

**76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5509-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Huffman
Carrier – Senate: Sen. Nelson**

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

Vote: 21 – 0 – 4

House – Yeas: Beyer, Buckley, Cowan, Garrard, Komp, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc: Freeman, Kotek

Senate – Yeas: Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Winters
– Nays:
– Exc: Bates, Whitsett

Prepared By: Bill McGee, Department of Administrative Services

Reviewed By: Michelle Deister, Legislative Fiscal Office

Meeting Date: May 20, 2011

Agency
Employment Department

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Biennium
2011-13

Budget Summary*

	2009-11		2011-13		Committee Change from 2009-11 Leg Approved	
	Legislatively Approved Budget (1)	Current Service Level	Governor's Budget	2011-13 Committee Recommendation	\$ Change	% Change
General Fund	\$ 2,756,283	\$ 4,548,624	\$ 0	3,670,948	\$ 914,665	+33.2%
Other Funds	\$ 129,803,665	\$ 133,705,675	\$ 129,845,430	131,008,198	\$ 1,204,533	+0.9%
Other Funds Debt Service	\$ 378,700	\$ 368,888	\$ 368,888	368,888	\$ (9,812)	-2.6%
Other Funds Capital Improvement	\$ 125,600	\$ 318,000	\$ 314,986	314,986	\$ 189,386	+150.8%
Other Funds Nonlimited	\$ 3,087,207,680	\$ 1,768,948,096	\$ 1,768,948,096	2,077,281,096	\$ (1,009,926,584)	-32.7%
Federal Funds	\$ 323,607,099	\$ 264,420,137	\$ 140,492,112	274,249,072	\$ (49,358,027)	-15.3%
Federal Funds Nonlimited	\$ 2,794,092,327	\$ 376,000,000	\$ 376,000,000	1,003,167,000	\$ (1,790,925,327)	-64.1%
Total	\$ 6,337,971,354	\$ 2,548,309,420	\$ 2,415,969,512	3,490,060,188	\$ (2,847,911,166)	-44.9%

Position Summary

Authorized Positions	1,660	1,343	1,356	1,500	-160
Full-time Equivalent (FTE) Positions	1,609.15	1,318.78	1,335.28	1,436.90	-172.25

(1) Includes adjustments through March 2011.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

General Fund supports the Child Care Commission and Child Care Resource and Referral Network programs in the Child Care Division.

Unemployment taxes are collected by the state and held by the U.S. Treasury for the payment of benefits to eligible claimants. They are included in the agency budget as Other Funds Nonlimited.

The major sources of Other Funds supporting agency operations are the Supplemental Employment Department Administrative Fund generated from unemployment tax proceeds, periodic distributions of Federal Reed Act funds, Special Administrative Fund revenues from interest and tax compliance penalties, and Fraud Control Fund revenues from overpayment collection activities.

The agency also receives Other Fund revenues from contracts with other state agencies to provide employment placement and research services. The Child Care Division receives revenues from licensing fees and the child care tax credit program. The Office of Administrative Hearings is funded with charges to agencies for which it conducts hearings.

Federal Unemployment Tax Act revenues are generated through a tax on employers to support employment security program administration and are based on the number of claims, employer accounts, time spent on various workload activities, and staff cost. Wagner-Peyser Act funds are allocated based on the civilian labor force and unemployment history for employment related labor exchange services.

The federal Child Care and Development Block Grant funds payments to providers, licensing and regulation, system planning and coordination, research and evaluation, and administration.

Summary of Transportation and Economic Development Subcommittee Action

The Employment Department's mission is to support business and promote employment. To accomplish this mission, the agency administers the Unemployment Insurance (UI) benefits program, recruits and refers applicants to job openings, assists job seekers in their employment searches, and develops and distributes workforce and economic information. The Office of Administrative Hearings (OAH) adjudicates citizen and business disputes with state agencies. Coordination of the state's child care system is located in the department.

The subcommittee approved a budget of \$3,670,948 General Fund, \$3,490,060,188 total funds, and 1,436.90 full-time equivalent (FTE) positions. General Fund is increased by 33.2 percent from the 2009-11 Legislatively Approved Budget (LAB) through March 2011 due to restoration of one-time reductions in the 2009-11 LAB.

