

Permanent Finance and Limited Duration Plan Training



DAS DEPARTMENT OF
ADMINISTRATIVE
SERVICES

Chief Financial Office: Statewide Audit & Budget Reporting Section (SABRS)

PRESENTATION OVERVIEW

Topics:

- ☐ Permanent Finance Plan Background Information
- ☐ Types of Position Actions on Plans
- ☐ Preparing Permanent Financing Requests
- ☐ Supporting Documentation
- ☐ Submission of Plan Packets
- ☐ Limited Duration Plans
- ☐ Common Financing Plan Issues and Questions
- ☐ Examples of common financing forms

Permanent Finance Plan Background Information

The Permanent Finance Plan (PFP) process is available for all State agencies, boards and commissions to administratively perform position actions in the Oregon Position Information Control System (ORPICS) during the two year Budget Execution timeframe. These actions use the permanent financing (budget) of current positions within the agency to perform any of a number of actions on new or existing positions within the same agency.

The PFP process is driven by State of Oregon chapter law, specifically Oregon Revised Statute (ORS) 291.71, section three, which states the following:

3)(a) The Oregon Department of Administrative Services may approve the reallocation of positions or the establishment of new positions not specifically provided for in the budget of the affected state agency if it finds that the proposed change:

(A)Can be financed by the state agency within the limits of its biennial budget and legislatively approved program;

(B)Will not produce future budgetary increases; and

(C)Conforms to legislatively approved salary policies.

(b)Proposed changes not meeting the requirements of paragraph (a) of this subsection shall be presented to the legislative review agency.



Background Information Continued

PFP's require a focus on Human Resources and Budgetary impacts related to requested position actions. Agencies with Human Resources and Budget divisions should ensure both are aware and approve of all plan requests. Failure to do so can result in potential problems within the HR and Budget systems as it relates to employees and positions.

A checklist provided on the SABRS website must be used when submitting PFP position action requests during Budget Execution. A sample of the checklist is included on slide 11.

When ORPICS Freezes in April of even numbered years a new Budget Preparation (BP) file is created within the system. All position actions requested on PFP's submitted after the BP file has been created should be tracked, by position number, for any impact to the BP file. This tracking must be performed to ensure that actions performed on a PFP in the Budget Execution file, such as abolishing a position, are not impacting the same position that is being used in an Essential or Policy package in the Budget Preparation file.

Permanent Financing Plan and Limited Duration Plan Checklist

PERMANENT FINANCE PLAN and LIMITED DURATION PLAN REQUEST TRANSMITTAL CHECKLIST

(use as first page in packet)

AGENCY NAME: _____ AGENCY NUMBER: _____
SABR COORD: _____ PHONE NUMBER: _____
DATE: _____

Please check the boxes below indicating required processes and documents are included with this Permanent/Limited Duration Finance Plan request.

(During budget preparation periods, agencies should be mindful of using vacant positions on PFPs. Work with your BAM and LFO Analysts regarding a vacant position's status during budget prep prior to inclusion on a PFP.)

- ☐ **Cover memo supporting the plan that addresses the following elements:**
 - Problem definition (what has changed since the Legislatively Adopted Budget was approved?)
 - Alternatives considered, such as reducing duties, working out of class, etc.
 - Proposed solution
 - Expected outcomes
 - How does this action fit with the agency's long-range, strategic staffing plan?
 - Are the positions proposed for demotion, elimination/abolishment, or reduction in months, vacant? (please provide explanation)
 - Are the positions being abolished vacant and if not vacant, please provide explanation.
 - What will the agency do if this permanent finance plan is not approved?
- ☐ **Finance Plan**
- ☐ **Position Classification Review(s)** *(only needed on reclassifications, establishments and abolishment's)*
- ☐ **Organization Chart**
- ☐ **DAS CHRO's Classification & Compensation Unit's authorization/ review memo** *(only needed on reclassifications, establishments and abolishment's)*



Types of Position Actions on Plans

- ❑ **Position Reclassifications** – Positions can be reclassified upward, downward. The positions must be priced using the top step of each classification. It is important to ensure the most current compensation plan step rates are being used. Compensation plans change throughout the biennium primarily as a result of Cost of Living Adjustments applied to salary steps. If unsure about whether or not a plan is current send an e-mail to SABRS at ORBITS.Help@oregon.gov with any questions.
- ❑ **Position Type / Months Budgeted** – A position type can be modified such as going from a Permanent Part-Time (PP) to a Seasonal Full-Time (SF). These types of adjustments are primarily driven by a change in the amount of months a position is budgeted for.
- ❑ **Changes in Representation Codes** – Positions can be reclassified by representation codes such as changing from Management Service to Represented. Not all changes of this type result in cost impacts. Some include changes where the step amounts between the two are identical, another example of an equal reclassification.
- ❑ **Position Establishments**
- ❑ **Position Abolishments**

