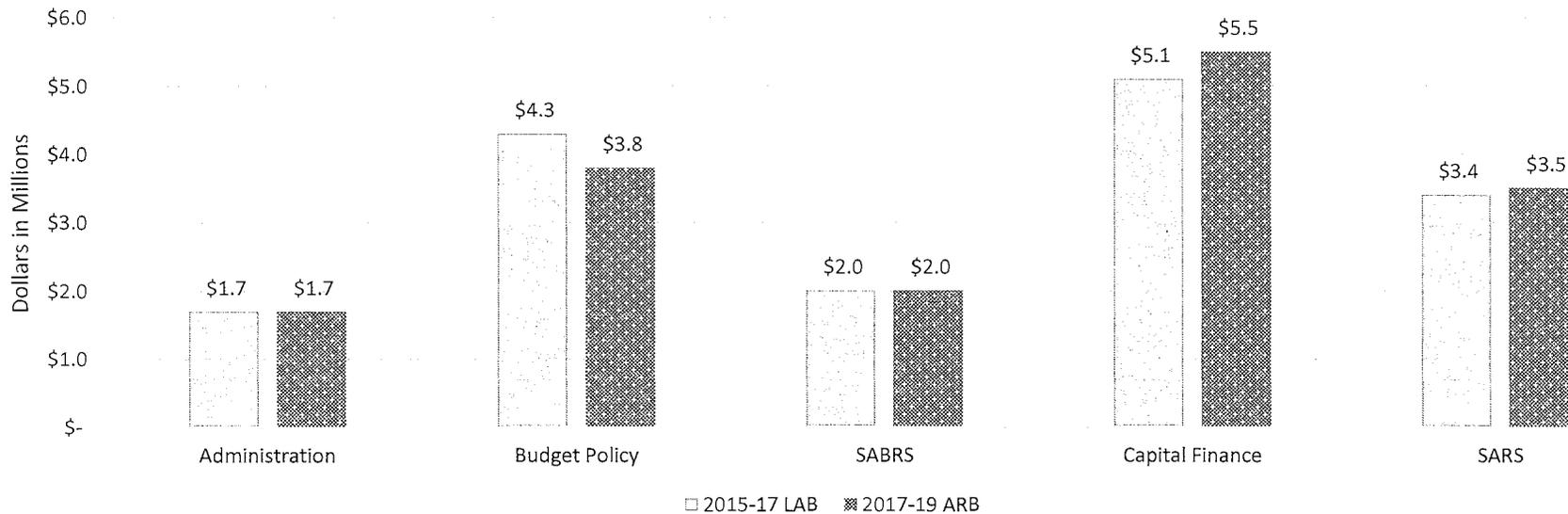
Statewide Accounting and Reporting Services (SARS):

This section is responsible for statewide year-end closing coordination, preparing the Oregon Combined Annual Financial Report, the Schedule of Expenditures of Federal Awards, statewide accounting policy, and the Oregon Accounting Manual. The unit provides agency consultation and guidance, federal fiscal compliance related to the Office of Management and Budget (OMB), OMB Circular A-87, OMB A-133, and the Cash Management Improvement Act (CMIA) as well as system security administration. In addition to compliance standards, the unit has rolled-out statewide accounts receivable measures and guidelines for accounts receivable management in an effort to improve the quality of data in adherence to SB 55 (2015).

2017-19 BUDGET NARRATIVE

Graphical representation of Total Funds Budget (historical and future)

Biennial Comparison of CFO Expenditures by Major Programs



Enabling Legislation/ Program Authorization

Oregon Revised Statute (ORS) Chapters 270, 276, 279, 286, 291, and 293.

Funding Streams that Support the Program

The CFO receives funding mostly through an assessment to state agencies, which is based on the 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority, and budget amounts. There is a minimum charge per agency. The Capital Finance and Planning section is partially supported by fees from the sale of Article XI-Q bonds. Expected revenue plus the ending balance from the current biennium cover the costs of the proposed program level for the division.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$2.0 million for Facility Planning assessment and \$23,461 for one-time Services and Supplies related with limited duration positions.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Facilities rent by the standard uniform rent rate increase (6.9 percent), by the standard 3.7 percent for non-state properties, or adjusted to the Self-Support Rent Rates.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustment

This package transfers out \$810,174 to DAS Business Services for the centralization of State Government Service Charges.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	203	-	-	-	203
Overtime Payments	-	-	274	-	-	-	274
Shift Differential	-	-	1	-	-	-	1
All Other Differential	-	-	932	-	-	-	932
Public Employees' Retire Cont	-	-	230	-	-	-	230
Pension Obligation Bond	-	-	32,310	-	-	-	32,310
Social Security Taxes	-	-	108	-	-	-	108
Mass Transit Tax	-	-	2,212	-	-	-	2,212
Vacancy Savings	-	-	(122,931)	-	-	-	(122,931)
Total Personal Services	-	-	(\$86,661)	-	-	-	(\$86,661)
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Employee Training	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
Data Processing	-	-	-	-	-	-	-
Publicity and Publications	-	-	-	-	-	-	-
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Expendable Prop 250 - 5000	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Special Payments							
Dist to Counties	-	-	-	-	-	-	-
Total Special Payments	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	(86,661)	-	-	-	(86,661)
Total Expenditures	-	-	(\$86,661)	-	-	-	(\$86,661)
Ending Balance							
Ending Balance	-	-	86,661	-	-	-	86,661
Total Ending Balance	-	-	\$86,661	-	-	-	\$86,661

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	(1,620)	-	-	-	(1,620)
Employee Training	-	-	(5,584)	-	-	-	(5,584)
Office Expenses	-	-	(2,048)	-	-	-	(2,048)
Telecommunications	-	-	(1,536)	-	-	-	(1,536)
Data Processing	-	-	-	-	-	-	-
Publicity and Publications	-	-	(936)	-	-	-	(936)
Professional Services	-	-	(2,000,000)	-	-	-	(2,000,000)
Employee Recruitment and Develop	-	-	(1,230)	-	-	-	(1,230)
Dues and Subscriptions	-	-	(1,536)	-	-	-	(1,536)
Other Services and Supplies	-	-	(931)	-	-	-	(931)
Expendable Prop 250 - 5000	-	-	(8,040)	-	-	-	(8,040)
Total Services & Supplies	-	-	(\$2,023,461)	-	-	-	(\$2,023,461)
Total Expenditures							
Total Expenditures	-	-	(2,023,461)	-	-	-	(2,023,461)
Total Expenditures	-	-	(\$2,023,461)	-	-	-	(\$2,023,461)
Ending Balance							
Ending Balance	-	-	2,023,461	-	-	-	2,023,461
Total Ending Balance	-	-	\$2,023,461	-	-	-	\$2,023,461

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	623	-	-	-	623
Out of State Travel	-	-	275	-	-	-	275
Employee Training	-	-	2,851	-	-	-	2,851
Office Expenses	-	-	2,878	-	-	-	2,878
Telecommunications	-	-	3,981	-	-	-	3,981
Data Processing	-	-	16,447	-	-	-	16,447
Publicity and Publications	-	-	5,609	-	-	-	5,609
Professional Services	-	-	21,127	-	-	-	21,127
IT Professional Services	-	-	6,014	-	-	-	6,014
Attorney General	-	-	4,969	-	-	-	4,969
Employee Recruitment and Develop	-	-	339	-	-	-	339
Dues and Subscriptions	-	-	774	-	-	-	774
Facilities Rental and Taxes	-	-	22,734	-	-	-	22,734
Fuels and Utilities	-	-	173	-	-	-	173
Facilities Maintenance	-	-	-	-	-	-	-
Food and Kitchen Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	8,723	-	-	-	8,723
Expendable Prop 250 - 5000	-	-	1,642	-	-	-	1,642
IT Expendable Property	-	-	2,074	-	-	-	2,074
Total Services & Supplies	-	-	\$101,233	-	-	-	\$101,233

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Office Furniture and Fixtures	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	101,233	-	-	-	101,233
Total Expenditures	-	-	\$101,233	-	-	-	\$101,233
Ending Balance							
Ending Balance	-	-	(101,233)	-	-	-	(101,233)
Total Ending Balance	-	-	(\$101,233)	-	-	-	(\$101,233)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(810,174)	-	-	-	(810,174)
Total Services & Supplies	-	-	(\$810,174)	-	-	-	(\$810,174)
Total Expenditures							
Total Expenditures	-	-	(810,174)	-	-	-	(810,174)
Total Expenditures	-	-	(\$810,174)	-	-	-	(\$810,174)
Ending Balance							
Ending Balance	-	-	810,174	-	-	-	810,174
Total Ending Balance	-	-	\$810,174	-	-	-	\$810,174

2017-19 BUDGET NARRATIVE

Policy Option Package #111: Capital Facility Planning

Total Request: \$2 million | Total Positions/FTE: 1/1.00

Purpose

This package continues work to more effectively perform capital planning and evaluate performance against agreed upon standards. The facility assessments included in this package will allow the state to better project future capital needs, such as replacement of major components including roofs, HVAC systems, etc. so that such costs can be properly included in cost-recovery models. Development of benchmarks and analytics will enable management and policymakers to evaluate performance of operations and maintenance functions compared to industry standards, and better ascertain appropriate funding levels.

In the longer term, the Chief Financial Office (CFO) expects agencies to achieve cost savings and program efficiencies through operational efficiencies and effective planning. For example, software and analytics will provide tools to optimize space utilization and reduce leasing costs through analysis of market data and planned migration to the most cost-effective options.

How Achieved

In 2013, CFO was authorized by the Oregon Legislature to begin developing a long range facility plan for the state of Oregon. The Oregon Legislature established two positions with the CFO and approved sufficient funding to set up the initial data systems and begin the process of evaluating state-owned buildings to project life cycle needs. CFO has used the resources, which were reauthorized in 2015, to establish the underlying data requirements, build the data analysis tools and assess the status of state owned facilities. CFO utilizes professional services (contracting) to do the high level assessment of facilities.

CFO is requesting the continuation of these resources in 2017-19 to further extend facility assessments to other state-owned facilities and significant state leased space. This information will provide better tools to enhance real estate management, space management, facility maintenance, and energy management. Continuation of this investment will increase the operational, financial, and environmental performance allowing the state to monitor and integrate tasks such as the rehabilitation of facilities or replacement of major components.

Contract assistance will be provided to agency staff in making initial condition assessments of facility components. These contractors will then provide training to agency staff in assessment techniques so that ongoing work will be performed by agency personnel.

2017-19 BUDGET NARRATIVE

Staffing Impact

- Establish one limited duration, full-time, Info Systems Specialist 6, SR 29 (1.00 FTE)

Quantifying Results

CFO anticipates that survey work for at least 80 percent of the state's facility assets will be completed by the end of the 2017-19 biennium. The focus for the upcoming biennium will be placed on the Oregon Military Department and several smaller agencies. Work up to this point of the project has resulted in facility surveys for the agencies listed below, some of which are anticipated to be completed by the end of the 2015-17 biennium. In some cases, such as with the Oregon Department of Transportation (ODOT), survey work was prioritized to focus on assets valued in excess of \$1 million or represented a significant facility asset to the agency, and as such excluded work on small storage sheds.

Agencies completed or anticipated to be completed by the end of 2015-17 include:

Department of Administrative Services	Oregon Department of Fish & Wildlife
Oregon Youth Authority	Oregon Department of Corrections
Oregon Liquor Control Commission	Oregon Department of Transportation
Oregon Department of Forestry	

Revenue Sources

\$2 million Other Funds Limited, Admin & Service Charges (assessment).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 111 - Capital Facility Planning

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	2,000,000	-	-	-	2,000,000
Admin and Service Charges	-	-	-	-	-	-	-
Total Revenues	-	-	\$2,000,000	-	-	-	\$2,000,000
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	126,096	-	-	-	126,096
Empl. Rel. Bd. Assessments	-	-	57	-	-	-	57
Public Employees' Retire Cont	-	-	16,506	-	-	-	16,506
Social Security Taxes	-	-	9,646	-	-	-	9,646
Worker's Comp. Assess. (WCD)	-	-	69	-	-	-	69
Flexible Benefits	-	-	33,336	-	-	-	33,336
Total Personal Services	-	-	\$185,710	-	-	-	\$185,710
Services & Supplies							
Professional Services	-	-	1,814,290	-	-	-	1,814,290
Total Services & Supplies	-	-	\$1,814,290	-	-	-	\$1,814,290
Total Expenditures							
Total Expenditures	-	-	2,000,000	-	-	-	2,000,000
Total Expenditures	-	-	\$2,000,000	-	-	-	\$2,000,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 111 - Capital Facility Planning

Cross Reference Name: Chief Financial Office
Cross Reference Number: 10700-035-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							1
Total Positions	-	-	-	-	-	-	1
Total FTE							
Total FTE							1.00
Total FTE	-	-	-	-	-	-	1.00

08/05/16 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:035-00-00 Chief Financial Office

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

PAGE 3

2017-19
 PICS SYSTEM: BUDGET PREPARATION
 PROD FILE

PACKAGE: 111 - Capital Facility Planning

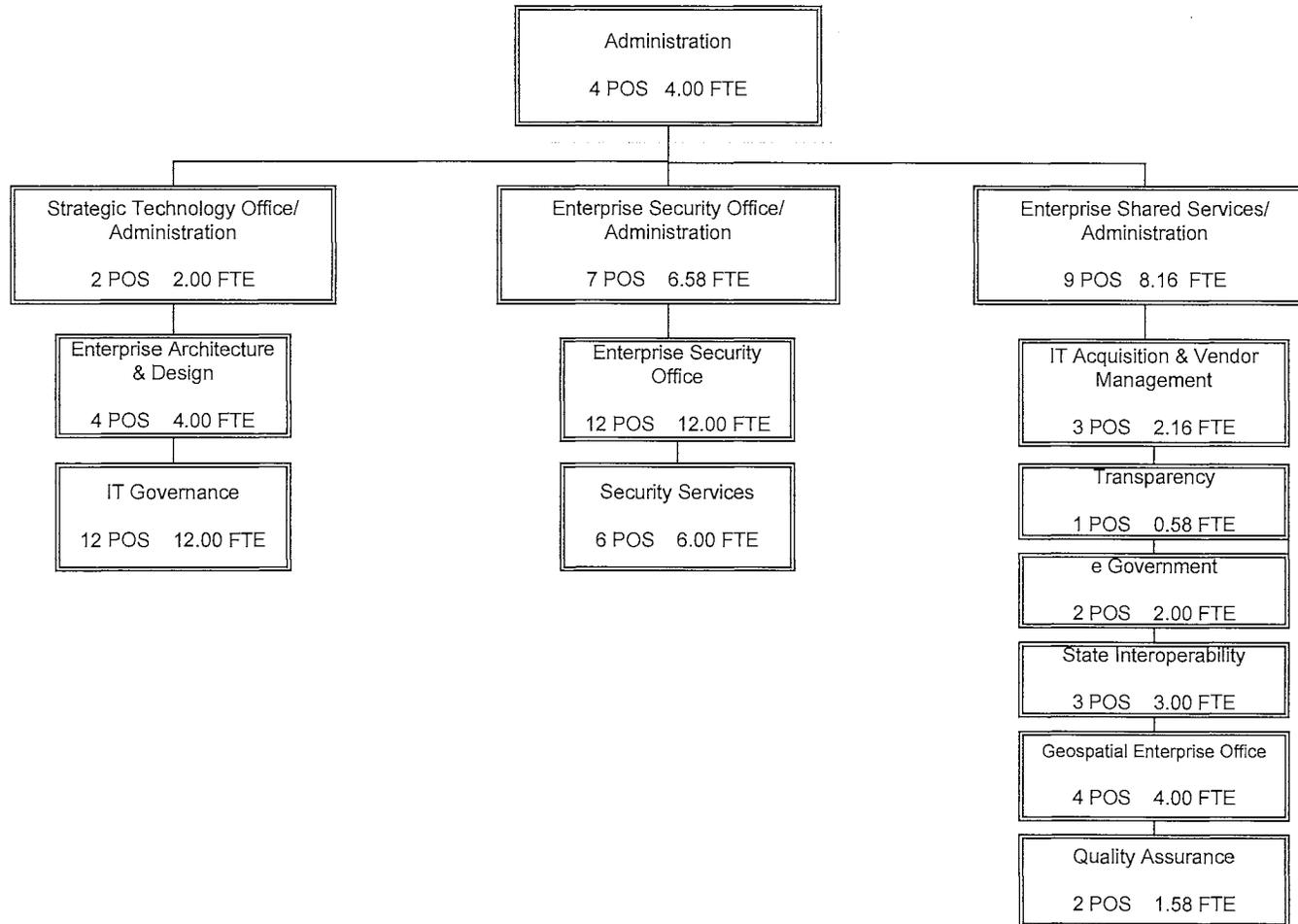
POSITION			POS					GF	OF	FF	LF	AF
NUMBER	CLASS	COMP	CNT	FTE	MOS	STEP	RATE	SAL/OPE	SAL/OPE	SAL/OPE	SAL/OPE	SAL/OPE
1914863	OA	C1486 IA	1	1.00	24.00	02	5,254.00		126,096			126,096
									59,614			59,614
TOTAL PICS SALARY									126,096			126,096
TOTAL PICS OPE									59,614			59,614
TOTAL PICS PERSONAL SERVICES =			1	1.00	24.00				185,710			185,710

2017-19 BUDGET NARRATIVE

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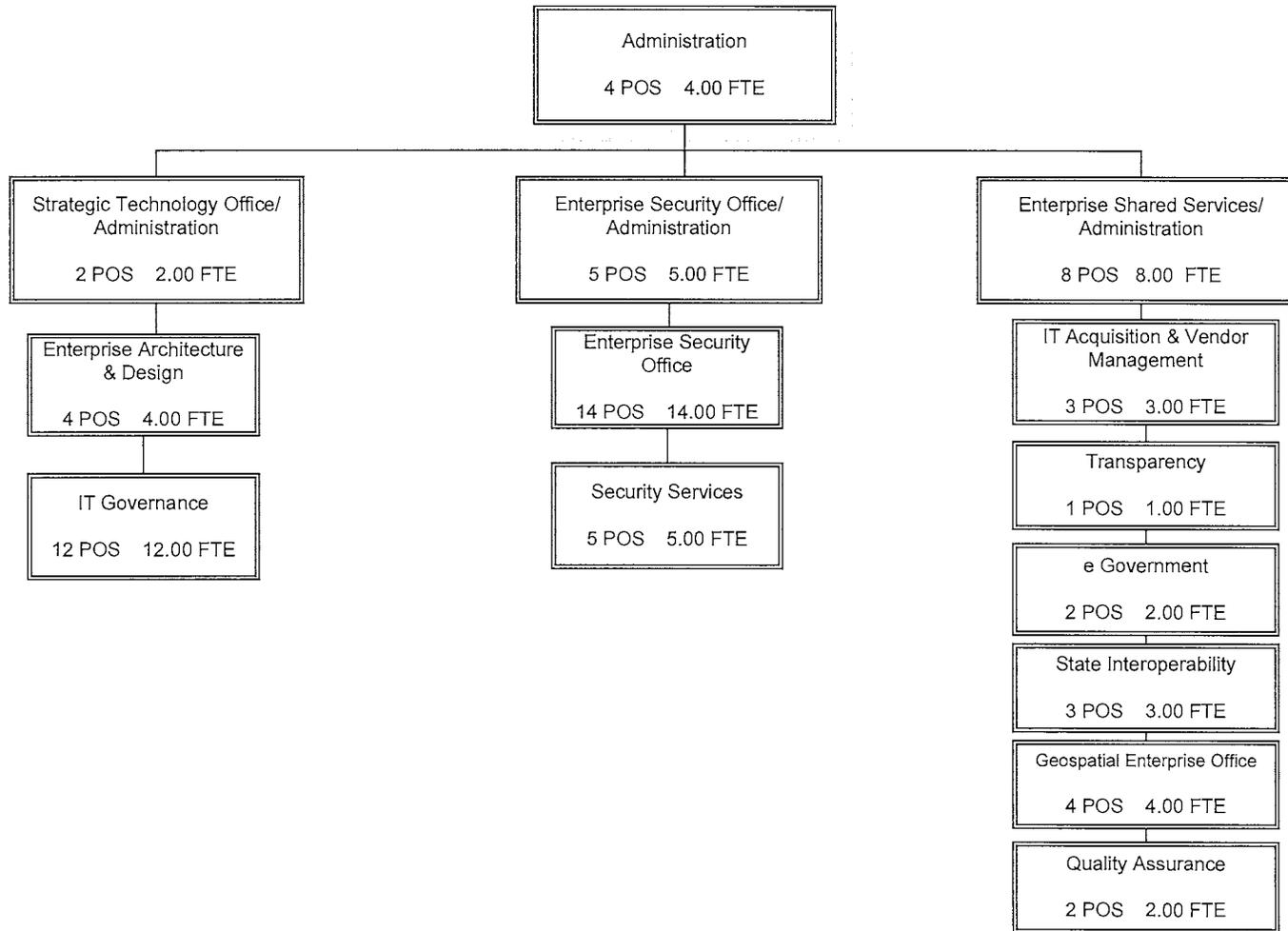
2017-19 BUDGET NARRATIVE

Office of the State
Chief Information Officer
Organization Chart
2015-17
71 POS 68.06 FTE



2017-19 BUDGET NARRATIVE

Office of the State
Chief Information Officer
Organization Chart
2017-19
69 POS 69.00 FTE



2017-19 BUDGET NARRATIVE

Office of the State Chief Information Officer

Program Overview

The Office of the State Chief Information Officer (OSCIO) provides statewide IT leadership by maturing enterprise technology governance, leveraging investments in shared services, ensuring transparency, providing oversight, and delivering secure and innovative solutions—enabling state agencies and partner jurisdictions to better serve Oregonians through enterprise technology solutions.

Mission: Mature enterprise technology governance, leverage investments in shared services, ensure transparency, provide oversight, and deliver secure and innovative solutions.

The OSCIO is driven by four core values, including:

- *Customer-centered* - Listening and understanding our customer's needs.
- *Deliver value* - Doing the right things right to meet our customer's desired outcomes.
- *Be a partner* - Forging trusting partnerships across the enterprise of state government.
- *Innovation* - Providing solutions in creative ways.

With the passage of HB 3099 (2015), the State Chief Information Officer (State CIO) is responsible for ensuring alignment between statewide IT policy and operations, advising the Governor on enterprise technology and telecommunications, implementing the IT Governance framework, and establishing the state of Oregon's long-term IT strategy through the Enterprise Information Resource Management Strategy (EIRMS). More specifically, the State CIO oversees IT investments in excess of \$1 million, providing project planning, quality assurance and overseeing the implementation of the stage gate review process. In carrying out these responsibilities, the State CIO possesses independent procurement authority, oversight responsibilities, and contract enforcement abilities. Additionally, the State CIO chairs, advises, and participates on a number of chartered and statutory IT governance bodies.

OSCIO Vision: Enabling state agencies and partner jurisdictions to better serve Oregonians through enterprise technology solutions.

2017-19 BUDGET NARRATIVE

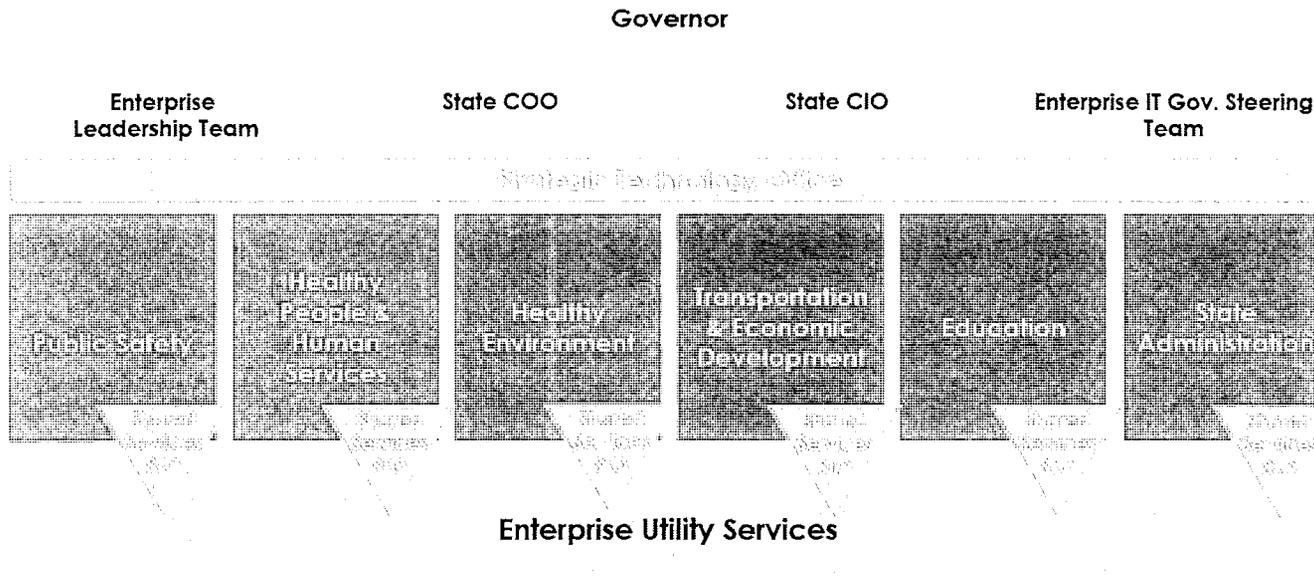
Program Description

The OSCIO delivers on our mission, vision, and values through the following programs:

Strategic Technology Office:

This office is key in implementing and using the IT Governance Framework, depicted in the graphic below, which includes oversight and portfolio management of all major IT investments. Using the standard framework and statewide policies, the office will work with agencies to identify and resolve IT project issues and strike a balance between central delivery and agency flexibility. The staff serves as advisors, making recommendations for agency alignment with enterprise strategies and architecture, project management and IT governance maturity, industry best practices and agency business goals. They look for solutions and cost-sharing opportunities across multiple agencies and offer alternate solutions to business problems. This office helps facilitate efficient decision making, policy and statutory adherence and provides tools and training to assist agencies in achieving project success.

IT Governance Framework:



2017-19 BUDGET NARRATIVE

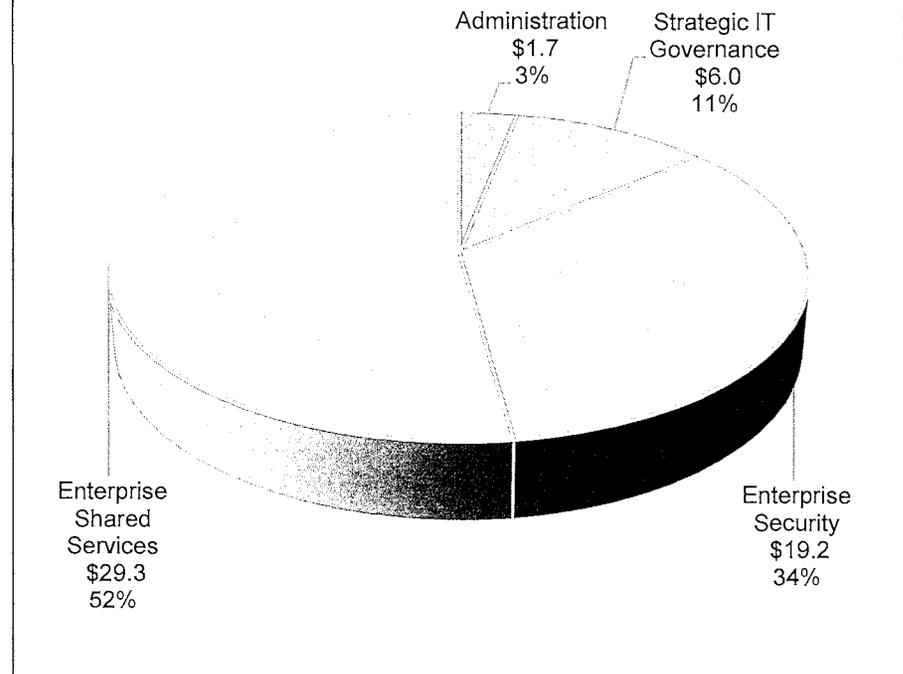
Enterprise Security Office:

The Enterprise Security Office brings together all enterprise security - governance, policy, procedure and operations - under a single accountable organization. This allows for end-to-end direction setting and execution for enterprise security. The team is composed of a policy and controls section for setting enterprise security policy and the associated controls to ensure compliance, a solutions section driving enterprise security architecture, a services section to deliver on day-to-day enterprise security operations in the State Data Center (SDC) and a security operations center (SOC) to provide dedicated, real-time security monitoring and response across all enterprise operations. Enterprise Security Office personnel work collaboratively with SDC technical domain teams to deliver secure solutions to customers.

Enterprise Shared Services:

The Office of Enterprise Shared Services works to increase alignment of existing enterprise programs—including Transparency, E-Government, the Geospatial Enterprise Office (GEO), Quality Assurance, Broadband and Statewide Interoperability. The central theme of these programs being the development of shared service models and management of long-term strategic vendor relationships.

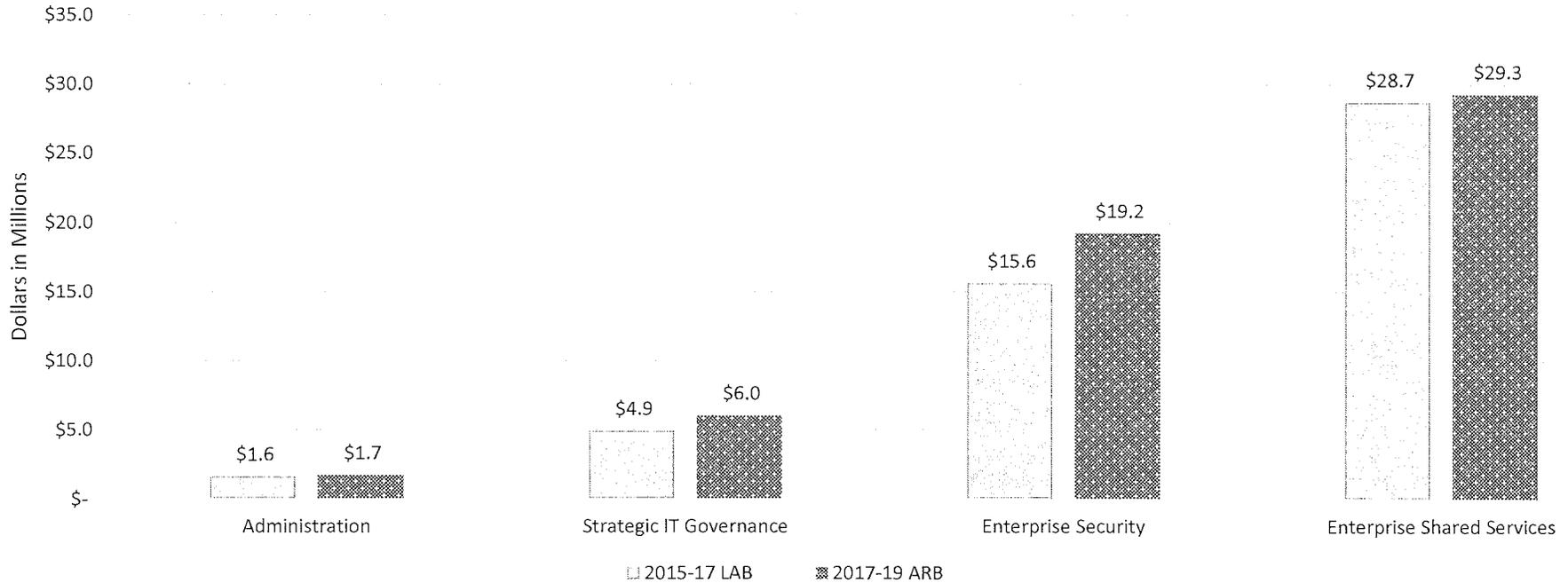
**Office of State Chief Information Officer
2017-19 Expenditures by Program Areas
\$56.2 million**



2017-19 BUDGET NARRATIVE

Graphical Representation of Total Funds Budget (historical and future)

Biennial Comparison of OSCIO Expenditures by Major Programs



2017-19 BUDGET NARRATIVE

Program Justification and Link to Long Term Outcomes

The State of Oregon provides many different programs that meet the education, health, safety, jobs and environmental needs of all Oregonians. Underlying the ability to deliver those programs in an efficient way is technology. The OSCIO provides technology direction and coordination across the state adding:

- Oversight - Our stage gate process ensures the technology component of business improvement is well thought out, managed with the appropriate rigor for the size of the project and leverages the technology across the enterprise.
- Security - Our leadership on secure technology provides the ability for state agencies to safeguard citizen's personal information.
- Shared Services - Our shared services make it possible for the enterprise to utilize its collective purchasing power to drive down the cost of procuring technology and provides a centralized point for contract administration and vendor management.

By providing these technology functions for state government, the OSCIO helps the state meet its long term objectives.

With enhanced authority over increasingly complex IT and telecommunications projects and vendor relationships, added responsibility for IT service delivery at SDC, and a growing backlog of remediation measures to mitigate statewide security vulnerabilities, the OSCIO embarked on a new direction towards a more unified approach. By clarifying the role of the State CIO and ensuring alignment between statewide IT policy and operations, HB 3099 provided a unique opportunity to reaffirm the OSCIO's commitment to enable state agencies and partner jurisdictions to better serve Oregonians—mitigating security vulnerabilities and threats, optimizing IT investments across the enterprise of state government, ensuring financial transparency and aligning service delivery with industry best practices.

The Hackett Group, a global business advisory firm, noted that leading IT organizations have seen significant benefits from restructuring: “By reducing technology complexity and realigning talent, among other things, world class IT organizations deliver services at 22 percent lower cost with greater effectiveness....”

Program Performance

The OSCIO has undergone a significant shift in our programs and statutory authority over the last several years. As part of that, we are currently mapping our business objectives, developing long term outcomes and will eventually tie performance goals to our objectives. The end product will be performance metrics that can be tracked back to our business objectives.

2017-19 BUDGET NARRATIVE

Enabling Legislation/ Program Authorization

The OSCIO authority is established in ORS 291.038 and 291.039. Responsibility for portfolio management, asset management and stage gate fall under ORS 184.475. Additionally, authority over IT security falls under ORS 182.122.

Funding Streams that Support the Program

The majority of OSCIO programs rely on an assessment which allocates costs to state agencies based on our 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) and an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$250,000 for project portfolio management software purchase, \$688,463 for the FirstNet grant, and \$27,372 for other Services and Supplies.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustment

This package transfers out \$586,717 to DAS Business Services for centralization of State Government Service Charges and transfers in \$2,859,226 from State Data Center for 2015-17 policy option package related to IT Security.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Oregon State Chief Information Office Policy
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	10,545	-	-	-	10,545
All Other Differential	-	-	15,355	-	-	-	15,355
Public Employees' Retire Cont	-	-	2,932	-	-	-	2,932
Pension Obligation Bond	-	-	(77,807)	-	-	-	(77,807)
Social Security Taxes	-	-	1,981	-	-	-	1,981
Mass Transit Tax	-	-	13,845	-	-	-	13,845
Vacancy Savings	-	-	59,506	-	-	-	59,506
Total Personal Services	-	-	\$26,357	-	-	-	\$26,357
Total Expenditures							
Total Expenditures	-	-	26,357	-	-	-	26,357
Total Expenditures	-	-	\$26,357	-	-	-	\$26,357
Ending Balance							
Ending Balance	-	-	(26,357)	-	-	-	(26,357)
Total Ending Balance	-	-	(\$26,357)	-	-	-	(\$26,357)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
 Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Oregon State Chief Information Office Policy
 Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Telecommunications	-	-	(250,000)	-	-	-	(250,000)
Professional Services	-	-	(688,463)	-	-	-	(688,463)
IT Expendable Property	-	-	(27,372)	-	-	-	(27,372)
Total Services & Supplies	-	-	(\$965,835)	-	-	-	(\$965,835)
Total Expenditures							
Total Expenditures	-	-	(965,835)	-	-	-	(965,835)
Total Expenditures	-	-	(\$965,835)	-	-	-	(\$965,835)
Ending Balance							
Ending Balance	-	-	965,835	-	-	-	965,835
Total Ending Balance	-	-	\$965,835	-	-	-	\$965,835

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Oregon State Chief Information Office Policy
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Mass Transit Tax	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-
Services & Supplies							
Instate Travel	-	-	1,126	-	-	-	1,126
Out of State Travel	-	-	1,979	-	-	-	1,979
Employee Training	-	-	3,187	-	-	-	3,187
Office Expenses	-	-	1,688	-	-	-	1,688
Telecommunications	-	-	77,500	-	-	-	77,500
Data Processing	-	-	53,187	-	-	-	53,187
Publicity and Publications	-	-	307	-	-	-	307
Professional Services	-	-	185,023	-	-	-	185,023
IT Professional Services	-	-	623,099	-	-	-	623,099
Attorney General	-	-	42,585	-	-	-	42,585
Employee Recruitment and Develop	-	-	343	-	-	-	343
Dues and Subscriptions	-	-	1,414	-	-	-	1,414
Facilities Rental and Taxes	-	-	-	-	-	-	-
Fuels and Utilities	-	-	49	-	-	-	49
Facilities Maintenance	-	-	45	-	-	-	45
Agency Program Related S and S	-	-	5,812	-	-	-	5,812
Other Services and Supplies	-	-	210,108	-	-	-	210,108
Expendable Prop 250 - 5000	-	-	1,097	-	-	-	1,097

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Oregon State Chief Information Office Policy
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	23,987	-	-	-	23,987
Total Services & Supplies	-	-	\$1,232,536	-	-	-	\$1,232,536
Capital Outlay							
Telecommunications Equipment	-	-	7,568	-	-	-	7,568
Data Processing Software	-	-	7,394	-	-	-	7,394
Total Capital Outlay	-	-	\$14,962	-	-	-	\$14,962
Total Expenditures							
Total Expenditures	-	-	1,247,498	-	-	-	1,247,498
Total Expenditures	-	-	\$1,247,498	-	-	-	\$1,247,498
Ending Balance							
Ending Balance	-	-	(1,247,498)	-	-	-	(1,247,498)
Total Ending Balance	-	-	(\$1,247,498)	-	-	-	(\$1,247,498)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Oregon State Chief Information Office Policy
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(586,717)	-	-	-	(586,717)
Other Services and Supplies	-	-	2,859,226	-	-	-	2,859,226
Total Services & Supplies	-	-	\$2,272,509	-	-	-	\$2,272,509
Total Expenditures							
Total Expenditures	-	-	2,272,509	-	-	-	2,272,509
Total Expenditures	-	-	\$2,272,509	-	-	-	\$2,272,509
Ending Balance							
Ending Balance	-	-	(2,272,509)	-	-	-	(2,272,509)
Total Ending Balance	-	-	(\$2,272,509)	-	-	-	(\$2,272,509)

2017-19 BUDGET NARRATIVE

Policy Option Package #101: IT Procurement & Vendor Management Program

Total Request: \$449,678 | Total Positions/FTE: 2/2.00

Purpose

The state of Oregon lacks a coordinated approach to information technology (IT) supply chain management. Under the current model, the Enterprise Goods and Services (EGS) Procurement Services receives ad hoc IT procurement requests from individual agencies. This structure lacks an enterprise focus on shared services, is highly-decentralized, lacks consistency, limits leverage within vendor negotiations, fails to mitigate risk at the enterprise-level and dissociates the procurement function from project management, IT governance, and quality assurance. While the State of Oregon is already transitioning to new models of service delivery for its information technology (IT), application and telecommunications needs, there is a growing recognition that traditional approaches to IT acquisition and vendor management are increasingly inadequate. It is no longer cost-effective for the state to own or maintain the entirety of its IT portfolio. As the state pivots towards new service models—i.e., “the cloud”—it is evident there is lack of statewide capacity to manage increasingly sophisticated IT vendor relationships. To address these challenges, DAS is establishing a new program within Enterprise Shared Services (ESS) which we are calling BaseCamp. This will be a value-added online marketplace for shared information technology services that will enable the State of Oregon to leverage mature cloud services adoption and increase coordination of IT procurement. Ultimately, BaseCamp will provide a single point of reference for legacy, core and leading technology services—aggregating purchasing power across the state, reducing application and infrastructure complexity and deepening the IT talent pool.

How Achieved

The BaseCamp proposal is a market-driven approach to IT supply chain management that is intended to be self-sustaining. Unlike the current approach, future statewide price agreements under BaseCamp would be driven by the establishment of a comprehensive and cohesive technology architecture that ensures interoperability, while minimizing cost and disruption to current systems (*i.e.*, a technology reference model). Increased capacity within ESS and enhanced coordination with EGS Procurement Services, will enable the development of a robust catalog of shared services—potentially, more than doubling the current number of statewide price agreements from just under 100 to over 200. Beyond realigning the portfolio of statewide agreements, the program would provide capacity for vendor management. New vendor management capacity would be aligned under a common framework based on industry best-practices—utilizing a category-based sourcing strategy that focuses on hardware, software, unified communications and IT professional services. During the 2016 Regular Session, the Oregon Legislature approved two limited duration positions within ESS to pilot the BaseCamp program and instructed the OSCIO to report on its implementation progress and IT procurement best practices. This package would build on this foundation making those two positions permanent and adding three additional positions to complete the build-out of the vendor management program, including a research analyst, focused on the collection, monitoring, analysis, and dissemination of vendor performance data and IT spending.

2017-19 BUDGET NARRATIVE

Staffing Impact

Establish two permanent, full-time Operations and Policy Analyst 4, SR 32 (2.00 FTE)

Quantifying Results

As the BaseCamp program is established, we have established a set of metrics to gauge our initial success. We anticipate these metrics maturing as the program is fully developed and implemented.

Metric #1: Use and effectiveness of statewide IT price agreements

What - Measure:	Increased use of Statewide Price Agreements (PAs)/contracts by state agencies, local governments and school districts.
Why - Objective:	<ul style="list-style-type: none"> • Reduce duplication of IT procurement efforts. • Streamline IT procurement to quicker time to execution/purchase. • Shift in alignment to common set of technologies and enterprise reference architectures.
How – Data Points:	Procurement Services would need to measure: <ul style="list-style-type: none"> • Initial: Baseline # of Authorized Purchasers (APs) using IT Statewide PAs in the 2015-2016 fiscal year and the total spend on the grouping. • Ongoing: Growth in the number of APs using IT PAs and growth of total spend in the grouping. • Average number of Oregon Cooperative Procurement Programs (ORCPP) agencies that are leveraging enterprise contracts including spend.
How – Methodology:	Vendor supplied volume sales reports which are required for all Statewide Price Agreements. These reports include: “who” bought off the agreement, “what” they bought, and “how” much was spent.

2017-19 BUDGET NARRATIVE

Metric #2: Use and effectiveness of statewide IT price agreements

What - Measure:	Decrease number of state agency-specific IT contracts.
Why - Objective:	Identifying a trend of agencies who are specifically choosing to leverage statewide price agreements. Statewide price agreements on BaseCamp meeting the IT procurement needs of the agencies.
How – Data Points:	Procurement Services would need to measure: <ul style="list-style-type: none"> • Initial: # of agency-specific contracts in place by customer organizations in the 2015-2016 fiscal year including contract start/end and duration. • Ongoing: # of agency-specific contracts in place by customer organizations each fiscal year including contract start/end and duration.
How – Methodology:	ORPIN will be leveraged to gather and report data. This assumes that agencies are entering procurements in ORPIN.

Metric #3: Enterprise Technology Architecture Simplification

What - Measure:	Number of active IT Goods, Services and Contracts available via BaseCamp.
Why - Objective:	Indication of number of IT contracts that have been vetted and are available for agencies to procure off of BaseCamp. Convergence of IT contract supply meeting customer demands.
How – Data Points:	Procurement Services would need to measure: <ul style="list-style-type: none"> • Initial: # of active IT contracts at program launch • Ongoing: # of IT contract offerings in BaseCamp every 4-6 months plus and the # of planned RFPs in the BaseCamp pipeline.
How – Methodology:	Information will be gathered once in the BaseCamp and should be evident in the BaseCamp website. Initially, this assumes all current Statewide IT Price Agreements and enterprise IT services are available in BaseCamp.

Revenue Sources

\$449,678 Other Funds Limited, Admin & Service Charges (assessment).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 101 - IT Procurement & Vendor Management Program

Cross Reference Name: Oregon State Chief Information Office Policy
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	449,678	-	-	-	449,678
Total Revenues	-	-	\$449,678	-	-	-	\$449,678
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	290,688	-	-	-	290,688
Empl. Rel. Bd. Assessments	-	-	114	-	-	-	114
Public Employees' Retire Cont	-	-	55,492	-	-	-	55,492
Social Security Taxes	-	-	22,238	-	-	-	22,238
Worker's Comp. Assess. (WCD)	-	-	138	-	-	-	138
Mass Transit Tax	-	-	1,744	-	-	-	1,744
Flexible Benefits	-	-	66,672	-	-	-	66,672
Total Personal Services	-	-	\$437,086	-	-	-	\$437,086
Services & Supplies							
Other Services and Supplies	-	-	12,592	-	-	-	12,592
Total Services & Supplies	-	-	\$12,592	-	-	-	\$12,592
Total Expenditures							
Total Expenditures	-	-	449,678	-	-	-	449,678
Total Expenditures	-	-	\$449,678	-	-	-	\$449,678

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 101 - IT Procurement & Vendor Management Program

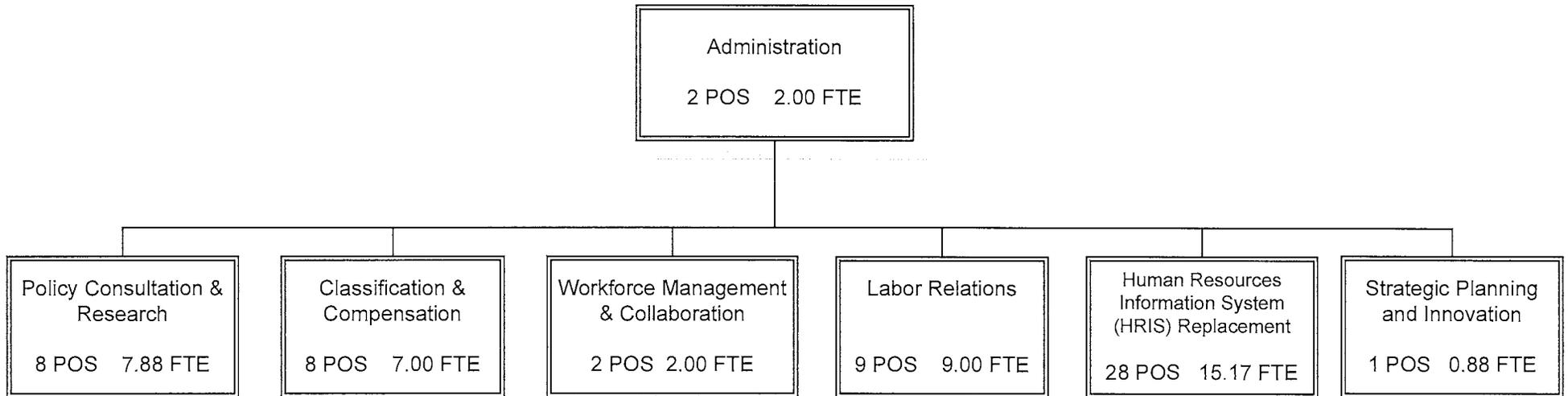
Cross Reference Name: Oregon State Chief Information Office Policy
Cross Reference Number: 10700-042-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
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

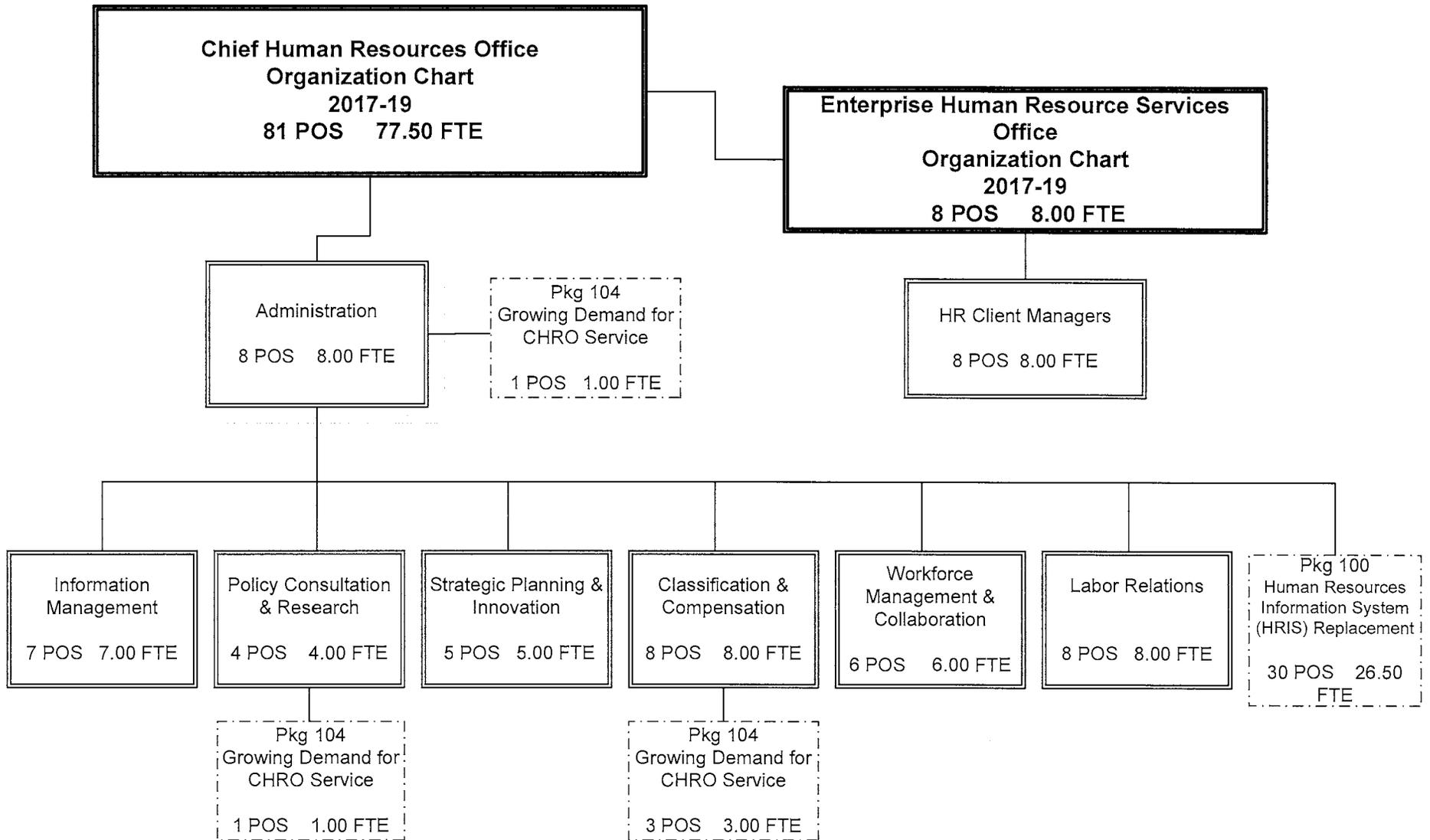
POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1908730	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1908731	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
TOTAL PICS SALARY										290,688			290,688
TOTAL PICS OPE										144,654			144,654
TOTAL PICS PERSONAL SERVICES =				2	2.00	48.00				435,342			435,342

2017-19 BUDGET NARRATIVE

**Chief Human Resources Office
Organization Chart
2015-17
58 POS 43.93 FTE**



2017-19 BUDGET NARRATIVE



2017-19 BUDGET NARRATIVE

Chief Human Resources Office

Program Overview

The Chief Human Resources Office (CHRO) consists of several units providing oversight and leadership regarding complex human resource issues, talent management, and strategic planning. The CHRO oversees a broad range of issues focusing on maintaining a high standard of operation, administering statewide programs through legislative mandates, and providing outreach and training. The focus of these programs is on the Executive Branch which has the majority of the state employees. The majority of Executive Branch employees are represented by labor unions, as represented in this chart.

