

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5515-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. D. Edwards
Carrier – Senate: Sen. Morse**

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

Vote: 20 – 0 – 1

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields

– Nays:

– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett

– Nays:

– Exc: Winters

Prepared By: Bill McGee, Department of Administrative Services

Reviewed By: Steve Bender, Legislative Fiscal Office

Meeting Date: 6/8/07

Agency

Department of Higher Education

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Biennium

2005-07

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Representative Larry Galizio, Education Subcommittee Chair

Budget Summary*

	<u>2005-07</u>		<u>2007-09</u>		<u>Percentage Committee</u>
	<u>Legislatively Approved Budget (1)</u>	<u>Governor's Budget</u>	<u>Committee Recommendation</u>	<u>Difference from Governor's Budget</u>	<u>Change from Governor's Budget</u>
General Fund	\$ 692,450,145	\$ 783,714,206	\$ 804,180,374	\$ +20,466,168	+2.6%
General Fund Debt Service	30,238,004	43,350,014	37,756,473	-5,593,541	-12.9%
Lottery Funds	5,744,213	13,481,449	12,683,423	-798,026	-5.9%
Lottery Funds Debt Service	5,673,311	18,008,612	13,298,809	-4,709,803	-26.2%
Other Funds	1,127,233,131	1,225,223,975	1,209,223,975	-16,000,000	-1.3%
Other Funds Nonlimited	2,312,772,303	2,095,968,777	2,095,968,777	0	0.0%
Other Funds Debt Service Nonlimited	104,164,334	132,034,637	132,034,637	0	0.0%
Total	\$ 4,278,275,441	\$ 4,311,781,670	\$ 4,305,146,468	\$ -6,635,202	-0.2%

Position Summary

Authorized Positions	14,465	18,019	17,823	-196
Full-time Equivalent (FTE) Positions	11,881.04	12,753.11	12,557.21	-195.90

2005-2007 Supplemental Appropriation

General Fund	0.00	0.00	(600,000.00)
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Summary of Revenue Changes

Most of the Department’s General Fund appropriation is distributed through the Resource Allocation Model (RAM). The campuses receive funding based on student enrollment on a full-time equivalent basis. The remaining General Fund support to campuses, and all General Fund support for centralized services, is distributed through the RAM as targeted programs. Targeted programs are designed to address the costs of the system that are not directly related to enrollment levels. General Fund is also used to pay debt service on Article XI-G bonds sold for Capital Construction projects and Certificates of Participation (COPs) sold for information technology projects.

Beginning in July 2007, one percent of Lottery Funds deposited into the Department of Administration Services Economic Development Fund will be transferred to the Sports Action account to finance intercollegiate athletics and graduate student scholarships. Currently, the Department receives revenues from specific sports betting games operated by the Lottery. Lottery proceeds are also allocated for debt service on Lottery-backed bonds.

The primary sources of Other Fund revenues for the Education and General Services program unit are tuition and fees. Other sources include sales and charges for services, indirect cost recovery on grants, and other miscellaneous revenues. Nonlimited funds include gifts and sponsored research financed by the federal government, private industry, and other private groups. These Nonlimited funds, the major source of support for research, also directly benefit and enhance the instruction and research programs supported by the General Fund and tuition revenue.

Other Funds supporting the Agriculture Experiment Station, Extension Service, and Forest Research Laboratory come from federal formula funds, sales and service fees, indirect cost recovery on federal grants, interest earnings, and miscellaneous income. Nonlimited gifts, grants, and contracts also support research activities of the three statewide public service programs. The Forest Research Laboratory also receives revenues from the Forest Products Harvest Tax. The Subcommittee approved an expenditure level for the Forest Research Lab that assumes extension of the sunset on this tax.

Most self-supporting Nonlimited revenue sources are dedicated to a specific purpose and are independent of General Fund and limited Other Funds supported programs. The revenue sources include student aid funds, food service and other enterprise sales, dormitory fees, health service fees, and course fees for non-credit continuing education programs, among others. Expenditure of these revenues are shown in the Other Services (Nonlimited) program unit.

Historically, all federal funding received by the Department is budgeted as Other Funds.