Total funds and FTE are reduced by 44.9 percent and 10.7 percent respectively due to an anticipated decrease in the unemployment compensation workload resulting from an improving economy, some claimants exhausting their eligibility for benefits, and the likely phase-out of federal extended and emergency benefit funding. The reduced funding includes adjustments to reflect updated UI caseload projections, passage of Senate Bill 637 that provides for federal extended unemployment benefits through December 2011, and an extension of federal Emergency Unemployment Compensation benefits through December 2011.

Funding for the Child Care Division is restored to the Employment Department's budget. Possible transfer to an Early Learning Council will be evaluated by the legislature based upon review of a completed proposal by the project's design team.

Packages approved by the Subcommittee reduce Personal Services funding, eliminate funding for inflation, and carry 2009-11 allotment reductions forward into the 2011-13 biennium. Additional approved packages allow the Department to provide job placement and research services on a contractual basis, provide funding for job training services under the federal Trade Act, enhance the department's ability to prevent and collect unemployment insurance benefit overpayments, increase efforts to get unemployment claimants back to work, improve information technology systems and security, and address workload issues for the OAH. In approving these packages, the Subcommittee made reductions in

expenditure limitations and positions requested in the Governor's budget and approved positions in several packages as limited duration rather than permanent.

The recommended budget for this agency includes a reduction of General Fund for a supplemental ending balance. The reduction is intended to be applied against spending levels in the second year of the biennium and to not affect program delivery in the first year. To reinforce that intent, the agency's budget bill includes specific language allowing the agency to expend up to 54 percent of its total biennial General Fund appropriation in the first year of the biennium.

The amount of the reduction for the supplemental ending balance may be restored during the February 2012 session to the agency for the second year of the biennium depending on economic conditions. Therefore, the Co-Chairs of the Joint Committee on Ways and Means expect the agency director to closely monitor the quarterly revenue forecast and other economic indicators to gauge adequacy of funding in the second year and manage the budget accordingly.

Unemployment Insurance

The Unemployment Insurance (UI) program provides temporary income maintenance for workers who are unemployed through no fault of their own and acts as a partial economic stabilizer for communities during periods of economic recession. The program determines eligibility and pays unemployment benefits, reviews appeals of eligibility, benefit, and tax decisions, and administers the state's unemployment tax program. The Employment Appeals Board is included in this program area.

The subcommittee approved a budget of \$132.5 million total funds and 666.64 FTE, reduced from the 2009-11 LAB by 22.3 percent and 16 percent respectively.

The subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 081 that increases Other Funds and Federal Funds by \$166,386 and establishes one-full time permanent position to support the Interagency Compliance Network intended to increase compliance with taxation, employment, and independent contractor statutes. At its May 2010 meeting, the Emergency Board authorized expenditure limitation and positions for several agencies to implement House Bill 2815 (2009).
- Approved Package 086 that eliminates inflation and approved Package 087 that reduces Personal Services by 5.5 percent.
- Modified Package 103 that increases Other Funds and Federal Funds by \$1,622,929 and establishes 12 positions (12.00 full-time equivalent) to comply with federal requirements regarding prevention and recovery of unemployment insurance overpayments. The Subcommittee approved the positions as limited duration, pending a review of workload in the 2012 legislative session.

- Approved Package 105 that increases Federal Funds by \$1,112,998 and establishes 9 limited duration positions (8.50 full-time equivalent) to continue activities funded by the federal Reemployment and Eligibility Assessment Grant from the U.S. Department of Labor.
- Approved Package 106 that increases Federal Funds by \$3,689,565 and establishes 8 full-time limited duration positions (8.00 full-time equivalent) to complete two information technology projects begun in the 2009-11 biennium. The projects will provide the department with a secure on-line portal for customer access and allow employers to manage their UI tax account electronically.
- Approved Package 107 that increases Federal Funds by \$353,339 and establishes 2 full-time permanent positions to improve information systems data security and integrity.
- Approved Package 810 that increases Federal Funds by \$7,759,606 and establishes 97 limited duration positions (59.90 full-time equivalent). The package includes adjustments for an updated projection of mandated caseload increases, adoption of Senate Bill 637 that provides for federal extended unemployment benefits through December 2011, and an extension of federal Emergency Unemployment Compensation benefits through December 2011.