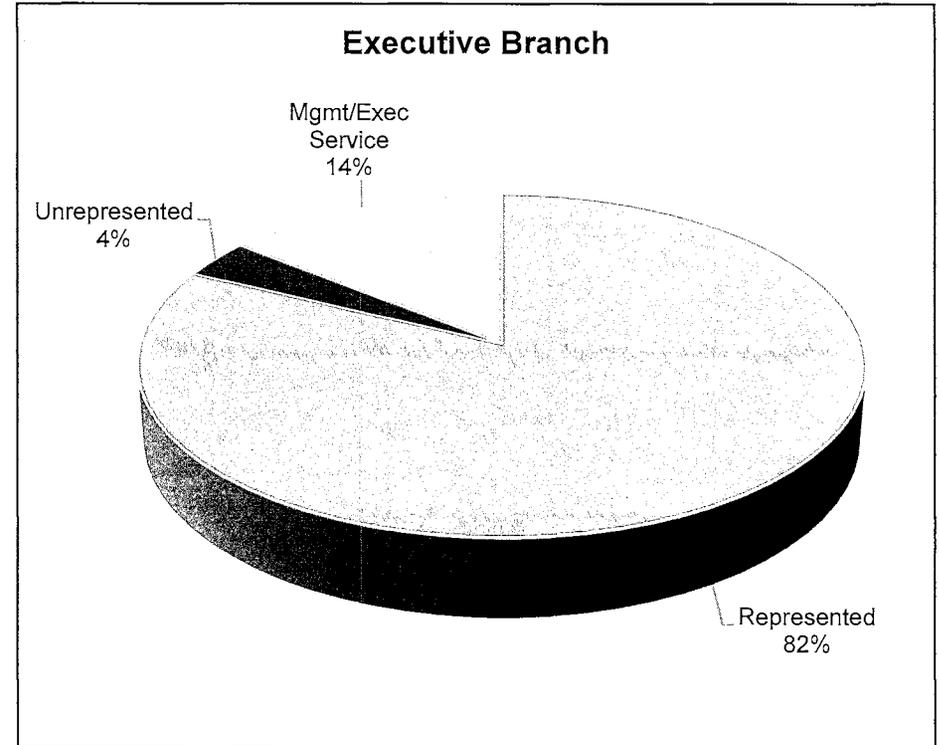
Program Description

Information Management:

The Information Management unit provides services to support systems and data analysis. This unit operates the two legacy systems within the CHRO, and collaborates with members of the CHRO, Human Resources Information System (HRIS) replacement project. They produce reports and provide security and ad hoc information, as well as performing activities related to the operation of the recruitment, training, and learning software.

Policy Consultation and Research:

The Policy Consultation and Research unit maintains the statewide human resource policies to achieve consistency in the state's workforce. The policies guide agencies on issues such as salary, protected leave, and the disciplinary process. When legislation affecting the state's workforce, executive level investigations, or reports on employee statistical information are needed; this unit oversees the central function and oversight. The unit has been responsible for the administration of the Span of Control legislation, updating all compensation plans, and being actively involved in assisting veteran workforce reintegration.



2017-19 BUDGET NARRATIVE

Strategic Planning and Innovation:

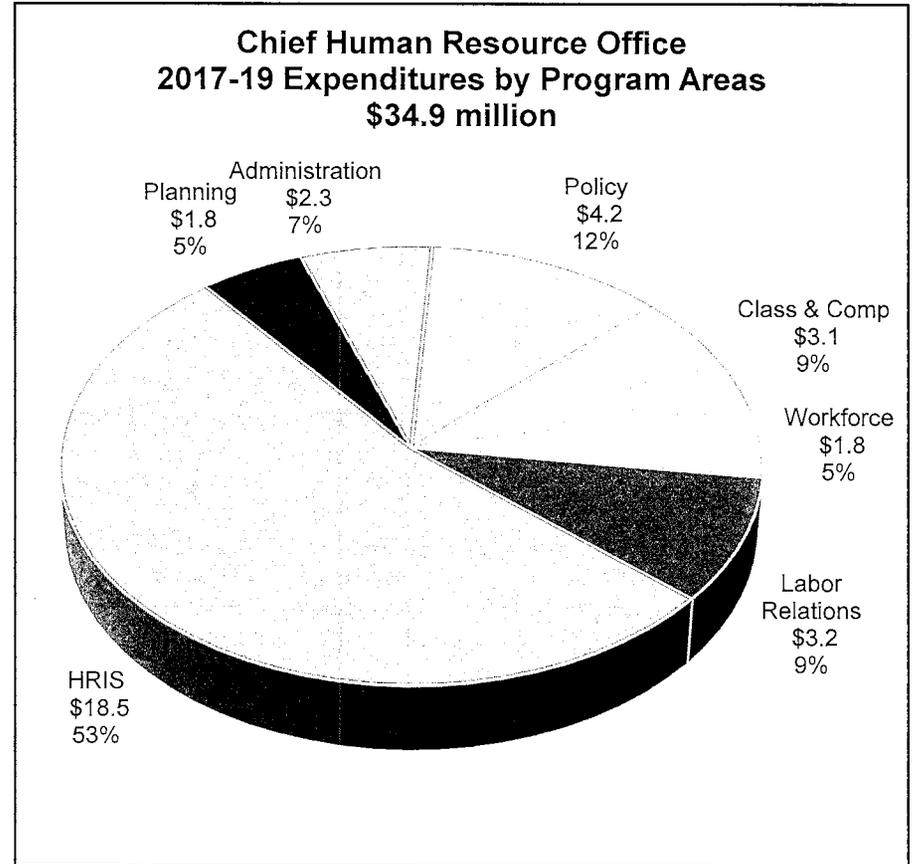
The Strategic Planning and Innovation unit is responsible for executive recruitments, recruitments, and identifying best practices in recruitment. Strategic Planning is supported by the CHRO. Succession planning is a critical issue with statewide impact. Over the next five years, one-third of the workforce is eligible to retire.

Classification and Compensation:

The state has a wide and varied list of classification and compensation plans necessary to carry out agency business enterprise-wide. The plans are market-based. To ensure employees are properly classed and compensated, the unit is concurrently running three major initiatives to align the state with the current market: (1) a review of the total compensation plan; (2) review groups of classified represented employees' classifications. If not done in a timely manner, per the union contracts, penalties may be assessed at the rate of one to two salary steps; and (3) review all management and executive service classification and compensation structures. These initiatives will identify where the workforce should be in relation to the market, propose changes to simplify the classification system, and address issues of compression.

Workforce Management and Collaboration:

The Workforce Management and Collaboration unit oversees the Chief Operating Officer sponsored executive leadership development program, Leadership Oregon. Currently 825 managers have completed the program over the last 25 years. Workforce solutions include the development of succession planning strategies, employee engagement and educational programs, and the development of innovative approaches to support the emerging workforce.



2017-19 BUDGET NARRATIVE

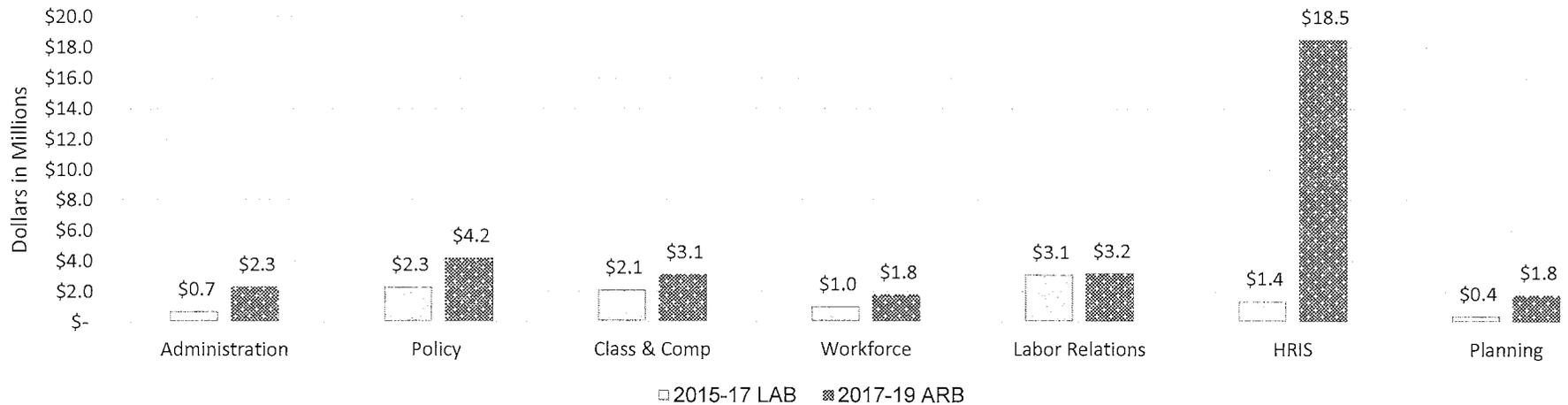
Labor Relations:

Eighty two percent of the state's workforce is covered by 32 different collective bargaining contracts. The focus of this unit is managing the collective bargaining agreements and handling the contract negotiations for 28,600 state employees, more than 12,000 home care workers, 7,000 child care providers and 3,300 providers of adult foster care and relative care to ensure consistent labor practices statewide. As a result of these agreements, the unit manages the contract-related grievances and demands to bargain. This unit also represent the state in hearings before the Employment Relations Board.

Action	2013-2015	2015-Current
Grievances	412	223
Demands to Bargain	39	27
Unfair Labor Practices	3	1

Graphical Representation of Total Funds Budget (historical and future)

Biennial Comparison of CHRO Expenditures by Major Programs



2017-19 BUDGET NARRATIVE

Program Performance

CHRO is undergoing a significant shift in programs and statutory authority. As part of this, CHRO is currently mapping business objectives, developing long term outcomes and will eventually tie performance goals to the objectives. The end product will be performance metrics that can be tracked back to the business objectives.

Enabling Legislation/ Program Authorization

Oregon Revised Statute Chapters 240 and 243.
Oregon Administrative Rule (OAR) 105.

Funding Streams that Support the Program

The division relies on an assessment which allocates costs to state agencies based on 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) and an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

This package phases in \$231,064 of Services and Supplies that was used as an offset to establish limited duration positions in 2015-17.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$1,106,561 related to the Human Resources Information Systems (HRIS) replacement project costs that were approved in both 2015 and 2016 Sessions.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustments

This package transfers out \$603,451 to DAS Business Services for centralization of State Government Service Charges. This package also includes the following transfers in:

- \$4,910,593 and 17 positions/17.00 FTE for the reorganization of transferring all Enterprise Human Resource Services (EHRS) programs, except for Client Managers, to CHRO.
- \$280,354 and one position/1.00 FTE for the Employee Engagement Program transferred from DAS Business Services.
- \$68,063 for costs associated with ASCENT Leadership Program transferred from Enterprise Goods and Services (EGS).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	-	-	-	-	-
Overtime Payments	-	-	-	-	-	-	-
Shift Differential	-	-	-	-	-	-	-
All Other Differential	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Pension Obligation Bond	-	-	8,123	-	-	-	8,123
Social Security Taxes	-	-	-	-	-	-	-
Unemployment Assessments	-	-	298	-	-	-	298
Mass Transit Tax	-	-	136	-	-	-	136
Vacancy Savings	-	-	108,169	-	-	-	108,169
Total Personal Services	-	-	\$116,726	-	-	-	\$116,726
Total Expenditures							
Total Expenditures	-	-	116,726	-	-	-	116,726
Total Expenditures	-	-	\$116,726	-	-	-	\$116,726
Ending Balance							
Ending Balance	-	-	(116,726)	-	-	-	(116,726)
Total Ending Balance	-	-	(\$116,726)	-	-	-	(\$116,726)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 021 - Phase - In

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	2,562	-	-	-	2,562
Out of State Travel	-	-	1,352	-	-	-	1,352
Employee Training	-	-	12,424	-	-	-	12,424
Office Expenses	-	-	17,368	-	-	-	17,368
Telecommunications	-	-	15,467	-	-	-	15,467
Publicity and Publications	-	-	7,040	-	-	-	7,040
Attorney General	-	-	50,000	-	-	-	50,000
Employee Recruitment and Develop	-	-	2,891	-	-	-	2,891
Dues and Subscriptions	-	-	10,678	-	-	-	10,678
Other Services and Supplies	-	-	104,555	-	-	-	104,555
IT Expendable Property	-	-	6,727	-	-	-	6,727
Total Services & Supplies	-	-	\$231,064	-	-	-	\$231,064
Total Expenditures							
Total Expenditures	-	-	231,064	-	-	-	231,064
Total Expenditures	-	-	\$231,064	-	-	-	\$231,064
Ending Balance							
Ending Balance	-	-	(231,064)	-	-	-	(231,064)
Total Ending Balance	-	-	(\$231,064)	-	-	-	(\$231,064)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	(819,546)	-	-	-	(819,546)
IT Professional Services	-	-	(250,000)	-	-	-	(250,000)
Other Services and Supplies	-	-	(37,015)	-	-	-	(37,015)
Total Services & Supplies	-	-	(\$1,106,561)	-	-	-	(\$1,106,561)
Total Expenditures							
Total Expenditures	-	-	(1,106,561)	-	-	-	(1,106,561)
Total Expenditures	-	-	(\$1,106,561)	-	-	-	(\$1,106,561)
Ending Balance							
Ending Balance	-	-	1,106,561	-	-	-	1,106,561
Total Ending Balance	-	-	\$1,106,561	-	-	-	\$1,106,561

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	851	-	-	-	851
Out of State Travel	-	-	129	-	-	-	129
Employee Training	-	-	1,973	-	-	-	1,973
Office Expenses	-	-	2,045	-	-	-	2,045
Telecommunications	-	-	1,919	-	-	-	1,919
Data Processing	-	-	8,072	-	-	-	8,072
Publicity and Publications	-	-	1,427	-	-	-	1,427
Professional Services	-	-	16,329	-	-	-	16,329
IT Professional Services	-	-	-	-	-	-	-
Attorney General	-	-	28,801	-	-	-	28,801
Employee Recruitment and Develop	-	-	516	-	-	-	516
Dues and Subscriptions	-	-	642	-	-	-	642
Facilities Rental and Taxes	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Food and Kitchen Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	7,063	-	-	-	7,063
Expendable Prop 250 - 5000	-	-	500	-	-	-	500
IT Expendable Property	-	-	720	-	-	-	720
Total Services & Supplies	-	-	\$70,987	-	-	-	\$70,987

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	70,987	-	-	-	70,987
Total Expenditures	-	-	\$70,987	-	-	-	\$70,987
Ending Balance							
Ending Balance	-	-	(70,987)	-	-	-	(70,987)
Total Ending Balance	-	-	(\$70,987)	-	-	-	(\$70,987)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	2,392,368	-	-	-	2,392,368
Empl. Rel. Bd. Assessments	-	-	1,026	-	-	-	1,026
Public Employees' Retire Cont	-	-	456,701	-	-	-	456,701
Pension Obligation Bond	-	-	94,821	-	-	-	94,821
Social Security Taxes	-	-	182,886	-	-	-	182,886
Worker's Comp. Assess. (WCD)	-	-	1,242	-	-	-	1,242
Mass Transit Tax	-	-	14,354	-	-	-	14,354
Flexible Benefits	-	-	600,048	-	-	-	600,048
Vacancy Savings	-	-	(50,576)	-	-	-	(50,576)
Total Personal Services	-	-	\$3,692,870	-	-	-	\$3,692,870
Services & Supplies							
Instate Travel	-	-	8,689	-	-	-	8,689
Out of State Travel	-	-	640	-	-	-	640
Employee Training	-	-	26,662	-	-	-	26,662
Office Expenses	-	-	32,465	-	-	-	32,465
Telecommunications	-	-	35,678	-	-	-	35,678
State Gov. Service Charges	-	-	(603,451)	-	-	-	(603,451)
Data Processing	-	-	555,586	-	-	-	555,586
Publicity and Publications	-	-	11,772	-	-	-	11,772
Professional Services	-	-	323,617	-	-	-	323,617
IT Professional Services	-	-	104,268	-	-	-	104,268
Attorney General	-	-	134,582	-	-	-	134,582
Employee Recruitment and Develop	-	-	4,006	-	-	-	4,006
Dues and Subscriptions	-	-	4,534	-	-	-	4,534

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Facilities Rental and Taxes	-	-	157,969	-	-	-	157,969
Other Services and Supplies	-	-	129,606	-	-	-	129,606
Expendable Prop 250 - 5000	-	-	10,661	-	-	-	10,661
IT Expendable Property	-	-	25,405	-	-	-	25,405
Total Services & Supplies	-	-	\$962,689	-	-	-	\$962,689
Total Expenditures							
Total Expenditures	-	-	4,655,559	-	-	-	4,655,559
Total Expenditures	-	-	\$4,655,559	-	-	-	\$4,655,559
Ending Balance							
Ending Balance	-	-	(4,655,559)	-	-	-	(4,655,559)
Total Ending Balance	-	-	(\$4,655,559)	-	-	-	(\$4,655,559)
Total Positions							
Total Positions							18
Total Positions	-	-	-	-	-	-	18
Total FTE							
Total FTE							18.00
Total FTE	-	-	-	-	-	-	18.00

PACKAGE: 060 - Technical Adjustments

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
0112071 MMN X0873 AA OPERATIONS & POLICY ANALYST 4		1	1.00	24.00	07	7,714.00		185,136 82,967			185,136 82,967
0520008 MMN X1320 AA HUMAN RESOURCE ANALYST 1		1	1.00	24.00	08	5,231.00		125,544 67,032			125,544 67,032
0520050 MMC X0118 AA EXECUTIVE SUPPORT SPECIALIST 1		1	1.00	24.00	08	3,906.00		93,744 58,529			93,744 58,529
0520053 MMC X0104 AA OFFICE SPECIALIST 2		1	1.00	24.00	03	2,818.00		67,632 51,547			67,632 51,547
0520071 MMN X0871 AA OPERATIONS & POLICY ANALYST 2		1	1.00	24.00	06	5,770.00		138,480 70,492			138,480 70,492
0530088 MMN X0872 AA OPERATIONS & POLICY ANALYST 3		1	1.00	24.00	06	6,673.00		160,152 76,287			160,152 76,287
0530090 MMN X0107 AA ADMINISTRATIVE SPECIALIST 1		1	1.00	24.00	08	3,906.00		93,744 58,529			93,744 58,529
0530401 MMN X1320 AA HUMAN RESOURCE ANALYST 1		1	1.00	24.00	08	5,231.00		125,544 67,032			125,544 67,032
0601043 MMN X1320 AA HUMAN RESOURCE ANALYST 1		1	1.00	24.00	08	5,231.00		125,544 67,032			125,544 67,032
0601072 MMN X0870 AA OPERATIONS & POLICY ANALYST 1		1	1.00	24.00	06	4,747.00		113,928 63,927			113,928 63,927
0608712 MMN X0872 AA OPERATIONS & POLICY ANALYST 3		1	1.00	24.00	05	6,352.00		152,448 74,226			152,448 74,226
0613221 MMN X1339 AA TRAINING & DEVELOPMENT SPEC 2		1	1.00	24.00	08	6,352.00		152,448 74,226			152,448 74,226
0700013 MMN X7008 AA PRINCIPAL EXECUTIVE/MANAGER E		1	1.00	24.00	09	8,496.00		203,904 87,986			203,904 87,986
1000892 MMN X1321 AA HUMAN RESOURCE ANALYST 2		1	1.00	24.00	04	4,982.00		119,568 65,434			119,568 65,434
1810402 MMN X1319 AA HUMAN RESOURCE ASSISTANT		1	1.00	24.00	02	3,077.00		73,848 53,209			73,848 53,209
1870061 MESNZ7012 AA PRINCIPAL EXECUTIVE/MANAGER G		1	1.00	24.00	09	10,828.00		259,872 102,822			259,872 102,822

08/05/16 REPORT NO.: PDPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:045-00-00 Chief Human Resource Office

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 6
 PROD FILE

PACKAGE: 060 - Technical Adjustments

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
7013191	MMN X1319 AA	HUMAN RESOURCE ASSISTANT	1	1.00	24.00	04	3,386.00		81,264 55,192			81,264 55,192
7013211	MMN X1321 AA	HUMAN RESOURCE ANALYST 2	1	1.00	24.00	04	4,982.00		119,568 65,434			119,568 65,434
TOTAL PICS SALARY									2,392,368			2,392,368
TOTAL PICS OPE									1,241,903			1,241,903
TOTAL PICS PERSONAL SERVICES =			18	18.00	432.00				3,634,271			3,634,271

2017-19 BUDGET NARRATIVE

Policy Option Package #100: Human Resource Information System

Total Request: \$18,484,131 | Total Positions/FTE: 30/26.50

Purpose

The Oregon Department of Administrative Services (DAS) strives to provide excellent and efficient service to its employees; the executive, judicial, and legislative branches; and the citizens of Oregon. DAS is challenged to efficiently meet these business objectives due to the outdated and inflexible human resource information systems (Position Personnel Database (PPDB) and Position Information Control System (PICS)) used to manage state human resource business processes. In 2013, DAS embarked on a project to explore the option of replacing the legacy human resource system with a modern, functionality rich, Human Resource Information System (HRIS). After two years of research, planning, and frequent consultation with the Office of the State Chief Information Officer (OSCIO), Legislative Fiscal Office (LFO), enterprise leadership, industry experts, and other project teams in Oregon and other states, DAS, with approval from the legislature, took the next step. The 2016 Oregon legislature approved a funding request to ramp up the project team, release a Request for Proposal (RFP) for an HRIS software solution, perform the vendor selection, and complete the planning and preparation for an implementation project. This request is for continued funding in order to maintain adequate staffing, both state and vendor, to support the implementation project. This request includes the cost of state staff, an Independent Quality Assurance vendor, a contract Project Advisor/Project Management Support, the software implementation vendor, and the price of the software subscription for two years.

How Achieved

This package requests the establishment of seven limited duration positions to support the implementation phase of the HRIS project and the establishment of 23 permanent positions. This request also includes the cost of an independent quality assurance (QA) firm required for large state information technology projects and a project advisor/project management support firm with HRIS implementation experience to assist with the project and vendor management and advise the project on technical aspects, cultural change management, and the training effort. Also included in the request is the implementation services from the software solution/implementation vendor and \$4 million for subscription costs of the actual software solution which is Software as a Solution (SaaS). A 10 percent contingency is also included in this request.

This package provides for the staffing needed to perform all the necessary implementation tasks to prepare for the deployment of the system across all agencies. Project team members will be representing all human resource departments in making configuration and workflow decisions and testing the system to ensure it meets requirements. The Technical Team will ensure the data conversion is successful and all interfaces are working correctly. The Training Team will be involved in the development of training materials and aids, and will assist in the delivery of training to employees state-wide. The Change Management Team members will be assisting agencies in the process changes required for use of the new system. All members of the Project Management Team as well as the Project Advisor will ensure the project stays on schedule and budget and that the vendor is performing to the contract.

2017-19 BUDGET NARRATIVE

Staffing Impact

Supervisory Team (2 positions):

- Establish one permanent, full-time, Principal Executive Manager G, SR 38X (1.00 FTE)
- Establish one permanent, full-time, Principal Executive Manager F, SR 35X (1.00 FTE)

Functional Team (9 positions):

- Establish one permanent, full-time, Human Resource Consultant 2, SR 32 (1.00 FTE)
- Establish five permanent, full-time, Human Resource Consultant 1, SR 30 (5.00 FTE)
- Establish two permanent, full-time, Operations & Policy Analyst 3, SR 30 (2.00 FTE)
- Establish one permanent, full-time, Operations & Policy Analyst 1, SR 23 (1.00 FTE)

Change, Communications & Training Team (8 positions):

- Establish one permanent, full-time, Operations & Policy Analyst 4, SR 32 (1.00 FTE)
- Establish one limited duration, part time, Public Affairs Specialist 2, SR 29 (.50 FTE)
- Establish one permanent, full-time, Training & Development Specialist 2, SR 27 (1.00 FTE)
- Establish five limited duration, full-time, Training & Development Specialist 1, SR23 (2.50 FTE)

Technical Team (5 positions):

- Establish one permanent, full-time, Info Systems Spec 8, SR 33 (1.00 FTE)
- Establish two permanent, full-time, Info Systems Spec 6, SR 29 (2.00 FTE)
- Establish one limited duration, part time, Operations & Policy Analyst 4, SR 32 (.50 FTE)
- Establish one permanent, full-time, Operations & Policy Analyst 3, SR 30 (1.00 FTE)

Project Office (6 positions):

- Establish two permanent, full-time, Project Manager 1, SR 26 (2.00 FTE)
- Establish one permanent, full-time, Operations & Policy Analyst 4, SR 32 (1.00 FTE)
- Establish one permanent, full-time, Operations & Policy Analyst 3, SR 30 (1.00 FTE)
- Establish one permanent, full-time, Fiscal Analyst 1, SR 23 (1.00 FTE)
- Establish one permanent, full-time, Administrative Specialist 2, SR 19 (1.00 FTE)

2017-19 BUDGET NARRATIVE

Professional Services

- Independent QA services (\$2,000,000)
- Project Advisor/Management services (\$3,333,336)
- Software provider/implementer (\$3,625,820)

Quantifying Results

The HRIS project has an official Goals, Objectives and Measures document approved by the Steering Committee that outlines specific goals to achieve and measure and how to meet them. The high level categories of goals are comprehensive functionality, valuable reporting, increased efficiency, improved risk management, modern technology and self-service.

Revenue Sources

\$18,484,131 Other Funds Limited, Admin & Service Charges (assessment).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 100 - Human Resource Information System (HRIS)

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	18,484,131	-	-	-	18,484,131
Total Revenues	-	-	\$18,484,131	-	-	-	\$18,484,131
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	3,414,228	-	-	-	3,414,228
Empl. Rel. Bd. Assessments	-	-	1,570	-	-	-	1,570
Public Employees' Retire Cont	-	-	589,216	-	-	-	589,216
Social Security Taxes	-	-	261,191	-	-	-	261,191
Worker's Comp. Assess. (WCD)	-	-	1,895	-	-	-	1,895
Mass Transit Tax	-	-	20,485	-	-	-	20,485
Flexible Benefits	-	-	916,740	-	-	-	916,740
Total Personal Services	-	-	\$5,205,325	-	-	-	\$5,205,325
Services & Supplies							
Instate Travel	-	-	15,939	-	-	-	15,939
Employee Training	-	-	82,924	-	-	-	82,924
Office Expenses	-	-	53,529	-	-	-	53,529
Telecommunications	-	-	42,980	-	-	-	42,980
Data Processing	-	-	17,783	-	-	-	17,783
Publicity and Publications	-	-	11,603	-	-	-	11,603
IT Professional Services	-	-	8,959,156	-	-	-	8,959,156
Employee Recruitment and Develop	-	-	9,607	-	-	-	9,607
Dues and Subscriptions	-	-	11,603	-	-	-	11,603
Other Services and Supplies	-	-	4,015,242	-	-	-	4,015,242

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 100 - Human Resource Information System (HRIS)

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Expendable Prop 250 - 5000	-	-	58,440	-	-	-	58,440
Total Services & Supplies	-	-	\$13,278,806	-	-	-	\$13,278,806
Total Expenditures							
Total Expenditures	-	-	18,484,131	-	-	-	18,484,131
Total Expenditures	-	-	\$18,484,131	-	-	-	\$18,484,131
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							30
Total Positions	-	-	-	-	-	-	30
Total FTE							
Total FTE							26.50
Total FTE	-	-	-	-	-	-	26.50

PACKAGE: 100 - Human Resource Information Sys

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
1901080 OA C0108 AA	ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,205.00		76,920 49,415			76,920 49,415
1908540 OA C0854 AA	PROJECT MANAGER 1	1	1.00	24.00	02	4,432.00		106,368 55,523			106,368 55,523
1908541 OA C0854 AA	PROJECT MANAGER 1	1	1.00	24.00	02	4,432.00		106,368 55,523			106,368 55,523
1908650 UA C0865 AA	PUBLIC AFFAIRS SPECIALIST 2	1	.50	12.00	02	4,803.00		57,636 48,874			57,636 48,874
1908700 MMN X0870 AA	OPERATIONS & POLICY ANALYST 1	1	1.00	24.00	02	3,906.00		93,744 58,529			93,744 58,529
1908735 MMN X0873 AA	OPERATIONS & POLICY ANALYST 4	1	.50	12.00	02	6,056.00		72,672 52,894			72,672 52,894
1908739 MMN X0873 AA	OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1912430 OA C1243 AA	FISCAL ANALYST 1	1	1.00	24.00	02	3,847.00		92,328 52,611			92,328 52,611
1913260 MMN X1326 AA	HR CONSULTANT 1	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1913261 MMN X1326 AA	HR CONSULTANT 1	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1913262 MMN X1326 AA	HR CONSULTANT 1	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1913263 MMN X1326 AA	HR CONSULTANT 1	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1913264 MMN X1326 AA	HR CONSULTANT 1	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1913273 MMN X1327 AA	HR CONSULTANT 2	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1913380 MMN X1338 AA	TRAINING & DEVELOPMENT SPEC 1	1	.50	12.00	02	3,906.00		46,872 29,265			46,872 29,265
1913381 MMN X1338 AA	TRAINING & DEVELOPMENT SPEC 1	1	.50	12.00	02	3,906.00		46,872 29,265			46,872 29,265

PACKAGE: 100 - Human Resource Information Sys

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
1913382	MMN X1338 AA	TRAINING & DEVELOPMENT SPEC 1	1	.50	12.00	02	3,906.00		46,872 29,265			46,872 29,265
1913383	MMN X1338 AA	TRAINING & DEVELOPMENT SPEC 1	1	.50	12.00	02	3,906.00		46,872 29,265			46,872 29,265
1913384	MMN X1338 AA	TRAINING & DEVELOPMENT SPEC 1	1	.50	12.00	02	3,906.00		46,872 29,265			46,872 29,265
1913390	MMN X1339 AA	TRAINING & DEVELOPMENT SPEC 2	1	1.00	24.00	02	4,747.00		113,928 63,927			113,928 63,927
1914861	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	02	5,254.00		126,096 59,614			126,096 59,614
1914862	OA C1486 IA	INFO SYSTEMS SPECIALIST 6	1	1.00	24.00	02	5,254.00		126,096 59,614			126,096 59,614
1914881	OA C1488 IA	INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
1970100	MMN X7010 AA	PRINCIPAL EXECUTIVE/MANAGER F	1	1.00	24.00	07	8,496.00		203,904 87,986			203,904 87,986
1970120	MMN X7012 IA	PRINCIPAL EXECUTIVE/MANAGER G	1	1.00	24.00	03	9,827.00		235,848 96,527			235,848 96,527
1987200	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	5,343.00		128,232 60,058			128,232 60,058
1987210	OA C0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	5,343.00		128,232 60,058			128,232 60,058
1987211	MMN X0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1987222	MMN X0872 AA	OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734
1987300	MMN X0873 AA	OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
TOTAL PICS SALARY									3,414,228			3,414,228
TOTAL PICS OPE									1,770,612			1,770,612
TOTAL PICS PERSONAL SERVICES =									---	-----	-----	-----
									30	26.50	636.00	5,184,840

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #104: Growing Demand for CHRO Service

Total Request: \$1,181,190 | Total Positions/FTE: 5/5.00

Purpose

Chief Human Resource Office (CHRO) division requests five additional positions to meet increased customer demand for classification and compensation, investigations, and workforce diversity services

How Achieved

Classification and Compensation:

DAS/CHRO is required by ORS 240.215 to establish and maintain a classification plan for state service positions. DAS/CHRO is further required by ORS 240.235 to establish and implement a merit pay system that takes the rates of pay for comparable services in the private and public service.

By 2017, more than 75 percent of the state's job classifications will be more than 20 years old if significant work does not continue and increase in this area. The Society for Human Resource Management and the World at Work organizations recommend that job classifications be reviewed and updated on a five to seven year cycle. Without accurate up-to-date job classifications it is difficult to determine the state's market competitiveness with comparable services in the labor market. It also hampers the employee recruitment and development processes which are key to having an effective workforce.

The CHRO has started a significant amount of classification and compensation work this biennium. Work has already been started through 60+ collectively bargained classification studies. These studies continue into the 2017-19 biennium. Most of these studies carry monetary penalties if they are not completed by established due dates. Additionally, these studies involve the added complexity of collective bargaining negotiations. The Operations and Policy Analyst 3 position will provide key support to managing and analyzing the market data associated with these studies. The position will provide technical assistance with costing proposals in the collective bargaining process.

Most of this work has been achieved by adding to the existing workload of five permanent HR/Compensation Consultants. This group has been supplemented by adding two limited duration HR Consultants within DAS's existing budget authority. Recruitment and retention of highly qualified staff has been difficult due to the limited duration status of these positions. The work of updating and maintaining the state's job classification and compensation system is a permanent workload that cannot be done on a single project basis within a budget cycle.

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Policy Consultation and Research:

The CHRO office is increasingly called upon by other agencies to assist in complex, highly sensitive internal agency investigations. The investigations include matters involving senior leadership where any internal agency investigator would likely have a real or perceived conflict of interest compromising objectivity and potentially creating risk for the State. In addition, the CHRO has seen an increase in the number of referrals from other state agencies which may have oversight or reporting processes.

In order to ensure that concerns are addressed both timely and objectively, the CHRO needs to have dedicated resources with the skill, experience, and charge to both investigate and report findings and make recommendations for resolution to the appropriate decision makers. Establishing a Human Resources Consultant 2 position will fulfil this need.

Administration:

The CHRO office is responsible for statewide human resources management leadership. An integral part of any effective human resources office is the development and management of programs to support workforce diversity, equity and inclusion. Designing, developing and implementing these programs is critical to attracting and retaining a highly skilled and productive workforce.

Included in the work is 1) developing, monitoring and evaluating laws, guidelines or policies to ensure that operations or systems promote equal opportunity without regard to race, religion, color, national origin, sex, age, disability, other protected classes or underrepresented, marginalized groups 2) Developing the implementation of the diversity and inclusion strategic plan resulting in tangible outcomes, including a diverse, culturally competent organization. 3) Researching and analyzing current and emerging issues, trends, best practices or opportunities to promote diversity and inclusion. 4) Reporting systems to monitor or analyze diversity and inclusion efforts as well as inequities, disparities, or disproportionalities. 5) Supporting organizational development relating to cultural competency, diversity, equity, and inclusion. Establishing an Operations and Policy Analyst 4 to conduct this work statewide will fulfill this need.

Staffing Impact

- Establish one permanent, full-time, Human Resource Consultants 2, SR 32 (1.00 FTE)
- Establish two permanent, full-time, Human Resource Consultants 2, SR 32 (2.00 FTE)
- Establish one permanent, full-time, Operations and Policy Analyst 3, SR 30 (1.00 FTE)
- Establish one permanent, full-time, Operations and Policy Analyst 4, SR 32 (1.00 FTE)

2017-19 BUDGET NARRATIVE

Quantifying Results

Classification and Compensation:

The Classification and Compensation unit is developing an additional performance measure for the DAS Quarterly Target Review process that will report the average age of all state job classification specifications. Targets will be set and progress towards meeting the targets will be consistently monitored. CHRO expects this measure to be ready for implementation within the calendar year.

Policy Consultation and Research:

Upon approval, CHRO will quantify results by measuring the number of investigations completed, as well as training provided to agency HR professionals regarding conducting effective investigations. The training will be delivered in large groups semi-annually and in small groups as requested.

Administration:

This position will be responsible for developing action plans and technical assistance to agencies regarding workforce equity. Within the first year of the biennium, the incumbent will deliver technical guidance to agencies to improve recruitment and retention process. This position will also provide resources and guidance in data analysis for decision making.

Revenue Sources

\$1,181,190 Other Funds Limited, Admin & Service Charges (assessment).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 104 - Growing Demand for CHRO Service

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Admin and Service Charges	-	-	1,181,190	-	-	-	1,181,190
Total Revenues	-	-	\$1,181,190	-	-	-	\$1,181,190
Personal Services							
Class/Uncl. Sal. and Per Diem	-	-	713,280	-	-	-	713,280
Empl. Rel. Bd. Assessments	-	-	285	-	-	-	285
Public Employees' Retire Cont	-	-	136,165	-	-	-	136,165
Social Security Taxes	-	-	54,567	-	-	-	54,567
Worker's Comp. Assess. (WCD)	-	-	345	-	-	-	345
Mass Transit Tax	-	-	4,280	-	-	-	4,280
Flexible Benefits	-	-	166,680	-	-	-	166,680
Total Personal Services	-	-	\$1,075,602	-	-	-	\$1,075,602
Services & Supplies							
Instate Travel	-	-	3,559	-	-	-	3,559
Employee Training	-	-	18,459	-	-	-	18,459
Office Expenses	-	-	10,546	-	-	-	10,546
Telecommunications	-	-	7,910	-	-	-	7,910
Data Processing	-	-	3,430	-	-	-	3,430
Publicity and Publications	-	-	2,636	-	-	-	2,636
Employee Recruitment and Develop	-	-	2,111	-	-	-	2,111
Dues and Subscriptions	-	-	2,636	-	-	-	2,636
Other Services and Supplies	-	-	41,642	-	-	-	41,642

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 104 - Growing Demand for CHRO Service

Cross Reference Name: Chief Human Resource Office
Cross Reference Number: 10700-045-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Expendable Prop 250 - 5000	-	-	12,659	-	-	-	12,659
Total Services & Supplies	-	-	\$105,588	-	-	-	\$105,588
Total Expenditures							
Total Expenditures	-	-	1,181,190	-	-	-	1,181,190
Total Expenditures	-	-	\$1,181,190	-	-	-	\$1,181,190
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							5
Total Positions	-	-	-	-	-	-	5
Total FTE							
Total FTE							5.00
Total FTE	-	-	-	-	-	-	5.00

08/05/16 REPORT NO.: PDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:045-00-00 Chief Human Resource Office

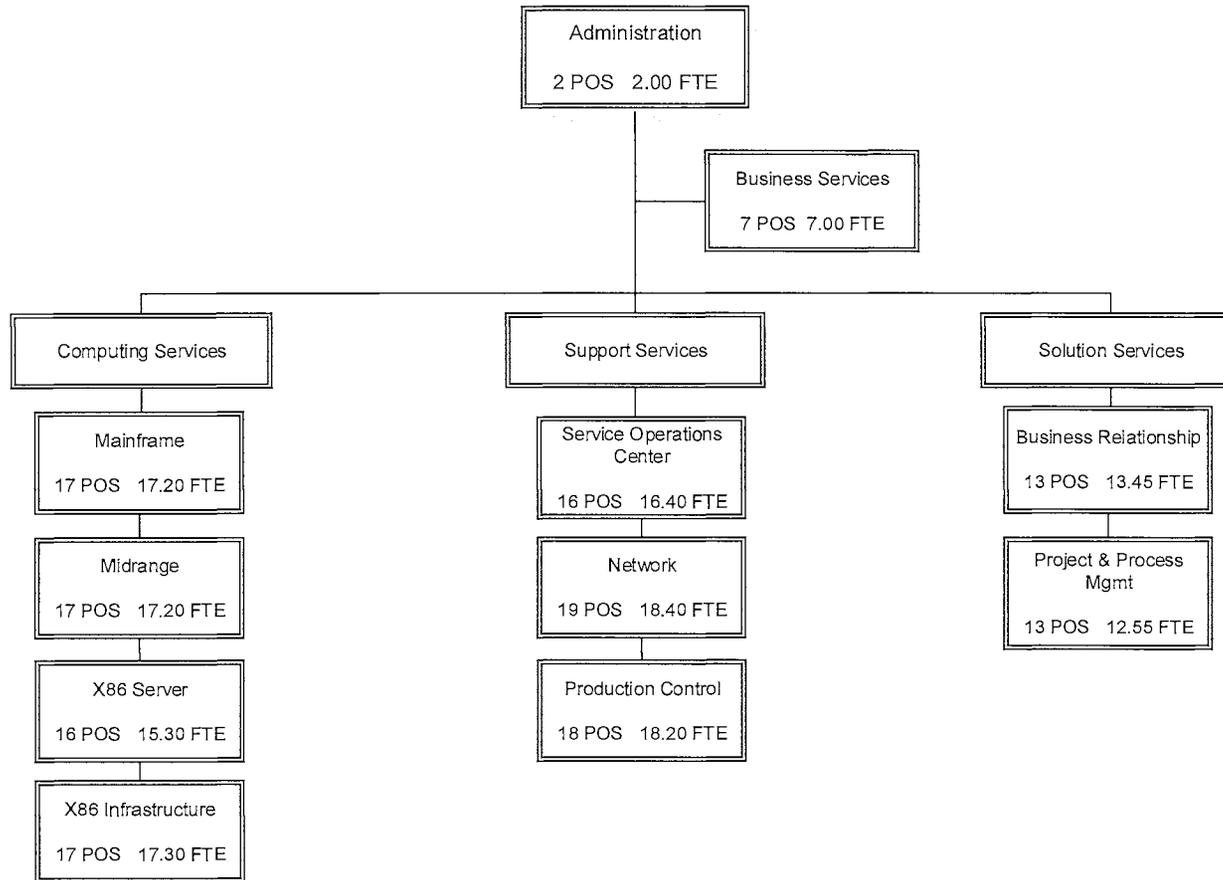
DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 104 - Growing Demand for CHRO Servic

2017-19
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 9
 PROD FILE

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	
1908720 MMC X0872 AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	5,496.00		131,904 68,734			131,904 68,734	
1908734 MMN X0873 AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327	
1913270 MMC X1327 AA HR CONSULTANT 2	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327	
1913271 MMC X1327 AA HR CONSULTANT 2	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327	
1913272 MMN X1327 AA HR CONSULTANT 2	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327	
TOTAL PICS SALARY								713,280			713,280
TOTAL PICS OPE								358,042			358,042
TOTAL PICS PERSONAL SERVICES =											
	5	5.00	120.00				1,071,322			1,071,322	

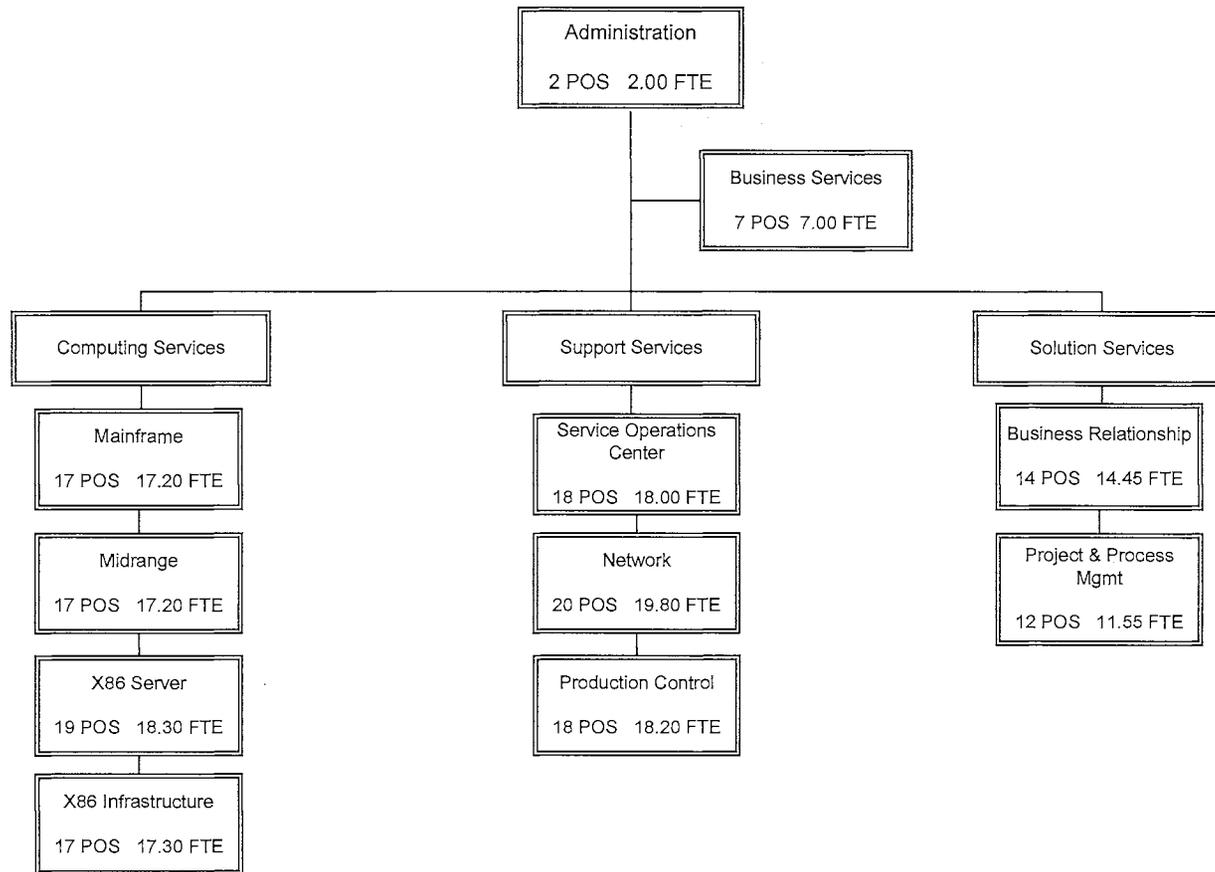
2017-19 BUDGET NARRATIVE

Office of the State Chief Information Office
 State Data Center
 Organization Chart
 2015-17
 155 POS 155.00 FTE



2017-19 BUDGET NARRATIVE

Office of the State Chief Information Office
 State Data Center
 Organization Chart
 2017-19
 161 POS 161.00 FTE



2017-19 BUDGET NARRATIVE

Office of the State Chief Information Officer – State Data Center

Program Overview

State Data Center (SDC) focuses on maximizing the value of the state's technology investments so the business of government runs efficiently, securely, and reliably. Modern and standardized technology enables numerous business operations within and across government. This facilitates the use of new and existing IT assets to leverage standard solutions and services, providing alternatives for the state to obtain multiple returns on each dollar invested.

Program Description

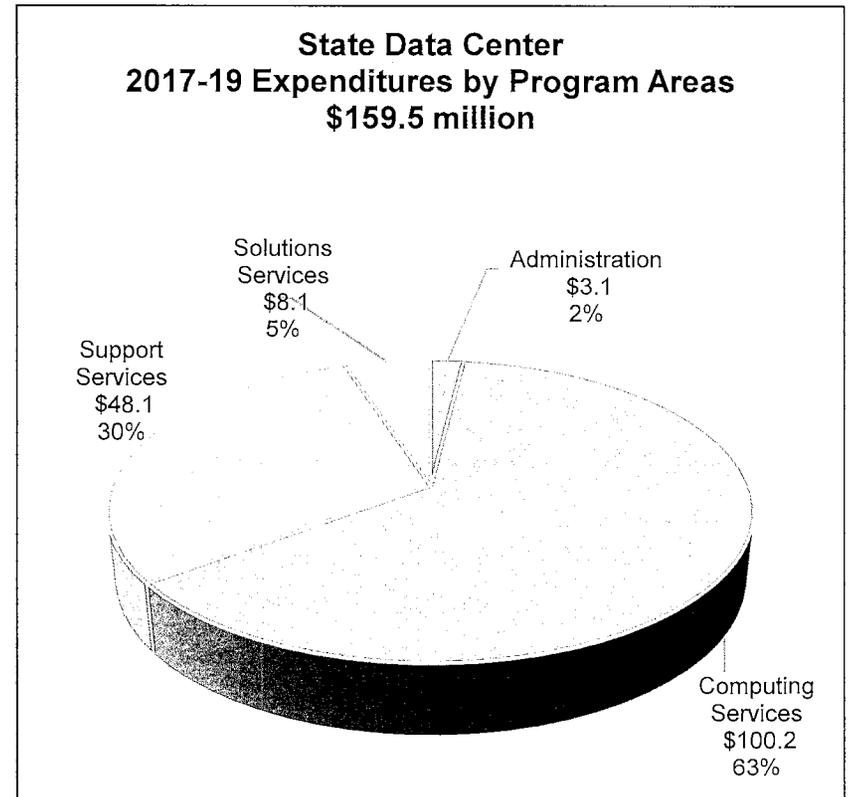
SDC is primarily organized around technical domains that align with the computing and network shared infrastructure services offered. In order to promote synergy within work teams, the organization structure is grouped into like kinds of technical expertise (e.g., mainframe, midrange, server, network and storage). Aligning staff in this manner establishes a working environment that results in work teams that are cross-trained, able to more readily back each other up, deeper in terms of technical expertise and able to better manage workload demands.

Computing Services Section:

Computing Services operate and manage the shared SDC environment which includes computing hardware (mainframe, midrange, and distributed), operating systems, storage and Enterprise Email. Services are determined by customer demand, funding and their computing environment needs, and are defined in the SDC service catalog. All platforms are built using best practice and state security standards and are maintained and monitored to ensure a reliable computing experience. Computing Services staff to ensure that systems are delivered and meet defined customer requirements.

Support Services Section:

Support Services is responsible for the operational support of the computing services section. Support services provides all network services, backup services, disaster recovery, mainframe production control and the service desk function for SDC. This section provides 7 days/24 hour support for all Mainframe and iSeries systems-based batch processes.



2017-19 BUDGET NARRATIVE

Solutions Services Section:

Solutions Services aligns customers' business needs and SDC products and services, including services for new customer transitions and internal services to SDC. They lead the creation and implementation of strategy, aligning IT services with business strategy and functional requirements. They build and manage relationships with business units. They ensure IT services are provided as efficiently and effectively as possible. They allocate and acquire resources required by other functional areas in the delivery of IT services. They ensure the level of services delivered meet documented customer needs and expectations.

Services Provided

Managed Computing Services - Provides hosting for mainframe and server based applications. SDC offers competitive computing platforms with flexibility and choice to meet the varying needs of state and local governments. This enables SDC to meet any computing need, small or large, that its customers may have. All platforms are built using best practices and state security standards, and are maintained and monitored to ensure a reliable computing experience.

Data Storage Services - Provides highly available disk storage for all server platforms at an extremely competitive cost per unit. SDC offers customer businesses a wide range of storage and backup choices for all computing platforms and locations depending on customer requirements. SDC also provides options for safeguarding customer data such as skilled staff and tools to self-manage and analyze customer storage costs.

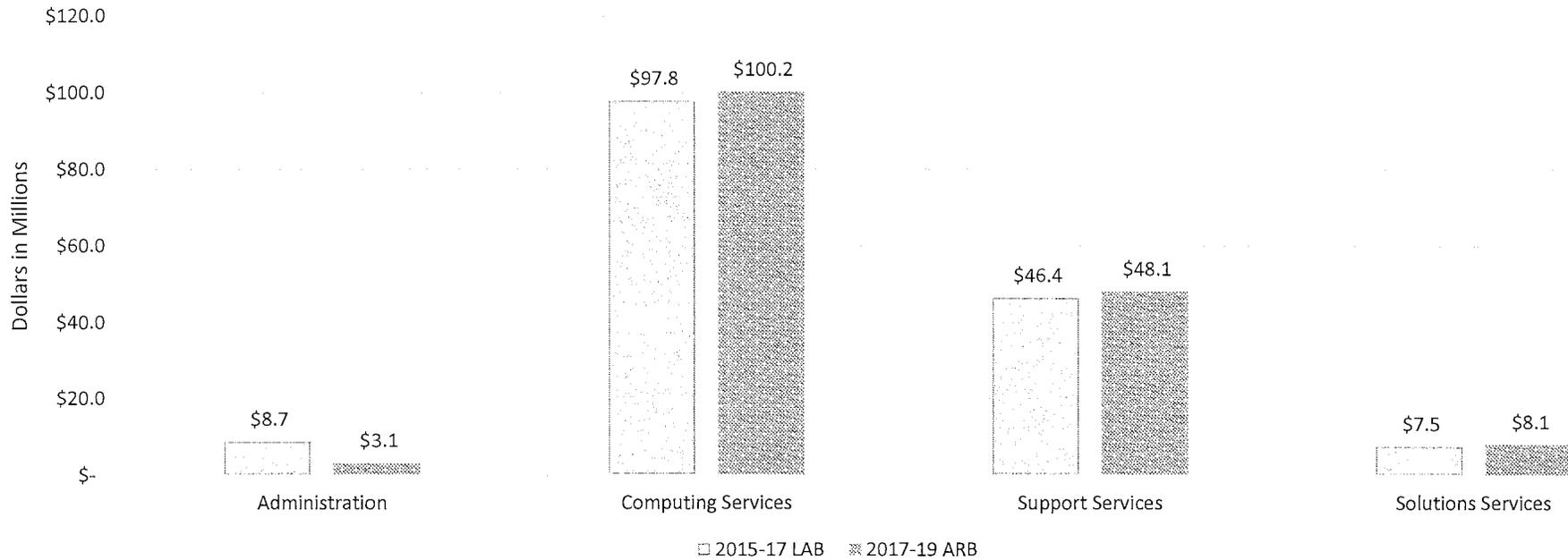
Telecommunications Services - Provides secure and reliable access to the data and technology customers need to do their business. SDC offers scalable and flexible communication technologies to customer's individual business environments. Our network is also designed for flexibility to meet customer federal and state requirements for secure transport of data. All of the hosted systems and their private/public data are secured consistently to ensure that they are protected at the state's highest security standards.