The Subcommittee approved a \$798,026 reduction in the Lottery Funds expenditure limitation in the Sports Action program unit to reflect both an increase in the May 2007 revenue forecast and to account that the Department will only receive seven quarters of lottery transfers in the 2007-09 biennium.

Summary of Subcommittee Action

The Department of Higher Education is the state agency name for the educational institutions, governing board, central administration, support services, and public services that make up the Oregon University System (OUS). The institutions consist of the University of Oregon, Oregon State University, Portland State University, the three regional universities (Eastern, Western, and Southern Oregon Universities), and the Oregon Institute of Technology. Funding for the three OSU statewide public service programs, the Agricultural Experiment Station, the Extension Service, and the Forest Research Laboratory, is also included in the Department's budget.

The Subcommittee approved an operating budget of \$841,936,847 General Fund, \$25,982,232 Lottery Funds, \$4,305,146,468 total funds, and 12,557.21 full-time equivalent positions. General Fund is increased from the 2007-09 Essential Budget Level (EBL), as adjusted by Package 801 in the Debt Service program unit, by 9.8 percent. Lottery Funds are increased by 87 percent. Total funds and full-time equivalent are increased by 3.2 percent and 3.4 percent respectively. The Department's capital construction budget will be considered separately in Senate Bill 5516.

The approved budget includes the following Subcommittee actions:

- An increase of \$9 million General Fund was approved to support the education and general services programs at the regional and branch campuses: Eastern Oregon University, Oregon Institute of Technology, Southern Oregon University, Western Oregon University, and the Oregon State University Cascades Campus.

- Funding to increase faculty salaries respective to the Department's peer institutions was increased by \$10 million General Fund. The funds will be distributed to all campuses and the Oregon State University statewide public service programs. The Subcommittee adopted the following budget note.

Budget Note

Institutions shall use the funds allocated to them from the \$10 million approved in this package to move faculty compensation rates closer to peer levels, and thereby maintain institution quality, recruit and retain high-quality faculty, and promote academic excellence for students. The Department shall include information on the impact of this funding on measures of campus performance in its budget request to the 2009 Legislative Assembly.

- An increase of \$6.9 million was provided to hire faculty on campuses where the existing student-faculty ratios exceeds peer levels. The Subcommittee adjusting hiring dates for new positions to ensure that there would be no phase-in costs as part of the 2009-11 Essential Budget Level.
- An additional \$20.6 million General Fund was provided to support costs associated with increasing enrollments in the university system. The Department's Other Funds expenditure limitation was increased by \$26 million to allow the expenditure of tuition revenues resulting from enrollment growth that exceed cost increases in the EBL.

The Subcommittee discussed distribution of General Fund to campuses under the Resource Allocation Model (RAM). The Board of Higher Education decided to use 2002-03 student full time equivalent (FTE) for distribution of enrollment based funding as a result of budget reductions following the recession of the early 2000s. The Board has continued to use 2002-03 FTE through the 2005-07 biennium. The following budget note was adopted.

Budget Note

The Subcommittee understands that beginning in the 2009-11 biennium, the Department will distribute General Fund appropriated for Undergraduate and Graduate Cell Funding in the Resource Allocation Model on the basis of the actual fundable student FTE counts for the fiscal year of the distribution. This may include adjustments designed to settle up fiscal year allocations once final fundable student FTE counts are known.

- Support for the Agricultural Experiment Station, Extension Service, and Forest Research Laboratory is increased by \$5 million above the 2007-09 EBL. One of the 21 new positions is designated as a Christmas Tree Specialist in the Extension Service.
- Funding for the Engineering Technology and Industry Council (ETIC) program was increased by \$15 million General Fund and \$11.8 million Other Funds (funded from the sales of Certificates of Participation). These amounts supplement the \$22.3 million General Fund in the EBL for ETIC initiatives. The Subcommittee directed that additional General Fund be distributed as follows: Oregon State University: \$11.5 million; Portland State University: \$2.5 million; University of Oregon: \$530,000; held centrally for eventual distribution: \$490,000.