Preparing Permanent Financing Requests

- ❑ The PFP form is an Excel worksheet containing two main sections: Request and Financing. The total calculated cost of the Request section must be equal to or less than the total calculated savings of the Financing section. Plans that do not meet this requirement will be returned to the agency.
 - Requests are typically changes that either establish new positions or enhance current positions including, but not limited to, upward reclassifications, increased months/FTE and more.
 - Financing actions are typically changes that either abolish or diminish a current position which includes, but are not limited to, downward reclassification, decreased months/FTE and more.
- ❑ The agency Human Resources and Budget units should work in coordination to fill out the PFP form ensuring the following requirements are met:
 - Positions are priced using top step amounts from the most current compensation plan
 - Position numbers are supplied for all positions included on the plans
 - All Full-Time establishments are priced for 24 months regardless of time period of the biennium the request is made. Part-Time and Seasonal positions can be budgeted for less than 24 months.
 - Ensure classification numbers and the classification titles match and are correct
 - Ensure the desired representation code is used
 - All vacant positions are properly marked with an “X” in the “X if Vacant” field
 - Detail Cross Reference numbers are supplied for all position requests and financing actions

Permanent FinancingPlan Form

SABR PFP Submission Form

Permanent Financing Plan for _____											(Agency Name)		Agency Number: _____			
SABR Coordinator: _____											DAS Budget Analyst: _____					
Phone: _____											Agency Plan Number: _____		(required)			
Repr, Class No	X if	Class Title	Workday	Authorization	Position	Salary	Top	\$ of	Biennial	Detail Cross Ref	GF	OF	FF	LF	% Check	
Action & Pay/Rg Opt/Vacant			ID	Number	Number	Type Range	Step	Mos.	Cost	(DCR)	%	\$	%	\$	%	
REQUEST SECTION:																
<i>Reclass</i>																
To																
From																
<i>Increase Months</i>																
To																
From																
<i>Establish</i>																
Total Request Section																
FINANCING SECTION																
<i>Abolish</i>																
<i>Abolish</i>																
<i>Fund Shift</i>																
To																
From																
<i>Reduce Months</i>																
To																
From																
<i>Reclass</i>																
To																
From																
Total Savings																
Total Financing Section																
Total Request																
Total Financing																
Balance from Prior Actions																
Balance for Future Actions																0
Instructions																

Supporting Documentation

- ❑ The following items are required for reclassifications, establishments and abolishments only:
 - Position Classification Reviews which are typically prepared by an agency HR unit.
 - DAS CHRO Classification & Compensation Unit's authorization/review memo. CHRO must review and approve request and financing actions and return a memo to the agency stating their approval. Every State agency, board and commission is assigned a specific CHRO Analyst. Contact DAS CHRO if you are not sure who has your agency as an assignment.