IT Professional Services - Offers a broad range of skilled IT professionals to assist customers with their technology needs. When a specific IT skill set is not readily available within a customer's organization, SDC's technical expertise can assist with troubleshooting applications, improving systems, or configuring complicated network and infrastructure. SDC also offers expertise in computing, network, telecommunication, storage, infrastructure, planning and security. IT professional services can help address temporary, short-term needs as an extension of the customer organization, as needed.

2017-19 BUDGET NARRATIVE

Graphical Representation of Total Funds Budget (historical and future)

Biennial Comparison of SDC Expenditures by Major Programs



Program Justification and Link to Long Term Outcomes

Value to State Government - Oregon citizens, businesses and local governments benefit significantly when they conduct business with the state through modern, safe, and reliable technology. This is accomplished by continually leveraging the state’s IT investments and resources to meet policy goals and agencies’ mission requirements. SDC partners with customers and vendors to choose and implement the best value IT solutions for all stakeholders. This approach allows all stakeholders from individual citizens to large agencies to benefit from the same technology solutions as Fortune 500 companies while driving unit costs down significantly.

2017-19 BUDGET NARRATIVE

Financial Stability & Market Competitive Prices - A 2011 findings report from the Oregon Legislature stated “The ROI on the state data center strongly supports the state's decision to build a single consolidated center.” And “the service costs and rates are within or far below industry standards.” If state government is to meet the growing demand for services, executives must think of technology spending as an investment, not an expense. The right investments in technology will help the state save money, save time, do more with less and grow the capability of the state. Technology consolidation is one of the most frequently recommended opportunities for savings in enterprises due to cost reduction, increased service availability, improved security and regulatory compliance and greater ability to benefit from new technologies.

Program Performance

Since the State Data Center facility was completed and agencies began migrating their computing, storage and network systems in 2006, the technology capacity SDC supports, has grown over 400 percent. SDC currently supports 3400+ servers, 2300+ network routers/switches and 1000+ wireless access points resulting in more than 90 percent of the computer systems and the state wide network on which all state agencies depend to connect their offices and access data. A few examples of the systems, applications, networks, storage instances and interfaces SDC supports include:

- Determining Assistance Eligibility – DHS
- Medicaid, Senior Care, Childcare, Housing Assistance – DHS
- Public & Commercial Drivers and Vehicle Licensing – ODOT
- Processing Driver Records – ODOT
- Conduct Trucking Point of Entry & Oversize Vehicle Permits – ODOT
- Conduct Criminal Records Checks for Identification, Background, Licenses, Stolen Vehicles, Gun Sales & Permits – OSP
- SNAP – DHS
- Unemployment Insurance Claims – OED
- Oregon State Payroll Processing – DAS & OSP
- Oregon State Financial System – DAS and Other Agencies
- Human Resources Administration Tracking & Records – DAS and Other Agencies
- Legislative Bill Writing and Tracking – All Agencies
- Tracking Youth Offenders – DOC
- Veterans Loans & Claims – ODVA
- Online Recruitment System – ALL
- Unemployment Insurance Registration – OED
- Case Management for Children, Families and Seniors – DHS
- Medicaid Billing for Payments to Senior Providers – DHS
- Applying for Oregon Health Plan Insurance – DHS
- Corrections Inmate Tracking – DOC
- Agencies Financial Systems – ALL
- Financial Analysis and Reporting Data Warehouse – ALL
- State Income Tax Processing, Refunds, Auditing, Accounting – DOR
- Corporate, Business, Property and Personal Income Tax Filing – DOR
- Revenue Collection – DOR
- Health Benefits for Oregon Educators and Public Employees – OPRS & PERS
- Housing Resources – OED
- Energy/Weatherization Credits – DAS
- Oregon State Hospital System – DHS

2017-19 BUDGET NARRATIVE

- Bill Information Tracking for Agencies – ALL
- Email Infrastructure – Most Agencies
- TripCheck for Weather Conditions – ODOT
- Oregon online DMV Services – ODOT
- Trucking online DMV Services – ODOT
- Green Light for Weigh Stations – ODOT
- DMV Dealers – ODOT
- Seniors, Families and Children's Case Work – DHS
- Health Alert Network – DHS
- Registration of Oregon Vital Events – DHS
- Administration of Oregon Medical Marijuana Program – DHS
- Emergency Dispatch Services for Forest Fires - ODF
- Lightening Tracking – ODF
- Where's My Refund - Tax Mapping and Tax Status – DOR
- Vendor Procurement – DAS
- Online Claim Filing – DOR
- Online Boating Registration – OSMB
- Energy Loan Program
- Residential Energy Tax Credits
- Teachers Licensing Certification
- Unclaimed Property Processing

Enabling Legislation/ Program Authorization

ORS 276.212, 276.218, 283.140, 283.143, 283.500-524, 291.038, 291.039, 291.041.

Funding Streams that support the program

SDC receives revenue from state agencies and political subdivisions on a charge for services basis for computing, storage, backup and some network services. Additionally, SDC receives an assessment which allocates costs to state agencies based on our 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority to cover those infrastructure investments that all state agencies benefit from, such as the State Data Center facility and the statewide data network.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) and an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

This package phases in \$1,351,308 of Services and Supplies that was used as an offset to establish limited duration positions in 2015-17.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$427,292 related to the five-year lifecycle replacement plan and \$2,891,560 for one-time costs approved in 2015-17 policy option package #112 related to IT Security.

Package 031 – Standard Inflation and State Government Service Charges

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustment

This package transfers out \$4,130,162 to DAS Business Services for centralization of State Government Service Charges and \$2,859,225 to Office of the State Chief Information Officer for 2015-17 policy option package #112 related to IT Security.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Oregon State Chief Information Office SDG
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	9,546	-	-	-	9,546
Overtime Payments	-	-	2,035	-	-	-	2,035
All Other Differential	-	-	39,035	-	-	-	39,035
Public Employees' Retire Cont	-	-	7,837	-	-	-	7,837
Pension Obligation Bond	-	-	142,508	-	-	-	142,508
Social Security Taxes	-	-	3,874	-	-	-	3,874
Mass Transit Tax	-	-	12,240	-	-	-	12,240
Vacancy Savings	-	-	(38,633)	-	-	-	(38,633)
Total Personal Services	-	-	\$178,442	-	-	-	\$178,442
Total Expenditures							
Total Expenditures	-	-	178,442	-	-	-	178,442
Total Expenditures	-	-	\$178,442	-	-	-	\$178,442
Ending Balance							
Ending Balance	-	-	(178,442)	-	-	-	(178,442)
Total Ending Balance	-	-	(\$178,442)	-	-	-	(\$178,442)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 021 - Phase - In

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	104,100	-	-	-	104,100
Employee Training	-	-	549,000	-	-	-	549,000
Office Expenses	-	-	279,000	-	-	-	279,000
Telecommunications	-	-	40,708	-	-	-	40,708
Data Processing	-	-	33,500	-	-	-	33,500
Publicity and Publications	-	-	32,000	-	-	-	32,000
Employee Recruitment and Develop	-	-	27,500	-	-	-	27,500
Dues and Subscriptions	-	-	36,500	-	-	-	36,500
Other Services and Supplies	-	-	136,000	-	-	-	136,000
Expendable Prop 250 - 5000	-	-	113,000	-	-	-	113,000
Total Services & Supplies	-	-	\$1,351,308	-	-	-	\$1,351,308
Total Expenditures							
Total Expenditures	-	-	1,351,308	-	-	-	1,351,308
Total Expenditures	-	-	\$1,351,308	-	-	-	\$1,351,308
Ending Balance							
Ending Balance	-	-	(1,351,308)	-	-	-	(1,351,308)
Total Ending Balance	-	-	(\$1,351,308)	-	-	-	(\$1,351,308)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	(10,345)	-	-	-	(10,345)
Out of State Travel	-	-	-	-	-	-	-
Employee Training	-	-	(635,337)	-	-	-	(635,337)
Office Expenses	-	-	(129,559)	-	-	-	(129,559)
Telecommunications	-	-	(482,851)	-	-	-	(482,851)
Data Processing	-	-	(558,785)	-	-	-	(558,785)
Publicity and Publications	-	-	-	-	-	-	-
Professional Services	-	-	(578,518)	-	-	-	(578,518)
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Other Services and Supplies	-	-	(824,257)	-	-	-	(824,257)
IT Expendable Property	-	-	(99,200)	-	-	-	(99,200)
Total Services & Supplies	-	-	(\$3,318,852)	-	-	-	(\$3,318,852)
Total Expenditures							
Total Expenditures	-	-	(3,318,852)	-	-	-	(3,318,852)
Total Expenditures	-	-	(\$3,318,852)	-	-	-	(\$3,318,852)
Ending Balance							
Ending Balance	-	-	3,318,852	-	-	-	3,318,852
Total Ending Balance	-	-	\$3,318,852	-	-	-	\$3,318,852

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Pension Obligation Bond	-	-	-	-	-	-	-
Mass Transit Tax	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-

Services & Supplies							
Instate Travel	-	-	2,439	-	-	-	2,439
Out of State Travel	-	-	2,470	-	-	-	2,470
Employee Training	-	-	8,719	-	-	-	8,719
Office Expenses	-	-	1,340	-	-	-	1,340
Telecommunications	-	-	481,343	-	-	-	481,343
Data Processing	-	-	895,349	-	-	-	895,349
Publicity and Publications	-	-	1,485	-	-	-	1,485
Professional Services	-	-	10,948	-	-	-	10,948
IT Professional Services	-	-	175,278	-	-	-	175,278
Attorney General	-	-	17,306	-	-	-	17,306
Dues and Subscriptions	-	-	676	-	-	-	676
Facilities Rental and Taxes	-	-	-	-	-	-	-
Fuels and Utilities	-	-	340	-	-	-	340
Facilities Maintenance	-	-	1,166	-	-	-	1,166
Agency Program Related S and S	-	-	8,994	-	-	-	8,994
Other COI Costs	-	-	34	-	-	-	34
Other Services and Supplies	-	-	1,369,888	-	-	-	1,369,888
Expendable Prop 250 - 5000	-	-	2,674	-	-	-	2,674

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
IT Expendable Property	-	-	470,763	-	-	-	470,763
Total Services & Supplies	-	-	\$3,451,212	-	-	-	\$3,451,212
Capital Outlay							
Telecommunications Equipment	-	-	80,428	-	-	-	80,428
Data Processing Software	-	-	44,076	-	-	-	44,076
Data Processing Hardware	-	-	56,135	-	-	-	56,135
Other Capital Outlay	-	-	312,124	-	-	-	312,124
Total Capital Outlay	-	-	\$492,763	-	-	-	\$492,763
Total Expenditures							
Total Expenditures	-	-	3,943,975	-	-	-	3,943,975
Total Expenditures	-	-	\$3,943,975	-	-	-	\$3,943,975
Ending Balance							
Ending Balance	-	-	(3,943,975)	-	-	-	(3,943,975)
Total Ending Balance	-	-	(\$3,943,975)	-	-	-	(\$3,943,975)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(4,130,162)	-	-	-	(4,130,162)
Data Processing	-	-	(1,263,799)	-	-	-	(1,263,799)
Publicity and Publications	-	-	(6,390)	-	-	-	(6,390)
Professional Services	-	-	(44,000)	-	-	-	(44,000)
Dues and Subscriptions	-	-	(6,240)	-	-	-	(6,240)
Other Services and Supplies	-	-	(1,347,016)	-	-	-	(1,347,016)
Expendable Prop 250 - 5000	-	-	(35,780)	-	-	-	(35,780)
IT Expendable Property	-	-	(156,000)	-	-	-	(156,000)
Total Services & Supplies	-	-	(\$6,989,387)	-	-	-	(\$6,989,387)
Total Expenditures							
Total Expenditures	-	-	(6,989,387)	-	-	-	(6,989,387)
Total Expenditures	-	-	(\$6,989,387)	-	-	-	(\$6,989,387)
Ending Balance							
Ending Balance	-	-	6,989,387	-	-	-	6,989,387
Total Ending Balance	-	-	\$6,989,387	-	-	-	\$6,989,387

2017-19 BUDGET NARRATIVE

Policy Option Package #102: Convert 2015-17 Limited Durations to Permanent Staff

Total Request: \$904,179 | Total Positions/FTE: 5/5.00

Purpose

Changes in business needs and customer demands led the Office of the State Chief Information Officer, State Data Center (SDC) to create limited duration positions in several areas. This package requests these positions be made permanent to enable SDC to continue the level of service to its agency customers.

How Achieved

This package request is to convert five 2015-17 limited duration positions to permanent. These positions are key to many of the IT services provided to agencies. The workload has been consistent for two biennia.

This package is in alignment with all of the Enterprise Information Resources Management Strategy goals as these positions support IT technology and business across the organization.

Staffing Impact

- Establish one permanent, full-time, Information Systems Specialist 8, SR 33 (1.00 FTE)
- Establish two permanent, full-time, Information Systems Specialist 3, SR 24 (2.00 FTE)
- Establish one permanent, full-time, Office Specialist 2, SR 15, (1.00 FTE)
- Establish one permanent, full-time, Operations and Policy Analyst 4, SR 32 (1.00 FTE)

Revenue Source

\$530,268 Other Funds Limited, Charges for Services.

\$373,911 Other Funds Limited, Admin & Service Charges (assessment).

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	530,268	-	-	-	530,268
Admin and Service Charges	-	-	373,911	-	-	-	373,911
Total Revenues	-	-	\$904,179	-	-	-	\$904,179
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	557,496	-	-	-	557,496
Empl. Rel. Bd. Assessments	-	-	285	-	-	-	285
Public Employees' Retire Cont	-	-	81,697	-	-	-	81,697
Social Security Taxes	-	-	42,647	-	-	-	42,647
Worker's Comp. Assess. (WCD)	-	-	345	-	-	-	345
Mass Transit Tax	-	-	3,344	-	-	-	3,344
Flexible Benefits	-	-	166,680	-	-	-	166,680
Total Personal Services	-	-	\$852,494	-	-	-	\$852,494
Services & Supplies							
Other Services and Supplies	-	-	51,685	-	-	-	51,685
Total Services & Supplies	-	-	\$51,685	-	-	-	\$51,685
Total Expenditures							
Total Expenditures	-	-	904,179	-	-	-	904,179
Total Expenditures	-	-	\$904,179	-	-	-	\$904,179

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							5
Total Positions	-	-	-	-	-	-	5
Total FTE							
Total FTE							5.00
Total FTE	-	-	-	-	-	-	5.00

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:052-00-00 Oregon State Chief Information

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PROD FILE

2017-19
 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 102 - Convert 2015-17 LDs to Permane

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
1901040	OA	C0104	AA OFFICE SPECIALIST 2	1	1.00	24.00	02	2,716.00		65,184 46,980			65,184 46,980
1908732	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1914830	OA	C1483	IA INFO SYSTEMS SPECIALIST 3	1	1.00	24.00	02	4,059.00		97,416 53,666			97,416 53,666
1914831	OA	C1483	IA INFO SYSTEMS SPECIALIST 3	1	1.00	24.00	02	4,059.00		97,416 53,666			97,416 53,666
1914880	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
TOTAL PICS SALARY										557,496			557,496
TOTAL PICS OPE										291,654			291,654
TOTAL PICS PERSONAL SERVICES =				5	5.00	120.00				849,150			849,150

2017-19 BUDGET NARRATIVE

Policy Option Package #105: Growing Demand for State Data Center Services

Total Request: \$0 | Total Positions/FTE: 3/3.00

Purpose

Support customer growth in the use of technology and existing SDC. Additional staff is requested to address increase in customer support calls as well as increase in network support to address customer growth. This growth also includes the funding to support the ongoing technology of new agency projects once they move from development to operations in the 2017-19 biennium.

How Achieved

This package request is for SDC to establish permanent positions which are required to support growth for existing and new services for agencies. This increase in demand results from the modernization of state processes to leverage advances in computing technology and from the public's increased expectation of electronic interaction with government from access points like mobile devices. SDC deploys and supports core infrastructure including computing, storage and network platforms supporting agency operations. SDC' budget does not sufficiently support those applications and functions that are currently in operation and does not contain funding for projected expansion in demand for existing services or delivery of new services.

SDC deploys and supports the infrastructure necessary for new agency applications and charges for those applications. Additional permanent staff is needed in order to implement the new projects and to support the increased workload that results from continuing demand for new services. As SDC deploys advanced and complex technology, the staff required to implement and support this technology must have the highest level skill sets available.

The additional positions, which would be established through the approval of this package, does not result in an increase in the rates charged by SDC or to client agencies as this work has been performed by existing contractors. Therefore, funded by an offset reduction in Services and Supplies.

Staffing Impact

- Establish three permanent, full-time, Information Systems Specialist 8, OA, C1488 IA, SR 33 (3.00 FTE)

Revenue Source

No increase in rates or assessment since personal service costs are funded with a like amount reduction in Services and Supplies for a net-zero request.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 105 - Growing Demand for SDC Services

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	456,408	-	-	-	456,408
Empl. Rel. Bd. Assessments	-	-	171	-	-	-	171
Public Employees' Retire Cont	-	-	59,745	-	-	-	59,745
Social Security Taxes	-	-	34,914	-	-	-	34,914
Worker's Comp. Assess. (WCD)	-	-	207	-	-	-	207
Mass Transit Tax	-	-	2,739	-	-	-	2,739
Flexible Benefits	-	-	100,008	-	-	-	100,008
Total Personal Services	-	-	\$654,192	-	-	-	\$654,192
Services & Supplies							
IT Professional Services	-	-	(617,270)	-	-	-	(617,270)
IT Expendable Property	-	-	(36,922)	-	-	-	(36,922)
Total Services & Supplies	-	-	(\$654,192)	-	-	-	(\$654,192)
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 105 - Growing Demand for SDC Services

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:052-00-00 Oregon State Chief Information

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION
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PACKAGE: 105 - Growing Demand for SDC Service

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
1914885 OA C1488 IA	INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
1914886 OA C1488 IA	INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
1914887 OA C1488 IA	INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
TOTAL PICS SALARY								456,408			456,408
TOTAL PICS OPE								195,045			195,045
TOTAL PICS PERSONAL SERVICES =								---	---	---	---
								3	3.00	72.00	651,453

2017-19 BUDGET NARRATIVE

Policy Option Package #108: Windows Server Hardware/Software

Total Request: \$2.0 million | Total Positions/FTE: 3/3.00

Purpose

Support projected customer growth in the use of technology and existing SDC. Windows servers continues to be one of the areas with the greatest growth and change requests. Additional positions are required to support these activities as is funding to procure new hardware and software. This growth also includes the funding to support the ongoing technology of new agency projects once they move from development to operations in the 2017-19 biennium.

How Achieved

This package request is for SDC to purchase necessary hardware, software, and professional services and establish positions which are required to support growth for existing and new services for agencies. This increase in demand results from the modernization of state processes to leverage advances in computing technology and from the public's increased expectation of electronic interaction with government from access points like mobile devices. SDC deploys and supports core infrastructure including computing, storage and network platforms supporting agency operations. SDC' budget does not sufficiently support those applications and functions that are currently in operation and does not contain funding for projected expansion in demand for existing services or delivery of new services.

SDC deploys and supports the infrastructure necessary for new agency applications and charges for those applications. Additional limitation is needed to allow for the recovery of incurred costs under the applicable rate recovery methodology. Additional permanent staff is needed in order to implement the new projects and to support the increased workload that results from continuing demand for new services. As SDC deploys advanced and complex technology, the staff required to implement and support this technology must have the highest level skill sets available.

The cost for the additional services an agency experiences through growth in usage of services or with the completion of an information technology project to deploy a new or improved application, are funded with charges for services. The additional positions, which would be established through the approval of this package, does not result in a direct increase in the rates charged by SDC or to client agencies, as this work has been performed by existing contractors.

2017-19 BUDGET NARRATIVE

Staffing Impact

- Establish three permanent, full-time, Information Systems Specialist 8, SR 33 (3.00 FTE)

Revenue Source

\$2.0 million Other Funds Limited, Charges for Services.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 108 - Windows Server Hardware/Software

Cross Reference Name: Oregon State Chief Information Office SDC
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	2,000,000	-	-	-	2,000,000
Total Revenues	-	-	\$2,000,000	-	-	-	\$2,000,000
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	456,408	-	-	-	456,408
Empl. Rel. Bd. Assessments	-	-	171	-	-	-	171
Public Employees' Retire Cont	-	-	59,745	-	-	-	59,745
Social Security Taxes	-	-	34,914	-	-	-	34,914
Worker's Comp. Assess. (WCD)	-	-	207	-	-	-	207
Mass Transit Tax	-	-	2,738	-	-	-	2,738
Flexible Benefits	-	-	100,008	-	-	-	100,008
Total Personal Services	-	-	\$654,191	-	-	-	\$654,191
Services & Supplies							
Data Processing	-	-	200,000	-	-	-	200,000
IT Professional Services	-	-	(479,276)	-	-	-	(479,276)
IT Expendable Property	-	-	(174,915)	-	-	-	(174,915)
Total Services & Supplies	-	-	(\$454,191)	-	-	-	(\$454,191)
Capital Outlay							
Data Processing Software	-	-	500,000	-	-	-	500,000
Data Processing Hardware	-	-	1,300,000	-	-	-	1,300,000
Total Capital Outlay	-	-	\$1,800,000	-	-	-	\$1,800,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 108 - Windows Server Hardware/Software

Cross Reference Name: Oregon State Chief Information Office SDG
Cross Reference Number: 10700-052-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	2,000,000	-	-	-	2,000,000
Total Expenditures	-	-	\$2,000,000	-	-	-	\$2,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:052-00-00 Oregon State Chief Information

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 108 - Windows Server Hardware/Softwa

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 PICS SYSTEM: BUDGET PREPARATION
 PAGE 12
 PROD FILE

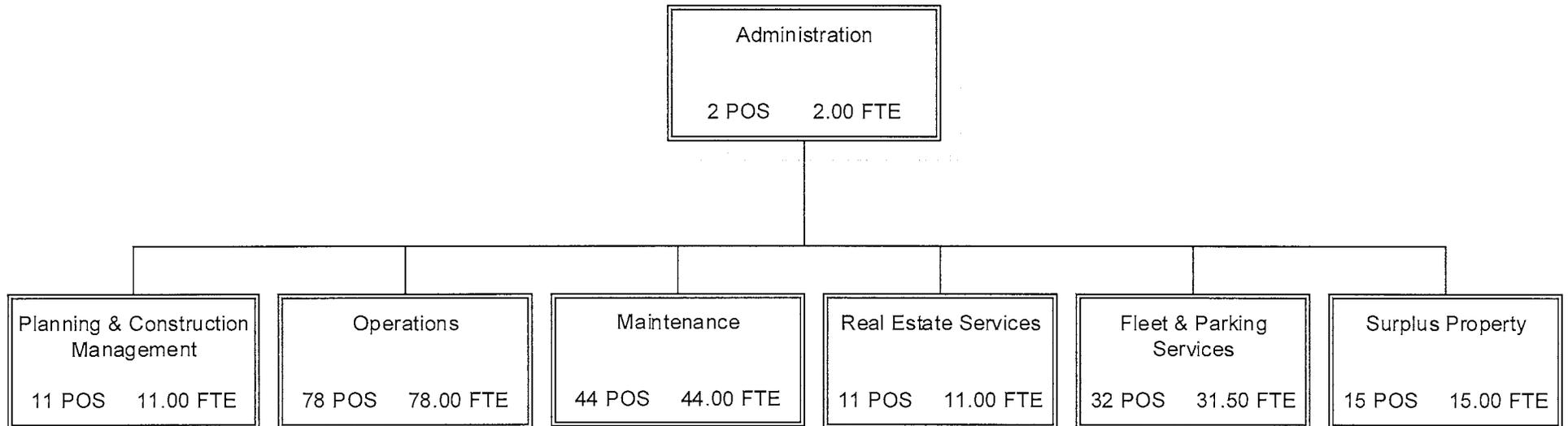
POSITION NUMBER	CLASS	COMP	CLASS NAME	POS CNT	FTE	MOS	STEP	RATE	GF SAL/OPE	OF SAL/OPE	FF SAL/OPE	LF SAL/OPE	AF SAL/OPE
1914883	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
1914884	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
1948830	OA	C1488	IA INFO SYSTEMS SPECIALIST 8	1	1.00	24.00	02	6,339.00		152,136 65,015			152,136 65,015
TOTAL PICS SALARY										456,408			456,408
TOTAL PICS OPE										195,045			195,045
TOTAL PICS PERSONAL SERVICES =				3	3.00	72.00				651,453			651,453

2017-19 BUDGET NARRATIVE

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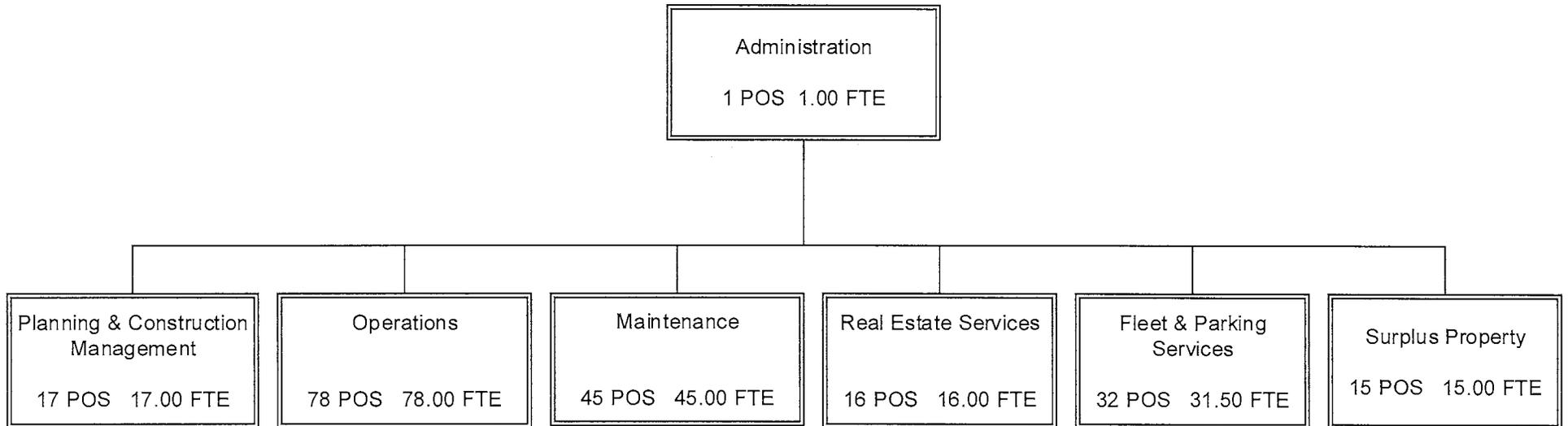
2017-19 BUDGET NARRATIVE

Enterprise Asset Management Organization Chart 2015-17 193 POS 192.50 FTE



2017-19 BUDGET NARRATIVE

Enterprise Asset Management Organization Chart 2017-19 204 POS 203.50 FTE



2017-19 BUDGET NARRATIVE

Enterprise Asset Management

Program Overview

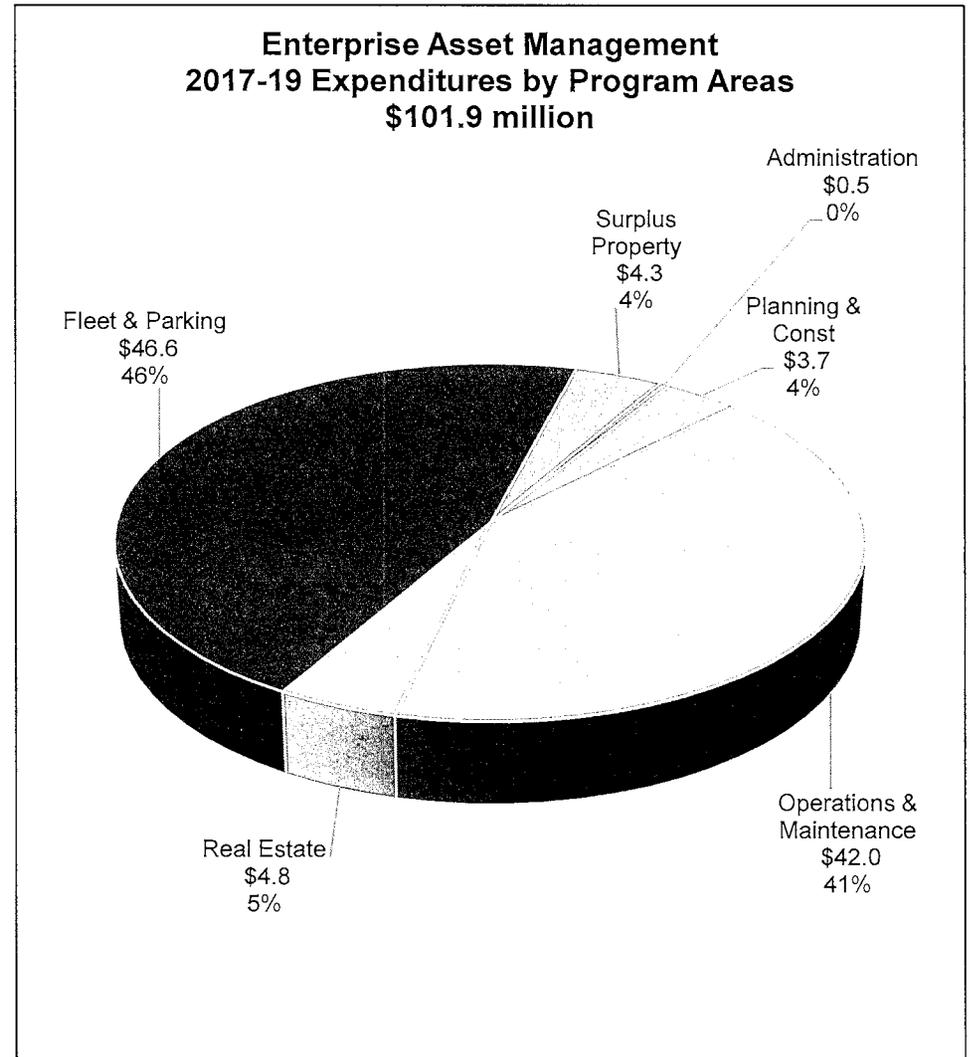
Enterprise Asset Management (EAM) is comprised of Planning and Construction Management, Operations, Maintenance, Real Estate Services, Fleet and Parking Services, and the Oregon Surplus Property Program. The division's core focus is centralized management of state real and personal property to support state agency work space, travel, and operational needs.

Program Description

EAM provides vehicles from the state fleet, disposition of surplus property, facility space, and maintains a safe and sanitary work environment. The division's centralized services provide state agency and some local government customers with cost effective, quality, and efficient asset life cycle management; including acquisition, operation, maintenance, and disposal. These value-added services allow customers to focus on their primary missions.

The division's program areas focus on responsive customer service, with particular attention to the following goals:

- Provide clear and consistent guidelines and policies.
- Seek long term, comprehensive solutions with input and collaboration from stakeholder groups.
- Lead state government in sustainability projects and practices.
- Respond promptly to customer requests.
- Balance individual agency needs with overall state enterprise needs and goals.



2017-19 BUDGET NARRATIVE

The Enterprise Asset Management division serves its customers with the following central-service programs:

Planning and Construction Management (P&CM):

This program provides construction project management for over \$20 million in maintenance, upgrade/renovation and new construction projects for DAS owned buildings as well as providing project management services to other agencies who own buildings. These assets are used daily by state agency employees, as well as the citizens of Oregon. All of these projects keep the state of Oregon buildings functioning and upgraded so state agencies can provide critical services to the citizens of Oregon.

- Serve as the state's expert resource for new construction, building renovation, and building system upgrades. Primary focus is with maintaining the 43 buildings that DAS owns as well as parking structures.
- Provide long and short term prioritization planning for building maintenance projects.
- Assist, when possible, other agencies with their construction and interior projects in buildings they own.
- Manage all projects to minimize agency downtime, exceed construction standards, implement energy savings, meet timelines, stay on scope, and stay within budget.
- Research ways where we can upgrade and install energy saving systems from simple things like insulation and energy efficient windows to LED lighting and frictionless magnetic chillers.

Operations and Maintenance (O&M):

These two programs provide clean, sanitary and well maintained building space so that state agency customers can focus on their missions. O&M operate and maintain 43 DAS-owned buildings and service nine other state agency-owned buildings, with over three million square feet throughout Oregon. These facilities are occupied by 69 agencies and include general government offices, forensic crime and health labs, computer data centers, printing operations, and the Executive Residence. These programs:

- Provide professional, technical, maintenance services and expert consulting to provide a safe, reliable, and efficient work place for employees.
- Maintain building systems and structures properly to prevent failures, and respond to intermittent operating system needs. Proper preventative maintenance of systems and fast response to problems as they arise ensure state employees have healthy and safe work environments needed to effectively deliver government services to citizens.

2017-19 BUDGET NARRATIVE

- Provide expertise including HVAC mechanics, electricians, refrigeration mechanics, plumbers, security technicians, locksmiths, maintenance technicians, painters, carpenters, general landscapers, arborist, pesticide applicators, and custodians. All of the maintenance technicians maintain the appropriate licenses for their trade, ensuring that all work meets present code.
- Provide minimum maintenance required on the 489,000 square feet of buildings and 47 acres of the Oregon State Hospital North Campus until it can be demolished and sold.

Real Estate Services:

This program provides comprehensive, value-driven commercial lease brokerage, land acquisition and surplus real estate sales, property management, asset strategies, real estate development services for client agencies, interior project management, and space planning and interior design services. Freeing the client agency from the burden of navigating the real estate industry, this program is integral to client agencies' core need of solving the "space" dilemma. DAS' team of cross functional professionals represent client agencies with the unwavering resolve to drive the best deal at the highest value for the state. This group also carries out real estate-based enterprise wide and legislative efforts and initiatives in its continual effort to contemporize practices. Specifically, this group's work encompasses the following:

- Manage the state's overall lease portfolio with the goal of leveraging its market presence and economizing its footprint while creating efficiencies in current and future state-owned assets.
- Negotiate approximately 250 leases annually in the private market. Focus is on driving the highest value for the agencies at or below market lease rates
- Manage the portfolio of 650 private sector leases covering approximately 4.6 million square feet of office, storage and special use facilities as well as 300 DAS controlled state leases covering approximately 2.4 million square feet of office and storage space. By managing the portfolio centrally, DAS can better make value recommendations to agencies such as co-locations, back-fill opportunities, assignment of a lease, if an agency needs to downsize or change, and promote best practices consistently, as well as perform as the information clearinghouse.
- Engage actively the commercial real estate industry through networking, professional affiliations to continually position itself to deliver relevant, contemporary real estate options for agencies.
- Provide lease administration service and guidance to agencies ensuring their contract rights are upheld and enforced. Resolves contract disputes with the land owners, protecting agencies financial and operational interests.
- Facilitate the sale of surplus real estate for the state. This service is important particularly to other land-owning state agencies, counties, local municipalities, and political subdivisions that may benefit from repurposing surplus real estate.

2017-19 BUDGET NARRATIVE

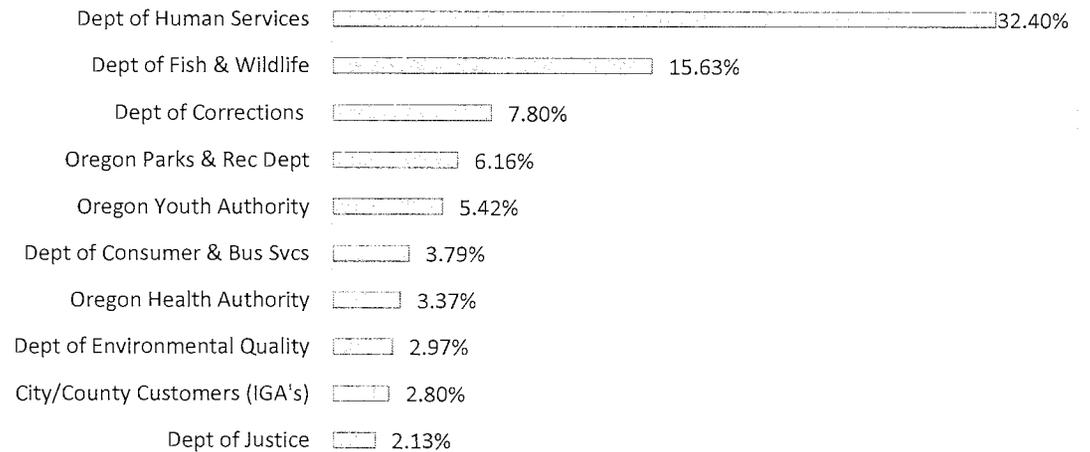
- Maintain an inventory of state lands and buildings that are owned or leased. Provide analysis and technical reports for the activities and public review process of the Public Lands Advisory Committee on state land acquisitions and sales.
- Provide land transaction services; e.g., disposition strategy, appraisals, surveys, environmental studies, and lot line adjustments and complying with state policies and laws for a state agency with a conveyance or real estate analysis need.

Statewide Fleet Administration and Parking Services:

This program, which consists of the Fleet Administration and the Parking Services, owns and operates 4,200 vehicles used by 112 state agencies and local government customers. The program also manages 4,600 parking spaces located in Salem, Portland, and Eugene. These assets are used daily by state agency employees and, with regard to parking spaces, the public customers they serve. The programs:

- Provide centralized acquisition, maintenance and regulation of vehicles for use by state agencies.
- Set uniform rental fees while taking advantage of economies of scale. Centralize purchasing, management, and bulk buying of vehicles, parts, and fuel reduce agency transportation costs. Rather than buy vehicles of their own, state agencies and local governments may rent vehicles from DAS Fleet Services and spread the cost over many budget cycles, which allows limited funding resources to be used for other needs.
- Conduct Annual Minimum Mileage review of vehicles to promote strong management of low usage vehicles. This state statute and policy driven review ensures investment in vehicles is monitored and that keeping low use ones is a justified expense of taxpayer money.
- Manage reserved parking spaces within the Capitol Mall, striving to maintain a ratio one space per two employees. The program promotes and coordinates, bus pass, carpool, vanpool, and other mass transit commuter programs to reduce traffic congestion, greenhouse gas emissions, and to reduce the need for additional parking spaces for state employee use.

DAS Fleet Top Customers by % of Assigned Vehicle Charges



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Surplus Property Program:

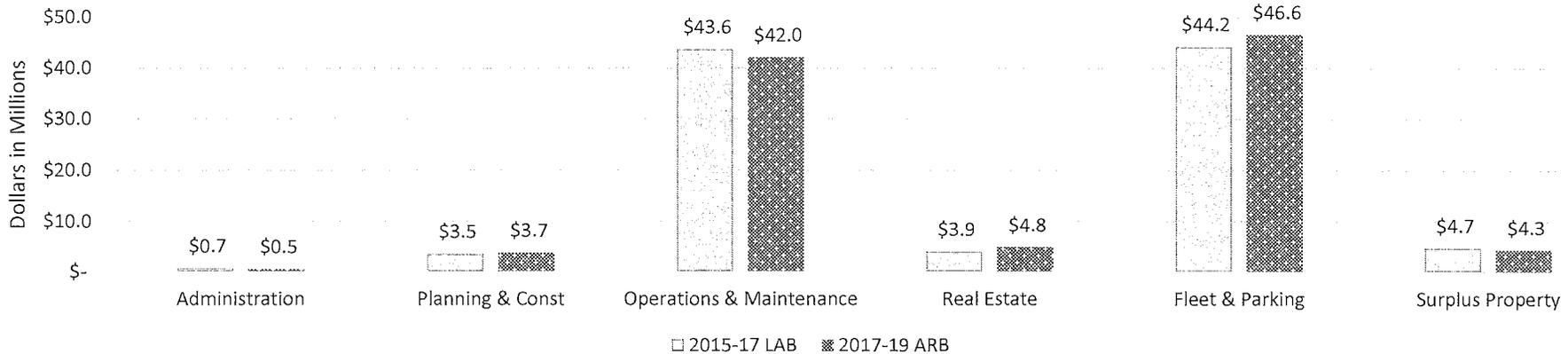
This program facilitates the reuse of surplus personal property for state, local, and federal government entities:

- Provide a central distribution point for excess and end of life inventory with a transparent audit trail. Fair and equitable distribution of property by marketing through online auctions and store sales.
- Minimize items entering the waste stream. Less than two percent of all items turned-in to the Surplus Property Program are placed in the garbage.
- Return over \$2.5 million annually in sale proceeds to the agencies which have turned items into the Surplus Property program for sale/disposal.
- Sell to the public and small businesses, prior to recycling or disposing of items. This supports many small business by providing them access to inexpensive items to establish their business and/or items that they resell as part of their business.
- Provide significant money savings for state & local governments, eligible non-profits and small businesses through access to federal surplus property at a significant savings compared to buying retail.
- Manage the E-waste disposal program for use by state agencies, counties and cities through Garten Services, a Qualified Rehabilitation Facility. This program ensures environmentally safe disposal and proper security and destruction of confidential or sensitive data.
- Administer the federal Law Enforcement Support Office (LESO) program, which enables state and local law enforcement agencies to acquire equipment and supplies from federal sources for free or at substantial savings – over \$1.5 million annually.

2017-19 BUDGET NARRATIVE

Graphical Representation of Total Funds Budget (historical and future)

Biennial Comparison of EAM Expenditures by Major Programs



Program Justification and Link to Long Term Outcomes

Because it provides key assets and services used by state agencies in performing their missions, Enterprise Asset Management plays a strong role in determining how those assets and services can be delivered in ways that conform to long range policy goals for state enterprise. The main areas the division focuses on are managing environmental impacts and sustainability, leased and owned space management, and asset lifecycle management. The following descriptions of the division's actions and planning demonstrate how it uses its expertise to drive toward achieving long range goals geared to provide efficient and effective delivery of government services to Oregon.

- Seismic safety and business continuity: As Oregon has delved into how to withstand and recover from a Cascadia type seismic event, the division worked with the state Architect to examine DAS owned buildings. Analysis yielded that few or none of the current buildings could withstand a 9.0 earthquake and that to upgrade some building to be seismically sound would cost almost as much to build new replacement structures to modern standards.

This led to development of a long range plan to ensure DAS buildings were made as seismically safe as could be reasonably afforded, and that we had one or more buildings that could be used following an event. The first and primary goal of this plan is construction of a mission

2017-19 BUDGET NARRATIVE

critical building on the Capitol Mall Yellow parking lot that was rated to withstand a 9.0 earthquake and be immediately usable (immediate occupancy). The building would house the Department of Revenue and parts of several other agencies critical to a recovery effort. A Policy option package has been requested to fund this project.

Additional phases of the plan include upgrade of the Labor & Industry (L&I) building to life safety or immediate occupancy standards and demolition of the current Revenue building and Executive building because the cost to retrofit those buildings is estimated to exceed 80 percent of the cost of constructing new, seismically sound building. The plan calls for demolition and construction of replacement buildings on these sites in next eight to 15 years.

- Whole building approach to renovation: In conjunction with construction of a mission critical building, the division plans to use the vacated Revenue building as a “swing space” to house employees from the other buildings that need seismic and maintenance renovations. For example, the L&I building can be emptied wholesale or by floors to complete the upgrades needed there. This will lower time and costs to complete the work and cause less disruption to delivery of services.
- Workplace Strategies project: Initially started as an Improving Government project, this effort involved a multi-agency team to develop employee work space standards and guidelines to move agencies toward greater consolidation of building space with a goal of higher utilization of owned and leased buildings. By fitting more employees in existing space, overall cost to deliver services is reduced. EAM offers in-house interior design and project management to agencies and access to contractors for this service as well. Use of newer, less expensive types of furniture configurations is encouraged to create more productive, collaborative, and healthy work environments. To assist agencies with the cost of reconfigurations, EAM has developed a funding mechanism through the Uniform Rent system that agencies can use to purchase furniture and equipment and repay over no more than four years. Once started, this fund will be continuously replenished by the agencies that utilize the program.
- Improving Government Private Market Lease Optimization: Initially an Improving Government sponsored, this initiative involves educating agencies in the workings of the commercial real estate market, including the practices of landlords, property managers and brokers, aggressive negotiations, or moving to a new location if favorable terms cannot be negotiated. The state traditionally carried most of the financial burden to move, build tenant improvements, pay for project managers, architectural drawings, and did not reap free rent opportunities. From now on, at least one if not all incentives in the market are captured for the benefit of the state. The state now takes the position that it is the largest tenant in the market with AAA credit and deserves the best deals available. Two international brokerage firms are on contract to assist in certain situations or to stretch our reach when needed during busy periods or when special services are needed.

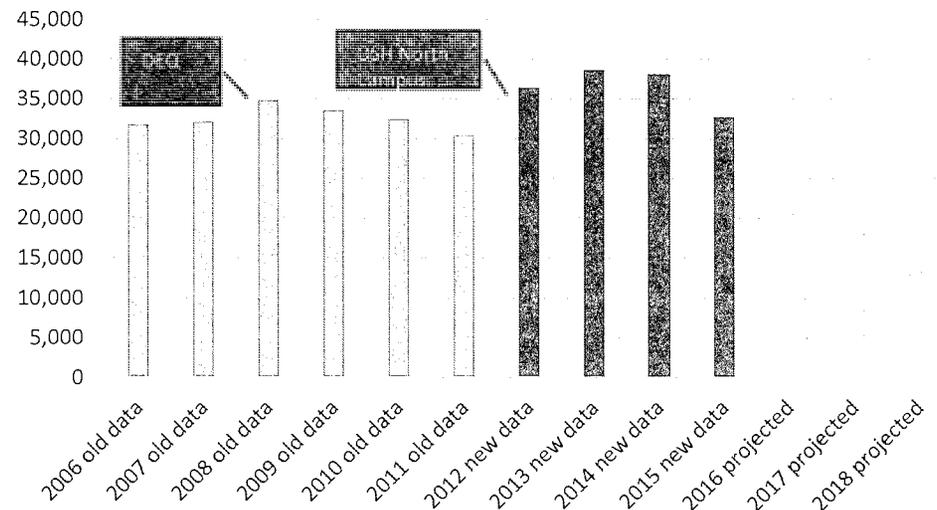
Change in leasing strategy, leveraging state market presence, educating agency customers

\$69,000,000 cost avoidance

2017-19 BUDGET NARRATIVE

- Environmental Impacts and Sustainability:** the division strives to manage the impacts our operations have on the environment and sustainability. Our efforts touch on several areas and the following are a few examples of the division's initiatives and successes:
 - Building energy efficiency:** In all renovations and upgrades of building electrical, HVAC and other systems, primary goals are increasing efficiency, reducing energy usage, and reducing greenhouse gas (GHG) emissions. LED lighting projects have reduced electricity use by approximately 60 percent on lighting loads when both LED lights and lighting controls are replaced. Using higher efficiency LED lighting and modern control systems are standard in our projects. In addition, replacement of older chiller and heating system motors with modern magnetic drive systems have greatly increased heating/cooling efficiency and reduced energy usage by 597,000 kilowatts per year.
 - Vehicle efficiency:** Depending on gas prices, a rise in fuel efficiency of just one miles per gallon (MPG) can yield \$1 million or more in fuel savings over a biennium. The same increase in efficiency can reduce GHG emissions by about 1.9 million pounds of CO² per year. Fleet Services uses fuel efficiency as a primary guide in determining what kind of vehicles to buy as well as what engine size and fuel types. These are taken into consideration along with the cost of the various vehicles and technologies to ensure the return on investment is a valid use of taxpayer funds. The program has moved slowly to incorporate electric vehicles and plug-in hybrids because the infrastructure costs to install charging at state owned and leased building is high as is the cost of the vehicles. The division has multiple projects planned over the next several biennia to install charging infrastructure and bring on more electric vehicles as their cost drops and range of operation increase.
 - Greenhouse Gas Emissions:** The combined emissions from DAS owned vehicles, electricity use in buildings, and heating with natural gas are tracked. The goal is to reduce the overall emissions for building and vehicle operation needed for state government. The target is to reduce emissions generated to 15 percent below 2006 levels by 2020. The factor that affects this measure the most is adding buildings. The division works to reduce emissions through purchase of fuel efficient vehicles and building renovations that include high efficiency HVAC systems, LED lighting, and lighting controls. Lighting improvements can yield up to a 60 percent reduction in lighting energy usage. This measure is in development because new methods of gathering more accurate emission levels have been developed. The division still has work to do to re-examine electricity and natural gas data from 2006

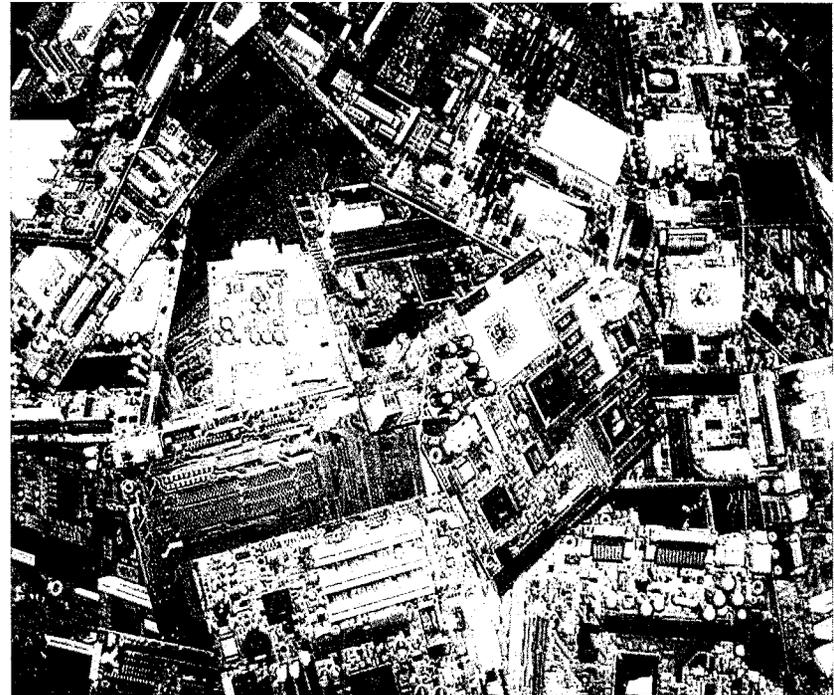
Greenhouse Gas Emissions in Tons of CO²



2017-19 BUDGET NARRATIVE

through 2011 to accurately calculate progress. The chart below depicts older data from 2006 through 2011, current data for 2012 through 2015, projects a continued downward trend through 2017-18 calendar years.

- Reuse of end of life and excess property: The Surplus program has the primary goal to seek further use of items within state government, sell it to private buyers, or dispose of it in the most environmentally friendly way possible. Less than two percent of all items turned-in to the Surplus Property Program are placed in the garbage. This ties directly to state long range goals for reducing environmental impacts and costs.
- Qualified Rehabilitation Facility (QRF) contracts: the division contracts with QRFs for custodial services in some buildings and for processing of the state's E-waste, which Garten Services is the primary contractor. This relationship provides jobs for people with disabilities, which contributes to state goals for social and economic equity.