- Increased funding was approved for several additional programs, including the Oregon State University Veterinary Diagnostic Laboratory (\$750,000 General Fund), the Portland State University Oregon Solutions program (\$1.2 million General Fund), the Oregon State University Institute for Natural Resources (\$200,000 General Fund), nursing and allied health programs (\$7.4 million General Fund), the Eastern Oregon University rural access program (\$580,000 General Fund), and continued development on the PreK-20 Integrated Data System (\$1.4 million General Fund). The Subcommittee noted that the adopted budget funds the University of Oregon Labor Education Research Center (LERC) at \$188,000 above EBL.
- The Subcommittee approved an Other Funds expenditure limitation necessary to accommodate increases in tuition and resources fees during the 2007-09 biennium. The following budget note was approved to indicate the Subcommittee's expectations regarding the increases.

Budget Note

The adopted budget projects net tuition and fee revenues of \$1 billion for the 2007-09 biennium. The Subcommittee expects tuition rate increases for resident undergraduate students, excluding students enrolled at Western Oregon University, to average 3.4% each year of the biennium. The Department shall report to the interim Joint Committee on Ways and Means or Emergency Board prior to any State Board of Higher Education approval of tuition and fee rate increases that would result in average increases for resident undergraduate students, excluding students enrolled at Western Oregon University, exceeding these amounts. The Subcommittee further expects the Department to limit resource fee (including energy surcharge fee) revenue to no more than 8.6% of gross tuition revenue.

- The impact of House Bill 2198, that would allow the Department to retain interest earnings on its cash balances, was discussed by the Subcommittee. The Subcommittee did not approve the shift of \$16 million from General Fund to Other Funds needed to implement the bill in the 2007-09 biennium on a budget-neutral basis. The following budget note was adopted regarding potential changes in fund management.

Budget Note

The Department shall assist the State Treasurer and the Legislative Fiscal Office in an examination of the management and investment of Department funds, and in the development of fund management policy proposals designed to optimize outcomes to both the State General Fund and the Oregon University System. The report findings and policy proposals shall be presented to the interim Joint Committee on Ways and Means or Emergency Board no later than January 1, 2008.

- The Subcommittee adopted the following budget note to address the impact of the adopted budget on the 2009-11 Essential Budget Level.

Budget Note

The approved budget for all programs supported by General Fund and Lottery Funds expenditures fully funds these programs in the 2007-09 biennium. The Subcommittee understands that Essential Budget Level (EBL) calculations for the 2009-11 biennium budget will not include General Fund or Lottery Funds phase-in adjustments. Notwithstanding this, the Subcommittee understands that a General Fund phase-in adjustment will be included in the EBL calculation for the Faculty Salary Catch-Up package. This

phase-in shall be calculated on the basis of package funds being distributed through two equal salary percentage increases awarded on July 1 of each fiscal year in the 2007-09 biennium.

Education and General Services

This program unit includes the instruction, research, public service, and operating costs of the seven institutions that make up the Oregon University System and the centralized administration and support services of the system.

The Subcommittee approved a budget of \$692,348,796 General Fund, \$2,945,253,758 total funds, and 9,632.95 full-time equivalent positions, increased from the EBL by 11.1 percent, 4 percent and 4.2 percent respectively. The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 090 that reduces General Fund by \$4,900,000 as a result of increased Lottery Funds supporting intercollegiate athletics in the Sports Action Lottery program unit. The reduction corresponds to estimated General Fund subsidies for athletics programs at the large institutions during the 2005-07 biennium. With the transition from Sports Action games to a fixed distribution of one percent of lottery proceeds, lottery revenues received by the Department in the Sports Action program unit are projected to more than double between 2005-07 and 2007-09.
- Approved Package 111 that includes \$9,000,000 General Fund and 36 positions (36.00 FTE) for support of the four regional universities and the Oregon State University Cascades Campus.
- Modified Package 112 that includes \$8,000,000 General Fund to increase faculty salaries respective to peer institutions. The Subcommittee increased total funding for faculty salaries to \$10,000,000 department-wide and shifted \$1,046,000 from the Education and General Services program unit to Package 801 in the Agricultural Experiment Station, the Extension Service, and the Forest Research Laboratory to increase salaries for faculty located within those units.
- Modified Package 113 that includes \$6,860,000 General Fund and 90 positions (90.00 FTE) to reduce student-faculty ratios. The Subcommittee eliminated 42 positions and 42.00 FTE partly to correct a technical error in the Governor's budget and partly to ensure that all of the new positions will not be hired mid-biennium, avoiding phase-in cost increases in the 2009-11 biennium EBL associated with this package.
- Modified Package 114 that includes \$14,600,000 General Fund, \$26,000,000 Other Funds, and 393 positions (393.00 FTE) for projected increases in enrollment by adding an additional \$6,000,000 General Fund. The Subcommittee eliminated 137 positions and 137.00 FTE to correct a technical error in the Governor's budget.
- Modified Package 115 that includes \$2,200,000 General Fund for increased utility costs. The Subcommittee shifted \$48,628 from the Education and General Services program unit to Package 801 in the Agricultural Experiment Station, the Extension Service, and the Forest Research Laboratory to increase salaries for utility costs paid by those units.
- Approved Package 116 that eliminates 21 positions and 20.94 FTE to reflect position actions taken by the Department during the 2005-07 biennium.
- Approved Package 301 that provides \$7,396,000 and 26 positions (25.00 FTE) to increase nursing pre-requisite courses for the Oregon Consortium for Nursing Education (OCNE) program and to expand the sonography, clinical laboratory science, and dental hygiene programs at the Oregon Institute of Technology.