Business and Employment Services

The Business and Employment Services Division serves businesses by recruiting and referring the best-qualified applicants to jobs, and provides resources to diverse job seekers in support of their employment needs. The division has a statewide network of field offices and one-stop centers to provide a job listing/referral service for Oregon employers and a job referral/ placement service for Oregon job seekers.

The subcommittee approved a budget of \$102 million total funds and 510.96 FTE, reduced from the 2009-11 LAB by 7.6 percent and 3.7 percent respectively.

The subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 086 that eliminates inflation and approved Package 087 that reduces Personal Services by 5.5 percent.
- Modified Package 102 that increases Federal Funds by \$1,875,252 and establishes 14 full-time limited duration positions to provide job training services under the federal Trade Act. The Subcommittee approved continuation of 2009-11 staffing levels to serve clients currently eligible for training. An anticipated expansion of the Trade Act program, which would have required increased expenditure limitation and positions, has not been approved by Congress.
- Modified Package 108 that increases Other Funds by \$2,714,504 and establishes 21 full-time limited duration positions (21.00 full-time equivalent) to provide job placement services on a contractual basis. The Subcommittee reduced the number of positions approved based on utilization of contracted services in the 2009-11 biennium.

- Approved Package 802 that reduces \$305,024 Other Funds and \$1,167,659 Federal Funds and eliminates 13 long-term vacancies (12.58 full-time equivalent). The package eliminates 11 Business and Employment Specialist 1 positions, one Business and Employment Specialist 2, and one Principal Executive/Manager B.

Child Care Division

The Child Care Division is responsible for creating a comprehensive statewide system of safe, accessible, affordable, quality child care. The division conducts on-site inspections of child care centers, certified family homes, and registered providers, conducts background checks on child care providers, and investigates complaints against providers it regulates. The division also collaborates with childcare system partners to submit Oregon's federal child care plan, collects and disseminates child care data, staffs the Oregon Commission for Child Care, and conducts education and outreach for parents and employers. Most Federal Funds received by the Child Care Division are transferred to the Department of Human Services for payments to providers.

Funding for the Child Care Division that was recommended by the Governor for transfer to an Early Learning Council has been restored to the Employment Department. The restoration does not include an allocation of federal Child Care and Development Fund funds to the Commission on Children and Families; as in the Governor's budget these funds are directed to the Department of Human Resources to support the Employment Related Daycare program.

The subcommittee approved a budget of \$3.7 million General Fund, \$134.7 million total funds and 73.00 FTE. General Fund is increased from the 2009-11 LAB by 33 percent while total funds and FTE are increased by 2.9 percent and 1.4 percent respectively.

The subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 085 that reduced General Fund by \$228,182, continuing 2009-11 allotment cuts into the 2011-13 biennium.
- Approved Package 086 that eliminates inflation and approved Package 087 that reduces Personal Services by 5.5 percent.
- Approved Package 801 that reduces General Fund by \$280,894, as part of a statewide 6.5 percent cut in General Fund Services and Supplies funding.
- Approved Package 810 that increases the Employment Department's special payment to the Department of Human Services by \$5 million Federal Funds to expend 2009-11 caseload savings in the Employment Related Daycare (EDRC) program in 2011-13.
- Approved Package 819 that reduces General Fund \$141,419 to create a supplemental statewide ending balance hold back adjustment for possible restoration in the 2012 legislative session.

Office of Administrative Hearings

The Office of Administrative Hearings (OAH) is an independent and impartial forum for citizens and businesses to adjudicate their disputes with state agencies. The subcommittee approved a budget of \$25.1 million Other Funds and 117.80 FTE, reduced from the 2009-11 LAB by 13.5 percent and 17.9 percent respectively.

The subcommittee took the following actions:

- Approved the base budget and essential packages.
- Approved Package 086 that eliminates inflation and approved Package 087 that reduces Personal Services by 5.5 percent.
- Modified Package 109 that increases Other Funds by \$971,824 and establishes 6.00 FTE related to additional hearings anticipated from the Department of Human Services, and eliminates \$1,247,561 Other Funds and 5.5 FTE to reflect reduced utilization of OAH services by the Construction Contractors Board. The net effect is an increase of one position (0.50 full-time equivalent), and a decrease of \$275,737 in Other Funds expenditure limitation.
- Approved Package 810 that increases Other Funds by \$302,349 and establishes three limited duration positions (1.80 full-time equivalent) due to adoption of Senate Bill 637 that provides for federal extended unemployment benefits through December 2011 and an extension of federal Emergency Unemployment Compensation benefits through December 2011.