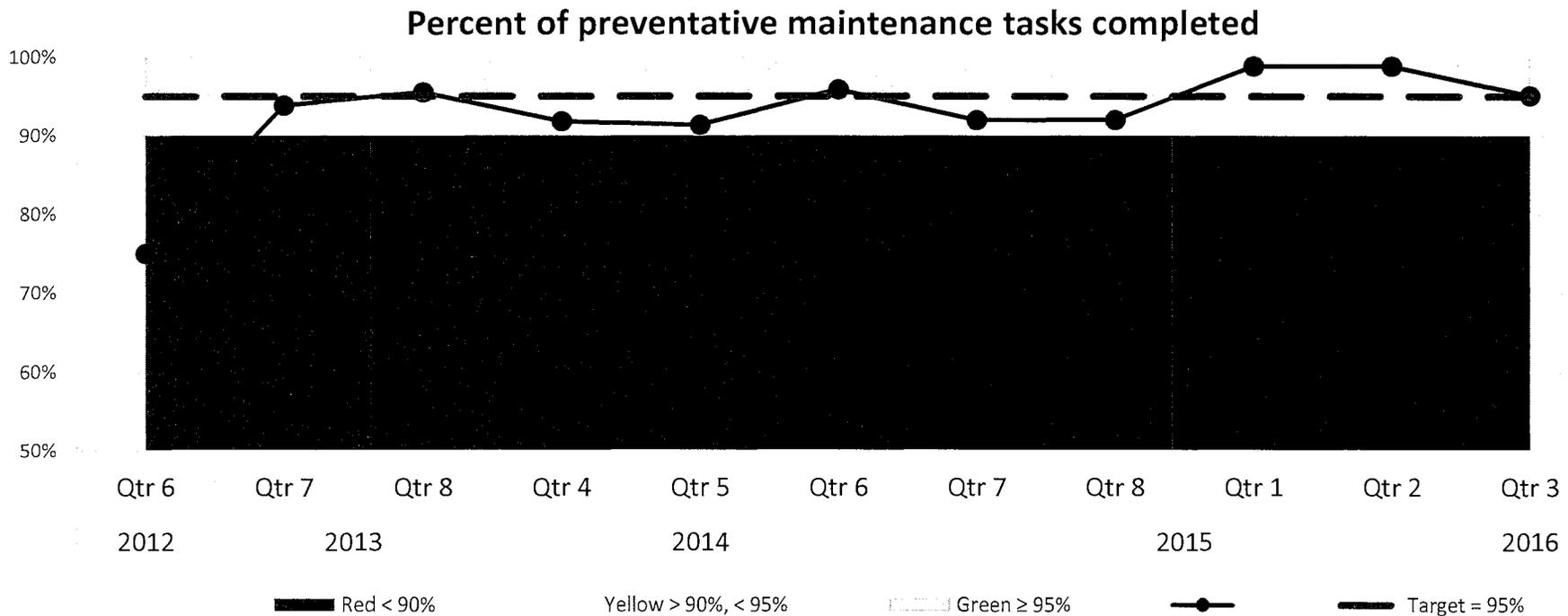


2017-19 BUDGET NARRATIVE

Program Performance

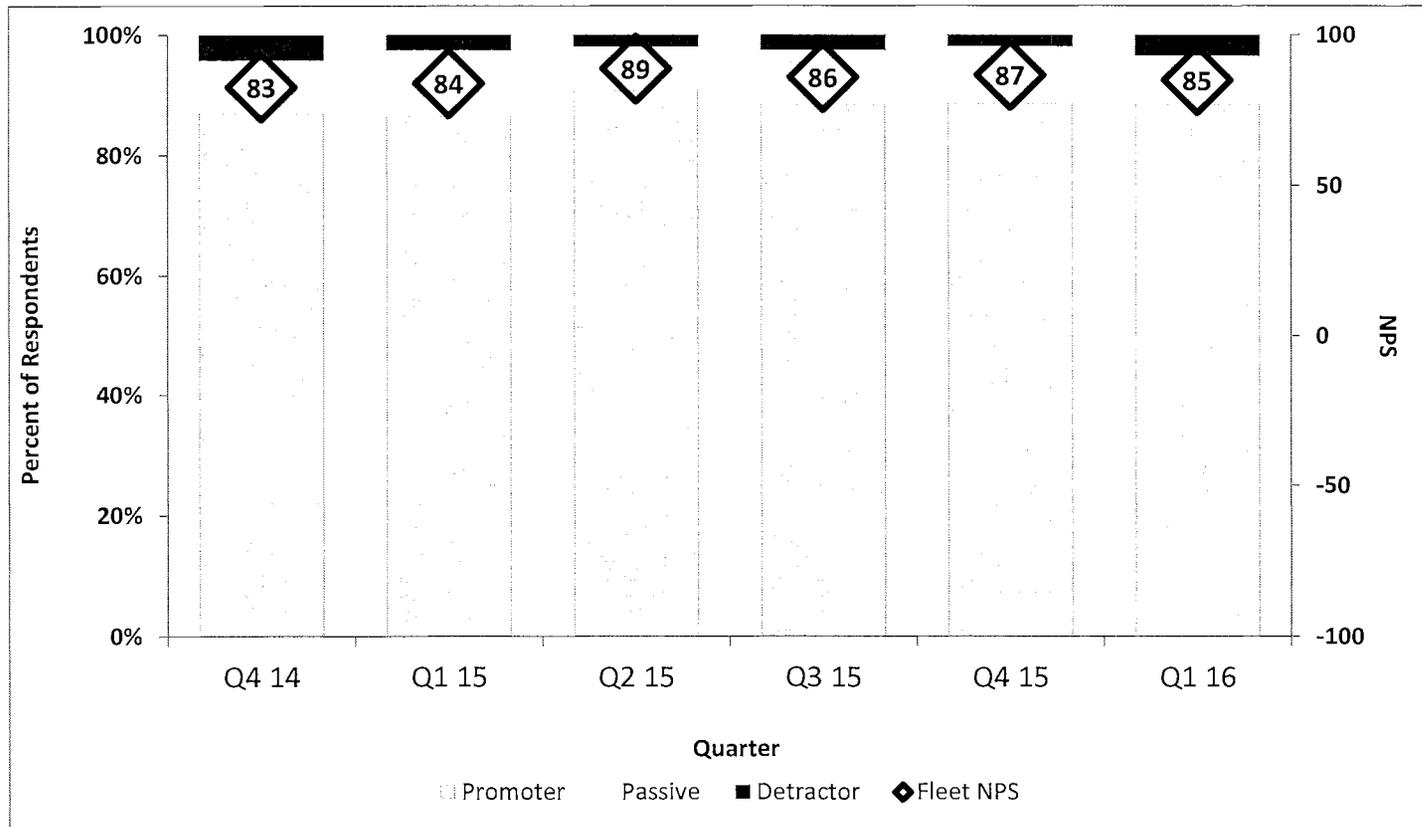
EAM has several measures tracked on the DAS Fundamentals Map, as Service Level Expectation measures for the EAM Customer Utility Board, and for Legislative Key Performance Measures. Some measures are tracked for all three and several have been discussed in previous sections. The measures below are only a small part of those tracked by the division to analyze performance on cost, timeliness, quality, and quantity of services provided.

Percent of Preventative Maintenance Tasks Completed as Scheduled: This is a timeliness and quality measure because it indicates whether tasks were completed as scheduled and what percent were done according to that schedule. This helps Maintenance see when they are falling behind. Factors that can lead to lower completion rates include emergent issues that pull staff away from scheduled tasks and staff outages. The program has made management and procedural changes in the last year that has led to better performance. This measure is projected to remain above the 95 percent target over the next biennium.



2017-19 BUDGET NARRATIVE

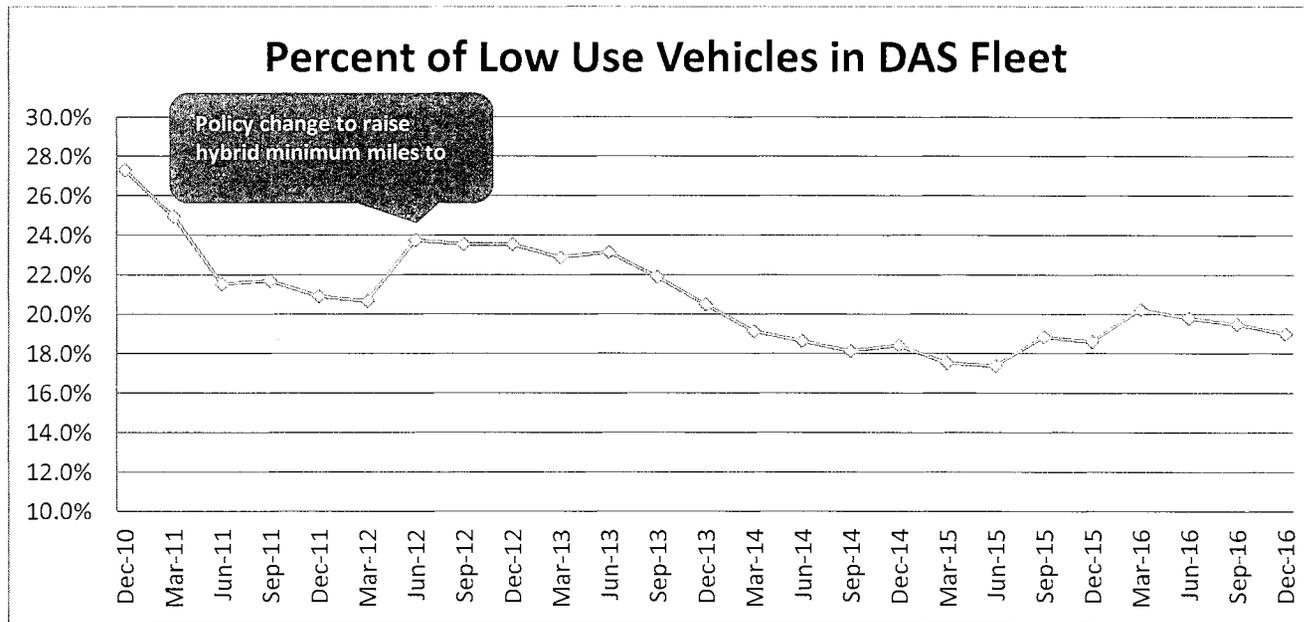
Customer Satisfaction: EAM has several programs that use customer surveys to gauge of satisfaction. Fleet Services has a transactional customer survey for the Daily Rental Motor Pool. While the survey asks several customer service satisfaction questions, primary score watched is the Net Promoter Score (NPS). NPS is used across many industries as a measure of overall satisfaction. DAS Fleet consistently scores much higher than private car rental companies; companies with comparable services like Hertz and Enterprise usually score 50 or less. This NPS measure for Fleet is projected to remain above 80 throughout 2017-19.



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Vehicle Utilization: ORS 283.313 requires DAS to establish a minimum standard that state owned vehicles can travel per month and to conduct a review of vehicles to grant justifiable exemptions from the minimum standard. For example, exemptions are granted often for vehicles used for inner city Child Welfare work or remote locations, such as correctional facilities. Even though these vehicles may be used regularly, they will not accumulate many miles per month. Controlling low use vehicles in the permanently assigned fleet is also important to ensuring the resource is used appropriately. DAS Fleet uses an agency's performance in this area as a consideration when approving agency requests for new, additional vehicles. This helps ensure that existing resources are looked at before state funds are spent on unnecessary new vehicles.

Beginning in fall of 2010, DAS began working with our top ten agency customers and then all agencies on closer scrutiny of low use vehicles. This led to a policy update to tighten up exemptions allowed and a further update in 2012 to raise the minimum standard for hybrid vehicles to ensure they were being used to their full, fuel savings potential. The current standards are an average of 590 miles per month for regular fueled vehicles and 750 per month for hybrids.



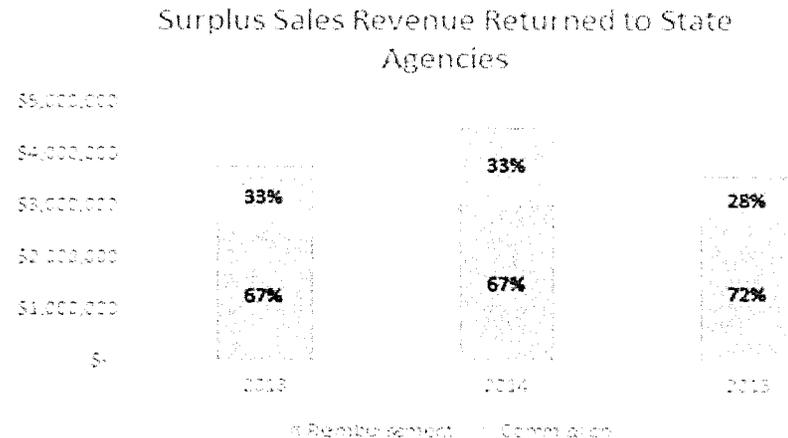
2017-19 BUDGET NARRATIVE

Any vehicles that do not meet the minimum standards must receive an exemption from DAS or be brought up to the standards within six months of the review. Vehicles that do not are removed and reassigned or sold. Working closely with agencies, DAS have been able to control low use vehicles in the fleet and to educate agencies on how to look at their vehicle resources more comprehensively. The goal is to maintain the percent of vehicle not meeting standards at 20 percent or less. Recently, the percent of low vehicles below the standard rose to 20.2 percent. This is viewed as a temporary phenomenon due to adding new vehicles to the fleet and should drop again as agencies rotate vehicles into long term assignments.

State Private Market Negotiated Lease Rates Versus Area Market Rates: Real Estate Services are tracked on multiple performance reports. The state as a whole has a large market presence and this can be used to lower lease costs. The measure helps the Leasing section gauge how they are performing in negotiating leases for the state. Factors that can affect performance are largely timing and market driven. For example, a higher state rate can be due to leases that expired and where negotiated when the market was on the high side. Then, the market drops and the state is paying more than market rates. However, this also helps the program be as proactive as possible to renegotiate those leases at the earliest possible time the agreements allow. Negotiating longer lease terms also lowers cost and the program encourages agencies to do so.

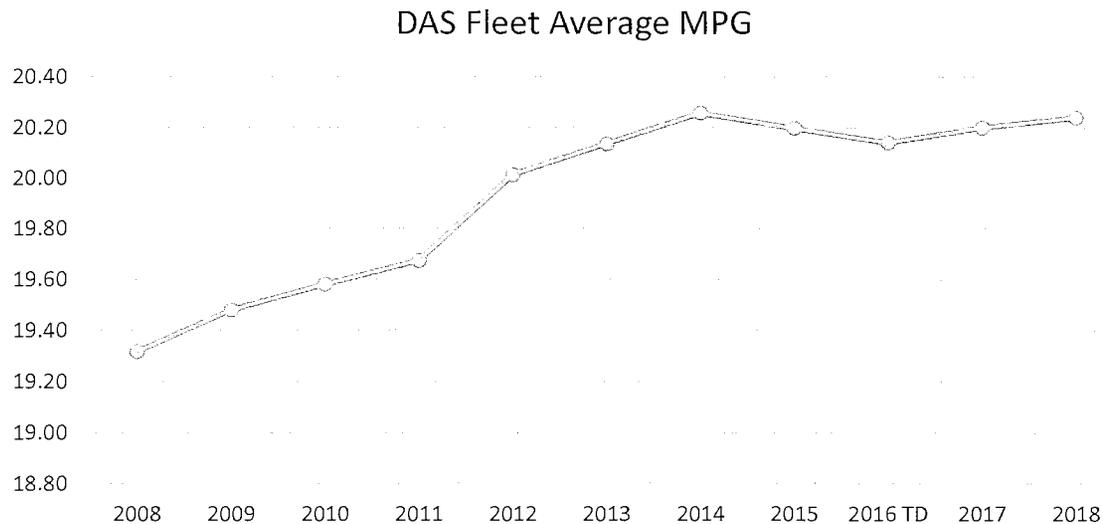
Performance Measure	2015-17 Biennium	Projected 2017-19 Biennium
Percent of state leases below market rates (> 5,000 SF)	75.0%	80-85%
Percent of state leases below market rates (<5,000 SF)	81.3%	85-90%
Percent of state leases 5-year or longer terms	53.6%	60-65%

Percent of Surplus Sales Revenue Returned to State Agencies: The state Surplus program uses its commission based rates to pay for operations. This cost measure tracks the percentage of total proceeds the program returns to its state agency and local government customers after its service fees are deducted. The measure helps the program gauge what impact the rate structure has on the funds it can return to agencies while ensuring operational cost are covered. This measure is greatly affected by the quality and quantity of the items customers are selling through the program. For example, a year where a high volume of low value items were sold will lead to a low percentage returned to agencies. For 2015-17, Surplus changed its rates to return more to agencies owning vehicles and titled equipment. The chart below shows an uptick in returns to agency customers and this trend is expected to continue through 2017-19.



2017-19 BUDGET NARRATIVE

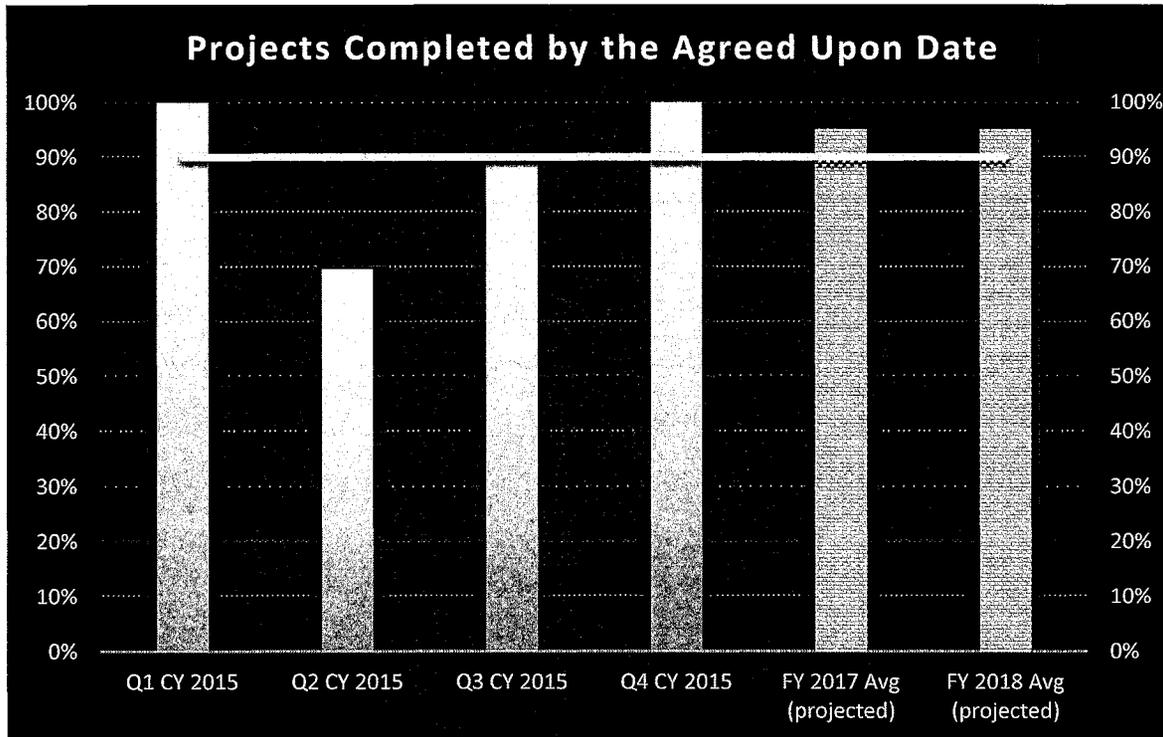
Vehicle Fuel Efficiency: This is a primary measure for DAS Fleet and is tracked on other performance reporting. As mentioned above, raising fuel efficiency saves tax dollars and reduces greenhouse gas emissions. As vehicles are purchased and assigned, fuel efficiency takes a high priority in the decision making process. Likewise, policy is formulated considering vehicle efficiency and minimum usage standards. Hybrids have a higher minimum standard than regular fueled vehicles to take greater advantage of their high fuel efficiency. Hybrids are also the only type of vehicle that cannot be granted an exemption if they do not meet the 750 miles per month minimum standard. An agency must keep the hybrids in assignments where they can be utilized to their potential. For example, the Department of Corrections perimeter patrols use Toyota Prius to save tens of thousands of dollars on fuel costs.



While MPG efficiency has dropped slightly, this is believed to be mostly attributable to more inner city driving as agencies deliver additional services to Oregonians in urban areas. DAS anticipates that replacing many older sedans and incorporating more electric and plug in hybrid vehicles will begin to raise efficiency again as we progress through 2017-19.

2017-19 BUDGET NARRATIVE

Percentage of P&CM projects completed by the agreed upon date: This measure is newer and continues to be refined. As seen in the chart below, the program experienced a drop in project completed on time in the quarter when the 2013-15 biennium closed. This is due to projects that were scheduled but could not be completed in time due to shifting priorities and lack of project managers to handle all the workload. The division seeks to remedy this issue by bringing on more limited duration and permanent Project Manager positions in a policy option package included later in the narrative. The goal is to add the staff necessary to accommodate scheduled and emergent needs and to ensure all planned projects are completed on time.



Enabling Legislation/ Program Authorization

ORS Chapter 184.305, 276, 279 A-C, and 283

2017-19 BUDGET NARRATIVE

Funding Streams that support the program

EAM funding is comprised primarily of Other Funds from user fees paid by agency and local government customers. The user fee rates established are reviewed and approved by the EAM Customer Utility Board. The table below shows the various funding sources for the division's programs.

Source of Funding	Planning & Construction Management	Operations	Maintenance	Real Estate Services	Fleet & Parking Services	Surplus Property	Debt Service	Capital Construction & Capital Improvement
Assessments:								
Real Estate Services				✓				
Surplus Property Base						✓		
Surplus Personal Property Transactions						✓		
Fees for Service:								
Project Manager Rates	✓							
6% Project Fees	✓							
Uniform Rent		✓	✓				✓	✓
Service Agreement & Self Support Rent		✓	✓				✓	✓
Billable Jobs			✓					
Key Cards			✓					
Leasing				✓				
Regional Solution Centers				✓				
Permanently Assigned Vehicles					✓			
Fuel					✓			
Shop Services					✓			
Parking Services					✓		✓	✓
State Surplus Property						✓		
Federal Surplus Property						✓		
Article XI-Q Bonds								✓

2017-19 BUDGET NARRATIVE

- Operations and Maintenance: Customer user fees from 69 agencies in the Uniform Rent and Self Support Rent programs. For Self-Support rent, rates were developed using the historical costs of maintaining and operating these buildings at current service levels. Repairs and other services provided that are not included in the rent programs are billed hourly plus parts.
- Project & Construction Management: Customer user fees plus project administrative fees to agencies engaging program services. Project Manager fees are per hour and, on DAS buildings only, an administrative fee at a percentage based on the total project cost. The program also receives a transfer from the Uniform Rent and Self-Support Rent programs for cost recovery and debt service on DAS projects to repay the Capital Construction and Capital Improvement Funds.
- Real Estate Services: Customers pay 3.5 percent of the first two years of value on private sector leases. For DAS owned buildings, agencies pay a flat \$500 per lease. For the portion of the program that handles land sales and all other statewide real estate transactions, rate methodology for 2017-19 has changed to a Customer Utility Board approved assessment model based on 1/3 agency 2015-17 full-time equivalent (FTE) count, 1/3 agency 2015-17 budget size, and 1/3 value of land agency owned. Because the unit works to benefit all state enterprise with some additional work needed for larger, property owning agencies, this model was developed to recover cost equitably with heavier users paying a larger share of the cost.
- Surplus Property: Customer user fees for state property disposition are a percent commission retained from the total sale. The program also rents storage space in its warehouse by the square foot or pallet. Pick-up and delivery of property is billed hourly plus per mile. The state program also receives an assessment based on 20 percent agency FTE and 80 percent historical property transactions. Federal property program customers pay a fee for transfer of the excess property. The fee is based on the value of the property and is designed to cover program administrative and transportation costs. Rates will be the same for 2015-17 and 2017-19; no increase.
- Fleet and Parking: Customer user fees for daily and monthly rental of vehicles to recover cost of vehicles plus administrative costs. Fuel costs are passed on to users with a mark-up to recover infrastructure and administrative costs. Shop charges are hourly plus parts. Parking is billed monthly to employees through payroll deduction. Agencies are billed monthly for state vehicle spaces. For hourly and daily parking, the program uses pay and park machines and meters. There is no proposed increase in Parking rates for 2017-19. The rates for the permanent fleet are increasing and are discussed in the Customer Service Level (CSL) increase section below.

For 2017-19, several areas of EAM are seeking increases in funding over CSL. The details on these requested increases can be found in the policy option package section below and in the sections for Capital Improvement and Capital Construction.

- An increase for the Uniform Rent program is proposed to fund Capital Improvements and Capital Construction. This increase establishes a fund for the workplace strategies initiative that agencies can borrow from and pay back over two biennia for furniture remodels and upgrades. It also covers debt service on the initial phase of building a new seismically sound Mission Critical Building (\$56.5 million), Portland State Office Building renovations (\$13.146 million). The total debt service funding needed for these two projects is \$161 million and \$21.146 million

2017-19 BUDGET NARRATIVE

over the two biennia. The rent increase is from \$1.45 per square foot to \$1.55 and is paid by 69 agencies occupying DAS owned buildings. See policy option packages 115 and 117 through 126.

- For 2015-17, Fleet and Parking Services was instructed to use existing funds for fulfilling additional vehicle request from agencies. This means the program must reduce its 2015-17 ending balance well below its 60-day working cash level. Unless some of the CSL funds are restored, the program anticipates it will likely be short on cash to purchase vehicles early in the 2019-21 biennia. In addition, the program has put forward a \$1.5 million policy option package #109 to fund additional new vehicle requests from agencies in the next biennia. Together, this will increase the Capital Outlay spending of the program by \$1.5 million but the request is for only \$1.1 million in revenue because the program will be able to keep its ending cash levels at about one-half to two-thirds of its 60 day working levels and still fund new vehicle purchases early in the following biennium.

This request will be funded by increased user fee in the permanent fleet of about \$60 to \$100 per vehicle per month, depending on vehicle type, model year, and how much the vehicle purchase price has increased. These fees will be paid by the ~120 agency and local government customers that rent vehicles. However, it is worth noting that while the increase over current levels is significant, this increase will merely bring the program back to very close to the rate levels and funding of 8 to 10 years ago, before the program incurred deep reductions in 2009 and after. The table below is for the 80 percent of vehicle types rented.

Vehicle Type	2007-2009	2009-2011	2011-2013	2013-2015	2015-2017	2017-19 build ending cash to ~40 days, no policy option package	2017-19 with policy option package and build less ending cash
SEDAN	\$295	\$296	\$250	\$197	\$197	\$246	\$268
7 PASSENGER MINI VAN (FWD)	\$280	\$286	\$256	\$203	\$203	\$287	\$309
PICKUP COMPACT 4X4	\$285	\$296	\$253	\$200	\$200	\$276	\$298
PICKUP 3/4 TON 4X4	\$345	\$321	\$313	\$260	\$260	\$328	\$350
SUV INTERMEDIATE	\$355	\$336	\$355	\$256	\$256	\$322	\$344
SUV Compact	N/A	\$321	\$286	\$233	\$233	\$295	\$317

2017-19 BUDGET NARRATIVE

- Due to increased demand for EAM services, the division is requesting three additional permanent positions, converting five limited duration to permanent positions. Details of these staffing packages are included as policy option package #102 and #106 in the section below. This request results in an increase of Personal Services and S&S expenditures of \$647,080. The expense is recovered through fees to agencies using division service; there is no increase in rates to customers.
- Fleet and Parking Services has requested policy option package #116 for \$1.4 million in General Funds for continuation of the free employee bus pass program in the Capitol Mall area. DAS received \$650,000 General Funds in the 2016 session for fiscal year 2017 cost of bus pass program. There is no increase of user fees needed to cover this expense.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

None.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Facilities rent by the standard uniform rent rate increase (6.9 percent), by the standard 3.7 percent for non-state properties, or adjusted to the Self-Support Rent Rates.
- Attorney General costs by the allowable 13.4 percent.

Package 060 – Technical Adjustment

This package transfers out \$6,383,204 to DAS Business Services for centralization of State Government Service Charges.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	3,752	-	-	-	3,752
Overtime Payments	-	-	4,252	-	-	-	4,252
Shift Differential	-	-	657	-	-	-	657
All Other Differential	-	-	9,891	-	-	-	9,891
Public Employees' Retire Cont	-	-	2,825	-	-	-	2,825
Pension Obligation Bond	-	-	114,810	-	-	-	114,810
Social Security Taxes	-	-	1,420	-	-	-	1,420
Unemployment Assessments	-	-	460	-	-	-	460
Mass Transit Tax	-	-	5,753	-	-	-	5,753
Vacancy Savings	-	-	(16,001)	-	-	-	(16,001)
Total Personal Services	-	-	\$127,819	-	-	-	\$127,819
Total Expenditures							
Total Expenditures	-	-	127,819	-	-	-	127,819
Total Expenditures	-	-	\$127,819	-	-	-	\$127,819
Ending Balance							
Ending Balance	-	-	(127,819)	-	-	-	(127,819)
Total Ending Balance	-	-	(\$127,819)	-	-	-	(\$127,819)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	14,023	-	-	-	14,023
Out of State Travel	-	-	1,573	-	-	-	1,573
Employee Training	-	-	6,586	-	-	-	6,586
Office Expenses	-	-	6,308	-	-	-	6,308
Telecommunications	-	-	23,569	-	-	-	23,569
Data Processing	-	-	76,303	-	-	-	76,303
Publicity and Publications	-	-	1,221	-	-	-	1,221
Professional Services	-	-	14,089	-	-	-	14,089
IT Professional Services	-	-	1,796	-	-	-	1,796
Attorney General	-	-	40,695	-	-	-	40,695
Employee Recruitment and Develop	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	2,368	-	-	-	2,368
Facilities Rental and Taxes	-	-	77,654	-	-	-	77,654
Fuels and Utilities	-	-	453,655	-	-	-	453,655
Facilities Maintenance	-	-	18,084	-	-	-	18,084
Medical Services and Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	775,833	-	-	-	775,833
Other Services and Supplies	-	-	305,637	-	-	-	305,637
Expendable Prop 250 - 5000	-	-	3,581	-	-	-	3,581
IT Expendable Property	-	-	4,514	-	-	-	4,514
Total Services & Supplies	-	-	\$1,827,489	-	-	-	\$1,827,489

Capital Outlay

Industrial and Heavy Equipment	-	-	-	-	-	-	-
Automotive and Aircraft	-	-	530,614	-	-	-	530,614

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Software	-	-	-	-	-	-	-
Data Processing Hardware	-	-	1,959	-	-	-	1,959
Other Capital Outlay	-	-	2,200	-	-	-	2,200
Total Capital Outlay	-	-	\$534,773	-	-	-	\$534,773
Total Expenditures							
Total Expenditures	-	-	2,362,262	-	-	-	2,362,262
Total Expenditures	-	-	\$2,362,262	-	-	-	\$2,362,262
Ending Balance							
Ending Balance	-	-	(2,362,262)	-	-	-	(2,362,262)
Total Ending Balance	-	-	(\$2,362,262)	-	-	-	(\$2,362,262)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(6,383,204)	-	-	-	(6,383,204)
Total Services & Supplies	-	-	(\$6,383,204)	-	-	-	(\$6,383,204)
Total Expenditures							
Total Expenditures	-	-	(6,383,204)	-	-	-	(6,383,204)
Total Expenditures	-	-	(\$6,383,204)	-	-	-	(\$6,383,204)
Ending Balance							
Ending Balance	-	-	6,383,204	-	-	-	6,383,204
Total Ending Balance	-	-	\$6,383,204	-	-	-	\$6,383,204

2017-19 BUDGET NARRATIVE

Policy Option Package #102: Convert 15-17 Limited Duration Positions to Permanent Staff

Total Request: \$0 | Total Positions/FTE: 5/5.00

Purpose

Changes in business needs and customer demand for services led the Enterprise Asset Management (EAM) division to create limited duration positions in several areas. This package requests these positions be made permanent to enable EAM to continue level of service to its agency customers.

How Achieved

This request is to convert the following limited duration positions to permanent:

- Custodial Services Coordinator: The EAM Custodial program had three managers to manage Salem and Portland staff of 52 custodians, along with overseeing the janitorial contract administration for seven buildings state-wide. One management position was eliminated as a budget reduction. This position will provide enough administrative support to the Custodial program that will allow two managers to manage all 52 custodians and the program. The program is saving money since the Custodial Services Coordinator position is a salary range 13, and the eliminated PEM A Manager position was a salary range 24. Over the past eighteen months, since there has been a work out of class in place, the accuracy of the paper work has improved and completed in a timely manner due to a position performing the tasks on a daily basis.
- Grounds Maintenance Worker 1: The amount of labor required to maintain the grounds at DAS owned and operated buildings has increased over time due to maturing landscapes and added features (bio-swales). A new position was required in order to keep our grounds at an acceptable level. Adding this permanent position will allow the Landscape program to provide the needed pruning that has been minimized for years; rebuild grounds that have slowly decayed over time; appropriately maintain the new improvements (bio swells and new landscapes at several of the state buildings) and give adequate time to maintenance of the landscape equipment.
- Maintenance & Operations Supervisor: The supervisor position will oversee the maintenance and custodial programs at the Portland State Office building and other Portland buildings, which will increase employee productivity, ensure contract projects are observed and inspected, and improve tenant relationships. Originally, this position was eliminated as a budget reduction and the division has found it cannot effectively manage the activities of our Portland operations.

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- Project Manager 1: DAS has more demand for interior design and planning services than it can meet. Client agencies in both the private and public sector portfolios request DAS' design services. A steadily increasing forecasted demand for this service is expected as agencies look to DAS to help them operationalize the new workspace strategies within their organizations.
- Administrative Specialist 2: Since July, 2013, Real Estate Services has brokered hundreds of transactions that yielded significant cost avoidance for our client agencies. This was partially achieved by creating a limited duration Administrative Specialist 2 position to assist the leasing staff and enable them to focus all of their efforts into a new business approach. The contract drafting subsection of Real Estate Services currently consists of one FTE. With over 300 leases and related contracts drafted annually, this function needs permanent, informed administrative support to meet the volume demand and ensure timely contract execution for all stakeholders.

In the last and current biennia, EAM brought on temporary and limited duration positions to explore the staffing levels needed to meet the extra workload. Agencies rely on EAM to provide the services and expertise they need to meet their facility needs. Approval of these positions allows the division program areas to meet the level of demand for services we are experiencing. In addition, the positions support the initiatives and long range goals the Executive Branch has for workplace strategies concerning space use and for managing our extensive owned and leased building assets.

The division considered a lower level of service and less effective management of the portfolio. However, this was deemed not in the best interest of state enterprise. Properly maintained facilities with workspaces designed to create efficient and effective delivery of state services to Oregonians will be best met by staffing the division adequately to meet the workload.

Staffing Impact

Operations

- Establish one permanent, full-time, Custodial Services Coordinator, SR 13 (1.00 FTE)
- Establish one permanent, full-time, Grounds Maintenance Worker 1, SR 14 (1.00 FTE)

Maintenance

- Establish one permanent, full-time, Maintenance & Operations Supervisor, SR 27 (1.00 FTE)

Real Estate Services

- Establish one permanent, full-time, Administrative Specialist 2, SR 19 (1.00 FTE)
- Establish one permanent, full-time, Project Manager 1, SR 26 (1.00 FTE)

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Quantifying Results

Custodial Services Coordinator: During 2015-17, there has been a work out of class rotation in place. The accuracy of the paper work has improved and completed in a timely manner due to a position performing the tasks on a daily basis.

Grounds Maintenance Worker 1: Customer service surveys already in place will allow the program to gauge success of the added position to meet service expectations.

Maintenance & Operations Supervisor: Customer service surveys already in place will allow the program to gauge success of the added position to meet service expectations.

Project Manager 1: The number of successful projects completed for customers will be monitored as a measure of success for adding this position.

Administrative Specialist 2: Volume of executed contracts and timely completions will be monitored to gauge success of adding this position.

Revenue Sources

None, no additional rate increase to customers. Increase in Personal Services will be offset by Services and Supplies for a net-zero request.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	421,080	-	-	-	421,080
Empl. Rel. Bd. Assessments	-	-	285	-	-	-	285
Public Employees' Retire Cont	-	-	61,956	-	-	-	61,956
Social Security Taxes	-	-	32,212	-	-	-	32,212
Worker's Comp. Assess. (WCD)	-	-	345	-	-	-	345
Flexible Benefits	-	-	166,680	-	-	-	166,680
Total Personal Services	-	-	\$682,558	-	-	-	\$682,558
Services & Supplies							
Other Services and Supplies	-	-	(682,558)	-	-	-	(682,558)
Total Services & Supplies	-	-	(\$682,558)	-	-	-	(\$682,558)
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							5
Total Positions	-	-	-	-	-	-	5

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ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							5.00
Total FTE	-	-	-	-	-	-	5.00

PACKAGE: 102 - Convert 2015-17 LDs to Permane

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
1901081 OA C0108 AA	ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,205.00		76,920 49,415			76,920 49,415
1905842 OA C0854 AA	PROJECT MANAGER 1	1	1.00	24.00	02	4,432.00		106,368 55,523			106,368 55,523
1940460 MMS X4046 AA	MAINTENANCE & OPERATIONS SUPV	1	1.00	24.00	02	4,747.00		113,928 63,927			113,928 63,927
1941030 OA C4103 AA	CUSTODIAL SERVICES COORDINATOR	1	1.00	24.00	02	2,530.00		60,720 46,055			60,720 46,055
1941090 OA C4109 AA	GROUNDS MAINTENANCE WORKER 1	1	1.00	24.00	02	2,631.00		63,144 46,558			63,144 46,558
TOTAL PICS SALARY								421,080			421,080
TOTAL PICS OPE								261,478			261,478
TOTAL PICS PERSONAL SERVICES =								---	---	---	---
			5	5.00	120.00		---	---	---	---	682,558

2017-19 BUDGET NARRATIVE

Policy Option Package #106: Growing Demand for EAM Services

Total Request: \$647,080 | Total Positions/FTE: 3/3.00

Purpose

Enterprise Asset Management (EAM) division requests three additional positions to meet increased customer demand for construction and interior project management services.

How Achieved

EAM is responsible for facilities and leasing management for a combined 6 million square feet in buildings across the state. At present, DAS has more demand for services than it can meet. This staffing package focuses on positions needed for advancing recent enterprise-wide change initiatives, migrating the enterprise to more efficient work environments, completing a growing queue of deferred maintenance and renovation projects for DAS and other agencies, and providing adequate service levels to our agency customers. DAS requests the following positions for the division's programs:

- Project Manager 2: DAS has more demand for interior design and planning services than it can meet. Client agencies in both the private and public sector portfolios request DAS' design services. A steadily increasing forecasted demand for this service is expected as agencies look to DAS to help them operationalize the new workspace strategies within their organizations. Establishing an Interior Project Manager 2 will be instrumental in helping agencies plan for efficiencies, the subsequent space design, coordinate moves, and facilitate furniture installations.
- Construction Project Manager 2 and Construction Project Manager 3: Buildings owned by DAS and other state agencies continue to age and the deferred maintenance for state owned buildings continues to grow. We continue to receive requests from other agencies for help with construction project management. There are also more DAS remodeling, renovation, and building upgrade projects than the current staffing level can accomplish. All of this has resulted in a rapid and constantly increasing demand for Construction Project Managers. Establishment of these two permanent positions and the continuation of four limited duration positions in policy option package #113, will provide the project management resources needed to complete the pending project load.

Agencies rely on EAM to provide the services and expertise they need to meet their facility needs. Approval of these positions allows the division program areas to meet the level of demand for services we are experiencing. In addition, the positions support the initiatives and long range goals the Executive Branch has for workplace strategies concerning space use and for managing our extensive owned and leased building assets.

2017-19 BUDGET NARRATIVE

In the last and current biennium, EAM brought on temporary and limited duration positions to explore the staffing levels needed to meet the workload. The proposed creates permanent positions needed to meet service expectation of our agency customers.

The division considered a lower level of service and less effective management of the portfolio. However, this was deemed not in the best interest of state enterprise. Properly maintained facilities with workspaces designed to create efficient and effective delivery of state services to Oregonians will be best met by staffing the division adequately to meet the workload.

Staffing Impact

Real Estate Services

- Establish one permanent, full-time, Project Manager 2, SR 29 (1.00 FTE)

Planning & Construction Management

- Establish one permanent, full-time, Construction Project Manager 2, SR 30 (1.00 FTE)
- Establish one permanent, full-time, Construction Project Manager 3, SR 32 (1.00 FTE)

Quantifying Results

Construction Project Manager 2 and Construction Project Manager 3: Completion of projects on time and within budget as well as customer satisfaction surveys are monitored within this program and will be used to gauge success of adding these positions.

Project Manager 2: The number of successful projects completed for customers will be monitored as a measure of success for adding this position.

Revenue Sources

Planning & Construction Management

\$446,905 Other Funds Limited, Charges for Services.

Real Estate Services

\$200,175 Other Funds Limited, Charges for Services.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 106 - Growing Demand for EAM Services

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	647,080	-	-	-	647,080
Total Revenues	-	-	\$647,080	-	-	-	\$647,080
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	395,856	-	-	-	395,856
Empl. Rel. Bd. Assessments	-	-	171	-	-	-	171
Public Employees' Retire Cont	-	-	60,539	-	-	-	60,539
Social Security Taxes	-	-	30,283	-	-	-	30,283
Worker's Comp. Assess. (WCD)	-	-	207	-	-	-	207
Flexible Benefits	-	-	100,008	-	-	-	100,008
Total Personal Services	-	-	\$587,064	-	-	-	\$587,064
Services & Supplies							
Instate Travel	-	-	2,136	-	-	-	2,136
Employee Training	-	-	11,076	-	-	-	11,076
Office Expenses	-	-	6,327	-	-	-	6,327
Telecommunications	-	-	4,746	-	-	-	4,746
Data Processing	-	-	2,058	-	-	-	2,058
Publicity and Publications	-	-	1,581	-	-	-	1,581
Employee Recruitment and Develop	-	-	1,266	-	-	-	1,266
Dues and Subscriptions	-	-	1,581	-	-	-	1,581
Facilities Rental and Taxes	-	-	-	-	-	-	-
Other Services and Supplies	-	-	21,649	-	-	-	21,649

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 106 - Growing Demand for EAM Services

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Expendable Prop 250 - 5000	-	-	7,596	-	-	-	7,596
Total Services & Supplies	-	-	\$60,016	-	-	-	\$60,016
Total Expenditures							
Total Expenditures	-	-	647,080	-	-	-	647,080
Total Expenditures	-	-	\$647,080	-	-	-	\$647,080
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							3
Total Positions	-	-	-	-	-	-	3
Total FTE							
Total FTE							3.00
Total FTE	-	-	-	-	-	-	3.00

PACKAGE: 106 - Growing Demand for EAM Service

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
1908552	OA	C0855	AA PROJECT MANAGER 2	1	1.00	24.00	02	5,095.00		122,280 58,823			122,280 58,823
1932680	OA	C3268	AA CONSTRUCTION PROJECT MANAGER 2	1	1.00	24.00	02	5,343.00		128,232 60,058			128,232 60,058
1936290	MMN	X3269	AA CONSTRUCTION PROJECT MANAGER 3	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
TOTAL PICS SALARY										395,856			395,856
TOTAL PICS OPE										191,208			191,208
TOTAL PICS PERSONAL SERVICES =				3	3.00	72.00				587,064			587,064

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #109: Additional Vehicles Requested by Agencies

Total Request: \$1.5 million | Total Positions/FTE: None

Purpose

The DAS Fleet vehicle capital outlay budget is based on replacement of the fleet as vehicle reach end of life due to accumulated miles, age, or mechanical failure. Each biennium, the program receives numerous requests from agencies and local government customers for additional new vehicles. DAS Fleet has met these requests in the current and previous biennia through a combination of delaying replacements and reallocating capital outlay funds, seeking limitation through Emergency Board requests or department rebalances, and spending down ending balances.

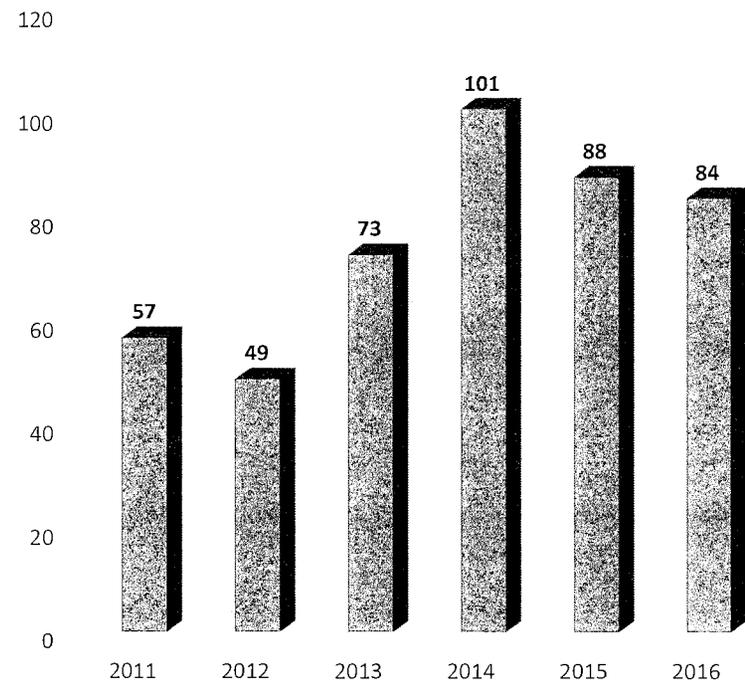
While allowing the program to meet customer vehicle needs, these actions have exacerbated the delayed replacements, aging of the fleet, and increased repair costs resulting from the \$10 million reduction of 2009. DAS requests additional funding to meet customer demand for vehicle resources.

How Achieved

DAS proposes establishing \$1.5 million in Capital Outlay expenditure dedicated for purchase of the additional vehicles requested by agency and local government customers. The request includes generating only \$1.1 million in revenue through rate increases. Monthly rates on permanently assigned vehicles will need to be increased to raise the revenues required for the purchases. DAS Fleet can minimize the increase needed to accomplish this request by lower ending cash balance from \$1.2 million to \$800,000.

The program examined denying additional vehicle requests or digging deeper into replacement fund to meet customer needs, however, these options do not meet customer vehicle needs in a cost effective or efficient way.

Additional Vehicle Requests Fulfilled



2017-19 BUDGET NARRATIVE

Staffing Impact

None.

Quantifying Results

In all request cases, DAS Fleet will continue to examine agency utilization of existing resources, history of prior requests, and how the requests align with the Legislature and the Governor's priorities for state government. Fulfillment of agency requests will be further prioritized as follows:

1. Vehicle needs identified during Agency Request Budget will be logged and receive first priority. This will encourage agencies to plan ahead and identify vehicle needs at the proper time in the budget cycle.
2. Should more requests be received than funding available, DAS Fleet will make a recommendation to the EAM Customer Utility Board to gain agency input for the allocation of \$1 million in funding at the beginning of the biennium.
3. The remaining \$500,000 will be held until the start of the second fiscal year to meet any emergent requests that could not be identified before or at the beginning of the biennium.
4. Should any funding remain, DAS Fleet will spend it in the last six month of the biennium to replace existing vehicles. Vehicle types with excessive age and trend/history of mechanical failures will be targeted.

2017-19 BUDGET NARRATIVE

Revenue Sources

\$1.5 million Other Funds Limited, Charges for Services

The main impact to agencies will be the increase in monthly rates. By lowering the 2017-19 ending cash balance build that is part of the revenue generated by the rates, DAS Fleet has minimized the increase needed to accomplish this request. DAS projects the ending cash balance combined with incoming revenues will still be sufficient for the program to purchase vehicles early in the following biennium as usual without generating any negative cash balance issues. Agencies will see an increase of \$22 more than the rates developed for our 2015-17 Current Service Level budget. Implementing this package will actually return DAS Fleet to the rate level consistent with those prior to the 2009 budget reduction, allow more optimal replacement of the fleet, and provide funding for agency additional vehicle requests.

Vehicle Type	2007-2009	2009-2011	2011-2013	2013-2015	2015-2017	2017-19 CSL, no policy option package	2017-19 with policy option package, lower ending cash
SEDAN	\$295	\$296	\$250	\$197	\$197	\$246	\$268
7 PASSENGER MINI VAN (FWD)	\$280	\$286	\$256	\$203	\$203	\$287	\$309
PICKUP COMPACT 4X4	\$285	\$296	\$253	\$200	\$200	\$276	\$298
PICKUP 3/4 TON 4X4	\$345	\$321	\$313	\$260	\$260	\$328	\$350
SUV INTERMEDIATE	\$355	\$336	\$355	\$256	\$256	\$322	\$344
SUV Compact	N/A	\$321	\$286	\$233	\$233	\$295	\$317

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
 Pkg: 109 - Additional Vehicles Requested by Agencies

Cross Reference Name: Enterprise Asset Management
 Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	1,100,000	-	-	-	1,100,000
Total Revenues	-	-	\$1,100,000	-	-	-	\$1,100,000
Capital Outlay							
Automotive and Aircraft	-	-	1,500,000	-	-	-	1,500,000
Total Capital Outlay	-	-	\$1,500,000	-	-	-	\$1,500,000
Total Expenditures							
Total Expenditures	-	-	1,500,000	-	-	-	1,500,000
Total Expenditures	-	-	\$1,500,000	-	-	-	\$1,500,000
Ending Balance							
Ending Balance	-	-	(400,000)	-	-	-	(400,000)
Total Ending Balance	-	-	(\$400,000)	-	-	-	(\$400,000)

2017-19 BUDGET NARRATIVE

Policy Option Package #113: Position Authority Only Capital Construction Projects

Total Request: \$0 | Total Positions/FTE: 4/4.00

Purpose

Request to continue four limited duration positions within the Planning and Construction Management (P&CM) program. These resources are needed to complete scheduled and anticipated projects in order to (1) sufficiently address this program's workload and to (2) do so in a manner that would provide savings to the state's and assist other agencies with their construction projects.

EAM is responsible for providing Construction Project Management services for the Enterprise. The buildings owned by DAS and other state agencies continue to age. The deferred maintenance for state owned buildings continues to grow. We continue to receive requests from other agencies for help with construction project management. There are also more DAS remodeling, renovation, and building upgrade projects than staffing. All of this has resulted in a rapid and constantly increasing demand for construction project managers. With the six existing permanent construction project managers, we cannot meet DAS's demand let alone for our other customer needs. As a result, DAS as well as the customer projects are significantly delayed or cancelled.

How Achieved

Due to the number of construction projects and the foreseeable continued increase in projects as the state Buildings' deferred maintenance increases, the four limited duration positions are vital in performing and overseeing the state construction projects. The projects driving the higher workload include deferred maintenance, building renovations, and projects for other agencies.

Currently and in the foreseeable future project requests exceed the existing staffing level. P&CM provides expertise related to construction project management, budget tracking, project design, and delivery services. When agencies do the work themselves, P&CM often have to go back in to fix issues at an additional cost to the state. When P&CM can do the project completely, it ultimately increases efficiencies and saves the state money. It is more cost effective for agencies to use our services.

Contracting the work to outside project management firms was considered. The rate for these external services are higher than DAS' rates and due to the state procurement and other rules and regulations which apply only to state agencies, we still must have the project managed by one of our staff. This adds significantly to the project costs.

2017-19 BUDGET NARRATIVE

Agencies rely on EAM to provide the services and expertise they need to meet their facility needs. Approval of these positions allows the division program areas to meet the level of demand for services we are experiencing. In addition, the positions support the initiatives and long range goals the Executive Branch has for workplace strategies concerning space use and for managing our extensive owned and leased building assets.

In the last and current biennium, EAM brought on temporary and limited duration positions to explore the staffing levels needed to meet the workload. The request creates short term positions needed to meet service expectation of our agency customers.

The division also considered a lower level of service and less effective management of the portfolio. However, this was deemed not in the best interest of state enterprise.

Staffing Impact

Planning & Construction Management (position authority only)

- Establish one limited duration, full-time, Construction Project Manager 2, SR 30 (1.00 FTE)

Quantifying Results

Total number of projects completed, completion of projects on time and within budget as well as customer satisfaction surveys are monitored within this program and will be used to gauge success of adding these positions.

Revenue Sources

The funding for these positions will be generated by the program's current and projected construction project activity. Historically the section has had more demand for its services than it could meet. The addition of these four limited duration positions will allow us to take on more projects for DAS and will allow us to take on additional projects for other agencies.

In addition to its regular construction, this program is diversifying its service delivery to better serve the needs of client agencies. Currently, projects have to be turned down that would be a revenue stream to fund these positions

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 113 - Position Authority Only Cap Const Projects

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	-	-	-	-	-
Empl. Rel. Bd. Assessments	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Social Security Taxes	-	-	-	-	-	-	-
Worker's Comp. Assess. (WCD)	-	-	-	-	-	-	-
Flexible Benefits	-	-	-	-	-	-	-
Total Personal Services	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							4
Total Positions	-	-	-	-	-	-	4
Total FTE							
Total FTE							4.00
Total FTE	-	-	-	-	-	-	4.00

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

08/05/16 REPORT NO.: PPDFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:060-00-00 Enterprise Asset Management

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 15
 PROD FILE

PACKAGE: 113 - Position Authority Only Cap Co

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
1932682	OA	C3268	AA CONSTRUCTION PROJECT MANAGER	2	1	1.00	24.00	00	0.00				
1932683	OA	C3268	AA CONSTRUCTION PROJECT MANAGER	2	1	1.00	24.00	00	0.00				
1932684	OA	C3268	AA CONSTRUCTION PROJECT MANAGER	2	1	1.00	24.00	00	0.00				
1932685	OA	C3268	AA CONSTRUCTION PROJECT MANAGER	2	1	1.00	24.00	00	0.00				
TOTAL PICS SALARY													
TOTAL PICS OPE													
TOTAL PICS PERSONAL SERVICES =					4	4.00	96.00						

2017-19 BUDGET NARRATIVE

Policy Option Package #115: Debt Service – Planning and Construction

Total Request: \$9,052,459 | Total Positions/FTE: None

Purpose

This package is for Services and Supplies and debt service costs that will be incurred in 2017-19 for those projects (see Capital Budgeting tab). However, the debt service portion of this package is only the first part of repayment of the \$182 million bonding request contained in policy option packages #125 and #126. This creates a revolving fund for implementing Workplace Strategies initiatives across agency customer base.