- Reduced Package 302 to expand the ETIC program from \$17,000,000 General Fund to \$15,000,000 General Fund. Positions and FTE were reduced from 40 to 35.
- Increased Package 303 that funds information systems projects related to PreK-20 system integration by shifting \$600,000 General Fund from the 2005-07 biennium to the 2007-09 biennium. The funds were approved for the Information Data Transfer System but will not be spent prior to the end of the current biennium. SB 5515 has been amended to disappropriate \$600,000 General Fund from the 2005-07 Legislatively Approved Budget.
- Reduced Package 304 that funds efforts by Eastern Oregon University to increase college attendance in rural areas of the state by \$1,020,000 General Fund and 14 positions (13.65 FTE).
- Added Package 307 that provides \$750,000 General Fund and 4 positions (4.00 FTE) to the Oregon State University Veterinary Diagnostic Laboratory.
- Approved Package 309 that includes \$18,960,000 Other Funds for campus technology and ETIC projects, to be funded with Certificates of Participation (COPs). Debt service on these COPs will be paid with university Other Funds and budgeted as Nonlimited Other Funds. Following is a list of specific projects.

Campus	Project	Other Funds
EOU	Storage area network and video streaming	\$200,000
OSU	Enterprise computing systems upgrade	\$3,000,000
PSU	Storage and server expansion	\$600,000
PSU	Classroom technology refresh and new building technology	\$450,000
PSU	Network equipment upgrades	\$450,000
PSU	Desktop and security upgrades	\$400,000
PSU	Document imaging and workflow systems	\$850,000
PSU	Building access control systems	\$250,000
PSU	Research equipment	\$1,000,000
ETIC	Facilities and equipment	\$11,760,000

- Reduced Package 351 that provides funding for the Institute for Natural Resources at the University of Oregon by \$50,000 General Fund.
- Reduced Package 352 that includes funding for the Oregon Solutions program at Portland State University by \$300,000 General Fund.
- Denied Package 451 that shifts \$16,000,000 General Fund to Other Funds in anticipation of passage of House Bill 2198 allowing the Department to retain interest on funds in its Treasury accounts.
- Approved Package 452 that includes \$155,000 Other Funds and 1 position (1.00 FTE) to support the Department's use of variable rate and synthetic fixed rate debt financing on Article XI-F (1) bonds as proposed in House Bill 2199. The Subcommittee requested the Department of Administrative Services to unschedule the Other Funds expenditure limitation if HB 2199 is not enacted.

Agricultural Experiment Station

The Agricultural Experiment Station conducts research and demonstrations in the agricultural, biological, social, and environmental sciences. Research is conducted at a central station at Corvallis and at eleven branch stations in major crop and climate areas of the state.