Workforce and Economic Research

The Workforce and Economic Research Division has primary responsibility for providing quality workforce and economic information for the state, its workforce regions, and counties. The division is Oregon's designated Employment Statistics Agency (under the federal Workforce Investment Act of 1998) and Oregon's designated agency for the coordination of occupational and career information.

The subcommittee approved a budget of \$15.3 million Other Funds and 68.50 FTE, reduced from the 2009-11 LAB by 3.4 percent and 1.4 percent respectively.

The subcommittee took the following action:

- Approved the base budget and essential packages.
- Approved Package 086 that eliminates inflation and approved Package 087 that reduces Personal Services by 5.5 percent.
- Approved Package 101 that increased Other Funds by \$567,746 and establishes three full-time limited duration positions (3.00 full-time equivalent) for special analysis projects requested by customers.

- Approved Package 802 that reduces Federal Funds by \$220,000 and eliminates one Research Analyst 2 position (1.00 full-time equivalent) due to the federal Bureau of Labor Statistics' assumption of responsibility for monthly Current Economic Statistics.
- Approved Package 810 that increases Federal Funds by \$480,000 to accommodate an extension of a federal Green Jobs grant into the 2011-13 biennium.

Nonlimited

Nonlimited funds include Unemployment tax collections, trust fund interest earnings, and federal revenues that are used to pay unemployment insurance benefits to qualified applicants who are out of work and actively seeking work. Nonlimited funds also include federal revenues used to fund various federal training programs such as the North American Free Trade Act and the Trade Assistance Program.

The subcommittee approved a budget of \$3.1 billion total funds, reduced by 47.6 percent from the 2009-11 LAB. No positions are included in this program unit.

The subcommittee took the following actions:

- Approved the base budget.
- Approved Package 810 that increases Other Funds Non-limited by \$308,333,000 and Federal Funds Non-limited by \$627,167,000. The package includes adjustment for increased unemployment compensation payments due to updated projections for mandated caseload increases, adoption of Senate Bill 637 that provides for federal extended unemployment benefits through December 2011, and an extension of federal Emergency Unemployment Compensation benefits through December 2011.

Summary of Performance Measure Action

The Subcommittee approved the proposed Key Performance Measures. See attached Legislatively Adopted 2011-13 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5509-A