How Achieved

In policy option package #125, DAS is requesting bond funding to construct a seismically sound, Mission Critical Facility able to house state government functions immediately following a 9.0 earthquake event.

In policy option package #126, DAS is requesting bond funding to renovate the Portland State Office Building. The leaking exterior windows of the building replaced, security upgrades implemented, HVAC upgrades completed, roof repaired, and high efficiency lighting and lighting controls installed.

If packages #125 and #126 are approved, DAS will use the debt service and Services and Supplies in this package to pay for the purchase of the bond and for debt repayments.

Additionally, the package establishes a “seed fund” agencies can use to implement Workplace Strategies initiatives to create consolidated and more productive workspaces. DAS will use the fund to pay for agency furniture and reconfiguration costs then agencies will have up to two biennia to repay these costs and replenish the funds for other agencies to use in the future. The fund will be self-sustaining after two biennia.

Staffing Impact

None.

2017-19 BUDGET NARRATIVE

Quantifying Results

Total number of projects completed, completion of projects on time and within budget as well as customer satisfaction surveys are monitored within this program and will be used to gauge success.

Revenue Sources

\$7,973,459 Other Funds Limited, Rents and Royalties.

\$1,079,000 Other Funds Limited, General Fund Obligation Funds.

The Uniform Rent charged to agency customers in DAS owned buildings will be increased by \$.10 per square foot to help recover this cost. The May 2016 Emergency Board approved the increase from \$1.45 to \$1.55. Of this rate, \$.20 per foot is needed to fully pay for the expense. A breakdown of funding streams and expenditures is detailed in the table below.

Policy Option Package #115:	Uniform Rent	Parking Fund	Total
Available Revenues:			
Uniform Rent Increase	\$7,973,459		\$7,973,459
Article XI-Q Bond Proceeds	\$1,079,000		\$1,079,000
Parking Funds - No rate increase		\$2,110,045	\$2,110,045
Total Revenues	\$9,052,459	\$2,110,045	\$11,162,504
Revenue Transfers Out:			
Article XI-Q Debt Service	\$2,864,802	\$2,110,045	\$4,974,847
Workplace Strategies Fund	\$5,000,000		\$5,000,000
Expenditures:			
Article XI-Q Cost of Issuance	\$1,079,000		\$1,079,000
Additional S&S	\$108,657		\$108,657
Total Expenditures	\$9,052,459	\$2,110,045	\$11,162,504

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 115 - Debt Service - Planning & Construction

Cross Reference Name: Enterprise Asset Management
Cross Reference Number: 10700-060-00-00-00000

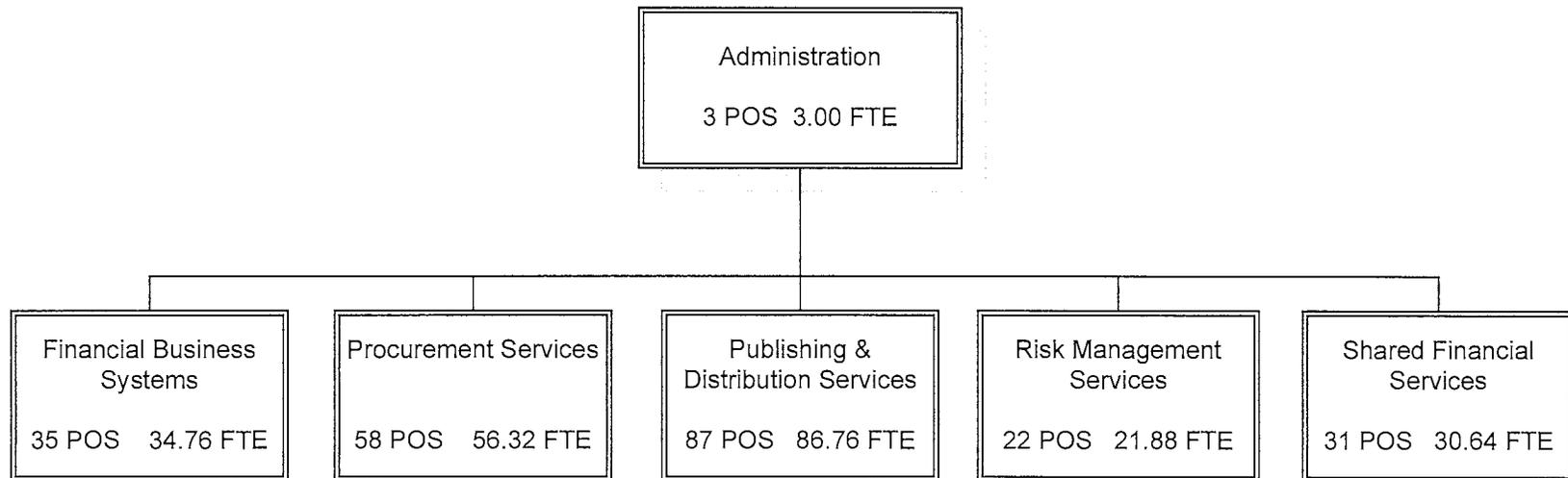
<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Rents and Royalties	-	-	7,973,459	-	-	-	7,973,459
General Fund Obligation Bonds	-	-	1,079,000	-	-	-	1,079,000
Total Revenues	-	-	\$9,052,459	-	-	-	\$9,052,459
Transfers Out							
Transfer Out - Intrafund	-	-	(9,974,847)	-	-	-	(9,974,847)
Total Transfers Out	-	-	(\$9,974,847)	-	-	-	(\$9,974,847)
Services & Supplies							
Facilities Maintenance	-	-	108,657	-	-	-	108,657
Other Services and Supplies	-	-	1,079,000	-	-	-	1,079,000
Total Services & Supplies	-	-	\$1,187,657	-	-	-	\$1,187,657
Total Expenditures							
Total Expenditures	-	-	1,187,657	-	-	-	1,187,657
Total Expenditures	-	-	\$1,187,657	-	-	-	\$1,187,657
Ending Balance							
Ending Balance	-	-	(2,110,045)	-	-	-	(2,110,045)
Total Ending Balance	-	-	(\$2,110,045)	-	-	-	(\$2,110,045)

2017-19 BUDGET NARRATIVE

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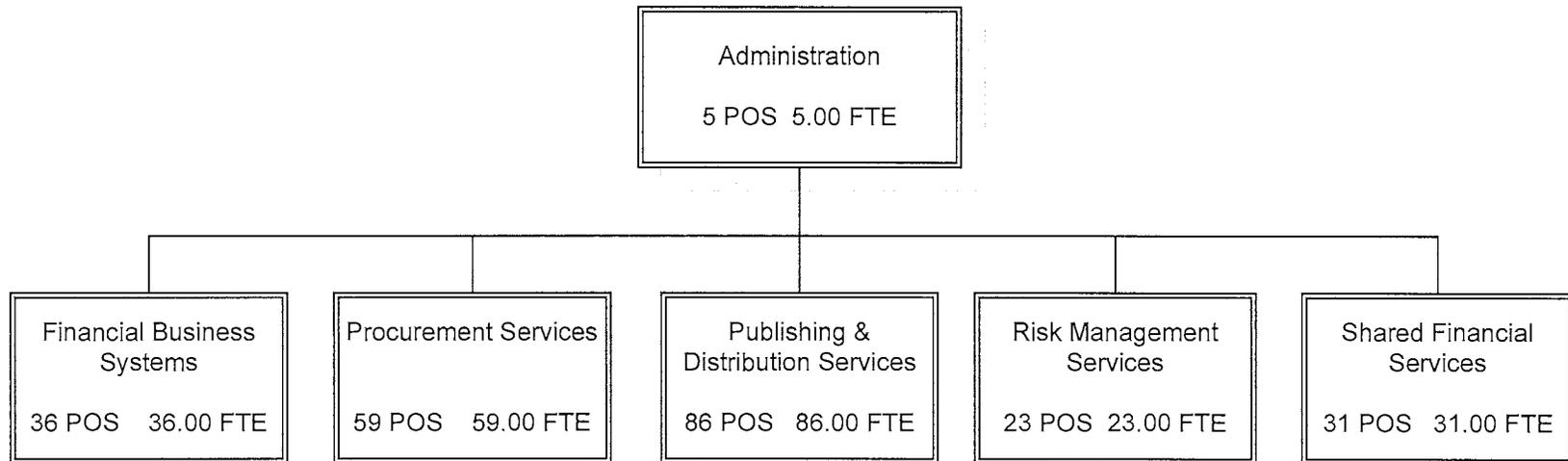
2017-19 BUDGET NARRATIVE

Enterprise Goods & Services
Organization Chart
2015-17
236 POS 233.36 FTE



2017-19 BUDGET NARRATIVE

**Enterprise Goods & Services
Organization Chart
2017-19
240 POS 240.00 FTE**



2017-19 BUDGET NARRATIVE

Enterprise Goods and Services

Program Overview

Enterprise Goods & Services (EGS) division provides cost-effective services to state agencies and many local governmental entities, so they are able to focus on their primary business responsibilities.

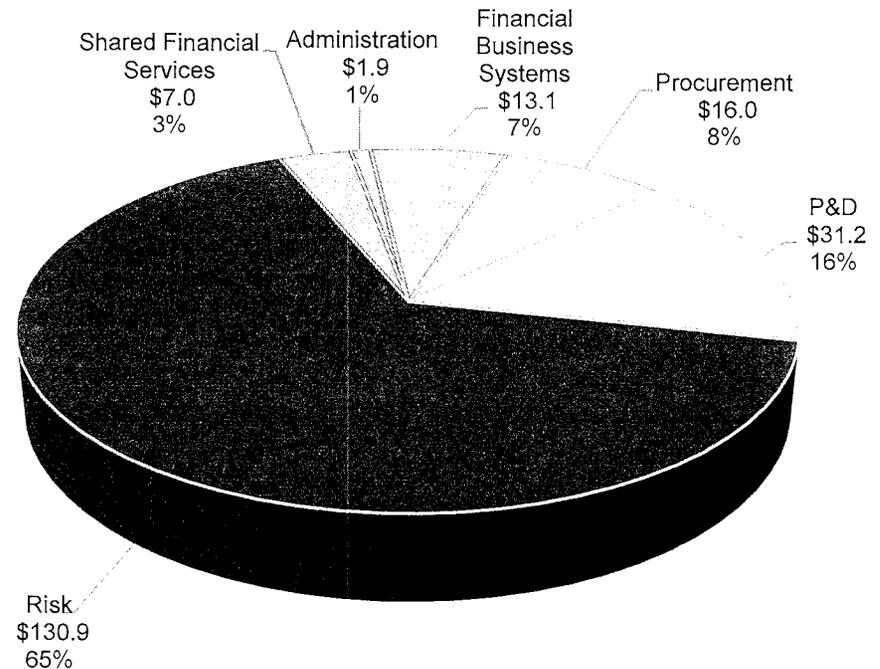
Program Description

The division supports its customers by providing services in five program areas:

Financial Business Systems:

Financial Business Systems (FBS) is responsible for the statewide financial systems including the Statewide Financial Management Application (SFMA), the Oregon Statewide Payroll Services (OSPS), and the Financial Datamart. FBS is responsible for operational support, control, training, and improvements within these systems. OSPS supports training, system changes, manual checks, income tax payment and reporting, and bi-monthly payroll updates. Shared payroll services is incorporated into OSPS and provides payroll services for DAS as well as client agencies. FBS also supports the Financial Datamart and the state purchasing card (SPOTS) program. The DAS Centralized PERS Services Team is responsible for accurately reporting required information to PERS on behalf of the State of Oregon as a PERS employer. The major cost drivers that affect FBS are personnel costs and State Data Center (SDC) charges. The majority of state agencies utilize many components of FBS on a daily basis, the program is essential to maintain accurate and timely payroll and stable financial systems support.

**Enterprise Goods and Services
2017-19 Expenditures by Program Areas
\$200.1 million**



2017-19 BUDGET NARRATIVE

Procurement Services:

Procurement Services (PS) is the central procurement authority service provider for state government. It combines Oregon's state and local government buying power to provide the cost-effective acquisition of commodities and services needed to support government at all levels. PS also provides and supports the state's eProcurement system and the state's Procurement Training & Certification Program. The majority of costs affecting PS are personnel costs. PS benefits the state by leveraging purchasing power and identifying best practices and new approaches to streamlining the contracting processes.

Publishing and Distribution:

Publishing and Distribution (P&D) provides integrated document publishing and distribution solutions for state agencies and local governments. Through its in-plant facility and two satellite centers, P&D provides digital and traditional printing solutions, variable data and secure document printing, copying, design, consultation and other related services. P&D also supplies state government with mail inserting, metering, addressing, tracking, and presorting services that result in increased security and reduced postage rates for all classes of mail (as compared to standard postal rates). In addition, P&D's interagency Shuttle Mail Service stops at more than 500 Willamette Valley locations daily, giving agencies the best rate available for next or same day delivery of documents and packages. P&D operates two shifts, Monday through Friday for traditional printing and 24 hours per day Monday to Saturday for Data Center Print. The primary cost factor at P&D are personnel costs. Over a decade ago, state agencies gave up control of their own printing and mailing operations and trusted P&D to provide timely, efficient and effective print and mail services that meet the need of agencies and save money for the state.

Risk Management:

Risk Management (RM) insures and protects the people, property, and activities of state government. RM works daily with state agencies on claim management and risk consulting services, while insuring the diverse and often hazardous business of state government. The program covers \$8.4 billion in state property, 39,000 employees and all state agencies, boards, and commissions, with the exception of the universities. RM provides protection through self-insurance, statewide commercial insurance policies and agency specific insurance policies such as the Fire Fighting Expense Policy for Oregon Department of Forestry. RM manages liability and property claims and partners with SAIF Corporation on Workers' Compensation claims. RM works proactively to mitigate the occurrence of risk by implementing various strategies with agencies to minimize or prevent loss, from minor to catastrophic. Risk's claims team handles an average of 2,500 liability and property claims per year and takes in an average of 450 citizen reports each year, primarily reports of state employee driving behavior, and coordinates agency response. The primary cost factors for RM are personnel costs and Department of Justice (DOJ) fees. The program strives to improve government by providing management and coordination of all claims of negligence and damage involving the people, places, and actions of state government.

Shared Financial Services:

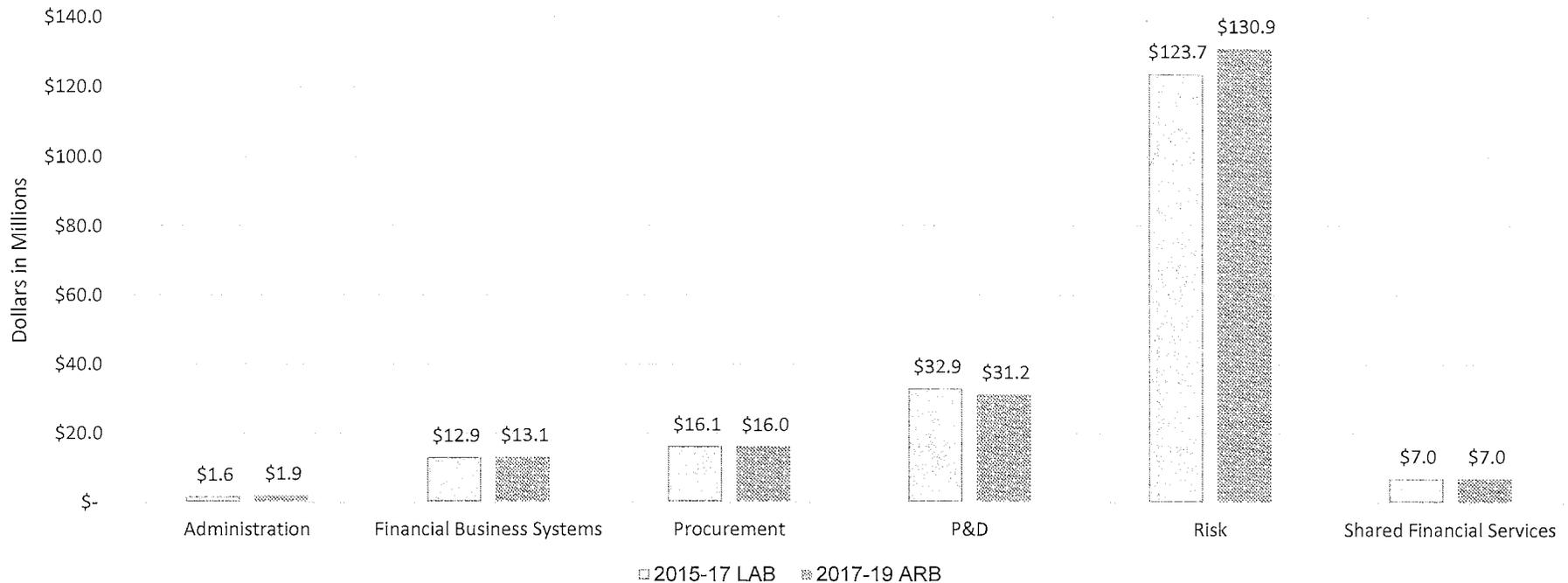
Shared Financial Services (SFS) provides many state agencies with a full suite of accounting and budgeting services. SFS focuses on ensuring accounting activity is performed in accordance with all applicable statutes, rules, policies and generally accepted accounting principles, which allows client agencies to focus on their core mission and business responsibilities. The majority of state agencies who utilize SFS services are small and do not have the staffing resources nor internal controls in place to have an internal accounting unit. SFS services include budget development, budget forecasting, development of accounting structures, preparing financial reports for statewide year-end reporting, preparing cost allocation financial

2017-19 BUDGET NARRATIVE

statements, maintaining fixed-asset records, bond accounting, accounts receivable, accounts payable, distributions to various governmental entities, training, and to provide reliable financial information and support to decision makers. SFS provides accounting services for DAS and accounting and budgeting services for a variety of state agencies. The primary cost factor at SFS are personnel costs. The program is essential to maintain high quality financial services for DAS and many state agencies who rely on the financial services provided.

Graphical Representation of Total Funds Budget (historical and future)

Biennial Comparison of EGS Expenditures by Major Programs



2017-19 BUDGET NARRATIVE

Program Justification and Link to Long Term Outcomes

Financial Business Systems:

Financial Business Systems (FBS) is responsible for maintenance, improvements, quality assurance, training and agency assistance for the statewide payroll system, the statewide financial system, and the datamart that houses information for reporting purposes for both systems. FBS also houses shared payroll services for DAS as well as client agencies and the DAS Centralized PERS Services team that reconciles payroll and personnel data reported to the PERS retirement system. FBS is essential to support centralized payroll processing, financial systems, datamart for ad hoc reporting and PERS reporting. FBS is closely linked to other DAS divisions including the Chief Human Resources Office (CHRO) and the Chief Financial Office (CFO) through systems and policies. FBS provides services in conjunction with other DAS services such as Publishing and Distribution, Procurement, and the State Data Center. FBS interfaces directly to the Oregon State Treasury and PERS. In addition, the Secretary of State Audits Division partners to provide auditing services for these statewide systems that ultimately supply financial information for the statewide Comprehensive Annual Financial Report (CAFR).

Procurement Services:

Procurement Services (PS) operates as the central purchasing authority for state government, procuring goods and services on behalf of state agencies and local governments. It consults with and trains employee of state, local governments, and suppliers on the application of purchasing laws, rules, procedures and policies. PS provides statewide and national price agreements that support state agency missions, and sponsor a monthly gathering of procurement professionals for the purpose of sharing information and best practices. In strong partnership with DOJ and other stakeholders, PS develops and promulgate statewide administrative rules related to public procurement. A strong partnership with DOJ and other stakeholders is beneficial to state's purchasing power, by ensuring the cost-effective acquisition of goods and services.

Publishing and Distribution:

Publishing & Distribution (P&D) is the print and mail communication service to all state agencies and political subdivisions. Products and services offered are produced in a secure environment assuring sensitive information about the citizens of Oregon is controlled and secure. The operation is considered an In-Plant printing and mailing operation, with one customer, state government and political subdivisions. As a cost recovery operation, P&D and its partner printers save the state 10-25 percent off the going commercial production rates. Support is provided to budget constrained local governments by offering printing and mailing services to local governmental entities. For example, P&D currently prepares and mails 1.5 million county property tax statements at discounted rates, prints and mails jury summons for 32 Judicial Districts, and prints on-demand publications for county health organizations.

Risk Management:

Risk Management (RM) improves government by providing a centralized team of highly technical risk and claims professionals. With the diversity of claims and risk-related issues that RM handles on a daily basis, RM is a one-stop shop to all agencies for advice, expertise, training and educational resources. RM works proactively with state agencies and DOJ to reduce the overall total cost of risk to the state and to help agencies understand loss trends and to identify agency specific risks. RM recommends solutions to mitigate future losses and analyze overall state risk exposure and ensure

2017-19 BUDGET NARRATIVE

proper levels of protection. Claims are managed by RM, allowing agencies to continue to conduct their core mission. A strong partnership with DOJ is critical in successfully resolving lawsuits against state agencies in a timely and cost-efficient manner.

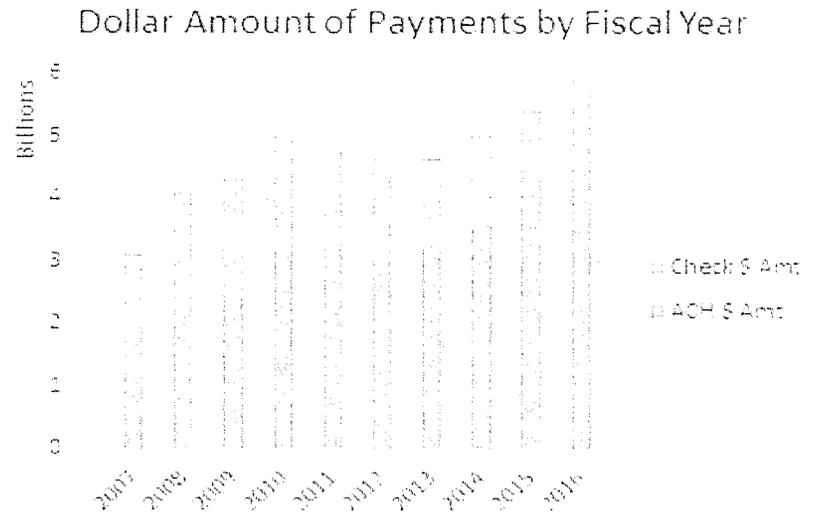
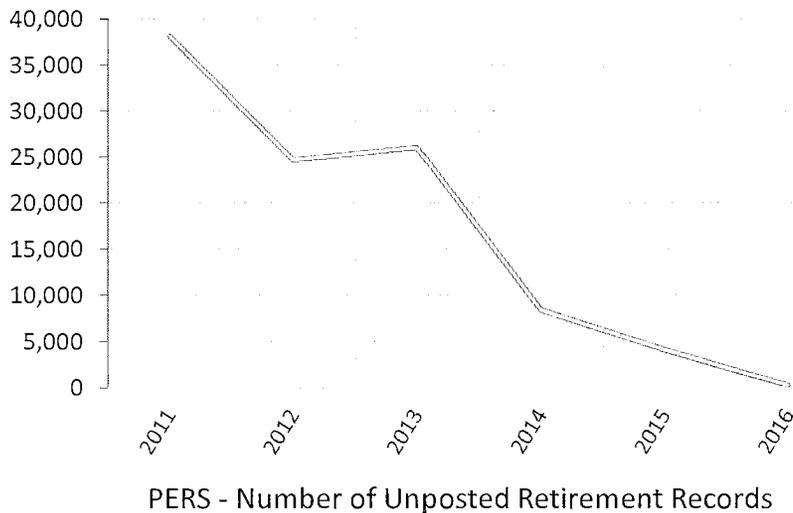
Shared Financial Services:

Shared Financial Services provides accounting services to DAS and accounting & budgeting services to 22 state agencies. The majority of state agencies who utilize SFS services are small in size and do not have the staffing resources nor internal controls in place to have an internal accounting unit. Many mid-sized agencies have also decided to have SFS perform their accounting and budget services. For each of the past 14 years, SFS has received the CFO "Gold Star" for DAS and the client agencies it serves, for accurate and timely financial reporting. The services SFS provides to DAS and client agencies ensures appropriate accounting is performed with diligent internal controls and accurate financial reporting is provided to the DAS CFO Statewide Accounting & Reporting Services unit for the statewide CAFR.

Program Performance

Financial Business Systems:

- The decline in PERS unposted retirement records is beneficial to ensure accurate retirement records.
- Payments through Automated Clearing House (ACH) are a cost effective method and provide less risk of fraud for vendor payments.
- Payroll direct deposits are a cost effective method for payroll payments and have increased from 84 percent in 2007 to 96 percent in 2016.

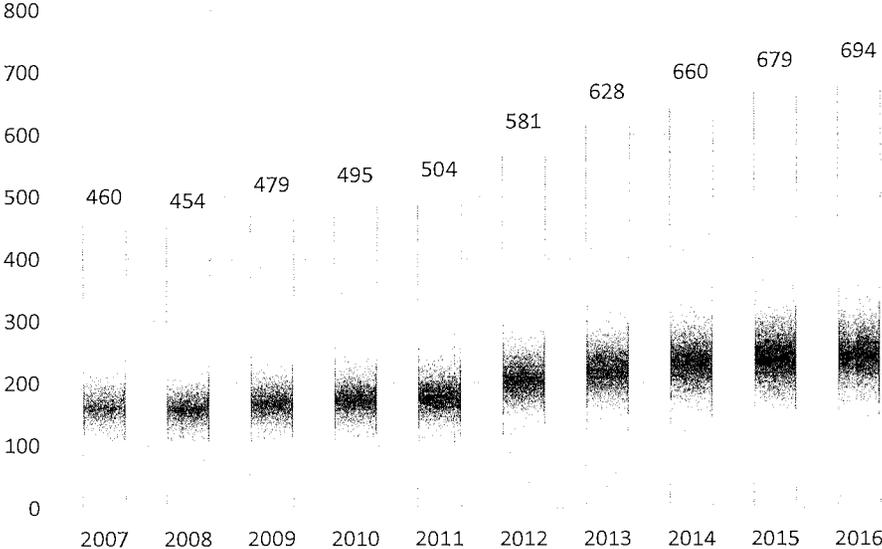


2017-19 BUDGET NARRATIVE

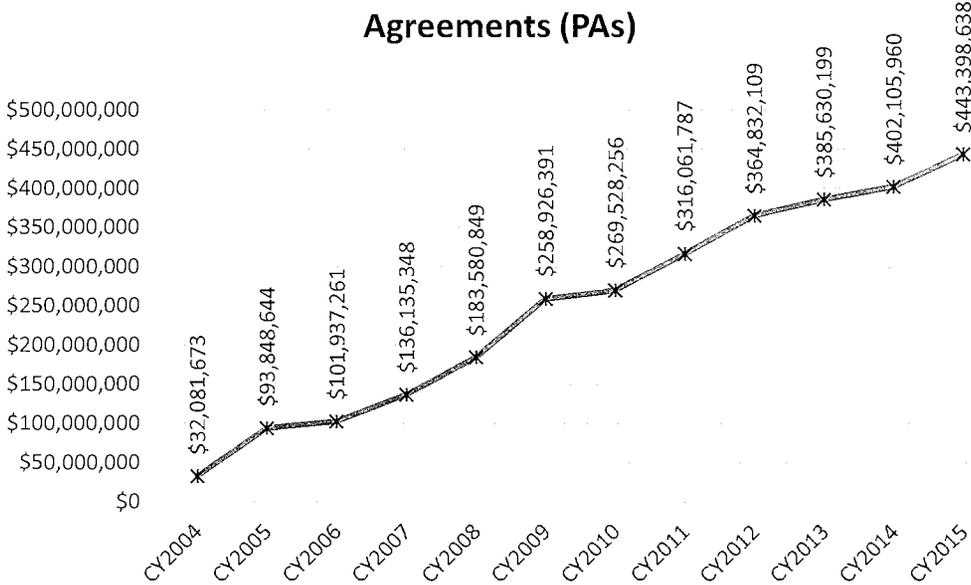
Procurement Services:

- Oregon Cooperative Procurement Program (ORCPP) membership growth and the overall spend on statewide Price Agreements (PAs) is increasing.

ORCPP Membership Growth



**Procurement Services
Combined Spend on all statewide Price
Agreements (PAs)**

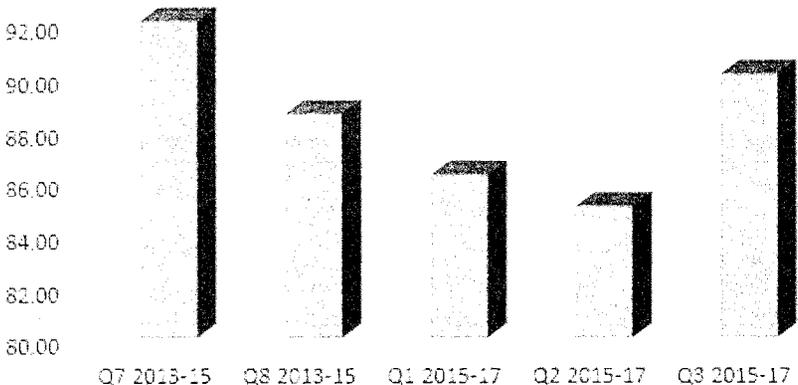


2017-19 BUDGET NARRATIVE

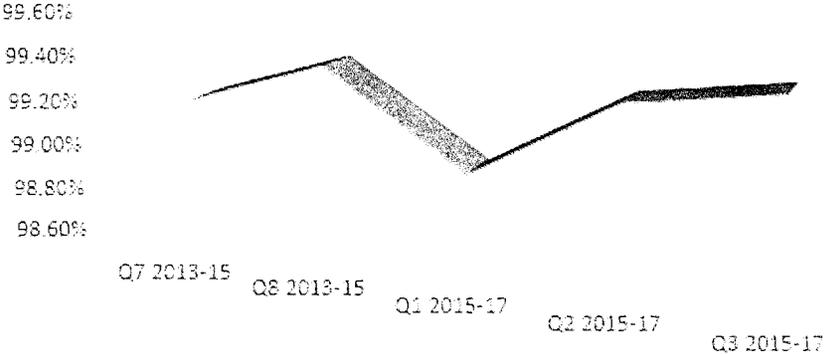
Publishing and Distribution:

- The Net Promoter Score (NPS), measuring customer satisfaction is consistently above 85.
- Print jobs requiring rework is <1 percent.
- Maintained a 97.5 percent on time delivery date on print jobs for the past five quarters.
- Over 71 million outgoing pieces of mail are processed per biennium, saving the state over \$6.5 million in postage alone.
- Shuttle delivery serves over 500 stops per day offering secure delivery service and providing a trackable chain of custody for sensitive packages. This tracking service saves Oregon over \$200,000 per biennium.

Printing Customer Satisfaction
Net Promoter Score



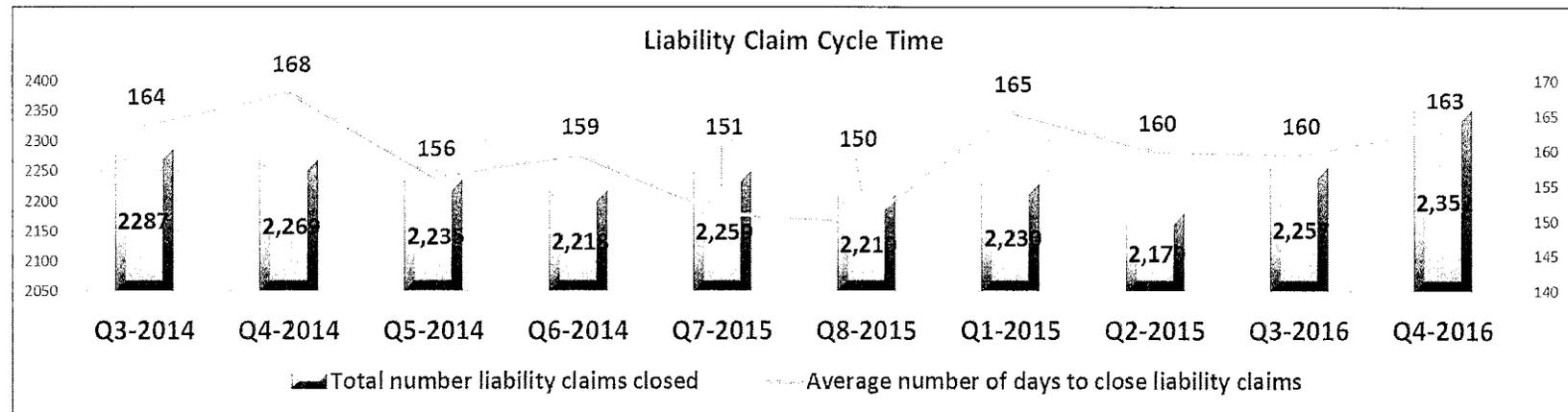
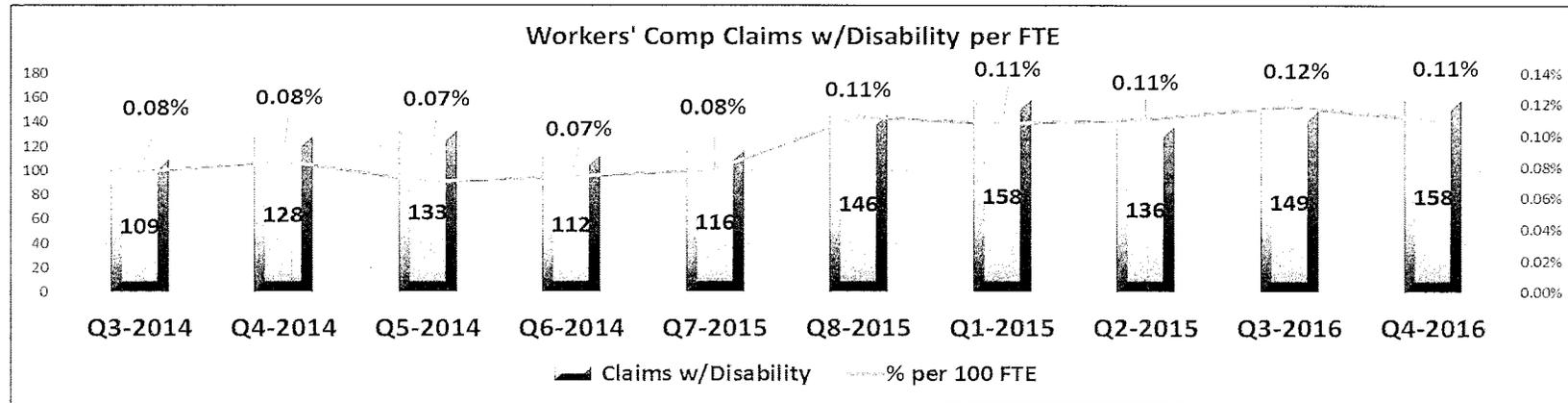
Print Jobs Requiring no Rework



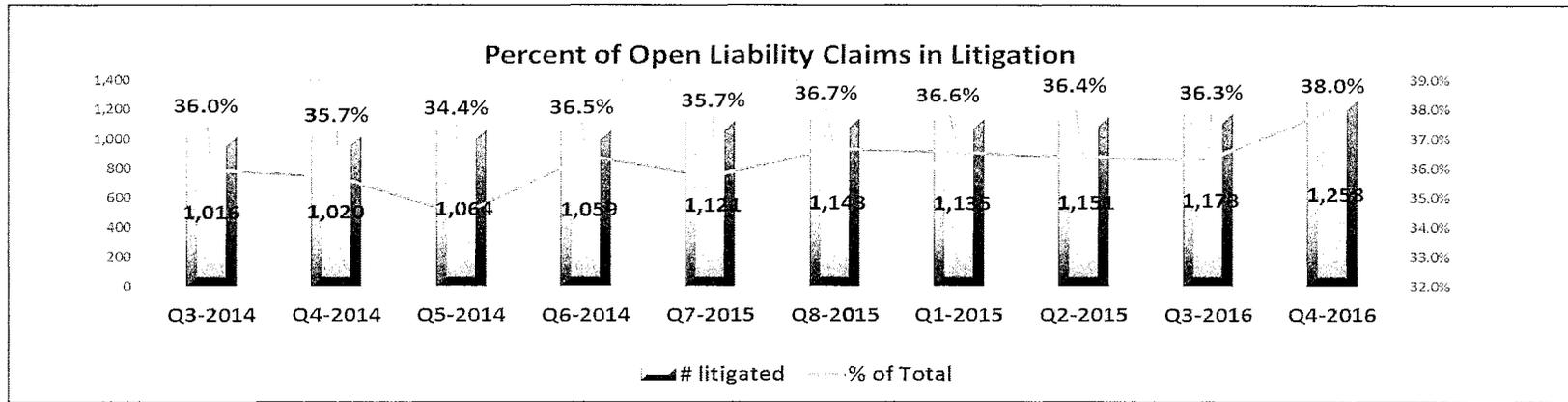
2017-19 BUDGET NARRATIVE

Risk Management:

- Liability claim cycle time (date of report to date of closure) provides data on proactive management of claims.
- Workers' compensation claims with disability per 100 FTE.
- Percent of open liability claims in litigation.

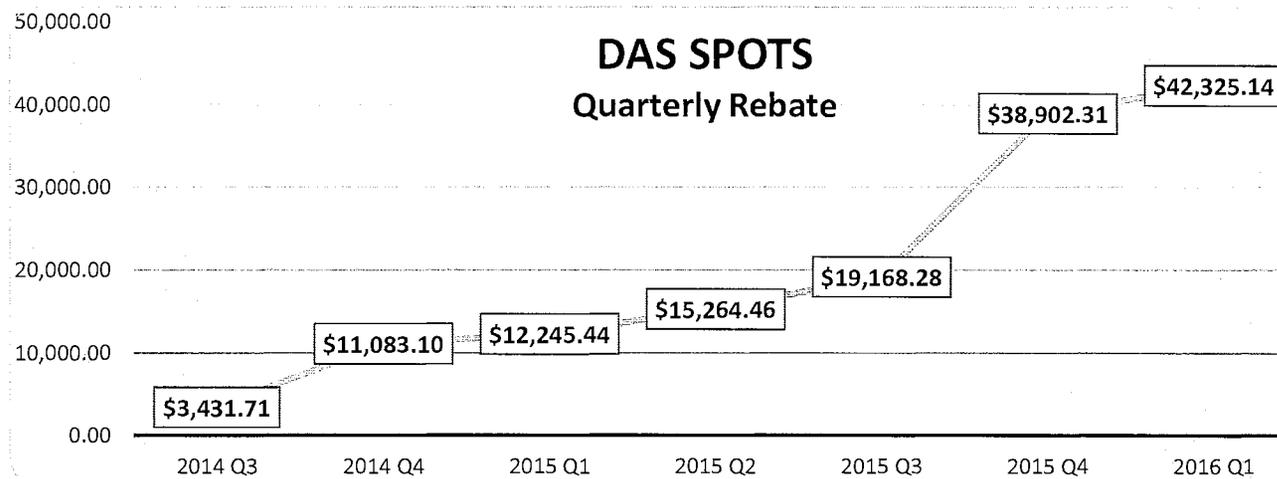


2017-19 BUDGET NARRATIVE



Shared Financial Services:

- SPOTS rebate - SFS implemented the use of the state purchasing card program (SPOTS) as a primary method to make vendor payments. The benefit to the SPOTS program is workflow efficiencies and the US Bank rebate on each purchase, now exceeding \$40,000 per quarter.
- SFS has consistently maintained a 96 percent success rate in processing accounts receivable and accounts payable requests within 10 business days, which ensure efficient vendor payments and revenue reconciliations.



2017-19 BUDGET NARRATIVE

Enabling Legislation/ Program Authorization

- ORS 30.260-30.300, Tort Actions Against Public Bodies
- ORS 184.305, Oregon Department of Administrative Services
- ORS 221.760, Distribution of Revenues from Cigarette, Gas and Liquor Taxes
- ORS 221.770, Revenue Sharing to Cities
- ORS 238 and 238A, Public Employees' Retirement System, Oregon Public Service Retirement Plan
- ORS 238.705 Chapter 238 and 238a, Establishes responsibility of employer to remit contributions and reports
- ORS 272.085, Five Percent U.S. Land Sales Fund
- ORS 278, Insurance for Public Bodies
- ORS 279 A, B, and C, State Procurement Code
- ORS 282, Public Printing
- ORS 283.100, DAS to Provide Administrative Functions to State Agencies
- ORS 283.110, Furnishing by state agency to another state agency of services, facilities and materials
- ORS 291, State Financial Administration
- ORS 291.015, Establishes authority to set fiscal direction for the State
- ORS 291.100, Sets responsibility for financial management
- ORS 291.405, Assessment of state agencies for mass transit purposes, rates
- ORS 291.407, Mass transit assistance account, source distribution, Oregon Department of Transportation (ODOT) assistance, etc.
- ORS 292, Salaries and Expenses of State Officers and Employees
- ORS 292.010, Defines the state's payroll schedule
- ORS 292.016, Provides for centralized payroll procedure
- ORS 292.018, Designates DAS as the state's payroll agent
- ORS 292.024, Authorizes the Joint Payroll Account
- ORS 292.026, Permits the issuance of payroll checks from the Joint Payroll Account
- ORS 292.033, Permits pay advances and off-cycle payments for termination checks
- ORS 292.034, Authorizes DAS to charge agencies for the centralized payroll services
- ORS 292.042, 292.067, Authorizes direct deposit of paychecks
- ORS 292.042, 292.065, Authorizes the deduction of insurances, union dues, parking fees, charitable fund contributions, etc.
- ORS 293, Administration of Public Funds
- ORS 293.346, Authorizes drawing warrants against Treasury
- ORS 293.348, Authorizes charging agencies for warrants produced
- ORS 293.590, Sets responsibility to supervise state accounting

2017-19 BUDGET NARRATIVE

- ORS 293.595, Sets responsibility for supervising acquisition, installation, and use of computers for accounting processes
- ORS 320.100, Distribution of Tax Receipts
- ORS 323.455, Distribution of Certain Cigarette Tax Revenues
- ORS 430.380, Mental Health Alcoholism and Drug Services Account
- ORS 461.547, Distribution of Certain Video Lottery Revenues to Counties for Economic Development
- ORS 471.810, Distribution of Available Moneys in OLCC Account
- ORS 655, Benefits for Injured Trainees and Inmates
- OAR 125-015-0200, Payroll Administration
- OAR 125 Division 40, Mail/Delivery Services
- OAR 125 Division 55, State Purchasing
- OAR 125, Division 150, Risk Management
- OAR 125-170-0010, Economic Development Fund Process
- OAR 125, Division 180, Shared Services Fund
- OAR 125, Division 246, 247, 248 and 249, Procurement

Funding Streams that Support the Program

The division receives majority of its funding through charges for services an assessment which allocates costs to state agencies based on our 2015-17 Legislatively Adopted Budget Full-Time Equivalent (FTE) authority. Rates are reviewed and updated each biennium. In proposing rates, the division strives to ensure that charges are fair to all customers, based on actual costs, and easily understood. All program rates for 2017-19 were reviewed and approved by the EGS Customer Utility Board.

Financial Business Systems:

The program receives funding through charges for services. Charges are transaction based.

Publishing and Distribution:

The program receives funding through charges for services. Charges are based on per piece rates for printing and mail delivery and hourly rates are established for shuttle services and production/design services.

Procurement Services:

The program receives funding primarily from Vendor Collected Administrative fees (VCAF), Oregon Cooperative Procurement Program (ORCPP) membership fees, agency specific charges for services, and an assessment.

2017-19 BUDGET NARRATIVE

Risk Management:

The program receives funding through charges for services. Charges are based upon the relative risk, the value of owned property and the frequency and severity of agency loss experience.

Non-Limited Expenditures

Approximately 53 percent of EGS expenditures are non-limited for buying insurance and paying losses from the Insurance Fund. Non-limited expenditures increase or decrease with the number and severity of claims and are driven by claims against state agencies, rather than by administrative decisions. Substantial increases in state tort cap limits and subsequent increased interest by plaintiff's bar, have resulted in more liability claims with high financial exposure. Expenditures occur in five specific areas; commercial insurance directly billed to agencies for their unique risks, property program, liability program, workers' compensation, and inmate injury.

Shared Financial Services:

The program receives funding through Charges for Services. Charges are transaction based.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$54,744 for one-time Services and Supplies related costs associated with limited duration positions approved in the 2016 Legislative Session.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies and Capital Outlay, by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Facilities rent by the standard uniform rent rate increase (6.9 percent), by the standard 3.7 percent for non-state properties, or adjusted to the Self-Support Rent Rates.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustment

This package transfers out \$5,428,450 to DAS Business Services for centralization of State Government Service Charges, and \$68,063 to Chief Human Resources Office for ASCENT Leadership Program.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	8,142	-	-	-	8,142
Overtime Payments	-	-	876	-	-	-	876
Shift Differential	-	-	2	-	-	-	2
All Other Differential	-	-	373	-	-	-	373
Public Employees' Retire Cont	-	-	239	-	-	-	239
Pension Obligation Bond	-	-	183,989	-	-	-	183,989
Social Security Taxes	-	-	718	-	-	-	718
Unemployment Assessments	-	-	427	-	-	-	427
Mass Transit Tax	-	-	10,704	-	-	-	10,704
Vacancy Savings	-	-	(31,278)	-	-	-	(31,278)
Total Personal Services	-	-	\$174,192	-	-	-	\$174,192
Total Expenditures							
Total Expenditures	-	-	174,192	-	-	-	174,192
Total Expenditures	-	-	\$174,192	-	-	-	\$174,192
Ending Balance							
Ending Balance	-	-	(174,192)	-	-	-	(174,192)
Total Ending Balance	-	-	(\$174,192)	-	-	-	(\$174,192)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Telecommunications	-	-	(54,744)	-	-	-	(54,744)
Total Services & Supplies	-	-	(\$54,744)	-	-	-	(\$54,744)
Total Expenditures							
Total Expenditures	-	-	(54,744)	-	-	-	(54,744)
Total Expenditures	-	-	(\$54,744)	-	-	-	(\$54,744)
Ending Balance							
Ending Balance	-	-	54,744	-	-	-	54,744
Total Ending Balance	-	-	\$54,744	-	-	-	\$54,744

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	1,471	-	-	-	1,471
Out of State Travel	-	-	476	-	-	-	476
Employee Training	-	-	8,802	-	-	-	8,802
Office Expenses	-	-	28,752	-	-	-	28,752
Telecommunications	-	-	26,028	-	-	-	26,028
Data Processing	-	-	131,168	-	-	-	131,168
Publicity and Publications	-	-	24,731	-	-	-	24,731
Professional Services	-	-	17,898	-	-	-	17,898
IT Professional Services	-	-	94,460	-	-	-	94,460
Attorney General	-	-	2,150,762	-	-	-	2,150,762
Employee Recruitment and Develop	-	-	569	-	-	-	569
Dues and Subscriptions	-	-	1,877	-	-	-	1,877
Facilities Rental and Taxes	-	-	(383,436)	-	-	-	(383,436)
Fuels and Utilities	-	-	-	-	-	-	-
Facilities Maintenance	-	-	5,427	-	-	-	5,427
Food and Kitchen Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	462,145	-	-	-	462,145
Other Services and Supplies	-	-	96,988	-	-	-	96,988
Expendable Prop 250 - 5000	-	-	8,526	-	-	-	8,526
IT Expendable Property	-	-	3,646	-	-	-	3,646
Total Services & Supplies	-	-	\$2,680,290	-	-	-	\$2,680,290

Capital Outlay

Technical Equipment	-	-	-	-	-	-	-
Industrial and Heavy Equipment	-	-	-	-	-	-	-

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Data Processing Hardware	-	-	-	-	-	-	-
Other Capital Outlay	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	2,680,290	-	-	-	2,680,290
Total Expenditures	-	-	\$2,680,290	-	-	-	\$2,680,290
Ending Balance							
Ending Balance	-	-	(2,680,290)	-	-	-	(2,680,290)
Total Ending Balance	-	-	(\$2,680,290)	-	-	-	(\$2,680,290)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
State Gov. Service Charges	-	-	(5,428,450)	-	-	-	(5,428,450)
Professional Services	-	-	(68,063)	-	-	-	(68,063)
Total Services & Supplies	-	-	(\$5,496,513)	-	-	-	(\$5,496,513)
Total Expenditures							
Total Expenditures	-	-	(5,496,513)	-	-	-	(5,496,513)
Total Expenditures	-	-	(\$5,496,513)	-	-	-	(\$5,496,513)
Ending Balance							
Ending Balance	-	-	5,496,513	-	-	-	5,496,513
Total Ending Balance	-	-	\$5,496,513	-	-	-	\$5,496,513

2017-19 BUDGET NARRATIVE

Policy Option Package #101 – IT Procurement & Vendor Management Program

Total Request: \$868,365 | Total Positions/FTE: 4/4.00

Purpose

Through the implementation of House Bill (HB) 3099, the State Chief Information Officer (OSCIO) will establish a structure that requires effort and partnership with Procurement Services (PS). This structure will require the state of Oregon to deploy a system of IT supply chain management to produce an enterprise approach to IT acquisitions. This will require some new efforts as well as more volume of current efforts. PS will see increased workload in IT supply chain management and IT procurements for agencies.

How Achieved

Established will be four new positions in Procurement Services to implement:

IT Supply Chain Management: The current portfolio of IT price agreements will be analyzed and catalogued against the framework of standards established by the Office of the State Chief Information Officer (OSCIO). PS will work with OSCIO to establish new and replacement price agreements for areas where none currently exist. It is anticipated that the current portfolio will expand from ~70 to 200+. The OSCIO will establish a new IT Vendor Management program and will require support and partnership from PS to provide spend data, vendor performance data and to document vendor performance in the contract files of record.

IT Procurements for Agencies: A reduction in number of delegations granted for agency IT procurements will result in increased workload for PS. During the 13-15 biennium, DAS granted delegation requests for approximately 25 project-specific IT procurements. Under this new model, these delegations would be disapproved and the procurements would be conducted by DAS.

NOTE: The Department of Human Services (DHS) and the Oregon Department of Transportation (ODOT) currently have a tiered delegation to conduct procurements, including IT Procurement, up to a \$5 million value. This POP does not include resources for PS to conduct those procurements.

Staffing Impact

- Establish three permanent, full-time, Operations & Policy Analyst 4, SR 32 (3.00 FTE)
- Establish one permanent, full-time, Procurement and Contract Specialist 3, SR 29 (1.00 FTE)

2017-19 BUDGET NARRATIVE

Quantifying Results

The positions to support the IT Business Center are critical to the building out of the Strategic Plan of the OSCIO. Implementation of HB 3099 requires PS to conduct more procurements and to work with the OSCIO on strategies for both baskets of goods and service offerings and on complex IT solicitations. PS is already dealing with a capacity issue and with the addition of these priorities we would not be able to meet customer demand.

Revenue Sources

\$868,365 Other Funds Limited, Charges for Services.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 101 - IT Procurement & Vendor Management Program

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	868,365	-	-	-	868,365
Total Revenues	-	-	\$868,365	-	-	-	\$868,365
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	558,312	-	-	-	558,312
Empl. Rel. Bd. Assessments	-	-	228	-	-	-	228
Public Employees' Retire Cont	-	-	99,245	-	-	-	99,245
Social Security Taxes	-	-	42,711	-	-	-	42,711
Worker's Comp. Assess. (WCD)	-	-	276	-	-	-	276
Mass Transit Tax	-	-	3,350	-	-	-	3,350
Flexible Benefits	-	-	133,344	-	-	-	133,344
Total Personal Services	-	-	\$837,466	-	-	-	\$837,466
Services & Supplies							
Data Processing	-	-	30,899	-	-	-	30,899
Total Services & Supplies	-	-	\$30,899	-	-	-	\$30,899
Total Expenditures							
Total Expenditures	-	-	868,365	-	-	-	868,365
Total Expenditures	-	-	\$868,365	-	-	-	\$868,365

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 101 - IT Procurement & Vendor Management Program

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-
Total Positions							
Total Positions							4
Total Positions	-	-	-	-	-	-	4
Total FTE							
Total FTE							4.00
Total FTE	-	-	-	-	-	-	4.00

PACKAGE: 101 - IT Procurement & Vendor Manage

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
1904380	OA	C0438	AA PROCUREMENT & CONTRACT SPEC 3	1	1.00	24.00	02	5,095.00		122,280 58,823			122,280 58,823
1908736	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1908737	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
1908738	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
TOTAL PICS SALARY										558,312			558,312
TOTAL PICS OPE										275,804			275,804
TOTAL PICS PERSONAL SERVICES =				4	4.00	96.00				834,116			834,116

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #102: Convert 15-17 Limited Duration Positions to Permanent Staff

Total Request: \$0 | Total Positions/FTE: 4/4.00

Purpose

Changes in business needs and customer demands led the Enterprise Goods and Services (EGS) to create limited duration positions in several areas. This package requests these positions be made permanent to enable EGS to continue level of service to its agency customers.