The Subcommittee approved a budget of \$60,122,518 General Fund, \$135,315,949 total funds, and 642.65 full-time equivalent positions. General Fund and FTE are increased from the EBL by 5.5 percent and 1.7 percent respectively while total funds are reduced by 0.1 percent. The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 070 that reduces Other Funds by \$3,241,719 to elimination expenditure authority for which revenues will not be available.
- Reduced Package 201 to support operations of the Agricultural Experiment Station by \$260,000 General Fund, one position, and 1.25 FTE.
- Added Package 801 that includes a technical adjustment to shift \$536,000 General Fund from the Education and General Services program unit. The package shifts \$482,000 General Fund from Package 112 for faculty salaries and \$41,587 from Package 115 for utility costs.

Extension Service

The Extension Service is the educational outreach arm of Oregon State University in its capacity as Oregon's Land Grant and Sea Grant university. Extension faculty on campus and in county offices throughout the state work with researchers and volunteers to develop and deliver non-credit educational programs based on locally identified needs. The majority of Extension faculty are assigned to county locations. Extension Specialists are OSU faculty members who develop educational programs and serve as technical resources for county-delivered programs. Extension Agents are OSU faculty assigned to county field locations. Generally, counties provide office space and operating expenses, including support staff. Programs are delivered with the assistance of thousands of volunteers.

The Subcommittee approved a budget of \$43,460,635 General Fund, \$75,024,648 total funds, and 425.71 full-time equivalent positions, increased from the EBL by 5.2 percent, 2.9 percent, and 1.7 percent respectively. The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Reduced Package 201 to support operations of the Extension Service by \$166,667 General Fund and 1 position (0.75 FTE). One of the seven remaining new positions is designated as a Christmas Tree Specialist.
- Added Package 801 that includes a technical adjustment to shift \$481,041 General Fund from the Education and General Services program unit. The package shifts \$474,000 General Fund from Package 112 for faculty salaries and \$7,041 from Package 115 for utility costs.

Forest Research Laboratory

The Forest Research Laboratory (FRL) at Oregon State University conducts research on sustainable forest yields, use of forest products, and stewardship of Oregon's resources. This research is conducted in laboratories and forests administered by the University and cooperative agencies and industries throughout the state. Research results are made available to potential users through educational programs and publications that are directed to forest landowners and managers, manufacturers and users of forest products, leaders of government and industry, the scientific community, the conservation community, and the general public.

The Subcommittee approved a budget of \$6,625,125 General Fund, \$38,153,461 total funds, and 221.91 full-time equivalent positions. General Fund and FTE are increased from the EBL by 14.2 percent and 1.3 percent respectively, while total funds are reduced by 6.8 percent. The Subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 070 that reduces Other Funds and Other Funds Non-limited by \$9,002,300 due to the scheduled sunset of the Forest Products Harvest Tax and elimination of expenditure authority for which revenues will not be available.
- Reduced Package 201 to support operations of the Forest Research Laboratory by \$73,333 General Fund and 0.25 FTE.
- Approved Package 202 that restored Other Funds expenditure limitation reduced in Package 070 in anticipation of the extension of the Forest Products Harvest Tax in House Bill 2115. If action on HB 2115 results in a different level of revenue than anticipated, an adjustment will be proposed to the Forest Research Laboratory Other Funds limitation in the Emergency Fund bill.
- Added Package 801 that includes a technical adjustment to shift \$90,000 General Fund from Package 112 in the Education and General Services program unit. These funds will be used to increase faculty salaries.

Other Services (Nonlimited)

The Nonlimited expenditure authority included in this program unit consists of self-support activities such as residence halls, bookstores, parking, health centers, and food services; self-support instruction; and student aid and loan repayments. The program unit also includes: internal service activities such as campus printing services where funds are moved between campus departments in exchange for services; pass-through accounts for specific accounting purposes such as payroll activities; and authorized but vacant positions for which funding is not allocated to individual operating budgets. Most Nonlimited funds (including federal support for research) are shown in the appropriate program level (Education and General, the OSU statewide public service programs, or Debt Service), to provide a clearer picture of program costs and funding.

The Subcommittee approved a budget of \$906,916,420 Other Funds Nonlimited and 1,633.99 full-time equivalent positions. These amounts are unchanged from the EBL.