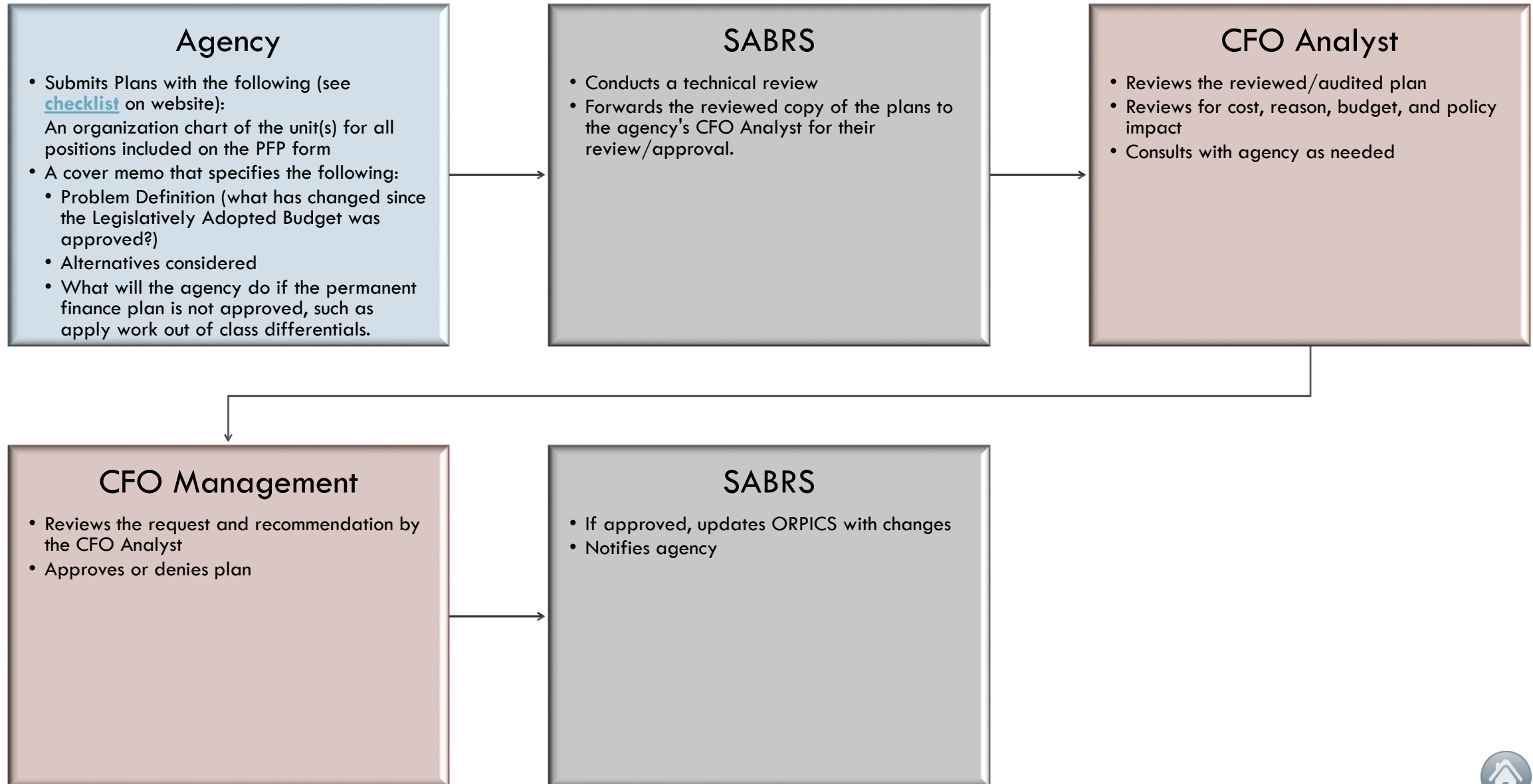
- ❑ The following items are required for all PFP submissions:
 - An organization chart of the unit(s) for all positions included on the PFP form
 - A cover memo that specifies the following:
 - Problem Definition (what has changed since the Legislatively Adopted Budget was approved?)
 - Alternatives considered, such as reducing duties, working out of class, etc.
 - Proposed solution
 - Expected outcomes
 - How does this action fit with the agency's long-range, strategic staffing plan
 - Are the positions proposed for demotion, elimination/abolishment, or reduction in months, vacant? (please provide explanation)
 - What will the agency do if the permanent finance plan is not approved, such as apply work out of class differentials.



Submission of Plan Packets

- ❑ Once all the required materials have been completed and gathered, the plan packet should be sent to SABRS at ORBITS.Help@das.oregon.gov , your agency CFO Analyst, your agency LFO Analyst.
- ❑ Wherever possible combining all the materials into one file such as one PDF is definitely preferred but recognized this is not always possible.
- ❑ In instances where all the materials exceed e-mail size limits they can be sent to SABRS on CD, DVD or a USB flash drive.
- ❑ When the plan materials are received by SABRS they are printed out and initially reviewed within the unit for accuracy.
 - SABRS then forwards the hard copy of the plans to your CFO Analyst for their review/approval.
 - If approved the CFO Analyst forwards the materials to the Deputy CFO for their review/approval.
 - If a plan is approved it is finally routed back to SABRS for keying into ORPICS
- ❑ The process can take anywhere from a couple weeks to months depending on the timeframe in the budget cycle it is submitted. Plans submitted during preparation of the Governor's Budget starting in September of even numbered years will experience the longest delays due to the Governor's Budget prep being the top priority of the DAS Chief Financial Office to be completed by December 1st.

Submission of Plan Packets



Limited Duration Plans

- ❑ Requests to establish Limited Duration positions are accepted during the Budget Execution timeframe. Limited Duration requests follow the same rules as PFP's in regard to supporting documentation required. They are also reviewed in the same manner as PFP's.
- ❑ The main difference between Limited Duration plans and PFP's is a Limited Duration plan must specify how the position(s) will be financed in the "Notes" section of the plan form (a sample of the form is provided on slide 10). As an example, a statement such as "*The position will be financed through savings realized in the S&S category of Professional Services.*"

Limited Duration Plan Form

SABRS Limited Duration Plan Form

Limited Duration Financing Plan for:										Agency Number:									
[Agency Name]																			
Contact Person:										DAS Budget Analyst:									
Phone:										Agency Control Number:									
Action	Repr, Class No. & Pay/Rg Options	Class Title	Workday ID	Authorization Number	Position Number	Type	Salary Range	Step Amount	# of Months	Biennial Cost	Detail Cross Reference	GF %	GF \$	OF %	OF \$	FF %	FF \$	LF %	LF \$
										-			-		-		-		-
** Phase In Date		Phase Out Date**																	
										-			-		-		-		-
** Phase In Date		Phase Out Date**																	
Total Request												-		-		-		-	
Notes																			



Common Financing Plan Issues and Questions