How Achieved

Procurement:

The 2015 Legislative session produced pieces of legislation focused on increased contract oversight and accountability. Specifically, House Bill (HB) 2375 looks to DAS to provide tools and standards for procurement training that will be utilized across state agencies.

Operations and Policy Analyst 3: This position would serve as the Statewide Procurement Training Coordinator and develop long-range strategic training plans that support agencies in meeting the training standards of HB 2375. This person would stay abreast of national procurement standards and best practices; research trends in training including training delivery technology; formulate policy; and evaluate changes in future legislation related to procurement for the purpose of keeping training curriculum current.

Program Analyst 1: This position would provide program support for the statewide procurement training program by coordinating program activities and tracking program expenses. This position would create and maintain systems/databases of program and credentialing information. It would also review and update curriculum, and develop educational and marketing materials, brochures and newsletters in support of the training program.

Operations and Policy Analyst 2: This position would provide support for the development and maintenance of templates and forms; and for the creation and maintenance of the Oregon Procurement Manual. This position would coordinate content development teams, deploy and maintain the procurement manual website, develop and manage maintenance schedules and issue logs, edit data for consistency and collect and report on performance/satisfaction metrics related to procurement forms, templates and manual content/functionality.

2017-19 BUDGET NARRATIVE

Publishing & Distribution:

Over the past two years, Publishing and Distribution (P&D) has taken on an increasing number of large publishing projects, requiring time consuming up-front preparation and planning. From internal meetings to the creation of Statements of Work, and coordination between enterprise agency staff, both project planners and technical staff are performing administrative tasks. This biennium, P&D will be launching a new print management system that will again increase pressure on this limited staff. With this workload, the Customer Relations Management (CRM) staff and manager are unable to perform their core duties without the assistance of this Administrative Specialist 2 position. This package converts an existing limited duration position to a permanent position, enabling the CRM staff and manager to focus on their core duties.

Administrative Specialist 2: P&D currently has a limited duration employee helping to ease the work load strain. P&D's long range plans are to focus on CRM which will enable P&D to continue providing this service to meet customer demand. Adding a permanent position will allow P&D to properly recruit for and retain staff to provide for the on-going need. Reclassification of a current staff member was considered, however there are no areas within P&D that can support reduction in staff.

Staffing Impact

Procurement:

- Establish one permanent, full-time, Operations & Policy Analyst 3, SR 30 (1.00 FTE)
- Establish one permanent, full-time, Program Analyst 1, SR 23 (1.00 FTE)
- Establish one permanent, full-time, Operations & Policy Analyst 2, SR 27 (1.00 FTE)

Publishing & Distribution:

- Establish one permanent, full-time, Administrative Specialist 2, SR 19 (1.00 FTE)

Quantifying Results

Procurement:

Without these resources, PS will be unable to meet the intent of HB 2375 as it relates to the statewide training program, templates and best practices. Procurement professionals across the state would be impacted by training that does not meet current standards, nor the requirements of law. PS would not have the capacity to develop and provide governance for an enterprise procurement manual or have the ability to facilitate development of an "ownership" portfolio of best practice and mandatory use statewide sourcing and contract templates.

2017-19 BUDGET NARRATIVE

Publishing & Distribution:

Customer satisfaction with P&D is measured monthly and tracked quarterly. Our Net Promoter Score (NPS) has averaged 87.6 for the past six quarters. With this high score, it is doubtful that we will see any change as a result of this permanent position. Projects success and completion rates will be tracked and baseline established from past history. In addition, CRM performing project time will be tracked and reported differently than administrative time.

Revenue Sources

None. The increase in Personal Service costs of \$629,965 will be offset with a same reduction in Services and Supplies, for a net-zero impact.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	408,864	-	-	-	408,864
Empl. Rel. Bd. Assessments	-	-	228	-	-	-	228
Public Employees' Retire Cont	-	-	53,521	-	-	-	53,521
Social Security Taxes	-	-	31,278	-	-	-	31,278
Worker's Comp. Assess. (WCD)	-	-	276	-	-	-	276
Mass Transit Tax	-	-	2,454	-	-	-	2,454
Flexible Benefits	-	-	133,344	-	-	-	133,344
Total Personal Services	-	-	\$629,965	-	-	-	\$629,965
Services & Supplies							
Office Expenses	-	-	(32,000)	-	-	-	(32,000)
Telecommunications	-	-	(72,000)	-	-	-	(72,000)
Data Processing	-	-	(232,000)	-	-	-	(232,000)
Other Services and Supplies	-	-	(293,965)	-	-	-	(293,965)
Total Services & Supplies	-	-	(\$629,965)	-	-	-	(\$629,965)
Total Expenditures							
Total Expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 102 - Convert 2015-17 LDs to Permanent Staff

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Positions							
Total Positions							4
Total Positions	-	-	-	-	-	-	4
Total FTE							
Total FTE							4.00
Total FTE	-	-	-	-	-	-	4.00

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:065-00-00 Enterprise Goods & Services

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION

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PACKAGE: 102 - Convert 2015-17 LDs to Permane

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
1901082	OA	C0108	AA ADMINISTRATIVE SPECIALIST 2	1	1.00	24.00	02	3,205.00		76,920 49,415			76,920 49,415
1908600	OA	C0860	AA PROGRAM ANALYST 1	1	1.00	24.00	02	3,847.00		92,328 52,611			92,328 52,611
1908710	OA	C0871	AA OPERATIONS & POLICY ANALYST 2	1	1.00	24.00	02	4,641.00		111,384 56,563			111,384 56,563
1908722	OA	C0872	AA OPERATIONS & POLICY ANALYST 3	1	1.00	24.00	02	5,343.00		128,232 60,058			128,232 60,058
TOTAL PICS SALARY										408,864			408,864
TOTAL PICS OPE										218,647			218,647
TOTAL PICS PERSONAL SERVICES =				4	4.00	96.00				627,511			627,511

2017-19 BUDGET NARRATIVE

Policy Option Package #107 – Growing Demand for EGS Services

Total Request: \$450,053 | Total Positions/FTE: 2/2.00

Purpose

Increases in demands in business needs and customers lead the Enterprise Goods and Services (EGS) needing to create positions in several areas. This package requests these positions to support EGS in continuing level of service to its agency customers.

How Achieved

Financial Business Systems:

This package will enable Centralized Public Employees Retirement System (PERS) Service Team to catch up on the backlog of 12 years of required PERS employer reconciliations and perform employer reconciliations every year thereafter.

Accountant 2: This position will be established to complete an annual, complex reconciliation for each state agency between data from the payroll and personnel systems and the data reported to the PERS. With 80+ state agencies and 40,000+ employees, this is a large and time consuming workload. The final step in the reconciliation process is to analyze the employer statements from PERS to balance with what the state has paid for pension contributions. Agencies may need to be invoiced for discrepancies and other types of invoices created by PERS due to varying types of verifications and modifications to employee records that can span many years. This complex reconciliation has not been performed in the past since the inception of the DAS file in 2004. If the reconciliation is not brought current by the time the new position is in place, the staff in this position would work on the back log of reconciliations first and then annually on an ongoing basis. DAS has worked to absorb this workload during the past two years without measurable success. This is a required reconciliation by PERS (ORS 238.705) and the lack of the reconciliation by the state was documented in an internal PERS audit in 2013.

Risk Management:

Increase the capacity of the Risk Management (RM) staff to meet the increasingly complex claims workload resulting from increasing tort limits. Liability claims administration in RM has changed dramatically in the last several years. The primary cause is the increase in tort limits prescribed in ORS 30.271 related to the Oregon Tort Claims Act. The bodily and personal injury limits have increased from \$200,000 per single claimant/\$500,000 for multiple claimants in 2007 to \$2,073,600 per single claimant/\$4,147,100 for multiple claimants today. Each July 1st this figure will continue to increase. Claims in federal venue rather than state venue, have no tort cap. These claims are increasingly complex to administer and have a significantly higher financial exposure to the state. Claims at this level often have potential values of \$1 million to \$15 million+. These claims typically involve lengthy and complex litigation which often has the added components of political and media scrutiny. Encapsulated in our strategic planning initiatives is a review of current

2017-19 BUDGET NARRATIVE

staff levels and individual skill development plans to meet changing landscape; skill gap analysis and succession planning. As the year progresses we will have identified what additional resources we need to shift or enhance to meet the ongoing changes in our business environment. This position will help us deal with the current increasing claims workload.

Operations & Policy Analyst 4: This position to handle the complex workload. Currently an Operations and Policy Analyst 3, Claims Consultant, is working out of class to address the current need. Current staffing levels cannot absorb additional claims and the complex level work within existing position authority. While the work is being done by “work out of class,” the additional claim complexity is stretching the remaining staff with increased workload that is not sustainable.

The fiscal impact for this position is based on salary step five. This position requires the highest level of claims management skills and the desired candidate must have a strong background in complex claims handling. The higher level salary is necessary to attract the type of candidates needed for this position.

Staffing Impact

Financial Business Systems:

- Establish one limited duration, full-time, Accountant 2, SR 23 (1.00 FTE)

Risk Management:

- Establish one permanent, full-time, Operations & Policy Analyst 4, SR 32 (1.00 FTE)

Quantifying Results

Financial Business Systems:

Results can be measured quarterly based on number of employer reconciliations completed. Once the reconciliations are caught up from the previous 12 years, this can be an annual measure with a target of close to 100 percent. Without this position, the section cannot commit to completing these reconciliations.

Risk Management:

This additional Full-Time Equivalent (FTE) position will provide adequate staffing levels to ensure that highly complex and high dollar value liability claims are aggressively investigated and managed. Failure to add this position will result in inadequate claims handling which in turn will increase overall cost of claim settlements and defense costs.

2017-19 BUDGET NARRATIVE

Revenue Sources

\$181,521 Other Funds Limited, Charges for Services.

\$268,532 Other Funds Limited, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 107 - Growing Demand for EGS Services

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	181,521	-	-	-	181,521
Transfer In - Intrafund	-	-	268,532	-	-	-	268,532
Total Revenues	-	-	\$450,053	-	-	-	\$450,053
Transfers Out							
Transfer Out - Intrafund	-	-	-	-	(268,532)	-	(268,532)
Total Transfers Out	-	-	-	-	(\$268,532)	-	(\$268,532)
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	237,672	-	-	-	237,672
Empl. Rel. Bd. Assessments	-	-	114	-	-	-	114
Public Employees' Retire Cont	-	-	39,832	-	-	-	39,832
Social Security Taxes	-	-	18,182	-	-	-	18,182
Worker's Comp. Assess. (WCD)	-	-	138	-	-	-	138
Mass Transit Tax	-	-	1,426	-	-	-	1,426
Flexible Benefits	-	-	66,672	-	-	-	66,672
Total Personal Services	-	-	\$364,036	-	-	-	\$364,036
Services & Supplies							
Instate Travel	-	-	284	-	-	-	284
Employee Training	-	-	1,423	-	-	-	1,423
Office Expenses	-	-	1,793	-	-	-	1,793
Telecommunications	-	-	1,582	-	-	-	1,582
Data Processing	-	-	71,490	-	-	-	71,490

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 107 - Growing Demand for EGS Services

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Publicity and Publications	-	-	211	-	-	-	211
Employee Recruitment and Develop	-	-	211	-	-	-	211
Dues and Subscriptions	-	-	211	-	-	-	211
Facilities Rental and Taxes	-	-	7,282	-	-	-	7,282
Other Services and Supplies	-	-	264	-	-	-	264
Expendable Prop 250 - 5000	-	-	1,266	-	-	-	1,266
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	-	-	\$86,017	-	-	-	\$86,017
Total Expenditures							
Total Expenditures	-	-	450,053	-	-	-	450,053
Total Expenditures	-	-	\$450,053	-	-	-	\$450,053
Ending Balance							
Ending Balance	-	-	-	-	(268,532)	-	(268,532)
Total Ending Balance	-	-	-	-	(\$268,532)	-	(\$268,532)
Total Positions							
Total Positions	-	-	-	-	-	-	2
Total Positions	-	-	-	-	-	-	2

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 107 - Growing Demand for EGS Services

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							2.00
Total FTE	-	-	-	-	-	-	2.00

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:065-00-00 Enterprise Goods & Services

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

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 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 107 - Growing Demand for EGS Service

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
1912160	OA	C1216	AA ACCOUNTANT 2	1	1.00	24.00	02	3,847.00		92,328 52,611			92,328 52,611
1987325	MMN	X0873	AA OPERATIONS & POLICY ANALYST 4	1	1.00	24.00	02	6,056.00		145,344 72,327			145,344 72,327
TOTAL PICS SALARY										237,672			237,672
TOTAL PICS OPE										124,938			124,938
TOTAL PICS PERSONAL SERVICES =				---	2	2.00	48.00		-----	362,610	-----	-----	362,610

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #110 – Risk Management Information System (RMIS)

Total Request: \$1 million | Total Positions/FTE: None

Purpose

Risk Management (RM) seeks to replace its current vendor based Risk Management Information System (RMIS) with a more robust and user friendly system that will allow integration of data from multiple sources. A more advanced system will be an upgrade to securely manage claims, and insure and protect state assets. The RMIS is critical to the RM functioning and daily work, as RM insures all state property, liability and worker's compensation exposures, utilizing self-insurance and commercial insurance. RM insures approximately 39,000 state employees and \$8.4 billion in state property assets, while the claims team handles an annual average of 2,500 property and liability claims. State agencies access RMIS so they can better manage and mitigate their agency specific risks. A more advanced RMIS system contains technology to trend and control losses as well as calculate risk charges, which assists in maintaining the actuarially soundness of the Self-Insurance Fund, as required by state statute.

How Achieved

Risk currently has a team working to thoroughly analyze needs of the program and capacity of interaction with state systems, to ensure we find a product and vendor that will be able to integrate all of the necessary data into one system. The team has conducted a request for information to determine what products are available in the marketplace. Services of a business analyst and IT project manager will be required to properly implement conversion to a new RMIS. RM is collaborating with the DAS Chief Information Office "Stage Gate" planning model to ensure the acquisition of a robust and integrated RMIS that meets the operational needs of our program.

The alternative is to continue with current vendor and explore enhancements as they become available. Enhancements or upgrades will be at additional cost which the current budget may not allow. Currently, the vendor has not been able to provide solutions to many of the problems and issues we have identified.

Staffing Impact

None.

2017-19 BUDGET NARRATIVE

Quantifying Results

Current RMIS has limitations that adversely impact the ability to ensure the state is properly protected. It cannot integrate the Risk Report, the one repository containing information on all state assets. This information is needed to determine agency risk charges and contains underwriting information required by the RM insurance broker to place excess commercial property insurance (current limit is \$475M). Current RMIS is unable to integrate information and interface with state systems to provide data needed to determine overall risk exposure.

Revenue Sources

\$1 million Other Funds Nonlimited, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 110 - Risk Management Information System (RMIS)

Cross Reference Name: Enterprise Goods & Services
Cross Reference Number: 10700-065-00-00-00000

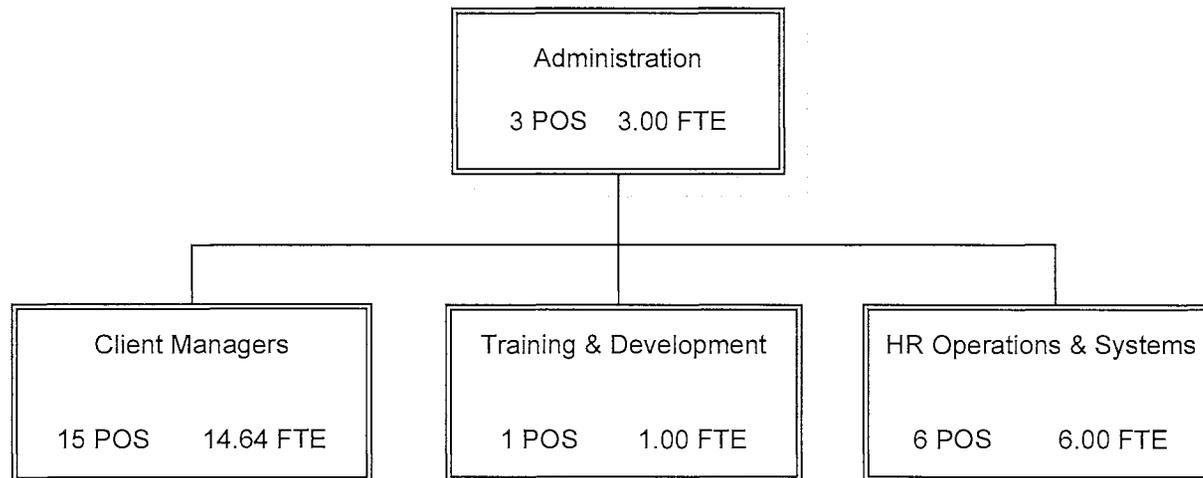
<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	-	-	-	-	-
Transfer In - Intrafund	-	-	1,000,000	-	-	-	1,000,000
Total Revenues	-	-	\$1,000,000	-	-	-	\$1,000,000
Transfers Out							
Transfer Out - Intrafund	-	-	-	-	(1,000,000)	-	(1,000,000)
Total Transfers Out	-	-	-	-	(\$1,000,000)	-	(\$1,000,000)
Services & Supplies							
IT Professional Services	-	-	1,000,000	-	-	-	1,000,000
Total Services & Supplies	-	-	\$1,000,000	-	-	-	\$1,000,000
Total Expenditures							
Total Expenditures	-	-	1,000,000	-	-	-	1,000,000
Total Expenditures	-	-	\$1,000,000	-	-	-	\$1,000,000
Ending Balance							
Ending Balance	-	-	-	-	(1,000,000)	-	(1,000,000)
Total Ending Balance	-	-	-	-	(\$1,000,000)	-	(\$1,000,000)

2017-19 BUDGET NARRATIVE

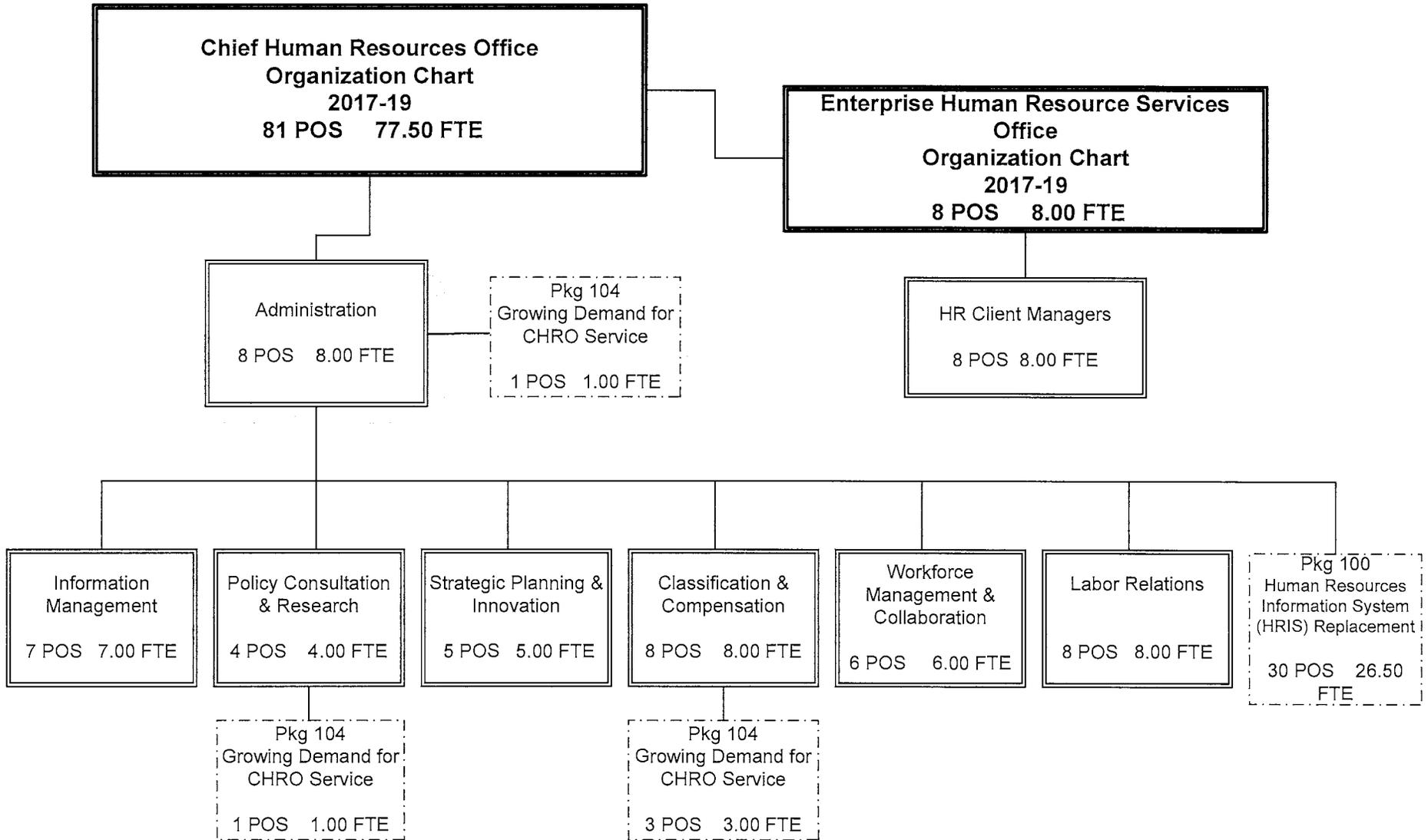
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2017-2019 BUDGET NARRATIVE

**Enterprise Human Resource Services
Organization Chart
2015-17
25 POS 24.64 FTE**



2017-2019 BUDGET NARRATIVE



2017-2019 BUDGET NARRATIVE

Enterprise Human Resource Services

Program Overview

Centralized human resource functions enable executive branch agencies to share resources and expertise. These functions also give agencies flexibility to manage their human capital in a cost-effective way.

The number of state employees Enterprise Human Resource Services (EHRS) serves continues to grow. Supporting 29 various agencies and nine divisions of Department of Administrative Services (DAS), the number of employees EHRS is supporting has grown from approximately 750 full-time equivalents (FTEs) over the biennium to now approximately 1400 FTEs.

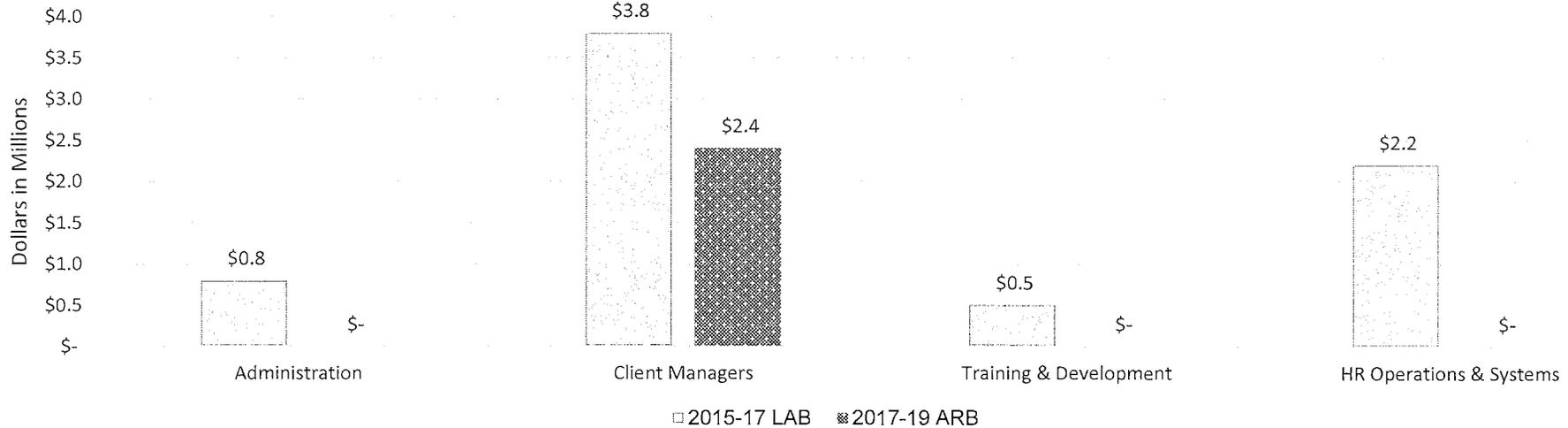
Program Description

- Client Agency Human Resource Services provides full service human resource (HR) services to state agencies using a shared service model. Client Services is a cost effective alternative for small agencies that might otherwise create their own HR management office or contemplate going without HR functionality within their agency. Additionally, this group provides the internal HR support functions for DAS and all of its divisions.
- Safety programs and the management of the Family Medical Leave Act are managed within this unit.

2017-2019 BUDGET NARRATIVE

Graphical representation of Total Funds Budget (historical and future)

Biennial Comparison of EHRS Expenditures by Major Programs



Program Justification and Link to Long Term Outcomes

- Refine service level agreements and improve rate methodologies in collaboration with the EHRS Customer Utility Board.
- Develop strategic business partnerships with client agencies.
- Provide training and human resource mentorship that improves management’s ability to hire, train, and retain a high performance workforce.
- Develop a referral list of human resource services to state agencies.
- Continue to focus on process improvement and develop enterprise methods of providing human resource services which improves customer satisfaction, improves the quality of our workforce, and saves the tax payers money.
- Provide leadership in safety program development.
- Develop workforce plans in collaboration with the Chief Human Resources Office (CHRO) and client agencies.

2017-2019 BUDGET NARRATIVE

Program Performance

EHRS is undergoing a significant shift in programs and statutory authority. As part of this, EHRS is currently mapping business objectives, developing long term outcomes and will eventually tie performance goals to the objectives. The end product will be performance metrics that can be tracked back to the business objectives.

Enabling Legislation/ Program Authorization

Oregon Revised Statutes (ORS) Chapters 240 and 243.
Oregon Administrative Rule (OAR) Chapter 105.

Funding Streams that Support the Program

EHRS Client Agency Services are funded through client agency billings for contracted services. For those agencies that are not EHRS clients, but need HR support, EHRS has developed some a-la-carte pricing for one-time and limited support services such as investigation, recruitment, position management, and safety management services.

2017-2019 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes standard 3.7 percent inflation on non-PICS accounts (temps, overtime, differential pay, etc.) and an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

None.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Attorney General costs by the allowable 13.14 percent.

Package 060 – Technical Adjustment

This package transfers out \$483,996 to DAS Business Services for centralization of State Government Service Charges. This package also reflects the reorganization of transferring all programs, except for Client Managers, to Chief Human Resource Office (CHRO) for a total of \$4,910,593 and 17 positions/17.00 FTE.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: Enterprise Human Resouce Services
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	-	-	-	-	-
Overtime Payments	-	-	-	-	-	-	-
All Other Differential	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Pension Obligation Bond	-	-	17,327	-	-	-	17,327
Social Security Taxes	-	-	-	-	-	-	-
Unemployment Assessments	-	-	-	-	-	-	-
Mass Transit Tax	-	-	939	-	-	-	939
Vacancy Savings	-	-	3,509	-	-	-	3,509
Total Personal Services	-	-	\$21,775	-	-	-	\$21,775
Total Expenditures							
Total Expenditures	-	-	21,775	-	-	-	21,775
Total Expenditures	-	-	\$21,775	-	-	-	\$21,775
Ending Balance							
Ending Balance	-	-	(21,775)	-	-	-	(21,775)
Total Ending Balance	-	-	(\$21,775)	-	-	-	(\$21,775)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Enterprise Human Resource Services
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	341	-	-	-	341
Out of State Travel	-	-	23	-	-	-	23
Employee Training	-	-	1,678	-	-	-	1,678
Office Expenses	-	-	2,422	-	-	-	2,422
Telecommunications	-	-	1,913	-	-	-	1,913
Data Processing	-	-	22,527	-	-	-	22,527
Publicity and Publications	-	-	919	-	-	-	919
Professional Services	-	-	10,449	-	-	-	10,449
IT Professional Services	-	-	4,107	-	-	-	4,107
Attorney General	-	-	19,172	-	-	-	19,172
Employee Recruitment and Develop	-	-	221	-	-	-	221
Dues and Subscriptions	-	-	368	-	-	-	368
Facilities Rental and Taxes	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Food and Kitchen Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	361	-	-	-	361
Other Services and Supplies	-	-	7,184	-	-	-	7,184
Expendable Prop 250 - 5000	-	-	588	-	-	-	588
IT Expendable Property	-	-	1,594	-	-	-	1,594
Total Services & Supplies	-	-	\$73,867	-	-	-	\$73,867

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Enterprise Human Resouce Services
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	73,867	-	-	-	73,867
Total Expenditures	-	-	\$73,867	-	-	-	\$73,867
Ending Balance							
Ending Balance	-	-	(73,867)	-	-	-	(73,867)
Total Ending Balance	-	-	(\$73,867)	-	-	-	(\$73,867)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Enterprise Human Resouce Services
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(2,207,232)	-	-	-	(2,207,232)
Empl. Rel. Bd. Assessments	-	-	(969)	-	-	-	(969)
Public Employees' Retire Cont	-	-	(421,359)	-	-	-	(421,359)
Pension Obligation Bond	-	-	(94,821)	-	-	-	(94,821)
Social Security Taxes	-	-	(168,723)	-	-	-	(168,723)
Worker's Comp. Assess. (WCD)	-	-	(1,173)	-	-	-	(1,173)
Mass Transit Tax	-	-	(13,243)	-	-	-	(13,243)
Flexible Benefits	-	-	(566,712)	-	-	-	(566,712)
Vacancy Savings	-	-	50,576	-	-	-	50,576
Total Personal Services	-	-	(\$3,423,656)	-	-	-	(\$3,423,656)
Services & Supplies							
Instate Travel	-	-	(4,989)	-	-	-	(4,989)
Out of State Travel	-	-	(640)	-	-	-	(640)
Employee Training	-	-	(22,662)	-	-	-	(22,662)
Office Expenses	-	-	(30,865)	-	-	-	(30,865)
Telecommunications	-	-	(35,038)	-	-	-	(35,038)
State Gov. Service Charges	-	-	(483,996)	-	-	-	(483,996)
Data Processing	-	-	(555,586)	-	-	-	(555,586)
Publicity and Publications	-	-	(11,572)	-	-	-	(11,572)
Professional Services	-	-	(255,554)	-	-	-	(255,554)
IT Professional Services	-	-	(104,268)	-	-	-	(104,268)
Attorney General	-	-	(134,582)	-	-	-	(134,582)
Employee Recruitment and Develop	-	-	(4,006)	-	-	-	(4,006)
Dues and Subscriptions	-	-	(4,534)	-	-	-	(4,534)

____ Agency Request
2017-19 Biennium

____ Governor's Budget
Page _____

____ Legislatively Adopted
Essential and Policy Package Fiscal Impact Summary - BPR013

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Enterprise Human Resource Services
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Facilities Rental and Taxes	-	-	(157,969)	-	-	-	(157,969)
Other Services and Supplies	-	-	(129,106)	-	-	-	(129,106)
Expendable Prop 250 - 5000	-	-	(10,161)	-	-	-	(10,161)
IT Expendable Property	-	-	(25,405)	-	-	-	(25,405)
Total Services & Supplies	-	-	(\$1,970,933)	-	-	-	(\$1,970,933)
Special Payments							
Dist to Cities	-	-	-	-	-	-	-
Total Special Payments	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	(5,394,589)	-	-	-	(5,394,589)
Total Expenditures	-	-	(\$5,394,589)	-	-	-	(\$5,394,589)
Ending Balance							
Ending Balance	-	-	5,394,589	-	-	-	5,394,589
Total Ending Balance	-	-	\$5,394,589	-	-	-	\$5,394,589
Total Positions							
Total Positions	-	-	-	-	-	-	(17)
Total Positions	-	-	-	-	-	-	(17)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: Enterprise Human Resouce Services
Cross Reference Number: 10700-070-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total FTE							
Total FTE							(17.00)
Total FTE	-	-	-	-	-	-	(17.00)

PACKAGE: 060 - Technical Adjustments

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
0520008 MMN X1320 AA HUMAN RESOURCE ANALYST 1		1-	1.00-	24.00-	08	5,231.00		125,544- 67,032-			125,544- 67,032-
0520050 MMC X0118 AA EXECUTIVE SUPPORT SPECIALIST 1		1-	1.00-	24.00-	08	3,906.00		93,744- 58,529-			93,744- 58,529-
0520053 MMC X0104 AA OFFICE SPECIALIST 2		1-	1.00-	24.00-	03	2,818.00		67,632- 51,547-			67,632- 51,547-
0520071 MMN X0871 AA OPERATIONS & POLICY ANALYST 2		1-	1.00-	24.00-	06	5,770.00		138,480- 70,492-			138,480- 70,492-
0530088 MMN X0872 AA OPERATIONS & POLICY ANALYST 3		1-	1.00-	24.00-	06	6,673.00		160,152- 76,287-			160,152- 76,287-
0530090 MMN X0107 AA ADMINISTRATIVE SPECIALIST 1		1-	1.00-	24.00-	08	3,906.00		93,744- 58,529-			93,744- 58,529-
0530401 MMN X1320 AA HUMAN RESOURCE ANALYST 1		1-	1.00-	24.00-	08	5,231.00		125,544- 67,032-			125,544- 67,032-
0601043 MMN X1320 AA HUMAN RESOURCE ANALYST 1		1-	1.00-	24.00-	08	5,231.00		125,544- 67,032-			125,544- 67,032-
0601072 MMN X0870 AA OPERATIONS & POLICY ANALYST 1		1-	1.00-	24.00-	06	4,747.00		113,928- 63,927-			113,928- 63,927-
0608712 MMN X0872 AA OPERATIONS & POLICY ANALYST 3		1-	1.00-	24.00-	05	6,352.00		152,448- 74,226-			152,448- 74,226-
0613221 MMN X1339 AA TRAINING & DEVELOPMENT SPEC 2		1-	1.00-	24.00-	08	6,352.00		152,448- 74,226-			152,448- 74,226-
0700013 MMN X7008 AA PRINCIPAL EXECUTIVE/MANAGER E		1-	1.00-	24.00-	09	8,496.00		203,904- 87,986-			203,904- 87,986-
1000892 MMN X1321 AA HUMAN RESOURCE ANALYST 2		1-	1.00-	24.00-	04	4,982.00		119,568- 65,434-			119,568- 65,434-
1810402 MMN X1319 AA HUMAN RESOURCE ASSISTANT		1-	1.00-	24.00-	02	3,077.00		73,848- 53,209-			73,848- 53,209-
1870061 MESNZ7012 AA PRINCIPAL EXECUTIVE/MANAGER G		1-	1.00-	24.00-	09	10,828.00		259,872- 102,822-			259,872- 102,822-
7013191 MMN X1319 AA HUMAN RESOURCE ASSISTANT		1-	1.00-	24.00-	04	3,386.00		81,264- 55,192-			81,264- 55,192-

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:070-00-00 Enterprise Human Resouce Servi

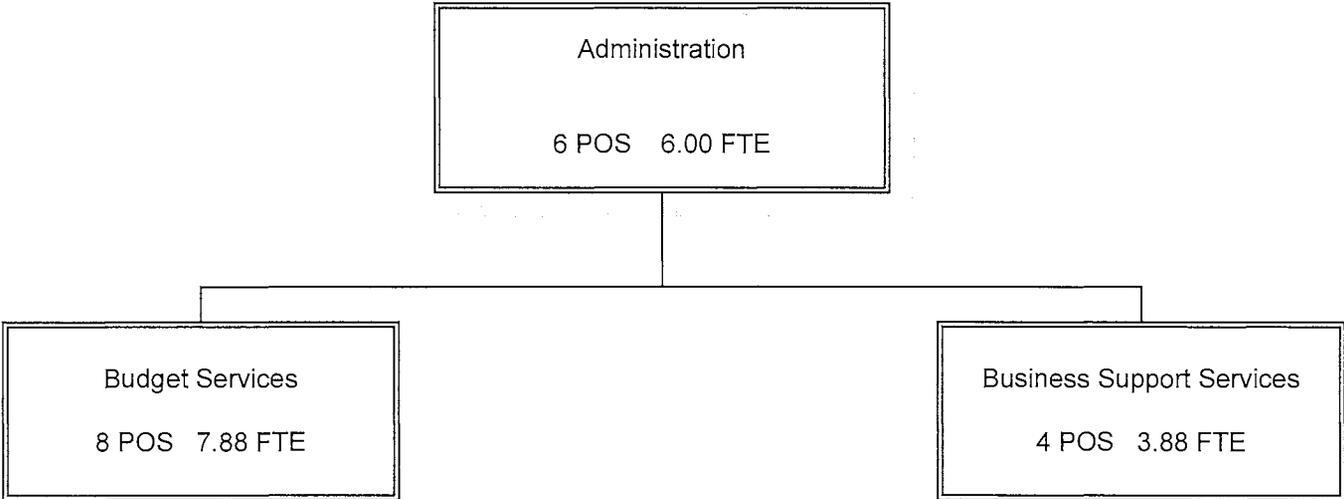
DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM
 PACKAGE: 060 - Technical Adjustments

2017-19
 PICS SYSTEM: BUDGET PREPARATION
 PAGE 20
 PROD FILE

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
7013211	MMN	X1321	AA HUMAN RESOURCE ANALYST 2	1-	1.00-	24.00-	04	4,982.00		119,568-			119,568-
										65,434-			65,434-
TOTAL PICS SALARY										2,207,232-			2,207,232-
TOTAL PICS OPE										1,158,936-			1,158,936-
TOTAL PICS PERSONAL SERVICES =				17-	17.00-	408.00-				3,366,168-			3,366,168-

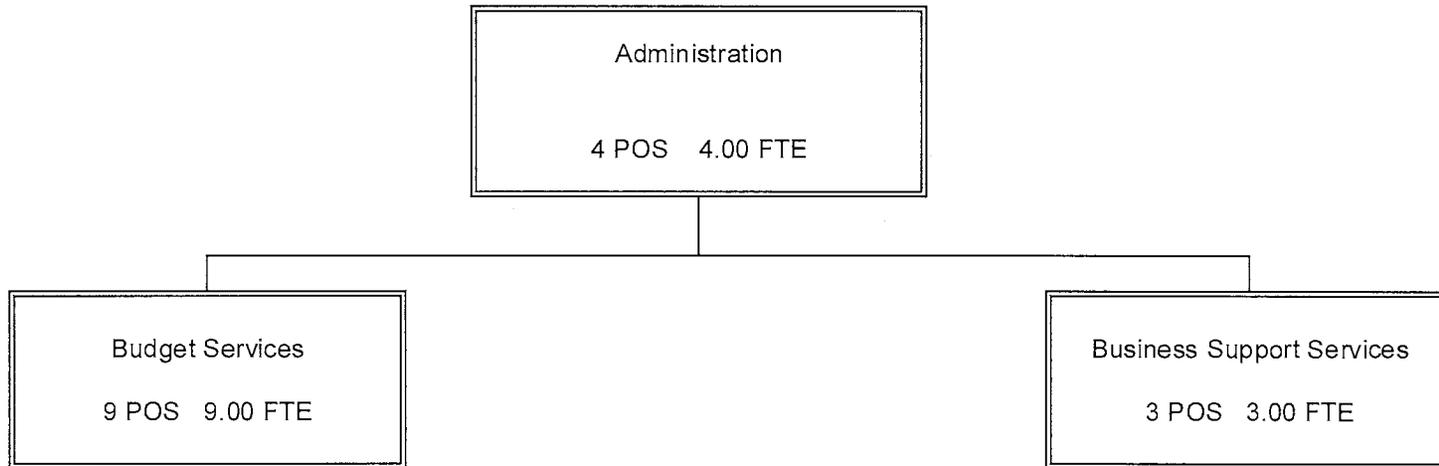
2017-19 BUDGET NARRATIVE

**DAS Business Services
Organization Chart
2015-17
18 POS 17.76 FTE**



2017-19 BUDGET NARRATIVE

**DAS Business Services
Organization Chart
2017-19
16 POS 16.00 FTE**



2017-19 BUDGET NARRATIVE

DAS Business Services

Program Overview

DAS Business Services (DBS) provides a comprehensive group of essential services to support the business of DAS and other public agencies.

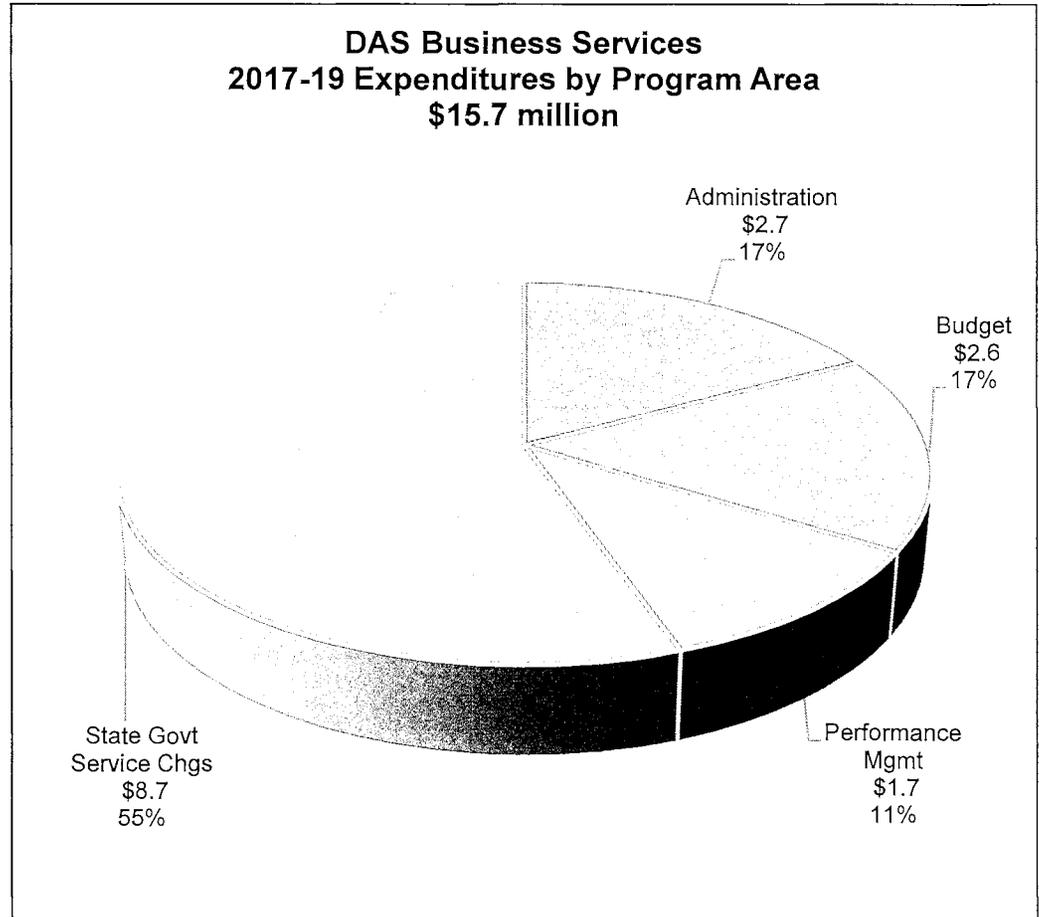
Program Description

DBS is comprised of the following program areas:

Administration & Business Support Services manages the daily operations of DBS and is responsible for emergency and business continuity, coordinating agency-wide programs (i.e., DAS Oregon Administrative Rules management and development; statewide and internal policies and procedures, and DAS archiving and records retention management). This section also supports the four Customer Utility Boards; Enterprise Asset Management, Enterprise Goods and Services, Enterprise Human Resource Services, and Enterprise Technology Services.

Budget and Rate Development Services is responsible for overseeing DAS' finances and budget. The section coordinates rate development, calculates rates, fees and assessments, performs financial analysis for DAS divisions, develops the statewide price list of goods and services, monitors budget implementation, coordinates Emergency Board and Ways & Means requests and presentations, and prepares the agency's biennial budget.

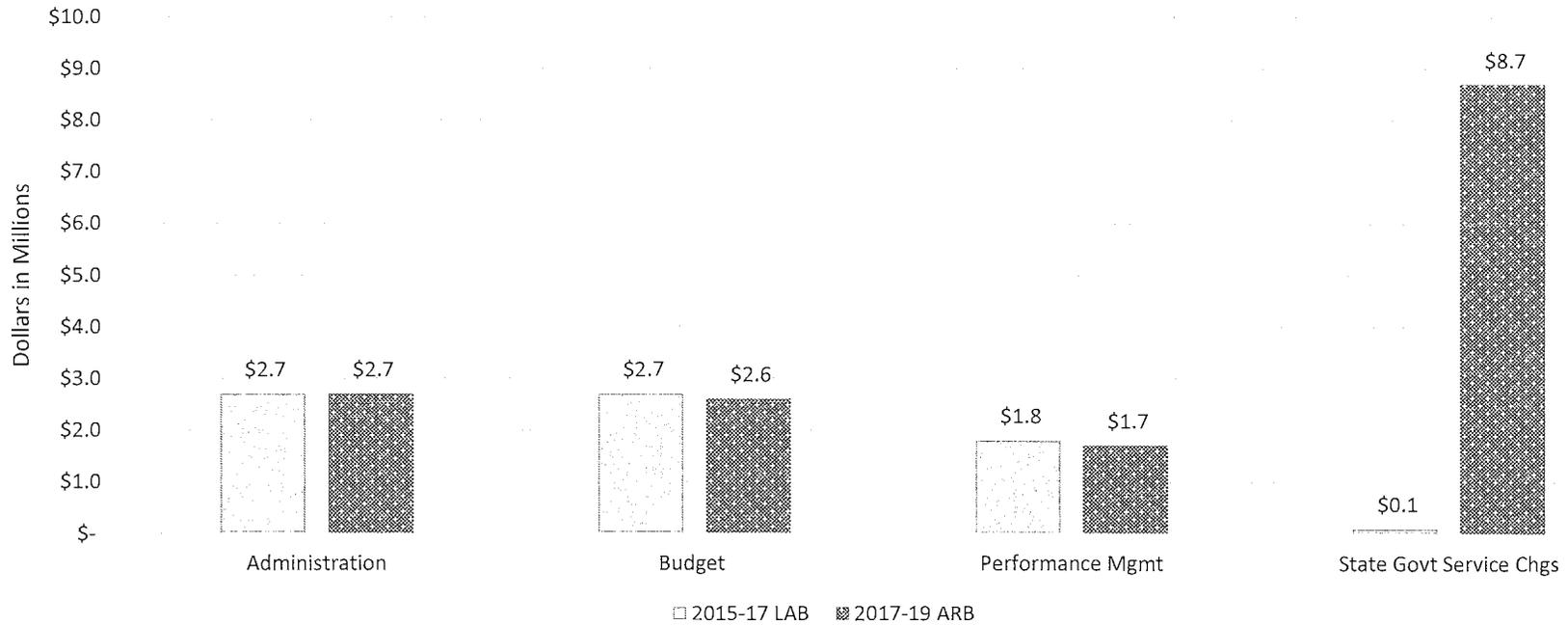
Performance Management and Survey Analysis is responsible for providing performance management, survey design and statistical data analysis and reporting services to DAS and customer agencies. The section is also responsible for data and reporting on DAS' Fundamentals Map, Service Level Agreements and the legislatively mandated Key Performance Measures (KPMs) report.



2017-19 BUDGET NARRATIVE

Graphical representation of Total Funds Budget (historical and future)

Biennial Comparison of DBS Expenditures by Major Programs



Enabling Legislation/ Program Authorization

Oregon Revised Statute (ORS) Chapter 184.

2017-19 BUDGET NARRATIVE

Funding Streams that Support the Program

DBS is considered an internal overhead cost to all DAS divisions, which is factored into the charges for services rate and assessments for cost recovery purposes. DBS serves as the primary coordinator for service charges assessed by the Oregon State Library, the Oregon Law Library, and Certification Office for Business Inclusion and Diversity by collecting these assessments and transferring the monies to other agencies. DBS along with EGS Shared Financial Services are also responsible for collecting and distributing miscellaneous funding streams such as:

- State Agency Mass Transit Assessments to Transit Districts.
- City revenue sharing of Oregon Liquor Control Commission earnings.
- Department of Revenue Cigarette Tax and Amusement Device Tax Distribution to Cities and Counties.
- Economic Development Fund Lottery proceeds for state agencies, the Education Stability Fund, the Oregon Education Fund, the Parks and Natural Resources Fund, Oregon County Fair account and other entities.
- Tobacco Master Settlement funds.
- Various types of bond proceeds and debt service payments.
- Federal forest, mineral lease, land sale, grazing, and flood control revenues.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

This package includes an increase for mass transit because of increases in the salary plan. It also includes adjustments to vacancy savings and costs for the Public Employees' Retirement System Pension Obligation Bond repayment.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

This package phases out \$2 million for Mass Ingenuity Master Contract that was approved in a 2015-17 policy option package.

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation as follows:

- Services and Supplies, Capital Outlay, and Special Payments by the standard 3.7 percent.
- Non-state employee and Professional Services costs by the standard 4.1 percent.
- Facilities rent by the standard uniform rent rate increase (6.9 percent), by the standard 3.7 percent for non-state properties, or adjusted to the Self-Support Rent Rates.
- Attorney General costs by the allowable 13.14 percent.
- State Government Service Charges adjusted to the allowable amounts as published in the 2017-19 Biennium Price List of Goods and Services document.