Debt Service

This program includes the cost of Debt Service on Capital Construction and information systems projects financed with bonds and Certificates of Participation. General Fund appropriations are made to pay the Debt Service on Article XI-G bonds, traditionally used to finance instructional and public service facilities and COPs, primarily used for information systems projects. Lottery Funds are allocated for Debt Service on lottery-backed revenue bonds. Revenues from self-supporting programs and student building fees are the sources of Debt Service for repayment of Article XI-F(1) bonds, which are traditionally a revenue source for construction of student unions, dorms, parking structures, and similar self-supporting programs.

The Subcommittee approved a budget of \$39,379,773 General Fund, \$13,298,809 Lottery Funds, and \$139,120,227 Other Funds Nonlimited. General Fund is equal to the EBL as adjusted in Package 801. Lottery Funds and Other Funds Nonlimited are increased from the adjusted EBL by 66.9 percent and 6.5 percent respectively. The Subcommittee took the following actions:

- Approved the base budget and essential packages, subject to the adjustments included in Package 801.

- Approved Package 310 that includes \$4,210,004 Other Funds Non-limited for debt service on Certificates of Participation to be sold for information technology and ETIC projects. The project expenditure authority is included in Package 309 in the Education and General Services program unit and Package 401 in the Capital Construction program unit. Certificates of Participation authorized in Package 401 are addressed in Senate Bill 5516.
- Reduced Package 401 that funds debt service on new capital construction projects funded with Lottery Bonds and Article XI-F (1) bonds. The Subcommittee reduced Lottery Funds by \$3,150,299 based on an anticipated \$50,000,000 in Lottery Bond sales during the biennium for capital renewal and code compliance and safety projects. Expenditure of the bond proceeds is included in SB 5516.
- Added Package 801 to reduce debt service on previously-sold Article XI-G bonds, State Energy Program (SELP) loans, and Lottery Bonds by \$6,607,373 General Fund and \$1,559,504 Lottery Funds. The reductions are intended to adjust expenditure levels to equal revised projections of debt service costs for already issued debt and previously approved SELP loans. Under this action, all loan repayment costs anticipated for SELP loans are financed by the General Fund appropriation. Beginning in the 2009-11 biennium, loan repayment costs will be shared by the General Fund and campus Other Funds as outlined in the budget report approved with Senate Bill 5514 (2005) that authorized the SELP loans.

Sports Action Lottery

This program unit includes one percent of Lottery Funds deposited into the Department of Administration Services Economic Development Fund transferred to the Sports Action account to finance intercollegiate athletics and graduate student scholarships. Prior to July 2007, the Department of Higher Education received revenues from the Sports Action lottery game, which was authorized by the 1989 Legislature. House Bill 3466 (2005) eliminated the game and established the one percent transfer.

Eighty-eight percent of the revenues deposited into the Sports Action Account, not to exceed \$8 million annually, are used to finance intercollegiate athletics. The remaining 12 percent are for graduate student scholarships that are not awarded on the basis of athletics. Of the athletic funds, 70 percent must be used for non-revenue producing sports, and at least 50 percent must be used for women's athletics. The Board of Higher Education determines allocation among the campuses.

The Subcommittee approved a budget of \$12,683,423 Lottery Funds, increased from the EBL by 114.2 percent. The Subcommittee approved the base budget and essential packages. The Subcommittee also reduced Package 090 by \$798,026 to reflect the May 2007 revenue forecast and make a technical adjustment resulting from the shift from the Sports Action games to the one percent distribution; the Department will receive only seven payments during the 2007-09 biennium as a result of the program change. Beginning 2009-11, the Department will receive the normal eight payments per biennium.

Summary of Adjustments to 2005-07 Legislatively Approved Budget

The Subcommittee disappropriated \$600,000 General Fund approved for the Information Data Transfer System in the 2005-07 biennium. Due to the timing of the project, these funds will not be spent on the project during the current biennium but are needed to complete the project. The Subcommittee increased Package 303 in the Education and General Services program unit to allow the Department to spend the funds in 2007-09.

Summary of Performance Measure Action

The Subcommittee approved performance measures as submitted by the Department, with appropriate target changes to incorporate the impact of policy packages funded in the approved budget. The Subcommittee also directed the Department to report on additional measures with its 2009-11 budget request. These recommendations are shown on the Legislatively Adopted 2007-09 Key Performance Measures form attached.