Corrected Copy

**Employment Department
Bill McGee 503-378-2078**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$2,756,283	\$0	\$130,307,965	\$3,087,207,680	\$323,607,099	\$2,794,092,327	\$6,337,971,354	1,660	1,609.15
2011-13 ORBITS printed Current Service Level (CSL)*	\$4,548,624	\$0	\$134,392,563	\$1,768,948,096	\$264,420,137	\$376,000,000	\$2,548,309,420	1,343	1,318.78
2011-13 Governor's Recommended Budget *	\$0	\$0	\$130,529,304	\$1,768,948,096	\$140,492,112	\$376,000,000	\$2,415,969,512	1,356	1,335.28
<u>SUBCOMMITTEE ADJUSTMENTS (from GRB)</u>									
<u>SCR 010-10 Unemployment Insurance</u>									
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	0	0	6,609,526	0	6,609,526	97	59.90
Services and Supplies	0	0	0	0	1,150,080	0	1,150,080	0	0.00
<u>SCR 010-20 Business and Employment Services</u>									
Package 102: Trade Act Expansion									
Personal Services	0	0	0	0	(1,100,623)	0	(1,100,623)	(10)	(10.00)
Services and Supplies	0	0	0	0	(138,240)	0	(138,240)	0	0.00
Package 108: B&ES Contracted Services									
Personal Services	0	0	(440,252)	0	0	0	(440,252)	(4)	(4.00)
Services and Supplies	0	0	(76,800)	0	0	0	(76,800)	0	0.00
Package 802: Vacant Position Savings									
Personal Services	0	0	(305,024)	0	(1,167,659)	0	(1,472,683)	(13)	(12.58)
<u>SCR 010-30 Child Care Division</u>									
Package 085: Allotment reduction rollups									
Personal Services	(228,182)	0	0	0	0	0	(228,182)	0	0.00
Package 090: Analyst Adjustments									
Personal Services	(204,470)	0	(59,399)	0	(418,764)	0	(682,633)	0	0.00
Services and Supplies	(18,654)	0	(17,757)	0	(68,234)	0	(104,645)	0	0.00
Capital Outlay	(354)	0	(90)	0	(110)	0	(554)	0	0.00
Special Payments									
Dist to Other Govt Units	0	0	0	0	(2,421,798)	0	(2,421,798)	0	0.00
Dist to Non-Govt Units	(3,703)	0	(22,834)	0	(257,499)	0	(284,036)	0	0.00
Dist to Individuals	0	0	0	0	(6,106)	0	(6,106)	0	0.00
Dist to Local School Districts	0	0	0	0	(40,372)	0	(40,372)	0	0.00
Dist to Comm College Districts	0	0	(12,871)	0	(1,485)	0	(14,356)	0	0.00
Special Payments to DHS	0	0	0	0	0	0	0	0	0.00
Special Payments to OHA	0	0	0	0	0	0	0	0	0.00
Special Payments to OUS	0	0	0	0	0	0	0	0	0.00
Special Payments to Education	0	0	0	0	0	0	0	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 501: Early Childhood									
Personal Services	3,717,643	0	1,073,044	0	7,597,152	0	12,387,839	77	73.00
Services and Supplies	657,895	0	442,707	0	2,393,312	0	3,493,914	0	0.00
Capital Outlay	15,085	0	3,846	0	4,679	0	23,610	0	0.00
Special Payments									
Dist to Other Govt Units	0	0	0	0	2,808,350	0	2,808,350	0	0.00
Dist to Non-Govt Units	158,001	0	974,246	0	11,286,614	0	12,418,861	0	0.00
Dist to Individuals	0	0	0	0	260,524	0	260,524	0	0.00
Dist to Local School Districts	0	0	0	0	1,722,558	0	1,722,558	0	0.00
Dist to Comm College Districts	0	0	549,164	0	63,345	0	612,509	0	0.00
Special Payments to DHS	0	0	0	0	98,972,977	0	98,972,977	0	0.00
Special Payments to OHA	0	0	0	0	0	0	0	0	0.00
Special Payments to OUS	0	0	0	0	1,248,733	0	1,248,733	0	0.00
Special Payments to Education	0	0	0	0	0	0	0	0	0.00
Package 801: Targeted Statewide Adjustments									
Services and Supplies	(280,894)	0	0	0	0	0	(280,894)	0	0.00
Package 810: LFO Analyst Adjustments									
Special Payments									
6100 Special Payments to DHS	0	0	0	0	5,000,000	0	5,000,000	0	0.00
Package 819: Supplemental Statewide Ending Balance									
Personal Services	(115,584)	0	0	0	0	0	(115,584)	0	0.00
Services and Supplies	(20,454)	0	0	0	0	0	(20,454)	0	0.00
Capital Outlay	(469)	0	0	0	0	0	(469)	0	0.00
Special Payments	(4,912)	0	0	0	0	0	(4,912)	0	0.00
SCR 010-40 Office of Administrative Hearings									
Package 109: OAH workload increases									
Personal Services	0	0	(1,155,161)	0	0	0	(1,155,161)	(5)	(5.50)
Services and Supplies	0	0	(92,400)	0	0	0	(92,400)	0	0.00
Package 810: LFO Analyst Adjustments									
Personal Services	0	0	275,349	0	0	0	275,349	3	1.80
Services and Supplies	0	0	27,000	0	0	0	27,000	0	0.00
							0		
SCR 010-50 Workforce and Economic Research									
Package 802: Vacant Position savings									
Personal Services	0	0	0	0	(124,964)	0	(124,964)	(1)	(1.00)
Services and Supplies	0	0	0	0	(95,036)	0	(95,036)	0	0.00
Package 810 LFO Analyst Adjustments									
Personal Services	0	0	0	0	140,000	0	140,000	0	0.00
Services and Supplies	0	0	0	0	150,000	0	150,000	0	0.00
Special Payments	0	0	0	0	190,000	0	190,000	0	0.00
SCR 087-00 Non-limited									
Package 810 LFO Analyst Adjustments									