Package 060 – Technical Adjustment

This package transfers out \$280,354 (one position/FTE) to Chief Human Resources Office (CHRO) for the Employee Engagement program and transfers in \$15.8 million for the centralization of all State Government Service Charges within DBS. The transfer of these budget amounts is a net-zero action across the entire department.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

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

Cross Reference Name: DAS Business Services
Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	-	-	-	-	-
Overtime Payments	-	-	-	-	-	-	-
All Other Differential	-	-	-	-	-	-	-
Public Employees' Retire Cont	-	-	-	-	-	-	-
Pension Obligation Bond	-	-	6,883	-	-	-	6,883
Social Security Taxes	-	-	-	-	-	-	-
Unemployment Assessments	-	-	-	-	-	-	-
Mass Transit Tax	-	-	669	-	-	-	669
Vacancy Savings	-	-	28,801	-	-	-	28,801
Total Personal Services	-	-	\$36,353	-	-	-	\$36,353
Total Expenditures							
Total Expenditures	-	-	36,353	-	-	-	36,353
Total Expenditures	-	-	\$36,353	-	-	-	\$36,353
Ending Balance							
Ending Balance	-	-	(36,353)	-	-	-	(36,353)
Total Ending Balance	-	-	(\$36,353)	-	-	-	(\$36,353)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: DAS Business Services
Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Professional Services	-	-	(2,000,000)	-	-	-	(2,000,000)
Total Services & Supplies	-	-	(\$2,000,000)	-	-	-	(\$2,000,000)
Total Expenditures							
Total Expenditures	-	-	(2,000,000)	-	-	-	(2,000,000)
Total Expenditures	-	-	(\$2,000,000)	-	-	-	(\$2,000,000)
Ending Balance							
Ending Balance	-	-	2,000,000	-	-	-	2,000,000
Total Ending Balance	-	-	\$2,000,000	-	-	-	\$2,000,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: DAS Business Services
Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	358	-	-	-	358
Employee Training	-	-	2,472	-	-	-	2,472
Office Expenses	-	-	2,043	-	-	-	2,043
Telecommunications	-	-	3,332	-	-	-	3,332
State Gov. Service Charges	-	-	(7,420,842)	-	-	-	(7,420,842)
Data Processing	-	-	3,085	-	-	-	3,085
Publicity and Publications	-	-	106	-	-	-	106
Professional Services	-	-	17,500	-	-	-	17,500
IT Professional Services	-	-	6,417	-	-	-	6,417
Attorney General	-	-	2,015	-	-	-	2,015
Employee Recruitment and Develop	-	-	836	-	-	-	836
Dues and Subscriptions	-	-	232	-	-	-	232
Facilities Rental and Taxes	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Food and Kitchen Supplies	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	361	-	-	-	361
Other Services and Supplies	-	-	7,193	-	-	-	7,193
Expendable Prop 250 - 5000	-	-	353	-	-	-	353
IT Expendable Property	-	-	-	-	-	-	-
Total Services & Supplies	-	-	(\$7,374,539)	-	-	-	(\$7,374,539)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: DAS Business Services
Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Total Expenditures							
Total Expenditures	-	-	(7,374,539)	-	-	-	(7,374,539)
Total Expenditures	-	-	(\$7,374,539)	-	-	-	(\$7,374,539)
Ending Balance							
Ending Balance	-	-	7,374,539	-	-	-	7,374,539
Total Ending Balance	-	-	\$7,374,539	-	-	-	\$7,374,539

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: DAS Business Services
Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Class/Unclass Sal. and Per Diem	-	-	(185,136)	-	-	-	(185,136)
Empl. Rel. Bd. Assessments	-	-	(57)	-	-	-	(57)
Public Employees' Retire Cont	-	-	(35,342)	-	-	-	(35,342)
Social Security Taxes	-	-	(14,163)	-	-	-	(14,163)
Worker's Comp. Assess. (WCD)	-	-	(69)	-	-	-	(69)
Mass Transit Tax	-	-	(1,111)	-	-	-	(1,111)
Flexible Benefits	-	-	(33,336)	-	-	-	(33,336)
Total Personal Services	-	-	(\$269,214)	-	-	-	(\$269,214)
Services & Supplies							
Instate Travel	-	-	(3,700)	-	-	-	(3,700)
Employee Training	-	-	(4,000)	-	-	-	(4,000)
Office Expenses	-	-	(1,600)	-	-	-	(1,600)
Telecommunications	-	-	(640)	-	-	-	(640)
State Gov. Service Charges	-	-	15,765,064	-	-	-	15,765,064
Publicity and Publications	-	-	(200)	-	-	-	(200)
Other Services and Supplies	-	-	(500)	-	-	-	(500)
Expendable Prop 250 - 5000	-	-	(500)	-	-	-	(500)
Total Services & Supplies	-	-	\$15,753,924	-	-	-	\$15,753,924
Total Expenditures							
Total Expenditures	-	-	15,484,710	-	-	-	15,484,710
Total Expenditures	-	-	\$15,484,710	-	-	-	\$15,484,710

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 060 - Technical Adjustments

Cross Reference Name: DAS Business Services
Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(15,484,710)	-	-	-	(15,484,710)
Total Ending Balance	-	-	(\$15,484,710)	-	-	-	(\$15,484,710)
Total Positions							
Total Positions							(1)
Total Positions	-	-	-	-	-	-	(1)
Total FTE							
Total FTE							(1.00)
Total FTE	-	-	-	-	-	-	(1.00)

08/05/16 REPORT NO.: PPDPFISCAL
 REPORT: PACKAGE FISCAL IMPACT REPORT
 AGENCY:10700 DEPT OF ADMIN SERVICES
 SUMMARY XREF:075-00-00 DAS Business Services

DEPT. OF ADMIN. SVCS. -- PPDB PICS SYSTEM

2017-19
 PICS SYSTEM: BUDGET PREPARATION

PACKAGE: 060 - Technical Adjustments

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
0112071	MMN X0873	AA OPERATIONS & POLICY ANALYST 4	1-	1.00-	24.00-	07	7,714.00		185,136-			185,136-
									82,967-			82,967-
		TOTAL PICS SALARY							185,136-			185,136-
		TOTAL PICS OPE							82,967-			82,967-
		TOTAL PICS PERSONAL SERVICES =	1-	1.00-	24.00-				268,103-			268,103-

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #112 – Mass Ingenuity Master Contract

Total Request: \$2.0 million

Purpose

This package requests the continuation of the statewide Mass Ingenuity Master Contract for the 2017-19 biennium.

How Achieved

Request for limitation for the overall statewide management of the Mass Ingenuity Master Contract that implements the NOW Management System offered to state agencies. DAS will be responsible for coordinating this contract including making all payments on behalf of state agencies.

Staffing Impact

None.

Quantifying Results

Tracking how many agencies using the services will gauge the success of this contract.

Revenue Sources

\$2 million Other Funds Limited, Charges for Services.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
 Pkg: 112 - Mass Ingenuity Master Contract

Cross Reference Name: DAS Business Services
 Cross Reference Number: 10700-075-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Charges for Services	-	-	2,000,000	-	-	-	2,000,000
Total Revenues	-	-	\$2,000,000	-	-	-	\$2,000,000
Services & Supplies							
Professional Services	-	-	2,000,000	-	-	-	2,000,000
Total Services & Supplies	-	-	\$2,000,000	-	-	-	\$2,000,000
Total Expenditures							
Total Expenditures	-	-	2,000,000	-	-	-	2,000,000
Total Expenditures	-	-	\$2,000,000	-	-	-	\$2,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2017-19 BUDGET NARRATIVE

Miscellaneous Distributions (090-00)

Program Description

Per legislative directives, Department of Administrative Services receives and distributes certain pass-through moneys collected from federal and state sources from several state agencies. This money is distributed to state agencies, cities, counties, transit districts and some nonprofit organizations.

The Central Government Service Charges are proportionately assessed to state agencies with Other Funded positions. ORS Chapter 291.276 directs DAS to recover actual costs associated with the Legislative Assembly including the Emergency Board, Legislative Counsel Committee, the Governor's Office, and the Secretary of State Archives Division. Other Funds received through this assessment are returned to the General Fund. Federal sources are excluded from this assessment because the federal government will not participate in funding state central government functions.

A mass transit assessment is charged to state agencies at 0.6 percent of salaries and wages paid to employees working within a transit district boundary, per ORS 291.405. This is collected in lieu of state agencies paying a payroll or property tax to support local mass transit districts. This is used to support local mass transit districts in various parts of the state. The Agency Request Budget for this program is \$24.7 million for payment of mass transit assessments, no change from the 2015-17 Legislatively Approved Budget.

DAS is responsible for a series of distributions to county city and county governments. These include:

- City revenue sharing of Oregon Liquor Control Commission earnings (ORS 221.770).
- 3.45 percent of total of cigarette tax proceeds collected by the Department of Revenue (ORS 323.455).
- 35.325 percent of Amusement Device Tax collected by the Department of Revenue is transferred to DAS for distribution to the counties (ORS 320.100).
- Marijuana tax proceeds collected by the Department of Revenue (ORS 475B.760).
- 25 percent of all money received from the sale of National Forest products within a county are distributed back to that county.
- A portion of mineral lease proceeds from federal lands is distributed to the state, which in turn returns it to the county where the leased land is located.
- Five percent of proceeds from the sale of federal land and materials is returned to the state monthly, which in turn distributes it to counties for roads and bridges.
- A portion of Taylor Grazing Act fees is distributed to the state, which in turn returns it to the county where the leased land is located to be used for grazing and range improvements. A portion of lease fees paid to the federal government under the Federal Flood Control Act is distributed to the state. The state in turn returns it to the county where the leased land is located. It is to be used for schools and roads.

2017-19 BUDGET NARRATIVE

Tobacco Settlement (092-00)

Program Description

DAS maintains responsibility for tracking and distributing Tobacco Settlement monies received by means of the Tobacco Master Settlement Agreement (MSA). Historically, this funding source has been used to support certain health care related expenditures, as well as debt service on Oregon Opportunity Bonds issued by DAS on behalf of the Oregon Health and Science University (OHSU). Tobacco Settlement resources in the 2017-19 Agency Request Budget total \$152.6 million Other Funds, which includes a \$19.1 million beginning balance. These funds are distributed for the following purposes:

- \$30.9 million to cover debt service payments and related treasury fees for outstanding OHSU Oregon Opportunity Bonds.
- \$1.5 million to the Department of Justice, \$100.6 million to the Oregon Health Authority, and \$3.4 million to Department of Education for activities related to the MSA.

DAS Debt Service (093-00)

Program Description

This program includes debt service payments that are specific to the Department of Administrative Services. These payments are for Certificates of Participation (COPs) and Article XI-Q Bonds that pay for the construction and improvement for many state buildings. The 2017-19 Agency Request Budget total is \$20.4 million Other Funds, which includes \$5 million of new debt requested in policy option package 115.

Bonds (094-00)

Program Description

As directed by law, this program includes payments for State Treasury bonding fees and debt service on Article XI-O and Q Bonds. The 2017-19 Agency Request Budget total is \$390.9 million, a 22.7 percent decrease over the 2015-17 Legislatively Approved Budget.

2017-19 BUDGET NARRATIVE

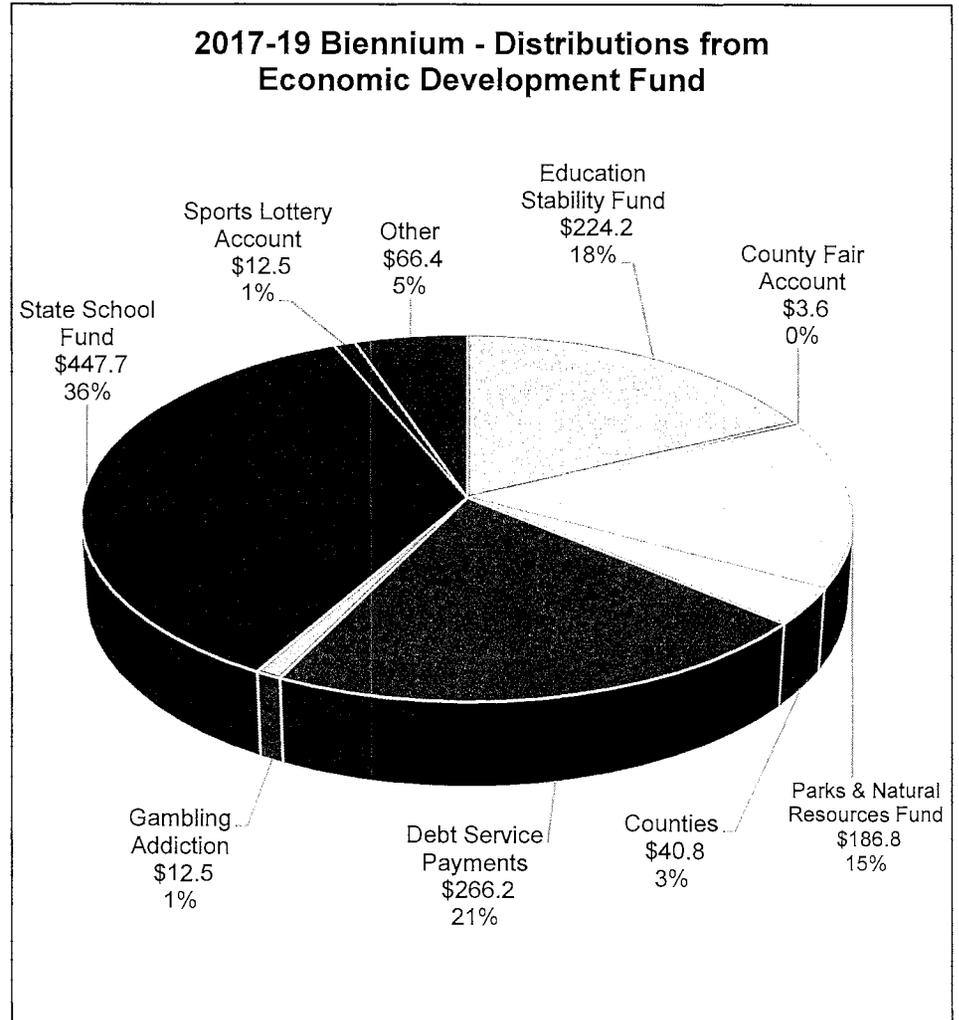
Statewide Lottery Distribution (095-00)

Program Description

The Oregon Lottery transfers Lottery Funds to the Department of Administrative Services' Economic Development Fund (EDF) on a quarterly basis. DAS then distributes funds from the EDF in adherence with constitutional and statutory funding priorities, which include the following:

- Debt service payments for Lottery Bonds (first priority of available funds).
- 18 percent of net proceeds to the Education Stability Fund, see SCR 096.
- 15 percent of net proceeds to the Parks and Natural Resources Fund, see SCR 098.
- Two and one-half percent of net proceeds from video lottery games to counties for economic development projects.
- One percent of net proceeds to the Sports Lottery Account for sports programs at state institutions of higher education and for scholarships.
- One percent of net proceeds to the Oregon Health Authority for Gambling Addiction prevention and treatment programs.
- One percent of net profits (not to exceed \$1.53 million annually) to the County Fair Account.

The Legislature makes other allocations from the EDF within authorized public purposes. Currently, the bulk of allocations are made to the Department of Education for the State School Fund and the Oregon Economic and Community Development Department for various economic development program expenditures.



2017-19 BUDGET NARRATIVE

Education Stability Fund (096-00)

Program Description

The 1997 Legislature established the Education Endowment Fund (EEF). Prior to the 2003-05 biennium, 15 percent of quarterly transfers to the Economic Development Fund were transferred to the EEF. Voters approved Measure 19 at the September 2002 Special Election which amended the Constitution, changing the EEF to the Education Stability Fund (ESF). Money in the ESF fund can now be accessed under certain economic conditions in order to provide additional transfers to the State School Fund. The percentage of dedicated Lottery allocations to this fund increased from 15 percent to 18 percent beginning in the 2003-05 biennium.

The ESF also includes two primary subaccounts - the Oregon Growth Account (OGA) and the Oregon Resource and Technology Development Subaccount (ORTDS), which technically is a subaccount of the OGA. Declared earnings on the main ESF are dedicated for two purposes:

- 1) Oregon Education Fund (see SCR 097) to pay for public education and education lottery bond debt service.
- 2) Higher Education Coordinating Commission for Oregon Opportunity Grant program under ORS 348.260.

Oregon Education Fund (097-00)

Program Description

The Oregon Education Fund (OEF) receives declared earnings on the main Education Stability Fund (excluding the OGA and ORTDS). Transfers in 2017-19 are projected to be \$651,225 Lottery Funds. These funds are transferred to the Lottery Bond Account in the Department of Education to pay for public education and education lottery bond debt service.

Parks and Natural Resources Fund (098-00)

Program Description

Oregon voters established the Parks and Natural Resources Fund in 1998. Starting with the 1999-2001 biennium, 15 percent of lottery transfers to the Economic Development Fund (see SCR 095) are dedicated to the Parks and Natural Resources Fund. Transfers in 2017-19 are projected to be \$186.8 million Lottery Funds. All transfers into this fund are equally split between the Oregon Parks and Recreation Department and the Oregon Watershed Enhancement Board.

2017-19 BUDGET NARRATIVE

Special Governmental Payments (099-00)

Program Description

This program has historically accounted for a variety of revenue transfers or payments as directed by law; which include debt service payments for lottery bonds and Article XI-Q bonds, lottery transfer to the County Fair Account, and other miscellaneous payments.

The 2017-19 Agency Request Budget includes \$30 million General Fund and \$22.2 million Lottery Funds. The transfers or payments include:

- Statewide Services - \$10.3 million revenue transfer to miscellaneous state agencies (Oregon Business Development Department, Judicial Department, and Oregon State Library) for invoicing and collecting assessments on their behalf.
- Oregon Public Broadcasting - \$500,000 General Fund and \$3.0 million Lottery Funds for debt service payments.
- County Fair Account - \$3.6 million Lottery Funds payment to support county fair programs.
- Oregon Historical Society - \$750,000 General Fund and \$367,770 Lottery Funds for debt service payments.
- Mill Creek - \$838,337 General Fund for debt service payments.
- Go! Oregon - \$5.8 million General Fund for debt service payments.
- Lottery Revenue Bond - \$15.2 million Lottery Funds for debt service payments.
- Oregon State Fair Council - \$1,674,568 General Fund for state fair operations and debt service payments.

2017-19 BUDGET NARRATIVE

Essential Packages

The Essential Packages represent changes made to the 2015-17 budget that estimate the cost to continue current legislatively approved programs into the 2017-19 biennium.

Package 010 – Non-PICS Personal Services and Vacancy Factor

None.

Package 021 – Phase-in Program Costs

None.

Package 022 – Phase-out Program and One-time Costs

This package phases out the following:

- \$1 Other Fund Gain Share placeholder approved in the 2015 Session (SCR 091-00).
- \$55,000 Other Fund for one-time cost of issuance approved in the 2016 Session (SCR 094-00).
- \$6,765,000 General Fund, \$216,000 Lottery Funds, and \$24,115,820 Other Funds for one-time miscellaneous pass-through expenditures approved in both 2015 and 2016 Sessions (SCR 099-00).

Package 031 – Standard Inflation and State Government Service Charge

This package applies standard inflation for State Government Service Charges adjusted to the allowable amounts as published in the 2017-19 Biennium Price List of Goods and Services document (SCR 094-00).

Package 060 – Technical Adjustment

None.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Shared Services Fund
Cross Reference Number: 10700-091-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Special Payments							
Other Special Payments	-	-	(1)	-	-	-	(1)
Total Special Payments	-	-	(\$1)	-	-	-	(\$1)
Total Expenditures							
Total Expenditures	-	-	(1)	-	-	-	(1)
Total Expenditures	-	-	(\$1)	-	-	-	(\$1)
Ending Balance							
Ending Balance	-	-	1	-	-	-	1
Total Ending Balance	-	-	\$1	-	-	-	\$1

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Bonds
Cross Reference Number: 10700-094-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Other COI Costs	-	-	(55,000)	-	-	-	(55,000)
Total Services & Supplies	-	-	(\$55,000)	-	-	-	(\$55,000)
Total Expenditures							
Total Expenditures	-	-	(55,000)	-	-	-	(55,000)
Total Expenditures	-	-	(\$55,000)	-	-	-	(\$55,000)
Ending Balance							
Ending Balance	-	-	55,000	-	-	-	55,000
Total Ending Balance	-	-	\$55,000	-	-	-	\$55,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 022 - Phase-out Pgm & One-time Costs

Cross Reference Name: Special Governmental Payments
Cross Reference Number: 10700-099-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	(6,765,000)	-	-	-	-	-	(6,765,000)
Total Revenues	(\$6,765,000)	-	-	-	-	-	(\$6,765,000)
Services & Supplies							
Other COI Costs	-	-	(515,820)	-	-	-	(515,820)
Total Services & Supplies	-	-	(\$515,820)	-	-	-	(\$515,820)
Special Payments							
Dist to Other Gov Unit	-	(216,000)	-	-	-	-	(216,000)
Other Special Payments	(6,765,000)	-	(23,600,000)	-	-	-	(30,365,000)
Total Special Payments	(\$6,765,000)	(\$216,000)	(\$23,600,000)	-	-	-	(\$30,581,000)
Total Expenditures							
Total Expenditures	(6,765,000)	(216,000)	(24,115,820)	-	-	-	(31,096,820)
Total Expenditures	(\$6,765,000)	(\$216,000)	(\$24,115,820)	-	-	-	(\$31,096,820)
Ending Balance							
Ending Balance	-	216,000	24,115,820	-	-	-	24,331,820
Total Ending Balance	-	\$216,000	\$24,115,820	-	-	-	\$24,331,820

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Bonds
Cross Reference Number: 10700-094-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Office Expenses	-	-	-	-	-	-	-
State Gov. Service Charges	-	-	63,253	-	-	-	63,253
Other Services and Supplies	-	-	-	-	-	-	-
Total Services & Supplies	-	-	\$63,253	-	-	-	\$63,253
Special Payments							
Other Special Payments	-	-	-	-	-	-	-
Spc Pmt to OR University System	-	-	-	-	-	-	-
Total Special Payments	-	-	-	-	-	-	-
Total Expenditures							
Total Expenditures	-	-	63,253	-	-	-	63,253
Total Expenditures	-	-	\$63,253	-	-	-	\$63,253
Ending Balance							
Ending Balance	-	-	(63,253)	-	-	-	(63,253)
Total Ending Balance	-	-	(\$63,253)	-	-	-	(\$63,253)

2017-19 BUDGET NARRATIVE

Policy Option Package #115: Debt Service – Planning and Construction (SCR 093-00)

Total Request: \$4,974,847

Purpose

This package is for Services and Supplies and debt service costs that will be incurred in 2017-19 for those projects (see Capital Budgeting tab). However, the debt service portion of this package is only the first part of repayment of the \$182 million bonding request contained in policy option packages #125 and #126. This creates a revolving fund for implementing Workplace Strategies initiatives across agency customer base.

How Achieved

In policy option package #125, DAS is requesting bond funding to construct a seismically sound, Mission Critical Facility able to house state government functions immediately following a 9.0 earthquake event.

In policy option package #126, DAS is requesting bond funding to renovate the Portland State Office Building. The leaking exterior windows of the building replaced, security upgrades implemented, HVAC upgrades completed, roof repaired, and high efficiency lighting and lighting controls installed.

If packages #125 and #126 are approved, DAS will use the debt service and Services and Supplies in this package to pay for the purchase of the bond and for debt repayments.

Additionally, the package establishes a “seed fund” agencies can use to implement Workplace Strategies initiatives to create consolidated and more productive workspaces. DAS will use the fund to pay for agency furniture and reconfiguration costs then agencies will have up to two biennia to repay these costs and replenish the funds for other agencies to use in the future. The fund will be self-sustaining after two biennia.

Staffing Impact

None.

Quantifying Results

Total number of projects completed, completion of projects on time and within budget as well as customer satisfaction surveys are monitored within this program and will be used to gauge success

2017-19 BUDGET NARRATIVE

Revenue Sources

\$7,973,459 Other Funds Limited, Rents and Royalties.

\$1,079,000 Other Funds Limited, General Fund Obligation Funds.

The Uniform Rent charged to agency customers in DAS owned buildings will be increased by \$.10 per square foot to help recover this cost. The May 2016 Emergency Board approved the increase from \$1.45 to \$1.55. Of this rate, \$.20 per foot is needed to fully pay for the expense. A breakdown of funding streams and expenditures is detailed in the table below.

Policy Option Package #115:	Uniform Rent	Parking Fund	Total
Available Revenues:			
Uniform Rent Increase	\$7,973,459		\$7,973,459
Article XI-Q Bond Proceeds	\$1,079,000		\$1,079,000
Parking Funds - No rate increase		\$2,110,045	\$2,110,045
Total Revenues	\$9,052,459	\$2,110,045	\$11,162,504
Transfers Out:			
<i>Article XI-Q Debt Service</i>	\$2,864,802	\$2,110,045	\$4,974,847
Workplace Strategies Fund	\$5,000,000		\$5,000,000
Expenditures:			
Article XI-Q Cost of Issuance	\$1,079,000		\$1,079,000
Additional S&S	\$108,657		\$108,657
Total Expenditures	\$9,052,459	\$2,110,045	\$11,162,504

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
 Pkg: 115 - Debt Service - Planning & Construction

Cross Reference Name: DAS Debt Service
 Cross Reference Number: 10700-093-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	4,974,847	-	-	-	4,974,847
Total Revenues	-	-	\$4,974,847	-	-	-	\$4,974,847
Debt Service							
Principal - Bonds	-	-	1,875,000	-	-	-	1,875,000
Interest - Bonds	-	-	3,099,847	-	-	-	3,099,847
Total Debt Service	-	-	\$4,974,847	-	-	-	\$4,974,847
Total Expenditures							
Total Expenditures	-	-	4,974,847	-	-	-	4,974,847
Total Expenditures	-	-	\$4,974,847	-	-	-	\$4,974,847
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #116: Free Bus Pass Program (SCR 099-00)

Total Request: \$1,399,125

Purpose

Since July of 2012, the number of state employees on the DAS Parking Services waitlist grew from 544 employees to 1,116 as of June 2016. For the Green Lot, the wait for a single driver parking space exceeds ten years. Encouraging use of public transport can help to reduce the parking demand and waitlist. In the 2016 Session, the Legislature approved \$650,000 in General Fund for DAS to restart and fund the free bus pass program to state employees in the Capitol Mall area in fiscal year 2017. This package will enable DAS Parking Services to continue the service through the 2017-19 biennium.

How Achieved

A contract with Salem Keizer Transit District is already in place that can be continued through 2021 fiscal year, if continued funding is approved. This package requests the continuation of the \$1,399,125 in General Fund needed to pay for the program through the 2017-19 biennium.

Staffing Impact

None.

Quantifying Results

Ridership and enrollment statistics will be tracked to gauge success of the program. In addition, the waitlist for parking spaces will be tracked to determine if a corresponding drop in employees seeking parking results from the free bus pass program. However, it should be noted that any future workspace consolidation projects on the mall could offset any reduction in waitlisted employees realized from the bus pass program.

Revenue Sources

\$1,399,125 General Fund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 116 - Free Bus Pass Program

Cross Reference Name: Special Governmental Payments
Cross Reference Number: 10700-099-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	1,399,125	-	-	-	-	-	1,399,125
Total Revenues	\$1,399,125	-	-	-	-	-	\$1,399,125
Special Payments							
Other Special Payments	1,399,125	-	-	-	-	-	1,399,125
Total Special Payments	\$1,399,125	-	-	-	-	-	\$1,399,125
Total Expenditures							
Total Expenditures	1,399,125	-	-	-	-	-	1,399,125
Total Expenditures	\$1,399,125	-	-	-	-	-	\$1,399,125
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2017-19 BUDGET NARRATIVE

Policy Option Package #127: Oregon State Fair Council (SCR 099-00)

Total Request: \$20 million

Purpose

The purpose of this package is to provide the Oregon State Fair Council (OSFC) with continued support to include building repairs, capital improvements, facility modernization and enhancements, equipment, and improved service capabilities necessary for Oregon State Fair and Expo Center (OSFEC) to be competitive and thrive in the event venue market.

The OSFC completed its first year operating the OSFEC on December 31, 2015. The 2015 State Fair saw attendance increase by 18 percent, from 226,000 in 2014 to 268,500 in 2015. OSFEC realized a net profit from 2015 operations of approximately \$250,000. Additionally, over \$300,000 of capital improvements to the state-owned fairground property were completed.

A request was submitted during the 2016 legislative session that addressed OSFEC's highest priority needs with regard to deferred maintenance on roofs. Additionally, the request included high priority facility enhancements including adding air conditioning to The Pavilion and upgrading other HVAC systems, and developing IT systems that meet OSFC internal. Aesthetic upgrades to the facilities including landscaping, painting, signage, lighting, etc. will create a more desirable and sought-after place to present and attend events. During the 2016 legislative session, Senate Bill (SB) 5701 provided \$55,000 to pay the cost of issuing \$2,500,000 Article XI-Q bonds for repairs and improvements at the Oregon State Fair. It is anticipated that these bond funds will be available in spring of 2017. Although less than the funding requested, OSFEC's priorities have not changed and these bond funds will be applied to meeting these needs to the extent possible.

However, the funding request above doesn't address the facts at the fairgrounds. Most of the facilities have been in a state of disrepair for many years, many are only marginally marketable as rental facilities, and some are barely usable due to health and safety concerns. To give a sense of the scope of the work ahead: in October of 2012 Oregon Parks and Recreation Department (OPRD) commissioned an assessment of State Fairgrounds buildings. The projected probable costs from that assessment ranged from \$9,375,589 to \$12,054,329, excluding design fees, permit fees, hazardous materials abatement expenses, and other costs. In many cases these probable costs also exclude roof structure damage, leaks, and other conditions caused by water intrusion, which is a significant and ongoing issue. Further, this assessment only considered buildings and structures, and does not include upgrades and maintenance such as paving, lawns, utility distribution systems, gates and fences, landscaping, etc. If adjusted for inflation, and if ongoing deterioration and the costs excluded by the Parks study were rolled back in, the probable costs could easily be several times what was estimated.

2017-19 BUDGET NARRATIVE

How Achieved

This package would provide funds for a complete assessment of all property assets and would provide the basis for a comprehensive and prioritized deferred maintenance and facility improvement plan. Based only on the current condition of the facility and the incredible potential the facility represents, a \$20 million investment in the State's property will give a good start on ensuring that future generations are able to enjoy a State Fair and Exposition Center the way Oregonians have for over 150 years.

Because of the unique relationship between the OSFC and the state, where ownership of the real property and buildings remains with the state and with OSFC essentially being a steward of those state assets as well as charged with increasing the success of the OSFEC, we are looking forward to partnering with DAS toward the accomplishment of our mutual objectives: improving the condition of the state's assets, both physical and intangible.

The State Fair and Exposition Center is important to the people of Oregon, as demonstrated by the overwhelming support of SB 7 in 2013. That bill created the unprecedented opportunity for OSFEC to transition from State Parks into a public corporation, and to thrive going forward. The Oregon State Fair Council, management and staff are united and committed to the common vision of a vibrant, healthy, and valued Oregon State Fair and Exposition Center.

Staffing Impact

None.

Revenue Sources

\$20 million General Fund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 127 - Oregon State Fair Council

Cross Reference Name: Special Governmental Payments
Cross Reference Number: 10700-099-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Appropriation	20,000,000	-	-	-	-	-	20,000,000
Total Revenues	\$20,000,000	-	-	-	-	-	\$20,000,000
Special Payments							
Other Special Payments	20,000,000	-	-	-	-	-	20,000,000
Total Special Payments	\$20,000,000	-	-	-	-	-	\$20,000,000
Total Expenditures							
Total Expenditures	20,000,000	-	-	-	-	-	20,000,000
Total Expenditures	\$20,000,000	-	-	-	-	-	\$20,000,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Capital Improvements

Program Description

The Capital Improvements Program, authorized by ORS 276.005, is administered by the Enterprise Asset Management (EAM) division and has been developed to compliment the Capital Construction Program. Where the Capital Construction Program performs new construction, remodeling, and renovation projects costing \$1 million or more, the Capital Improvements Program is for remodeling and renovation projects that cost less than \$1 million.

The purpose of the Capital Improvements Program is to:

- Maintain health and safety standards both inside and outside of the buildings.
- Keep buildings in compliance with new building codes and ordinance requirements (Federal, State and Local).
- Maintain Capitol Mall Buildings and grounds aesthetics.
- Adjust or modify existing mechanical and electrical programs to minimize energy consumption.
- Upgrade building grounds.
- Evaluate and conserve maximum efficiency and use of state owned buildings.
- Adapt buildings to required occupancy changes.

Funding Streams that Support this Program

DAS uses monies placed in the Capital Projects Fund, established under ORS 276.005, as a source of revenue for capital projects. These funds accrue in the account from a variety of sources; however, the primary source is the “depreciation” component of Uniform Rent.

2017-19 BUDGET NARRATIVE

Project Description	2017-19				
	Site	Structure	Less: Force Account Work	Expenditures	Fund
Mahonia Hall: Security and Other Upgrades	N/A	\$466,484	N/A	\$466,484	OF
Maintenance Shop Upgrade Main Service Panel	N/A	\$105,537	N/A	\$124,610	OF
550 Building restrooms complete remodel/upgrade	N/A	\$300,000	N/A	\$300,000	OF
PSB Building restroom complete remodel/upgrade	N/A	\$600,000	N/A	\$600,000	OF
Surplus Service Upgrade	N/A	\$125,000	N/A	\$125,000	OF
Tenant Improvements	N/A	\$750,000	N/A	\$850,000	OF
Emergency Projects	N/A	\$500,000	N/A	\$600,000	OF
Sustainability Projects	N/A	\$750,000	N/A	\$750,000	OF
Project Totals	N/A	\$3,597,021	N/A	\$3,816,094	OF
Carry over from 2015-17		\$0		\$750,000	OF
Total 2017-19 Biennium Limitation Request		\$3,597,021	N/A	\$4,566,094	OF

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Capital Improvements
Cross Reference Number: 10700-088-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
Attorney General	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-
Facilities Rental and Taxes	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Agency Program Related S and S	-	-	-	-	-	-	-
Other Services and Supplies	-	-	-	-	-	-	-
Expendable Prop 250 - 5000	-	-	-	-	-	-	-
Total Services & Supplies	-	-	-	-	-	-	-
Capital Outlay							
Other Capital Outlay	-	-	162,918	-	-	-	162,918
Total Capital Outlay	-	-	\$162,918	-	-	-	\$162,918
Total Expenditures							
Total Expenditures	-	-	162,918	-	-	-	162,918
Total Expenditures	-	-	\$162,918	-	-	-	\$162,918

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Capital Improvements
Cross Reference Number: 10700-088-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Ending Balance							
Ending Balance	-	-	(162,918)	-	-	-	(162,918)
Total Ending Balance	-	-	(\$162,918)	-	-	-	(\$162,918)

2017-19 BUDGET NARRATIVE

Capital Construction

Program Description

The Capital Construction Program includes acquisition or construction of any structure or group of structures, all land acquisitions, assessments, improvements, or additions to an existing structure; which is to be completed within a six-year period (with an aggregate cost of \$1 million or more); and planning for proposed future Capital Construction projects.

Enterprise Asset Management (EAM) division is responsible for planning, managing, and coordinating the construction and remodeling of most buildings on the Capitol Mall, Airport Road, and other facilities in Portland, Eugene, Central Point, Burns, and Pendleton. Projects are funded by the depreciation component of rent charges to agencies, or through bond proceeds.

This budget request focuses on:

- 1) Preservation and improvement of existing facilities.
- 2) Place holders for additional Capitol Mall construction.
- 3) Replacing functionally obsolete building equipment with newer and more flexible technology.
- 4) Planning better utilization of space and making facilities more adaptable to changing organization in government.

Several assumptions underlie the budget request:

- 1) Where needs are stable and permanent, state ownership is preferred. In the long term, ownership is more cost effective than leasing.
- 2) Where needs are varying and shorter-term, leasing is preferred as more cost effective.
- 3) The cost of facilities should be spread to all beneficiaries and funding sources.
- 4) Demand for state services and the office space to provide them will continue.

The following is a brief discussion of each of these assumptions:

Ownership versus leasing: DAS has conducted numerous studies comparing owning versus leasing office space for state agencies. Consistently, these studies show that permanent uses are most economical when the building is state owned. Shorter-term, changing uses are most economical when the space is leased.

DAS leases office space whenever the benefits of ownership are not clearly superior. Agencies with volatile growth and reduction patterns, regional service offices which need to react to changing population patterns and offices outside major population centers are able to react more effectively to change by operating in leased facilities.

2017-19 BUDGET NARRATIVE

Alternative financing: General Fund appropriations are the least costly financing method. This option, however, has not been available since 1981. In any case, using General Fund dollars may not be best because Federal and Other Fund agencies do not pay their share. Alternative financing has additional costs, but offers substantial long-term savings to the state and a better distribution of costs. No projects proposed in this budget request are to be funded through alternative financing.

Continued demand for office space: Demand for additional office space has slowed but never ceased. It does not appear that it will cease. DAS also considers the applicability of alternative worksite options, such as electronic offices and telecommuting, in determining space needs. In the past, the real estate and leasing market in Oregon experienced an oversupply. As a consequence, the state was able to sign leases and obtain office space below market rates. Recently, this situation has changed and rents have continued to escalate. The time required to plan and build state facilities means work needs to start to control future long-term facility costs. Current planning requires that the agency headquarters function be on the Capitol Mall.

Six-year Plan

ORS 276.429 directs DAS to acquire office quarters by the method that is most appropriate under the circumstances and in the long-term best interest of the state. Numerous studies show that state ownership of permanent facilities is more cost effective. Leasing from private owners is best for shorter-term needs.

The short term focus is on preservation and improvement of existing facilities, better utilization of space in existing facilities, and acquisition of space where most cost-effective. In the long-term, build-out of the Capitol Mall continues to be the most appropriate under Legislative directives concerning centralization and facility goals.

Since the 1989 Oregon Legislative Session, the use of Certificates of Participation (COPs) has been a useful and cost effective alternative financing method for construction and equipment acquisitions. COPs have the added benefit of sharing the cost more evenly between General Fund and non-General Fund agencies. In the future it is expected that bond proceeds will be used to finance the large construction equipment acquisitions.

Policy Action

This budget includes a request to abatement hazardous materials and demolish buildings, upgrade cooling system in one building, upgrade electrical systems in multiple buildings, and safety improvements for staff and building tenants. Continued attention will be placed on scheduled replacement and improvement to existing facilities. Using the state's green building policy, a sustainable approach to projects is used.

DAS continues its goal of better space utilization. In recent years, open landscape design has reduced interior walls in state offices. Open landscape with systems furniture increases the functional area of building spaces. It also provides a more attractive, efficient, and comfortable space for employees. DAS continues to identify new systems and ways to more efficiently utilize its existing building space.

2017-19 BUDGET NARRATIVE

To the degree practical, the goals of preservation, increased efficiency, state-ownership, centralization, and cooperation with local governmental units will be pursued. Anticipated projects are summarized in policy option packages 117-126 below.

Funding Streams that Support this Program

DAS uses monies placed in the Capital Projects Fund, established under ORS 276.005 and 276.007, as the source of revenue for capital projects. These funds accrue in the account from a variety of sources, however, the primary source is the “depreciation” component of Uniform Rent, service agreements, and parking facilities income. The other major source of revenue is from the issuance of bonds for specific projects.

2017-19 BUDGET NARRATIVE

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2017-19 BUDGET NARRATIVE

Policy Option Package #117: Human Services Building Upgrades

Total Request: \$3,742,595

Purpose

The Human Services Building is in need of an upgrade to the electrical power feeding the building. This is necessary for the current building and tenant needs as well as the future growth in staffing. At the same time the building will have all of the lights replaced with LED lights and a new lighting control system.

How Achieved

The project will replace the electrical risers in the building. Upgrade the panels as needed and assess the building wiring. The lights will be replaced floor by floor at the same time the floor lighting controls will be upgraded.

Staffing Impact

None.

Quantifying Results

Completion of the projects on time and within budget will be used to gauge success. Amount of energy saved will also be used and the extended life of the building.

Revenue Sources

\$3,742,595 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 117 - Human Services Building Upgrades

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	3,742,595	-	-	-	3,742,595
Total Revenues	-	-	\$3,742,595	-	-	-	\$3,742,595
Capital Outlay							
Other Capital Outlay	-	-	3,742,595	-	-	-	3,742,595
Total Capital Outlay	-	-	\$3,742,595	-	-	-	\$3,742,595
Total Expenditures							
Total Expenditures	-	-	3,742,595	-	-	-	3,742,595
Total Expenditures	-	-	\$3,742,595	-	-	-	\$3,742,595
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):	1	Schedule	
Project Name:	Human Services Building Upgrades	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
Address/Location:	500 Summer St. NE, Salem, OR 97301	\$ 3,742,595.00	9/30/2015	8/1/2017	12/1/2019
		GSF	# Stories	Land Use/Zoning Satisfied	
		285,461	4	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 3,742,595.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

The Human Services Building is in need of an upgrade to the electrical power feeding the building. This is necessary for the current building and tenant needs as well as the future growth in staffing. At the same time the building will have all of the lights replaced with LED lights and a new lighting control system. This is part of the sustainability plan for DAS. These replacements and upgrades will increase the life of the building, prevent the building from loosing power due to old electrical equipment and save on energy costs.

Project Scope and Alternatives Considered

The project will replace the electrical risers in the building. Upgrade the panels as needed and assess the building wiring. The lights will be replaced floor by floor at the same time the floor lighting controls will be upgraded.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	2,747,162		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	2,747,162	73	10

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems	29,000		
5 Construction Related Permits & Fees			
Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and other state or unique regulatory requirements not in hard costs			
6			
7 Architectural, Engineering Consultants	235,000		
8 Other Design and PM Costs	182,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	446,000	12	2
11 OWNER'S PROJECT CONTINGENCY	549,433	15	2
20%			

TOTAL PROJECT COST

\$	% Project Cost	\$/GSF
3,742,595	100%	13

Project Image/Illustration (optional)

Contingency calculation is based on estimated construction cost only.

2017-19 BUDGET NARRATIVE

Policy Option Package #118: Employment Building Upgrades

Total Request: \$6,235,930

Purpose

The existing plumbing in this building is corroded and failing it must be completely replaced. The interior flooring is degraded past its life expectancy and the roof needs to be replaced.

How Achieved

Replace the entire plumbing throughout the building, floor coverings, roof in the Employment Building and upgrade of the main transformer switch gear. The main service transformers are at or near capacity and must be resized.

Staffing Impact

None.

Quantifying Results

Completion of the projects on time, within budget, and the extended building life will be used to gauge success.

Revenue Sources

\$6,235,930 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 118 - Employment Building Upgrades

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	6,235,930	-	-	-	6,235,930
Total Revenues	-	-	\$6,235,930	-	-	-	\$6,235,930
Capital Outlay							
Other Capital Outlay	-	-	6,235,930	-	-	-	6,235,930
Total Capital Outlay	-	-	\$6,235,930	-	-	-	\$6,235,930
Total Expenditures							
Total Expenditures	-	-	6,235,930	-	-	-	6,235,930
Total Expenditures	-	-	\$6,235,930	-	-	-	\$6,235,930
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):		Schedule	
Project Name:	Employment Building Upgrades	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
		\$ 6,235,930.00	9/30/2015	9/1/2017	7/31/2019
Address/Location:	875 Union St NE, Salem, OR 97301	GSF	# Stories	Land Use/Zoning Satisfied	
		148,150	4	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 6,235,930.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

The existing plumbing in this building is corroded and failing it must be completely replaced. The interior flooring is degraded past its life expectancy and the roof needs to be replaced. The main transformer switch gear must be upgraded; the existing services cannot meet the power demand for the building.

Project Scope and Alternatives Considered

Replace the entire plumbing throughout the building this includes all plumbing inside walls and the main lines. The floor coverings are the original and need to be completely replaced. Replace the roof and roof structure and resize the main service transformers to meet the current and future power needs.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	3,549,505		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	3,549,505	57	24

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and	60,800		
7 Architectural, Engineering Consultants	350,000		
8 Other Design and PM Costs	243,200		
9 Relocation Costs	1,500,000		
10 TOTAL SOFT COSTS Part A + B	2,154,000	35	15

11 OWNER'S PROJECT CONTINGENCY	15%	532,425	9	4
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TOTAL PROJECT COST

\$	% Project Cost	\$/GSF
6,235,930	100%	42

Project Image/Illustration (optional)

Contingency calculation is based on estimated construction cost only.

2017-19 BUDGET NARRATIVE

Policy Option Package #119: Electrical Upgrades and Replacements

Total Request: \$3,889,795

Purpose

The electrical and lighting systems in many buildings needs to be replaced or upgraded. The systems are old, inefficient, and not designed for the current building use.

How Achieved

The project is to upgrade switch keepers and electrical panels, increase electrical capacity, and replace lighting systems in multiple state buildings. LED replacement for lighting in the General Service Building.

Staffing Impact

None.

Quantifying Results

Completion of the projects on time and within budget will be used to gauge success. Amount of energy saved will also be used and the extended life of the building.

Revenue Sources

\$3,889,795 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 119 - Electrical Upgrades & Replacements

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	3,889,795	-	-	-	3,889,795
Total Revenues	-	-	\$3,889,795	-	-	-	\$3,889,795
Capital Outlay							
Other Capital Outlay	-	-	3,889,795	-	-	-	3,889,795
Total Capital Outlay	-	-	\$3,889,795	-	-	-	\$3,889,795
Total Expenditures							
Total Expenditures	-	-	3,889,795	-	-	-	3,889,795
Total Expenditures	-	-	\$3,889,795	-	-	-	\$3,889,795
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):	1	Schedule	
Project Name:	Electrical Upgrades and Replacements	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
		\$ 3,889,795.00	9/30/2015	8/1/2017	12/1/2021
Address/Location:	Multiple buildings	GSF	# Stories	Land Use/Zoning Satisfied	
		multiple buildings	multiple buildings	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 3,889,795.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

The electrical and lighting systems in many buildings needs to be replaced or upgraded. The systems are old, inefficient, and not designed for the current building use. Replacement parts not available, inefficient lighting, cannot support the current and future building use. LED lighting is much more energy efficient.

Project Scope and Alternatives Considered

The project is to upgrade switch keepers and electrical panels, increase electrical capacity, and replace lighting systems in multiple state buildings. LED replacement for lighting in the General Service Building.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	2,917,346		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	2,917,346	75	N/A

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems	10,847		
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	290,000		
8 Other Design and PM Costs	234,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	534,847	14	N/A
11 OWNER'S PROJECT CONTINGENCY	437,602	15%	11

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	3,889,795	100%	N/A

Project Image/Illustration (optional)

Contingency calculation is based on estimated construction cost only. \$/GSF not calculated because this project applies to multiple buildings, an average is not appropriate due to the vast differences in potential cost per building.

2017-19 BUDGET NARRATIVE

Policy Option Package #120: Capitol Mall Parking Structure Study/Upgrade

Total Request: \$2,926,140

Purpose

Develop a plan and estimated budget for the replacement of the membrane on top of the underground parking structure on the Capitol Mall. Upgrade the existing structure.

How Achieved

Conduct structural upgrades to the parking building. Develop the membrane replacement plan, timeline, and cost estimate.

Staffing Impact

None.

Quantifying Results

Complete feasibility study with estimated costs and realistic project timeline.

Revenue Sources

\$2,926,140 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 120 - Capital Mall Parking Structure Study/Upgrade

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	2,926,140	-	-	-	2,926,140
Total Revenues	-	-	\$2,926,140	-	-	-	\$2,926,140
Capital Outlay							
Other Capital Outlay	-	-	2,926,140	-	-	-	2,926,140
Total Capital Outlay	-	-	\$2,926,140	-	-	-	\$2,926,140
Total Expenditures							
Total Expenditures	-	-	2,926,140	-	-	-	2,926,140
Total Expenditures	-	-	\$2,926,140	-	-	-	\$2,926,140
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):		Schedule	
Project Name:	Capitol Mall Parking Structure Membrane Replacement Study and Structural Upgrades	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
		\$ 2,926,140.00	9/30/2015	12/1/2017	9/1/2018
Address/Location:	900 Chemeketa Street NE Salem Oregon	GSF	# Stories	Land Use/Zoning Satisfied	
		parking garage	parking garage	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 2,926,140.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

The parking structure membrane is at its expected life and leaks are developing. These leaks are being repaired as necessary. We need to prepare for the ultimate complete replacement of the membrane on the structure. A realistic cost estimate must be done in order to request the funds.

Project Scope and Alternatives Considered

Develop a plan and estimated budget for the replacement of the membrane on top of the underground parking structure on the Capitol Mall. Upgrade the existing structure. Conduct structural upgrades to the parking building. Develop the membrane replacement plan, timeline, and cost estimate.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	793,450		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	793,450	27	N/A

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	1,500,000		
8 Other Design and PM Costs	145,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	1,645,000	56	N/A
11 OWNER'S PROJECT CONTINGENCY	20%	487,690	17

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	2,926,140	100%	N/A

Project Image/Illustration (optional)

Contingency calculation is based on the entire estimated project budget. The majority of this project is a study. Due to the extensive nature and potential unknowns of the study a contingency is determined to be necessary. \$/GSF not calculated since this facility is a parking garage.

2017-19 BUDGET NARRATIVE

Policy Option Package #121: Planning

Total Request: \$500,000

Purpose

During the 2017-19 biennium, DAS will assess the feasibility of various projects, determine potential costs, evaluate various aspects of projects, plan for sudden demands for funds, and prepare for the 2019-21 budget. The time and expertise of staff often does not allow for consistent performance of these planning tasks and it is necessary to hire consultants.

How Achieved

Contract with various architects, engineers, cost estimators, and other specialists. Develop reliable cost information; better defined projects; and evaluate options to solve maintenance problems.

Staffing Impact

None.

Quantifying Results

Measuring cost estimates against actual projects costs and how well vendor provided project designs match execution of the project will be used to gauge success.

Revenue Sources

\$500,000 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 121 - Planning

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	500,000	-	-	-	500,000
Total Revenues	-	-	\$500,000	-	-	-	\$500,000
Capital Outlay							
Other Capital Outlay	-	-	500,000	-	-	-	500,000
Total Capital Outlay	-	-	\$500,000	-	-	-	\$500,000
Total Expenditures							
Total Expenditures	-	-	500,000	-	-	-	500,000
Total Expenditures	-	-	\$500,000	-	-	-	\$500,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):	Schedule		
Project Name:	Planning Funds	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
		\$ 500,000.00	9/31/15	8/1/2017	12/31/2017
Address/Location:		GSF	# Stories	Land Use/Zoning Satisfied	
		19-21 planning	19-21 planning	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 500,000.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

During the 2017-19 biennium, the Department of Administrative Services will assess the feasibility of various projects; determine potential costs; evaluate various aspects of projects; plan for sudden demands for funds; and prepare for the 2019-21 budget. The time and expertise of staff often does not allow for consistent performance of these planning tasks and it is necessary to hire consultants.

Project Scope and Alternatives Considered

Contract with various architects, engineers, cost estimators and other specialists. Develop reliable cost information; better defined projects; and evaluate options to solve maintenance problems.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate			
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS			

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	460,000		
8 Other Design and PM Costs	40,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	500,000	100	N/A
11 OWNER'S PROJECT CONTINGENCY	0%	0	

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	500,000	100%	N/A

Project Image/Illustration (optional)

These funds are to develop the scope and cost estimates for the 19-21 biennium projects, no contingency is determined to be necessary.

2017-19 BUDGET NARRATIVE

Policy Option Package #122: Boiler and Heater Upgrades in Multiple Buildings

Total Request: \$1,234,350

Purpose

To upgrade boilers and heaters in multiple buildings to more energy efficient and to increase capacity to meet future demands. The boilers in the buildings are the original boilers and were installed in the 1970's and 1980's. They have exceeded the life expectancy and are, in many cases, inefficient.

How Achieved

Contract with an engineering firm to assess the buildings current needs and anticipate future growth to identify the most efficient boiler/heating systems. Install new systems in the buildings.

Staffing Impact

None.

Quantifying Results

Completion of the projects on time and within budget will be used to gauge success.

Revenue Sources

\$1,234,350 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 122 - Boiler & Heater Upgrades in Multiple Bldgs

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	1,234,350	-	-	-	1,234,350
Total Revenues	-	-	\$1,234,350	-	-	-	\$1,234,350
Capital Outlay							
Other Capital Outlay	-	-	1,234,350	-	-	-	1,234,350
Total Capital Outlay	-	-	\$1,234,350	-	-	-	\$1,234,350
Total Expenditures							
Total Expenditures	-	-	1,234,350	-	-	-	1,234,350
Total Expenditures	-	-	\$1,234,350	-	-	-	\$1,234,350
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):		Schedule	
Project Name:	Boiler and Heater Upgrades in Multiple Buildings	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
Address/Location:	multiple buildings	\$ 1,234,350.00	9/30/2015	10/30/2017	6/30/2018
		GSF	# Stories	Land Use/Zoning Satisfied	
		multiple buildings	multiple buildings	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			1,234,350.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

To upgrade boilers and heaters in multiple building to more energy efficient and to increase capacity to meet future demands. The boilers in the buildings are the original boilers and were installed in the 70's and 80's. They have exceeded the life expectancy and are, in many cases, inefficient.

Project Scope and Alternatives Considered

Contract with engineering firm to assess the buildings current needs and anticipated future growth to identify the most efficient boiler/heating systems. Install new systems in the buildings.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate			
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	899,435	73	N/A

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	110,000		
8 Other Design and PM Costs	90,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	200,000	16	N/A
11 OWNER'S PROJECT CONTINGENCY	134,915	11	N/A

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	1,234,350	100%	N/A

Project Image/Illustration (optional)

Contingency calculation is based on estimated construction cost only. \$/GSF not calculated because this project applies to multiple buildings, an average is not appropriate due to the vast differences in potential cost per building.

2017-19 BUDGET NARRATIVE

Policy Option Package #123: Portland Crime Lab Upgrade

Total Request: \$1,161,909

Purpose

To replace the chiller, chilled water pumps, and the cooling tower; and upgrade exterior walls. Current chiller system is inefficient and does not meet the recent agency growth and the anticipate growth.

How Achieved

New energy efficient systems installed.

Staffing Impact

None.

Quantifying Results

Measure energy savings and average temperature during hot weather.

Revenue Sources

\$1,161,909 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 123 - Portland Crime Lab Upgrade

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	1,161,909	-	-	-	1,161,909
Total Revenues	-	-	\$1,161,909	-	-	-	\$1,161,909
Capital Outlay							
Other Capital Outlay	-	-	1,161,909	-	-	-	1,161,909
Total Capital Outlay	-	-	\$1,161,909	-	-	-	\$1,161,909
Total Expenditures							
Total Expenditures	-	-	1,161,909	-	-	-	1,161,909
Total Expenditures	-	-	\$1,161,909	-	-	-	\$1,161,909
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):		Schedule	
Project Name:	Portland Crime Lab Upgrades	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
Address/Location:	13309 SE 84th Avenue Portland Oregon	\$ 1,161,909.00	9/30/2015	12/31/2018	12/31/2019
		GSF	# Stories	Land Use/Zoning Satisfied	
		67,359	2	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 1,161,909.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

Current chiller system is inefficient and does not meet the recent agency growth and the anticipate growth. Exterior walls have reached the end of the useful life and need to be upgraded. Energy efficient chiller and higher capacity cooling tower. Energy savings.

Project Scope and Alternatives Considered

Replace original building chiller, water pumps, and cooling tower with energy efficient units with a higher capacity. Too meet agency growth.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	852,095		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	852,095	73	13

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	92,000		
8 Other Design and PM Costs	90,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	182,000	16	3
11 OWNER'S PROJECT CONTINGENCY	127,814	11	2

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	1,161,909	100%	17

Project Image/Illustration (optional)

Contingency calculation is based on estimated construction cost only.

2017-19 BUDGET NARRATIVE

Policy Option Package #124: Parking Lot Upgrades

Total Request: \$3,500,000

Purpose

To install power and Electric Vehicle (EV) Charging Stations to the Portland State Office Building (PSOB), Motor Pool and other parking lots. The Commerce and Park and Ride parking lots will be resurfaced.

How Achieved

As per the direction of the Oregon Legislature and the Governor, develop the infrastructure for state employee and public use of electric vehicles.

Staffing Impact

None.

Quantifying Results

Completion of the projects on time and within budget will be used to gauge success of adding these positions.

Revenue Sources

\$3,500,000 Other Funds, Capital Construction, Transfer-in, Intrafund.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 124 - Parking Lot Upgrades

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
Transfer In - Intrafund	-	-	3,500,000	-	-	-	3,500,000
Total Revenues	-	-	\$3,500,000	-	-	-	\$3,500,000
Capital Outlay							
Other Capital Outlay	-	-	3,500,000	-	-	-	3,500,000
Total Capital Outlay	-	-	\$3,500,000	-	-	-	\$3,500,000
Total Expenditures							
Total Expenditures	-	-	3,500,000	-	-	-	3,500,000
Total Expenditures	-	-	\$3,500,000	-	-	-	\$3,500,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department Of Administrative Services	Priority (Agency #):	Schedule		
Project Name:	Parking Lot Upgrades	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
		\$ 3,500,000.00	9/31/15	3/1/2018	9/31/2018
Address/Location:	multiple lots	GSF	# Stories	Land Use/Zoning Satisfied	
		parking lots	parking lots	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 3,500,000.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

Provide the infrastructure to support staff and the public in using electric vehicles. Upgrade surface of existing paking lots. Lower pollution emmissions for the State of Oregon. Reduced fuel usage. Support the utilization of more efficient modes of transportation to meet our customer needs.

Project Scope and Alternatives Considered

Determine the best charging systems for the State of Oregon. Install those EV charging stations into multiple state parking lots. Upgrade damaged parking lots. To install power and EV charging Stations to the PSOB, Motor Pool and other parking lots. The Commerce and Park and Ride parking lots will be resurfaced.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	2,682,609		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	2,682,609	77	N/A

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	215,000		
8 Other Design and PM Costs	200,000		
9 Relocation Costs			
10 TOTAL SOFT COSTS Part A + B	415,000	12	N/A
11 OWNER'S PROJECT CONTINGENCY	15%	402,391	12

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	3,500,000	100%	N/A

Project Image/Illustration (optional)

Contingency calculation is based on the estimated construction cost. \$/GSF not calculated since this project includes multiple parking lots.

2017-19 BUDGET NARRATIVE

Policy Option Package #125: Mission Critical Facility - Yellow Lot Building

Total Request: \$56,500,000

Purpose

Evaluation of DAS' Salem buildings revealed that few to none will withstand a 9.0 Cascadia type earthquake event. This results in a very limited ability for the state to recover quickly and provide adequate services to a devastated Oregon. This package is for design and construction of a 250,000 to 300,000 square foot building that will be useable for continuing state government services immediately following a Cascadia type earthquake event.

How Achieved

Because the state has very few to no buildings in Salem that can withstand a 9.0 earthquake and be useable right away after an event, DAS proposes a new, seismically sound structure be built to immediate occupancy standards. This building will primarily house the Department of Revenue. The building will also be available for other key agencies to occupy after an earthquake event and speed business continuity efforts.

The request includes building a parking structure on Red Lot to accommodate parking lost from the Yellow lot and for the new building needs. A phased project plan has the parking structure build first and then Mission Critical Facility. This will help mitigate parking interruptions on the mall during the overall project.

The first part of a long range plan to seismically upgrade several building on the Capitol Mall, this project would be followed by upgrading the Labor and Industry building, then demolition of the Executive building. Another immediate occupancy building will be constructed on the Executive building site.

Alternatives considered included extensive seismic upgrades to Revenue and Executive buildings. However, estimates for bringing those buildings up to immediate occupancy standards were from 80 percent to over 100 percent of the cost to build new structures.

Bond proceeds will be used to finance the project.

Staffing Impact

None.

2017-19 BUDGET NARRATIVE

Quantifying Results

State of the art building both seismically and with energy efficiency. Meets or exceeds all requirements related to a continuous occupancy building. Completion of the project to stringent specifications, timelines, and within budget will be used to gauge success.

Revenue Sources

\$56,500,000 Other Funds, Capital Construction, General Fund Obligation Bonds. This is the first installment of debt financing. The table below shows 2017-19 and 2019-21 bonding needed for the project. Parking rates will not need to increase to start repayment of the bonds until 2019-21.

Policy Option Package #125: Mission Critical Facility - Yellow Lot Building			
2017-19 Policy Option Package:	2017-19	2019-21	Total
Uniform Rent Program	\$25,000,000		\$25,000,000
Parking Program	\$31,500,000		\$31,500,000
2019-21 Policy Option Package:			
Uniform Rent Program		\$101,000,000	\$101,000,000
Parking Program		\$3,500,000	\$3,500,000
Article XI-Q Bond Financing Need	\$56,500,000	\$104,500,000	\$ 161,000,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
 Pkg: 125 - Mission Critical Facility - Yellow Lot Bldg

Cross Reference Name: Capital Construction
 Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Obligation Bonds	-	-	56,500,000	-	-	-	56,500,000
Total Revenues	-	-	\$56,500,000	-	-	-	\$56,500,000
Capital Outlay							
Other Capital Outlay	-	-	56,500,000	-	-	-	56,500,000
Total Capital Outlay	-	-	\$56,500,000	-	-	-	\$56,500,000
Total Expenditures							
Total Expenditures	-	-	56,500,000	-	-	-	56,500,000
Total Expenditures	-	-	\$56,500,000	-	-	-	\$56,500,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2017-19 BUDGET NARRATIVE

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Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department of Administrative Services	Priority (Agency #):		Schedule	
Project Name:	Mission Critical Facility - Yellow Lot Building	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
		\$ 161,000,000.00	1/26/2016	11/17/2016	6/30/2021
Address/Location:	yellow lot (will have new address)	GSF	# Stories	Land Use/Zoning Satisfied	
		300,000	5	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			161,000,000	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

None of the current DAS owned office buildings would be useable after a post-Cascadia event. There are many functions within the State of Oregon that will be needed after the event. It is critical for the continued operation of mission critical state agencies to fuction after a Cascadia event. This building would be a post-Cascadia event resilient building for mission-critical state operations.

Project Scope and Alternatives Considered

The project would include building a 250,000-300,000 square foot office building that would be self contained after an event. The building will be isolated and contain its own infrastructure to function for 96 hours after an event.

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	119,720,005		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	119,720,005	74	399

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and other state or unique regulatory requirements not in hard costs	2,993,000		
6			
7 Architectural, Engineering Consultants	14,366,401		
8 Other Design and PM Costs	5,962,593		
9 Relocation Costs			
10 TOTAL SOFT COSTS	23,321,994	15	78

11 OWNER'S PROJECT CONTINGENCY	15%	17,958,001	11	60
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	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	161,000,000	100%	537

Project Image/Illustration (optional)

The contingency is calculated from the construction estimate only.

2017-19 BUDGET NARRATIVE

Policy Option Package #126: Portland State Office Building Repairs

Total Request: \$13,146,000

Purpose

An exterior renovation project became a priority in late 2013-15 biennium. The Portland State Office Building (PSOB) was completed in 1992. It is the state flagship building for the greater Portland area. The structure is 11 stories with 252,000 gross square foot and is the home for 17 agencies. Exterior water leaks have been occurring over the last few biennia in the building. Up until last biennium, these have been few and were manageable. A study of the building exterior was concluded in April 2014. The study showed that 80 percent of the exterior windows had to be replaced. It was identified there was water running inside the exterior walls during heavy driving rain. This project was included in the 2015-17 biennium initial budget; however, it had to be postponed due to other enterprise necessities.

At the same time the project includes additional security/safety modifications for the building, LED lighting and lighting control upgrades, plus some major upgrades to the bathrooms and interior space.

How Achieved

This will be a two-year project starting in early fall of 2017 and will continue into 2019. The leaking exterior windows of the PSOB will be replaced, security upgrades implemented, HVAC upgrades completed, the roof repaired, and high efficiency lighting and lighting controls installed. These projects are vital to preserving the structural integrity, value, and security of the structure. The only alternative examined was delaying the projects but this would cause further damage and add to long term costs.

Staffing Impact

None.

Quantifying Results

Completion of the project to stringent specifications, timelines, and within budget will be used to gauge success.

2017-19 BUDGET NARRATIVE

Revenue Sources

\$13,146,000 Other Funds, Capital Construction, General Fund Obligation Bonds. This is the first installment of debt financing. The table below shows 2017-19 and 2019-21 bonding needed for the project.

Policy Option Package #126: Portland State Office Building Repairs			
2017-19 Policy Option Package:	2017-19	2019-21	Total
Uniform Rent Program	\$13,146,000		\$13,146,000
2019-21 Policy Option Package:			
Uniform Rent Program		\$8,000,000	\$8,000,000
Article XI-Q Bond Financing Need	\$13,146,000	\$8,000,000	\$21,146,000

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Administrative Svcs, Dept of
Pkg: 126 - Portland State Office Building Repairs

Cross Reference Name: Capital Construction
Cross Reference Number: 10700-089-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Revenues							
General Fund Obligation Bonds	-	-	13,146,000	-	-	-	13,146,000
Total Revenues	-	-	\$13,146,000	-	-	-	\$13,146,000
Capital Outlay							
Other Capital Outlay	-	-	13,146,000	-	-	-	13,146,000
Total Capital Outlay	-	-	\$13,146,000	-	-	-	\$13,146,000
Total Expenditures							
Total Expenditures	-	-	13,146,000	-	-	-	13,146,000
Total Expenditures	-	-	\$13,146,000	-	-	-	\$13,146,000
Ending Balance							
Ending Balance	-	-	-	-	-	-	-
Total Ending Balance	-	-	-	-	-	-	-

2017-19 BUDGET NARRATIVE

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Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project

Agency:	Department of Administrative Services	Priority (Agency #):		Schedule	
Project Name:	Portland State Office Building (PSOB) Repairs	Cost Estimate	Cost Est.Date	Start Date	Est. Completion
Address/Location:	800 NE Oregon Avenue	\$ 21,146,000.00	1/31/2016	1/18/2018	12/31/2020
		GSF	# Stories	Land Use/Zoning Satisfied	
		273,935	11	Y	N

Funding Source/s: Show the distribution of dollars by funding source for the full project cost.	General Funds	Lottery	Other	Federal
			\$ 21,146,000.00	

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected

The exterior windows throughout the building are leaking during strong storms and water is entering the building cavity. The restrooms are the original restrooms and need to be upgraded. This building uses a significant amount of energy for lighting. This building is a very public building and it should meet the current American Disabilities Act (ADA) standards whenever possible.

Project Scope and Alternatives Considered

Replace all exterior glazing with energy efficient systems, upgrade the drainage system and seals. Upgrade full building security. Replace all of the lights with LEDs and lighting controls. Upgrade restrooms. Update the ADA requirements to current code at a minimum.

Update ADA requirements to the current code.

DIRECT CONSTRUCTION COSTS

	\$	% Project Cost	\$/GSF
1 Building Cost Estimate	13,116,800		
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	13,116,800	62	48

INDIRECT CONSTRUCTION COSTS

4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees			
6 Other Indirect Construction Costs Including 1% Art, 1.5% Renewable Energy and			
7 Architectural, Engineering Consultants	1,311,680		
8 Other Design and PM Costs	750,000		
9 Relocation Costs	4,000,000		
10 TOTAL SOFT COSTS Part A + B	6,061,680	29	22
11 OWNER'S PROJECT CONTINGENCY	15%	1,967,520.0	9

	\$	% Project Cost	\$/GSF
TOTAL PROJECT COST	21,146,000	100%	77

Project Image/Illustration (optional)

The contingency is calculated from the construction estimate only.

Major Construction/Acquisition 10-Year Plan, Lease Plans, Disposals

2017-19 Biennium

Agency Name: Department of Administrative Services

Proposed New Construction or Acquisition - Complete for 5 Biennia

Biennium	Priority	Concept/Project Name	Description	GSF	Position Count	General Fund	Other Funds	Lottery Funds	Federal Funds	Estimated Cost/Total Funds
2017-21	1	Mission Critical Facility	New building to withstand 9.0 earthquake	300,000	1,200		161,000,000			161,000,000
2017-21	2	PSOB Renovation	Exterior and interior renovations	262,000	1,100		21,146,000			21,146,000
2019-23	3	Revenue Renovation	Minimal renovation with no seismic improvements				2,392,005			2,392,005
2021-25	4	L&I Renovation	Seismic upgrades, lighting, interior, restrooms, power distribution	300,000	1,200		50,494,250			50,494,250
2023-27	5	New Facility at Exec Site	New building on the existing Executive Building Site	262,000	1,100		148,351,596			148,351,596

Proposed Lease Changes over 10,000 RSF - Complete for 5 Biennia

Biennium	Location	Description/Use	Term in Years	Total RSF ² +/- (added or eliminated)	USF ³	Position Count ¹	Biennial \$ Rent/RSF ^{2 (est)} \$1.55 sq. ft.)	Biennial \$ O&M ⁴ /RSF ² not included in base rent payment	Total Cost / Biennium
				A	B	C	D	E	(D+E)*A
2017-19	None						-		-
2019-21	Salem	Swing space for building failure. It would be a single tenant space.	4	30,000	30,000		1,116,000		1,146,000
2019-21	Statewide	DAS is proposed master tenant for enterprise for legislative concept.		N/A	4,300,000		159,960,000		164,260,000
2023-25	None						-		-
2025-27	None						-		-

Planned Disposal of Owned Facility

Biennium	Facility Name	Description
2017-19	North Campus	Land disposal
2017-19	Hillcrest (OYA)	Land and building disposal

Definitions:

Occupant Position

Count: 1 Total Legislatively Approved Budget (LAB) Position Count assigned to (home location) each building or lease as applicable.

RSF 2 Rentable SF per BOMA definition. The total usable area plus a pro-rated allocation of the floor and building common areas within a building.

USF 3 Usable Square Feet per BOMA definition for office/administrative uses. Area of a floor occupiable by a tenant where personnel or furniture are normally housed plus building amenity areas that are convertible to occupant area and not required by code or for the operations of a building. If not known, estimate the percentage.

O&M 4 Total Operations and Maintenance Costs for facilities including all maintenance, utilities and janitorial.

2017-19 BUDGET NARRATIVE

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Capital Financing Six-Year Forecast Summary 2017-19

AGENCY: Department of Administrative Services
 Agency #: 107

Provide amounts in the table below, by expected use and repayment source, of agency financing needs for the 2017-19 biennium. Include proposed project amounts only (do not include debt service either from previously issued debt or from new issue).

Use of Bond Proceeds	Bond Type			Totals by Repayment Source
	General Obligation Bonds	Revenue Bonds		
Major Construction/ Acquisition Projects				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	69,646,000 \$	\$	69,646,000 OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Major Construction	\$	69,646,000 \$	\$	69,646,000
Equipment/Technology Projects over \$500,000				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	\$	\$	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Equipment/Technology	\$	\$	\$	
Debt Issuance for Loans and Grants				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	\$	\$	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Loans and Grants:	\$	\$	\$	
Total All Debt Issuance	\$	\$	\$	
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	69,646,000 \$	\$	69,646,000 OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
GRAND TOTAL 2017-19:	\$	69,646,000 \$	-	\$ 69,646,000

Agency Request

Governor's Budget

Legislatively Adopted

Budget Page _____

Capital Financing Six-Year Forecast Summary 2019-21

AGENCY: Department of Administrative Services
 Agency #: 107

Provide amounts in the table below, by expected use and repayment source, of agency financing needs for the 2019-21 biennium. Include proposed project amounts only (do not include debt service either from previously issued debt or from new issue).

Use of Bond Proceeds	Bond Type			Totals by Repayment Source
	General Obligation Bonds	Revenue Bonds		
Major Construction/ Acquisition Projects				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$ 113,892,000	\$	\$ 113,892,000	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Major Construction	\$ 113,892,000	\$	\$ 113,892,000	
Equipment/Technology Projects over \$500,000				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	\$	\$	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Equipment/Technology	\$	\$	\$	
Debt Issuance for Loans and Grants				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	\$	\$	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Loans and Grants:	\$	\$	\$	
Total All Debt Issuance	\$	\$	\$	
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$ 113,892,000	\$	\$ 113,892,000	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
GRAND TOTAL 2019-21	\$ 113,892,000	\$	\$ 113,892,000	

Agency Request

Governor's Budget

Legislatively Adopted

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Capital Financing Six-Year Forecast Summary 2021-23

AGENCY: Department of Administrative Services
Agency #: 107

Provide amounts in the table below, by expected use and repayment source, of agency financing needs for the 2021-23 biennium. Include proposed project amounts only (do not include debt service either from previously issued debt or from new issue).

Use of Bond Proceeds	Bond Type			
	General Obligation Bonds	Revenue Bonds	Totals by Repayment Source	
Major Construction/Acquisition Projects				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	25,500,000 \$	\$ 25,500,000	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Major Construction	\$	25,500,000 \$	\$ 25,500,000	
Equipment/Technology Projects over \$500,000				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	\$	\$	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for Equipment/Technology	\$	\$	\$	FF
Debt Issuance for Loans and Grants				
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	\$	\$	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
Total for loans and grants:	\$	\$	\$	
Total All Debt Issuance	\$	\$	\$	
Subtotal for General Fund Repayment:	\$	\$	\$	GF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	LF
Subtotal for Other Funds Repayment:	\$	25,500,000 \$	\$ 25,500,000	OF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
GRAND TOTAL 2021-23 :	\$	25,500,000 \$	\$ 25,500,000	

Agency Request

Governor's Budget

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2017-19 BUDGET NARRATIVE

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Facilities Summary Report

2017-19 Biennium

Facility Plan - Facilities Planning Narrative 107BF02
2017-19 Biennium

Agency Name

Dept. of Administrative Services

1. What are the key drivers for your agency's facility needs, and how do you measure space/facility demand? DAS provides the majority of office space for Oregon state government functions and agencies, particularly in Salem. As agencies change, so does the need and nature of work environments. DAS is working on a Workspace Strategy Initiative to address the issue of space designed to support current and future business processes. The goal is effective, attractive, and productive work space. Part of this work is to change the DAS hierarchical space standards to best practice commercial/ institutional standards. The space metric is USF per position count (PC). The current standard equates to ~250 USF/PC. DAS is moving towards a guideline of ~175 USF/ PC. DAS will capture this information as part of the budget process.

2. What are the key facility-related challenges over the next 10-years? (Please answer in order of priority) 1) Systematically addressing the Cascadia earthquake risk to our state facilities and the continuity of government operations. 2) Systematically addressing deferred and capital renewal maintenance and modernization needs. 3) Modernizing our office interiors to meet business needs.

3. What do you need to meet these challenges? DAS developed a 10-year plan to address the challenges in order of priority. The execution plan aligns with the Governor's priorities and the prioritization criteria established by the executive leadership. The key projects for the 2017-19 biennium are 1) New Mission Critical Building for post-Cascadia state operations on the Yellow Lot. 2) Continued deferred and planned maintenance work and 3) Workspace Strategy Program funding to address 50-75,000 Rentable Square Feet (RSF) per biennium, each biennium. DAS' hope is to address the top 10 buildings for earthquake risk management within a 10-year period. Should funding allow, the plan includes the Public Service Building and Albina Office Building capital renewal and seismic retrofits.

2017-19 BUDGET NARRATIVE

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Facilities Summary Report

2017-19 Biennium

Agency Name:

Dept. of Administrative Services

Owned Facilities Over \$1 million

FY 2016 DATA

Number of Facilities	49
Current Replacement Value \$ (CRV) ¹	\$ 774,596,745
Gross Square Feet (GSF)	4,352,973
Usable Square Feet (USF) ²	2,829,432
Occupants Position Count (PC) ³	N/A

Source ⁴	FCA except for North Campus and Fairgrounds use Risk.	Risk or FCA
Estimate/Actual ⁵	65	% USF/GSF
USF/PC ⁶	185	
Or Agency Measure ⁷	N/A	

Owned Facilities Under \$1 million

Number of Facilities	59
CRV ¹	\$ 10,837,875
GSF	331,059

Leased Facilities

Total Rentable SF ⁸	20,780
Biennial Lease Cost	\$ 450,000
Additional Costs for Lease Properties (O&M) ⁹	N/A
Usable Square Feet (USF) ²	N/A
Occupants Position Count (PC) ³	N/A

Estimate/Actual ⁵	N/A	% RSF/GSF
USF/PC ⁶	N/A	

Definitions

- CRV** 1 Current Replacement Value Reported to Risk Management *or Calculated Replacement Value Reported from iPlan Facility Conditions Assessment (FCA)*.
- USF** 2 Usable Square Feet per BOMA definition for office/administrative uses. Area of a floor occupiable by a tenant where personnel or furniture are normally housed plus building amenity areas that are convertible to occupant area and not required by code or for the operations of a building. If not known, estimate the percentage.
- Occupant Postion Count (PC)** 3 Total Legislatively Approved Budget (LAB) Position Count within the buildings or leases as applicable.
- Source** 4 Enter Source of CRV as "Risk" or "FCA".
- Estimate/Actual** 5 Use actual USF % of USF to GSF, if available. If not known, estimate the percentage.
- Office/Administrative USF/PC** 6 Divide your USF by your position count. If office/admin space is a less than 10% of your space use, fill in N/A and fill in #7, "Agency Measure".
- Agency Measure** 7 If not using USF/PC, insert Agency Measure as defined in 107BF02 question #1.
- RSF** 8 Rentable SF per BOMA definition. The total usable area plus a pro-rated allocation of the floor and building common areas within a building.
- O&M** 9 Total Operations and Maintenance Costs for facilities including all maintenance, utilities and janitorial.

Facilities Operations and Maintenance and Deferred Maintenance Report

2017-19 Biennium

Facility Plan - Facility O&M/DM Report 107B16b
2017-19 Biennium

Agency Name

Department of Administrative Services

**Facilities Operations and Maintenance (O&M)
Budget excluding Capital Improvements and
Deferred Maintenance¹**

	2013-15 Actual	2015-17 LAB	2017-19 Budgeted	2019-21 Projected
Personal Services (PS) Operations and Maintenance	\$ 16,405,783	\$ 18,426,326	\$ 19,460,491	\$ 19,460,491
Services and Supplies (S&S) Operations and Maintenance	\$ 11,359,844	\$ 13,003,804	\$ 9,913,410	\$ 9,913,410
Utilities not included in PS and SSS above	\$ 9,588,413	\$ 12,120,022	\$ 12,577,709	\$ 12,577,709
Total O&M	\$ 37,354,040	\$ 43,550,152	\$ 41,951,610	\$ 41,951,610
O&M \$/SF	\$ 13.43	\$ 15.66	\$ 15.09	\$ 15.09

Total O&M SF 2,780,477 Include only the SF for which your agency provides O&M funding.

O&M Estimated Fund Split Percentage % ²	General Fund	Lottery Fund	Other Funds	Federal Funds
	0.00%	0.00%	100.00%	0.00%

**Total Short and Long Term Deferred Maintenance
Plan for Facilities Value Over \$1M³**

	Current Costs (2015)	Ten Year Projection	2017-19 Budgeted	2019-21 Projected
Priorities 1-3 - Currently, Potentially and Not Yet Critical ^{4,5,6}	\$ 18,423,511	\$ 120,457,931	\$ 40,782,574	\$ 71,707,821
priority 4 - Seismic & Natural Hazard ⁷	\$ 133,429,842	\$ 133,429,842	\$ 7,449,256	\$ 110,665,610
Priority 5 - Modernization ⁸	N/A	\$ 296,227,300	\$ 42,928,525	\$ 198,423,780
Total Priority Need	\$ 151,853,353	\$ 550,115,073	\$ 91,160,367	\$ 380,797,211
Facility Condition Index (Need/CRV)⁹	1.85%	12.10%	8.00%	0.80%

Buildings Over \$1M CRV \$ 711,023,732 Current Replacement Value Reported to Risk *or Calculated Replacement Value Reported from Facility Conditions Assessment (FCA)*

Process/Software for routine maintenance (O&M)	IBM TRIRIGA	Provide narrative
Process/Software for deferred maintenance/renewal	IBM TRIRIGA	Provide narrative
Process for funding facilities maintenance	Biennial operating budget	Provide narrative

Definitions

Facilities Operations and Maintenance Budget¹	The Facilities Operations and Maintenance budget includes costs to operate and maintain facilities and keep them in repair including utilities, janitorial and maintenance costs. Maintenance costs are categorized as external building (roof, siding, windows, etc.); interior systems (electrical, mechanical, interior walls, doors, etc.); roads and ground (groundskeeper, parking lots, sidewalks, etc.) and centrally operated systems (electrical, mechanical, etc.). Agencies with significant facilities may include support staff if directly associated with facilities maintenance activities. Do not include other overhead costs such as accounting, central government charges, etc.
O&M Estimated Fund Split Percentage %²	Show the fund split by percentage of fund source allocated to facility O&M for your agency
Total Short and Long Term Maintenance and Deferred Maintenance Plan for Facilities Value Over \$1M³	All Maintenance excluding routine O&M costs
Priority One: Currently Critical⁴	From the Budget Instruction: Priority One projects are conditions that require immediate action in order to address code and accessibility violations that affect life safety. Building envelope issues (roof, sides, windows and doors) that pose immediate safety concerns should be included in this category.
Priority Two: Potentially Critical⁵	From the Budget Instruction: Priority Two projects are to be undertaken in the near future to maintain the integrity of the facility and accommodate current agency program requirements. Included are systems that are functioning improperly or at limited capacity, and if not addressed, will cause additional system deterioration and added repair costs. Also included are significant building envelope issues (roof, sides, windows and doors) that, if not addressed, will cause additional system deterioration and added repair costs.
Priority Three: Necessary - Not yet Critical⁶	From the Budget Instructions: Priority Three projects could be undertaken in the near to mid-term future to maintain the integrity of a building and to address building systems, building components and site work that have reached or exceeded their useful life based on industry standards, but are still functioning in some capacity. These projects may require attention currently to avoid deterioration, potential downtime and consequently higher costs if corrective action is deferred.
Priority Four: Seismic and Natural Hazard Remediation⁷	From the Budget Instructions: Priority Four projects improve seismic performance of buildings constructed prior to 1995 building code changes to protect occupants, minimize building damage and speed recovery after a major earthquake. Projects also include those that mitigate significant flood hazards.
Priority Five: Modernization⁸	From the Budget Instructions: Priority Five projects are alterations or replacement of facilities solely to implement new or higher standards to accommodate new functions, significantly improve existing functionality as well as replacement of building components that typically last more than 50 years (such as the building structure or foundations). These standards include system and aesthetic upgrades which represent sensible improvements to the existing condition. These projects improve the overall usability and reduce long-term maintenance requirements. Given the significant nature of these projects, the work typically addresses deficiencies that do not conform to current codes, but are 'grandfathered' in their existing condition to the extent feasible.
Facility Condition Index⁹	A calculated measure of facility condition relative to its current replacement value (expressed as a percentage)

2017-19 BUDGET NARRATIVE

AUDIT RESPONSE REPORT

Audit Title: Management Letter
Audit Number: Management Letter No. 107-2015-01-01

Division: Enterprise Asset Management
Issue Date: February 2015

DAS Management generally agrees with the recommendations as stated in the report.

Audit Recommendation:	Response/Action Taken:
<ul style="list-style-type: none"> We recommend management develop a capitalization policy that allows for the appropriate decisions regarding when building costs should be capitalized and when they should be expensed in the current period. The capitalization policy should agree with Governmental Accounting Standards. 	<p>The corrective actions planned include review and revision of DAS policies by the Statewide Accounting and Reporting Section regarding the definition of improvements to conform with the Oregon Accounting Manual, and the development of practices for Enterprise Asset Management (EAM) that clearly detail and differentiate between work that is routine maintenance and work that extends the useful life of the building in the scope of work of projects.</p>
<ul style="list-style-type: none"> We recommend management implement a process to regularly review the useful lives of its buildings and building improvements to ensure compliance with Governmental Accounting Standards. 	<p>Since the issuance of this management letter, DAS Executive Team has approved two policies to address the two recommendations in this letter and repeat audit findings.</p>

Related Policy Option Package for 17-19: None

2017-19 BUDGET NARRATIVE

<p>addressed; evaluate the sufficiency of contracts and contract deliverables, and determine whether state agencies are properly executing project plans.</p>	
<ul style="list-style-type: none"> • Provide guidance and direction to agencies that lack appropriate resources to plan and manage major development projects. 	<p>Management agrees in part with the recommendation. DAS management agrees in principle with providing guidance and direction to agencies that “lack appropriate resources to plan and manage major development projects,” but this recommendation is unclear, since it might encompass significantly more responsibility than the current scope of IT efforts overseen by OSCIO. DAS management firmly believes that business requirements should lead the development of IT services delivery. Outside of activity undertaken within the State Data Center and infrastructure replacement projects at the agency and enterprise level, the state does not undertake projects that are solely IT projects. Rather, state agency business projects are undertaken on behalf of the Legislature and the Oregon citizenry, some of which have a significant IT component. The best way for business to lead IT service delivery and to achieve alignment between technology and desired business outcomes is to ensure the business (or agency) accept responsibility and accountability for the management of the business project that has an IT component.</p> <p>In our effort to assist and support state agency business organizations to succeed, the OSCIO intends to organize itself around six policy areas, assigning one STO and one ITIP analyst to each area. These policy areas include public safety, human services, healthy environments, transportation/economic development, education, and state administration.</p>
<ul style="list-style-type: none"> • Develop and establish consequences for failing to meet stage gate requirements and how they will be enforced. 	<p>Management agrees with this recommendation in part. While DAS management understands the importance of having a transparent process where agencies understand the consequences of meeting, or failing to meet, the requirements of the stage gate process, DAS also believes the role of the OSCIO is to work with agencies in supportive and collaborative way to get projects through the stage gates and, when necessary, getting corrective actions to make projects ultimately successful.</p>

Related Policy Option Package for 17-19: None

2017-19 BUDGET NARRATIVE

Audit Title: State Data Center: First steps to address longstanding security risks, much more to do

Division: Enterprise Technology Services

Audit Number: 2015-20

Issue Date: August 2015

DAS Management generally agrees with the recommendations as stated in the report.

Audit Recommendation:	Response/Action Taken:
<ul style="list-style-type: none"> To correct the unresolved security weaknesses, we recommend management: develop and maintain a complete inventory of system device configurations and processes for monitoring systems to detect unauthorized changes 	<p>OSCIO has developed baseline configurations and standards, but must partner with data center customers to evaluate existing systems for deviations from these baselines.</p> <p>OSCIO is seeking appropriate authority to unify security functions in order to address the Secretary of State's (SOS) recommendations. Historical issues around SDC creation have prevented complete implementation of this recommendation.</p>
<ul style="list-style-type: none"> To correct the unresolved security weaknesses, we recommend management: develop and implement processes to ensure privileged users remain authorized and that changes these powerful users make are appropriate 	<p>The Enterprise Security Office (ESO) continually works to improve privileged access management at the data center. At the time of the audit, the ESO identified many automated and manual solutions to control access, and more options are being explored. The technical direction of monitoring privileged users has changed since the audit recommendations and OSCIO is currently working to find another solution.</p>
<ul style="list-style-type: none"> To correct the unresolved security weaknesses, we recommend management: fully implement newly acquired network monitoring devices and systems to collect and analyze network and system security data 	<p>This recommendation has been partially implemented through the creation of a dedicated Security Operations Center (SOC) under the Chief Information Security Officer (CISO), responsible for accountability, consistent monitoring, analysis, and response to security events.</p> <p>This recommendation will also be addressed by a revitalized use of current security solutions. OSCIO now has the necessary equipment and design to implement this recommendation and is developing a project plan to support it.</p>
<ul style="list-style-type: none"> To correct the unresolved security weaknesses, we recommend management: replace network equipment 	<p>OSCIO is in the process of removing obsolete network equipment, which will be a multi-year process in collaboration with all other state agencies. This work is also being accomplished through the Lifecycle Replacement – Data Center Infrastructure project.</p>

2017-19 BUDGET NARRATIVE

<p>that is no longer supported by vendors</p>	
<ul style="list-style-type: none"> To correct the unresolved security weaknesses, we recommend management: replace obsolete operating systems or provide other mitigating controls for them, such as increasing monitoring or isolating them from other state computing resources 	<p>OSCIO is actively working with customer agencies to address obsolete operating systems that support agencies' functions. In many cases, agencies have built custom applications that will only work in their current operating environment. OSCIO is also working with Microsoft to replatform agencies to supported versions of SQL. This work has direction but still needs a project plan.</p>
<ul style="list-style-type: none"> To correct the unresolved security weaknesses, we recommend management: create and implement a plan with associated procedures to track and evaluate potential security incidents. 	<p>A security incident handling plan has been adopted under the Chief Information Security Office. The SOC, which is now a primary data center function, has been given clear roles and reporting relationship directly to the CISO and State CIO.</p> <p>OSCIO is also working with the Legislative Fiscal Office (LFO) to implement this recommendation.</p>
<ul style="list-style-type: none"> To better configure the data center for security, we recommend management create and implement a comprehensive security plan to appropriately configure security, implement critical security systems, and resolve identified security weaknesses 	<p>OSCIO is looking for appropriate authority to unify security functions in order to address SOS recommendations. Historical issues around State Data Center (SDC) creation have prevented implementation of this recommendation.</p>
<ul style="list-style-type: none"> To better configure the data center for security, we recommend management clearly define and assign data center security roles, responsibility, and authority 	<p>Management agreed with this recommendation and believes this audit recommendation has been implemented through the OSCIO-State Data Center reorganization.</p>

2017-19 BUDGET NARRATIVE

- To better configure the data center for security, we recommend management provide sufficient human resources to carry out critical security functions.

Management agreed with this recommendation and believes this audit recommendation has been partially implemented through the OSCIO-ETS reorganization. More aspects of this recommendation will be addressed on an ongoing basis.

Related Policy Option Package for 17-19: None

2017-19 BUDGET NARRATIVE

Audit Title: Oregon Needs Stronger Leadership, Sustained Focus to Improve Delinquent Debt Collection

Division: Chief Operating Office

Audit Number: 2015-25

Issue Date: September 2015

DAS Management generally agrees with the recommendations as stated in the report.

Audit Recommendation:	Response/Action Taken:
<ul style="list-style-type: none"> Lay groundwork for the annual management report. Given the complexity of debt collection, DAS officials will have to meet regularly with officials at large debtor agencies to understand their work, identify improvements and obstacles, and evaluate agency collection efforts. 	<p>Management generally agrees with the recommendation. In addition to this recommendation, Senate Bill 55 included language directing DAS to submit an annual management report to the Legislative Assembly identifying important issues and significant trends in terms of state agency collections. This work will be undertaken with the new positions received, and the first annual report will be submitted to the Legislature by December 31, 2016. An important role of the new positions will include communications and understanding of state agency accounts receivable, which will likely include regular meetings with agencies with the largest debtor balances, in addition to regular communications with collections managers from all agencies.</p> <p>Since the issuance of this report, DAS has hired a Statewide Accounts Receivable Management (SWARM) coordinator and additional staff. Staff have begun work implementing audit recommendations.</p>
<ul style="list-style-type: none"> Help agencies adopt proven collection tools. Resolving legal issues and helping agencies adopt effective tools could increase collections and demonstrate progress to agencies, policymakers and the public. 	<p>Management generally agrees with the recommendation. The enterprise project team has begun to identify barriers that prevent agencies from having access to tools and information that could assist in collections. DAS will continue work with state agencies to resolve legal barriers that prevent access to effective collection tools when the new positions received as a result of SB 55 begin work.</p>
<ul style="list-style-type: none"> Improve debt data. In our experience, discussions with agency accounts receivable staff can readily identify significant problems with the data reported to [the Legislative Fiscal Office]. 	<p>Management generally agrees with the recommendation. SB 55 also directed DAS to work to improve the quality and value of the data reported to the Legislative Fiscal Office (LFO) for liquidated and delinquent accounts. Beginning with the 2016 LFO report, DAS will work to provide clear guidance to state agencies to help ensure accuracy and consistency in reporting liquidated and delinquent debt information to the LFO.</p>

2017-19 BUDGET NARRATIVE

- | | |
|---|--|
| <ul style="list-style-type: none">• Prepare for a sustained effort. Improving collections will not be a quick fix, and, as our work indicates, the focus on debt collection tends to fade over time. DAS could benefit from developing both short- and long-term strategic plans for improving collection. | <p>Management generally agrees with the recommendation. Development of short- and long-term strategic plans for improving collections will be included as part of the duties of the new positions.</p> |
| <ul style="list-style-type: none">• We recommend that DAS: Further improve performance reporting by [f]ocusing first on large-debtor agencies and on including information already available from the data reported to LFO, such as agency collection rates over time, helping agencies calculate and report delinquency rates, a measure designed to limit the amount of receivables becoming delinquent, [d]eveloping measures that gauge the amount of effort agencies are putting into debt collection, such as caseload, staffing, and debtor accounts garnished or on payment plans; Including separate data on debtors current on payment plans, and on debt the state collects on behalf of others. | <p>Management generally agrees with the recommendation. DAS will work to develop performance reporting for state agency collections as directed in SB 55. One of the duties of the new positions will be working with agencies to determine what performance metrics best represent collection effectiveness. Once these metrics are selected, DAS will work to provide clear guidance on how information for these metrics should be calculated to ensure consistency among all agencies. As this work is undertaken, DAS will consider including the types of performance metrics described in the audit recommendation in its annual management report.</p> |

2017-19 BUDGET NARRATIVE

<ul style="list-style-type: none"> Further improve debt assignment by [p]romoting debt assignment based on collections performance; [h]elping agencies test whether OAA, private firms or their own agencies collect aging debt most effectively; [h]elping agencies improve the quality of information sent to OAA and private collection firms; [and h]elping agencies comply with assignment rules. 	<p>Management generally agrees with the recommendation. As performance and other tracking mechanisms are developed, as described in the previous recommendation response, DAS will work to ensure performance measures include necessary information to monitor collections performance. Once metrics have been established, DAS will create processes to evaluate their effectiveness and work with agencies to ensure debt is assigned to the most effective collection method. In addition to monitoring performance, SB 55 authorized DAS to develop rules and policies to better help agencies share information between one another. This includes drafting rules to give clear guidance to agencies on how to collect Social Security numbers, which will aid greatly in collection efforts. The new positions will also work closely with agencies to provide training and assistance on new and existing policies and rules to ensure debt is assigned efficiently.</p>
<ul style="list-style-type: none"> Further improve use of collection tools by [i]mplementing state vendor offset; [w]orking with agencies, and the Legislature when necessary, to implement new tools, such as bank data matching, Internet posting of debtors and a state lien registry; [w]orking with agencies and the Department of Justice to resolve key collections legal issues, such as new hire report availability and the use of credit bureaus and Employment wage data; [and e]xploring successful tools used in other states. 	<p>Management generally agrees with the recommendation, but have concerns related to the ease of implementing state vendor offset. Implementing a state vendor offset system across the enterprise is not a simple solution as audit findings suggest, due in part to technological limitations that prevent this solution from being easy to implement. The state currently uses the Statewide Financial Management Application (SFMA) as Oregon's official accounting system for accounting and financial reporting, but in some instances agencies have been authorized to use separate systems to distribute payments (for example, issuing checks and electronic funds transfers). Additionally, many agencies utilize subsidiary systems to track debtors at a detailed level and only input high level summary information into SFMA. The combination of these two practices makes it more difficult to capture all disbursements being made to state debtors in a simple manner. Other agencies, such as the Department of Revenue, maintain necessary information on debtors that would have to be accessed by DAS' Financial Business Systems unit to perform vendor offset. The unit is not staffed to implement a state vendor offset within current resources. Due to the lack of detailed information in SFMA, DAS' role could only be one of leadership and coordination. While DAS does recognize the benefits of having an integrated vendor offset solution, it may not be feasible without a great deal of manual processing at this time. DAS and other agencies have begun discussing a pilot project that may allow for some vendor offset capabilities between larger agencies. The results of this pilot project will help inform future work in this area. Regarding other specific recommendations, the new positions received through SB 55 will have duties focused on the selection and implementation of tools to assist state agencies in collections. This work will likely include the review of current barriers that exist, such as lack of access to the new hire report, and will likely require DAS to receive guidance from the Department of Justice.</p>

2017-19 BUDGET NARRATIVE

Improve compliance with collection rules by [i]ncreasing training for agencies; [c]larifying assignment requirements and exemptions, handling of private collection firm contracts, and write-off procedures; [and h]elping agencies follow appropriate collection practices, including using skiptracing and reconciling debt sent to OAA.

Management generally agrees with the recommendation. SB 55 directed DAS to create policies, provide training, and provide technical assistance that corresponds with this recommendation. Currently, the Oregon Accounting Manual (OAM) contains a chapter on Accounts Receivable Management. This chapter is already being reviewed by the enterprise project team, and review and updates will continue as DAS receives resources associated with SB 55. As the OAM is updated, training will occur to ensure that agencies have a clear understanding of the policies. The new positions received in SB 55 will regularly interact with agencies that have collection activity, and will be able to provide ongoing technical assistance and guidance on existing policies and collection contracts.

Related Policy Option Package for 17-19: None

2017-19 BUDGET NARRATIVE

Audit Title: State Agencies Respond Well to Routine Public Records Requests, but Struggle with Complex Requests and Emerging Technologies

Division: Chief Operating Office

Audit Number: 2015-27

Issue Date: November 2015

DAS Management generally agrees with the recommendations as stated in the report.

Audit Recommendation:	Response/Action Taken:
<ul style="list-style-type: none"> To bring more consistency to agency responses to public records requests, the Department of Administrative Services should provide statewide guidance and training on procedures for handling non-routine and complex public records requests, including communicating with requesters regarding fees and timelines; procedures for the use and retention of electronic communication, including text and instant messaging as they relate to public records law; and procedures for the use of personal devices and personal email accounts, as they relate to public records law. 	<p>Management generally agrees with the recommendations. Development of statewide policy regarding text messages and social media is already underway in anticipation of needs identified by a new communications contract. DAS is working with the State Archivist to create a menu of options to meet retention and disposition requirements that can be adopted based on business needs. In addition, the Department will provide clear guidance to state agencies to help ensure accuracy and consistency in response to public records requests. DAS will convene agency public information officers (PIOs) to identify best practices and develop recommended policy and procedure guidance to help agencies resolve barriers to effective response to non-routine and complex public records requests. DAS will engage and coordinate with state agency leadership in finalizing that policy guidance.</p> <p>Informed by these audit results, the Governor issued Executive Order 16-06, instructing DAS to develop and promote model public records management policies. State agencies must comply with ORS 192.018 within 90 days of the issuance of these polices. DAS is further instructed to comply with the audit recommendations.</p>
<ul style="list-style-type: none"> To address the variation in fees charged by state agencies, the Department of Administrative Services should also consider creating rates to charge for the cost of copies of public records; and 	<p>Management generally agrees with the recommendation. As mentioned above, DAS and the Enterprise Leadership Team are ready and willing to see standardization that still accommodates agency business requirements. DAS will convene agency PIOs and business managers to identify best practices and develop recommended policy guidance regarding standardized fees and charges. DAS will work with agencies to ensure fees and charges are appropriately levied in alignment with these guidelines.</p>

2017-19 BUDGET NARRATIVE

identifying rates to charge for labor for state employees working on public records requests.

- To improve responses to public records requests, state agencies should create policies and procedures based on the guidance to be provided by the Department of Administrative Services, and: implement a record management program or process that fits the needs of each agency (e.g. HPRM or another system); create goals for turnaround time that fit agencies' processes based on past experiences with responding to requests; create and keep a tracking mechanism, such as a log, to measure adherence to turnaround time goals and to track documentation related to each request; and identify frequently requested information and consider proactively making the information available (e.g., posting more information on agency website or the Oregon Transparency Website).

Responding to this audit and Executive Order 16-06, DAS has chartered a statewide project with support from the Governor's office to assess fees charged by state agencies for public records.

Management generally agrees with the recommendations. While these recommendations are directed to state agencies in general, not DAS in specific, the Department will work closely with agencies to make sure the recommendations are communicated to agencies along with DAS' policy guidance. DAS will work collaboratively with the Office of the State Chief Information Officer, the Governor's Office and the State Archivist to evaluate the feasibility of implementing a technology solution to streamline and automate appropriate records management statewide. As an agency, DAS is testing HP Records Manager (HPRM) in the office of the Chief Operating Officer (COO) with the intent of expanding its use, agency-wide, once testing is complete. DAS will create processes to evaluate effectiveness and monitor performance and will share that information with other state agencies. Any statewide solution will require careful planning and implementation.

Related Policy Option Package for 17-19: None

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Audit Title: Management Letter
Audit Number: Management Letter No. 107-2016-03-01

Division: Enterprise Asset Management
Issue Date: April 2016

DAS Management generally agrees with the recommendations as stated in the report.

Audit Recommendation:	Response/Action Taken:
<p>We recommend financial management receive training and seek guidance from appropriate accounting standards and resources to obtain a better understanding of how to properly records costs related to capital assets. We further recommend management develop a clear and detailed capitalization policy that ensures proper capitalization decisions and improves the review process prior to recording capitalization transactions for financial reporting purposes.</p>	<p>DAS generally agrees with the recommendation. While management believes that ongoing training is valuable, the significant deficiency identified by the Audits Division represented an oversight, and not a lack of understanding or disagreement about accounting principles.</p> <p>Since the issuance of this management letter, DAS Executive Team has approved two policies to address this and two prior recommendations from the Audits Division.</p>

Related Policy Option Package for 17-19: None

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2017-19 BUDGET NARRATIVE

Affirmative Action Report

AFFIRMATIVE ACTION REPORTS ARE DUE TO THE GOVERNOR'S OFFICE IN SEPTEMBER. A REPLACEMENT REPORT WILL BE PROVIDED IN THE GOVERNOR'S BUDGET.

Introduction

The Department of Administrative Services (DAS) developed an Affirmative Action Plan to foster its values of workplace diversity, respect, and equal employment opportunities to include women, people of color, and persons with disabilities. This is the 2014 review of the 2013-15 Affirmative Action Plan.

2013-15 Analysis and Goals

DAS was well-represented in all job categories during the 2013-15 period. Overall, the organization has achieved and maintains a diverse workforce. There is some under representation in DAS Divisions of unprotected classes and certain job titles. Overall DAS is maintaining parity with State Diversity percentages. As described below, the agency is focusing on specific areas for 2013-15 including recruitment and retention, broadening our outreach through networking partnerships with the Governor's Office on Diversity and Inclusion and other state agencies. Many diversity training opportunities were made available through this reporting period for all staff.

2013-15 Development & Implementation of Programs (Action Plan)

Volunteer and Paid Internship Opportunities: DAS provides voluntary opportunities within its Divisions. The purpose is to enhance the quality and quantity of services offered to our customers.

Community Outreach: DAS distributed job announcements to individual organizations and trade groups as well as through network channels from the Governor's Office on Diversity and Inclusion. DAS maintains contact with community organizations through staff attendance at group meetings and conferences and actively seeking opportunities to meet personally with officials representing organizations and community partners, including:

- Oregon Hispanic Employees Network
- Oregon Association of Minority Entrepreneurs
- NAACP Salem-Keizer Chapter
- Oregon Native American Chamber
- Hispanic Services Roundtable
- Oregon Advocacy Commission
- APACC (Asian Pacific American Chamber of Commerce)
- Say Hey, NW

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- Breakfast for Champions
- Statewide Affirmative Action Monthly Workshop
- DAS Diversity Council
- Monthly Statewide Recruiters Meeting
- Statewide Diversity Conference
- Ethnic Cultural Events
- Veterans Events

College/University Career/Job Fairs: Due to budget reductions and funding challenges, DAS staff have not attended any career fairs in 2013-14.

Annual Diversity Conference: DAS was a key partner with ten other agencies in coordinating the 2013 20th Annual Diversity Conference. In addition to the two keynote speakers, Terrell Jones and Leigh Anne Jasheway, the conference featured a host of provocative workshops, such as:

- Religion in the Workplace
- Conversations on Race
- Emotional/Cultural Intelligence
- Compassionate Communication

Job Rotations: DAS provides employees the opportunity to work in other positions, work units, or locations in order to enhance their knowledge and skill levels. The increased knowledge and skill levels benefit both the Agency and the employees involved. Job Rotations are valuable tools as the Agency develops staff for positions of higher responsibility. Job Rotations may also provide stepping-stones to career progression for women, people with disabilities and people of color.

New Employee Orientation: New Employee Orientation covers Affirmative Action and diversity topics. All employees receive a copy of the Workforce Diversity and Cultural Competency policy which is discussed at the orientation.

Diversity Awareness Program: The DAS Diversity Council offers a comprehensive website where staff may read articles and participate in workshops, events and meetings. The Council provides opportunities for employees to learn about diversity, increase awareness and embrace a welcoming environment. The Council provides diversity awareness through communication in the agency's monthly newsletter and "Did You Know" articles that are published monthly and event flyers are posted throughout the buildings. In addition, the DAS Diversity Council held several brown bag events with invited guest speakers.

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Recruitment and Selection

Order of Recruitment Lists: In order to promote a diverse applicant pool, job vacancy recruitments are generally conducted on an open competitive basis. The Agency attracts applicants from inside and outside the State system.

Position Descriptions and Performance Appraisals: Position Descriptions include standards for reflecting sensitivity and respect for diverse cultures and performance appraisals include requirements for promoting and fostering an inclusive workplace that is discrimination and harassment-free.

Interview Panels: Hiring managers will make every reasonable effort to ensure that interview panels include women and/or people of color. In order to promote neutrality in the selection of supervisory, management, and executive service positions, the panel customarily includes at least one member from outside the functional unit, division or Agency.

Advertising

Advertisements: Oregon State government has a current broker contract with the Bernard Hodes Group for advertising services related to job announcements. Bernard Hodes offers the SmartPost Job Distribution System. SmartPost has the ability to post jobs to thousands of job boards and includes a recommendation on which sites to utilize for a specific classification or audience. Partnering with the Governor's Office on Diversity and Inclusion, who send out job announcements to their associates, postings are also sent to community newsletters, minority newspapers and magazines such as the Asian Reporter, Skanner, and the Portland Observer.

Affirmative Action Policy Statement

DAS is committed to establishing and maintaining a diverse workforce, reflective of the multi-cultural population within the state of Oregon. DAS is committed to an affirmative action program that provides equal opportunities for all persons regardless of race, color, religion, gender, sexual orientation, national origin, marital status, age, or disability.

It is also the policy of DAS to provide an environment for each applicant and employee that is free from sexual harassment, as well as harassment and intimidation as it relates to an individual's race, color, religion, gender, sexual orientation, national origin, age, or disability.

DAS' commitment to affirmative action and diversity in the workplace is realized through a variety of programs and measures:

- DAS is an equal-opportunity employer that is dedicated to a pro-active role in the recruitment and selection process. DAS will use diverse recruitment strategies to identify and attract candidates, and establish interview panels that represent protected-class groups.

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- DAS is committed to providing broad and culturally enriched training, career growth and developmental opportunities to all employees on an equal basis, enabling them to advance and further their knowledge, skills, and abilities, while promoting their value in a diverse climate.
- DAS will not discriminate, nor tolerate discrimination, against any applicant because of physical or mental disability in regard to any position for which the applicant for employment is qualified.
- DAS agrees to take affirmative action to employ, advance in employment, and otherwise treat equitably, all known qualified individuals without regard to their physical or mental disabilities in all human resources selection and decision practices, such as: advertising, benefits, compensation, discipline (including probation, suspension, and /or termination for cause or layoff) recreational programs, and training. DAS will also continue to administer these practices without regard to race, color, religion, gender, sexual orientation, national origin or age.

Additionally, all applicants and employees are protected from coercion, intimidation, interference, or discrimination for filing a complaint or assisting in an investigation under this policy.

DAS will not discriminate or tolerate discrimination, against any employee because they are a member of, apply to be a member of, perform, has performed, applied to perform or have an obligation to perform, service in any of the uniformed services.

The statewide policy no. 50.020.10, "ADA and Reasonable Accommodation in Employment", clearly follows the mandate of the Americans with Disabilities Act of 1991 and the ADA Amendments Act of 2008.