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Special Payments									
Dist to Individuals	0	0	0	308,333,000	0	627,167,000	935,500,000	0	0.00
TOTAL ADJUSTMENTS	<u>\$3,670,948</u>	<u>\$0</u>	<u>\$1,162,768</u>	<u>\$308,333,000</u>	<u>\$133,756,960</u>	<u>\$627,167,000</u>	<u>\$1,074,090,676</u>	<u>144</u>	<u>101.62</u>
SUBCOMMITTEE RECOMMENDATION *	<u>\$3,670,948</u>	<u>\$0</u>	<u>\$131,692,072</u>	<u>\$2,077,281,096</u>	<u>\$274,249,072</u>	<u>\$1,003,167,000</u>	<u>\$3,490,060,188</u>	<u>1,500</u>	<u>1,436.90</u>
% Change from 2009-11 Leg Approved Budget	33.18%	0.00%	1.06%	-32.71%	-15.25%	-64.10%	-44.93%	-9.64%	-10.70%
% Change from 2011-13 Current Service Level	-19.30%	0.00%	-2.01%	17.43%	3.72%	166.80%	36.96%	11.69%	8.96%
% Change from 2011-13 Governor's Recommended Budget	100.00%	0.00%	0.89%	17.43%	95.21%	166.80%	44.46%	10.62%	7.61%

* Excludes Capital Construction Expenditures

Legislatively Proposed 2011-2013 Key Performance Measures

Agency: EMPLOYMENT DEPARTMENT

Mission: The mission of the Oregon Employment Department is to Support Business and Promote Employment.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
1 - ENTERED EMPLOYMENT - % of job seekers who got a job with a new employer after registering with the Employment Department.		Approved KPM	52.00	57.00	57.00
2 - EMPLOYMENT RETENTION - % of Job Seekers who were in employment two quarters after registering with the Employment Department.		Approved KPM	79.00	80.00	80.00
3 - COST PER PLACEMENT– total cost of B&ES programs divided by the total number of job seekers entered into employment after receiving services.		Approved KPM	317.00	200.00	200.00
4 - FIRST PAYMENT TIMELINESS – % of initial unemployment insurance payments made within 21 days of eligibility.		Approved KPM	90.90	95.00	95.00
5 - NON-MONETARY DETERMINATIONS TIMELINESS – % of claims that are adjudicated within 21 days of issue detection		Approved KPM	73.50	80.00	80.00
6 - COST PER CLAIM – total cost of UI programs divided by the total number of initial claims for UI benefits filed.		Approved KPM	141.00	160.00	160.00
7 - UNEMPLOYMENT INSURANCE APPEALS TIMELINESS – % of cases requesting a hearing that are heard or are otherwise resolved within 30 days of the date of request.		Approved KPM	22.00	60.00	60.00
8 - NON-UNEMPLOYMENT INSURANCE APPEALS TIMELINESS - Percentage of orders issued within the standards established by the user agencies.		Approved KPM	92.60	93.00	93.00
9 - AVERAGE DAYS TO ISSUE AN ORDER - Average number of days to issue an order following the close of record.		Approved KPM	4.58	6.60	6.60
10 - COST PER REFERRAL TO OAH – total cost of OAH programs divided by the total number of referrals.		Approved KPM	296.00	404.00	404.00

Agency: EMPLOYMENT DEPARTMENT

Mission: The mission of the Oregon Employment Department is to Support Business and Promote Employment.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
11 - HIGHER AUTHORITY APPEALS TIMELINESS – % of cases requesting an appeal that receive a decision within 45 days of the date of request.		Approved KPM	93.30	75.00	75.00
12 - TIMELINESS OF NEW STATUS DETERMINATIONS - % of new status determinations completed within 90 days of the end of the liable quarter.		Approved KPM	75.90	80.00	80.00
13 - CHILD CARE HEALTH & SAFETY REVIEWS – % of family child care facilities required to have health & safety onsite reviews that were reviewed by Child Care Division.		Approved KPM	100.00	100.00	100.00
14 - 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	95.70	95.50	95.50
14 - 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	94.80	95.50	95.50
14 - 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	97.30	95.50	95.50
14 - 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	97.40	95.50	95.50
14 - 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	97.00	95.50	95.50
14 - 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	96.40	95.50	95.50

LFO Recommendation:

The Employment Department's existing key performance measures and targets are appropriate to the mission and activities of the agency. The Legislative Fiscal Office recommends the approval of Key Performance Measures and corresponding targets as proposed in the 2011-13 biennium.

Sub-Committee Action: